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All India Institute of Local Self-Government

- Public Policy and Grassroots Development Initiatives: A Review of Microfinance Policy Impact in Nigeria
- Impact of COVID-19 on Agriculture and Allied Businesses
- Denied Access to Education: An Impact of COVID-19 Lockdown
- Urban Planning in India: Towards Sustainable and Resilient Urban Settlements

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Editorial

Glasgow Climate Summit

The UK hosted the 26th UK Climate Change Conference of Parties (COP26) in Glasgow, Scotland during October 31 - November 13, 2021. For nearly three decades world leaders and other stakeholders have come together at these events to debate, deliberate and decide on matters of Climate Change which has emerged as the central, most crucial subject for mankind. World leaders came to the event alongwith negotiators, civil society representatives, etc. The aim was to accelerate action towards the goals of the Paris Agreement on Climate Change. The outcome of the Summit was the Glasgow Climate Pact – the result of intense, rigorous debate and deliberations amongst almost 200 countries over the two weeks in Glasgow, and the sustained engagement of world leaders during several months previously.

"The approved texts are a compromise," said UN Secretary-General António Guterres. "They reflect the interests, the conditions, the contradictions and the state of political will in the world today. They take important steps, but unfortunately the collective political will was not enough to overcome some deep contradictions." As the world is aware, there is need for strong sustained, irreversible actions by everyone to enable deep cuts in global greenhouse gas emissions if we are to prevent further damage and preserve a livable planet while supporting the most vulnerable nations and communities from the hazardous impacts of climate change. The outcome of COP26 falls short of the effort required. However, there were some building blocks for progress on the Paris Agreement towards a low-carbon future.

There were some noteworthy aspects of the outcome. Among them was reaffirming the pledge enshrined in the Paris Agreement, namely, limiting the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit it to 1.5 °C. Going further, the participants expressed "alarm and utmost concern that human activities have caused around 1.1

°C of warming to date, that impacts are already being felt in every region, and that carbon budgets consistent with achieving the Paris Agreement temperature goal are now small and being rapidly depleted." The participating countries expressed grave concern and stressed the urgency of action 'in this critical decade' in order to achieve deep cuts in emissions so that we reach net-zero by the middle of the Century. Seeing that the current climate action plans – the Nationally Determined Contributions (NDCs) – towards this goal are falling short, the COP26 Summit called upon countries to present stronger, more ambitious national plans next year. Originally this was planned for 2025.

One of the more debated and contested outcomes was related to doing away with high carbon intensity coal power and fossil fuel subsidies. The ultimate agreement calls for 'phase-down of coal power and phase-out of inefficient fossil fuel subsidies'. Several commentators expressed some disappointment over the watering down to 'phase-down' in place of 'phase-out'. It was also seen that developed countries have fallen short on their pledge to provide US$ 100 billion a year for developing countries to finance climate action. The Glasgow pact calls upon the developed countries to fulfill the pledge; the developed countries express confidence that this would be met in 2023.

In the immediate future, we believe that all countries must work together on several fronts in order to achieve the goals of the Paris Agreement. The timely achievement of these goals is extremely critical in view of the already rapidly growing impacts of global warming and the extreme vulnerabilities of parts of our population like those in the Small Island Developing States (SIDs). In this journey there is need to build greater trust among all member countries and other stakeholders. There is a call by developing countries stating that the now developed countries are part of the 'sinners' as they are responsible for the bulk of the environmental damages over the last century and more. They say that least developed countries while not being responsible for the climate mess, are most vulnerable and must face the bulk of the consequences of global warming. There must be an acknowledgement by all sides of the reality and thereby the building of trust which would allow all to focus on the challenges and seek out solutions.

As regards the financial support for the climate action fight, the rich nations must immediately come good on their pledge for support of $100 billion annually for the developing nations to support their fight. Now, many are of the opinion that this amount is grossly inadequate and the needs of the developing nations are much larger. While efforts must begin to enlarge the financial support, to start with, the

$100 billion support must come surely, regularly, and predictably. There is also a need to increase allocation of such support to the developing nations for their adaptation to the impacts of climate change and for resilience-building. Current estimates put this allocation at about a quarter of all assistance with the bulk of the funding going towards creating green technologies to mitigate greenhouse gas emissions. Such increased allocation may not meet all the needs of the poorer countries but could significantly improve their fight towards protecting lives and livelihoods.

One hopes and looks forward to substantially improved traction in the world's efforts in these directions and whatever else may be required. Initiatives such as the 'Glasgow dialogue' set up during the Summit could help greatly. It seeks to discuss funding of activities to avert, minimize and address loss and damage arising out of climate change impacts. The UN Chief sounded cautiously optimistic at the end of the conference saying "……We won't reach our destination in one day or one conference. But I know we can get there. We are in the fight of our lives,"

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Public Policy and Grassroots Development Initiatives: A Review of Microfinance Policy Impact in Nigeria

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Abstract

The paper examined the impact of public policy on microfinance and financial inclusion in Nigeria as a major prerequisite for galvanising grassroots development. To this end, it articulated some research questions and adopted the analytical research method. Thus, the study leveraged relevant international and local development institutions publications, online journals, microfinance industry reports amongst others to undertake a critical analysis of the subject matter. The findings revealed that some progress have been made in cutting down financial exclusion rate in the country since the launch of the microfinance policy, regulatory and supervisory framework in 2005. However, there remains a gap to be bridged in terms of realising the target of reducing the exclusion rate of adult citizen to 20% set in the National Financial Inclusion Strategy which elapsed in 2020. The findings also identified inadequate supervision by the Central Bank of Nigeria, inadequate funding, high risk and heavy transaction cost and low technical skills in microfinancing as major factors affecting the financial inclusion drive of microfinance banks in Nigeria. To beat the odds, the paper recommended that there is need to streamline the regulatory structure, strengthen capital standards and build adequate capacity of microfinance banks employees.

Keywords: Public policy, Grassroots development, Microfinance

Introduction

There have been several initiatives introduced by the Nigerian government over the years to facilitate access to finance and improve lives and livelihoods at the grassroots. Some of the foremost initiatives comprised the establishment of institutions and programmes such as the Directorate of

Food, Roads and Rural Infrastructure (DFRRI) in 1986; Better Life Programme in 1987; The Peoples Bank in 1989; Community Banks in 1990; and The Family Economic Advancement Programme in 1997 (Egboro, 2015). However, these initiatives were largely unsuccessful due to various reasons such as poor implementation, corruption and frequent policy changes and somersaults (Mustapha and Imuetinyan2015; Mustapha, 2015). Still, government's consistent drive to improve the lot of the masses through access to finance led to the introduction of the Microfinance Policy Regulatory and Supervisory Framework (MPRSF) in 2005 by the Central Bank of Nigeria (CBN).

The policy initiative is in tandem with the constitutional mandate of government to manage the national economy for the minimum welfare, freedom and happiness of every Nigerian citizen on the basis of social justice and equitable access to opportunities (Omotosho, 2019). Furthermore, the MPRSF was launched to address the prolonged nonperformance of the community banks to stimulate the desired development at the grassroots (Alegieuno, 2008). Thus, the expectation is that the MPRSF will help to galvanize the grassroots through the provision of needed financial services to engage in, and expand their economic activities and generate employment (CBN, 2005).

Statement of the Problem

The CBN introduced the microfinance policy to boost grassroots development through financial inclusion (Nwaogazi, 2010). It was articulated as a response to the apathy and inability of the formal financial system, especially the commercial banks, to serve the needs of low-income households and micro enterprises. The CBN (2005) observed that the formal financial system provided services to about 35% of the economically active population, while the remaining 65% were excluded from access to financial services. Notwithstanding the policy, Nigeria still grapples with myriad of issues besetting grassroots development. One of such issues till date is the access gaps to financial services by the most excluded groups including women and rural dwellers (EFInA, 2020). The access gaps have also, in turn, hampered the inflow of adequate credit and other financial services required to stimulate grassroots enterprises.

Objectives of the Study

i. To examine the extent to which the public policy on microfinance has enhanced financial inclusion in Nigeria;

ii. To ascertain factors militating against the government policy on microfinance banks aimed at financial inclusion in Nigeria.

Research Questions

i. To what extent has the public policy on microfinance enhanced financial inclusion in Nigeria?

ii. Are there factors militating against microfinance banks' drive towards financial inclusion in Nigeria?

Methodology

The study adopts the analytical research method. It leveraged relevant international and local development institutions publications, online journals, microfinance industry reports amongst others to undertake a critical analysis of the subject matter.

Conceptual clarification:

Public Policy

Public policy is a veritable instrument deployed by government for the purpose of optimising the social welfare and well-being of the citizenry. Perhaps, this explains why the concept has received much scholarly attention. But there have been varied views on what the concept means. Sharma, Sadana and Kaur (2012) posit that public policy is the relationship of a governmental unit to its environment. This view is quite broad as it leaves details of the nature of such relationship. For Adebayo (1998) public policy is the determination, declaration and crystallisation of the will of the community. This implies that a major building block for an effective public policy is the will or expectation of the community as the participation of the people in the policy process is crucial to the support for and success of government policies (Laxmikauth, 2011; Mustapha, 2015).

According to Larson (1987), a good understanding of public policy provides a platform for appreciating the magnitudes of linkages between public policies and regulation of behaviours, organization of bureaucracies, distribution of development benefits, allocative efficiency, institutional structures and philosophical justification of government and governance. This understanding provides the premise for a wide variety and substantive areas of interest such as sustainable grassroots/rural economic/financial development, energy, defense, environment, education, infrastructure, taxations, housing, social security, health, economic empowerment and opportunities, urban development among others (Dye, 1981) as issues contingent upon public policy instruments.

In recent times, the major concern of grassroots development experts in Nigeria is not centrally on policies themselves, rather, the institutions and structures of government, political behaviours and processes associated with policy making and implementation. Therefore, in a more technical sense, public policy depicts a system or courses of action, regulatory measures, laws and funding priorities concerning a given subject matter promulgated by a government entity or its representatives (Adebayo, 1998; Oghenekohwo & Berezi, 2017). Public policy is commonly embodied in constitutions, legislative acts and judicial decisions.

