Employment & Self-Employment
Rural Development

September 2018
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Preface

This is our 42\textsuperscript{nd} edition of Yojana Gist and 33\textsuperscript{rd} edition of Kurukshetra Gist, released for the month of September 2018. It is increasingly finding a place in the questions of both UPSC Prelims and Mains and therefore, we’ve come up with this initiative to equip you with knowledge that’ll help you in your preparation for the CSE.

Every issue deals with a single topic comprehensively sharing views from a wide spectrum ranging from academicians to policy makers to scholars. The magazine is essential to build an in-depth understanding of various socio-economic issues.

From the exam point of view, however, not all articles are important. Some go into scholarly depths and others discuss agendas that are not relevant for your preparation. Added to this is the difficulty of going through a large volume of information, facts and analysis to finally extract their essence that may be useful for the exam.

We are not discouraging from reading the magazine itself. So, do not take this as a document which you take read, remember and reproduce in the examination. Its only purpose is to equip you with the right understanding. But, if you do not have enough time to go through the magazines, you can rely on the content provided here for it sums up the most essential points from all the articles.

You need not put hours and hours in reading and making its notes in pages. We believe, a smart study, rather than hard study, can improve your preparation levels.

\textit{Think, learn, practice and keep improving! You know that’s your success mantra 😊}
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CREDIBLE EMPLOYMENT DATA: NEED OF THE HOUR

Need for this issue: The selection of this issue is based on the recent reports as well as observations by economists, that employment related data did not accurately reflect the status of employment and employment generation in our country.

Labor is a subject in the Concurrent List under the Constitution of India.

India, despite achieving an impressive and steadily rising economic growth in recent years, still faces the twin challenge of creating adequate decent employment opportunities for scores of young men and women joining the labour market every year, and facilitating the transition from informal to formal employment for those already in the labour market. The youth presently make up close to 35% of the population and the Indian workforce is expected to increase to approximately 600 million by the year 2022 from the current estimated 473 million.

First of all we should understand that economic development means not only creation of jobs but also working conditions in which one can work, with freedom, safety and dignity.

<table>
<thead>
<tr>
<th>Age group</th>
<th>Employment</th>
<th>Jobs added</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-24</td>
<td>53.14</td>
<td>25.92</td>
</tr>
<tr>
<td>25-64</td>
<td>335.01</td>
<td>346.84</td>
</tr>
<tr>
<td>&gt;=65</td>
<td>15.33</td>
<td>12.16</td>
</tr>
<tr>
<td>Total</td>
<td>403.48</td>
<td>404.91</td>
</tr>
</tbody>
</table>

Source: Consumer Pyramids Household Survey, CMIE

Let us first understand the story behind data taking the front-seat, for the first time.

Theoretically and commonly, economic growth comes from higher per capita productivity, that is, the same workforce produces more, or a larger workforce, which ensures growth even with flat productivity.

But in 2017, the Organisation for Economic Cooperation and Development (OECD) estimated that 30% of Indians aged 18 to 29 were unemployed and looking for work. Plus, joblessness seems to haunt even the highly qualified.

In India’s case, the economy needs to create employment for roughly 10 lakh people a month to cash in on the demographic dividend.

However, one of the key contradictions that comes through when you look at the World Bank report is that while India’s Ease of Doing Business ranking is on an upswing, job creation in the
country is on the decline. The same is confirmed through the 2016-17 Economic Survey data which indicates that employment growth in the country has been sluggish, registering a real decline over the last three years.

Let us look at some of the common reasons that contribute to the sketchy and contradictory numbers –

The country’s informal workforce far outnumbers the formal workforce, although formal employment is growing. A rough estimate based on data collected by the National Sample Survey Office shows 50-55 crore Indians are aged 15-65. Of them, around 22 crore are employed in agriculture and about 28 crore in non-agriculture sectors. Now, because the agriculture sector is underpaid and “overstaffed”, many of those employed in it are attempting to shift to non-agriculture work.

But when we look at the non-agriculture jobs, only around 6 crore are formal. One reason is India’s complicated labour laws, which incentivise employers, including large corporations and the Railways, to deploy contract labour rather than offer formal employment.

Late compilation of employment data and lack of one single annual survey that captures the exact number of formal and informal jobs created in a particular year, only adds up to the infamous Jobs Data Crisis in India.

In a world where technologies are changing rapidly, you have sectors which at one time used to be labor-intensive but are rapidly becoming not so intensive. Textiles, for example, in many countries. When this happens, you need to have employment data to assess which sectors are generating employment and which are not. And then you have to assess whether we are growing fast enough in the sectors that are generating employment to be able to absorb the labour force. That’s how employment data tie in with GDP and sectoral growth.

The other side of the story also exists. Equally important causes for high prevalence of unemployment are the lack of skills required for jobs that are available and redundancy of some skills. How?

