



Social Protection and Agriculture: Breaking the Cycle of Rural Poverty

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Abstract

The idea of social protection was emphasized by the World Commission on the Social Dimension of Globalization (2004) which noted that “a certain minimum level of social protection needs to be accepted and undisputed as part of the socio-economic floor of the global economy”. It considers 7 dimensions of social protection viz. Education, Health and Nutrition, Employment, Social Pensions, Food Security, Housing, Justice and Dignity. Poverty is a major impediment to the human growth and development. It is posing a major challenge before the government and the society. It creates a vicious cycle, which entraps an individual into poor condition. Thus, poverty is the situation where the individuals or communities lack the resources, ability and environment to meet the basic needs of life. Most of our population depends on agriculture as their profession. Our agriculture is characterized by low level of income and investment and is a gamble of nature. There is a sharp rise in input cost while Minimum Support price has failed to keep pace with it. It results into bank debt, suicide or private borrowing and opens the gate for exploitation and poverty trap. Institutional credit delivery is abysmally low. There is disenchantment among farmers and 44% of them are ready to quit agriculture, if they are given a chance. Though there is no doubt that manufacturing sector, service sector, and high end research is necessary to keep pace with the world, but it should not be at the cost of agriculture. Our government has initiated a large number of schemes for agriculture because it is not only necessary for food security but also for national security.

Key words: Indian agriculture, poverty, vicious cycle, social protection.

I. INTRODUCTION

The idea of social protection was emphasized by the World Commission on the Social Dimension of Globalization (2004) which noted that “a certain minimum level of social protection needs to be accepted and undisputed as part of the socio-economic floor of the global economy”. It considers 7 dimensions of social protection viz. Education, Health and Nutrition, Employment, Social Pensions, Food Security, Housing, Justice and Dignity. Poverty is a major impediment to the human growth and development. It is posing a major challenge before the government and the society. It creates a vicious cycle, which entraps an individual into poor condition. Thus, poverty is the situation where the individuals or communities lack the resources, ability and environment to meet the basic needs of life. Most of our population depends on agriculture as their profession. Our agriculture is characterized by low level of income and investment and is a gamble of nature. There is a sharp rise in input cost while Minimum Support price has failed to keep pace with it. It results into bank debt, suicide or private borrowing and opens the gate for exploitation and poverty trap. Institutional credit delivery is abysmally low. There is disenchantment among farmers and 44% of them are ready to quit agriculture, if they are given a chance. Though there is no doubt that manufacturing sector, service sector, and high end research is necessary to keep pace with the world, but it should not be at the cost of agriculture. Our

government has initiated a large number of schemes for agriculture because it is not only necessary for food security but also for national security.

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“Economies fare better when there are efficient social protection schemes, because they help improve worker productivity and promote balanced and sustainable growth. ... Building up a social protection floor in each country will take time.”

Nicolas Sarkozy, President of France, 23 May 2011.

The notion that economic growth would automatically promote social protection is dismissed. Social protection policies aims to reduce socio-economic risks, vulnerability, extreme poverty and deprivation, while agricultural policies focus on improving productivity in agriculture and improving access to markets. Both areas of policy are important in poverty reduction strategies, but little attention has been paid to the interaction between them.

Social Protection

The idea of social protection was emphasized by the World Commission on the Social Dimension of Globalization (2004) which noted that **“a certain minimum level of social protection needs to be accepted and undisputed as part of the socio-economic floor of the global economy”**. It considers 7 dimensions of social protection viz.

