

# MANAGEMENT OF NATURAL RESOURCES - A BOOM TO RURAL ECONOMY

# Asst. Prof. M. Sambaiah

Asst. Professor, in Commerce and Business Management, Chaitanya Institute of Science of Technology (Deemed to be University), Warangal.

# G ① <u>Scholarly Research Journal's</u> is licensed Based on a work at <u>www.srjis.com</u>

## Introduction:

It has been recognized from the time immemorial that in an agrarian based rural economy like India, Management of Natural Resources have unique role to play. These traditional sources of livelihood directly acts as harbinger of prosperity in sustaining the income and employment of the rural communities. With the on-set of Globalization process, indigenous industries of the rural areas experiencing a big jolt. As the industrial sector is opened up to foreign capital and technology, foreign companies and MNCs attracting raw - materials and other resources from rural areas and acting as a threat to Natural Resources. Globalization and its consequent liberalization and privatization have changed the priorities of policy makers at the international and national level and it is effecting the rural livelihood directly and indirectly in many spheres. Inter-State and Intra-State variations in the misuse of Natural Resources are also widening and effecting the most vulnerable sections of rural areas. The impact of globalization on the Management of Natural Resources is also changing the patterns of ownership, control, use and misuse of Natural Resources and its effect is visible in various grabs such as its 'encroachment'.

# **Origin of the Research Problem:**

Natural Resources have historically been the survival base for local communities meeting a wide-range of their subsistence demands. While the cultivated land is producing a variety of crops, the non-cultivated land offered a great variety of vegetable and animal produce for the local population. Besides, it played a vital role as a supportive mechanism of dry land agriculture/eco system and is maintained well by the villagers as assets under community control.

Further a low priority to the involvement of the local communities in the policy making and its implementation at the village level is observed and the efforts of the State in pursuit of 'development' not only disintegrated the institution of village commons and its community management systems, but also failed to provide an alternative means, thereby *Copyright* © *2017, Scholarly Research Journal for Interdisciplinary Studies* 

severely afflicting the life sustenance of the rural poor on their livelihood. Moreover with the dissolution of informal management systems (the result is natural resources in forest based areas have become open access) these traditional sources of livelihood in the villages is closely linked with the distribution of land resources and socio-economic factors governing the availability and use patterns of these resources.

Even after Independence, the modern state has accepted this system and still continues with the process of expropriation and privatization, but the benefits of development have been never equally distributed. However the privatization of village commons and forest lands, while efficient, can have disastrous distributional consequences and could trigger a process of deprivation and destitution. An increase in subsistence requirements of the farming community and a rise in the profitability of land exploitation as a central reason for increased desertification. It was essentially government land reforms in this regions, unaccompanied by investment in improving the productive base, which had activated the process.

#### **Trans disciplinary Relevance:**

The link between Natural Resources and Private Property Resource endowments is extremely relevant even from the point of view of ecological balance and resource sustance. The land degradation is a direct manifestation of intense biotic pressure on forest, besides the natural action of wind and water. Water logging and salinisation traceable to deforestation and improper management of irrigation, and soil erosion is caused by inadequate investment in soil and water conservation activities. India has an alarmingly high rate of soil erosion and areas prone to floods are estimated to be 18 percent of the total agricultural lands and to have grown at over 4 per cent per annum during the past three decades, which reflect the combined effects of land extension, intensification and deforestation.

The growing pressure on land and water resources will have an adverse effect on land productivity and other income avenues broadly linked to land, forest and water. This will produce increasing burdens on the rural people, particularly the poor, and most importantly on women and children. In the more threatened ecosystems such as dry tropical areas, this amounts to 'subsistence crisis' with the rapid decline in natural resources including grazing and forest lands and water courses. Despite their crucial role in dry land subsistence farming, natural resources have declined between 30 per cent and 50 per cent even as their yield were strained by the doubling of population<sup>1</sup>. Therefore, the complex web of population pressure, deforestation, water stress and land degradation and desertification are *Copyright* © *2017, Scholarly Research Journal for Interdisciplinary Studies* 

the good deals of destitution in the developing world including India. Unless the adverse ecological consequences of exploiting these resources are to effectively stopped, the returns from these resource- based activities bound to decline over time. The tragedy of these resources can lead to soil erosion, declining biomass production and consequent shifts in rainfall and temperature characteristics.