At the frontline level in the logistics sector, for instance, illiteracy is the biggest challenge followed by language inadequacy and workplace hygiene. At the mid-manager level, it includes lack of knowledge of best practices, technological illiteracy and ineffective planning. At the senior manager level, ineffective talent management, absences of long-term focus and inadequate knowledge of regulations are the challenges.
The younger generation seems more pessimistic about the job market

% response to “How easy or difficult do you think it is to find a job nowadays?”

- Difficult
- Can’t say
- Easy

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Difficult (%)</th>
<th>Can’t Say (%)</th>
<th>Easy (%)</th>
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</thead>
<tbody>
<tr>
<td>Gen-X (age 38-53 years)</td>
<td>59.74</td>
<td>13.34</td>
<td>26.92</td>
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<td>Older millennials (age 29-37)</td>
<td>52.4</td>
<td>16.42</td>
<td>31.18</td>
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<tr>
<td>Younger millennials (age 22-28)</td>
<td>66.35</td>
<td>7.23</td>
<td>26.42</td>
</tr>
<tr>
<td>Gen-Z (age 18-21 years)</td>
<td>72.58</td>
<td>6.65</td>
<td>20.79</td>
</tr>
</tbody>
</table>

Results based on online survey. The sub-sample size of respondents used for generating the above chart is 4,675 respondents.


We see two major concerns on employment generation in India. The first relates to regular availability of information on employment generation and the second, to its quality, particularly its ability to capture fully the data on employment generation from the new initiatives taken by the government.

The Way Ahead

As India’s labor market shifts, it is time to focus on improved quality of work and the income derived from it, not simply the number of jobs being lost or created. It will require a conscious effort on the part of the government, including in terms of measuring employment more holistically, targeting spending on initiatives, and changing regulation of private-sector investment and innovation to remove barriers to gainful employment.

Rather than different bodies bringing out complete sets of conflicting data, the need of the hour is for research organisations to come together and bring out statistics that are reliable and capture the demographic differences of the country.

But we should not forget that the issue is a policy focus as much as a data concern. What we need is a National Employment Policy (NEP) that would be a critical tool to contribute significantly to achieve the goals of the 2030 Agenda for Sustainable Development.
Creation, Development and Diversification of Livelihood Opportunities in India

So, now that we are aware of – twin challenges that India faces in terms of employment and the contradictory employment numbers, it is time for us to deep dive into the existing issues, how to address them and various other dimensions related to ‘employment’.

Recognizing and Addressing Key Risks

- Challenges in terms of low levels of education and skills and high dropout rates and discontinuance of education impacting the employability of the Indian youth
- Preference by majority of youth for general stream of education with only about 12.6% for technical / professional education and only 2.4% pursuing vocational education
- Lack of inclusion of vocational education as part of the overall learning ecosystem, further aggravated by the high prices

Currently India is the fastest growing economy with huge demographic potential. This demographic potential can facilitate increase in the GDP growth if the demographics can be converted into productive workforce through appropriate skilling.

A. Realign India’s Education System to emphasize on Skills rather than mere Degrees

The key challenge that our education system faces can be addressed through **two-pronged approach**: Teaching skills that are transferrable across occupations and imparting specific skills required by particular industry

- In some systems, **school-based learning is combined with work based learning** found in Austria, the Czech Republic, Denmark, Hungary, the Netherlands, the Slovak Republic and Switzerland.
- The initiatives taken by States such as Haryana, Himachal Pradesh and Kerala to **introduce vocational education at the level of secondary schools and colleges** needs to be encouraged since they allow a student to pursue general education in parallel and become job market ready by the time of graduation.
- There is a need to **align the National Education Policy with the National Skill Development Policy** and alignment of vocational courses in schools with the National Skills Qualification Framework.

A dedicated Ministry of Skill Development and Entrepreneurship was formed in November 2014 as the nodal ministry for all skill development activities in India. A new policy with focus on entrepreneurship was launched in 2015- “National Policy for Skill Development and Entrepreneurship 2015”.
B. Sectors having Potential to Create Maximum Employment

Areas of Big Data Analytics, Artificial Intelligence, Internet of Things, Cloud Computing and Virtual Reality, Block Chain and Electric Vehicles will create highly skilled and high paid jobs in the future. For the large segment of poorly educated and low skilled labour force, opportunities lie in apparel; textile and leather; tourism and hospitality sector; and construction.

C. Fostering the Spirit of Entrepreneurship

Entrepreneurship is an important driver for creating employment opportunities, boosting innovations and thereby fuelling growth. This is important to harness the demographic advantage and ensuring that people have livelihood opportunities despite low skills and education. The government initiatives since 2014 are changing the mind-set of people to foster the spirit of entrepreneurship.

Developing the Skills Ecosystem

The India Skills Report 2018, indicates that only 46% of youth coming out of higher educational institutes are employable. This raises the issue of skill gap; skill mismatch or skill shortage.

A Skill Gap Study by NSDC estimates an incremental human resource requirement of 109.73 million skilled manpower by 2022 in the 24 key sectors of the economy. There is an emergent need to strengthen the entrepreneurship ecosystem to meet the aspirations of youth.

