



WILL DEVELOPMENT EVER COME THEIR WAY? INDIAN RURALS TOWARDS INCLUSIVE GROWTH

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Abstract

The urban-rural divide has to be bridged and rural areas have to be integrated with the economic processes to ensure equitable and inclusive growth of marginalized sections. Government. and NGOs have to play an important role in enhancing employment opportunities in farm and non-farm enterprises in rural areas, and should provide the necessary expertise to these areas. There are many sectors in which private players can participate to bridge this gap including providing micro finance, contract farming, setting up storage facilities for agro-produce.

Local folk could also develop heritage sites and tourist spots and encourage the promotion of traditional arts and crafts in joint ventures with rural enterprises. The next revolution that is waiting 'reaping the benefits'. We need to learn about participatory strategies, about organizing and mediating conflicting goals and needs, about technological transfer and social justice.

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Introduction

'India's economic scenario is headed in a new direction – striving to touch double-digit annual growth rates, and a sustainable, equitable and inclusive growth, taking into account the needs of all sections of society',- N.B.Rao(2007.)

This write up comes from few years of my grassroots experience living with the rural and tribal poor of different sectors. This Author has been working in a rural based NGO engaged in issues that affect rural communities – namely food security, agrarian reform, sustainable agriculture, and participatory governance. Inclusive growth more so for the rural communities is a formidable challenge. It is difficult to delineate all parameters in this paper. However, since it's significance is of national interest and nation building the author will make some remarks based on his few years of experience. In this paper author will just provide a simple understanding, in the perspective of the rural poor, what is inclusive growth; followed by some analysis of the recent growth scenario in the country in general vis-à-vis rural communities in particular. Finally author will look into some of the factors that impinge on inclusive growth, looking particularly at the rural communities. Lastly this paper forward some recommendations and points for immediate actions including research question's for tomorrow.

What is Inclusive Growth?

Simply stated, inclusive growth is making the fruits of development available and accessible to all, particularly the poor. It includes those who are often excluded and marginalized by development, both in geographical and social terms. Those who are left behind or relegated to the margins, geographically live in rural areas, while those who are excluded socially tend to be small or landless farmers, fisher folk, women and indigenous groups. Growth that is inclusive would mean a growth that not only creates opportunities, but more importantly, ensures equitable access to natural resources and other opportunities.

According to Singh (2006) the key components of the 'inclusive growth' (emphasizing on rural mass) strategy included a sharp increase in investment in rural areas, rural infrastructure and agriculture; spurt in credit for farmers; increase in rural employment through a unique social safety net; and a sharp increase in public participation.

Experts note that high national income growth alone does not address the challenge of employment promotion, poverty reduction and balanced regional development.

Nor does growth in itself improve human development. Consequently, all the major and collective initiatives of the government – in agricultural in industry and urban development, infrastructure and services, education and health care – sought to promote 'inclusive growth'.

Economic Growth

As the reports shows and admitted by various Governments, inclusive growth has not been achieved in the India. The reviews for the India in terms of aggregate growth have been positive. The various Social Progress reports for 2007 show that despite GDP progress, there are uneven targets and wide disparities. In terms of poverty incidence among population. Out of 100 Indians, 38 were poor in 2007.

India's economic growth has passed through four major phases over the past 62 years, and is now set to enter a new phase. The first 30 years after Independence, GDP (gross domestic product) grew at an unremarkable 3.5 per cent per annum. During the 1980s, with the initial whiff of reforms, it accelerated to 5.6 per cent per annum. In the reforms era of the 1990s, the average growth rate of the GDP went up slightly to 5.8 per cent. But the last five years have seen the fastest pace of growth in the country's history – an average of 8.5 per cent per annum. In 2006-07, GDP accelerated to an impressive 9.4 per cent, and the government is now determined to boost this to double-digit rates. M S Ahluwalia, deputy chairman, Planning Commission, believes that if the reforms process continues, India's growth rate will touch the 10 per cent rate by the end of the 11th Five Year plan (2012).

