

## Bridging the connectivity gap

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The UN, in its 2015 report on India's performance on Millennium Development Goals (MDGs), has pointed out, "much of the achievement of the MDGs has depended upon availability of infrastructure support; as without roads and public transport children cannot go to school and expecting mothers cannot reach health centres; and learning at home and in school, health services at health centres are all hampered without electricity. Better rural infrastructure-such as farm to market roads, storage facilities, market infrastructure, and irrigation-also increases rural productivity and incomes and thereby assists in reducing rural poverty."

The government has made significant strides in providing electricity and roads, particularly in rural India. According to the latest official figures, during its two years in office, the government has brought electricity to 7,654 villages compared with 5,189 villages in the preceding three years. Similarly, 36,340 and 36,450 kilometres of rural roads have been added during FY15 and FY16, respectively, whereas construction of rural roads in FY13 and FY14, respectively, was 24,160 and 25,320 kilometres.

This leap in infrastructure growth is expected to have a huge impact on job creation. One of the biggest challenges that India faces today is that jobs are not being created fast enough to accommodate the rapidly multiplying population. While the growing ranks of unemployed youth are pushing them to the cities in search of decent employment, this in turn is putting more pressure on already severely stressed urban infrastructure. Lack of employment opportunities is also resulting in lumpenisation of youth with many turning to criminal activities as witnessed in Bihar, UP and West Bengal. On the other hand, lack of employment opportunities has also led to greater demand for reservation of jobs even among the not-so-underprivileged sections of the society. The Jat trouble in Haryana and the Patidar unrest in Gujarat are only tips of the proverbial iceberg. Some experts have opined that the combination of a growing work force and stagnation of jobs is a potential 'ticking bomb' that could wipe out all the positive outcomes of economic growth and development.

For the connect between improved roads, more electrified villages and increased employment opportunities to happen, interventions are needed at multiple levels. Take, for instance, the occupational profile of rural India. The developed rural settlements-many of which are located in close proximity to urban centres-have the highest proportion of salaried households (25.1%) compared to emerging rural (12.6%) and underdeveloped rural (8.8%). In contrast, the underdeveloped rural areas have the largest proportion of households that depend on manual labour (45.8%) as against those in emerging rural (35.4%) and developed rural (21%).

Now, here's another significant fact: Households that depend on labour and self-employment in agriculture for their livelihood comprise nearly 75% of all households in underdeveloped rural. Youth belonging to such households are the ones that are the most marginalised. Poor quality of education, inadequate resources further reduce their chances at earning a decent wage. Add to this mix, miserable living conditions and you have a picture that is grim at best and desperate at worst. These households need to experience the benefits of improved infrastructure—roads, electricity, water, better housing, access to healthcare and markets—on an urgent basis. While a large proportion of underdeveloped rural households (75%) today have electricity connections, only a third (31%) have toilets, 16% have LPG connections, 28% have separate kitchens, and a miniscule 11% have tap water within their premises. Emerging rural areas are much better off on all these scores: electricity is available for 91% homes, 53% have toilets, 45% have LPG connections, 50% have separate kitchens and 36% have access to running tap water at home.

While the large schemes—Swachh Bharat, the Jan Dhan Yojana, Deen Dayal Upadhyaya Gram Jyoti Yojana, among others—are targeted at bringing the marginalised households into the mainstream, the need of the hour is to create small-scale schemes that feed into the larger schemes and multiply their benefits. These, if managed efficiently and in a transparent manner, can give the overall push needed to achieve targets. Take for example, building road networks in rural areas. Construction of roads is only the first step in the process of harnessing connectivity. In acknowledgement of this fact, the Pradhan Mantri Gramin Parivahan Yojana (PMGPY) has been initiated to improve transportation facilities in villages and at the same time give rural entrepreneurship a boost. The plan is to introduce viability gap funding (VGF) so that the government can fund up to 35% of the cost of the vehicles, while the balance can be borrowed from banks via self-help groups.

What's more, this also provides a great opportunity to connect the target 'skilled/semi-skilled youth' segment to the Jan Dhan Yojana and introduce them to the benefits of operating bank accounts and risk-mitigation products such as vehicle insurance, etc. Further still, the Swachh Bharat campaign could tap into these households to push their agenda of building more toilets and the LED bulb distribution scheme would have another verified channel. Coordination and interaction between the various departments and managers of different schemes would go a long way in not only enabling them to build and tap into a common pool of data, but also usher in transparency and accountability. Furthermore, it would become easier to monitor and review the schemes on an ongoing basis and make changes as appropriate. Based on the success rates, these could then be scaled up across the length and breadth of the country.

While the government has announced a number of big impact schemes, the focus should now be on creating linkages between various departments and roping in stakeholders with different types of expertise. A planned, systematic approach will also result in engagement and participation of the targeted communities resulting in a win-win situation for all.

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