

Chapter 4

Perception on Governance, Institutions, and Policy

James Mill, Chief Executive of the East India Company in 1830, made one of the early comments on the relationship between poverty and governance in India. He said, “Poverty was the effect of bad laws and bad governance—never the characteristic of people well governed.”

Institutions play a critical role in the lives of the poor by either responding to or representing their needs, concerns, and voices. These limit or enhance poor people’s rights to freedom, choice, and action (Sen 1984, 1999). The poor and very poor people have dealings with several institutions but they find that delivery systems are often not inclusive.

Formal, private, and community based institutions impact on the lives of the poor. Attempts were made by the study teams to understand issues relating to performance of various institutions on a wide range of criteria. This Chapter seeks to bring together people’s perceptions relating to governance, key institutions, and policy.

Institutions and Service Delivery for the Poor

Formal:

Local self-governments (Panchayats)

“The village development plans are discussed in Gram Sabha and these are not known to the villagers.”

“Capacity of elected representatives is too limited to fulfill the rising expectations of the people.”

“There is lack of funds in the panchayat; hence, workdays are not generated.”

Report Card on Panchayats Prepared during PPAs

A special study on *Grama* Panchayats (local administration at the village level) was carried out in the 14 districts of Kerala as a special case study under the PPA. Two grama panchayats were selected randomly from each district. Within each grama panchayat, 8 to 10 respondents were selected randomly from each ward, using the random walk method. Respondents were asked to evaluate their grama panchayats based on performance on 18 issues before and after 1996—the year the decentralized planning program was introduced.

While the average score for “before 1996” was 34.21% in terms of overall rating, the average score for “after 1996” was 51.50%. This shows an improvement of 17.29 percentage points. The constituents of the grama panchayat were much more satisfied with the decentralized planning dispensation than the old State controlled dispensation. The contribution of the grama panchayat toward overall development (a general approval rating) showed an improvement of 23.16 percentage points. Openness and transparency showed an improvement of only 20.30 percentage points.

While the capacity to monitor projects is perceived to have improved, the improvement in the capacity to formulate and fund projects is not impressive.

The poorest improvement was in corruption-free governance, at 10.20 percentage points. Operation and maintenance of public assets was also a weak area, with an improvement of only 11.90 percentage points.

“Panchayat members discriminate against those who are not close to them. Only their party members get benefits from them. The case is the same with the block office.”

“All schemes, strategies, and activities should be made transparent to the villagers. For this, the Government should pressure panchayats. The Government should also train panchayats in this regard.”

“The strategy for the preparation of BPL lists should be modified.”

Poor leadership in panchayats came out as a concern in many locations of PPAs as people shared that the leaders *“do not know much about development, cannot talk properly with anyone, and work as puppets of the powerful and the influential.”* Community members also talked about a nexus between panchayat leaders and the political-administrative authorities that makes it difficult for people to raise their voices against the former.

From the viewpoint of panchayats, they face several problems. Ward panchayats, for instance, have the responsibility of implementing schemes for the needy, which in many cases translates to walking or traveling far to reach the district headquarters. They get a small honorarium per month, which they felt is too inadequate for the work undertaken including travel to the district office on work, stay in hotels, and cost of meals outside.

Lack of information hampers people’s participation with the resultant lack of transparency in aided schemes. This provides panchayats opportunities to identify only those “beneficiaries” who are closer to them or the party and not to the needy.

Throughout the rural sites, several instances of local level politics directly and indirectly affecting the well-being of either individuals or villages as a whole can be cited ranging from provision (non-provision) of individual benefits to positioning of social infrastructure.

In the course of PPAs, many strong and active forums of traditional bodies were discovered, which have been effectively functioning for centuries, without any role or powers whatsoever in the affairs of the

“We ward members have been asked to select what we want to do and do it. But how can one do something when the money has been allocated for an altogether different thing?”

“As a panchayat member, I am responsible for my ward as each one knows me personally. I take all the precautions and see that the eligible beneficiaries are selected and recommended for the schemes.”

formal panchayat. These traditional bodies include caste panchayats which play an important role in community affairs.

