RURAL SOCIO-ECONOMIC CHANGES IN INDIA: IMPLICATIONS FOR AGRICULTURAL EXTENSION

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Abstract

The purpose of this study was to assess rural development efforts in India, describe social and economic changes and their impact on rural communities, and suggest implications for agricultural and extension educators and development planners. Socio-economic changes that have occurred in India over the past four decades were examined using census data and published literature. Changes were documented in family structure and functioning, education, and social life. Economic changes included increased agricultural and industrial production, liberalization of economic and export policies, increase in number of rural bank branches, and increased coverage of rural masses under various credit programs. In the agrarian sector, the number of holdings increased while the average size of land holdings declined. Implications of these changes for rural development and agricultural extension pointed out in the paper include designing programs for farm families with limited land, public policy education on land subdivision, fragmentation and consolidation, and developing linkages with other disciplines to better understand problems and suggest solution strategies.

Rationale

Socio-economic, agrarian and political changes occurring in peasant communities around the world have influenced the nature and pattern of rural community development. India, a predominantly agricultural country, where 70% of the population depends on agriculture for its livelihood, has experienced a similar phenomenon. National planning over the last five decades that the country has been independent has emphasized a comprehensive program of rural community development, including an extension system designed to improve the livelihood of farming and rural families. During this time, significant changes have taken place in the social and economic life of the nation which have had an impact on rural community development programs and the agricultural extension system. It is the purpose of this paper to assess rural development efforts in India over a period of four decades, describe social and economic changes and their impact on rural communities, and suggest what implications these changes might have on the nation's community development programs/extension system. Secondary information sources, primarily census data and published literature, were reviewed as the basis for documenting macro-level social and
economic changes that have occurred in rural communities over the period covered by this study.

**Indian Rural Development Programs**

A comprehensive, nation-wide community development program was launched in India in 1953. The program, covering all aspects of rural life, including agriculture and related activities, education, health, cottage and small scale industries, and rural infrastructure, was housed in national and state departments of community development. Also organized in 1953 were national-state extension systems for agricultural development aimed at maximizing agricultural production and income of the farming population. These systems came under the purview of departments of agriculture and animal husbandry.

Within a decade, the entire country was covered by the community development program, operating in over 5,000 community development blocks, staffed with development professionals and technicians. Holdcroft (1984) provided a critical assessment of the positive and negative aspects of the program. He concluded that while the program was successful in providing basic developmental needs to people in rural areas, the underlying goal of social and economic amelioration of rural life was not accomplished. Poverty and food scarcity were not reduced, rather they became more widespread; disparities of wealth between large farmers and peasants increased; the program was not accepted by and did not reach the poor, and became a top-down bureaucratic empire that ignored agricultural production. The view most often expressed for the poor performance of the program was that political leaders did not understand either the complexity of the problem or the time required to transform traditional rural societies. Furthermore, the program enlarged social services more rapidly than rural incomes, and was unsuccessful in improving the conditions of the poor, the sharecroppers and the agricultural laborers. In short, both aspects of rural poverty, low productivity and unjust distribution of wealth and resources, were not significantly changed by the community development program (Holdcroft, 1984).

The failure of the community development program shifted the focus of planning and development in the 1970s toward integrated rural development. As a result, a number of programs were initiated to address the problems of neglected segments of rural society, namely landless agricultural laborers, scheduled castes, native tribes and backward classes.

Subsequent socio-economic programs initiated under a series of national five-year plans had the twin objectives of planned economic development and narrowing the gap between the rich and the poor. Major emphasis was given in these programs to the economic and social uplift of the masses. Economic uplift programs included programs of integrated rural development, growing high yielding varieties, backward area development, drought-prone area development, intensive agricultural development, and communication and infrastructure development (water, power, roads and telecommunications). Social programs to improve the lot of scheduled castes, backward classes and tribes included security-free loans, land for the landless, home construction loans, and subsidies and government aid. In 1969, all major commercial banks were nationalized. For the rural masses, this move was heralded as a new era of opportunity, bringing them into the fold of institutional credit. Once again, in 1980, a number of smaller banks were nationalized to increase lending to agriculture and rural development.

