



**RESEARCH ARTICLE**

**CHALLENGES OF RURAL HUMAN CAPITAL MANAGEMENT-EMPOWERING RURAL YOUTH FOR SUSTAINABLE AGRIBUSINESS**

**Sarathy, T. and Silambarasan, C.**

PRIMS, Periyar University, Salem – 11, Tamil Nadu, India

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**ABSTRACT**

“In the coming years, one of the biggest challenges for Indian Agriculture would be retaining its youth in agriculture. Unless farming becomes both intellectually stimulating and economically rewarding, it will be difficult to attract or retain rural youth in farming”.

Dr.M.S.Swaminathan

Growth in agriculture has a maximum case leading impact on other sectors, leading to spread of benefits over the entire economy and the largest segment of populations. The rapid growth of agriculture is essential for meeting the enormous development of the country. There are still a host of issues that need to be addressed regarding the obstruction in the growth of the agriculture sector. Among the several problems in the gross development of agriculture sector, labour shortage plays an important role. This problem originated from the migration of labour from rural to urban areas and thus the shortage of farming leads to shortage of food production which reflects in the selling cost of the products. It causes commodity problem and also affects the development of the country. Beside it is mandatory to find the remedies to overcome this barrier. For this our government should take the responsibility to stimulate the young generation to step forward to take up the agribusiness. This paper deals with factors which will increase the contribution of rural youth in agribusiness, and also it focuses on the reduction of rural to urban migration. Difference in wages, lack of adequate infrastructure in rural areas, unemployment and work difficulties in rural areas are the main factors, which make the farmers to migrate. Government should initiate the agriculture subject at school and college level. Thus will help to motivate the youth to do farming and agribusiness from childhood stage onwards. Moreover steps are needed to be taken for farming occupation, to bring about equitable distribution of income and wealth in rural areas and also to reduce the poverty and thereby improve the quality of life.

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**INTRODUCTION**

Agriculture is the mainstay of the Indian economy because of its high share in employment and livelihood creation. Without doubt, agriculture is still one of the pertinent sectors in many countries and its contribution in enhancing the economy of a nation cannot be disputed. It supports more than half a billion people providing employment to 52 per cent of the workforce. It is also an important source of raw material and demand for many industrial products, particularly fertilizers, pesticides, agricultural implements and a variety of consumer goods. The purpose of this paper is to present an overview of the challenges and opportunities for youth in agriculture and to make recommendations that will result in increased participation in agricultural activities by young people

**Significance of the contribution of youth in agribusiness**

The demography of Indian agriculture is changing fast. There are clear signs of people fast moving out of agriculture, especially in the form of rural youth migrating to urban areas for high paid jobs. “In the coming years, one of the biggest

challenges for Indian agriculture would be retaining its youth in agriculture. Unless farming becomes both intellectually stimulating and economically rewarding, it will be difficult to attract or retain rural youth in farming”- (Swaminathan 2001). One of the major efforts nations could implement to reduce unemployment is to attract more youths to participate intensely in the various fields offered in the agriculture sector. In general, youths refer to those whose age range from 15 to 40 years old based on a number of factors deemed fit such as maturity, ability to think positive, and risk-taker. We are in position to stimulate the interest and encourage the participation of youth in agriculture which is necessary to ensure the sustainability of agricultural production and realize the goal of food and nutrition security in our nation. The rapid growth of agriculture is essential not only for self-reliance but also for meeting the food and nutritional security of the people, to bring about equitable distribution of income and wealth in rural areas as well as to reduce poverty and improve the quality of life. For our country to develop, more focus should be put on the involvement of youth in agribusiness. Then more of our youth will be gainfully employed and contributing to the nation.

Composition of India's GDP					
Sector	1900 %	1970 %	1990 %	2000 %	2010 %
Agriculture	70	44	31	25	15
Industry	20	24	26	26	25
Service (Including Edn & IT Sector)	10	32	43	49	60
Total	100	100	100	100	100