The caste panchayats were popular among communities due to high frequency of meetings, high participation (including women), implementation of decisions, voluntary contribution of labor, and immense authority in the community.

Overall, the perception about panchayats is that they are highly significant local level institution that people relate with well. However, per the poor it requires tremendous systemic improvements, systems for public monitoring of interventions, and greater transparency in identification of beneficiaries of development schemes.

One of the key expectations of people from the village panchayats was also to see a far greater degree of promptness in their actions and responses. In states other than West Bengal and Kerala, areas for improvements included mechanisms for real empowerment of elected functionaries (and divestment of powers of controlling authorities). Many of the shortcomings observed in these areas were attributed to high dependence on authorities based in *Janpad* panchayats and *Zilla* panchayats. People recalled several instances where there were avoidable delays due to tardy processing of applications at the block and district levels of panchayats.

Urban local self-governance

The services provided by the municipality and municipal corporations have been limited and the expectations of the communities have not always been met. Even bare minimum requirements like safe drinking water, streetlights, roads, and drains are wanting. Across the locations, municipalities were trusted and looked upon as institutions that could make a difference in the lives of the poor provided they became more proactive and service-oriented.

Who finally gets selected is not under my purview.”

“Decentralization has only been notional. Many have not been trained and do not know what to do. As district officials, we feel sad for them as every decision is taken at the Secretariat and even we have no say in it.”

“What do you expect me to do with Rs300 per month? I am also among the poorest of the poor for I spend most part of the money traveling to the district headquarters to meet the MLA, the minister, and the officials.”

In some urban locations, however, the urban local body is viewed as an evil that disturbs the life and livelihoods of the poor with threats of eviction and playing to the tune of powerful builders and politicians.

Determinants of Panchayat Performance – Feedback from the Poor

The observations of community members in some rural locations highlight some of the reasons for variations in the performance of panchayats across states.

The participants in some locations stated that the performance of the panchayat depended upon individual initiatives of the panchayat functionaries. In proactive panchayats, the driving force has been the persistent initiatives of key panchayat functionaries.

People in some villages felt that panchayats were not able to perform optimally either due to the lack of awareness about the functions or due to control by dominant sections of the society.

In some locations, participants felt that the panchayats had failed to perform well due to the complete absence of transparency in planning and execution of works.

Low awareness about powers and duties among panchayat representatives greatly hampers panchayat performance and credibility.

Social distance between different communities can also be held as a factor responsible for the suboptimal performance of the panchayat and lack of participation of all communities.

In traditional communities, it was observed that traditional institutions and caste-based panchayats held more power than the constitutional body of the panchayat.

Activities of the Oraon Samiti in a Village Studied

Activities	<ol style="list-style-type: none"> 1. Collecting funds at Re1/- per week and one glass of rice from all member households. 2. Helping poor households meet educational expenses of the children and helping them find employment. 3. Holding meetings to discuss social problems. 4. Maintaining register of attendance, income, and expenses and keeping record of proceedings of the meetings.
Impact	<ol style="list-style-type: none"> 1. Prohibition on consumption of liquor in the Oraon society; 2. Prohibition on dowry; 3. Prohibition on consumption of nonvegetarian meals and wine during marriages; and 4. Women are allowed to participate and make decisions in the meetings. All decisions are implemented.
Problems	No legal status; therefore, no cooperation from the administration.

Credit institutions

Credit options available to the poor range from banks, cooperatives, SHGs to moneylenders.

Public sector banks were rated very low in terms of accessibility because the communities felt that the banks are not poor friendly and have inflexible and complicated procedures. The requirements of collateral and guarantor security for accessing bank loans were considered hindrances. The services of banks were found to be rarely accessed by the poorest sections and this was attributed to lengthy processes involved, fear to approach concerned authorities due to illiteracy, lack of access to information, and lack of assets considered credit-worthy. Again, in the instance of requiring agricultural credit, the poor needed to produce a “no objection certificate” from the other banks servicing the area. This imposes high pressure on time during the agricultural season. In many locations, the poor were hesitant to go to the banks and speak with the educated officials.