Grassroots Development

Grassroots development has no common definition as it has been perceived from different viewpoints and theoretical models such as the modernization approach, mobilization approach, dependency perspective or bottom-top approach. This paper closely uses the concept of grassroots development and rural development interchangeably in view of the fact that majority of rural dwellers are predominantly grassroots individuals. Rightly so, the term 'grassroots' depicts those at the bottom – that is the common or ordinary people – in any social formation. The World Bank views grassroots development as a strategy aimed at improving the economic and social living conditions, focusing on a specific group of people (as cited in Nenpomingyi, 2019). For Mabonguje (1992), it is the improvement of the living standards of the low-income people living in the lower stratum of the society on a self-sustaining basis by transforming the socio-spatial structures of their productive activities. Thus, it implies a broad reorganization and mobilization of the masses and resources to enhance the capacity of the populace to cope effectively with the daily tasks of their lives and with the consequent changes.

Malcom (2003) posits that grassroots development is the process of improving the quality of life and economic wellbeing of people living in relatively isolated and sparsely populated areas especially in the rural areas. According to Alanana (2005), it is the process by which a set of technological, socio-cultural and institutional measures are implemented with or for the inhabitants of rural areas with the aim of improving their socio-economic status or living condition to achieve a balance between the local and national sectors. Idris (2011) views the concept as a continued set of actions by government agencies and NGOs in improving the conditions of the ordinary people and a process which leads to series of changes within the confine of their setting which eventually result in the improvement in the general living conditions. This view was corroborated by Idike (1992) who opined that the main concern of grassroots development is the modernization of the rural sector through a transition from traditional isolation to integration with national economy via the medium of strong financial inclusion which was the overarching goal of the 2005 CBN microfinance policy. Thus, grassroots development requires substantial access to financial services which are mostly provided by microfinance institutions and particularly the microfinance banks which fall under the CBN's oversight function.

Microfinance

The expression 'microfinance' most commonly denotes the offer of modest financial services to zero or low-income clients (La Torre & Vento, 2006). It also refers to the activity of the provision of financial services to clients who are excluded from the traditional financial system on account of their lower economic status (Nwanyanwu, 2011). These financial services include loans and savings, insurance and payment services offered by microfinance banks and other institutions. Microfinance has also been described as a development tool used to create opportunity for the economically active poor to access financial services at a sustainably affordable price (CBN, 2004). Thus, microfinance fast-tracks access to financial services for the poor and in turn enables them to have control over factors of production, be more self-reliant, generate employment, enhance household income and create wealth. Three features distinguish microfinance from other formal financial institutions: the smallness of loans advanced; the absence of asset-based collateral; and simplicity of the operation. Therefore, microfinance is about providing finance to small scale enterprises (Nwanyanwu, 2011).

Recent developments in developing countries have reinforced the contention that microfinance structures are essential for grassroots and rural development in consideration of the fact that areas of development in these countries have been traditionally urban-centered (Iheduru, 2002). The development of microfinance institutions over the last few decades and its success have shown that microfinance is a major stimulus for combating poverty. Therefore, microfinance as a strategy for grassroots economic development targets the poor given its multiplier effect on production and marginal propensity to consume. Access to credit by this group of people accelerates their income and equally increases their savings and consumption.

Overview of Microfinance in Nigeria

The practice of microfinance is not a new introduction as the idea of "small credit for small people" has been age long. Different varieties of informal savings and credit schemes have been in existence, in various parts of the world and for generations. In Nigeria, modern microfinance activities can be traced to the activities of Non-Governmental

Organisation (NGO) which mainly derived their capital from original owners and donors (Osuji, 2019; CIBN, 2019). In the 1970s, microfinancing appeared in the form of targeted schemes, aimed at particular sectors, such as the many agricultural programmes of government. By the 1980s, donor agencies had stepped in to support NGOs in the provision of microfinance. A number of NGOs came into existence at the time to provide microfinance services (Osuji, 2019, p.6). Some of the earliest NGO microfinance institutions (MFIs) in Nigeria were the Country Women's Association of Nigeria (COWAN) founded in Akure in 1982, Imo Self-Help Organisation (ISHO) established in Owerri in 1984, Development Exchange Centre (DEC) founded in Bauchi in 1987, Lift Above Poverty Organisation (LAPO) founded in Ogwashi-Uku in 1987, Farmer's Development Union (FADU) established in Ibadan in 1989 and Self Reliance Economic Advancement Programme (SEAP) founded in Ilorin in 1998.

According to the Chartered Institute of Bankers of Nigeria (CIBN), microfinance services in Nigeria are currently provided by three types of institutions:

(a) **Formal Institutions** – These are regulated financial institutions such as microfinance banks and deposit money banks.

(b) **Semi-formal Institutions** – These are registered financial services providers though they are not regulated and supervised by the Central Bank of Nigeria. Some examples are non-governmental organisations and cooperatives.

(c) **Informal Sources** – These are unregistered and unregulated institutions and individuals such as Rotating Savings and Credit Associations (ROSCA), Accumulated Savings and Credit Associations (ASCA), daily savings collectors (also known as door-to-door bankers), money lenders and shopkeepers (CIBN, 2019).

Theoretical Perspective

This paper adopts the institutional theory to underscore the pivotal role of the Central Bank of Nigeria as the apex public institution entrusted with the core responsibility of regulating microfinance banks operations towards financial system stability and galvanising grassroots development. Institutional theory examines the processes and mechanisms by which structures, schemas, rules, and routines become established as authoritative guidelines for social behavior. It asks how such systems come into existence, how they diffuse, and what role they play in supplying stability and meaning to social behavior. It also considers how such arrangements deteriorate and collapse, and how their remnants shape successor structures (Scott, 2005).

The institutional theory of organization was espoused primarily as a critique to contingency theory that supports idiosyncratic dispositions rather than isomorphism of organizations. Institutional theory assumes that organizational actions are limited by normative regulations (Donaldson, L. 1995; Krajnovic, 2018), and the room for manoeuver by individuals is narrowed due to the presence of institutions that impose the modus operandi (Scott, 2005). A major argument of the institutional theory is that the behavior and functioning of the organization in the same industry is imposed by the institution, not the market itself (Meyer & Rowan, 1997).

According to Sanchawa (2015), the institutional theory considers public policy as an output by government institutions as it is authoritatively determined, implemented and enforced by them. He further explained that the theory draws a very strong relationship between public policy and government institutions as there cannot be a public policy until it is opted, implemented and enforced by some government institutions. In other words, the achievement or non-achievement of a public policy objective(s) can be linked to government institutions' strength or weakness to perpetuate public policy legitimacy (legal obligations to command loyalty of the citizens), universality (affects all people in the society) and coercion (legitimate reprimand for violators).

Drawing from the theoretical tenets, the institutional theory offers a veritable perspective to analyse the impact of the Central Bank of Nigeria (CBN) policy on microfinance introduced to foster financial inclusion and grassroots development in Nigeria. This is very instructive as the Central Bank wields the monopoly to sanction or command obedience from microfinance banks in Nigeria.

The Impact of Public Policy on Microfinance in Nigeria

In Nigeria, the formation and operation of Microfinance is regulated and supervised by the Central Bank of Nigeria (CBN) through the Other Financial Institutions Supervision Department (OFISD). The framework for the regulation is stipulated in the CBN's Microfinance Policy, Regulatory and Supervisory Framework of 2005. This was subsequently revised by the new regulatory guidelines of 2012 (CBN, 2012). The 2005 policy document is specific in its recognition of microfinance. It describes microfinance as providing financial services to the poor who are traditionally not served by conventional financial institutions. The 2005 framework justifies the need for regulation in its statement, which avers that in Nigeria, the formal financial system provides services to about 35% of the economically active population while the remaining 65% are excluded from access to financial services.

The microfinance policy gave recognition to existing informal institutions, with the view to bringing them within the supervisory purview to meet the financial requirements of the Micro, Small and Medium Enterprises (MSMEs). The essence is to create a vibrant microfinance sub-sector, which is adequately integrated into the mainstream of national financial system that provides the stimulus for development and growth. Hence the policy aims at presenting a National microfinance policy framework for Nigeria that would enhance the provision of diversified microfinance services on a long-term and sustainable basis for the poor and low-income groups; creates a platform for the establishment of Microfinance Banks (MFBs); improve the CBN's regulatory and supervisory performance in ensuring monetary stability and liquidity management; and to provide an appropriate machinery for tracking the activities of development partners in the microfinance sub-sector in Nigeria (Egboro, 2015). The policy also structures the subsector into Unit, State and National Microfinance Banks with each having different capital requirements and limits in terms of operational scope or geographical presence.

As regards the impact of the microfinance policy in Nigeria, the aspirations of the CBN's 2005 strategy (as updated in 2011) have only been marginally achieved despite the large number of licensed Microfinance Banks. Even though MFBs provide access to financial services to nearly 13 million depositors (of whom 10 million are otherwise unbanked) and 4 million borrowers, their combined asset base stands at barely 1 percent of the assets of the Deposit Money Banks (DMBs). MFBs only add up to 10 percent of the formally financially included population with their net additional contribution experiencing a fall since 2014 as the proportion served by DMBs has risen to 38 percent. With regard to Unit MFBs, even though they are intended to provide outreach at the local level, they have generally remained small and inadequate with the National MFBs holding 44 percent of the sector's assets, 38 percent of deposits, and 52 percent of credits. Although the State MFBs reach as many depositors as the National MFBs, they however, vary widely in performance and soundness (World Bank, 2017).

Furthermore, the inability of the CBN to achieve the targets set out in the 2010 National Financial Inclusion Strategy (NFIS) also indicate that there is still gap in the financial inclusion effort. According to the NFIS (2010), financial inclusion is achieved when adult Nigerians have easy access to a broad range of formal financial services that meet their needs at an affordable cost. Thus, the strategy reinforces grassroots development and mainstreaming initiatives of the microfinance policy by the CBN. Specifically, the strategy was conceived to reduce the percentage of adult Nigerians that are excluded from financial services from 46.3% in 2010 to 20% by 2020 and increase the number of Nigerians included in the formal sector from 36.3% in 2010 to 70% by 2020. As shown in the table below, the survey conducted by the Enhancing Financial Inclusion and Access (EFInA) in 2020 presents empirical evidence on the extent to which financial inclusion has been achieved in Nigeria.