Source: central statistical organization, New Delhi

### Agriculture and economic development

Agriculture promotes economic development of the country. The economic history of many developed countries of the world like UK, USA, Germany, Japan, etc., demonstrated that agricultural development helped and smoothen the process of industrial development. Most of the industrialized nations of the present day world were once predominantly agricultural. In England, agricultural development (which is called by economic historians as 'agricultural revolution' and thus paved the way for industrial development and fuller economic development) and industrial development took place at the same time. Increase in agricultural production and productivity leads to increase in the income of the farmers. This increased income of the rural community will lead to more savings which can be used for further development of agricultural occupations, as well as industry. The flow of savings from the agricultural sector to the non-agricultural sector may take place either voluntarily or through compulsion. In Britain, this took place voluntarily by means of private investment, while in Japan; this was achieved by heavy land taxation. In socialist countries, this was done through compulsory delivery of agricultural products. These go to show that agriculture is the 'fountain-head' from which resources in the form of savings flow into small streams to help industrial development. Industrial development in a country hinges on the prosperity and development of agriculture. The first and the foremost role of agriculture is promotion of economic progress in the country by enlarging the savings of the rural sector and making them available for the development of industries. Thus, the economic development in general and industrial development in particular depends on agricultural development. When a government neglects the agricultural sector without solving its problems effectively, it is neglecting the economic progress of the nation itself. Besides stimulating capital formation and industrialization, the following are some more factors contributed by agriculture towards economic development. Agricultural activities have always been the backbone to most of Asian countries economy. With the turn of the new century, much of the vast traditional and cultural links to mother-earth have been diverted with much focus on the modern socio-economical activities. The concept of agriculture is a complicated issue itself, concerning rural development and growth of a community or country. Agriculture is a conception that is interlinked with other elements to the elaboration of the capacity building and welding of the community. Agriculture benefits the economy in the following ways:

### Provides Increased Food Supplies and Raw Materials

An underdeveloped country on the road of economic development will face increasing demand for food and this is of economic significance. Reduction of death rate due to advancement of medical science, and slow decline in birth rate would result in population explosion. Under these circumstances, the agricultural front will face a formidable challenge of supplying food to the increasing rate of growth of demand. If food supplies fail to expand to meet the growth of demand, the result is evident. There will be substantial rise in the prices of food as happened in India. Rise in prices of food stuffs and scarcity of food would lead to pressure of wage rates, with consequent adverse effects on industrial profits, investments and economic growth. Besides, industrialization leads to an increased demand for agricultural raw materials like cotton, jute, sugarcane, oilseeds, etc. As the income of the people increases the demand for consumer goods will also increase and in order to meet the growing demand these industries will expand production for which larger quantities of raw materials will be required. If the agricultural sector fails to expand the production and supply these raw materials, industrial expansion will be slowed down. The result will be not only shortage of consumer goods but also unemployment.

### Counteracts Inflation

In the early stages of economic development, the people will get more income on account of heavy investment in big industries, power projects and irrigation works which will have long gestation period. With increased income, the people will demand more food and clothing and other consumer items which have to be created through agricultural production. Shortages in the supply of food and raw materials would result in inflation. Economic development will be slowed down due to increasing costs. To counteract inflation during the gestation period of industries and to ensure growth with stability, the agricultural sector should continue to increase production in proportion to the demand.

### Earns Foreign Exchange

In the initial years of economic development, the country will be requiring machinery, equipment and other essential capital goods including the technology. They have to be imported from foreign countries. At this stage, agricultural sector has to produce sufficiently large quantities of commodities to have a surplus. The export of agricultural goods will earn foreign exchange to import machineries required for economic development.

### Provides Market for Manufactured Goods

Agricultural sector helps economic growth by providing markets for manufactured goods in the industrial sector. Increased agricultural productivity will lead to increased income of the farmers. Increased facilities in transport will increase the mobility of rural people as well. With more income and mobility, the rural people will be demanding various types of manufactured goods like cloth, sugar, shoes, cycles, transistors and torch lights. This will boost industrial expansion. Thus, agricultural production or agricultural development provides expanded markets for industries.

### **Ensures supply of Labour to Industry**

Generally in backward or developing countries, the agricultural sector will be over crowded. Due to surplus labour the marginal productivity of the agricultural labourers will be zero. In short, they will be disguisedly unemployed without contributing anything by way of production to the economy. Industrial and transport sectors will have larger employment potential. The surplus agricultural labour can be transferred to industries where the marginal productivity of the labourer will be higher; thus the total productivity and income of the economy will go up. Thus, the agricultural sector can supply not only labour for industries, but also stimulate economic growth by increasing the productivity of the under employed people.

### **Factors affecting youth involvement in agriculture**

Agriculture comes in with a connection, to our ancestors, to the earth, to the very core of human survival – eating. Without food we will not survive. It needs to be shown that eating is part of the chain that starts off with the seeds sown by a farmer. Without farmers, there will be no food. In our country there are number of factors that affect acceptance and participation of youths on agribusiness. The most essential factors are discussed in this study.