Inclusive growth entails creating opportunities and ensuring equal access to various available opportunities. Following this argument, in the rural areas, when we speak of opportunities, we speak specifically access to land. For rural families, 'land is life and life is land'. Land means agriculture for the rural poor and yet investments in agriculture especially for the small farmers is extremely important. For indigenous people (IP) the right to land leads to self-determination, cultural integrity and autonomy. Normally in rural communities, improved access to land has resulted in the reduction of unemployment and poverty, reduction of tensions and conflicts over resources, increase of productivity thus ensuring food security, more sustainable management of lands and improved overall peace for greater economic and political stability. Hence we should ensure equal access to opportunities for the rural poor by providing them access and rights to in terms of beneficiary friendly policies and strict laws. Various Indian government's have already framed a plethora of policies promoting access to land especially to different marginalised sections such as land less farmers, upland dwellers and indigenous peoples (IP) in the society. Government has tried to harmonize the laws through dialogues and by setting up joint agency

mechanisms. Though helpful in coordinating the direction of agencies in conflict, these mechanisms have not involved basic sectors whose conflicts remain yet unsolved by the current policies. For instance, IP claims over their ancestral lands is now being contested by the agrarian reform claims of lowland farmers. This is due to vital conflicts between indigenous communities and farmers in a growing number of areas. Even sadder is that the Government's current policies may counter to the goals of these laws. For instance, the revitalization or permission to/of large-scale mining operations in the various sensitive (biodiversity) pockets of the country pose threats to the claims of minority groups. Mere physical distribution of land is not enough. We also need adequate support services from various Science and Technological institutes.

The existence of civil society is vital in any democracy. The term civil society is used to encompass NGOs, community-based organizations, women's organizations, trade unions, social movements, and advocacy groups. Civil society provides the voice for the voiceless. Last but not least, community based NGOs are embedded and form an integral part of the community, as stakeholder desiring for development of their communities. Through community-based approaches, we should build capacities and empower communities to effectively chart their future, according to their own aspirations, as well as actively engage in local governance. This entails working in tandem with other civil society organizations and local government units.

Rural Development and NGOs

Scope for Implementation, monitoring, evaluation, alternative mechanism for good governance and efficiency in partnership with government and other institutions are absolute essential in any policies and programmes. However in order to maximize the monitoring role, government institutions should widen the freedom of information for all. Separate budget or alternative budget initiative will help rural economic growth. There should be a facilitation to study and to frame policies as well as strategies for internationally funded projects in partnership with local NGOs working with grassroots communities having clear-cut development agenda. Local NGOs are the creators of innovations tried and tested in the field. NGOs workers have rabid desire to pursue new models of rural development. They possess local knowledge and expertise of the local culture as well as the appropriateness of technology. Last but not the least community based NGOs are embedded form an integral part of the community. Govt. needs to have collaborate with these developmental organisations to promote sustainable agriculture in its many facets, bio dynamics, natural farming, and organic agriculture. Probably this would be helpful in decreasing burden on formers in many ways. Partnership between NGOs and

government agencies at the local scene proved successful in any parts of the country. We have many examples that various reputed Indian NGOs have helped in restoring livelihoods of communities by rehabilitating the soil, providing sanitation improving rice yields, self help groups etc. This is what we should call an inclusive growth (community by community) Development becomes inclusive when people participate as able stakeholders. Besides multi stakeholder partnership, localization of partnership is a corollary strategy for inclusive growth(Cappo 2002)