#### **Societal Relevance:**

Despite their valuable contribution to the rural economy, management of natural resources are among the most neglected areas in development planning in the country. The formal invisibility or non-recognition of their contributions has led to disregard of natural resources by both welfare and production programmes and the consequence is their depletion both in terms of area and of productivity. This in turn induces further fall in their payoffs, to be followed by further neglect and degradation. Of the two forms of depletion of natural resources, the decline tin area is relatively easy to observe with the help of written or oral records of village land usage. In contrast, the fall in production from resources, although keenly felt by villagers, is difficult to quantify because their productivity has not been recorded in the past. Further a drastic decline in the number of products, following the disappearance of a number of plant and trees, species from lands, which villagers used to gather from the commons in the past is a major indicator of physical degradation of the natural resources.

The declines in the area, productivity, and upkeep of natural resources have been a part of the common scenario in most part of our country, where these resources continue to be important. The main reason for these are due to changes in population growth, market forces, public interventions, technological changes and environmental steps<sup>2</sup>. These factors influence the informal or formal norms and arrangements governing people's approach can alter with changes in the perceptions and needs of the community. Further these changes in turn are reflected through public policies and interventions and local communities' response to them.

With the onset of Globalization large-scale privatization of natural resources has led to a decline and this change is closely associated with land distribution policies of the governments. Practically all the programmes designed to provide land to specific beneficiaries mainly landless people, have resulted in the curtailment of the natural resources. Having failed to acquire land for redistribution through land ceiling laws or through voluntary donation under movements like Bhoodan (voluntary donation of land by private *Copyright* © *2017, Scholarly Research Journal for Interdisciplinary Studies* 

land owners), the curtailment of lands was found to be the easiest option for the purpose. The privatization involved either formal distribution of land to landless or other groups under different welfare and development schemes, or legalization of illegal grabbing rural lands by people.

## **Relevance to National Missions / Priorities:**

The natural resources of land, water, plants, animals, forests, fisheries an environment constitute the basic support systems of life on earth. Sustainable development for a country depends on how wisely such natural resources are used. In India, most of the natural resources, especially those held and or used in common i.e., common pool resources (CPRs) and open access resources (OARs) are highly degraded and their productivity is very low<sup>3</sup>. The restoration and wise management of CPRs an OARs is crucial to the well being and livelihoods of millions of rural poor who depend on them. If the processes of degradation o natural resources including environment is not reversed, it will not be possible to attain the goal of sustainable development. The natural resources which includes of land, water, forests and fisheries are dynamic and subject to management interventions can provide sustainable benefits flows in the form of food, fodder, fuel wood, fiber, timber and various environmental amenities to the rural folk<sup>4</sup>.

## **Review of Research and Development in the Subject:**

In the context of highly integrated land-livestock-vegetation systems of rural India, management of natural resources have a unique role to play. These traditional sources of livelihood directly or indirectly play an important role in sustaining the income, employment and resource base of the rural communicates. This view is supported by several empirical studies. Till today, even after considerable shrinkage in its area and quality due to privatization and encroachments, quite a significant proportion of these resources is commonly held or jointly used by people in most of the developing world, including India and it has been receiving attention by the researchers and policy makers.

According to Chatrapati Singh  $(1986)^5$ , till the end of the last century, at least 80 per cent of India's natural resources were common property (CP). The CPRs then provided the resource base for India's economy which was predominantly non-cash and non-market economy. A whole .range of necessary resources were freely available to the people. Thus, commonly available wood, shrubs, and cow/buffalo dung were used for cooking and heating; mud, bamboo and other timber and palm leaves for housing; wild grasses and shrubs as fodder; and a variety of fruits and vegetables as food. Thus, no market consumption was *Copyright* © *2017, Scholarly Research Journal for Interdisciplinary Studies* 

required to meet the basic needs of food, fuel, housing, and fodder and only physical labour and energy were required.

Therefore, the natural resources have historically been the survival base for local communities meeting a wide-range of their subsistence demands. While the cultivated land is producing a variety of crops, the non-cultivated land offered a great variety of vegetable and animal produce for the local population. Besides, it played a vital role as a supportive mechanism of dry land agriculture/eco systems and is maintained well by the villagers as assets under community control.

Though the natural resources have been a major sources of sustenance in arid and mountainous regions, there are no proper estimates of total population affected by the decline in its area or in access to CPRs or those affected by the restrictions on various types of resources. Further, presently they are undervalued or are not valued at all vis-a-vis the tangible benefits from rural based activities. According to latest Census, 8 percent of the total population of the country or nearly 68 million Schedule Tribes (STs) of which 60 million tribals are forest dwellers living within or in the vicinity of forest. In 1991, more than 54 per cent of tribal workers are cultivators, 33 per cent agricultural labourers (ALs), 1.5 per cent engaged in industry and 11.5 per cent in other categories. In contrast, the similar figures for the general population are 27 per cent cultivators, 31 per cent ALs, 11 per cent in industry and 31 per cent in other categories. It is clear that both cultivators and agricultural labourers and found to be quite high among STs necessitating their greater dependence on land resources.

