

# Networks for Lifelong Learning and Rural Poverty Reduction in Asia – Lessons and Challenges

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## Introduction

Who should fund development? This billion dollar question has ideological, perceptual, operational and political connotations. Public sector, private sector, donor agencies and external aid are some of the sources which fund development at different levels in different regions.

Scholars like Jeffrey Sachs, Special Advisor on the Millennium Development Goals to the United Nations Secretary General, argue for enhanced external aid and donor agency support to break the poverty trap in developing countries and achieve the Millennium Development Goals (MDGs). In an interview, he<sup>1</sup> reiterated that “Donor financing for the MDGs should take a new approach. Developing countries should design MDG-based poverty reduction strategies, including investment plans to 2015, and donors should fund those strategies”.

There are other schools of thought arguing that donor-backed investments tend to be focused on bilateral and multilateral arrangements with strings attached for specific agendas such as trade, leading to a beneficiary-benefactor relationship. Some advocate a partnership approach in managing the external aid and the MDG mandate perceives ‘partnership building’ not as a mere strategy or a process but, a goal in itself and it is a full development partnership between the interacting partners as suggested by Ahonen (2005)<sup>2</sup> which is considered as ideal for addressing development agenda. Such a partnership emerges with strong institutional and networking arrangements in the recipient countries.

Countries like India are making various efforts to sustain the agricultural sector.

Despite impressive achievements in the green revolution, the contribution of the agricultural sector is declining to less than 25% of the GDP, even though more than 60% of the workforce is engaged in this sector. Erratic monsoons, problems of marketing with a high price spread, poor capital formation and mobilisation are some of the oft cited reasons for the poor performance of this sector. The Government of India has been aiming at 4% growth rate in this sector and has rightly identified strengthening rural credit as an important strategy to achieve the desired growth rate. Commercial banks in India have initiated various strategies to enhance the rural credit programme through efforts such as contract farming, Self-Help Group movement, etc. However, rural credit requires a strong extension support. At present there is hardly one agricultural extension staff for 1150 farmers. If landless agricultural labourers are included, then the ratio declines to one for 2500 farmers and labourers. In the context of globalisation and the new market scenario, India has to look for various new strategies which could complement and strengthen the extension system.

## The Information Network for Lifelong Learning for Farmers (L3 Farmers)

The Commonwealth of Learning (COL), through one of its programmes aimed at contributing to poverty reduction is helping developing nations improve access to quality education and training. The focus for the programme is food security and environmental sustainability. COL firmly believes that modern Information and Communication Technology (ICT) has given a new dimension to open and distance learning and can help in reaching the un-reached in a spatial-

temporal context and facilitate a self-directed learning among farmers, landless labourers and marginalised sections of the rural and urban communities.

Since India is also focusing on “ICT enabled rural development”, COL explored the possibility of integrating ICT and open and distance learning (ODL) for agricultural education, extension and training of farmers, landless labourers and extension officials. Accordingly, COL and its partners decided to find ways to use ICT to promote Lifelong Learning for Farmers (L3 Farmers) and thus contribute to rural poverty reduction.

The purpose of the L3 Farmers project is to empower and liberate agricultural communities from socio-economic constraints by facilitating the communities to create socially and financially sustainable self-directed lifelong learning systems that will enable them to gain new knowledge and skills for increasing their farm production and productivity and for accessing local and global markets more equitably. This involves three steps: first, bridging the ‘last mile’ and improving communication with the farming communities to help define their own needs; second, to enable extension workers, through dialogue, to match these needs to real possibilities and share knowledge and skills among farming communities; and finally, enabling farmers to learn to use technology to fulfil their development needs. ICT, through a ‘Technology Mediated Open and Distance Education and Learning (Tech MODEL), can scale up this process.

## Stakeholders, L3 Farmers, Consortia and Networks

Based on extensive consultations and focus group meetings with a wide range of stakeholders in agriculture, education,

ICT, ODL and those engaged in funding community development initiatives and a comprehensive review of ICT4D initiatives through a desk study, undertaken since the year 2002, COL saw that there was scope for integrating the L3 Farmers Project using the best practices from various rural ICT programmes.

COL and its partners developed a framework for reaching millions of small farmers and marginalised sections of the rural community in Africa, South Asia and Small States. Using ODL and ICT, the project aims at building the capacity of farmers, landless labourers and extension officials who could help them in developing value-added farming, encourage more sustainable use of natural resources, strengthen their ability to face globalisation, and ensure food and livelihood security.

