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END POVERTY BY 2030: CHALLENGES IN RURAL ASSAM

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End Poverty by 2030 - Challenges in Rural Assam

Swapan Ashangbam

Assam is one of the underdeveloped provinces in India. Assam 2030 Our Dream, Our Commitment, the Strategic and Architecture document of the Government of Assam on SDG, noted that poverty head count ratio in the state stands at 27.3%[1]. In 2016, the Government plans to eradicate poverty in Assam by 2030. After 4 years, in the backdrop of Covid 19 pandemic, the "Report on Economy of Assam", commissioned by State Innovation and Transformation Aayog (SITA) in collaboration with Omeo Kumar Das Institute of Social Change and Development, states, "As a consequence of Covid-19, it is estimated that 67 lakh people's livelihood will face vulnerabilities of myriad kind." The report adds, "due to the condition created by Covid-19 – depending on the overall condition and degree of economic contraction, it is estimated that unemployment in the state will further increase by 15.7 to 27.1 lakh. As a result, the unemployment rate in the state will increase up to the range of 16 to 27% from the present level of 8 percent. Consequently, it is found that the poverty rate may go up to about 50% in the state."[2]

Assam Rural Livelihood Mission states that Assam's economy is primarily based on agriculture. According to Economic Survey Assam 2015-16, agriculture supports more than 75% of the population either directly or indirectly providing 53% employment to the total workforce[3]. As per Assam HDR 2014, percentage of people with cultivable land is 48.5%. It also indicates that 84.3% farmers are marginal and 89.5% of farmers do not have land with irrigation facilities. The report adds that 64.5% of the farmers do not own agricultural assets. Since the agricultural fields are not irrigated almost 99% of farmers do single crop. In last few years, agriculture sector has been modernising from traditional input and technology base to the modern one. This led to increase input costs by many fold with no equivalent increment in income of the farmers, especially of marginal farmers, tenant farmers and sharecroppers.

The NABARD All India Rural Financial Inclusion Survey (2016-17) finds average monthly income of agricultural households of Assam was Rupees 9878 per month. Interestingly, the incidence of indebtedness among agricultural households of Assam was 52.5% and average outstanding debt per indebted household was Rupees 104602[4]. In that context, farming was not providing sustainable income and livelihoods and thus large scale migration was observed seen in last decade. Covid-19 pandemic broke induced most of them to return them to their respective villages. Most of them have not returned to their work place yet. The returned workers swelled unemployment in agriculture sector in the villages and it would have increased indebtedness further among the farmers.

The NABARD All India Rural Financial Inclusion Survey (2016-17) indicates growing tendency of agricultural households to lease-in land for agricultural use. It is reported that 12% households leased-in agricultural lands while only 2% household leased out some land. In Assam, 6% farmers leased in

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[1] Assam Vision 2030 Our Dream, Our Commitment, July 12, 2016
https://transdev.assam.gov.in/sites/default/files/portlet/level_2%5Bcurrent-domainmachine-name%5D/ASSAM_2030_Our_Dream__Our_Commitment.PDF

[2] https://timesofindia.indiatimes.com/city/guwahati/covid-crisis-may-push-half-of-assam-population-into-poverty-says-study/articleshow/76153386.cms

[3] https://asrlms.assam.gov.in/as/node/90627#:~:text=Agriculture%20sector%20continues%20to%20support,area%20is%204.0%20million%20hectares.

[4] NABARD All India Rural Financial Inclusion Survey (2016-17)
https://www.nabard.org/auth/writereaddata/tender/1608180417NABARD-Repo-16_Web_P.pdf

and 3% leased out land[5]. As per 70th round of NSSO Report (2013), the share of small and marginal farmers in the total leased-in land is 52%, whereas the share of large farmers is only 7%[6]. Though Government has taken up initiatives, in recent months, to support farmers for installation of irrigation facility, asset creation at subsidised rate, marginal farmers, tenants and sharecroppers could not access benefits of these schemes. The marginal farmers, tenants and sharecroppers are either ignorant, in-eligible, or in-affordable. For example, under PM-KISAN Rs. 6000 was directly to bank accounts of farmers during the lockdown. But this scheme has excluded tenants and sharecroppers.

To add on to the owes of farmers, introduction of the three laws by Government of India – the Farmer's Produce Trade and Commerce (Promotion and Facilitation) Act, 2020; Farmers (Empowerment and Protection) Agreement of Price Assurance and Farm Services Act, 2020 and the Essential Commodities (Amendment) Act, 2020 throws further concern for 85% marginal farmers. The three bills seek to liberalise and deregulate the market for the agriculture sector. By scrapping the minimum support price (MSP), the government has thrown farmers into risks of market volatility. With no mechanism to redress, it will be difficult to ensure justice to marginal farmers, when in conflict with big corporate. These new laws will worsen poverty situation among the farmers, especially marginal and tenant farmers in the long run. There seem contradictions Government's agricultural development programmes and its agenda to liberalise the agriculture sector.

The above discussions and argument forwarded by was only from the point of view of income poverty. But poverty mentioned in the SDG is a multi-dimensional concept that takes in consideration access to productive assets like land, finance, access to basic needs and decent standards of living. Even when we take into consideration income poverty at 1.25 USD per person per day (approximately Rs. 12718 per household per month), achieving end poverty in all its forms in rural Assam by 2030 seems challenging.

[5] NABARD All India Rural Financial Inclusion Survey (2016-17)
https://www.nabard.org/auth/writereaddata/tender/1608180417NABARD-Repo-16_Web_P.pdf
[6] https://www.financialexpress.com/opinion/land-leasing-where-are-the-tenancy-reforms/1985318/