As a result, majority of the rural folks particularly tribals are depending on natural resources for subsistence requirements. These include grazing for their animals, collection of minor forest produce (MFP), such as fruits, edible roots, tubers, leaves and medicinal plants, firewood, flowers and nuts for the preparation of beverages etc. Estimates reveal that about 60 per cent of the production is consumed by these communities either as a main food or as a supplementary source and it constitutes about 10 to 40 per cent of the total household earnings. For instance, in Andhra Pradesh it is estimated that 58 per cent of mohwa flowers and seeds and 17 per cent of tamarind fruits collected by the tribals are used for self consumption. And in Baster District of Madhya Pradesh, tribals not only use the forests to comfort themselves the forage for leaves to make plates and cups, collect a special type of wood for indigenous tooth-brushes and gather MFP such as tamarind, saal seeds and tendu leaves for purposes such as making local cigarettes. Studies show that 75 per cent of these *Copyright* © *2017, Scholarly Research Journal for Interdisciplinary Studies* 

local communities supplement their food by tubers, flowers and fruits available in their surroundings<sup>6</sup>.

Jodha<sup>7</sup> using data from over eighty villages in twenty-one dry Districts from seven states in India, shows that among poor households, the proportion of income based directly on natural resources is for the most part in the range 15 to 25 per cent. He argues that due to the convergence between potential Private Property Resource (PPR) centered policies/programmes and emerging concerns for participatory development, environmental sustainability and poverty alleviation, natural resources could be make an effective component of rural development strategies (Jodha, N.S. 1986)<sup>8</sup>.

Moreover, as sources of income these resources are often complementary to PPRs which are in the main labour. Milch and draught animals, cultivation land and crops, common agricultural implements (e.g. ploughs, harrows, and hoes), fodder cutting and rope-making machines, seeds and so on. Natural resources also provide the rural poor with partial protection in times of unusual economic stress and for landless households they are the only non-human asset at their disposal (Jodha)<sup>9</sup>. A number of rural based resources such as fuel wood and water for domestic use, berries and nuts, medicinal herbs, resin and gum are the responsibility of women and children.

Even after Independence, the modern state has accepted this system and still continues with the process of expropriation and privatization, but the benefits of development have been never equally distributed. Findings of the case studies suggest that privatization of village commons and forest lands, while efficient, can have disastrous distributional consequences and could trigger a process of deprivation and destitution. Jodha<sup>10</sup> has identified an increase in subsistence requirements of the farming community and a rise in the profitability of land exploitation as a central reason for increased desertification in the state of Rajasthan in India. He contends that it was essentially government land reforms in this regions, unaccompanied by investment in proving the productive base, which had activated the process (Jodha, N.S. 1980)<sup>11</sup>.

In a similar study Sadiq Salman<sup>12</sup> argued that the shrinkage of common lands has been accruing within the context of land policies enacted by the state by focusing on evolution of commons' policy in the state of Rajastan. The focus of revaluation is that various inconsistent interpretations of common lands by usage through a legal conduit led to distortions which triggered the process of deprivation. This has resulted in an outright privatization or takeover by the state of grazing fields and other common lands without *Copyright* © 2017, Scholarly Research Journal for Interdisciplinary Studies providing any alternative of subsistence. Thus, the state ownership of such land resources often goes against people who depend on their produce. Besides, the centralized bureaucracies have little knowledge of the ecology of such resources and they are in many instances influenced by vested interests and far removed from the resource and the people who depend on it.

Further the above work explains how massive private investment in the expansion of beef-cattle production in fragile ecological conditions has been supported by governments in the form of tax concessions and provision of infrastructure, and loans from international financial agencies. The author argues that the decline of vast tracts of environmental resources was accompanied by the deprivation of large number of small farmers and agricultural labourers. In consequence, the process has completely impoverished the local communities and in worst cases claimed their lives. The findings of the study reveal that the protein intake by the rural poor drastically declined even while the production of beef increased, much to the benefit of exporters, for use by fast-food chains overseas<sup>13</sup>.

Therefore, it is crucial that during the process of economic development there is a close link between protection of ecological commons and the welfare of the poor, especially the most vulnerable among the poor. Indeed, the involvement of the rural people in the management of local resources go a long way in making the process of development more vigorous and participatory (Chatrapati sing)<sup>14</sup>.

Multinational Business Houses are allowed to undertake commercial ventures in the name of wasteland development with all the support from the state machinery to the detriment of the needs and aspirations of the indigenous people. Further, the collusion of forest rangers and commercial interests results in a large scale extraction of forests, which remains unaccounted for, driving local people to lose their interest in regeneration. Amongst others, land use changes, land reforms including agricultural land ceiling, have also affected the access to resources in rural areas. The climatic changes resulting from land use changes and shifts in cropping pattern have reduced the traditional fodder and fuel wood. This problem gets more acute during severe droughts, resulting in a massive loss of livestock and considerable economic stress to the local populations.

The state intervention in the management of natural resources affects ecology not only through its sanctions for private property rights but also through its involvement in the price system. The most important mode of such interventions has been subsidies of various sorts. But, given the economic and political equations, the benefits from these subsidies accrue *Copyright* © *2017, Scholarly Research Journal for Interdisciplinary Studies* 

mainly to the better-off sections and their costs, including environmental externalities are borne by the poor. Further, it is quite evident that state is indifferent to many instance of encroachments on lands and in so many cases legitimized by regularizing illegal occupations. More importantly, the undervaluing of biomass to ensure its subsidized supply to the commercial industrial uses has been accomplished by abolishing the traditional rights of local people. Such intensification not only benefited rural and urban elites but also forced large external costs upon the poor.

Therefore, the kind of development process that we adopted led to a situation where the local self-provisioning economics and its resource base got integrated into the dominant interests of the larger economy. In consequence, peoples responses to this type of threats to their very subsistence has taken the shape of several mass agitations that now have turned into major environmental movements across the country. These movements show that people are now experiencing the consequences of deprivation and more concerned about the current status and management ecological commons.

The extent of natural resources as a proportion of the total assets in a community, and hence their role, varies greatly across ecological zones. In our country they appear to be most prominent in: (i) arid and semi-arid regions; (ii) mountain regions; (iii) un-irrigated areas: and (iv) forested tribal regions. In the arid and semi-arid regions, these resources are less in extent than those in wet mountainous areas but are more fully integrated into the PPR-based agricultural production systems and local institutional frameworks than is the case of other regions. In the hill regions, local people heavily depend for their sustenance on these resources. Compared to the arid and hilly regions, rural resources are relatively less significant as a source of inputs for private farming in this region, but are very important as a source of MFP for sale, and sites for shifting cultivation. All this shows the prime importance of natural resources particularly in forest based areas in India's economy and the rationale for their restoration, development and management on a sustainable basis.

## **Conclusion:**

Nimral Resources in rural areas are accessible to while village community and no individual has exclusive property rights. They play a pivotal role in increasing income, generating employment opportunities and increases household assets. Particularly after introduction of New Economic Policy, the status and the management of natural resources are gained further important from the point of view of the village economy in general and poor in particular. Infact, management of natural resources particularly of forest areas in a rural *Copyright* © 2017, Scholarly Research Journal for Interdisciplinary Studies

economy acts as a stimulating factor to prosperity. Hence, distribution and utilization of these resources in rural areas of our country have been receiving considerable attention by policy makers, government officials and researchers.

#### **References:**

- Prasenjith Mondal, Ajay K. Dalal (ed.), Sustainable utilization of Natural Resources, Taylor & Francis, CRC Press, 2010.
- I.V. Murali Krishna et. al., Natural Resources Management and Prideversity, Conservation, Asia, Vol. 2017.
- Smitu Kothari, Imtiaz Ahmad, the Value of Nature Ecological politics in India, Rainbow Publishers, 2014.

Ibid.

Chatrapati Singh, Common Property and Common Poverty: India's Forests, Forest Dwellers and the Law, OUP India, 1987.

Prasenjit Mandal, Op.cit.

N.S. Jodha, Joint Management of Forests, Economic and Political Weekly, Vol.35, Issue No.50, 9<sup>th</sup> December, 1986.

Ibid.

*N.S. Jodha, Strategies for the Sustainable Development of Agriculture Vol.1, pp. 1-40, OUP, 1980. Ibid.* 

Ibid.

Mohd. Sadiq Salman et.al., Common Land Resources the Present Status and Need for their conservation, DOI, 2013.

Ibid.

Chatrapati Sigh, Op.cit.