There is an urgent need to –

A. Increase training capacity - The Pradhan Mantri Kaushal Vikas Yojana (PMKVY) centres are spread across various states and UTs and efforts are made to make available the training facility in each district. To ensure mobility of Indian workers, multi skill institutes in terms of Pradhan Mantri Kaushal Kendras have been setup in 460 districts and more are being setup. E-marketplace and app based library have been launched for dissemination of skill content and curriculum.

B. Improving Quality and Relevance: There has been a significant effort towards improving and enforcing quality norms in training output. Over 5,000 ITIs and 15,000 training centres have been graded. The efforts for improved quality has led to increased placement percentage in both fee based training and grant based training (PMKVY).

C. Formalize the Informal Skills: Recognition of Prior Learning (RPL) and Apprenticeship: To facilitate informal workers and to map the skilling requirement of the informal sector a programme “Recognition of Prior Learning” has been introduced whereby the skills of
workers are tested, assessed and certified. The apprenticeship model leads to the creation of an industry-ready workforce.

To promote apprenticeship as a mode of skill development, the Apprenticeship Act, 1961 was amended in 2014 to enhance the scope of apprentices. Initiatives such as National Apprenticeship Promotion Scheme (NAPS) will enable creation of an industry-ready workforce and help to transform India into the ‘Skill Capital of the World’.

D. **Integrating Micro Industries to Marketplace:** With the advent of technology, creating and integrating more micro enterprises at village level to large market places may limit migration and increase the chances for continued livelihood.

E. **Skill Wage Premium:** Wage premium for skilled labour is still not a reality in the Indian industries which are more cost focused and thus unable to realise the benefits of a skilled workforce.

F. **Encouraging Private Sector Funding:** While industries are a direct beneficiary of the skilled manpower, the skilling initiative has been entirely funded by government initiatives. We need to explore various options such as reimbursable contributions, levies or even mandatory cess to determine how best to motivate the industries to voluntarily activities participate in the skill development.

**Addressing Structural and Labour Market Rigidities**

Unemployment problem is challenging in India because it emerges from structural rigidities of our labour market, scarcity of capital and low skill levels of our labour force.

**Critical issues**

- Indian labour laws are considered complex and restrictive. Complexity also implies huge compliance burden for the companies. As a consequence of this, the labour to capital ratio is low despite the fact that India is a labour abundant and capital scarce country.
- Rigidities in labour market have also ensured that the employment elasticity of Indian economy has remained low. According to ILO report, the employment elasticity of Indian economy is 0.15%. Therefore, GDP growth does not lead to commensurate employment generation without focused approach.
India also suffers from disguised unemployment in the farm sector, therefore providing alternative employment in rural areas is very important.

Addressing these rigidities

‘Fixed term contract’ employment: In certain employment intensive industries like textiles, it allows employers to hire workers for a pre-defined fixed term with a proportionate share of all the benefits to which any permanent worker is entitled.

Pradhan Mantri Rojgar Protsahan Yojana: Government is paying the full employer’s contribution towards EPF and EPS from 1st April 2018 thus encouraging new employment.

Ease of Doing Business: According to the Economic Survey 2017-18, the initiatives such as Shram Suvidha Portal, Universal Account Number and National Career Service Portal will reduce the complexity burden and better and better accountability for enforcement.

National Employment Policy

The underlying principles for the National Employment Policy may include –

- Enhancing human capital through skill development
- Addressing Labour Market and structural Rigidities
- Creating sufficient number of decent quality jobs for all citizens in the formal and informal sectors to absorb those who are available and willing to work
- Strengthening social cohesion and equity in the labour market: Labour Law Reforms + Increasing Female Labour Force Participation
- Coherence and convergence in various initiatives taken by the government
- Integrating Micro Industries to Marketplace and supporting the private sector to become the major investor in productive enterprises
- Supporting self-employed persons by strengthening their capabilities to improve their earnings
- Ensuring employees’ basic rights and developing an education training
- Skill development system aligned with the changing requirements of the labour market
**What would the National Employment Policy address?**

A. **Analysing and Improving Labour Market Data:** Availability of detailed, reliable, and comprehensive information on the labour market is critical to meet the employment challenge through well-targeted policies and programmes. At present, the dearth of statistical data on the labour market in India poses serious constraints to employment planning and promotion.

The policy would lay stress on an effective Labour Market Information System (LMIS) for identifying skill shortages, training needs and available employment opportunities. This would facilitate greater synchronisation with portals like National Career Service to address skill shortages and meet the demand for labour in different sectors.

B. **Synergy between different Sectors of the Economy:** Employment creation is not restricted to one sector or policy. It covers various sectors and is impacted by various policies. The National Employment Policy needs to ensure coordination and coherence across policy initiatives and programmes in different sectors.

