

Rural Development and Agriculture

Background: Today Rural India forms 65% of a total population of 1.38 billion people. Yet very little industry is flourishing here and the main source of livelihood continues to be agriculture. Therefore, there is huge migration to over-crowded cities, where migrants are forced to live in abysmal conditions. Typically, the youth tend to migrate outwards, leaving the elderly in rural areas. While it might be difficult to significantly reduce migration, the next 25 years should be used to create alternative sources of livelihood (non-agriculture means) which will help improve the quality of life in villages. This would result in the youth preferring to stay in the villages thereby rejuvenating the rural landscape. In addition, the village Panchayat should focus on better Governance to help grow the villages economically and socially.

This concept note lays out the current status in rural India in key areas such as Agriculture and Rural Development. Given the close linkages that Health & Family welfare and Education have, current status of these in rural context is also specified. For each of these areas, possible pointers to action are provided.

A. Agriculture: Current Status - Agri Value chain spans Machinery, Fertilizers, Irrigation, Marketing, Agri credit, and Insurance. Major Government schemes support only Agri-credit and insurance: PM-KISAN (55%), (ii) Modified Interest Subvention Scheme (MISS) (16%), and (iii) the crop insurance scheme, i.e., Pradhan Mantri Fasal Bima Yojana (13%).

- **Machinery:** Some challenges faced in farm mechanisation include: (i) different soil and climatic zones which require customised farm machinery, and (ii) dominance of small and marginal landholdings which makes investment in mechanisation challenging
- **Fertilizers:** Many of the fertilizer manufacturing companies use outdated machinery which increase cost of production thereby increasing government subsidy.
- **Irrigation:** As of 2020-21, 49% of the country's net sown area was under irrigation. The remaining agricultural area in the country depends on rainfall. As of 2016-17, major irrigation sources for agriculture include tubewells (48%) and other wells (16%), and canals (23%).
- **Marketing:** There continue to be challenges for farmers to sell at MSP – though majority are aware of MSP, only a fraction of procurement actually happens at MSP. Some other challenges include (i) most APMCs have a limited number of traders operating, which leads to cartelization and reduces competition, and (ii) Traders, commission agents, and other functionaries organise themselves into associations, which do not allow easy entry of new persons into market yards, stifling competition.
- **Government schemes:** Government schemes have to create true impact for the beneficiaries they were intended for. As an example, PM-KISAN scheme doesn't cover the landless labourers who form 55% of the agricultural workers. Some other issues are i) non-availability of proper land records in some states, (ii) incorrect bank accounts, and (iv) poor internet connectivity in rural areas hampering the uploading of data

What can be done?

- **Creating Agro Processing centre:**
 - It could be a place where all the facilities for pre-treatment, processing, drying, packaging, storage and marketing are available. Without these centres, farmers sell their produce immediately after harvesting.
 - How should these centres be promoted?
- Can fertilizer subsidy be transferred directly to the beneficiaries account?

B. Rural Development: Current Status –

- **Government Expenditure:** In 2022-23, 54% of the Department's expenditure is estimated to be on MGNREGS. This is followed by the rural component of Pradhan Mantri Awaas Yojana – Gramin (PMAY-G) (15%), and Pradhan Mantri Gram Sadak Yojana (PMGSY) (14%).
- **Water:** Less than 50 percent of the population in India has access to safely managed drinking water. Chemical contamination through fluoride and arsenic is present in 1.96 million dwellings
- **Unemployment:** According to a 2011 census survey, the unemployment rate in rural areas is 7.15%. There are various kinds of unemployment like Seasonal unemployment, Agricultural unemployment and cyclical unemployment.
- **Poor condition of rural road network:** India has one of the largest and densest rural road networks. However, 2.7 million kilometers of rural roads are in poor condition. Most of the roads are not all-weather roads and lack connectivity to remote areas.

What can be done?