SHGs operate in some locations but the available credit is limited. Across all locations the moneylender was found to be the best option, despite the high rate of interest, mainly due to being accessible during emergencies at short notice. However, many of the poor aspired for easier access to bank credit to improve their living standard.

In most of the urban locations, while the poor repose faith in the banks to deposit their savings, they do not hesitate to criticize the banks for not helping them financially (in the form of loans) and for asking numerous formalities and kickbacks. The poor wondered if they did have the capacity to pay a bribe, then they might as well use the same money as capital and start on their own.

“Banks provide loans only to those who have money and witnesses.”

“Banks do not grant loans to the villagers.”

“Banks are accessed by the rich sections of the community.”

Public Distribution System

Among other prominent institutions that were rated to be highly important in the lives of the poor were public distribution system (PDS), primary health centers (PHCs), *Anganwadis* (*child care centers*), and primary schools.

For the poorest of the poor, PDS is highly important. Some concerns voiced by the poor on this included:

- i. Limited days of opening of PDS outlet (except in sites where the panchayat or local SHGs have been entrusted with the responsibility of managing PDS);
- ii. Irregularities along the supply chain;
- iii. Compulsion to lift the allotted quotas in one lot, debarring many poor households from availing of the subsidies meant for them;
- iv. Negligible coverage of homeless beneficiaries (e.g., pavement dwellers and those living in unrecognized urban slums); and
- v. Distance traversed in remote sites to reach the nearest PDS outlet. Communities in as many as 12% of all PPA sites recounted this as a problem.

“The ration shop sells bad quality rice.”

“If beneficiaries of the ration shop do not buy their goods on time, it is to be expected that the ration shopkeeper will maximize his income by selling the goods illegally in the black market.”

Entrusting gram panchayats and local SHGs with the responsibility of managing PDS is seen as a positive step by communities in many places, primarily because of improvement in availability of stocks. According to the communities in some PPA sites, it

should be made mandatory to assign PDS dealerships only to local people for greater accountability.

People in several locations have commented negatively on the process, time, and money involved in applying for a ration card. Anomalies in the selection of BPL households were common as relatively well-off families were enjoying the benefits meant for the poor.

Education

Education is a critical part of the development agenda. It is well worth examining the views of the poor on the institution and options available and availed of by them.

Many states now have provision for pre-school education also in addition to primary and elementary schooling. The pre-school also serves as a conduit for distribution of nutritious food. Children get rice, dal, and *Khichri* to eat.



Children attending school (Source: PPA Field Study)

The poor and the very poor are aware of a variety of schools—from state-run schools to expensive public schools. In a few villages, there are *Madrasas* where Muslim children get education. In state-run schools, free books and lunch are distributed in many locations. Despite this, the poor weigh the cost of education against forgone child earnings and labor.

The issue of “cost of education” is an important issue in the minds of poor people, in terms of their perception of the benefits that they think they can get from the education, and the opportunity cost of starting work with their parents in traditional occupations. This factor also weighs heavily against girls who have to look after younger siblings and tend to housework. One important reason for the poor not sending their children to school is that they do not find education useful. Though there is a feeling that “education may help in earning money, they do not see any evidence around them. In fact, their children can, for instance, polish diamond, work on farms, migrate to work, and earn money without education. They can also work in small factories without any literacy and earn wages. The poor therefore prefer to keep children home for animal grazing, hired wage work, or for taking care of young siblings.

In a number of communities, poor people talked of the cost of education, not necessarily in terms of fees (in many cases education is free), but in terms of clothes or uniforms and travails of travel.

There is a shortage of infrastructure that acts as a barrier to pursuing sustained education. While primary schools are accessible for most villages, the secondary school facilities are more spread out and technical schools and polytechnics scarcer still. There is shortage of teachers in most of the schools. In many cases, teachers “manage children” rather than teach them. They expect parents to teach, which is not possible in the case of the poor children whose parents are not literates. Children of poor families therefore usually perform badly. They are consequently, treated badly by teachers, with the result that they drop out gradually. In some cases children from certain social groups are asked to sit away or are asked to do manual work, which again encourages them to drop out.

