

REDESIGNING PRODUCTIVITY AND SKILLS: DYNAMICS OF MIGRANT WORK FORCE AND EMERGENCE OF STRENGTHENED RURAL INDIAN ECONOMY POST COVID-19 PANDEMIC

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INTRODUCTION

India is experiencing extensive transformational changes in rural economy alongside transformations in its overall national economy. Conventionally, agriculture is judged as the leading segment of rural economy including rural employment in India. Frequent movement of workers between a variety of jobs and between informal and formal sections of rural economy have been observed in the past. (ILO Department of Statistics, 2011). Around forty per cent of land available for cultivation comprises of semi-arid tropics (SAT) where agriculture is generally a one-season activity. As a consequence, rural agricultural workers engage in rural non-farm activities within their village or else seasonally travel to urban cities to obtain employment.

In financial year 2011-12, 64 per cent rural workforce was employed in agricultural sector but then it contributed only 39 percent output towards national GDP (Gross Domestic

Product) (Papola, 2012). Productivity of agriculture declined to about 18 percent in 2013-14 and reduced to 16.5 percent in 2019-20.

Present scenario in year 2020 witnessed advent of Corona Virus (Covid-19) Pandemic in India. Subsequently, the Government instructed a lockdown throughout the nation (Gettleman and Schultz, 2020). Close-down of factories and workplaces in lock-down period resulted in loss of income, shortage of food items and uncertain future prospects for millions of migrant workers in urban cities (Slater and Masih, 2020; Singh, 2020). As workers did not have income or work in cities, thousands of the migrant workers went back to their native villages (Jaiswal, 2020). Since their local economies (rural economy) had failed to provide them sustainable livelihood options earlier, this reverse migration from cities to villages was more distress driven.

This paper discusses the dynamics of change specifically related to employment, rural labour markets and migrant workers in India. It attempts to bring forward the dynamics

of reverse migration from urban to rural areas (as an outcome of Covid-19 Pandemic) as an opportunity to revive the dwindling rural economy. COVID-19 could rewrite the importance of agriculture sector as a crucial sector.

INDIAN RURAL ECONOMY

Expansion of India's rural economy has been from Rs. 229 billion to Rs. 34167 billion in the

period from 1970-71 to 2011-12. In the same era, employment also witnessed a surge from 191 million to 336 million. During this period, the most shocking fact was that even after having seven times increase in rural output, rural employment could not even reach to a double level (Chand et al., 2017). Rate of growth in NDP and employment in various sectors during past is portrayed in Table-1.

Table 1: Rural National Domestic Product- NDP (at 2004-05 prices) and Rural Employment Growth Rates (in per cent)

Sub-Period	Agriculture Sector	Non-Farm Sector	Construction	Manufacturing	Services	Total
Net Domestic Product (at constant prices)						
From 1971 to 1994 (pre-reform period)	2.57	5.70	3.94	5.18	6.10	3.72
From 1994 to 2005 (post-reform period)	1.87	7.93	7.92	8.38	8.55	5.06
From 2005 to 2012 (economic acceleration period)	4.27	9.21	11.49	15.87	3.48	7.45
Employment (usual status)						
From 1971 to 1994	1.72	4.22	4.82	3.55	4.51	2.16
From 1994 to 2005	0.74	3.70	8.32	2.79	3.25	1.45
From 2005 to 2012	-2.04	3.65	12.09	0.67	1.35	-0.28

Source: Adapted from Chand et al., (2017) 'Changing Structure of Rural Economy of India- Implications for Employment and Growth', Discussion Paper, National Institution for Transforming India, NITI Aayog, pp.6.

Pre-reform period observed an annual growth of 2.57 per cent in NDP of agriculture segment in comparison to 5.70 per cent growth in non-farm sectors (Table-1). Revival of the agriculture segment was seen from 2004-5 onwards to the period 2011-12 as it recorded a notable uplift of 4.27 per cent growth. As a result of these outcomes, this era is termed as "period of economic acceleration". On rural employment aspect, a lot of variations were observed during the three sub-periods. In pre-reform period the annual growth rate was 2.16 per cent, it further declined to 1.45 per cent in post-reform and later became negative (-0.28 per cent) at the period of economic acceleration.