In the late 1980s and through the 1990s, the national government's economic policy favored privatization in recognition of the important role of the private sector in the nation's economic development. A number of economic measures were taken to encourage private sector participation in development programs. At the international level, export and import policies were liberalized to attract foreign investment. As a result, several multi-national companies and western countries began investing in India. However, private sector involvement in
Agriculture has been small and sporadic compared with the manufacturing sector.

**Agricultural Extension System**

Agricultural development has been considered as one of the main priorities of India's rural development. The management of agricultural development in India is primarily the function of the Union and State Ministries of Agriculture through Departments of Agriculture, which, in turn, depends on its extension service. The Extension system for agricultural development can be broadly classified into two categories: (a) Union Ministry of Agriculture/State Departments of Agriculture and their network of extension services, also called the Government Extension System, and (b) extension systems of the Indian Council of Agricultural Research (ICAR) and its research institutes and agricultural universities.

The Government Extension System with its network of extension service and organization is primarily responsible for dissemination of farm technology, and educating and helping farmers to understand and use new technology on their farms. The extension system of the ICAR is primarily concerned with transfer of technology programs. The extension role of agricultural universities consists of development and advisory work, organizing and conducting training programs for subject matter specialists, extension personnel, farmers and others, communication and publication of extension literature, and maintaining public relations.

The National Extension Service started in 1953 has been organized at different levels, i.e., national, state, district, block and village. Since 1953, changes have been introduced in the extension approaches, programs, and systems. One of the major weaknesses was that the grass roots workers (village extension workers--VEWs) had a large area and a large number of farm families to work with. In addition, the professional qualification of these workers was not appropriate to the demands of new and sophisticated agricultural technology. Because of these weaknesses, a new system, the Training and Visit Extension System (T&V) was organized with financial assistance from the World Bank. Under this system, schedules of work, and duties and responsibilities of extension personnel are clearly specified and closely supervised at all levels. The main features of T&V are (a) professionalism, (b) single line of command, (c) time-bound work, (d) regular and continuous training, and (e) close linkage with research (Benor, Harrison, & Baxter, 1984). Transfer of research findings developed by agricultural scientists is achieved through training and visits. Training provides for transfer from researchers and subject matter specialists to VEWs. Visits enable transfer from VEWs to contact farmers through a scheduled program of visits to a fixed number of contact farmers. In turn, these contact farmers disseminate the information to fellow farmers.

Despite its success, T&V also had a number of weaknesses. For example, contact farmers form a very important link between the extension workers and the farming community. The success of the system depended on the functioning of these contact farmers. Several studies indicated that the selection and use of contact farmers were not completed according to guidelines. In a number of cases the same well-to-do farmers who had taken advantage of most of the extension programs were selected as contact farmers. In addition, several deficiencies were reported in terms of training programs, mobility of extension personnel, timely visits by the VEWs, and coordination with other agencies involved in agricultural production.

**Social and Economic Changes**

Family

Many families today are different from the standard families of the 1950s and 1960s (Kemmeyer, Ritzer & Yetman, 1994). Family structure and functions in India and many other countries are changing (Buggi, 1987).

Rural society, in general, is family-oriented in that family values, mores and goals permeate the
social structure. The traditional Indian family has been a joint or extended family. Even to this day, the ideals of joint family persist, though trends in favor of the nuclear family are emerging. Indian rural society has also been marked by two classes, rich, high-caste landlords, and poor peasants and agricultural laborers. This class structure has changed due to transformation in the agrarian sector and government policies. A new class of medium-sized farmers, mostly belonging to the middle caste, has emerged as a numerically dominant interest group which is coming to the fore of the political sphere and contributing to rural development (Buggi, 1987; Desai, 1990; Ray, 1979). This group has grown highly conscious of raising its standard of living and adopting the life style of well-to-do families.