Table 1: Target Performance of the National Financial Inclusion Strategy (NFIS)

	Focus Areas	Target by 2020	STATUS						Variance to 2020 Target
			2010	2012	2014	2016	2018	2020	
% of Total Adult Population	**Payment**	70%	22%	20%	24%	38%	40%	45%	-25%
	Savings	60%	24%	25%	32%	36%	24%	32%	-28%
	Credit	40%	2%	2%	3%	3%	2%	3%	-37%
	Insurance	40%	1%	3%	1%	2%	2%	2%	-38%
	Pension	40%	5%	2%	5%	7%	8%	7%	-33%
	Formally served	70%	36.3%	43.0%	48.6%	48.6%	48.6%	50.5%	-19.5
	Financial Exclusion	20%	46.3%	39.7%	39.5%	41.6%	36.8%	35.9%	-15.9%

Source: Enhancing Financial Innovation and Access - EFInA (2020)

From the table above, it is clear that the strategy timeline elapsed with all the focus areas target recording negative variances. The fact that the NFIS envisaged a multi-stakeholder and collaborative approach to achieving the targets does not however preclude the fact that microfinance banks, as envisaged by the microfinance policy, has a core mandate to drive financial inclusion. Thus, the gap that still exists in the NFIS actual performance against target implies that much need to be done in the area of financial inclusion if any serious impact is to be made in the area of grassroots development. According to EFInA (2020), the NFIS target will not be met until around 2030 going by the rate at which it was implemented.

Factors Affecting Microfinance Banks' Drive Towards Financial Inclusion in Nigeria

Generally, the main barriers to financial inclusion remain institutional exclusion, affordability, access, and low awareness (EFInA, 2020). The following are specific challenges encountered by microfinance banks in Nigeria:

a. ***Inadequate Supervision by the Central Bank of Nigeria:*** The CBN is faced with the burden of supervising the plethora of Units MFBs in addition to the State and National ones (World Bank, 2017). Apart from the State and National MFBs which are larger in size and can be easily brought within the supervisory lens of the Other Financial Institutions Supervision Department (OFISD) of the CBN, it is quite difficult for OFISD to maintain oversight function on the over 800 Unit MFBs scattered across the country. The implication for this is that, it creates room for mission drift to fester unnoticed, and most times when it is noticed, it is always belated.

b. ***Inadequate funding:*** The Nigerian microfinance Banks (MFBs) have had difficulty escaping from the microfinance institution (MFI) funding model. MFBs are still, to a large extent, dependent on resources provided by foreign donors and impact investors. This applies in particular to the larger National MFBs, whose size implies greater absorptive capacity as seen from the perspective of such investors (World Bank, 2017). Thus, microfinance banks in Nigeria lack the needed funds to expand financial services to clients. This, according to the Nigerian Microfinance Letter (2018), primarily arises from low capital base of the institution, inordinate fixed asset acquisition, ostentatious operational disposition, inability to mobilise deposits, poor lending and questionable governance and management arrangement. The implication of these is the inability of MFBs to raise adequate funds to drive financial inclusion in Nigeria.

c. ***Inadequate Technical Skills on Microfinancing:*** Most staff recruited in the microfinance banks, particularly at management level, have little or no experience in microfinance banking and practice. Management of microfinance banks would require a pedigree of knowledge on microfinancing to successfully operate in the industry. Since the launch of the microfinance policy framework in December 2005, the industry has been confronted with numerous challenges (Omotosho, 2019). A significant number of the microfinance banks were deficient in their understanding of the microfinance concept and methodology for delivery of microfinance services to the target groups. Thus, many of them lost focus and began to compete with deposit money banks for customers and deposits, leaving their target market unattended to.

d. **High Risk and Heavy Transaction Cost:** These are identified as inhibiting microfinancing of small-scale enterprises, especially in the rural areas. Osuji (2019) observed that a large proportion of credit given to microenterprises by microfinance banks are never recovered. Also, the author adds that majority of microfinance banks are faced with heavy transaction cost. The Nigerian Microfinance letter (2018) observed that some microfinance banks conduct their businesses in manners that are at variance with international best practices. For example, expenses on office accommodation, official cars, and fixed asset acquisition have constituted a heavy burden on the institutions. Also, salaries and allowances of Board members and staff have not, in some cases, been based on affordability of the institution. This hinders sustainability and continuity in service delivery.

Finally, microfinance banks have also been negatively impacted by global economic downturns as credit lines dried up, competition became more intense and credit risk increased. Many customers were unable to pay back their facilities owing to the hostile economic environment. The combination of all these problems has significantly impacted microfinance banks and their ability to achieve the policy objective of financial inclusion and economic empowerment at the grassroots.

Conclusion

This paper was motivated by the need to evaluate the Central Bank of Nigeria microfinance policy, regulatory and supervisory framework of 2005. It was observed that microfinance is all about providing services to the poor who are traditionally not served by the conventional financial institutions. Despite the fact that the public policy on microfinance holds a lot of prospects for grassroots development, there remains a gap in delivering adequate financial inclusion to adult citizens in the country as intended by the microfinance policy and reinforced by the National Financial Inclusion Strategy which had a target to reduce financial exclusion by 20% but was not achieved.

Recommendations

Consequent upon the issues noted, the following points are recommended for implementation:

1. The CBN needs to streamline the regulatory structure. A first step towards this will be to merge the Unit and State MFBs licensing regime to create room for two licensing tiers: State and National. Doing this will go a long way to foreclose any form of mission drift being perpetrated unnoticed. Also, it will further reinforce the

enforcement of standards which will go a long way in addressing the issue of poor management of funds meant for expanding outreach to grassroots enterprises – micro, small and medium enterprises.

2. The CBN should strengthen capital standards/base of microfinance banks in order to make them attractive as well as build public confidence in their quest to mobilize savings and promote banking culture among low-income groups.

3. There is need for the CBN to enforce the microfinance professional certification programme for management and staff of microfinance banks in Nigeria. This will go a long way in enabling them develop proficiency and to foreclose mission drift.

4. The CBN should encourage and, as much as possible, incentivize microfinance banks to deploy digitally-enabled alternative financial services delivery channels in order to reduce the costs and risks of setting up brick and mortar branches in difficult terrains.

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Impact of COVID-19 on Agriculture and Allied Businesses

Gajendra Dixit, Swati Sonavane, V V Kulkarni

Abstract

Corona virus (COVID-19) pandemic has created an unprecedented loss and disruptions all over the world. From the developed to developing, no country has been spared from its brunt. An attempt is made to analyze the implications of COVID-19 on the economy and society of India so far, as also the impact on agriculture and allied sectors. All sectors of the economy have been adversely affected and even within a sector, there is a disproportionate loss inflicted upon some. COVID-19 pandemic created havoc in traditionally rural India's main occupation namely, agriculture which is the driver of the rural economy and source of employment. In India, most wage workers are employed by private contractors, and therefore, lost their livelihood. With this situation in mind, the second lockdown (from April 20, 2020) permitted activities aimed at ensuring agricultural and related activities remain fully functional.

Introduction

India is predominantly an agrarian economy and the rural areas' contribution to national income is significant. Despite the rise of urbanization more than half of India's population is projected to be rural by 2050 (Changing Structure of Rural Economy of India Implications for Employment and Growth Ramesh Chand, S. K). Thus growth and development of rural economy and its population is a key to overall growth and inclusive development of the country. Traditionally rural India's main occupation has been agriculture and the source of rural economy and employment. India has also the largest unorganized sector which contributes substantially to the GDP of the country. During the off season of agricultural activities, labourers migrate to the urban areas in search of jobs. However, slowly the trends are changing and people in the rural areas are engaging in other economic activities too.

Besides, the urban population in India keeps on increasing over time and the cities are becoming more and more over crowded. By considering this, the impact of infectious disease such as COVID-19 is severe in India when compared with other countries in general. The first COVID-19 positive case was reported in Kerala in India on 27th January, 2020. Since then, it started spreading at an alarming rate. To contain its spread, the Government of India announced a countrywide lockdown on 24th March, 2020. The lockdown seriously affected all the segments of the Indian society. Agriculture is one of the sectors affected by the lockdown.

The COVID-19 pandemic has resulted in immediate, serious, and worldwide human health issues. Necessary counter measures to the virus, e.g. quarantines and other restrictions, will remain in place for many months and have uncertain end dates. International efforts to control the virus by limiting human movement is inevitably causing economic shocks and social costs that will affect the functioning of agricultural and food systems worldwide.

The significance and severity of the pandemic, and its likely impact on agriculture worldwide, calls for substantial reflection in both the short- and long-term. We need to understand the immediate consequences for the global network of agricultural and food systems on which we rely so heavily. We should track unexpected risks, weaknesses and systemic shifts to understand short-term effects as well as those that may be long-lasting or even permanent.

It is not just a health crisis; it is the economic and humanitarian crisis and called a black swan by many economists. As a result of its infectious nature, almost all nations favored lockdown to limit its spread. Most of the countries including even developed nations like the United States of America, Italy, and the United Kingdom were not prepared enough to deal with this pandemic. Presently, the worry is not for just human well-being; also for the worldwide economy which is most noticeably hit in every viewpoint. Economic disturbances are probably going to be more extreme and extended in developing and emerging countries with bigger domestic outbreaks and the more fragile and weak healthcare systems; with larger exposure to international spillovers through various channels like trade, tourism, and commodity and financial markets; weaker macroeconomic frameworks; and more pervasive informality and poverty (Global Economic Prospects, World Bank, 2020).

Importance of the Agriculture Sector

The agricultural & allied sector carries immense importance for the Indian economy. It contributes nearly one-sixth to the Indian national income and provides employment to nearly 50% of the workforce. It is fundamental for ensuring food security of the nation and also influences the growth of secondary and tertiary sector of the economy through its forward and backward linkages. The performance of agricultural sector greatly influences achievements on many other fronts. For instance, World Development Report 2008 released by World Bank emphasises that growth in agriculture is, on average, at least twice as effective in reducing poverty as growth outside agriculture. Agricultural growth reduces poverty directly, by raising farm incomes, and indirectly, through generating employment and reducing food prices. In other words, a thriving agricultural sector is a boon for most sectors of the Indian economy.

Agriculture is one of the important sectors of any economy whether it is advanced or a developing economy. Agriculture plays a crucial role in the national economy of a country. It provides employment to a large section of the population and addresses rural poverty effectively. The development in agricultural sector has positive implications on the development of other sectors of an economy. Agriculture and industries are complementary and the former serves the latter by supplying raw material. David Ricardo, the classical economist, believed that a limitation on the growth of agricultural output sets the upper limit to the growth of the non-agricultural sector and to capital formation for economic expansion. Physiocrats (Pre classical school) considered that agriculture is the only sector in the economy which produces surplus and considered other sectors are sterile and unproductive. As they considered agriculture as the productive sector, they emphasized more importance should be given to agriculture sector to develop the economy of a country. Adam Smith too accepted the arguments of the Physiocrats and gave more importance to the agriculture sector in his writings (Joseph A. Schumpeter, 2006). Needless to say, the agriculture sector in a country like India, plays a crucial role in achieving higher economic growth rates.