### **Migration of rural to urban**

It plays a vital role in the barriers of influence of rural youth in agribusiness. In probably every country in the world, young people are leaving rural areas in the hope of better opportunities to the towns and cities. Many may have witnessed their parents and grandparents spend a lifetime surviving on a tiny income, perhaps as small-holder farmers, never having much to show for their effort. No wonder they are attracted by the possibilities of well-paid work in the towns. If the most talented young people are leaving rural areas and agriculture, it poses a serious problem, not least in terms of future food security. Seventy-five percent of India's population lives in rural poverty, which results in a stagnated economy and drives people to move to the city. Farming depends on the monsoon rains. Some families keep petty business as a means of earning extra income but the yield is unreliable and poverty drives many farmers to suicide. Typical villages lack basic services, communications and infrastructure, resulting in a stagnated rural economy which is driving many families to move to cities. Internal migration of poor labourers has also been on the rise in India. The poor migrants usually end up as casual labourers within the informal sector. This population is at high risk for diseases and faces reduced access to health services. In India, 14.4 million people migrated within the country for work purposes either to cities or areas with higher expected economic gains during the 2001 census period. 25 Lakh numbers of migrants are employed in brick-kilns, quarries, construction sites and fish processing (NCRL, 2001).

Large numbers of migrants also work in the urban informal manufacturing construction, services or transport sectors and are employed as casual labourers, head loaders, rickshaw pullers and hawkers. The rapid change of residence due to the casual nature of work excludes them from the preventive care

and their working conditions in the informal work arrangements in the city denies them from access to adequate curative care. Lack of skills and poor education acted as important deterrents for youth in obtaining well-paying jobs in urban and semi-urban sectors. Still, migration was a popular recourse to mitigate the risks of farming, as it helped to stabilize the cash flows of the rural households.

### **Negative stigma of farming**

If young people choose to work in agriculture they need to see it as both a financially rewarding sector, and as modern and challenging. However, for many young people, farming is perceived as old-fashioned, offering little opportunity for making money, and generally being something for those who cannot get a paid job in some other business. Those who decide to make a living from farming will feel ashamed in front of their friends. The poor image of persons involved in agriculture needs to be changed and the young people are the ideal catalysts for such change given their greater propensity and willingness to adopt new ideas, concepts and technology which are all critical to change the way agriculture is practiced and perceived. Negatively influenced by the image created around agricultural pursuits as a means of livelihood. It generally gravitates to activities that are popular and perceived to be socially acceptable. The negative stigma of pursuing agriculture as a career influences youth to stay away from it.

### **Lack of agricultural education**

farming to be of higher status and important to the overall development of the community, simply because they do not possess such knowledge required. The lack of information needed by an enthusiastic young person having abilities to a sustainable farming that would not only enable him to earn sufficient revenue, but play an integral part in the development of food security and improvement in the community. Moreover, the lack of constructive ideologies on how to implement traditional knowledge into commercial agricultural projects alters the perception of most rural youth as to how important crop growing and farming practices are to the development of not only the rural community, but also the nation and region.

### **Barriers in the initiation of agribusiness**

A realistic case of a young farmer who is more than willing to enter into the commercial agribusiness, however, later discouraged by the fact that there are virtually no directions given by relevant authorities on how to initially get the saplings to begin with. Moreover these types of young farmers are often felt ignored due to lack of backing and infrastructure that enables commencement. Quite often, young farmers are allured into the concept of a small agricultural enterprise, on hearing accounts of partakers, involving in the agribusiness. These young local farmers often would understand the mainstream events of such projects, but felt neglected due to the minimal yet critical support, from outside community to sustain a complete design and scheme, on how to establish a successful agricultural venture. Without the proper guidance and supervision necessary, young farmers are often left to believe that these forms of undertakings are not suitable for them.

## How to develop the attitude of starting the agribusiness in rural youth

The young person wanting to start up their own agricultural enterprise has to start small unit and work their way up to expansion. One does not think of farming as a monetary commodity alone. Agriculture is much more than this, and it's this understanding of agricultural importance and its broader scope in our life that will help young farmers through the tough times, because in farming, let's face it there are more variables to contend with, than in an occupation such as IT. Initially, the person wants to enter in the agribusiness from other field should develop their attitude like that he can do farming as part time and grow their own vegetables, some of which he can sell and also keep a small flock of chickens and to experience the challenges that are faced by farmers each day, the persistence of pests and disease, issues surrounding soil fertility, and difficulty in accessing to capital in order to begin an agricultural enterprise. We do now live in a cash economy, and we do need income, so why is agriculture not a monetary commodity alone? Because as a farmer you are contributing so much more. Agriculture is instrumental in keeping our culture alive, in addressing climatic change issues, health issues and in preserving the environment. Food is a cultural link, and growing it locally supports our culture as well as our environment. For ecological balance.