Economy

The Indian economy has been growing at a rapid pace. Dramatic changes have occurred in the labor force and production such as the increasing number of working women, increased agricultural and industrial production, liberalization of government policies, and growth in investment (Walker & Ryan, 1990). Despite positive changes occurring in the economy, the exponential increase in population has drained the country’s resources and hindered economic growth, and impeded the efforts of planners to create an egalitarian society. Furthermore, the failure of the secondary and tertiary sectors of the economy to absorb surplus labor from agriculture has added to the problem of excessive pressure of population on land-based activities (Ramanna, Bisalaiah, & Chengappa, 1986). Some of the changes significant to agriculture and rural development are discussed.

The number of large farms in India is declining and will continue to decline (Radhakrishna & Yoder, 1993). The data in Table 1 show that in 1970-71, there were 2.8 (4%) million large farms, operating on 50.6 million hectares (31%). This figure declined to 1.7 million large farms (1%) operating on 27.6 million hectares (16%) in 1990-91. By the year 2000-2001, it is projected that the number of large farms will decline to 1.3 million, operating on 20 million hectares (11%).

Data in Table 1 also indicate that in 1990-91 79% of the farmers were in the small and marginal category (owning less than five acres) operating in 32% of the total area. In contrast, 1% of large farmers (owning 25 or more acres) were operating in 16% of the total area. This finding highlights the disintegration of large farms and the predominance of small and marginal farmers who have grown in millions at the expense of large farms. Reasons for the decline of large farmers include (a) laws of inheritance and succession, (b) break-up of the joint family system, (c) excessive pressure of increasing population on agricultural land, (d) lack of off-farm employment opportunities, (e) government-sponsored land reform measures to achieve greater socio-economic equity, and (f) sub-division and fragmentation of land holdings.

Among the predominantly agricultural countries in the world, India has emphasized a major role for institutional credit in agricultural and rural development programs. Cooperatives and commercial banks are two major agencies which provide institutional credit to farmers. Although a large part of the money has flowed through cooperatives and commercial banks, the services offered by these institutions have been monopolized by the better-off sections of the rural community. Furthermore, according to the Reserve Bank of India, the suppliers of credit to agriculture are still dominated by non-institutional sources such as money lenders, large farmers, rich widows, and relatives. Interestingly though, the share of non-institutional credit in the total credit to agriculture declined from 95% in 1952 to 67% in 1982 (Desai, 1990).
Table 1

Number of Farms and Area Cultivated by Type of Farm

<table>
<thead>
<tr>
<th>Type of Farm</th>
<th>1970-71</th>
<th>1980-81</th>
<th>1990-91</th>
<th>2000-2001(^a)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Large (&gt; 25 acres)</strong>(^b)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number(^c)</td>
<td>2.8 (4%)</td>
<td>2.2 (2.5%)</td>
<td>1.7 (1%)</td>
<td>1.3 (1%)</td>
</tr>
<tr>
<td>Area(^d)</td>
<td>50.6 (31%)</td>
<td>37.2 (23%)</td>
<td>27.6 (16%)</td>
<td>20.5 (11%)</td>
</tr>
<tr>
<td><strong>Medium/Semi Medium (5-25 acres)</strong>(^b)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number(^c)</td>
<td>18.6 (26%)</td>
<td>20.6 (23%)</td>
<td>22.8 (20%)</td>
<td>25.5 (17%)</td>
</tr>
<tr>
<td>Area(^d)</td>
<td>78.3 (48%)</td>
<td>78.8 (50%)</td>
<td>88.1 (52%)</td>
<td>95.2 (52%)</td>
</tr>
<tr>
<td><strong>Small and Marginal (&lt; 5 acres)</strong>(^b)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number(^c)</td>
<td>49.6 (70%)</td>
<td>66.7 (74.5%)</td>
<td>90.0 (79%)</td>
<td>121.9 (82%)</td>
</tr>
<tr>
<td>Area(^d)</td>
<td>33.8 (21%)</td>
<td>42.7 (27%)</td>
<td>54.2 (32%)</td>
<td>69.0 (37%)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>71.0</td>
<td>89.5</td>
<td>114.5</td>
<td>148.7</td>
</tr>
<tr>
<td>Number(^c)</td>
<td>162.7</td>
<td>158.7</td>
<td>169.9</td>
<td>184.7</td>
</tr>
<tr>
<td>Area(^d)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^a\) projections; \(^b\) 1 hectare = 2.25 acres; \(^c\) millions; \(^d\) million hectares
(Source: Census of India, 1970-71, 1980-81, 1990-91)

