I am happy to inaugurate the International Conference on Dynamics of Rural Transformation in Emerging Economies. I welcome all delegates, including those from overseas. The Conference addresses a topic of great importance and relevance.

Twenty five percent of the world's population lives in the rural areas of the emerging economies of India, Brazil, China and South Africa. Development of rural areas is, therefore, very clearly a core activity. This work is to be undertaken in a globalize world, where what happens in one part of the world gets transmitted to other parts rather rapidly. Hence, financial regulations that prevent the recurrence of a global financial crisis will provide for a more stable environment for growth. A fairer WTO trade regime for agriculture products will positively impact the rural transformation efforts of emerging economies.

Agriculture with its allied sectors is the important activity in the rural areas and linked in many aspects with a nation's life. It has been estimated that growth in agriculture is on an average two or three times more effective in raising incomes of the poor. However, to realize its full potential as a promoter of growth and as an alleviator of poverty, agriculture itself needs to grow. In the over 60 years as a free nation, India has made major strides in agriculture. Our food production has grown but we still face the challenge of enhancing our productivity. In India, therefore, a question that calls for discussion is how to make farmers, particularly in rainfed areas, more productive? This requires urgent attention and demands a radical change in the existing conventional methods of farming. Agriculture can bring greater returns to people in this sector, including through higher productivity and crop diversification, better management of water and land resources, proper storage and transport facilities as well as improved and scientific farm practices. Some innovations are being made and it is necessary to support standardization and propagate it.

For us, in India, with a population of more than one billion, food security is a critical issue. Presently, we have a targeted Public Distribution System as a mechanism for distribution of food commodities with a focus on the poor. I am aware that Brazil, the first country I visited overseas as President has a 'Zero
hunger’ programme for removing food insecurity. This Conference can look at how agriculture can contribute to rural employment opportunities and achieving the Millennium Development Goals to eradicate extreme hunger and poverty.

As a large workforce lives in rural areas, creating work opportunities acquires significance. Promotion of non-farm jobs, self-employment, entrepreneurship amongst youth and women are very important. A social security intervention in India, the Mahatma Gandhi National Rural Employment Guarantee Scheme, has been a milestone in providing livelihood security by giving a minimum of 100 days of ensured employment to every rural household opting for it. Like in India and in other emerging economies also, I am told women are involved in agricultural operations. They need to be assured greater financial security. Self-Help Groups, currently numbering more than 2.2 million and involving many millions of poor women have proved to be very successful and useful in India. The Conference will benefit from a discussion on the functioning of SHGs in India.

Diversification of the rural economy hinges on changes in agriculture as well as on emerging opportunities in non-farm sector. I believe that there is a strong case for forging a linkage between the corporate world and the agriculture sector as many complementarities exist between them. Location of food processing industry and other agro-based industries close to rural areas will optimize benefits for both - business persons and farmers. Partnerships can also be evolved for marketing, research, micro-credit, skill building, amongst others. A transparent farmer-industry partnership where farmers retain confidence about the ownership of their land and protection of their interest is the key to rural transformation. Farming models that may include participation of industry - cooperative, contract, joint venture or farmers’ corporate that bring farmers having different sizes of land in an arrangement to get benefits of economies of scale can be evolved, depending on the socio-economic development of the areas. Other countries would have some experience of these models, on whose working there can be an exchange of views.

A vibrant rural economy generates demand for manufactured goods and services. A healthy rural sector provides an economic and employment buffer in times of crisis. During the global downturn the negative impact on India was less than that elsewhere. One reason was that we were able to sustain domestic demand, much of it coming from rural areas. Role of the rural economy and agriculture in national economic growth is beneficial in many other ways too. It is less polluting; it enhances greenery, fresh air and keeps one close to nature. Gandhiji attached much importance to rural areas and he said, “The heart of India throbs in its villages”. I think that we should look for a greater use for renewable energy in rural areas, particularly solar and wind energy in every rural household for cooking and electrification purposes. However, the question is how to make them cost effective.

To prevent desperate migration to cities, our effort is to reinforce the rural infrastructure. We have undertaken extensive rural development programs to make available roads, electrification and irrigation facilities, among others, under flagship programmes like Bharat Nirman. Rural transformation, however, will be critically dependent on human development. For this, building capabilities of people and socio-economic programmes are critical. In India, flagship programmes like the Sarva Siksha Abhiyan, National Rural Health Mission, Mahatma Gandhi National Rural Employment Guarantee Programme, are few such examples. Such programmes are aimed at transforming the rural areas through education, health and securing incomes. Education has immense power to alter the rural landscape, as an educated person is better prepared for opportunities and challenges. Reduction in Infant Mortality and Maternal Mortality is another objective. Schemes like Integrated Child Development Scheme and the Mid-Day Meal Scheme are nutritional efforts directed at children. Keeping away our youth from drug addiction and alcohol dependency are important in the context of the growing tendency of their usage.

Ladies and Gentlemen,

Science and Technology, has and will continue to play a decisive role in ushering change in rural areas. The ICT revolution was phenomenal in linking people at the grassroots level to the outside world. There are instances when farmers in remote areas of the country have been able to link up with information systems to get information about the weather, market conditions and factors impacting agricultural production. Such examples are important indicators of the potential of technology to help people to take informed decisions and empower them.
Government is undertaking the implementation of socio-economic programmes with the involvement of civil societies and NGOs. How to make implementation more effective is an issue that engages our attention. People's participation in decision-making is very important. Panchayati Raj Institutions in India have been an instrument for rural transformation. Today, we have over 2.8 million elected representatives in the rural local bodies at the grassroots level. We need to build their capacities so that they can be more effective and can perform multiple functions - serving as decision-making bodies, information kiosks, and the interface between the rural communities with other institutions.

In conclusion, I would like to say that even as urbanization increases, the rural economy will continue to be a principal tool for the development and sustainability. By 2050 the world population would have risen to 9 billion. Demand for food would grow with rising land and water scarcity as well as increased environmental pressures. Patterns for growth would need to respond to the growing aspirations of the people in these new realities. The challenges in the future will be many. Yet, face them we must. This requires analysis, debate and discussion at every stage. It is in this that people like you will play an important role and this is an important conference.

I wish the Conference all success.

Thank you.