Role Of Rural Entrepreneurship In Rural Development
With Reference To Assam

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Abstract:
Entrepreneurship development is one of the most effective solutions to the economic and social cultural development in disadvantaged areas. Entrepreneurship is also identified as an important requirement for sound and healthy economic development of a particular region. The entrepreneurship that emerges at the village level by entrepreneurs in the field of business, industry, engaging all resources including large human resources of villages is known as rural entrepreneurship.

Rural development is a strategy designed to improve the economic and social life of the rural poor. The majority of the population in India lives in villages. The village is the backbone of the country. Village or rural industries play an important role in the national economy, particularly in rural development. Rural entrepreneurship is not only important as a means of generating employment opportunities in the rural areas with low capital cost and raising the rural income of the people, but also its contribution to the development of agriculture and urban industries. Rural entrepreneurship can be considered one of the solutions to reduce poverty, migration, economic disparity, unemployment and to develop rural areas and backward regions. The main objective of the present study is to understand the crucial roles of rural entrepreneurship in rural development with reference to Assam. In this study an attempt also has been made to highlight the problems and opportunities of rural entrepreneurship in rural areas.

Keywords: entrepreneurship, development, village, Assam.
1. Introduction:

Entrepreneurship development is one of the most effective solutions to the economic and social cultural development in disadvantaged areas. Entrepreneurship is also identified as an important requirement for sound and healthy economic development of a particular region. The entrepreneurship that emerges at the village level by entrepreneurs in the field of business, industry, engaging all resources including large human resources of villages is known as rural entrepreneurship.

It is important to mention that India is an agricultural country. Large geographical area is considered as a rural area in India. The majority of the population in India lives in villages and also many people will see their livelihood in the villages in different ways. Therefore the economic development of our country largely depends on the progress of rural areas and the standard of living of rural masses. Assam is also a land of villages. Still more than 65% of the population lives in villages. Assam is an underdeveloped economy. It still has excessive pressure of population on land, problems of chronic unemployment and poverty, un-utilized and underutilized resources, low level of technology, so on and so forth, which suggest that the economy of Assam is an underdeveloped one. It is endowed with very rich natural resources which if exploited to their full potentialities, can raise its economy to a much higher level of development than what it is now. Agriculture continues to be the backbone of rural society. Almost one third of the rural population is solely dependent on Agriculture and allied sectors which provide livelihoods to them. 70 percent of holdings are held by small and marginal farmers resulting in overcrowding on the agricultural land and diminishing farm produce. This results in migration of farm workers in large numbers to the urban areas. Land being limited and unable to absorb the labor force in agriculture, there is a need to develop rural industries to solve rural unemployment and rural migration to cities.

Growth and development of the rural economy is an essential precondition to the development of the country as a whole. Rural entrepreneurship plays a vital role in the economic development of India, particularly in the rural economy. It helps in generating employment opportunities in the rural areas with low capital, raising the rural income of the people, contributing to the development of agriculture by reducing disguised unemployment, reducing poverty, migration, economic disparity, and unemployment. It can be observed that there is a positive correlation between rural entrepreneurship and rural development.

2. Objectives of the present study:

i. To analyze the roles of rural entrepreneurs in economic development, with referencing to the state of Assam.
ii. To highlight the opportunities for rural entrepreneurship in the state.
iii. To study the problems for rural entrepreneurships.
iv. To recommend some measures for the development or encouragement of rural entrepreneurship.

3. Methodology of the study:
The present study is both explanatory as well as descriptive in nature. The data has been collected from secondary sources. The secondary sources used are journals, research papers, books, and the internet.

4. DISCUSSION:

A. Roles of rural entrepreneurship:

It can be importantly highlighted that rural entrepreneurship has a vital part in the advancement of India's economy, particularly in the rural economy. It helps in generating employment opportunities in the rural areas with low capital, raising the rural income of the people, contributing to the development of agriculture by reducing disguised unemployment, reducing poverty, migration, economic disparity, and unemployment. Rural entrepreneurship is based on stimulating local entrepreneurial talent and subsequent growth of indigenous enterprises. It recognizes opportunity in the rural areas and accelerates a unique blend of resources either inside or outside of agriculture. The roles as well as opportunities of rural entrepreneurship cannot be underestimated in the rural areas.

