Q1(a)

Digitisation of rural economy

UPSC Civil Services Mains 2024 · Anthropology GS 2 · 10 marks · Evolution of the Indian Culture and Civilization

1.1 Evolution of the Indian Culture and Civilization-Prehistoric (Palaeolithic, Mesolithic, Neolithic and Neolithic-Chalcolithic), Protohistoric (Indus Civilization). Pre-Harappan, Harappan and post-Harappan cultures. Contributions of the tribal cultures to Indian civilization.

Core demand of the question

- Define digitisation of the rural economy in India
- **Show what it covers:** payments, credit, markets, records and welfare
- Give anthropological effects on village power, labour and inclusion
- Note exclusion where connectivity, literacy and caste or gender intervene

Revision summary

Digitisation of the rural economy means electronic payments, identity, credit, markets and welfare records in the village.

Jan Dhan, Aadhaar, UPI, e-NAM and computerised land records are the main instruments.

Village power now includes control of phones, OTPs and Common Service Centres.

Women, elderly people and many tribal hamlets remain excluded where biometrics and language fail.

Without PESA and secure titles, digital records can lock in older dispossession.

Introduction

Digitisation of the rural economy is the shift of village production, exchange, credit and welfare onto electronic records, phones and bank platforms. It is not only a technical upgrade. It reorders who can sell, who can prove identity, and who still depends on the old middleman.

Body

What has been digitised

After the 2010s, **Jan Dhan** accounts, **Aadhaar** authentication, **Direct Benefit Transfer**, **UPI** payments, **e-NAM** and state e-procurement, **land-record computerisation**, **Kisan credit** on core banking, and **e-Shram** or MGNREGA electronic muster rolls became ordinary rural infrastructure. Common Service Centres and banking correspondents sit in the same space as the kirana shop. **NITI** and ministry dashboards treat this as financial inclusion.

For anthropology the village is still a **social system**. **M. N. Srinivas**'s dominant caste and **F. G. Bailey**'s faction now operate through who owns the smartphone, the SIM in a woman's name, and the password for the PDS or pension app. **McKim Marriott**'s little tradition meets a national payment grid.

Effects on livelihood and power

Cashless procurement and DBT can cut leakage that **André Béteille** and later political economists associated with local brokers. A tribal tendu or lac seller who is paid into an account is less easily short-changed at the weekly hat, if she can read the SMS. Contract farming and warehouse receipts, however, still favour literate, landed households. **L. P. Vidyarthi**'s nature-man-spirit complex is strained when forest produce is invoiced on a portal that the Gram Sabha does not control.

- **Digitisation also creates** new intermediaries**:** the Common Service Centre operator, the cyber-cafe, the relative who "helps" with OTP. Women and older Adivasis often hand the phone to a male kin. **Irawati Karve**'s kinship map still predicts who holds the device.

Limits

Connectivity, biometric failure (especially among elderly and manual workers), and English or Hindi interfaces exclude many Scheduled Tribe hamlets. Land records that are wrong on paper become wrong at speed once they are online. A purely digital rural economy without **PESA** Gram Sabha oversight and without FRA titles can freeze dispossession rather than reverse it.

Flow diagram

Digitisation -> Payments and DBT

Digitisation -> Land and market records

Digitisation -> New intermediaries

Literacy gender connectivity -> New intermediaries

Conclusion

Digitisation has entered rural production and welfare as a new layer of the village system. It can reduce some older leakages, but it does not abolish caste, gender or literacy as gates. Inclusion is a social outcome, not an automatic result of a payment app.

Facts & figures

Jan Dhan-Aadhaar-mobile

The JAM architecture links bank accounts, unique identity and phones for Direct Benefit Transfer in rural welfare.

e-NAM

The electronic national agriculture market aims to connect mandis; uptake is uneven where lots, quality and internet lag.

CSC operator

The Common Service Centre is a new village broker for certificates, payments and e-governance, often caste- or kin-controlled.

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