The young people becoming more aware of the effects of climatic change. It is our future, in which we will live in, and therefore our future that we need to protect. When we grow food for our communities we are reducing the impacts of climate change, through the reduction in imports amongst other things. We address health issues because eating local food is much better for us than eating imported processed food. It's for the above reasons that agriculture is not a monetary commodity alone. It's the link to our culture, health and environment that will push us through the hard times. When money alone does not stand to reason for our time spent working the land. The Agricultural Primarily, a major challenge to young people of our country is the lack of information and initiation of agricultural long-term activities, which aids in rural development. It is essential to stimulate the interest in agriculture from childhood itself. Present status of the educational sectors mainly dominated by the technical and corporate studies only. Because of which our young people being unaware about the basic agricultural trends and opportunities. Further, our second challenge is to ensure that policies are designed to make the most of the opportunities in providing measures to upgrade technology in farming, raise productivity and in establishing and distribution channels through out the countries. The youth need to be taught skills in agribusiness. Our schools and colleges should offer more programme in agriculture. A relevant and pragmatic curriculum need to be developed, which will meets the needs of our nation. The relevant government ministries needs to work together to formulate the curriculum. Most of youth in the village lack the ambition of involving in long term agricultural activities that would develop the livelihood of individuals and a community as a whole. Most young subsistence farmers and non-farmers regularly participate in domestic agricultural activities.

However; the majority do not depict crop growing and Ministries are always looking to support farmers. Our communities are always looking to empower our population, as young people we need to ask, and keep on asking, until we are heard and received what we need, and this includes information and advice on farming methods. In saying this it is easy to overlook the most basic levels of support and who can best support us. Look to our own community for support. When we investigate our history in traditional farming, our forefathers did not have mechanized tools from which to work the land, they did not need cash to produce food. Seeds were shared amongst families, and this practice is continued onto this very day, most people in our families have a pig pen, and this is a free source of fertilizer. To begin a farming venture, we only need to ask for the little things that will enable us to begin our venture. What value do we place on possessions, when they are merely given to us? Not nearly as much as those for which we will always remember how hard we worked for, and how we laboured in order to achieve them. The most effective support will always be we, as individuals and together as a community. Why? Because in the end it will be in our future in which we need to survive, and our culture which we need to preserve.

The future is not in ten years, it is tomorrow, when we wake up and look in our cupboards and ask ourselves what are we going to eat today? These kinds of intentions would help rural youth to develop their involvement in agriculture and also in agribusiness. Being a farmer is like becoming a famous musician, one has to work hard, but no one knows how hard he truly worked to make it, except you. Success can be measured when someone comes and buys his produce. Making the decision to engage in agriculture is an affirmative decision for our culture, our environment and us.

**Growth rate of youth in 2025**

In 2025	
Average Age for India	31 Years
Average Age for US & China	39 Years
Average Age for Russia & UK	44 Years

Ref Business India April 8, 2007

## Conclusion

To address the various challenges of the rural youth involving in agribusiness and help to realize the potential of the agricultural sector or development in the country, the following are recommended.

- Improved access to training and capacity development at the primary and secondary school level on agribusiness and linking school agricultural operations with general curriculum. Enterprise development training particularly in value added activities such as food processing and packaging and provide more opportunities for farm training to youth.

- Improved and easier access to resources such as land, capital, technology and information and also developing a data base of agencies that can provide access to youth on information in agriculture.
- Facilitating market opportunities by providing targeted marketing opportunities for primary and value-added agricultural products produced by young entrepreneurs via special arrangements with schools, hotels etc.
- Providing motivation and improving the image of agriculture by update policies,
- Incentives and facilitating networking among youth by providing incentives to encourage collaboration and group activity among youth.
- Providing support towards the agricultural development by providing subsidies and to provides small credit loans to rural youth farmers. Proper mechanism should be in place to channel agriculture development fund towards their intended purpose.
- The Ministry of Agriculture in collaboration with other Government sectors and NGO's should work together in assisting young people in agribusiness and to understand their value in rural development and as well as the development of our nation.

*"We cannot always build the future for our youth, but we can certainly build our youth for the future"*

- Franklin D Roosevelt

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