The availability of drinking water facilities and toilets was not found in all the schools. A separate toilet for girls was available in less than a quarter of the schools. For those girls who have dropped out of school and want to continue studies after some gap, there is no facility to mainstream them. The system lacks flexible options.

The reasons that emerged from the participatory assessments for the poorest not attending school included:

- Education not useful for income earning;
- Expensive facilitative measures like travel, etc.;
- Migration;
- Children an economic asset (child labor);
- Discrimination;

- Taking care of siblings; and
- School far away.

Health Care

Health institutions consist of state-supported public health care centers, such as primary health subcenter, primary health center (PHC), and community health center and also private doctors and nursing homes, local health providers (like *Baiga, Ojha, Koviraj*), Quacks, and traditional birth attendants.

The outreach of the public health delivery system does not always encompass poor and very poor patients. Medicines required are not available, doctors' in-charge do not come to the center regularly. Sometimes doctors visit for brief periods, at timings that do not suit the patients. Most states have a network of medical colleges, district hospitals, taluk hospitals, and PHCs, catering to public health. However, with given personal policies and shortages in availability of drugs at centers, the poor have to pay speed money for services. Some of the views of the poor are given below.

“There is a crisis in health care. The health care center is 4 km away. Patients with serious illness, die on the way.”

“There is a hospital in the village with one male and one female doctor. There is no medicine in the hospital.”

“The health care centers provide only white and yellow medicines (e.g., Paracetamol). Hence, the villagers go to private doctors paying Rs40.”

“If you take a pregnant woman to a hospital, you have to bribe even the pillars of the hospital.”

“We depend on public hospitals but doctors are invariably not to be found there.”

Due to travails in accessing health care facilities, the poor people avoid seeking health care in the initial stages. They tolerate the pain and discomfort of ill health accentuated by scarcity of money. During emergencies, they seek medical help only if they are able to manage money.

Community members, across many locations regarded “affordable and quality health facilities in the proximity,” as one of the most valued basic services, which enhances their physical well-being. While the relatively

well off households were able to access various private health providers, the poorest, owing to their poor paying capacity, and absence of health insurance, had the limited choice of state health providers, traditional healers and untrained medical practitioners. Nurses who visit the villages are also an option. Those who could afford preferred to go to private doctors and hospitals located in nearby urban centers or large villages.

There have been deaths of the patients due to the distances – either for lack of availability of doctors at the first instance or distances to the health care centers. The net result is that medical help is not available in emergencies. People have to carry sick persons in a tractor or put them on mats and carry them to nearby hospitals, which are 5, 7, or 10 km away! The poor even in mainland states complained that their family members sometimes die as no medical help is available during emergencies.

Wheels of Bureaucracy

He is 15 years old and the son of a landless laborer in Saigona Village. He suffered an attack of polio at a very young age, which affected both of his legs. In due course, he also developed mental retardation. He cannot speak out his feelings. A small room has been set aside for him, where he spends his days squatting on the floor, and occasionally crawling out whenever needed. His father had applied for a wheelchair from the local administration but to no avail. His own earnings are too meager to provide one. The village has a high number of polio cases. Health care services are a distant dream. The nearest PHC is located 7 km away.

In some hilly tracts and in remote places, people do not prefer to go to PHCs located in far places due to high transportation cost. Before reaching the road, they have to trek for a couple of hours on slippery makeshift footpaths, which are very steep and rocky. Private taxis cost anywhere up to Rs1,000/- for a “to-and-fro” trip depending upon distance. Villagers are required to buy medicines from the chemist and if they have to get an X-ray done, they again have to go to district headquarters that are 20–25 km away.

The Economic Cost of Health Care

Ali is 25 years old and a resident of a slum in Tinsukhia. His family consists of an aged father and three young brothers. Ali has earlier worked as a rickshaw puller and daily wage laborer, depending upon availability of work. Three years ago, he was diagnosed with tuberculosis. Since then he has been on medication—infrequent though—as there is no financial assistance from anyone. He has become very weak and can hardly walk. His ailment has severely affected his livelihood prospects and he is completely dependent upon his aged father who has taken to begging on the streets of the town. Sometimes, the neighbors help them with cash and give them rice and pulses. The surplus from this (i.e., what remains after consumption) is sold to cater to other necessities such as medicines and accommodation. They live in a rented one-room shack which costs Rs300/- per month. The owner of the house shows no leniency or flexibility over the issue of rent, which has to be deposited on the very first day of the month. The father's daily income is Rs50/- which is insufficient to support a family of five, and to meet Ali's medical expenses.