Role of Agriculture in Indian Economy

Farming is the foundation of Indian economy. It is the essential area which creates employment for unskilled labour population. When we talk about the Indian economy, most of the population is absorbed in this sector. India is an agrarian economy even after 72 years of Independence. Agriculture sector is an important sector in India which contributes 17 per cent in the country's GDP and provides employment to over 50 per cent of the population in India. It contributes 13 per cent in the country's export earnings. Agriculture sector is one of the important sources for government revenue in India. The development of agriculture sector is crucial for India to feed its growing population. By increasing agricultural output, food security in India can be achieved and the per capita food availability of food grains can also be increased. Though agriculture sector plays a crucial role in the economy of India, it is constrained with many problems. In India, the agricultural market is highly imperfect in nature (Balamurugan P. and S. Iyyampillai, 2013). Always there is uncertainty in the price of the agricultural commodities in the market. There is frequent price fluctuation in the market which severely affects the income of the farmers. Farmers are unable to get remunerative prices for their produce. Many farmers are reportedly committing suicide due to indebtedness. The agrarian crisis in India has been aggravated by the pandemic lockdown.

COVID 19 and its impact

The COVID-19 pandemic created havoc in countries across the world, forcing many of them to resort to lockdown. India's nationwide lockdown came into force from 25 March 2020. During the lockdown, all establishments, other than those providing essential goods and services, and those involved in agricultural operations, were required to shut down. Essential goods include items such as food, medicine, and electricity. Essential services include banking services, telecommunications, and pharmaceuticals. Transportation of all goods (essential or non-essential) remained functional but an unprecedented reverse migration of labourers from densely populated cities to their hometowns took place. Several walked for even a few hundred kilometres to reach their villages. Many were unable to cross State borders. In India, most wage workers are employed by private contractors, and so, lost their livelihood.

Government Labour Force Survey released last year estimated that more than 71 percent of people with a regular salary working in non-agricultural industries had no written job contract. Nearly half weren't eligible for social security benefits, putting them in a vulnerable situation. The Central and State Governments took measures to provide food, shelter and later transport (special trains and buses) for the migrant labourers to reach their destinations. With this situation in mind, the second lockdown (from April 20, 2020) permitted activities aimed at ensuring agricultural and related activities remained fully functional. It allowed operating of industries in rural areas, including food processing industries; construction of roads, irrigation projects, buildings and industrial projects in rural areas; works under MNREGA, with priority to irrigation and water conservation works; and operation of rural Common Service Centres (CSCs).

According to Centre for Monitoring Indian Economy (CMIE) the unemployment rate in rural India has increased to 9.15% in December in comparison to November when it was 6.24%. In its Weekly Report, the reason was this increase is said to be the farm sectors shedding labour and the overall deteriorating labour market conditions. The results of the report published by NABARD 2020 on Impact Assessment of COVID-19 on Indian Agriculture and Rural Economy are summarized as follows-

Agriculture and allied activities

To contain the spread of COVID-19, just like the way other countries did, India imposed a complete lockdown in March 2020 which coincided with the peak of harvesting season of Rabi crops in India mainly in the North-west which posed significant losses to the farmers. Although there were relaxations to the agriculture sector during lockdown, transport constraints, mobility restrictions and lack of labor due to reverse-migration of labor to their native places were the major problems faced by thesector. Farmers in Maharashtra called it a worse situation than that occurred during the demonetization in 2016 (Saha & Bhattacharya, 2020).

Before this pandemic, the rural economy of India was witnessing a decline in incomes of mainly casual workers8 along with declining rural wages (real). Some rays of hope were seen in January 2020 when food prices started rising but all hopes collapsed with this new crisis. (Mukhopadhyay, 2020)

Agriculture and allied activities are not a homogenous group of activities, in fact, an umbrella of different activities each having their own different dynamics. So, the impact of COVID-19 on this sector varies according to the set of activities, that is, on crops, livestock, fisheries, and so forth. Horticulture and food grains production is part of crops and is impacted differently. Horticulture is likely to face the brunt more because of its perishable nature whereas food grains are less-perishable and apart from problems in harvesting and labor short age, this is not impacted much. Rabi harvesting has gone well and MSP hike has also been announced for the Kharif crops which assures farmers a 50-83% return on their production cost. With declining demand and reduction in exports of fruits and vegetables, horticulture is hit hard. Similarly, floriculture has been affected because of lower demand due to shut down of religious places, postponement of marriages, and so on. In livestock (milk, meat, eggs), milk is the major contributor and fortunately, had stability during the lockdown. (CRISIL, 2020).

Impact on Agriculture

Closure of restaurants, tea stalls, and transport constraints reduced the demand for fresh agricultural commodities. As transport was disrupted, the farmers in general and the farmers producing perishable commodities such as fruits and vegetables in particular found problems in marketing their products. During the lockdown period, perishable agricultural commodities such as fruits and vegetables were wasted as the farmers were unable to harvest. Due to transport disruptions, farmers were unable to send the commodities to the marketing centers. A majority of farmers sold their commodities at a reduced price atleast to get some revenue in the local market. Nearly $ 40 billion worth of Indian agricultural export is in crisis due to continued global lockdown (Consultancy.asia, 2020). Arrival of migrant workers from cities to rural areas has reduced the wage rate. There is a possibility that rural people would be infected to the Corona Virus through the returned migrant workers. However, it is noticed that the spread of the virus is not as fast as in the urban areas as the density of population is low in rural areas. When compared with urban people the ability of the rural people to meet their health expenditure is lower, hence, their ability to cope with the virus infection is also lower. Therefore, vigilance should be stepped up in the rural areas.

Impact on Agriculture Production - The impact of lockdown imposed in the entire country owing to COVID-19 on the overall production levels in the agricultural and allied sectors has been significant with overall production levels in these sectors declining in 47% of the sample districts. However, 19% of the districts have also reported an increase in the overall level of production in the sector and 34% of the districts have shown no change in the levels of production in the agriculture and the allied sectors. Some of the reasons for decline in agricultural activities include lack of availability of labour and machines, need for social distancing, and restrictions on free movement of men and machinery.

Impact on Farm Gate Prices - Farm gate prices have not declined significantly in crop sector (-2.2%). However, prices in allied sectors had declined in the range of 2% to 18%. This decline was highest in poultry sector (-17.8%), followed by horticulture (-7.6%), dairy (-5.6%), fisheries (-4.8%) and S/G/P (-2.9%), mainly due to supply disruptions caused by restriction on movement of vehicles. On the whole, 54% of sample districts witnessed adverse impact on farm gate prices of agricultural produce.

Impact on Availability of Agri Inputs - Due to restrictions imposed on movement of men/material and closure of shops, availability of agri inputs viz. seeds (-9.2%), fertilisers (-11.2%), pesticides (-9.8%), fodder (-10.8%), etc. declined in the range of 9 to 11 per cent. At all-India level, 58% of sample districts were adversely affected in terms of availability of inputs.

Impact on Prices of Agri Inputs - Due to disruption in supply chain owing to restrictions on movement of vehicles and closure of shops and markets, prices of agri inputs viz. seeds (8.8%), fertilisers (10.0%), pesticides (9.0%), fodder (11.6%),increased in the range of 9 to 12 per cent. At all-India level, 54% of sample districts witnessed an increase in prices of agri inputs, possibly due to its non-availability.

Impact on Agriculture Marketing - Even though local procurement centres were opened by various State Governments under their jurisdiction, yet restrictions on movement of vehicles had adversely impacted about 74 per cent of sample districts in smooth operation of agriculture marketing though mandis. The impact on operation of rural haats was more severe, with 87 per cent of sample districts being adversely affected. This was mainly due to a complete ban on opening of rural haats by the local authorities in majority of the districts in the country.

Impact on Banking Services - As far as banking services are concerned, access to credit through term lending and KCC was adversely impacted in about 89 per cent and 59 per cent of districts, respectively. As regards to recovery, 94 per cent of sample districts were reported to have been adversely affected by the pandemic and consequent lockdown. However, a positive feature that emerged was that 63 per cent of sample districts reported an increase in digital transactions by the customers during the lockdown period.

Impact on Microfinance Activities and FPO/FC - At all-India level, microfinance activities were adversely impacted in 95 per cent of the sample districts and the business activities of NBFC-MFIs was adversely affected in 88 per cent of the sample districts. Similarly, adverse impact was reported in activities of FPOs and Farmers Clubs promoted by NABARD. However, many SHGs and FPOs seized upon the opportunity of making face mask and sanitizers as also direct selling of vegetables/fruits to the customers, thereby helping the local community and administration as also increasing their business.

Return or Reverse Migration: According to International Migration Organisation (2011), "return migration is the act or process of going back to the point of departure, is the returning of people to their origin or place of habitual residence after spending some time at another place". It can be a voluntary return or forced migration. Irrespective of the reason for migration, the return poses a significant impact on the demography, society and economy of rural areas. The reverse migration significantly impacts population size and characteristics over the period. It is very hard for people to integrate from the society amid fear of contamination by the virus. Finally, return migration to rural areas has a significant impact on the economy of the rural areas as well since in some cases it dramatically contributes towards boosting the economic activities in the area. In the current situation, the number of internal migrant labourers in India is around 450 million. Field realities show migrant labourers are higher in case of UP and Bihar followed by MP, Punjab, Rajasthan, Uttarakhand, Jammu and Kashmir and West Bengal. Currently, returnees are coming with empty hands which have left their destination to save themselves from poverty and hunger. According to ILO estimates around 400 million workers in India in the informal economy are at the risk of falling deeper into poverty during the crisis.

Agrarian Crisis and Reverse Migration: There is a crisis in the agriculture sector over the past two decades. In India, the majority of farmers are small landholders facing the problem of falling productivity, water scarcity, etc. Majority of the returnees were marginal farmers in the past. The reverse migration will increase pressure on agriculture which is already overburdened.

Fall in Producer and an increase in the consumer price: The reverse migration will further result in to fall in the producer price of crops which will reduce farm wages and income. On the other hand, due to low productivity and hoarding of food articles, there will be a rise in the prices of food items which will majorly affect poor people.

Rise in Rural Unemployment and Poverty: Reverse migration, fall in producer price and increasing pressure on the agricultural sector will lead to an increase in rural unemployment and poverty.

