



## THE IMPACT OF CHANGING DYNAMICS OF GLOBAL SOUTH ON INDIAN RURAL ECONOMY

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### ABSTRACT:

The Global South significantly influences India's rural economy through trade, agricultural development, investment, labor migration, climate change initiatives, regional agreements, cultural exchange, and geopolitical alignments. Countries in Africa, Latin America, Asia, and Oceania serve as important export markets for Indian agricultural products and a source of raw materials for rural industries. Knowledge-sharing initiatives and technology transfers benefit rural India, while foreign direct investments contribute to infrastructure development. Labor migration leads to skills development and remittances that boost rural livelihoods. Collaborative efforts on climate change and regional agreements promote economic growth in rural areas, highlighting India's pivotal role in shaping its rural economy within the Global South.

### KEYWORDS:

**INDIAN RURAL ECONOMY, GLOBAL SOUTH, KNOWLEDGE-SHARING, CLIMATE CHANGE, ECONOMY GROWTH, RURAL DEVELOPMENT, ECONOMY, LABOR, MIGRATION.**

### INTRODUCTION:

The Global South refers to developing countries that are concentrated in Africa, Asia and Latin America. These countries are generally poorer, more unequal and have worse living standards in comparison with the wealthier countries known as the Global North which comprises of the more developed regions of Europe and North America with some nations from Oceania. As a result, a word such as "Global South" seems more suited because of its less argumentative tone. Geopolitical and Economic Commonalities: Geographically, the term Global South does not have a well-defined border. It stands for a set of political, geopolitical and economic characteristics of different countries.

The G20 heads of state and government met during the recently concluded Indian G20 summit, which was hosted on 9-10, September 2023. Such clear priorities were the focus of discussion when India assumed the G20 presidency. They foster inclusive and pragmatic dialogue and encompass a significant number of substantive discussions enhanced by the priorities of the G20 as follows: sustaining economic growth, enhancing sustainable development goal challenges, reforming governance structures levers, equitable access to resources and sustainable technology amongst others. Such were the emergent thoughts of 125 Global South Nations at the 'Voice of the Global South Summit' in January, 2023. These are also strong priorities for India in its own G20 agenda to listen to the voice of the Global South and its priorities by identifying simple, scalable and sustainable solutions aimed at transforming developed economies. The connecting Indian principle of 'Vasudhaiva Kutumbakam' enables development partnerships between countries that are respectful and not intrusive, allowing the Global South's voice to be heard as prioritised by India

and put into action through Global South development partnerships.

This is perhaps a direct impact of globalization as villagers have become active and knowledgeable citizens. -Low income areas have also benefited from job opportunities and economic growth nutrition and food insecurity factors also India is the very first example for the Global South to achieve comprehensive growth and development through.

- Contribution towards key investments
- Development of effective infrastructure
- Response to climate change
- Application of innovative technology
- Creation of new interactions
- Improvement of existing relations

### KEY ASPECTS OF THE INDIAN RURAL ECONOMY IN THE CONTEXT OF THE GLOBAL SOUTH:

**Agriculture as the Backbone of the Rural Economy-**A large portion of India's rural population depends on agriculture for their livelihood, even though the sector's contribution to the GDP has been steadily declining in favor of industry and services. Agriculture remains a key driver of rural incomes, and its significance is comparable to the role of agriculture in other Global South countries.

India's rural economy is heavily dependent on smallholder farming, which is marked by low productivity, limited access to capital, and vulnerability to climatic shocks like droughts and floods. This mirrors broader trends in the Global South, where many small-scale farmers in developing countries face similar challenges.

**Poverty and Inequality-**Rural areas in India continue to grapple with high levels of poverty and income inequality. Despite economic growth in urban centers, rural poverty

remains persistent, and disparities in wealth, access to education, healthcare, and infrastructure are pronounced. In the Global South, rural areas often face challenges such as inadequate infrastructure, poor access to healthcare, limited educational opportunities, and high unemployment, which results in widespread poverty and social exclusion. India's rural economy is a microcosm of these struggles.