- Can NREGA be further improved?
- Can new avenues of employment be explored? People who completed 100 days may be trained in construction of Rural houses, Sub Health centres, Primary Health centres?
- **Promoting Non Agri Livelihoods.**
 - Can a 100-200 seat BPO centre be established with all the necessary infrastructure in each cluster of villages? This would generate employment in villages, stop migration of educated youth and financially uplift families
 - Training of high school graduates in Geriatric care, Nursing, Manufacturing, Painting, welding, Construction sectors may be explored.
 - How can supplementary livelihoods like Animal Husbandry be developed? Can alternate livelihoods like Minor Forest Produce, Agro Forestry, can be leveraged
 - Tourism may also be explored as an option to for livelihood – separate hubs may be created
- Can water harvesting be done through community participation? Can research institutions and Government organisations collaborate on addressing these challenges?

C. Health and Family Welfare

- The physical infrastructure of health systems is still fairly poor, especially in rural areas. There is shortage of human resources (both doctors and support staff). People continue paying high amounts out of their own pocket implying that access to public health care, quality of public health care and overall insurance coverage needs to improve.
- The Standing Committee on Health (2021) had noted that there are shortfalls of 23% in SCs, 28% in PHCs, and 37% in CHCs. We are estimated to have 1.4 hospital beds per 1,000 people, which is half the global average of 2.9 beds (World Bank estimate in 2017). Health workers density is about 23 per 10,000 population (WHO recommendation 44.5). There is one doctor per 1,511 people (WHO standard one doctor per 1,000 people). There is one nurse per 670 people (WHO standard one nurse per 300 people).
- About 33% ailments in rural areas were treated in government hospitals. As per the NSS Survey on Health in India (2018), in rural areas, 13.4% of the hospitalisation cases were

financed by individuals through borrowings. About 60 million Indians are pushed into poverty each year due to out-of-pocket payments for health.

What can be done?

- What solutions can be prescribed to address shortage of about 30% in Rural SHCs, PHCs, also health workers and Doctors ? Telemedicine can be one of the solutions.
- How can Child and Maternal health be improved? Can auxiliary nurse mid wife and Anganwadi Karyakartha work together since Malnutrition and child mortality are interrelated?
- Understand what is working with current PHC setup and how it can be strengthened

D. Education: current status in rural context

- GER (Gross Enrollment Ratio) is lower for certain socio-economically disadvantaged groups, based on: (i) gender identities (female, transgender persons), (ii) socio-cultural identities (scheduled castes, scheduled tribes), (iii) geographical identities (students from small villages and small towns), (iv) socio-economic identities (migrant communities and low-income households), and (v) disabilities
- As per ministry, the most prominent reason for dropping out in 2015-16 was due to engagement in domestic activities (for girls), and engagement in economic activities (for boys). Other reasons for dropping out include loss of interest in studies, and financial constraints
- The NEP observes that over 85% of a child's cumulative brain development happens before the age of six. To ensure healthy brain development and growth, it recommends universalising access to quality Early Childhood Care and Education (ECCE)
- Percentage of students who can do 1 digit numeracy in class 1 in Rural areas: Number recognition (74.1%), Oral addition (39.5%) Numeric addn(50.6%), Oral subtract (33.7%), Numeric subtract(39.4%). Percentage of Children in Std II & III who can do different tasks by age. (All rural districts ASER 2019): Reading: standard II (43.1%), Standard III (53.4%)

What can be done?

- Can teacher absenteeism and quality of teaching be addressed? Can focus be on basic language and numerical literacy?
- Topics which are relevant to locals like Agriculture, Water conservation, Energy, Waste management be taught as a supplementary education without affecting the current curriculum? Can many of these topics be taught as games?

E. Governance:

Key Challenges in Governance at a rural level remain –

- Implementation of various Government Schemes to provide true impact to beneficiaries
- Improving decentralized planning with better participation from stakeholders
- Transparency and accountability

What can be done?

- Social audits for schemes like NREGA, PMAY, NSAP be conducted thoroughly
- Participatory planning exercises like Gram Panchayat Development Plans may be done so as to transform rural folk from passive beneficiaries to active citizens.