MIGRANT WORKER

As per the definition 2007-08 (64th round) of National Sample Survey (NSS) “temporary migrant is a member who has stayed away from his household situated in his/her usual place of residence for either one month or more but the duration should be less six months in the previous 365 days for gaining employment or in engaging in search of employment”. The total internal migrants responsible for movement between states and intra-state as well are 139 million. In Delhi 86.30 percent of women migrants, are mainly from Bihar, Uttar Pradesh, and Rajasthan (Rana, 2000 & 2009).

DATA

The reports published by Labour Bureau and National Sample Survey Organisation (NSSO), Government of India are the main sources of data for this study. Rural employment data was retrieved from survey reports of previous employment surveys from 1987-88

(43rd round) up to 2009-10 (66th round) (<http://mospi.nic.in>). “Economic Survey”, which is published by Ministry of Finance, Government of India on annual basis was the prime resource for employment related data in Indian sectors (<https://www.indiabudget.gov.in/economicsurvey>).

DISCUSSION

Employment Scenario in India

The magnitude and trend of unemployment is increasing in India. National Statistical Office (NSO)-EUS (Employment-Unemployment Survey) and PLFS (Periodic Labour Force Survey) data revealed a deterioration from 77.5 per cent in 2004-05 to a percentage of 68.4 in the year 2017-18 of share of workers engaged in informal sector in AGEFC (Agricultural sector excluding only growing of crops, market gardening, horticulture and growing of crops combined with farming of animals) sectors and non-agriculture segment (Table-2).

Table 2: Workers working in Non-agriculture and AGEFC Sectors Employment in Informal Sector Enterprises (in per cent)

Worker Category	2004-05 Employment- Unemployment Survey 61st Round)	2009-10 Employment- Unemployment Survey (66th Round)	2011-12 Employment- Unemployment Survey 61st Round)	2017-18 Periodic Labour Force Survey
Female	79.7	69.8	69.2	54.8
Male	76.7	71.5	73.4	71.1
Person	77.5	71.1	72.4	68.4

Source: Economic Survey -2019-20, Volume II, Page no. 287

National Statistics Office (EUS) various rounds and PLFS (2017-18)

The ratio of workers in organised sector expanded from 17.3 to 19.2 per cent in 2011-12 and 2017-18 respectively. Organised sector workers increased to about 90.5 million in 2017-18, registering a boost of 8.7 million over 2011-12. This improvement was due to an upgradation in share of formal

employment in organised sector from 45 to 49 percent in 2011-12 to 2017-18 respectively. The formal employment rate in unorganised and organised sector rose from 8 to 9.98 percent during the same period (Table-3).

Table 3: Sector-wise Formal-Informal Employment (in Organized and Unorganised Sector)

Sub-Period	Agriculture Sector	Non-Farm Sector	Construction	Manufacturing	Services	Total
2004-05						
Informal	46.58	99.64	92.38	29.1	393.5	422.6
Formal	53.42	0.36	7.46	33.4	1.4	34.1
Total	13.68	86.32	100	62.5	394.9	456.7
2011-12						
Informal	54.6	99.6	91.9	44.7	389.5	434.6
Formal	45.4	0.40	8.1	37.1	01.6	38.3
Total	17.3	82.7	100	81.8	391.1	472.9
2017-18						
Informal	51.09	99.26	90.02	46.2	377.9	424.3
Formal	48.91	0.74	9.98	44.3	2.8	47
Total	19.2	80.8	100	90.5	380.7	471.3

Source: Adapted from Economic Survey -2019-20, Volume II, Page no. 287

Estimated from unit level data of NSO (EUS) various rounds and PLFS (2017-18)

In fact, total employment across informal sector has declined from 38.95 crores (389.5 million) to 37.79 crores (377.9 million) during 2011-12 to 2017-18 (Economic Survey 2019-20).

Reverse Migration from Urban to Rural

Coronavirus pandemic had sparked a massive reverse migration moving from 'destination' to 'source' in major parts of India. During pre-pandemic time period, internal migration had been mainly from states of Bihar, Rajasthan, Gujarat, West Bengal, Orissa, Uttar Pradesh and majority of the women migrants were employed in unorganised sector (Rana, 2016).

With the ease of lockdown, a three-fold response from migrant worker employed in informal segment of urban economy was observed:

1) It is that group of migrant workers who have decided to stay back in cities as the lock down eases. In fact, 65000 migrants dropped the plans to go home (Siwach S., 2020). This is not only with in India but the expats from villages of Kerala, that are in Gulf countries are not wanting

to return to India due to low opportunities back home (Philip, 2020).