The process involves networking of the L3 Farmers communities with all the stakeholders associated with their development. They include a consortium of universities with expertise in agriculture, animal and veterinary sciences, education, social science, open learning and technology; agricultural research and development institutions; public-private organisations managing ICT kiosks/telecentres; grassroots NGOs; and financial, insurance and marketing institutions. These agencies actively collaborate with the nodal agencies implementing the project. The consortium provides contents and learning materials based on the needs and demands of the participating rural communities. In addition, various stakeholders involved in forward linkages also contribute towards the learning process. The consortium and the community continuously interact through institutional arrangements at the grassroots level.

The means include use of ICT, ODL (Tech MODEL) as well as need-based face to face interactions. The implementation process involves active participation of the target communities and requires undertaking five crucial facilitation processes, namely Community Mobilization, Organization, Capacity Building, Technical Support and System Management.

Using the perspective emerging from agricultural informatics, what is clear is that the problems of agricultural and rural development stem from the lack of ability of rural communities to negotiate effectively with stakeholders for their development. This has led to the development of a framework for L3 Farmers to enable them to use ICT for agricultural and rural development<sup>3</sup> (Maru, 2005).

### Financial Sustainability

An important aim of the L3 Farmers project has been to stress the need for evolving a need-based, demand-driven self-sustaining and self-replicating participatory framework for L3 Farmers, while integrating with existing programmes in India. It is based upon findings that although the government and the Indian banking sector have been repeatedly emphasising the need for enhancing credit to the agricultural sector, very few of the 100 million landless agricultural labourers have been reached, making the search for new strategies to improve the rural credit scenario even more urgent.

Reaching the rural sector requires development communication and extension approaches and very few banks have evolved strategies in these areas. One of the biggest commercial banks in public sector spends hardly 0.06% of its total credit transactions on publicity and advertisements and most of these limited investments focus on the urban and formal sectors.

Armed with this information, COL began a series of negotiations with the banking sector and advanced the following interesting and innovative hypothesis which could help the banking sector:

- ❖ *If rural agricultural credit is blended with appropriate capacity building the performance of rural credit would be much better vis-à-vis productivity, returns and non-performing assets (NPA) levels.*
- ❖ *Capacity building would also enlarge the market for bank credit among small and marginal farmers and among other marginalised sections of the rural poor.*

- ❖ *The modern information and communication technologies, though structures such as rural Internet kiosks, rural telecentres, etc., can facilitate the capacity building process in a spatial-temporal context which is financially viable, economically feasible and socially acceptable.*

If this hypothesis is proven, the banks stand to gain and since the banking sector is also financing the rural Internet kiosks, the programme may help to strengthen the economic and financial viability of the kiosks. Such proof may facilitate a larger investment from the banking sector on capacity building and extension particularly through ICTs and this in turn may lead to a self-sustaining and self-replicating process of ICT4D. The State Bank of India (SBI), one of the biggest commercial banks responded positively and joined hands with COL in a pilot project in four villages in Tamil Nadu, India.

SBI is supporting a company called n-Logue Communications Pvt. Ltd. (n-Logue) for setting up rural Internet kiosks in Tamil Nadu. n-Logue, in collaboration with the Indian Institute of Technology, Chennai, has developed the WiLL (Wireless in Local Loop) technology in which a base tower is established in the block headquarters. This tower is linked to a regular telephone system. From the base tower, the villages are covered through wireless network. Each kiosk has a Pentium computer, with digital camera, UPS and printers. These kiosks are owned by entrepreneurs, who are mostly rural youths. A base tower can reach a radius of 25 km. Using relay towers the radius can be extended. The base tower is managed by local service providers (LSP) who are private entrepreneurs under a franchisee agreement with n-Logue. n-Logue provides them with an intra-net portal with video conferencing facilities.

While n-Logue provides certain generic material, the LSP is supposed to develop demand driven local content. Each kiosk has to pay a monthly fee of Rs. 800 for using the Intranet. Hence each kiosk has to develop a business plan for selling the services of the kiosk to the villagers. At

present the Internet speed is around 45 kbps and n-Logue is planning to enhance it to 120 kbps with broadband width facilities. These facilities help in the ODL and the kiosk operator plays a major role in mobilising the village community for credit and facilitating their learning using ICT. The involvement of the banking sector in capacity building offers scope for improving the income of the rural kiosks.