- A) **Education:** The Right to Education Act (2009) provides for free, equitable and quality education to children on the basis of essential norms and standards. This requires qualified teachers in schools and colleges.
- B) **Health and Nutrition:** In accordance with the target of millennium development goals (MDGs), we should have halved child and maternal mortality by 2015. There is challenge of providing quality healthcare at lower cost. The High Level Expert Group on Universal Health Coverage has proposed a universal health entitlement to all citizens in the form of National Health Scheme.
- C) **Employment:** The MGNREGA provides for 100 days of unskilled manual labour to every rural household, on demand, within fifteen days. it is world largest employment generation programme.
- D) **Social Pensions:** The Task Force on Restructuring the National Social Assistance Programme has proposed a significant expansion of coverage of the programme to old-aged persons, widows and separated/divorced/single women.
- E) **Food Security:** The National Food Security Bill proposes to give an entitlement of subsidised cereals to up to 75 percent of the rural population and 50 percent of the urban population.

F) **Housing:** Indira Awas Yojana (IAY) is a step towards providing affordable housing facility to poors and SC/ST. Now there is increased recognition that these should be provided with potable water, electricity and sanitation facility.

G) **Justice and Dignity:** "justice delayed is justice denied", constitution of India provide for social justice, prohibition of child labor. Constitution also provide for equality before law.

Table-1: Linkage between Social Protection and Poverty Alleviation

Social Protection	Indicators for Measurement	Type of Linkage
Education	All girls and boys have free, equitable and quality primary and secondary education	Primary
	Quality technical , vocational and primary education	Secondary
	Provide qualified teachers to tertiary education and universities	Tertiary

Health and Nutrition	Reduce child and maternal mortality	Primary
	Achieving universal health coverage	Primary
Employment	Technical and vocational skills for employment and entrepreneurship	Primary
	Equal employment opportunities to all sections of society	Secondary
Social Pension	Provide pension to old, disabled and widows	Secondary
	Pension to unorganised sector	Primary
Food Security	Provide nutritious and safe and sufficient food to all	Secondary
	Fulfilling nutritious need of adolescent girls, pregnant and lactating women	Secondary
	Sustaining food security and higher productivity	Primary
Housing	Safe and affordable house and basic services	Primary
	Supply of potable water, sanitation and electricity	Primary
Justice and Dignity	End abuse, violence and child labour	Tertiary
	Enforce non discriminatory law and policies	Secondary

#Green colour- Primary linkage with rural poverty,
 Blue colour- Secondary linkage with rural poverty
 Red colour- Tertiary linkage with rural poverty

Social protection can also be defined as “the public actions taken in response to levels of vulnerability, risk and deprivation which are deemed socially unacceptable within a given society.” Social protection thus deals with both the absolute deprivation and vulnerabilities of the poorest. It is evident from Table-1, that social protection schemes though burdened our exchequer but are directly helpful in fighting poverty and assisting households to come out of poverty. Within social protection, there are two kinds of actions viz. Social Assistance and Social Insurance.

Social Assistance encompasses public actions which are designed to transfer resources to groups deemed eligible due to deprivation. According to a report on out-of-pocket expenditure on healthcare, "Medical-Poverty Trap" is dragging 63 millions of Indian every year below poverty line and thus rendered them poor and curtails their productivity most of them are poor rural households. They have to sell their lifelong assets for treatments of their family members. Thus, social assistance should be used as a means to other social policy: the provision of free school meals can be used to encourage poor families to keep their children in school.

Social Insurance is social security that is financed by contributions and based on the insurance principle: that is, individuals or households protect themselves against risk by combining to pool resources with a larger number of similarly exposed individuals or households. It is clear that social protection as a field of policy and action overlaps with various other developmental programme based approaches which seek to deliver assistance to the poorest, or which deal with strengthening the livelihoods and reducing the vulnerabilities of poor.

Agriculture

Indian agriculture is characterized by low level of income and investment and is a gamble of nature. There is a sharp rise in input cost while Minimum Support price has failed to keep pace with it. It results into bank debt, suicide or private borrowing and opens the gate for exploitation and poverty trap. Institutional credit delivery is abysmally low. There is disenchantment among farmers and 44% of them are ready to quit agriculture, if they are given a chance.