Pregnant women find it difficult to access institutional health care. This is especially true of women living in scattered hamlets. Due to the need to walk long distances over treacherous roads, they prefer to deliver their baby at home.

As per the participatory assessments, many health problems of the poor arise from the following:

- Lack of potable drinking water;
- Lack of enough water to clean and wash (many cannot take bath regularly);
- Dirt, garbage, and lack of proper sanitation – the problem worsens in the monsoon season;
- Migration where a healthy environment is not available; and
- Malnutrition and poverty.
- Occupational health hazards.

Women have specific problems due to their high dual-work burden, poor nutrition, inadequate water supply, and lack of sanitation facilities. Many women complained of women-related diseases.

The common diseases of the poor were observed to be malaria, typhoid, tuberculosis, flu, diarrhea, bronchitis, asthma, and cough. Seasonality analysis reveals the cycle of these diseases year-round. In

tribal villages, sickle cell anemia was found to be quite common as were diseases springing out of malnutrition like goiter, blindness, and stunted growth. Disabilities were observed in many cases, as were pollution and occupation-related diseases. These diseases were a huge financial drain on the poor, frequently resulting in large debts.

Nonavailability of timely medical help, particularly in monsoon, when work is available, harms the poor in many ways. On the one hand, they cannot go to work and therefore lose wages. On the other hand, they have to spend money, many times on private doctors, to get well. The situation is similar in urban areas.

Reducing Maternal Mortality – Sisters in Need

Traditional birth attendants (TBAs) (*Dai*) play an important role in the village during child delivery. Due to high expenditure-related to institutionalized deliveries, many of the poor do not avail of hospital services. Hence, majority deliveries are conducted at home by the dai. In Bengal, observations by the villagers showed that TBAs were readily accessible and provided supportive health services to mothers and children during minor health problems. Similarly, in Madhya Pradesh and Chhatisgarh, the midwives operating under the *Mitanin* scheme were praised in many sites for their easy accessibility.

Anganwadi

Anganwadi centers are for pre-school and young children aged up to 6 yrs. The Anganwadis were immensely popular among the poor. In fact, a major grievance of many women is that there is an upper limit in anganwadis for children. At one time it cannot accommodate or look after more than 40–45 children. In the absence of an alternative, children who cannot be accommodated spend the day playing on the street, with all the inherent risks and lack of the additional nutrition.. The institutional analyses done during PPAs clearly indicate that the urban poor rate the anganwadi as the third most important institution after PHCs and schools.

Law Keepers - the Police, Army, and Judiciary

Police

The poor are forced to interact with the police, and this interaction is full of dread.

Their woes against the police are numerous.

The police have been rated poorly by different groups of the poor, particularly those based in urban areas. The key concerns expressed against the police include their insensitive conduct and the high level of graft among the levels that the poor get to interface. Some specific communities of the poor (e.g. the rag pickers and sex workers) rated the police as being particularly harsh and negative in dealing with them. Often, people apprehended by the police on even unfounded charges had to pay bribes to be released and the cost of lodging or pursuing a police case was stated to be too prohibitive and impoverishing in nature.

“Thana (police station) does not take care to hear the villagers. They take the side of those who will fill their pockets with money.”

“An elephant costs Rs12,000/- dead or alive. Police officers are like that. The complainant and the accused have to pay him of.”

In instances where community members clashed with the police, they were implicated in false cases and had to make regular appearances in the court. Court appearances were a major economic strain, as it meant forgoing daily wage labor and payment of lawyers' fees.

Institutions of Justice

The existing institutions of justice were rated to be too expensive and procedurally unsuitable to be of use to the poor. In a few instances recalled during PPAs, the poor considered the experience of accessing judicial services to be averse to their interests.