C. **Education and Skill Development:** They are an integral parts of broad economic strategies to develop economies and promote employment opportunities appropriate to changing needs of the economy. Skill-mismatch, formal skill training and re-training is seen as a significant issue for employability. The advent of automation, the growing importance of digital ecosystems and independent work, are challenging labour markets around the world while also creating new and better opportunities. The National Employment Policy should ensure that the education, training and skill development system is aligned with the changing requirements of the labour market.

D. **Improving Women’s Participation in the Economy:** With just 27.4 percent women as compared to 75.5 percent men in 2015-16, the numbers of women in the workforce remain strikingly low compared to other developing countries. No single policy intervention will be able to address the full range of constraints they face. The content of the NEP, in line with SDG 5 on Gender Equality, should focus on

- Developing women’s human capital and capabilities and investing in their ability to adapt to changing labour markets
- Providing support for their care responsibilities
- Establishing gender-sensitive labour market regulations
- Enhancing their voice and capacity for collective action
E. **Employment & Income in Agriculture:** Improving livelihood opportunities and income of those engaged in agriculture is extremely important and would have an impact on the effort to end poverty in all its forms (SDG 1) and for reducing inequality (SDG 10). The contents of the NEP should incorporate new and innovative ways to

- Get over the problem of land fragmentation
- Make farmers a participant in higher value addition
- Skilling rural youth in new technologies that can be incorporated in agriculture and agro-based industries

F. **Micro & Small Enterprise and Entrepreneurship development:** The Micro, Small and Medium Enterprises (MSMEs) are the largest generator of employment. However, it is essential that they have access to training, incubator support to develop and execute their ideas, and credit to finance their ventures. The contents of the NEP should include measures for creating awareness among these units to leverage the facilities offered to them by and the government and simplifying processes through which they can avail these facilities.

G. **Targeted Programmes for Employment Generation:** Targeted Programmes for employment generation, particularly those that take the form of an Employment Guarantee Scheme create a role for the government in the provision of employment to all those willing and able to work, should the labour market not offer such employment. The **National Rural Employment Guarantee Scheme** in India has already achieved a significant breakthrough in providing a certain level of employment security, particularly to informal workers and strengthening public works. Efforts in the future, guided by the National Employment Policy, need to be aimed at ensuring that the rural unemployed find adequate employment on a more sustainable basis and there are increased opportunities for women and other socially disadvantaged groups.

H. **Employment Opportunities for the Vulnerable Section:** The issue of promoting employment opportunities for minorities, SC/ST, the differently abled and women within these categories, assumes greater importance given the relative disadvantages they may have experienced. The NEP needs to provide the much needed focus on equal access to employment opportunities for marginalized sections.

I. **Employment and Labour standards:** Although the formal sector is largely protected by labour legislation and standards, it is important that policy initiatives are also focussed on improving incomes, working conditions, and promoting occupational health and safety for
those engaged in the informal sector. The NEP will have to lay down strategies to incorporate the informal sector under the fold of labour legislation, social security and international standards.

J. Monitoring: The NEP needs to facilitate to establish an effective national coordinating and monitoring mechanism involving both state and civil society organisations to enhance employment promotion and creation.

MSMEs: New Engines of Growth and Employment

MSMEs are acknowledged as the backbone of the economy. Currently, there exist over 7 crore MSMEs that create around 12 crore jobs in the country across various types of enterprises.

As the country is expecting to witness significant demographic growth and expansion in working age population in the coming years, the MSME sector would need to play an important role to absorb this labour force. It is crucial to lay greater focus on building human capital, especially in certain manufacturing industries which are highly labour intensive. National Manufacturing Policy (NMP), the manufacturing sector has the potential to provide employment to 100 million people by 2022, and the ways in which it can –

- Encourage growth in labour-intensive industries
- Improve quality of training imparted in schools, colleges and universities by setting up innovative labs
- Enhance labour productivity by adopting best practices
- Ensure timely credit flow
- Facilitate good market access

**MSME Sampark Portal** – A platform where the recruiters would have access to the increasing talent pool of trained manpower, facilitating their placement.
Deendayal Antyodaya Yojana – National Urban Livelihood Mission (DAY-NULM)

Three key national challenges being addressed by the Mission are:

- Informal nature of employment
- Lower participation of women in labour force
- Capacity constraints of the implementing agencies

Trends show that the high rate of urbanisation in the country is not accompanied by a proportionately high rate of formalization, with more informal enterprises being added to urban areas. DAY-NULM is addressing this challenge through 2 initiatives.

- First, Recognition of Prior Learning (RPL) has been adopted in convergence with the Pradhan Mantri Kaushal Vikas Yojana (PMKVY), as a mechanism to recognize, certify and formalise those who have acquired skills informally.
- Second, City Livelihood Centres (CLCs) are being revitalised, with a renewed focus on creating a robust database of freelance service providers, making their services available through mobile apps etc.