Though there is no doubt that manufacturing sector, service sector, and high end research is necessary to keep pace with the world, but it should not be at the cost of agriculture. The government has initiated a large number of schemes for agriculture but they had largely failed to deliver the desired results of poverty alleviation. Some of the important schemes are given below:

Table-2 :

Government Scheme	Objectives	Type of Linkage
Gramin Bhandaran Yojana	Prevent distress sale	Tertiary
Small Farmers Agri-business Consortium	Setting Agri-business Ventures, Private Investment in Agriculture,	Tertiary
National Agricultural Insurance Scheme	Stabilize farm income, Insurance against adverse weather	Secondary
National Food Security Mission	Increasing production and productivity, Restoring soil fertility, Enhancing farm profits	Secondary
Forecasting Agricultural Output Using Space Agro-Meteorological and Land Based Observation (FASAL)	Crop inventory assessment for crop planning	Secondary
National Horticulture Mission	Enhance Horticulture Production, Nutritional security and income support, Employment generation	Secondary
Development of Infrastructure for Production and Distribution of Quality Seeds	Seed production farm centres	Tertiary
Integrated Scheme for Oilseeds, Pulses, Oilpalm and Maize (ISOPOM)	Increase production, productivity and promote crop diversification	Primary
Rastriya Krishi Vikas Yojana	Increase public investment and ensuring holistic development of agriculture	Primary

Green colour- Primary linkage with rural poverty,
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Poverty

Poverty is a major impediment to the human growth and development. Poverty is posing a major challenge before the government and the society. It creates a vicious cycle, which entraps an individual into poor condition. Thus, poverty is the situation where the individuals or communities lack the resources, ability and environment to meet the basic needs of life. According to Prof. Ragner Nurkse of Columbia University- poor nations remained poor because of "Vicious Cycle of Poverty".

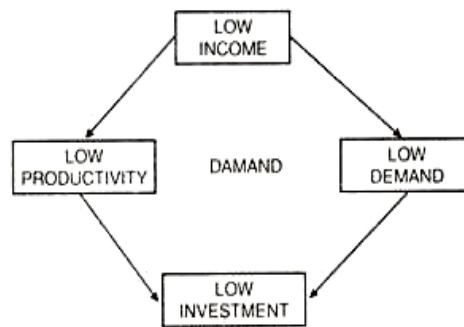


Figure-1:- Diagrammatic representation of Vicious cycle of poverty
Low Income → Low Demand → Low Investment → Low Productivity → Low Income

Vicious Cycle of Poverty

It means, "Low income leads to low demand which in turn results in low investment and so the level of capital, which again leads to low productivity and low income." So to come out of this vicious cycle, the interventions have to be made at enhancing the income of poors. Rural poverty thus can be tackled by higher level of public investment in agriculture and social protection. The government of india has formulated many schemes to fight rural poverty through agriculture like Gramin Bhandaran Yojana, Forecasting Agricultural Output Using Space Agro-Meteorological and Land Based Observation (FASAL), Development of Infrastructure for Production and Distribution of Quality Seeds, Rastriya Krishi Vikas Yojana to enhance agricultural income by investing in critical areas of agriculture; National Food Security Mission, National Horticulture Mission (NHM), Pradhan Mantri Krishi Sinchai Yojana (PMKSY) etc, to ensure food and nutritional security. But still one third of rural households are below poverty line as per the recently released Socio-Economic Survey Census. Now there is a strong linkage between Rural Poverty and Social protection and Agriculture.

"We may think the grass is greener on other side. But if you take the time to water your own side it would be just as green." **Anonymous**

Thus if we want to end rural poverty then the government has to continue with the welfare measures. Innovative ways to end leakage and targeting the beneficiary can be done. The government even of now can not consider that agriculture has reached that threshold where market forces should be given a free hand. We should remember that agriculture is not only necessary for food security but also for national security. A hungry nation can never be a superpower. If India has to emerge as a leading force in 21 century then it should vigorously fight against rural poverty as still 60% of our brethren live in rural areas under extremely difficult and challenging conditions.

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