### Social and Organisational Points of View

The SBI and n-Logue identified four villages in two districts of Tamil Nadu, India. All the stakeholders agreed that they would follow the process defined by Roling (1988)<sup>4</sup> for a community-based agricultural extension in terms of five crucial elements– Mobilisation, Organisation, Training, Technical Support and System Management.

In the pilot project villages the farmers and agricultural labourers were mobilised into organisations such as farmers associations and self-help groups (SHGs). These associations and groups were linked with the State Bank of India which encourages credit under a contract farming system. Simultaneously, the farmers’ associations and self-help groups were also linked with potential buyers identified by the bank. Once the associations/self-help groups and the buyer(s) reach a trade agreement, the bank gives credit to the association and group members. The agreement contains the mechanism for defining the price and

quality. The advantage of scale and direct link to the buyers help to reduce the ‘price spread’ and create an efficient marketing system. The contract farming system forms the core of formal learning – issues such as efficient inputs, quality management, forward linkages etc., will become the central theme for learning. The SHGs of landless labourers and women’s groups are also linked to appropriate credit programmes. The learning takes place through the ICT kiosks in the villages.

### Lifelong Learning and Use of Technology

The learning process is simple and straight-forward. Using video-conferencing and other multi-media tools, the core learning is specific to the immediate needs of the rural community. While designing the learning process, the needs of the different segments such as farmers, labourers and women have been addressed.

The formal learning takes place in small groups of about 10 members through peer study and a facilitator who uses learning materials available in the Internet sources as well as those specifically prepared for the community as CD-ROMs and available in the Intranet of the LSP. The small learning groups go through a 60-minute programme once a week. Each village has about 250 members undergoing classes in the Internet kiosks. Each learner goes through approximately 24 hours of formal learning during a period



of eight months. The Intranet and the Internet are used to study dynamic changes such as fluctuations in market prices, weather, etc.

The learning materials are largely contributed by the experts from the consortium. In addition, experienced community members involved in marketing and credit also prepare relevant learning materials. Some content having wide application is also consolidated and circulated among the learners every month as printed newsletters.

Studies have shown that the information retention rate of learners is highest when there is immediate use of learning. Since in this project, the learning centres around issues such as agriculture, and animal husbandry under contract farming, credit, buyback arrangement and quality control, the retention rate would be much higher. In addition to the location specific learning materials, the project also prepares generic learning materials on issues such quality management, credit management, literacy, etc.

However, the important aspect of the formal learning is to motivate the rural community to develop personal-strategic learning process. Specific learning materials are being evolved to motivate the learner on self-directed personal-strategic learning using modern ICT.

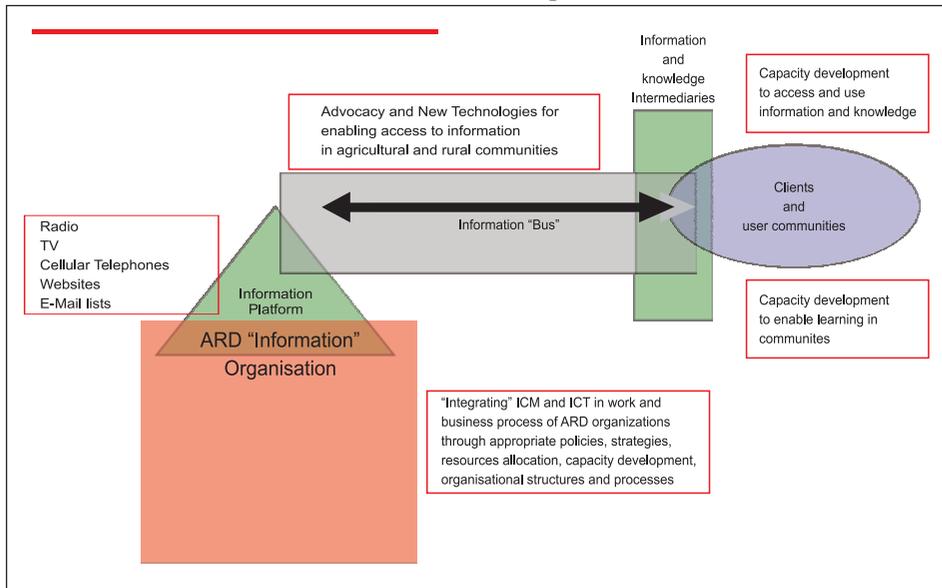
### Progress to date

The project began during April-May 2005 and so far in four villages SBI has sanctioned Rs. 5 million in loans to 120 villagers and another Rs 5 million worth of loans are being processed for another 100 members. The villagers, in consultation with the stakeholders,