Improving women’s participation in the Urban Workforce: Between 1990 and 2015, female labour force participation fell from 37% to 28%. The Female Labour Force Participation Rate in India could rise by 21 percentage points if all women who expressed a desire to work were enabled to do so. DAY-NULM addressed this gap by mobilizing women into SHGs. These community based organisations empower women to become socially and financially secure.

Urban Building Capacity of Local Bodies (ULBs): ULBs are key implementation units for DAY-NULM. Ministry of Housing and Urban Affairs has launched Integrated Capacity Building Programme to build their capacities for implementing the urban missions including the employment and self-employment programs and sensitizing them to the vulnerabilities of the urban poor.
Aim of the Mission: At creating efficient and effective institutional platforms of the rural poor, enabling them to increase household income through sustainable livelihood enhancements and improved access to financial services.

NRLM set out with an agenda to cover 7 Crore rural poor households, across 600 districts, 6000 blocks, 2.5 lakh Gram Panchayats and 6 lakh villages in the country through self-managed Self Help Groups (SHGs) and federated institutions and support them for livelihoods collectives in a period of 8-10 years.

In addition, the poor would be facilitated to achieve increased access to rights, entitlements and public services, diversified risk and better social indicators of empowerment. DAY-NRLM believes in harnessing the innate capabilities of the poor and complements them with capacities (information, knowledge, skills, tools, finance and collectivization) to participate in the growing economy of the country.
DAY - NRLM Values

- Inclusion of the poorest, and meaningful role to the poorest in all the processes
- Transparency and accountability of all processes and institutions
- Ownership and key role of the poor and their institutions in all stages – planning, implementation, and, monitoring
- Community self-reliance and self-dependence

Has sought promoting community based organizations (CBOs) as cornerstone of its strategy for addressing goal of poverty eradication. Its multipronged strategy includes:

- Building dedicated support structure at various levels to mobilize poor and augment their capacities
- Saturation of poor in phased way to include each and every poor household under fold of SHGs
- Arrange linkages to CBOs to emerge as viable units providing services for livelihood generation
- Encouraging participation of members in all decisionmaking process.

Structure of community based organizations (CBOs)

1st: SHGs - informal groups with max. of 20 members who open bank account for savings and get themselves graded to receive revolving fund (RF) and community investment fund (CIF). This is followed by preparation of microcredit plan (MCP) to be able to receive bank loan.

2nd: Village Organizations (VOs) - form sub – committees which can give focused attention to areas like bank linkage and recovery management

3rd: Cluster Level Federations (CLFs) - are being formed for cluster of villages by integrating all VOs

Key Features:

A. Universal Social Mobilisation - At least one woman member from each identified rural poor household, is to be brought under the Self Help Group (SHG) network in a time bound manner. Special emphasis is particularly on vulnerable communities such as manual scavengers, victims of human trafficking, Particularly Vulnerable Tribal Groups (PVTGs), Persons with Disabilities (PwDs) and bonded labour.
B. **Participatory Identification of Poor (PIP)** - The inclusion of the target group under NRLM is determined by a well-defined, transparent and equitable process of participatory identification of poor, at the level of the community.

C. **Community Funds as Resources in Perpetuity** - NRLM provides Revolving Fund (RF) and Community Investment Fund (CIF) as resources in perpetuity to the institutions of the poor, to strengthen their institutional and financial management capacity and build their track record to attract mainstream bank finance.

D. **Financial Inclusion** - NRLM works on both demand and supply sides of financial inclusion. On the demand side, it promotes financial literacy among the poor and provides catalytic capital to the SHGs and their federations. On the supply side, the Mission coordinates with the financial sector and encourages use of Information, Communication & Technology (ICT) based financial technologies, business correspondents and community facilitators like ‘Bank Mitras’. It also works towards universal coverage of rural poor against risk of loss of life, health and assets. Further, it works on remittances, especially in areas where migration is endemic.

E. **Livelihoods** - NRLM focuses on stabilizing and promoting existing livelihood portfolio of the poor through its three pillars – ‘vulnerability reduction’ and ‘livelihoods enhancement’ through deepening/enhancing and expanding existing livelihoods options and tapping new opportunities in farm and non-farm sectors; ‘employment’ - building skills for the job market outside; and ‘enterprises’ - nurturing self-employed and entrepreneurs (for micro-enterprises).

F. **Convergence and partnerships**

*Convergence:* NRLM places a high emphasis on convergence with other programmes for developing synergies directly or indirectly with institutions of the poor.

*Partnerships with NGOs and other CSOs:* NRLM has been proactively seeking partnerships with Non-Government Organizations (NGOs) and other Civil Society Organizations (CSOs), at two levels - strategic and implementation.