**Land Ownership and Agrarian Crisis**-Land ownership in rural India is highly concentrated, with many small-scale farmers lacking access to land or credit. Issues like land fragmentation, low agricultural productivity, and the erosion of traditional farming practices contribute to an ongoing agrarian crisis.

Similar challenges are observed in the Global South, where issues of land reform, landlessness, and the lack of sustainable farming practices hinder rural development. Small farmers often find it difficult to compete with large agribusinesses, which can influence both domestic and international food markets.

**Migration and Urbanization**-Rural-to-urban migration is a common trend in India, as young people, in particular, seek better employment opportunities in cities. This migration is often driven by the lack of employment in rural areas, low agricultural returns, and limited opportunities for diversification of income. Migration within the Global South is widespread, with rural residents moving to urban centers or even abroad in search of better economic prospects. This rural-urban divide also underscores issues related to urbanization, access to services, and the changing landscape of labor markets in developing countries.

**Access to Technology and Innovation**-While rural India faces challenges, there are also efforts to modernize the agricultural sector and improve the quality of life for rural communities. Government programs such as **Pradhan Mantri Krishi Sinchayee Yojana (PMKSY)** and **National Rural Employment Guarantee Act (MGNREGA)** aim to provide better irrigation, rural employment, and infrastructure.

Technological innovations, such as mobile-based agricultural advisories and digital platforms for market access, are increasingly being adopted in rural India. These efforts are often in line with the broader goal of improving productivity and livelihoods in the Global South, where technology can serve as a key enabler of rural development.

#### **SUSTAINABILITY AND ENVIRONMENTAL CHALLENGES:**

The rural economy of India is highly vulnerable to environmental changes, such as climate change, which impacts agricultural production, water resources, and biodiversity. Problems like soil degradation, deforestation, and water scarcity are widespread.

This is a common issue across the Global South, where rural economies are particularly vulnerable to environmental stresses. Addressing climate change and

promoting sustainable agricultural practices are central to ensuring the long-term viability of rural economies in developing countries.

#### **SOCIAL DYNAMICS AND EMPOWERMENT:**

The Indian rural economy is characterized by complex social dynamics, including caste, gender, and class inequalities. Rural women, in particular, face significant challenges in terms of access to land, credit, education, and healthcare.

In many countries of the Global South, women in rural areas continue to face significant social and economic barriers. Gender empowerment, rural education, and social justice are key components of the broader development agenda in the Global South, with rural India being a focal point for such efforts.

#### **INTEGRATION INTO GLOBAL MARKETS:**

The Indian rural economy is also increasingly integrated into global supply chains, especially through agricultural exports such as rice, tea, coffee, and spices. However, the integration of rural economies into global markets has its risks, such as exposure to price volatility and market fluctuations.

Similarly, countries in the Global South that rely on agricultural exports face challenges related to fair trade, market access, and dependence on the Global North for both technology and financial resources.

**Indian Rural Economy:** The **Indian rural economy** is a significant aspect of India's overall economic structure and plays a crucial role in understanding the broader context of the **Global South**. India, as one of the largest and most populous countries in the world, has a rural population that is deeply intertwined with its historical, social, and economic development. The rural economy of India reflects the challenges, opportunities, and aspirations shared by many nations in the Global South, especially those that are heavily dependent on agriculture and face socio-economic disparities.

#### **CONCLUSION:**

The Indian rural economy, in many ways, represents the economic and social realities of the Global South—where agricultural dependency, poverty, social inequality, and environmental vulnerability coexist. However, it also highlights the ongoing efforts to modernize and adapt through technology, rural development programs, and regional cooperation. As part of the broader narrative of the Global South, India's rural economy provides insights into the complexities of development, the importance of sustainable practices, and the need for inclusive policies to improve the livelihoods of millions of rural inhabitants. The Indian rural economy is a significant aspect of India's overall economic structure and plays a crucial role in understanding the broader context of the Global South. India, as one of the largest and most populous countries in the world, has a rural population that is deeply intertwined with its historical, social, and economic development. The rural economy of India reflects the

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