Impact on Diary Industry

The lockdown reduced the demand for dairy products. It is estimated that there is a 25 to 30 per cent dip in the demand for dairy products in the market (Ajita Shashidhar, 2020). It was reported in the media that dairy farmers dumped milk in streets due to lack of demand and low price. In India, most of the milk producers are landless or small and marginal farmers, who have been badly hid by pandemic lockdown. The milk cooperative societies reduced milk procurement price from Rs. 31 to Rs. 27. To ensure livelihood of the dairy farmers, the milk cooperative societies are forced by the Government not stop the procurement, despite the dip in demand. The cooperatives are using the surplus milk to produce skimmed-milk powder. Due to global lockdown, the price of skimmed milk powder fell from Rs.340 per kg to Rs. 240 per kg due to demand dip in the global market. Nearly 15 per cent of the dairy industry's revenue comes from the out of home sales, which was worst affected by the country wide lockdown. Dairy is the primary source of livelihood for many thousands of rural households; their livelihood was severely affected by the pandemic lockdown.

Impact on Poultry Industry

India is one of the world's largest producers of the chicken meat and egg. The country's annual turnover of the poultry industry is around Rs. 1,750 billion. While agriculture sector grows by two per cent, the poultry industry is growing by eight to 10 per cent; the market of the poultry industry is projected to reach Rs. 4,340 billion by 2024. Apart from meeting the nutritional security of the country, the poultry industry provides non-farm employment to a large section of rural population in India by playing a crucial role in the rural economy of the country. The poultry industry was badly hit due to the panic created by the COVID-19 pandemic. The misconception spread by the social media that chickens are the carriers of the corona virus led to a significant fall in the consumption of chicken meat, which has affected the 25 million farmers engaged in the poultry farming activities; they have experienced 80 per cent reduction in their sales (Mahendra Dev and Rajeswari Sengupta, 2020). Due to this false narrative, thousands of live birds were buried by the poultry farmers. The expected loss of the poultry industry in India is said to be $ 3,050 million as a result of the 70 per cent fall in the price of chicken meat and egg. The lockdown resulted in a huge setback to the poultry industry.

Impact on Fisheries

Fishes are rich in nutritious content and consumed all over the world. Fish and fish products are one of the most traded food products in the global market by contributing 38 per cent in the international trade. In India, about 14.5 million people are engaged in the fisheries sector for their livelihood. The fish supply chain disruption, transportation hurdles and labour movement restriction in the market caused by the lockdown severely affected the fisherman, fish processor, fish vendors, suppliers and transport workers.

COVID-19 pandemic has incurred unprecedented loss globally but India being an emerging economy it is likely that it has been much more affected across many sectors. Agriculture and allied sectors have been hit badly with horticulture, and poultry facing more brunt but overall agriculture sector is seen as a bright spot.

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Denied Access to Education: An Impact of COVID-19 Lockdown

Ankit Gandhi, Gaurav Singhal

Abstract

Emphasis is given to focus on food and nutritional security of children who depend on school feeding and supplementary nutrition programmes. It is argued that the impacts are likely to be much more severe for girls as well as for children from already disadvantaged ethnic and caste groups. We also discuss ways in which existing social security programmes can be leveraged and strengthened to ameliorate these impacts.

Keywords – Rural education, Mid-day meal programme, food security COVID-19, Education. Child health

No one would have guessed that a virus-like SARS-CoV-2 would come and without differentiating, it will alter the lifestyle of people. Due to COVID-19, many changes came to our world and it took some time for everyone to adopt these changes. The COVID-19 impact was everywhere, which resulted in the closure of schools and other educational institutions. Initially, most of the governments decided to temporarily close the schools for 3-4 months to reduce the impact of the virus but subsequently it was further extended for nearly two years.

Though schools are closed, students are attending their classes through various education initiatives like online classrooms, and radio programmes. Though it is a good thing happening, on the other hand, there are large numbers of students who did not own the resources to attend the online classes and therefore suffered a lot. Many students are struggling to obtain the gadgets required for online classes.

Teachers who are well-versed in use of blackboard, chalk, books, and with classroom teaching, are really new to this digital teaching, but they are adopting the new methods and handling it effectively to aid the students in the current situation. But on the negative side, many teachers are looking for an alternative job to support their families.

Educated parents are supporting their children during the pandemic, but we need to realise that there are some illiterate parents and understand their feeling of helplessness to help their children with their education. There are students in India who would come to school just because they could get food. The great midday meal scheme has helped many children who could not bring their food from home, to get their nutrition.

Because of the closure of the schools, many students suffered from not having enough food for their survival. There is mostly a delay in conducting exams or even cancellation of exams, which leads to confusion for many students. Most of the school-going children are involved in child labour to support their families.

There is a big chance that the education of female children will be adversely affected as their parents may evaluate the financial and opportunity costs of doing so. This pandemic has not only affected the students but also some low-budget institutions and schools, resulting in closure of the same. Along with the several negatives of COVID-19, there are some positive aspects too. One is the emergence of the use of digital technologies in education. This has been used for connecting teachers to students digitally through online classrooms, webinars, digital exams, and so on. But sadly, the benefit of these digital technologies have not been available to many underprivileged children all over the nation.

We need to learn from these experiences and work out systems and programmes so that in any such eventuality in furture, the education of children is not adversely affected. Necessary infrastructure and facilities must be created to ensure this.

Several countries including India, are starting to lift restrictions on activities. A vast majority of the relief and rehabilitation packages announced following the nationwide lockdowns in India have focused on economic rehabilitation. However, the education sector has remained absent from this effort, including the Indian government's 20 trillion Rupees stimulus package. In this context the 'Annual Status of Education Report (ASER) 2020' throws light on the implications of the lockdown.

An overview of ASAE 2020 Report

Pratham Education Foundation conducted surveys for its Annual Status of Education Report (ASER) 2020. It explores the provisions of remote-learning (educational materials), and how accessible these provisions were in rural India, as well as how often they were used. The survey report indicates that

- 20 per cent of rural children had no textbooks at home
- 28 per cent of students had received no educational assistance from family
- 29 per cent of children had not engaged in any educational activity
- 66 per cent of children had not received any instructions from their school
- only 11 per cent had attended live online classes
- 32 per cent of children with smartphone access had not received any materials.

In addition, access to devices and the internet does not guarantee ability to use them for educational purposes. As the key indicators of household social consumption on education in India show, only 20 per cent of people in the 5–35 age group had basic digital literacy, while only 8.5 per cent of women knew how to use the internet.

Children's school enrolment: The report notes that there has been a marked shift in the number of children enrolled in government and private schools in 2020.Three to four percent more children enrolled in government schools than private institutions, as compared to 2018. This is true across all academic grades, for both boys and girls. For children between six to ten years of age, there has been a sharp increase in those not enrolled in school (from 1.8 percent to 5.3 percent). This can be explained by schools being shut, which implies that admissions for the Grade 1 are on hold.

- **Parent education levels:** Only 31.3 percent and 16.6 percent of surveyed mothers and fathers, respectively, had no schooling. In contrast, 53.1 percent of mothers and 70.8 percent of fathers had completed more than five years of school.
- **Access to smart phones:** For 22.5 percent children whose parents had 'low' education levels, there was a 45.1 percent chance of their household having a smartphone, with an 84 percent chance of the child bring enrolled in a government school. While for 27.6 percent children whose parents had 'high' education levels, there was a 61 percent chance of having a smartphone at home, with a 69.5 percent chance of the child being enrolled in a government school.
- **Textbooks:** Having relevant textbooks at home is crucial for a child's learning. The report indicates that schools have fared

fairly well in this regard, with 84.1 percent of government school children and 72.2 percent of private school children having relevant textbooks for their grade.

- **Learning support:** Taking all children across different grades together, close to three-quarters of all school children received school-related help from their family members. This was more pronounced for younger children, with 81.5 percent children in Grades 1 and 2 receiving help from family members as compared to 68.3 percent children in Grade 9 and above. Expectedly, parents with higher education levels were better equipped to help their children. In cases where parents had completed Grade 9 or more, approximately 45 percent of children received help from their mothers.

- **Access to and availability of learning materials and activities:** Only 35.6 percent of all enrolled children received some kind of learning materials or activities from their teachers.

- **Children's engagement with remote-learning:** Of the 35.6 percent households which did receive learning materials during the survey week, most reported that children engaged in some kind of educational activity during that week-For children in all schools, 59.7 percent reported using textbooks.

Some of the major challenges faced during COVID-19 lockdown:

Digital Literacy and Infrastructural Support

These are prominent hurdles that come in the way of enabling online education in the rural regions of India. Though the power and network infrastructure have improved by leaps and bounds in the remote areas of the country, there is still room for improvement. Teachers and students in villages are becoming more receptive towards digital means of learning, but the infrastructural facilities there have not developed fully to become at par with what online learning require. Uninterrupted availability of electricity and lack of high speed internet still pose major problems for the rural population.

Limited availability of technological devices

While we look at the domain of digital learning, it is imperative to consider the availability of the right devices to every student for accessing digital content. Not a lot of people in rural India have access to personal laptops or computers, and phone screens are not conducive to long learning hours. Also, data packs and their costs can be a big deterrent both for teachers as well as learners, especially for live classes. Many students either don't have personal laptops/smartphones or they are available for a limited time. Hence, the learning remains restricted with the limited availability of technological devices.

Lack of Familiarity with Digital Technology

While Smart Classrooms and Digital Learning have already become available in urban educational setups, some rural countries still rely on traditional teaching methods for their lessons. Therefore, shifting from traditional pedagogical methods to the digital ones cannot happen overnight. Teachers as well as students require proper training and more user-friendly platforms to make them familiar with digital technology so that they can be comfortable teaching/learning using them.

Shortage of Teachers

Shortage of teachers or the poor teacher-to-student ratio in villages poses another challenge towards making learning entirely digital in such areas. To enable complete digitization of education in rural areas, this ratio needs to be improved and a large number of skilled and well-trained teachers are required so that each and every student receives complete attention even during an online class. While the contemporary online classroom solutions are designed to facilitate engagement and intuitiveness among students towards learning, a teacher's guidance and attention remain indispensable for learners. Some of the consequences of the lockdown on the education sector and the steps that have been taken by various state and central bodies to address these are discussed below.