No Light at the End of the Tunnel

(Pursuit of legal redress by an indebted household seeking reclamation of mortgaged land)

Activity	Time and Cost
A UR files a case in the court of the subdivisional Magistrate (SDM) in R District seeking reclamation of his 8 acres of land mortgaged to GS in lieu of a loan of Rs800/-	1986; Rs5,000/- (Court fees)
B Case filed in the lower court after losing at the SDMs	1993; Rs5,000/-, Court fees
C Case filed in sessions court after losing in the lower court	1998; Rs5,000/- (Court fees)
D Appeal lodged in the sessions court after losing the case 2003;	Rs5,000/- (Court fees)
E Meeting with the then Chief Minister requesting his intervention	
F P – UR's son has been trying to meet the Chief Minister.	

The case has been running for 19 years now, and both UR (plaintiff) and GS (defendant) have passed away.

Their sons, P and S respectively, are pursuing the legal battle. UR's family has so far lost Rs47,000/-, including Rs10,000/- in meeting the charges of his advocates and Rs17,000/- in producing necessary documentation and in traveling to attend hearings.

The Forest Department, Van Samitis, and other Forest-based Institutions

For the poor who are dependant on forestry, the forest department is an important point of interface. As such, its role is significant in the lives of poor villagers living in or near forests. In some PPA sites, the role of the forest department is positively acknowledged. But, in many there is skepticism. On the whole there were mixed views.

In some forest villages, the participants lauded the initiative of the forest department in tree plantation, starting primary schools and constructing roads. Some villagers have obtained the support of forest department personnel to avoid menace of wild elephants, crocodiles and

Alternate Systems of Justice

PPAs came across several local institutions that played important roles in conflict resolution and delivery of justice.

In some communities, disputes and conflicts are taken to the **village level committee**. For instance in the *Shalisha*, the village headman acts as the chief of the committee. Women are allowed to participate in the meetings but do not have any major role. A non-refundable sum of Rs12.50/- is paid by both the parties to call a meeting of shalisha. Judgments are made at these meetings after hearing the cases of both parties. The committee is empowered to impose penalties which are used for community development work in the village. Unresolved issues are taken to a higher-level democratically formed committee comprising 30–33 members from the area.

Similarly, some communities have an elaborate system of justice. Local conflicts are solved by a committee comprising the *majhi* (village head), *paranik* (assistant village head), and other nominated members.

In many villages, the jury board comprising the village headperson and other elderly members preside over matters like family disputes, divorces, disputes over land, and quarrels with neighbors. This saves the poor enormous amounts of money that would otherwise have to be spent on legal procedures.

have saplings to plant on patta land. However, the participants felt that the forest department is more for the animals and forests than the people. The people felt that the demarcation of land for setting up sanctuaries, the prohibition of felling and restriction on cutting of grass imposed by the forest department were major problems for them.

The forest guard is viewed by the local poor with apprehension for his role in policing the minor forest products (MFPs) and other resources, which they are sometimes allowed to extract at a price.

In some locations where the *Van Samrakshan Samithis* or Forest Protection Committees exist, the role of the forest department was lauded. The main function of the elected committee is to protect the forest from illegal felling and excessive exploitation. The participants in these sites observed that the samithis do not allow anyone to fell trees for fuelwood or timber but allow collection of dry branches and stems for purposes of fuelwood. The participants recalled that at times when any poacher was caught, that person was handed over to the forest department for the levying of a penalty. Of the three parts in the penalty levied, one part was credited to the account of the samithi operated jointly by the chairperson and the vice-chairperson for taking up developmental work in the village.

According to the poor in some locations, the cessation of procurement through cooperative societies has adversely affected the livelihood of villagers and has resulted in a decline in forest-based income. At present, intermediaries play a strong role in trading of forest produce.

Other Public Service Providers: Public institutions like the post office, fishery office, irrigation office, veterinary center, and telephone department are institutions with which sections of the poor interface and have varied experience with.

The veterinary centers are important for the poor as animal husbandry is an important economic activity. But veterinary centers are very few and often distant. The villagers are forced to undergo a lot of inconvenience to carry livestock to such centers. The lack of *in situ* veterinary service leads to high mortality of livestock.

