



Management of development programs to overcome the challenges of rural communities in India: A study

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Abstract

Rural Development (RD) has assumed global attention and it has great significance for a developing country like India in focusing upon the growth of rural economy that experiences serious poverty, unemployment, uneven income and wealth distribution and economic backwardness, etc. The paper explores the impact of National Economic Policy (NEP) 1991 implemented by government of India (GOI) on RD in examining the shift towards market-oriented policies and the challenges of balancing growth with social equity in rural areas. The paper addresses persistent challenges of RD in India including agricultural distress, inadequate infrastructure, land degradation and limited access to education and healthcare, etc. The study also highlights the importance of addressing these challenges to achieve sustainable development (SD) of rural people in enhancing the per capita income, gross domestic product (GDP), generation of employment, foreign earnings, etc. The study concludes that government should implement development strategies to strengthen the standard of living and financial backwardness of people lives in rural regions especially those from the most marginalized sections of the society in creating opportunities for self-employment and income generation.

Keywords: RD, issues and challenges, NEP 1991, SD and Government strategies

Introduction

RD is crucial to improve the livelihoods and living standard of rural people in developing agriculture, infrastructure, environmental conservation, economic growth and social welfare to enrich SD of such a vast developing Indian economy having world's largest population. The socio-economic disparities in rural and urban areas are widening and creating tremendous pressure on the social and economic fabrics of many developing Asian economies; India is not an exception to that. In the 3rd decade of 21st century, almost 70% of India's population residing in rural areas and contributes 30% of country's total GDP. There are several barriers to develop the rural economy in India; which are very much alarming to the decision-makers, policy-makers and planners. The major problems that have been identified in many rural areas through literature reviews are poverty, illiteracy, unemployment, homelessness, crime, social evils, lower living standards, lack of facilities and services and healthcare, etc. A review of past 30 years depicts that there is a rapid growth and development in cities and urban areas, but comparatively lower in rural areas, this is one of the crucial and most dangerous factors for out-migration from rural areas to urban, causing over population, unemployment and increase of gap of income and wealth among the people of the society, which is not desirable and should be minimized as far as possible for the long-term SD of Indian economy. Many policies and programs are implemented by the government with the major objective to improve the living standards of rural communities, but some of these problems directly or indirectly responsible for their mismanagement, that's also comply with the failure of government. If these problems are not detected properly, they further increase and completely affect the rural system and negatively impact the NEP1991 scheme. RD programs have improved the quality of lives and economic status of rural people, but

not up to the benchmark set by the policy-makers; often relatively isolated and to some extent neglected by the government. Rural regions, however, have changed due to the progress in global production networks and improve in education, entrepreneurship, physical and social infrastructure in the present era of liberalization, privatization and globalization (LPG) sustaining throughout the globe.

Literature Review

So many studies have been done on RD in India, some of the valuable and significant studies are as under: -
Sarda (2023) ^[2] tried to explore the historical evolution of RD in India through highlighting key milestone policy initiatives and challenges face over the years. This paper also exhibits the impact of the NEP 1991 on RD, examining the shift towards market-oriented policies and challenges of balancing growth with social equity in rural areas.
Ekka (2020) ^[3] made an attempt to study the RD in India to understand the role, importance, issues and government initiatives through the development and optimization of long term mutually valuable relationships between the businesses and macroeconomic environmental variables.
Samag (2017) ^[4] analyses the RD in India: issues and challenges to improve the quality of lives for rural families by creating opportunities for self-employment. He proposes that government can use the formation, development and maintenance to aid rural economic growth.
Rao (2019) ^[5] studied the government initiatives to provide houses, build road and provide employment to rural people for the rural economic growth. The paper concludes that there is a need for land and technical reforms; people should be given access to easy credit and loans by improving the banking system in rural areas.
Chintakula (2020) ^[6] examines the problems of RD planning to understand the causes of the backwardness of the rural

areas to improve the living conditions of the people and importance of developing the rural system for the overall development of the country.

Srinivasa (2019)^[8] argues that the Indian government has a number of programs planned for RD. The main industries that contribute to the rural business and economy include agriculture, handicrafts, fishery, poultry and dairy. He also opines that RD can become richer and more significant only with the direct involvement of government.

Objective of the study

1. To examine the issues and difficulties of rural economy in India especially after the introduction of NEP 1991 by GOI.
2. To suggest strategies as to how these issues and challenges could be shortening in the present era of LPG and digitization encompassing the global economy.
3. To highlight the paradigm shift of government initiatives on the long-term SD of rural communities to become self-reliant and job-independent in the evolving Indian economy.
4. To ensure distributive Justice and equalization of opportunities through the imposition of various effective social welfare programs by the government especially the rural regions of the Indian society.