1 Impact on dropout rates

According to UNESCO, approximately 0.32 billion students in India have been affected by school closures due to the COVID-19 pandemic (UNESCO). Of these, almost 84% reside in rural areas while 70% attend government schools. As of 2015, the average dropout rate across secondary schools in India was 17.06% with higher numbers for rural areas (NUEPA). Past evidence suggests that short term disruptions in schooling often lead to permanent dropouts among the poor (Reddy and Sinha). One reason for this is the loss of parents' employment for which child labour is leveraged as a substitute. The inevitable economic backlash of the lockdown is likely to reduce the earning capacity for many poor households and may increase the opportunity cost of sending children to school, especially in rural India. As a result, children may be pushed into the labour market (Bharadwaj et al.).

Dropout rates are likely to be even more severe for girls who are often left out of household resource allocation decisions (Prakash et al.). Girls may also be required to undertake additional household responsibilities as parents increase their own labour hours to cope with economic distress.

Similarly, these economic shocks are likely to have a greater impact on children from communities that are marginalized on the basis of their caste, tribe and religion, and already experience higher dropout rates (NUEPA). Dropping out, in turn, may lead to increases in child marriages, domestic violence, early pregnancies and a plethora of other development issues (Birchall). Without school fee waivers in the interim, dropout rates are likely to get further exacerbated as educational expenses become unaffordable for many. Although some states governments tried to initiate waivers for tuition and other school expenses during the lockdown period, private schools were unwilling to implement these measures.

2 Impact on inequality and disparity

A key step taken by some educational institutions to ensure continuation of curriculum has been to shift lectures online, requiring both students and teachers to use personal home computers and reliable internet. If school and university ex-aminations happen as scheduled, without compensatory classes, it is likely to disadvantage students who cannot access these computer and network resources. However, postponement of examinations can cause a delay for students in entering the job market.

The discourse on education during the lockdown period has been essentially focused on online or televised learning. A number of Indian states including Mizoram, West Bengal and Kashmir have implemented daily televised lectures as the Human Resource Development (education) Ministry ties up with television service providers to allocate specific channels for this purpose. However, these measures preclude the rural and urban poor with limited or no access to electricity and network resources.

3 Impact on nutrition and food security

One of the most important consequences of the lockdown and subsequent school closures has been the temporary suspension of mid-day meals and supplementary nutrition programmes, which has widespread and important implications for the nutrition and food security of children across the nation. The Mid-day Meal (MDM) programme in India is the largest school feeding program in the world (World Food Programme), catering to about 144 million children, with approximately 80% coverage across primary school students (Chowdhury). This flagship programme aims to provide cooked meals to all government primary school children, meeting a stipulated minimum calorie and protein requirement. Yet, nearly half of all Indian children are undernourished, both in terms of weight-for-age as well as height-for-age, with girls disproportionately affected (IIPS and ICF). Despite regional disparities in outreach and food quality, MDMs have been found to significantly improve enrolment, attendance, retention, learning outcomes, gender and social equity and most importantly nutrition (Afridi ; Sarma et al.; Singh et al.; Aurino et al.). The MDM program, besides eliminating classroom hunger, also addresses health issues such as micronutrient deficiencies and mass deworming. In case of economically disadvantaged families, MDMschool meals act more as a substitute rather than a complementary meal, protecting against endemic hunger for the entire family. The months of lockdown in India have already caused supply chain disruptions in the agriculture sector, leading to food shortages (Reardon et al.). Interruption in school feeding programs is thus likely to exacerbate food insecurity, particularly for those who are already under-nourished, especially girls, who like older women, eat last and eat less at home, compared to boys and men.

Similarly, disruption in the supplementary nutrition pro-gramme delivered under the Integrated Child Development Services (ICDS) Scheme is likely to affect over 100 million pregnant and lactating mothers, and children under the age of 6, who rely on Anganwadi centres (rural child care centres) for both cooked meals and take home rations to meet basic nutritional needs. Lack of access to school feeding and supplementary nutrition programs is likely to further endanger already precarious food security for urban and rural poor, which may have long term health and economic impacts.

The way forward

Policy makers and educators in other countries have responded in different ways to minimize the impact of the disruptions on students across all levels of education. In India local solutions by several state governments have been implemented, but there is scope for much more.

Home delivered meals/dry ration to school and Angadwadi children in certain Southern states (Kerala, Telangana, Karnataka and Andhra Pradesh) have benefited millions of children and expecting mothers already. Other measures in-cluding data packages for students, TV broadcasted classes and regular SMS/IVR to parents for daily activities with children are currently underway.

Moving forward, the immediate need is to expand access to nutritious food for all children eligible for school feeding programmes nationwide. In addition, re-directing locally produced horticultural crops to households under the MDM and ICDS umbrella can help improve nutrient content and diet diversity for children and provide temporary relief to farmers through local procurement, an idea that has proven to be successful in other contexts (Singh and Fernandes).

Along with interventions in the education sector, initiatives are also needed to cushion the economic impact on poor families to discourage the use of child labour along with monitoring mechanisms set up to ensure children remain in school, whenever they re-open. There is also the issue of mental stress and trauma that young children may be facing, both as a result of reduced mobility due to the lockdown and the economic stress being faced by families- an issue that has remained largely absent from the current discourse.

1. **Teaching schoolchildren is a specialised, professional activity**

Their lofty status in predominant Indian cultures notwithstanding, the public perception of teachers (especially government and rural teachers) is not favourable. School teaching is also perceived as something any educated person can manage. It can be hoped that with millions of families now tasked with their children's education, there will be a greater appreciation of the work of schoolteachers, which should subsequently lead to more efforts towards enhancing their salaries and professional capacity.

2. **Educated parents and a conducive home environment are essential**

School closure suddenly shifted the locus of all educational activities to the child's home and family. While the number of first-generation learners in rural India is steadily decreasing (see –ASER Centre, 2019, pp. 304–305), many students still do not receive educational or motivational support at home. Better educated parents are more capable of supporting their children's education through direct assistance, having higher expectations, and providing more resources. Therefore, adult and lifelong education should be treated as important aspects of improving rural education (Atchoarena & Sedel, 2003). With limited physical space and money for educational resources in most rural households, a positive study environment at home can be created through simple acts such as not assigning household/farm chores to children, not turning on the television when the children are studying, and by asking them questions about what they did in the school that day (Weiner, 1991).

3. Limited ways in which technology can support education

Even if issues of access to suitable devices and network connectivity were resolved, technologies cannot meet the pedagogical and social requirements of rural education. Technologies require the support of traditional educational inputs such as dedicated learning environments, hands-on classroom activities and supportive family environment. Most importantly, they require capable teachers who can use them along with other pedagogical materials to suit the needs of individual students. For rural students, teachers are often the only source of motivation and guidance which are essential in ensuring students continued enrolment. Future policymaking efforts would be remiss to focus on EdTech at the cost of traditional educational inputs (Atchoarena, Wallace, Green, & Gomes, 2003).

Prolonged school closure can seriously affect lifetime educational achievements of rural Indian children (Azavedo, Hasan, Goldemberg, Iqbal, & Geven, 2020). Prompt remedial actions and policy measures must be adopted to ensure these children are not denied their fundamental right to education.

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Urban Planning in India: Towards Sustainable and Resilient Urban Settlements

Meenakshi

"The chief function of the city is to convert power into form, energy into culture, dead matter into living symbols of art, biological reproduction into social creativity." -- Lewis Mumford.

Abstract

Whenever, we heard the term, "Urban Settlements" our imagination projects random images like high buildings, high-tech infrastructure, more opportunities, exposure to new technologies, new life styles and higher quality of life; at the same time congested and insanitary habitats, traffic jams, smoke-emitting factories and choking cities come into picture. The prior information and experiences form the very basis of these projections. Thus, the urban settlements can be considered as the projection of ongoing process of Urbanisation, which is more of a collected coordinated process rather than an isolated act. The present paper depicts the landmark events contributed to ensure refinement in the contemporary scenario of Indian urban settlements. This paper also flashes lights on invisible linings which blemishes the Indian urban picture. This paper attempts to present a holistic picture of Journey of urban settlements towards Sustainable, Resilient Urban Settlements

Key words- *Urban planning, Urban settlements, Sustainable and resilient Cities*

Introduction

As a Social being, we humans have a tendency to establish settlements in the form of inter-dependent networked societies. Habitat is one of the major components of existence especially for humans due to their complex needs raised from their sharp intellect and complex nature. Since ancient times various habitats have been established by humankind to survive, live and grow depending upon the phase and timeline of their existence. Since then, habitats are growing both in quantity and quality to ease the natural human tendency to expand. Human settlements have emerged in various forms such as hamlets, villages, towns, cities and conurbations. In recent times, though the number of rural settlements is more than urban settlements, a rapid escalation has been constantly witnessed in the number of urban areas all over the world and also in India. Urban growth in India is expected to contribute to 73% of the total population increase by 2036 (MoHFW, 2019).

Historical Seedlings of Urban Settlements in India

India as a culture, as a civilization, as a philosophy and as a country is as old as the existence of humans. One of the very ancient civilizations which is the Indus valley civilization has seeded, survived, grown and developed in Indus region. This civilization forms the very basis of well-organised and developed towns and cities like Harappa, Mohenjo-Daro and Lothal in India. Around 1000 B.C. Aryan settlements were established from Kurukshetra to Patliputra (present Patna). Various towns such as Hastinapur, Indraprastha Mathura, Ayodhya, Kashi were established. During 1500 – 500 B.C. *Janapadas* had appeared according to *Atareya* and *Taitareya* Upanishads. Aryans were not primarily urban people but their economic growth and activities have paved the way towards more developed and urban societies. Various South Indian cities like Madurai, Urayar, and Puhar had emerged as towns due to trade and business activities with Mauryan as well as Arabs and Greeks.

Al-Beruni and Ibn-Batuta mentioned Delhi as one of the major cities in the world due to trade relations with Arabs and China. Around 1590s, there were various trading centres such as Agra, Oudh, Allahabad, Ajmer, Delhi, Lahore and Multan. Medieval Towns were the result of commercial activities due to rich resources and were governed by concerned state in centralised framework. Urban life dominated in areas such as Sutlej-Yamuna divide, Yamuna- Ghaghara area and *Yamuna-Ganga Doab*. In South the towns were confined to sea coasts, ports and harbours such as Dwarka, and Tanjore. Various cities were governed by their concerned dynasty and kingdom more often in a centralised manner than decentralised approach. The major criteria of these settlements as urban area were based on economic activities such as commerce, trade and agro-industry rather than just agriculture and animal husbandry. The administration and planning of these cities were majorly dependent on the whims of ruler. Jaipur is considered India's first planned city in modern times. Indian Ruler Maharaja Sawai Jai Singh founded the city with the help of Indian architect Vidyadhar Bhattacharya based on the doctrine mentioned in "*Vastu-Shastra*".