Policy Implications

- Promote Concept of Rural Business Hubs (RBH) especially for rural and tribal folks through awareness sessions and interactive sessions;
- Disseminate Information on RBHs by highlighting benefits, on-going industry engagements, and incentives available for RBHs;
- Facilitate Industry's direct linkages with local community to provide Market Intervention and Technology know-how through RBHs;
- Building capacity in unorganized fisheries, Dairy and Poultry farming through pilots for technology demonstration;
- Promote concept of Integrated Development as an important component of mission for inclusive growth through awareness Program and Industry Participation.
- Community characteristics associated with viable and healthy rural communities and investigate various policy alternatives to enhance these characteristics/factors.
- Assess as to what extent the rural beneficiary NGOs are involved in goal setting, planning, decision making, implementation, monitoring and evaluation rural development programmes

The Economic Survey 2006-07 has identified five tips for achieving high and inclusive economic growth with a view to creating more jobs and eliminating rural and urban poverty at a faster pace.

1. As a first step, the government should initiate measures to channelise savings accruing on account of high growth rate coupled with the demographic dividend (a growing proportion of the population in the working age group) for investment.

2. Secondly, efficiency improvements in the economy since 1999-2000 will reinforce the country's confidence in the high-growth phase.
3. Thirdly, availability of labour at reasonable wages and efficiency improvements will open new avenues in services, beyond the already well-known IT and BT that bolster confidence in the new high-growth phase.
4. The Survey also suggested that the government should encourage rural tourism, which globally contributes 10 per cent to the world's gross domestic product.
5. As fourth step, the survey underlined the need for rapid capacity addition through investments to prevent overheating of the economy as is being feared by some economists.
6. Finally the poor infrastructure that constrained growth in the past has started improving and is likely to strengthen further, giving a boost to economic growth.

Research Questions for Tomorrow

1. what should be the most appropriate and most effective policy options to build strong institutional capacity of various Government line departments to address immediate needs of the rural poor of
2. Where there is neither a favorable economic nor social policy environment, how can this be brought about and what intermediate measures are most effective in compensating for this policy failure? and how local culture norms influence on the success or failure of different policies regarding rural development.
3. Examine support investments in the sub-projects proposed by the grassroots institutions of the poor. (The sub projects enable the poor to increase productivity of the assets, reduce their expenditures and risks and manage their natural resources);
4. To explore how best a convergence can be achieved regarding all rural- anti poverty policies, projects and Initiatives at State, District and talook level
5. find out the new avenues for public and private partnerships with reference to capacity building of grass root institutions; (Atkinson 1998)

Conclusion

This paper basically stresses on creating better opportunities for the rural poor through better access to land and improvement in the delivery of basic social services especially in poor areas with the help of grass root level NGOs. Next better access to education and health services is critical if we are to help to lift the rural poor from poverty. These may significantly increase the chances of the poor to improving their lives and move towards Positive Growth. Financing for development or for the GDP for that matter is crucial and imperative, not only for our government but also for international donor institutions. In summary, author still believe that for inclusive growth to be realized, rural development must be a priority in public plans and funds mainly because poverty in our country still largely has a ugly rural face. Govt should have a network with various IT and BT based institutes to wire Rural India with easily accessible technologies. The National Land Use Act should articulate the national policy that will regulate the interests of the various stakeholders. Specifically, this should: (a) address conflicting land uses found in different laws and amendments (b) provide for rational land use taking into consideration the lands to be protected, the lands to be used for productive purposes, settlements development and infrastructure development; and (c) be participatory in nature.

Central Govt. should revise the Existing Land Distribution Act-1952, particularly for the resolution of disputes and delineation of lands. Further, Govt. should concentrate on 1) review of resource extractive policies such as mining for infrastructure, industrial, and urban development. 2) Controlling measure for Corruption's that country and deprives the poor of their due benefits coming from public funds. Government has to play a prompt role in initiating the Rights to Information act and provide more avenues for civil society to function in demanding accountability from the government. Organized sector of civil society can best contribute to inclusive growth because they are where the people really are. The innovation capacities of grassroots NGOs with national networks working at national and international levels can be very effective partners of both local and the national government. The needs are compelling. Further, action research on these issues are desperately needed. How we meet the challenge of this new professionalism will determine our collective future.

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