Data base and Methodology

The study is theoretical in nature. For the purpose of the study secondary data is used and collected from the published books, research papers in journals, annual reports of Government, conference proceedings, etc. Internet surfing has also been done to gather information on RD and its significance, issues and challenges, SD, Indian economy, paradigm shift, government initiatives, future strategies, etc.

RD and its Significance in Indian Economy

According to Census Bureau data, 68.84% of the Indian population lives in rural areas. More than two-thirds of the population relies on agriculture for their livelihoods, so the development of Indian economy mostly depends on growth and prosperity of rural masses. Education, health and other public services are inherently more difficult for rural residents' across India than for urban residents. In addition to human rights abuses, gender inequality, poor working conditions and violations of indigenous land rights and rural residents are more likely to deal with human rights violations. Ministry of Rural Development, GOI, is the apex body for formulating policies, regulations and acts to induce the economic growth and prosperity of rural communities and it can broadly be measured in terms of GDP of the country. The rural businesses and economies are mostly dominated by agriculture, handicrafts, fisheries, poultry and dairy products. SD of a country depends on the development and growth of every aspects of life including health, employment opportunities, infrastructure, education, housing, environmental conditions and the civic amenities of entire communities. Rural India is still in an underdeveloped state as compared to urban due to low literacy rate, unemployment, poverty, lack of knowledge and failure to understand the modern techniques and methods, etc. RD programs, schemes and policies that have implemented by government, play the vital role to make

lives of rural people more comfortable and easier thus significantly contributes to the country' GDP as follows: -

- a. RD programs create equitable opportunities for rural masses to fulfil their basic needs like food, shelter, clothing, employment and education, etc.
- b. It encourages participation of individuals and communities in various programmes, decentralization of planning, better enforcement of land reforms and larger access to credit.
- c. Agriculture in rural sector plays a crucial role in India's economy which contributes nearly 18% of India's GDP. It is also an important source of earning foreign currencies and India's major agro-industries provide a larger market for industrial products in creating employment opportunities, thus making a significant contribution to government exchequer.
- d. Illiteracy is an obstacle to social and economic development. RD puts stress on educating the rural masses as majority of the populations resides in the rural areas.
- e. RD programmes can minimize the disparity between urban elite and rural poor in segregating by key tools, viz., income and wealth and standard of living, per capita income, etc.

The Viewpoints of the Rural Financial Development:

GOI must promote economic development and social welfare programs in rural areas through jobs and business possibilities, infrastructure development, etc. The following are the primary goals of rural economic development: -

1. The society is a network of human emotions and sentiments; social concerns matter in every areas of growth. Priority must be given in their social and cultural values and government induced development programs and policies to embrace rural society's ideals.
2. It is only possible for a society or an economy to be successful if it is tailored to fulfill the demands of every segment of the society equally and quite judiciously.
3. The government's national goal is to enhance the country's GDP, so national revenue can be increased through rural and urban development simultaneously and not in an isolated way.
4. Government policy must focus on global challenges because of the technological advancements take place throughout the world. International influences can no longer be disregarded to survive and sustain in the in today's globalized economy.

The proposed strategy to develop the rural economy

Strategies to develop rural economy in India are discussed as follows:

1. In the event of monsoon failure and crop failure due to natural disasters, viz., floods, draughts, etc., government must come to rescue the farmers and provide monetary support to victims to survive and maintain their livelihoods.
2. Government can provide minimum support price for various crops to the farmers, apart from providing crop and life insurance.
3. Government may provide all required agricultural inputs like quality seeds, fertilizers and pesticides, etc., free of cost and can establish new agricultural godowns for storage of more crops.

4. Government can provide loan facility to the interested educated youth for starting entrepreneurs to reduce unemployment.
5. Various government and non-government institutions can build activities like extension of rural education and training programs in agricultural and industrial research of rural masses.
6. Programs to improve agricultural production and marketing should be organized. Financial development aims to create the business environment with a high level of potential in the rural areas.

Paradigm shift in government initiatives for SD of rural communities in India

Government initiatives for RD in India have shifted from a focus on basic welfare and employment to a more comprehensive approach encompassing livelihoods, infrastructure and digital empowerment. This paradigm shift includes a move from direct aid to empowerment, with national programs like the Aajeevika- National Rural Livelihood Mission (NRLM) in promoting self-reliance and the introduction of schemes focusing on SD, improving infrastructure (like the PMGSY) and digital inclusion (through initiatives like "Digital India").