*Linkages with PRIs:* Formal platforms would be established for regular consultations between such institutions and PRIs for exchange of mutual advice, support and sharing of resources.
MGNREGS: Empowerment Rural India

Aims at: Guarantees the ‘right to work’ - Enhances livelihood security of rural poor

Considered one of the biggest social welfare programmes in the world –

- It aims at guarantying **100 days of work** to people in rural areas.
- Is seen as an instrument that has an ability to create a model of governance reform anchored on the principles of: Right to livelihood + transparency + grassroots democracy

Key attributes:

- Labour intensive work
- Decentralized participatory planning
- Women empowerment
- Work site facilities
- Transparency
- Accountability through the provision of social audits

Note:

- Modelled on the format of National Rural Employment Program (NREP) brought out by the Govt. in 1977
- Being linked to Employment Guarantee Scheme (EGS), which was 1st initiated in Maharashtra way back in 1970s.

**Study by the National Council of Applied Economic Research:** MGNREGS has reduced poverty overall by up to 32% and has prevented 14 million people from falling into poverty.

**Modified Version (Target driven & Result oriented):**

- Over 5.5 cr. workers have been put on Aadhar–based Payment System and the Aadhar numbers of 9.23 cr. workers have been seeded so far in NREGA Soft MIS.
- **Need to link MG-NREGS to farm sector:** To double farm income by 2022 – therefore there is a need for:
  - Reducing cost of cultivation
  - Enhancing production through efficient use of water or other inputs
  - Providing remunerative price to farmers
  - Rehabilitation of agricultural land and assets after natural hazards
  - Policy coordination between agricultural sector and MGNREGA
- Water conservation work to curb water shortages, following watershed principles

- **A safety net:** Played a much larger role in revitalizing the labour market in rural areas
  - Accelerated the wage rate growth through upward pressure on wages
  - Tightened the supply of casual labour to the market
  - Put pressure on state govt’s to increase minimum wages

- **Type of Work undertaken:**
  - Water conservation & harvesting, digging new tanks/ponds
  - Making of small check dams, etc.
  - Draught proofing & plantation, tree plantation, etc.
  - Flood control & protection drainage in water logged areas.
  - Construction & repair of embankment, etc.
  - Land development plantation, land leveling, etc.
  - Micro irrigation works, Minor irrigation canals.
  - Renovation of traditional eater bodies, desilting tanks/ponds.
  - Provision of irrigation facility in areas inhabited by Scheduled castes & Schedule tribes as well.
  - Rural connectivity, construction of roads.

**Must Read links for a 360 degree understanding of the topic:** [Link 1] [Link 2] [Link 3]

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**SPMRM: Bridging Rural-Urban Divide**

**What do we mean by 'Rurban'?**

Large parts of rural areas in the country are not stand-alone settlements but part of a cluster of settlements, which are relatively proximate to each other. These clusters typically illustrate potential for growth, have economic drivers and derive locational and competitive advantages, and are termed as ‘rurban’.

**Therefore, the launch of Shyama Prasad Mukherji Rurban Mission (SPMRM):** Aimed at developing such rural areas by provisioning of economic, social and physical infrastructure facilities. The Rurban Mission will thus develop a cluster of **Smart Villages**.

‘Rurban cluster’: A cluster of geographically contiguous villages w/population of about 25000 to 50000 in plain and coastal areas & with population of 5000 to 15000 in desert, hilly or tribal areas.
Outcomes: The larger outcomes envisaged under this Mission are:

- Bridging the rural-urban divide-viz: economic, technological and those related to facilities and services
- Stimulating local economic development with emphasis on reduction of poverty and unemployment in rural areas
- Spreading development in the region
- Attracting investment in rural areas

To ensure an optimum level of development, fourteen components have been suggested as desirable for the cluster, which would include:

- Skill development training linked to economic activities
- Agro Processing/Agri Services/Storage and Warehousing
- Digital Literacy
- Sanitation
- Provision of piped water supply
- Solid and liquid waste management
- Village streets and drains
- Street lights
- Fully equipped mobile health unit
- Upgrading school/higher education facilities
- Inter-village road connectivity
- Citizen Service Centres- for electronic delivery of citizen centric services/e-gram connectivity,
- Public transport
- LPG gas connections

How are the clusters being selected?

The State Government has been selecting a Gram Panchayats/ clusters of geographically contiguous Gram Panchayats, with a population of 25,000 to 50,000 in plain and coastal areas and a population of 5,000 to 15,000 in the deserts, hilly and island or tribal areas as a ‘Rural Clusters’.

There would be two categories of clusters, Non-Tribal and Tribal:

A. Tribal Clusters
   - Decadal growth in Tribal Population
   - Current Tribal Literacy Rate
   - Decadal growth in Non-Farm Work force participation
- Decadal growth in Rural Population
- Presence of Economic Clusters

B. Non- Tribal Clusters
- Decadal growth in Rural Population
- Rise in Land Values
- Decadal growth in Non-Farm Work force participation
- Percentage Enrollment of girls in secondary schools
- Percentage Households w/Bank accounts under Pradhan Mantri Jan Dhan Yojana
- Performance in Swachh Bharat Mission (Gramin)
- Good Governance Initiatives by Gram Panchayats
- Any other factor which States may consider relevant may also be included.
- Weightage of 80 % would be given for 1st 4 parameters & States will have flexibility to choose last 3 parameters, subject to total weightage of 20%.