The number of bank branch offices in India increased from 8,262 in 1969 at the time of bank nationalization to 53,565 in 1987 (Mahajan, 1990). Furthermore, farmer service cooperatives were organized to help small and marginal farmers, and landless agricultural laborers to pursue production activities. As a result, a large section of the rural community has come under the fold of institutional credit, which has helped develop rural communities.

Implications

Changes occurring in rural communities have implications for the design and implementation of development/extension programs. It is important that agricultural and extension educators understand and take these changes into consideration in developing systems and programs.

In the Indian rural development context, the following specific implications arising from the socio-economic changes described in this paper are being suggested for consideration by development planners and agricultural and extension educators in India. It is likely that these suggestions may be applicable to other countries that are addressing similar issues and problems through a planned agricultural and rural community development process.

1. It is expected that the observed trend of decrease in farm size will continue, and that, as a result, farmers will be less inclined to invest in land and land improvement which may lead to a drop in productivity and lowered economic viability of farms. A greater number of farm families operating small holdings as well as a greater number of small, marginal farmers and landless laborers will therefore need to be reached by extension workers. Decisions will need to be made with regard to such issues as increase in the number of extension workers to cover a larger number of projected clientele groups, the training of extension workers in terms of general and specialty subjects, the role of subject-matter specialists, and the types of
teaching methods to be used to reach a larger, more diverse client base.

2. Farmers will need to be educated about existing legislation and implementation plans related to land subdivision, fragmentation and consolidation. This type of public policy education should involve open discussion with local farmers and community leaders regarding how government policies and implementation procedures will affect current and future generations of farmers in terms of their economic well-being and conformity with cultural expectations, values and norms.

3. Extension personnel have an opportunity to develop programs which directly address the needs of people with limited land and those who are landless agricultural laborers. They can address such questions as: What changes in extension programming have occurred and/or what changes need to take place to address the needs of these groups? Has Extension examined or does it need to examine educational initiatives which would suggest alternative ways of operating individual, fragmented small land holdings? Has Extension assessed availability of the required supporting infrastructure to carry out and test such alternatives? Will Extension assume a leadership role in facilitating the establishment of demonstration projects to provide farmers with alternatives for traditional agricultural operations?

4. Changes in the rural credit scene offer Extension personnel an opportunity to capitalize on the positive aspects of this change to enhance programs. One way of achieving this is to work cooperatively with rural credit agencies and other lending institutions. Besides providing financial assistance, these institutions can advise and assist agricultural and extension educators on program priorities, plans and implementation strategies. The fact that these institutions have an established infrastructure is an added advantage in cooperating with them.

5. It is important for agricultural and extension educators to think and plan in a holistic manner in an increasingly interdependent world where problems require multi-disciplinary efforts to find solutions. Linkages need to be established among professionals in the disciplines of agricultural education, extension education, sociology, economics and anthropology both for collaborative work on practical problems in rural communities as well as cooperative research to enable better understanding of specific issues and the development of solution strategies.

6. The overriding question for Extension systems, both in India as described in this paper and in other countries, is how well these systems are positioning themselves to address the dynamic changes that are occurring in their respective nations. The Association for International Agricultural and Extension Education which is committed to promoting and studying international agricultural and rural development can assist in finding answers to this question. Organizing discourse and dialogue at its annual conference and encouraging Journal submissions on the subject are ways in which the association can contribute.

References