From welfare to empowerment

The approach has moved from a welfare-based model to one that empowers rural communities, for instance, by strengthening Self-Help Groups (SHGs) for rural financing and income-generating activities.

Emphasis on diversified livelihoods

There is a growing recognition that rural economies are moving beyond agriculture, leading to initiatives aimed at creating more diverse, higher-value employment opportunities, such as the Pradhan Mantri Dhan Dhanya Krishi Yojana (PMDDKY) and the Pulse Self-Reliance Mission.

Inclusion of digital transformation

"Digital India" has played a vital role in modernizing rural governance, making it more transparent, efficient and cost-effective through the use of information and communication technology (ICT).

Focus on sustainable and resilient areas

Newer initiatives are increasingly incorporating sustainability and resilience, aiming to address the socio-economic and environmental challenges face by rural communities.

Infrastructure as a key driver

The shift is also evident in a strong focus on building essential infrastructure through programs like the Pradhan Mantri Gram Sadak Yojana (PMGSY) for improving connectivity and the Bharat Nirman program, which aims to improve irrigation, housing, water supply, electrification and telecommunication in rural areas.

Enhancing implementation and coverage

The new strategies focus on strengthening the implementation of programs to enhance their coverage and effectiveness, particularly in challenging areas.

The Role of Government in RD in India

Government of India has implemented various policies and schemes to focusing on RD in the areas of employment, livelihoods, infrastructure and social welfare for the socio-economic development and long-term SD of the economy. Here's a more detailed look at some prominent policies implemented by government: -

1. Employment and Livelihoods

Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)

This flagship programme provides a guaranteed at least 100 days of wage employment to every rural household whose adult members volunteer to do unskilled manual work for rural wellness.

NRLM

NRLM focuses on mobilizing rural poor women into Self-Help Groups (SHGs) and supporting them in diversifying their livelihoods and improving their family incomes.

Deen Dayal Upadhyaya- Grameen Kaushalya Yojana (DDU-GKY)

This programme provides vocational training and assists placement to rural youth, enhancing their employability and income-generating opportunities.

Start-up Village Entrepreneurship Programme (SVEP)

It supports rural entrepreneurs in setting up and scaling up their businesses in the forms of sole-proprietorship, partnership, etc. having low capital investment.

2. Infrastructure Development

PMGSY

PMGSY aims to provide all-weather road connectivity to unconnected rural habitations, improve access to markets, healthcare, and education to reduce the gap of income and wealth between rural and urban people having equal abilities.

National Rural Drinking Water Programme (NRDWP)

This programme focuses on providing access to safe and adequate drinking water to all rural households at a marginal price.

Swachh Bharat Mission (SBM-G)

It aims to eliminate open defecation and improve sanitation facilities in rural areas for the betterment of environment.

3. Social Welfare and Social Security

National Social Assistance Programme (NSAP)

NSAP provides social security benefits to vulnerable groups, including the elderly, widows, and disabled persons to maintain a decent livelihood.

Pradhan Mantri Awas Yojana – Gramin (PMAY-G)

PMAY-G promotes pucca houses with basic amenities to all rural houseless families and families living in dilapidated houses.

4. Other Key Initiatives

Saansad Adarsh Gram Yojana (SAGY)

SAGY encourages Members of Parliament (MPs) to adopt and develop villages into model villages, focusing on

integrated development to pave the path to develop other villages.

Shyama Prasad Mukherji Rurban Mission (SPMRM)

SPMRM develops rural areas into vibrant, economically, socially and physically sustainable spaces to reduce the gap between rich and poor people in the economy.

Mission Amrit Sarovar

It focuses on developing and rejuvenating ponds and water bodies in rural areas for water conservation.

These policies and schemes are implemented by various government departments and agencies at the national, state and local levels to monitor and evaluate the performances regularly to ensure that they are achieving their intended goals significantly.

Challenges of the Rural Environment in India

In today's competitive economy, the rural environment has enormous hurdles to keep pace with the changing and dynamic world. The following threats push the stakeholders to develop and deploy better services to society: -

1. Competition has grown globally in the modern era of LPG with digitization.

2. The pace of change has spread up to an unmanageable level as we all know that nothing is permanent in this dynamic world except the change itself.
3. The media has an influence on the rural population by differentiating various aspects of lives with urban masses.
4. Businesses need to reshape themselves with the improvement of technology-based devices coupled with the internet facilities in rural areas also to survive and sustain with the urban competitors.
5. It is sometimes becoming tough for the big enterprises to enter and access new rural areas through market penetration techniques.