The Way Forward – To bridge the Rural-Urban Divide

Engage
- Motivating parents, especially mother to use facilities provided by the government
- Involve women (backbone of our community), to avail facilities and encourage others as well

Enable:
- Quality infrastructure has to be provided for rural and urban citizenry
- Resources of Rurban clusters should be earmarked and devoted towards inclusive growth
- Focus on areas of infrastructure constraints (road connectivity, food processing, access to formal banking network)
- Processes which impede implementation should be eliminated
- Access to clean cooking stove alternatives linked with urban populations

Enrich:
- Private sector involvement and interaction with government: would bring in more funds
- Linking Post offices for spread of information and awareness
- Formation of Joint Liability Groups
- Use of smart cards in rural banks will ensure ease of transactions and direct transfers minimizing transaction costs
- Inclusiveness of plans and their implementation is inevitable for sustainable development
Digital Technology: Connecting Rural India

Broadband internet access is seen as central for societal innovation because storing of large datasets & live communication requires good connectivity. New wireless technologies such as MESH & WiMAX and new generation mobile phone networks will provide high speed internet services at sharply reduced costs, thereby dramatically increasing internet coverage in rural areas.

The National Alliance for Mission 2007 and Common Service Centre Scheme to establish telecentres country-wide in India – Clear examples of government’s dedication to enhance rural access.

Digital support to Agriculture

- Deliver useful information to farmers about agriculture like crop care and animal husbandry, fertilizer & feedstock inputs, pest control, seed sourcing and market prices.
- Quick dissemination of technological information from the research system to farmers in the field and reporting of farmer’s feedback to the research system
- Agriculture technology transfer: Information provided through modern information technology gadgets should be need-based, demand driven, site-specific and in local language
- Dissemination of dynamic information relating to cultivation, management, meteorological and marketing factors as related to crops, livestock, fisheries, agro-forestry and agro-processing
- Harnessing the right technology available can offer multiple issues of governance in agricultural sector providing most needed timely relief to distressed farmers, cutting delays, inefficiencies, corruption and costs.
- Private sector-led Agriwatch (www.agriwatch.com) & e-Choupal program (www.itcportal.com/ruraldevp_philosophy/echoupal.htm) support several million farmers with price information, tender and transaction facilities.

Digital Technology for Capacity-building

Enables rural communities to interact with other stakeholders, thus reducing social isolation –

- Better negotiation of input and output prices
- Land claims
- Resource rights
- Infrastructure projects
- Document and communicate – Global positioning systems
- Access to credit and banking facilities
- Reduction in cost and stimulation of local trade

**Transforming Rural India with Digital Technology**

*Empowerment – e-Choupal:* efficient supply-chain system empowering farmers with timely & relevant information enabling them better returns for their produce

*Enablement:* Practice of e-governance, which creates transparency & governance through IT has empowered citizens. (maintenance of land records – removes malpractices and creates assurance of right ownership)

**Market expansion**

- In India, ICT applications such as Warana, Drishtee, e-Chaupal, E-Seva, Lokmitra, E-Post, Gramdoot, Gyandoot, Tarahaat, Dhan, Akshaya, Honeybee, Praja are quite successful in achieving their objectives.
- Direct connect through e-commerce has facilitated large number of artisans and agro-based small enterprises in rural areas

*e-Extension:* This is program of Dept. of Agriculture, Gujarat which aims to analyze soil of all villages of state & proposes to provide online guidance to farmers on their soil health condition, fertilizer usage & alternative cropping pattern.

**AGRISNET:** AGRISNET uses state-of-the-art broadband satellite technology to establish network within the country.

**AGMARKNET:** It is comprehensive database which links together all important agricultural produce markets in country.

**e-KRISHI VIPANAN:** It professionalizes & reorganizes agriculture trading business of Mandi Board by installing cost effective digital infrastructure using latest advancement in digital technology by collecting & delivering real time information online.

**Query Redressal Services:** Empowers the farming community through effective, need-based interventions. Project helps farming community by making available 10000 plus network of experts to them.

**Kisan Call Centers:** Make agricultural knowledge available at free of cost to the farmers as and when desired
**Tata Kisan Kendra:** Concept of precision farming being implemented by TKKs has potential to catapult rural India from bullock-cart age into new era of satellites & IT.

**e-Choupal:** ITC’s Agri Business Division launched it in June 2000 on which village internet kiosks managed by farmers – called sanchalaks – themselves, enable agricultural community access ready information in their local language on weather and market prices.

**e-Sagu:** The word ‘Sagu’ meaning ‘cultivation’ in Telugu language, aims to improve farm productivity by delivering high quality personalized (farm-specific) agro-expert advice in timely manner to each farm at farmers door-steps without farmer asking question.