The major importance and opportunities of rural entrepreneurship are discussed in the following ways:

Provision of employment: Rural entrepreneurship has been playing a pivotal role in providing employment opportunities to rural masses. It has been seen that disguised unemployment and underemployment are the main issues in rural areas and which has been also hindering the development of agriculture sectors. Rural entrepreneurship can provide a clear solution to the growing problem of large scale unemployment and underemployment of rural areas. Because rural entrepreneurships are labor intensive, therefore they can provide huge employment opportunities to the rural people.

Prevents rural: It has been noticed that the rural people move to urban areas for various reasons like to get livelihood opportunities, to raise standard of living etc. they are basically forced to move for many reasons like lack of employment opportunities, poverty problem etc. It also creates rural urban imbalance and creates many problems in urban areas. Under these circumstances rural industries play an important role in removing the problems in rural areas and also raise the standard of living of rural people through providing employment opportunities.

Booster economic development: Rural industries are playing an important role in boosting economic development of a country like India. In India, also in Assam, the majority of people live in rural areas; therefore the development of the state is primarily dependent on the development of villages. Rural industries are playing a pivotal role in rural development through the different ways like providing employment opportunities to rural people, proper utilization of local resources and promotion of infrastructure facilities in rural areas.

Besides this significance of rural entrepreneurship for rural development, there are also many importance of it. They are cited as playing an important role in balanced regional
development, improves standard of living of rural people, proper utilization of resources, and promotion of artistic activities etc.

B. Opportunities for rural entrepreneurship:

Rural entrepreneurship can play a vital role in the economic advancement of a country or a state, particularly in rural development. There are also many prospects or opportunities for the rural entrepreneurs for growing their entrepreneurial activities in rural areas. These opportunities were cited in the following ways:

Support & inspirations: rural entrepreneurship always helps in the socio economic development of the rural people and village industries always use labor intensive techniques in the production process, so they can generate huge amounts of employment opportunities for the people. Finally, they were able to get a lot of support from local people and rural people for enriching their business activities.

Labor availability: In Assam, most of the people live in villages; approximately 70% people live in rural areas. Rural people primarily engage in agricultural activities and agriculture is the main occupation for them. It can be observed that the agriculture sector is unable to absorb the growing populations in this sector. The establishment of rural industries is of utmost importance for raising the socio economic status of the rural people and to remove the widespread unemployment in the rural areas. Rural entrepreneurs also can get labor very easily in rural areas for their industries which lead to the reduction of cost of production of these entrepreneurs.

Raw materials availability: raw materials are major essential inputs in any production. Most of the raw materials are available in rural areas and mainly farm products come from rural areas. There is immense potential for the agro based and food processing industries in the rural areas. These industries can easily collect raw materials at a very low price and also there are no transportation costs for these industries.

Government subsidies and schemes: for the encouragement and promotion of rural entrepreneurship, the central as well as state government are constantly introducing various schemes and also providing subsidies to these industries. Rural entrepreneurs can take these kinds of benefits for establishing and promoting village industries.

In Spite of these aforementioned opportunities, there are also many opportunities for rural industries, which can be highlighted as viz. Potential customers, low cost of production, proper utilization of resources, no promotion cost and competitive advantages etc.

C. Problems for rural entrepreneurship:

Rural entrepreneurs are playing a very important role in the economic development of an economy. In case of the state of Assam, where majority of people lives in rural areas, the rural entrepreneurship has a great importance for the development of rural areas. It can be observed
that rural entrepreneurs are facing various problems in day to day life and work. Which may hinders in the development of rural entrepreneurship in the rural area. For the encouragement or the development of rural entrepreneurship, these problems have to solve by the concerned authority or the government. The major problems are faced by rural entrepreneurs in the state of Assam can highlighted in the followings:

Lack of proper infrastructural facilities: the proper infrastructural facilities are pre necessary for the development of an industries or enterprises. But in rural areas the most importance infrastructures like roads, transport, telecommunication and power etc. are not available in the needed quantities. It has been seen that in spite of efforts made by government the growth of rural entrepreneurs is not very healthy due to these inadequate infrastructural facilities.