Tips to Overcome these Challenges in India

With an emphasis on infrastructure, agriculture and economic diversification, overcoming India's rural challenges is of paramount important for government to plan developmental strategies to ensure that marginalized populations can have equitable access to healthcare, education and economic opportunities in strengthening local governance through decentralising decision-making and promoting community involvement.

Table 1: Key RD Programs to be implemented for the SD of India in the years to come

RD Programme	Key notes
Investment in infrastructure	One of the most important steps in promoting RD in India is infrastructure investment in building and enhancing rural road networks may greatly increase connectivity and lessen the transportation cost, which can boost rural economic prospects. Furthermore, increase in dependable electrical sources—including those derived from renewable energy sources like solar power, bio-degradable products—can help households, small enterprises and agricultural businesses that ultimately lead to foster SD of rural communities.
Modernization of agriculture	To improve productivity and stability of the economy in rural areas, modern farming technology can greatly boost crop yields and efficiency of rural people in increasing food productivity, security and incomes which can broadly help to boost the GDP, per capita income, foreign earning, etc., of our country.
Diversification of rural economy	Rural economies to be more diversified in promoting of non-farm industries such as handicrafts, small-scale manufacturing and rural tourism, etc. Encouraging rural communities to go for their own businesses can assist to diversify the economy in supporting finance, training and orientation by government which helps rural economy to be more competitive with urban counterparts.
Promote skill development for empowering rural communities	Government can initiate skill development and orientation programmes among rural communities for the establishment of new entrepreneurial hub for creating new employment opportunities and self esteemed.
Address social inequality	Social equality is to ensure that all the people of the community have equitable access to opportunities and promote inclusive national development. Legal safeguards, awareness campaigns and government policies should merely be given top priorities in the fight against the social evils, viz., caste-based discrimination, gender inequity and other types of social exclusion. Women have to encourage in participating in the decision-making process, which would have a big impact on the overall socio-economic growth and prosperity of our country.
Strengthen governance	To guarantee the rural development initiatives, governance must be strengthening for the benefit of rural communities in decentralize decision-making process of local government entities namely panchayets, community organisations, etc. E-governance platforms boost the transparency of government system through digital tools by reducing corruption and bureaucratic delays and ensure the efficient utilization of money in social development weapons.

Source: Collected and revised from frequent search of www.google.com regarding RD programmes in India.

Concluding Remarks and Recommendation

A large proportion of the Indian population lives in rural areas, their development and contributions are extremely beneficial in transforming the whole nation to secure the basic rights in the forms of food, clothing, shelter, education, health and induce RD as the driver of economic upliftment and greater social advancement to pave the path in growth and overall SD of the evolving economy. Government can increase the fund allocation in RD programmes, decentralize the planning, better enforcement of the land reforms and extend more credit to rural people in planned way to enhance the country's GDP, per capita

income, creating new employment opportunities, lessen the gap of income and wealth distribution between rich and poor people, enhance foreign earnings and attract more of foreign direct investment (FDI), etc., for the country. Living standards and economic prospects of the rural communities in the changing environment can easily be optimized through the development of infrastructure, production of agriculture and its allied products and access to technology and financial services that lead to enhance productivity and income in social and economic activities resulting in the decrease of poverty cycles and inequality in income and wealth distribution among the people of the nation. As

significant progress has been made in certain areas, continuous commitment and innovative approaches should require to be framed by the government, civil society and various stakeholders for the inclusive and sustainable RD in the evolving and developing Indian economy to be competitive and more challenging with the global counterparts.

Scope for Future Research

RD in India involves a multi-pronged strategy by the government focusing on poverty alleviation, infrastructure development and social security. Future research can focus on evaluating the effectiveness of the implemented programs, leveraging technology for inclusive growth and addressing climate change impacts. Despite significant progress, several areas require further investigation. Researcher can do critical evaluation of the long-term impact and effectiveness of existing schemes like MGNREGA or PMAY-G on poverty reduction and socio-economic outcomes. Further research can explore how the gains from digital penetration (e.g., BharatNet, Common Service Centers, etc.) can be better leveraged to enhance service delivery, e-governance and market access for rural populations in addressing the persistent digital divide. Future investigation on promoting sustainable farming practices, such as organic farming, agro forestry and the use of drought-resistant crops, is crucial for addressing the impacts of climate change on rural livelihoods. Future research can be made on empowering Panchayati Raj Institutions and improving coordination among government agencies, NGOs and local communities for effective policy implementation. Further studies can focus on the effectiveness of women-centric initiatives like SHGs and the challenges related to "proxy governance" to ensure genuine women's participation in decision-making. Researcher can investigate the root causes and consequences of rural-urban migration in targeting the interventions to create sustainable opportunities within rural areas.

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