

Developing Social Entrepreneurial Culture for Enhancing Rural Empowerment through Agribusiness in India

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Abstract

Agriculture is main source of livelihood for majority of people in rural India. It accounts for nearly 23 percent of the country GDP but supports more than 66 percent of the country's population. Rural areas suffer from severe unemployment and chronic poverty. The agricultural growth in the country has been quite low and fluctuating. The growth in this sector substantially affects the growth of overall economy. In general, farmers are poor and lack purchasing power. The economic reform process and advent of WTO has opened opportunities for value addition in agriculture but most of the farmers still follow traditional farming practices due to lack of entrepreneurial ability to realize the potential of emerging agribusiness opportunities. The government has taken several initiatives to empower rural people through decentralized governance but political empowerment alone will not be sufficient unless the rural masses can get economic empowerment. Hence, promotion of agribusiness as value addition in agricultural products through development of micro-enterprises can help in increasing rural employment opportunities and income to bring rural empowerment in real sense.

Introduction

Agriculture is main source of livelihood for majority of people in rural India. It accounts for nearly 23 percent of the country GDP but supports more than 66 percent of the country's population. Rural areas suffer from severe unemployment and chronic poverty. The agricultural growth in the country has been quite low and fluctuating. The growth in this sector substantially affects the growth of overall economy. Evidence shows that over time agriculture has become highly unprofitable resulting into large number of suicides in many states. Farmers are losing interest in farming and this has become a major challenge for the policymakers to retain them in farming. Despite substantial growth in the food production, employment opportunities in agriculture sector have not increased at the same rate as demographic pressure on land has increased. However, a large part of productive and prime land is continuously being converted to non-agriculture uses leading to decline in the cultivated area. Agriculture alone

may not be able provide adequate gainful employment and income to rural people. Moreover, the income inequality between rural and urban areas as well as within rural areas is quite high and increasing. This is the one of the major social issues and may adversely affect the social fabric of the society leading to social tension.

In general, farmers are poor and lack purchasing power. The economic reform process and advent of WTO has opened opportunities for value addition in agriculture but most of the farmers still follow traditional farming practices due to lack of entrepreneurial ability to realize the potential of emerging agribusiness opportunities. The government has taken several initiatives to empower rural people through decentralized governance but political empowerment alone will not be sufficient unless the rural masses can get economic empowerment. Hence, promotion of agribusiness as value addition in agricultural products through development of micro-enterprises can help in increasing rural