Marketing problems: Efficient marketing arrangement is very crucial for an entrepreneur to sell his product timely and at a profitable price. But the rural entrepreneurs face many problems in the marketing of a product. Mainly rural entrepreneurs face stiff and severe competition from large scale organizations and urban entrepreneurs. It has been observed that standardization of products is comparatively low in comparison large scale industries, which may lead to problems for the entrepreneurs in the marketing of their products. Middlemen also exploit rural entrepreneurs. They have to depend on these middlemen for the selling of their products but middlemen takes large amount of profits in the marketing of the product which gives the lower amount of profits to entrepreneurs. Also proper infrastructural facilities like poor means of transportation facilities and storage facilities, etc for the marketing of a product are not adequate in village areas.

Negative attitude: to encouragement or development of rural entrepreneurs in the state, the government, society, various NGO, and family have create a healthy or positive environment where rural youths get motivation to become an entrepreneur. But it can be observed that sometimes environment in the family, society and support system is not much conducive enough to encourage rural people to take up entrepreneurship as a career. Therefore the government has to play a significant role in spreading of entrepreneurship knowledge and awareness in the rural areas.

In spite of these aforementioned problems the rural entrepreneurs are facing many problems in their working life. These can be cited as: financial problems, management problems, traditional methods of production, lack of technological knowledge, poor quality products, lack of skilled labors, and lack of effective training programmed to the entrepreneur etc.

5. Recommendations:

a. To encourage and development of rural entrepreneurship, the government have to initiate different kinds of entrepreneurship awareness programmed in the rural areas. The government also should introduce most effective skill development policy for the rural youths, so that they can skilled themselves and motivated for start up a business.

b. The development of infrastructural facilities is utmost essential for the development rural entrepreneurship. The governments should give focus on the development of these
facilities. The state government or local government should introduce the special schemes or policies especially only for the development of rural infrastructures in the state.

c. Training is very much essential for the development of entrepreneurship. The rural entrepreneurs and the labors of village industries not are goodly skilled or trained. Therefore, they face many problems in advancement of the entrepreneurship. The government should introduce various training or skilled development programmed towards these entrepreneurs or labors, so that they can undertakes their ventures successfully.

d. Fund is very essential for the start up a business. The rural people are not economically sounds, to encourage rural youths to become an entrepreneurs, finance should be provided at concessional rates of interest and also on easy repayment basis. The government also have to initiate special credit schemes to support or encourage rural entrepreneurs, so that they can be capable to developed theirs business.

e. The cost of production also for a rural entrepreneur is very high in comparison to urban or large entrepreneurs; because medium or large entrepreneurs produce on large scale which can reduce the cost of production. Subsidies should be provided to rural entrepreneurships in production inputs or in buying of modern technologies, so that they can develop their enterprises or business.

6. Conclusion:

From the above discussion it can be noticed that rural entrepreneurship has been playing a significant role in the development of an economy, most specially in the development of villages or remote places. Rural entrepreneurship is one of the most important inputs in the economic development of a country and of regions within the country. Rural entrepreneurship can be considered one of the solutions to reduce poverty, migration, economic disparity, unemployment and to develop rural areas and backward regions. India is an agricultural country. The economy of Assam is also based on agriculture. Therefore for the development of the state, the development of rural entrepreneurship is much necessary. In Assam also the disparities between rural areas and urban areas is very high in many cases like in infrastructure developments, income distribution and employment opportunities etc. the village industries or enterprises can play an important role in avoiding these disparities through the providing of employment opportunities or the development of infrastructure facilities in rural areas etc. the central or state governments should give importance in the development rural entrepreneurship, for this the government should introduce different kinds of entrepreneurship policies or schemes.

7. References:


