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ICTs : THE POTENTIAL INSTRUMENT FOR GOOD GOVERNANCE AND RURAL DEVELOPMENT

Ms Kazi Sonia Rahman and Mr Jillur Rahaman Paul

Modern age is called the digital age as Information & communication technologies (ICTs) lead the world to get speedy advancement. In every sector of human life, ICTs have been playing an important and productive role. ICTs are tools that facilitate the production, transmission and processing of information. ICTs are driving core economic, social, political and cultural activities around the globe. Many people believe that ICTs are the key instrument for rural development and good governance in the less develop countries. The use of ICTs in rural areas can enhance the welfare of the vast poor. They can enhance the human capabilities. Collection and dissemination of market information, employment generation, education and health-care services, delivery of government services with greater efficiency, transparency, accountability, raising voices of the poor to be heard in policy formulation, accelerating poverty reduction, political progress, resource allocation and distribution, impact assessment, digital land reforms, disaster risk management, human resource development etc. have been done effectively with the direct or indirect help of ICTs. The rural development and good governance can be accelerated with ICTs, where the government is at the core of e-governance initiatives and the successes of it largely depend on the change process within the government to improve its internal functioning. The administrative activities of the government are required to do rural development and good governance. The important think is that the ICTs do have a vital role to play towards ensuring good governance and poverty alleviation, solely incorporating these technologies cannot drive administrative reforms because computers do not clear a mess but instead process the mess at a greater speed. If an enabling environment related to ICTs, such as technology driven reforms can be ensured, the rural development and good governance would automatically be taken place.

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DEPLOYING ICT IN AGRICULTURAL EXTENSION FOR GOOD RURAL GOVERNANCE

*Prof. Hemnath Rao Hanumankar**

This article demonstrates the potential benefits to agriculture growth and rural governance from the deployment of Information and Communication Technology (ICT). Based on an evaluation study of the federally funded scheme of the Government of India for strengthening the country's agricultural extension system through a network of ICT based Farmers' Call Centers (FCCs), the article summarises the operational model of the FCCs, the profile of the farmers who have availed of the services of FCCs and the farmers' perceptions of the performance of FCCs and benefits accruing from them. The reasons for farmers not taking advantage of the FCCs have also been explored.

The need for strengthening FCCs as an instrument of ICT based agriculture extension to meet the growing information needs of farmers and the factors that help or hinder farmers' satisfaction with the services of FCCs have been highlighted in the context of a developing country like India. As developing countries around the world seek actively to review the role of agricultural extension agencies and revamp their service delivery systems for enhanced reach to the farming communities, this article would provide an academic and policy insight into leveraging ICT for correcting the information asymmetries in the agriculture value chain to benefit farmers, independent of the size of their farms, income levels or length of experience in farming.

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EFFECTIVENESS OF MICRO-FINANCE ON POVERTY REDUCTION AND FUTURE CHALLENGES : A CASE OF BANGLADESH

*Dr Tapash Kumar Biswas**

Bangladesh is the place where the seedbed of micro-finance was prepared, experimented and flourished with a recognised system to serve the poor. Micro-finance has been widely recognised as an important instrument for poverty reduction in Bangladesh. In addition to government organisations, more than 700 NGOs are supporting rural people, especially women, with billions of Takas as micro-credit. The main objective of this paper is to assess the effect of micro-finance on poverty reduction and to find out the future challenges of effective implementation of micro-finance programmes in Bangladesh. This paper has been prepared mainly based on secondary materials including the author's own study. Bangladesh Academy for Rural Development (BARD) introduced micro-finance in the sixties through farmers' cooperative association. In mid seventies, BARD started an experimental project named Small Farmers and Landless Labourer Development Project where collateral free micro-finance was distributed to landless and small farmers' groups. With the establishment of Grameen Bank (GB) in 1976 and other such programmes micro-finance obtained a new identity, a new meaning and a dimension in development literature.