Table 1: Five Phases of a Project

1	Mobilisation	Socio-cultural activation, sensitisation, con-sensitisation, understanding among the stakeholders, identifying the needs for capacity building from various stakeholders’ view points.
2	Organisation	Identifying the organisation types, helping the communities to build organizations. Planning the programmes by the community through their organisations: linking the organisation with the banking sector for credit.
3	Training	Various forms of pedagogy including ICT enabled distance learning, interactive learning, learning by doing.
4	Technical Support	Support in trouble-shooting – linking the community with experts and other programmes, facilitation and supporting conflict-resolution mechanisms.
5	System Management	Enabling the community to run its own capacity programmes with its resources and with the support of the banking sector, ability to coordinate with other agencies.

Figure 1: A Generic Framework to Enable ICT Use for Agricultural and Rural Development



have prepared the village-level perspective plan. The kiosk operators are facilitating the learning process. Nearly 300 villagers are now preparing applications for loans. At present nearly 500 members regularly attend the ICT based learning. A substantial number of the participants are women and gender sensitive learning materials are being prepared in consultation with communities and experts. The project is being closely monitored by all the stakeholders and the villagers have already developed a plan for regular repayment, in consultation with the banks. The consortium has helped to prepare the ICT based learning materials in consultation with the participating communities.

### Key Observations and Conclusions

Since 2004, the Commonwealth of Learning (COL) has been supporting a pilot project titled "Lifelong Learning for Farmers (L3 Farmers) in India". COL is providing support through technical coordination, facilitation of partnership building among multiple differentiated institutions and organizations and also providing limited funding. During 2006, the stakeholders, including the State Bank of India, will take stock of the progress made. The bank would particularly verify the hypothesis of L3 Farmers, i.e., "If rural agricultural credit is

blended with appropriate capacity building the performance of rural credit would be much better vis-à-vis productivity, returns and non-performing asset (NPA) levels". If the hypothesis is proven right, the bank is interested in extending the concept to other regions in India. In a Rs. 2000 billion agricultural credit scenario, an investment of 2% in extension and capacity building using modern ICT would go a long way in improving the performance of credit and bring down the rate of NPA. Such an investment would help to improve the capacity of farmers and labourers. The Government of India has, in principle, agreed to establish knowledge centres using modern ICT in every major village. The banking sector could use this infrastructure and expand the role of credit.

Thus the project is based on the premise that a "win-win situation" is required for a sustainable partnership and network. The project also believes that if appropriate stakeholders are brought into the picture the self-sustainability and self-replicability of ICT4D could be taken care of.

The issues thus addressed in the projects are:

- ❖ *Creating opportunities for the target group for enhancing their knowledge base and minimising transaction costs of vertical and horizontal transfer of knowledge.*

- ❖ *Demonstrating that ICT based ODL can help bring down transaction costs.*
- ❖ *Identifying appropriate options for rural ICT that is not limited to a project mode.*
- ❖ *Developing a self-sustaining and self-replicating process through network of stakeholders involving consortium of universities and research institutions, banking sector, private industries and government and non-government agencies.*
- ❖ *Creating opportunities for sustained rural credit that supports a framework for such a process, based on the hypothesis that 'rural agricultural credit blended with appropriate capacity building would greatly enhance the performance of rural credit vis-à-vis productivity, returns and non-performing asset (NPA) levels'.*
- ❖ *Building capacity would also enlarge the market for bank credit among the target group.*
- ❖ *Demonstrating that the modern ICT through structures (e.g. rural the Internet kiosks, rural telecentres) can facilitate the capacity building process in a spatial-temporal context which is financially viable, economically feasible and socially acceptable.* 

### References

- <sup>1</sup> (Asia – Pacific Development Review [ADR] Issue 2.3: [www.adrmagazine.com](http://www.adrmagazine.com)
- <sup>2</sup> Ahonen , Pertii (2005): <http://unpan1.un.org/intradoc/groups/public/documents/NISPAcee/UNPAN007709.pdf>
- <sup>3</sup> Maru, A (2005): ODL and Development: How Agricultural Informatics contributes to learning for sustainable rural development? (A paper presented at the Commonwealth of Learning Institute titled "Open and Distance Learning for Development: The role of ODL in delivering MDG", held during 5-7 May 2005 at the Inn at Westminster Quay, New Westminster, BC, Canada).
- <sup>4</sup> Roling, Neils. (1988): Extension Science, Information system in Agricultural Development. Cambridge, Cambridge University Press.

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