2) It is this group of migrants which has gone back to their villages in rural areas but are waiting to come back. This is that group of migrants who had migrated in search of livelihood to urban areas. Even though they have gone back due to COVID_19 but are living a subsistence level of living. Employment opportunities back home are seasonal and as casual farm labourer (Singh, 2020).

3) The third group of migrant workers are the ones who are unwilling to come back even after lockdown have eased. These migrants who have returned to their home are looking for economically gainful activities like poultry, bee farming, and growing vegetables etc.

If this third group is focused well, this can be taken as a silver lining leading to strengthen rural economy. To create employment and strengthen rural economy, emphasis should be on agriculture research, marketing and commercialization of rural output (Rana & Gaur, 2008). COVID-19 may have unlocked a chance to look for new opportunities for rural sector.

MEASURES FOR RESURGENCE OF RURAL ECONOMY

For the resurgence of rural economy, the following measures should be adopted:

Re-designing Productivity by Creating conditions for agriculture as a sustainable livelihood

Agriculture can emerge as a sustainable livelihood by strengthening backward linkages to rural India. The idea is to leverage the productive

potential of agriculture by introducing long-term strategies and reinvesting resources which would not only enhance output productivity but also engage the returned migrants/labourers in gainful employment.

Re-skilling for sustainable livelihood in Allied Agricultural Sectors

Small land holder farmers, jobless agriculture workers and landless poor who have returned to their native villages in pandemic times should be helped to establish backyard poultry and rear aquaculture for generating tangible income. Sectors like food-processing, fisheries and livestock are labour-intensive and should be more focused upon. Training Centres should be established to train unskilled and semi-skilled migrant workers for acquiring skills suitable for professionally handling non-farm sector activities.

Development and Promotion of Digital agricultural Tools and Agri-logistics

For promoting rural development, government policies should focus on providing attractive economic incentives to budding private firms and technology startups launching business in agriculture sector. Times are upright to connect food processing facilities closer to farms along with helping farmers in attaining market intelligence for managing agri-supply chain through digital agriculture tools. To strengthen value chains, development of agri-logistics should be accorded priority. Use of smart technologies like block chain and artificial intelligence should be promoted along with special rebates and incentives to e-commerce and delivery companies involved in agriculture sector.

Promote Nutrition Literacy and Funding for Nutrition-sensitive Agriculture

Post-coronavirus pandemic, people would prefer to consume more immunity boosting food products. This can serve as a unique opportunity to push ahead marketing and consumption of locally available nutritious foods through effectual consumer education and nutrition literacy. Government should allocate considerable funds and promote private players to invest for research on nutrition-sensitive agriculture. (www.natureasia.com).

Providing training for skilling and upskilling for crop diversification

States facing reverse migration like Punjab, Bihar, Haryana can take advantage of this situation by concentrating on resources for developing and upgrading skills of farmers and rural labour force to work towards crop diversification.

Creating jobs through MSME (Micro, Small and Medium Enterprises) development

Rural regions receive a lower proportion of private and public investment due to which there are gaps of productive and social infrastructure between rural and urban areas, these result in gaps in productivity (ILO, 2016). Job creations can be done through promoting MSMEs pertaining to new technologies and providing methodical training for skilling and upskilling (UNIDO, 2019). Training rural workers with skills accreditation, competency-based certificates and training for entrepreneurs are few recommendations for aiding rural MSMEs.

CONCLUSION

Discussions around migration have been for long an argument between advocates of rural

development, who seek opportunity to prevent 'distress' migration by creating opportunities in villages, and those who seek inclusive industrialization and urbanisation that can offer economic mobility to those moving off the farm. In present times, both sides need to urgently bury their hatchets and collaborate towards finding workable solutions that can do justice to the infinitely complex and diverse realities that exist across rural and urban India.

Coronavirus induced pandemic has hurled up numerous socio-economic challenges for India. The need of the hour is to re-configure and re-engineer socio-economic construct for resurgence of Indian economy. Crucial drivers of this re-configuration are migrant workers. This crisis can also provide an opportunity to come up with innovative solutions to revive Indian rural economy. India's food storage and distribution system also requires to be rewired with help of sustainable agricultural policies. Therefore, government should target an agrarian movement to serve dual purpose of inclusive growth and new opportunities.

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