Findings of different studies implied that the per capita income of the micro-finance borrowers was significantly higher than that of the non-borrowers. International Development Association (IDA) in 1999 showed that beneficiaries of Palli Karma Shahayak Foundation (PKSF) increased their income by 98 per cent. Among the micro-finance borrowers, 89 per cent improved quantity and quality of food intake, 88 per cent improved clothing, 75 per cent improved housing condition, 69 per cent improved sanitation and overall quality of life improved by 95 per cent. An evaluation study on BRAC micro-finance programme revealed that percentage of households living below the upper poverty line was about 17 percentage point lower than that of comparison groups. But Ahmed in 2004 showed that there had no significant decline in the overall levels of poverty. Biswas in 2008 through before after comparison with recall method showed that 16 percentage points poverty reduced among the borrowers within 5 years. But poverty line estimated through direct calorie intake method in programme and control areas revealed that 6 percentage points poverty reduced due to the involvement in micro-finance programme. A summary of findings of different studies showed that percentage of income or expenditure increased varies widely from 8 to 82 per cent. Moreover, most of the studies mentioned overall change of income or expenditure, but not per year change, which creates constraints for comparison. However, most of the studies showed significant contribution of micro-finance to poverty reduction. Due to the involvement in micro-finance programmes about half of the sample borrowers under GB and BRDB were able to improve their food provisioning. Positive impact of micro-finance was also found on the hours of employment among both male and female participants. It was found that the female borrowers had a greater decision making power compared to the wives of male borrowers. Number of loans, the cumulative total of loan and membership length had positive impact on women's empowerment indicators like women's role in decision making power, women's mobility, and women's control over the use of micro-finance.

Although micro-finance has made a significant contribution to improve the socio-economic condition of the rural people as well as to reduce the incidence of poverty in Bangladesh, still there are some challenges. Some of them are: (i) Targeting of ultra poor by different micro- finance institutions is not satisfactory; reaching and organising them are difficult and costly. As such a special type of micro-financing system needs to be developed for the ultra poor. (ii) Monitoring and evaluation system on productive utilisation of micro-finance by the borrowers is not adequate that needs to be strengthen for ensuring effective utilisation of micro-finance. (iii) Payment of credit installment immediately after receiving credit is not possible for the poor people as they do not have other source of income. As a result they have to pay initial installment from the credit money which reduces the investment capital as well as net benefit. In this regard, instead of weekly installment, monthly installment system may be introduced. (iv) At the initial stage of micro-finance, borrowers become successful, but in the long run they face a downturn in terms of ownership of assets and level of income. It was also found that the older groups and branches of micro-finance organisations had higher loan default rate and larger percentage of ineffective groups. Effective measures need to be taken to tackle this issue. (v) There is a practice of receiving loan by the borrowers from multiple organisations due to defaulter with the organisation currently involved. This process leads the borrowers into more vulnerable situation. Moreover, there are instances of taking money from the clients by the fake NGOs. Micro-credit regulatory system needs to look these issues more effectively.

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WATER RESOURCE MANAGEMENT IN INDIA : ISSUES AND OPTIONS AHEAD*

*Dr S S P Sharma***

Water is a common good, essential for life. We all have responsibility to respect water as a basic resource and use it wisely. Article 24 of the UN Convention on the Rights of the Children states that children have the right to get clean water. The Million Development Goals include the target of reducing by half the proportion of the people without sustainable access to safe drinking water. Judicious management of water resources is among the critical policy issues across the continents. Increasing inter-sectoral competition between agriculture and other users (i.e., drinking water, industry) is adding to the complexity of managing both surface and groundwater resources. There is a global race for economic development across the countries. Consequently, the depletion of natural resources, particularly water poses a great challenge for sustainable development. Increasing water productivity in irrigated areas and the value per unit of water by integrating livestock and fisheries in irrigated systems are the required steps for making judicious uses of water.

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RURAL WATER MANAGEMENT : ISSUES AND CHALLENGES IN THE 21ST CENTURY

Dr Rajeshwar Dyal

The new millennium has posed several new challenges in managing water resources. The increasing threat to the agriculture sector from the industry and household in securing water supply, the increasing water pollution due to effluent discharge from the factories and urban municipalities, emission of green house gases and the likely impact of climate change on water storing structures as well as vulnerability to extreme weather events like flood and droughts, etc., have, once again, revived the interest of different stakeholders in devising new policies and programmes to ensure clean and safe water supply for all. Besides, socio-economic factors like skewed distribution of water, frequent occurrence of water borne diseases, need to involve rural women in managing water, etc., have necessitated to explore new methods to achieve water equity.

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