“There is no veterinary support in the village. Many animals die due to lack of veterinary knowledge amongst the villagers.”

“The veterinary clinic is there in the village but lacks proper medicines. The doctor is also very irregular.”

Private Institutions

Private institutions including Co-operative Societies (Most villages have access to co-operative societies, which have finance schemes for their members), moneylenders, provision shops, cultural and religious institutions, and trade unions play an important role in the lives of the poor and need to be streamlined to play a more productive and less exploitative role.

Markets

The livelihoods of poor people are affected by the functioning of various markets—market for labor, markets for purchase of goods, markets for the sale of goods produced, markets for lease land, and credit markets. Not having the resources to function in any one market alone, quite often the poor participate in interlocked markets (for example, sale or purchase of goods tied with credit). This being the case, they are not in a position to negotiate the terms and conditions in any one market and usually the terms on which they participate are adverse to them.

Two types of market institutions for the purchase and sale of goods which are commonly used by the poor are the village grocery shops and the village bazaar (market).

Almost all villages have small or large grocery shops. Even in the interior villages, essential commodities like rice, pulses, soap, tea, salt, etc. are sold through such shops. Poor persons usually purchase items from the local grocery shops from their earnings for the day. If they do not earn wages on a particular day, they purchase at least a minimum amount of rice, salt, and tea on credit. The amount of access to food on credit in such situations depends largely on the mercy of the grocery shopkeeper. Sometimes, they exchange small amounts of food items earned through labor or collected from the forests for items available at the shops at very poor exchange terms.

The village *bazaar* (market) is an important institution. The market is held weekly or bi-weekly in the village or in other villages. In such markets, the poor people sell vegetables, fruits, ducks, goats, hens, clothes, mats, ropes, etc. and meet with their acquaintances from adjacent villages. An important problem is that most markets are in the open. During the rainy season when such areas become muddy, there is a setback to marketing.

Community-based Organizations

Feedback of the poor on two popular community-based organizations is given below:

Self-help Groups – SHGs have been formed in many villages under various development programs and many groups are doing well. They have utilized loans for various activities such as for purchasing livestock, rickshaw vans, repairing houses, starting small business like making puffed rice, incense sticks, etc. The women's groups are becoming empowered to face the outside world, to take up action against social evils like alcoholism, domestic violence, dowry, etc. They have also effectively taken up functions like management of local institutions like PDS.

“People display their vegetables and fruits on footpaths, as they don't find place in the market.”

“There is no space to park cycles in the market.”

“Sufficient space should be provided for the market. This will enable villages to accommodate more sellers and increase incomes.”

“The club is important for the community because it helps the community in various crisis situations.”

“The club of the village has no room (space). Meetings are organized in the houses of villagers.”

Club – Several villages have clubs. Youth are very active and the poor are supported by such clubs during marriages and other crisis situations. But clubs, in general, are not functioning well because of constraints, such as inadequate infrastructure, lack of space, lack of sufficient funds, and lack of maintenance. Most clubs do not have their own building, chairs, tables, and sports materials.

The villagers also suggested that if the limitations of clubs are taken care of (such as provision of club rooms, benches, chairs, and play materials), the club members can play a pivotal role in the welfare of the villages, and it can be transformed into a useful institution.

The Voluntary Sector: The “voluntary sector” varies widely in the delivery of services and the views of the poor on these are mixed depending on the local experience. Some of the voluntary sector groups have done tremendous work in awareness raising, formation of local groups, service delivery and advocacy. However, one of the major criticisms of local associations and civil society organizations is that they are not necessarily representative, not accountable many a time and their strength is based on popular support and involvement.

Social Capital

Poor people help one another with information, small loans of money, food, and social support in times of trouble or disaster. SHGs help institutionalize some of these arrangements (e.g., food banks) and greatly enhance the bargaining power of the poor. Horizontal networks refer to relationships within the community or colony and to relationships with other similar communities. Vertical networks refer to relationships with power groups like associations, trade unions, or political parties. Poor people build relationships with formal power structures like the local police establishment and informal structures like caste groups.