**AKASHGANGA:** It was established at a time when information technology was almost unknown in villages of India.

**Decision Support System for Agro-technology Transfer (DSSAT):** DSSAT is software package integrating effects of soil, crop phenotype, weather & management options that allows users to ask “what if” questions & simulate results by conducting, in minutes on desktop computer, experiments that would otherwise consume significant part of agronomist’s career.

**Electronic National Agriculture Market - eNAM** for agriculture marketing can be regarded as technology which will bring social change in markets. Social change in relationships & networks that work between buyer & seller as they exist in traditional markets will change as technology enabled eNAM is adopted in agriculture markets.

**Way Ahead**

- “National Commission on farmers” under chairmanship of Dr. M. S. Swaminathan had recommended harnessing benefits of Digital technology for improving socio-economic status of rural people by suggesting establishment of “Rural Knowledge Centres” all over country using modern Digital technology tools.
- Role of Digital technology to enhance food security and support rural livelihoods is increasingly recognized and was officially endorsed at World Summit on Information Society (WSIS) 2003 - 2005.
## Govt. Empowerment programs for Rural Women

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Details</th>
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<tbody>
<tr>
<td><strong>Deen Dayal Upadhyay Antyodaya Yojana (DAY-NRLM)</strong></td>
<td>At least one woman member from each identified rural poor household, is to be brought under the Self Help Group (SHG) network in a time bound manner.</td>
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<td><strong>Mahila Kisan Sashaktikaran Pariyojana (MKSP)</strong></td>
<td>Mahila Kisan Sashaktikaran Pariyojana (MKSP) is another component that aims to improve present status of women in Agriculture &amp; to enhance opportunities for empowerment.</td>
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<tr>
<td><strong>Rashtriya Mahila Kosh (RMK)</strong></td>
<td>Of Ministry of Women &amp; Child Development Extends micro-credit to women in informal sector through client friendly, without collateral and in hassle-free manner for income generation activities.</td>
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<td><strong>Mahila Shakti Kendra (MSK)</strong></td>
<td>To empower rural women through community participation. MSK Scheme is envisaged to provide interface for rural women to approach government for availing their entitlement and for empowering them through training &amp; capacity building.</td>
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<tr>
<td><strong>National Repository of Information for Women (NARI)</strong></td>
<td>Will provide citizens easy access to information on government schemes and initiative for women. Rural women can access these schemes on their own or with help of various frontline workers associated with the government schemes at ground level.</td>
</tr>
<tr>
<td><strong>National Nutrition Mission (NNM)</strong></td>
<td>To achieve improvement in nutritional status of children of 0 - 6 years and pregnant and lactating women in time bound manner, during coming 3 years beginning 2017 - 18,</td>
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<td>Scheme Name</td>
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<td><strong>Pradhan Mantri Matru Vandana Yojana (PMMVY)</strong></td>
<td>Maternity benefit program that has been made pan-India phenomenon. In 2015, Swadhar Greh scheme was launched to cater to primary needs of women in difficult circumstances. Setting up of shelter, food, clothing medical treatment and care are exclusively provided, meanwhile they are provided with legal guidance to enable their readjustment in family/society.</td>
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<td><strong>Mahila Shakti Kendra</strong></td>
<td>To address women’s issues at rural level wherein over 3 lakh student volunteers would be engaged in 115 most backward districts for 3 years.</td>
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<td><strong>Mahila e-Haat</strong></td>
<td>To economically empower women through financial inclusion. Government has launched bilingual portal Mahila e-Haat, direct online digital marketing platform for women entrepreneurs/SHGs/NGOs.</td>
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<tr>
<td><strong>Pradhan Mantri Ujjwala Yojana</strong></td>
<td>To make cooking gas (LPG) available to women from families that are financially backward.</td>
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<td></td>
<td>• Enhance status of women and caring for their health</td>
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<td></td>
<td>• Help to decrease air pollution due to use of fossil fuel</td>
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<td></td>
<td>• Lessening serious health risks related with cooking based on fossil fuels</td>
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<td></td>
<td>• Reducing number of deaths due to unclean cooking fuels, which is almost 5 lakh every year in India</td>
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<td></td>
<td>• Preventing young children from acute respiratory illness caused due to indoor air pollution by burning fossil fuels</td>
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### PRELIMS ORIENTED

**3Es crucial for India’s future:** Education, Employability, Employment

The **labour participation rate** is defined as the number of working-age people who are either employed or seeking employment.

**First Indian law to mandate social audit as a statutory requirement:** Mahatma Gandhi

**Quarterly Employment Survey:** By Labour Bureau

**Global Findex Report:** By World Bank

**World Employment Social Outlook Trends:** By International Labour Organisation

**SPARK: Systematic Progressive Analytical Real Time Ranking** – To induce competition among states based on outcome parameters of Mission

**Three social Security Schemes pertaining to Insurance & Pension Sectors:**
- Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)
- Pradhan Mantri Suraksha Bima Yojana (PMSBY)
- Atal Pension Yojana (APY)

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All the best 😊