Evolution of Administrative Framework during Colonial Era

Traces of modern planned and systematically governed cities and towns can be found in colonial times. Various urban centres like Calcutta, Surat, Bombay, and Madras had emerged due to industrial growth. Here the scattered pieces of governance framework for the urban areas in India have been found in the form of various institutions, legal frameworks and administrative structures. In colonial era there was an increase in the number of towns and cities due to emergence of industrial activities. Primary motives of urban planning and governance were to establish well connected cities with the objective of achieving their own economic goals rather than encouraging people-centric welfare. Another urban dynamic enabler was sanitation in specific industrial towns to ease the conducting colonizer's business. There was clearly the lack of social, developmental and sustainable aspects in the planning as well as in governance framework.

Establishment of Sanitary Commission in 1864 was first effort towards modern town planning in India to improve military hygiene. Later it became the state department of public health engineering. Establishment of Bombay Municipal Corporation under Bombay Municipal Corporation Act 1888 kick-started the administrative institutional framework in India. First Improvement Trust was established in Bombay in 1898 after the plague struck the city to tackle challenges like unhygienic localities and lack of any governance code. But it was Bombay Town Planning Act of 1915 which empowered concerned Municipal Corporation to make planning strategies related to various aspects such as governance codes, regulations, fund management and land acquisitions. Later on, various improvement trusts such as Mysore, Calcutta and Delhi had come into existence.

Towards constitutionally consolidated administrative framework

After independence from foreign rule, Indian government was facing the deep challenge of ensuring community level development after such a long period of slavery, with people lacking basic education and understanding as a mature nation. At this time, the need of decentralised democratisation had been considered vital for the community development. Urban areas were wheels of economic dynamics of country as the centre of trade, business and industry, and moreover the urban population was also increasing. Thus there was the need of strengthening the planning and governance of urban dynamics. This could be achieved through strong administrative framework, empowered local urban institutions and well-planned spaces compatible with concerned urban dynamics.

Ministry of Housing and Urban affairs was constituted on 13th May, !952; then it was known as the ministry of works, housing and supply with the mission of formulating, monitoring and coordinating with other authorities to manage urban affairs in the country. Government of India (allocation of Business) Rules 1961 defined the businesses of the ministry. Town planning has continuously been under the lens of Indian government since independence but with secondary or tertiary attention. Various cities such as Chandigarh, Bhubaneswar and Delhi had been established as the newly-planned cities. Through various policy interventions, legislatures and guidelines played a vital role in maintenance of new age urban dynamics. Multi-level planning such as national level planning, city level planning and regional level planning approach had been used to establish well planned cities. Timely policy interventions were regularly being implemented such as Third Five-Year Plan (1961–66) focused on balanced urban development approach, Fifth Five-Year Plan (1974-78) stressed that the objective of urban land policy should be on promoting the optimum use of land. The Integrated Development of Small and Medium Sized Towns (IDSMT) was started during Sixth Five-Year Plan (1980–85). Seventh Five-Year Plan (1985–90) proposed the importance of regional and sub-regional planning.

But it was in 1992, that the 74th Constitutional Amendment recognised the urban local bodies as the constitutional third tier of government. Before 1992 the urban local institutions were totally dependent on the State governments. But now under 12th Schedule state governments are obliged to transfer specific functions such as land use, provisions of water, public health and sanitation to urban local bodies. Now the urban local bodies are accountable for the same. While the Town Planning department of a state is responsible for formulation of Master Plan, various other special purpose agencies such as improvement trust, housing boards are also responsible for managing land as a resource. Elected urban local bodies are responsible for ensuring basic functions such as sanitation. The year 1992 is a landmark year in the direction of empowering the urban local bodies as constitutionally recognised authorities to further strengthening the regional and city level urban planning and governance approach.

Various programmes such as Jawaharlal Nehru National Urban Renewal Mission (JNNRUM), National Urban Sanitation Policy (NUSP), Heritage City Development and Augmentation Yojana (HRIDAY), Pradhan Mantri Awas Yojana (PMAY) (Urban) or Housing for All, Smart Cities Mission have contributed towards the goal of sustainable and smart urban areas. Whole picture of plans and policies depicted the constant consideration of establishment of planned urban cities and systematic urban governance. Yet even after the policy framework and constitutional provisions, Indian cities were not fully able to manage the rapid urbanisation.

Roadblocks

Cities and towns are key centres of growth, opportunities and new possibilities for a nation. They serve as a magnet to attract human talent with ambitions for a better life. This has created human settlements which are complex in nature due to wide range of cultures, perspectives and possibilities. As a result, the complex dynamics of urban areas has been constantly evolving and changing rapidly too. Thus, urban planning and governance is facing some roadblocks in the way of progress such as:

1. The urban areas are supposed to become torch bearer of sustainable development, but most of the cities and towns are in survival mode. They are struggling to provide and maintain basic amenities such as sanitation, and drinking water rather than becoming engines of growth.

2. Local governments are also facing challenges due to various reasons such as lack of skilled manpower and lack of funds, absence of work culture and lack of public support and trust. Some of these could lead to inefficient use or non-use of resources.

3. The new technology driven era is harbinger of new market forces, changing demands, new ventures and new possibilities. This has also impacted the urban dynamics. Due to change in nature of trade and business, there could be sudden fluctuations in demand for land and human resources. It has given rise to sudden increase in urban settlements in outskirts of cities in an unplanned manner.

4. Master planning approach is the most prevalent approach in India. Master Plan is like a lighthouse for establishment of sustainable urban areas. But 65% of the 7933 urban settlements do not have any master plan (NITI Aayog). Cities with master plans too are unable to implement master plans in their full efficiency due to delays, lack of resources, ambiguous legal frameworks and fragile organisational fabric. It gives rise to haphazard settlements, unhygienic localities, urban sprawls, polluted environment and inhuman ecosystem.

5. Various local authorities such as municipalities, improvement trusts and planning committees are working in various often overlapping domains. The main task of improvement trust was to acquire land under the Land Acquisition Act 1894, sub-divide the land into plots for different uses and sell them for private ownership and development in accordance with the rules prescribed (NITI Aayog). Urban local bodies are supposed to assume responsibility for urban planning, water supply, economic planning, etc. Other agencies like development authorities, PWD are supposed to carry out specific functions. There is lack of clarity among these organisations in certain overlapping domains such as land use.

6. Urbanisation was taken for granted. As a result, we have illegitimated urban settlements which spread out as a complex unsystematic system within the system of urban settlements. It has become difficult for the authorities to control such settlements.

7. The master plans which are the major planning instruments in our county are usually unable to achieve their goals. Usually, they are made for 10-20 years but in many cities, they have not been updated even after 50- 60 years or some cities amend them frequently. Sometimes, there has been found incompatibility between the plan document and ground realities.

Way Forward

Urbanisation is a journey rather than a destination. It is a dynamic process. Urban areas are evolving as a complex system. The nature of industries and businesses has been changing due to globalisation, industrialisation, digitalisation and automation. The wider approach of including social factors, economic factors, political factors, psychological factors, technological factors and ecological factors must be adopted rather than focussing on just architectural perspective.

Planning process must be scientific, more data-centric and tech-savvy. The input must be gathered from inter-disciplinary sources and must be analysed with multi-dimensional perspective in the presence of experts from diverse domains and different levels from national to local level. The use of Geo-spatial and information technology must be ensured to formulate as well as implement the plan.

The planning agencies are required to be microscopically centred to their planning to meet demand – supply balance and environmental sustainability. There is a dire need of invoking balance between ground realities and defined goals. The various level planning processes such as national level, regional level and city level planning should be done while considering all factors affecting the city dynamics.

Urban planning is not only about physical designing and land use and technological use, but also a social phenomenon. Due to lack of resources, the untapped private potential can be utilised to mobilise resources and services in more efficient ways such as the implementation of PPP model and hybrid model.

Smart Cities cannot be built without smart municipalities (Isher Judge Ahluwalia). Unplanned cities are by-product of weak urban local bodies. There is an urgent need of establishing strong municipalities by 3 tier approach of capacity building, empowering by state government and public trust. The institution can be made strong by developing administrative culture based on the Fusion process approach of Chris Argyris and E.W. Bakke.

There is a need of eliminating the political - bureaucratic nexus with strong and empowered institution and effective redressal mechanisms. Effective redressal mechanisms can help to restore the public trust, which is one of the vital components of good urban governance. Timely execution of services and master plan will also ensure the public participation. There must be mechanisms to find and punish offenders and mechanisms to honour the responsible people for their compliance. This will help to create public trust and finally will help to ensure public participation at formulation as well as implementation stage of master plan.

There is a need for making holistic institutional framework and integrated and compatible inter-connected liaison mechanisms for the implementation of master plan in integrated manner rather than implementation by various agencies in piecemeal manner.

The extensive use and further exploration of technology must be ensured in various aspects of urban planning.Drone technology and automated systems can be used to tackle issues of congested traffic, combination of geo-tagging and automation can be used to identify violations and to fine the violators. To empower the institutions with technological solutions the private sector potential can be utilised.

Urban settlements are more of a collective manifestation of human visions than merely individual or isolated projection. The vitality of coordinated vision rather than individual can be experienced form the fact that isolated regional approaches lead to chaotic and unsanitary urban settlements. Therefore, constitutional status to the urban local bodies is an attempt to ensure coordination between national urban planning and regional urban planning to achieve the balanced, resilient and sustainable cities and towns as the spores of growth and development of humankind.

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We commit ourselves to the standard ethical norms.

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Local Government Quarterly is being published by All India Institute of Local Self-Government by incorporating research papers and articles contributed by diverse stakeholders including academicians, urban planners, practitioners and others with, among others, the following objectives:

- To bring to the fore and highlight issues regarding governance and development especially in India. The issues could include urban, rural or tribal ones covering an array of topics including education, public health, poverty, livelihood and gender.
- The aim is to generate debate and deliberation with the objective of seeking solutions to challenges in the above areas.
- To contribute to capacity building of institutions and personnel working in the related fields thereby improving their response to the issues being confronted in these sectors.
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Report Review

Global Gender Gap Report 2021 (GGGR 2021) by the World Economic Forum (WEF)

Read the full report here: https://www.weforum.org/reports/global-gender-gap-report-2021

The latest edition of the Global Gender Gap Report is the 15th in the series of reports put out annually by the World Economic Forum. The report tracks the progress of individual countries and regions in their quest for a gender-just and equitable world across various dimensions.

How has India fared?

At the outset let us see how India has fared in this rating exercise. There is the overall rank and scores, as also the rank and scores on 4 sub-indexes.

India Ranking	GGGR 2021 Rank (Total Countries ranked=156)	GGGR 2020 Rank (Total countries ranked = 153)	GGGR 2018) Rank (Total countries ranked = 149)	Score 2021	Score 2020	Score 2018
Overall	**140**	**112**	**108**	**.625↓**	**.668↑**	**.665**
Economic Participation and Opportunity	151	149	142	.326↓	.354↓	.385
Educational Attainment	114	112	114	.962	.962↑	.953
Health & Survival	155	150	147	.937↓	.944↑	.940
Political Empowerment	51	18	19	.276↓	.411↑	.382

Notes:

1. *While scores give the relative ranking of India with respect to other countries (showing India slipping), it is also important to see actual scores across the 3 reports.*
2. *The figures indicate that in 2021 India has slipped on all dimensions except Educational Attainment (Stable) compared to the 2020 scores.*
3. *While the performance may appear somewhat disappointing, one must keep in mind that the average of the entire lot of 156 countries has slipped sharply – from gap closure period of 99.5 years in the previous report to 135.6 years in this edition.*

The Preface has been penned by Saadia Zahidi, Managing Director and Head of the Centre for the New Economy and Society. She opens by saying that the COVID-19 pandemic has raised new barriers to building inclusive and prosperous economies and societies. She notes that pre-existing gender gaps have amplified the crisis asymmetrically between men and women. This is despite the fact that women have made large significant contribution during the pandemic and have been at the frontlines as health workers. They have been, in addition, burdened with their domestic duties, both usual and COVID related duties including care for the infected.

The preface calls for gender-sensitive recovery strategies in order to make up for lost ground during 2020. It suggests 'investing in inclusive workplaces, creating more equitable care systems, advancing women's rise to leadership positions, applying a gender lens to reskilling and redeployment and embedding gender parity into the future of work.'

As in the past, this 15th edition of the GGGR measures gender gaps across four dimensions – economic participation and opportunity, educational attainment, health and survival, and political empowerment. This year's report tracks 156 countries and creates country indexes.

This year's report also includes a special collaboration with LinkedIn and Ipsos, who have provided unique data and new measures to track gender gaps.

KEY FINDINGS

Some of the key findings of the report are summarized in the beginning:

The GGGR assesses the gander-based gaps across the four dimensions mentioned above and tracks progress towards closing these gaps over time.

The methodology of the index has been maintained the same as the previous reports right from the beginning in 2006 so that one is able to compare the findings over a longer time period so as to establish trends. The GGG Index measures scores on a 0 to 100 scale and the number represents the level of gender gap that has been closed. In other words the balance is the distance yet to be covered to close the gap.

This 15th edition was presented over a year after COVID was officially declared a pandemic.

Trends across the four sub-indexes

Sadly, the key finding of the report is that globally, the position with regard to achieving gender parity has deteriorated sharply over the past year.

- The average distance completed to parity is at 68%, a step back compared to 2020 (-0.4 percentage points). These figures are mainly driven by a decline in the performance of large countries. On its current trajectory, it will now take 135.6 years to close the gender gap worldwide. The corresponding period for last year was 99.5 years.

- The gender gap in **Political Empowerment** remains the largest of the four sub-indexes tracked, with only 22% closed to date, having further widened since the 2020 edition of the report by 2.4 percentage points.

  Across the 156 countries, women represent only 26.1% of some 35,500 parliament seats and just 22.6% of over 3,400 ministers worldwide. In 81 countries, there has never been a woman head of state, as of 15th January 2021. At the current rate of progress, the World Economic Forum estimates that it will take 145.5 years to attain gender parity in politics.

  Widening gender gaps in Political Participation have been driven by negative trends in some large countries cancelling out progress made by 98 smaller countries.

- The gender gap in **Economic Participation and Opportunity** remains the second-largest of the four key gaps tracked by the index. According to this year's index results 58% of this gap has been closed so far. The gap has seen marginal improvement since the 2020 edition of the report and is projected to take another 267.6 years to close

  The report finds two opposing trends here. On the one hand, the proportion of women among skilled professionals continues to increase, as also progress towards wage equality, albeit at a slower pace. On the other hand, overall income disparities are still only partly overcome and lack of women in leadership positions remains. Women represent just 27% of all managerial positions. The report notes that this is despite the fact that the disruptions caused by the pandemic are not yet fully factored in. So the actual situation could be more adverse than being presented.

- In **Educational Attainment**, 95% of this gender gap has been closed globally. The index estimates that on its current trajectory, this gap could be closed completely in another 14.2 years.

- In **Health and Survival**, 96% of this gender gap has been closed, registering a marginal decline since last year (not due to COVID-19), and the time to close this gap remains undefined.

Gender Gaps in the workplace

Data from ILO, LinkedIn and Ipsos offer an analysis of the impact of the COVID-19 pandemic on gender gaps in economic participation. Estimates from ILO suggest that 5% of all employed women lost their jobs, compared with 3.9% in the case of men. LinkedIn data further shows a marked decline of women's hiring into leadership roles, reversing progress made over recent years. This is amplified in industries with higher participation of women, such as the Consumer sector, Non-profits, and Media and Communication. Ipsos data from January 2021 show additional burden of paid and unpaid work due to school closures and providing care services have contributed to an overall increase of stress and anxiety among women.

Gender gaps are more likely in sectors that require disruptive technical skills, such as Cloud Computing, Engineering, and in Data and AI. The combined effect of several of these factors and the pandemic is likely to have a *'scarring effect on future economic opportunities for women, risking inferior reemployment prospects and a persistent drop in income'* the report notes.

The report makes some recommendations for recovery. First, that further investments be made into the care sector and into equitable access to care leave for men and women. Second, policies and practices must proactively focus on overcoming occupational segregation by gender. Third, effective mid-career reskilling policies, combined with managerial practices, which embed sound, unbiased hiring and promotion practices.

The position across countries

The top ranking countries with extent of Gender Gap closed are:

1	Iceland	89.2%
2	Finland	86.1%
3	Norway	84.9%
4	New Zealand	84.0%
5	Sweden	82.3%
6	Namibia	80.9%
7	Rwanda	80.5%
8	Lithuania	80.4%
9	Ireland	80.0%
10	Switzerland	79.8%

Among Regions,

Western Europe has progressed the most towards gender parity (77.6%)

North America is the second-most advanced (76.4%), followed by

Latin America and the Caribbean (71.2%)

Eastern Europe and Central Asia (71.1%)

East Asia and the Pacific region (68.9%),

Sub-Saharan Africa (67.2%) and

South Asia (62.3%)

Middle East and North Africa has the largest gap (60.9%).

The main report is divided into four chapters:

1. Benchmarking Gender Gaps: Findings from the Global Gender Gap Index 2021
2. Impact of the COVID-19 Pandemic on Economic Gender Gaps
3. Gender Gaps in Jobs of Tomorrow
4. Shaping a Gender-Equal Recovery

followed by appendices.

INDIA

In Chapter One are given some country analyses. The ten top performers and the fifteen most populous ones are covered. India finds mention among the second cohort.

India is raked 140 out of 156 countries (Previous year 112 out of 153).

India has closed 62.5% of its gender gap to date. Now the gap to be closed is 4.2 percentage points larger than recorded in the previous edition, which explains why India has fallen 28 places in the overall ranking. Most of the decline has occurred on the **Political Empowerment** sub-index, where India has lost 13.5 percentage points to reach a level of gap closed to date of a modest 27.6%. The report observes that this could be due to fall in the share of women among ministers, which halved, from 23.1% in 2019 to 9.1% in 2021. The share of women in parliament remains stagnant at 14.4%.

On the **Economic Participation and Opportunity** dimension too, there has been a decline, albeit to a lesser extent. India's gender gap on this dimension widens by 3 percentage points this year, leading to a 32.6% gap closed to date. This is likely due to a decline in women's labour force participation rate, which fell from 24.8% to 22.3%.

On the **Health and Survival** sub-index 93.7% of the gap closed to date. Yet the ranking is low. This means that with some increase in the gap closure, ranking could improve substantially. With the recent NFHS indicating much improved sex-ratio at birth, this is a distinct possibility. 96.2% of the **Educational Attainment** sub-index gender gap has been closed, with parity achieved in primary, secondary and tertiary education. Yet, according to the report, gender gaps persist in terms of literacy: one third of women are illiterate (34.2%) compared to 17.6% of men.

Detailed Country profiles are contained in the latter part of the report covering each of the 156 countries in alphabetical order, two pages to a country.

This report, the 15th in a series by the WEF is a detailed effort to analyse and report on a matter of much importance to the world. It will help policymakers, academicians and a wide range of other stakeholders in their efforts to bring about greater parity in society. It could also serve as a useful tool for corporate leaders in general and HR professionals in particular, in creating more inclusive workplaces.

V Vijaykumar

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OBJECTIVES

The main emphasis of the Institute's work is to see that the local bodies can contribute more effectively to the development process and provide the citizens with better living conditions by meeting their aspirations in terms of required amenities, infrastructure and better environmental conditions, thus contributing to social and economic development of the society as a whole by better management of the human settlements. While these are the long-term objectives, the immediate ones are:

- To advance knowledge of the principles and practices of Local Government by conducting research and by organising training courses and programmes at various centres in India for officials and elected representatives in the local bodies.

- To strengthen and improve Local Government Institutions by improving their performance through education, orientation and bringing them together for common endeavor by organising specialised conferences, conventions and seminars.

- To make available a platform for members of local bodies and officials for exchange of views and ideas related to urban development and administration.

- To represent the views of local authorities supported by research work to the concerned higher authorities from time to time.

- To publish bibliographies, articles, books and other literature on matters of interest to local bodies.

- To publish journals, bulletins and other literature on different aspects of Local Government and on the working of Local bodies in different states.

- To undertake research studies in public administration, problems of local bodies and also in related topics of urban and environmental factors and arrange for their publication etc.

- To establish and maintain an information-cum-documentation service for local bodies.

- To undertake consultancy assignments in various areas of urban development and problems of local bodies with a view to improve and develop organisational, managerial and operational efficiency.

In view of the above, the Institute has been collaborating with the relevant government departments, Central and State, Universities, Organisations and Research Institutions. The work of the Institute covers several aspects involving a multi-disciplinary teamwork.

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