

Agrarian Distress in India

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Abstract— Agriculture is the primary sector of Indian economy as 70% of the population directly or indirectly depends on agriculture sector for their survival. The success of Green revolution has made a marvellous impact on Indian economy by making it self-sufficient in the production of food grains. Although there are modern methods and tools for agriculture production but the Indian farmers are not does not seems to be satisfied. Low income of farmers is the major reason for the farmer's agrarian distress. Every year over 15964 farmers commit suicide, 10% of all suicides in India are farmers suicides. A report by National Crime Records Bureau states that 45 farmers commit suicide every day in India. Recently farmers across India marched to Nations Capital to register under Government's notice. Therefore this paper focuses on the reasons for Farmers agrarian distress based on the secondary data available and a way forward.

Keywords: Agriculture, farmers, distress, production

I. INTRODUCTION

Recently farmers across the country protested against Governments approach towards their demand. Farmers demanded remunerative prices for the produce and get rid of their debts. Protesting farmers want a parliamentary session on Agrarian crisis to pass two bills firstly to one-time full loan waiver and the other for a long term organisational measure to safeguard farmers from long term debt. The Indian farmer has become more prone to risk of price fluctuations and is increasingly falling into a debt trap. Low prices of agricultural produce and the price volatility have worsened the farmer's agrarian distress. The reason for these demands are low earning of Indian farmers lead to never ending distress because of this over 15,000 farmers in India have been taking their own lives each year. The recent report of the National Crime Records Bureau, Accidental Deaths & Suicides in India – 2010, says 15,964 farmers committed suicide in 2010. The report has drawn a baseline of 15,000 farmer suicides each year since 2001. Farmers of large states accounts for 87.5% of farming sector suicides. Maharashtra stands at the top of these states followed by Telangana, Karnataka, Chhattisgarh, Madhya Pradesh, Tamil Nadu and Andhra Pradesh. These suicides are not only committed by the marginal farmers but small farmers also. Even the state of Punjab has its share of farmer suicides from 1995 to 2015, 4687 farmers were reported to commit suicide from Punjab with one district Mansa reporting 1334 suicide although the green revolution made a huge impact on the state's productivity. Maharashtra is the only state accounted for 25% of the farmer suicides in the country in 2012. The main reasons for the farmer's distress is caused by the erratic rainfall, raising cost of production, droughts, inadequate crop prices and low income of the poor farmers. A study by Sheryas (2016), 38.9% of suicides in kerala are due to agricultural crisis which the major reason among others. Stagnant incomes and deceleration in

agricultural output have characterised rural distress, but the entire rural economy has been afflicted by a severe decline in demand, including the non-farm sector. (Kumar 2018) The decline in productivity and prices affected the profitability of cultivation, especially on farms using hired. (Jeromi, 2007) The alarming situation has risen by policies that only focus on inflation targeting due to focus on one side only i.e. the consumer only not on the producer. With the changing era there is change in the agricultural structure also. The mechanisation of agricultural sector and the change in the cropping pattern i.e. the shift from self consumption crops to cash crops moreover the investment in the horticulture requires a large amount of investment in marketing and strong infrastructure. In a study it was analysed that 24% of the deceased farmers have sold their lands which was nearly 8.4% of their total land. This was also a reason for distress because the sale was not high as land documents were in the custody of the financial institution. (Mohanakumar and Sharma2006) The rough estimate of agricultural suicides in India since 2010 is approximately 1, 40,000 based on the National Crime Records Bureau (NCRB). And he further stated that this data may be poor quality and inaccurate because some cases go underreporting and cover the shame or prevent from criminal cases. (Mishra2014)

II. OBJECTIVE

The paper deals with the following objectives

- Reasons for the farmers agrarian distress
- The trend in farmer's suicide in Indian states
- Solutions to deal with farmers distress

III. METHODOLOGY

This research paper is exploratory in nature. Based on secondary data availed from state government sources, the Reserve Bank of India (RBI), National Bank for Agriculture and Rural Development (NABARD), National Sample Survey Organisation (NSSO) and various commodity board research journals, articles, newspapers, data base of National Crime Record Bureau of India i.e. part of Indian Ministry of Home affairs. Catalogue contains data regarding the Accidental and Suicidal Deaths of Indian Farmers.

IV. REASONS FOR FARMERS' DISTRESS

- 1) Unpredictability of nature- Indian Agriculture heavily depends on monsoon i.e. shortage of rainfall leads to low production moreover this limits the crop diversification. Therefore the stagnation of production and productivity is reason for low earning of the farmers. Rice is the major cultivated crop in India and in the state of West Bengal. The problem is cultivation of rice need large amount of water which is not available in all the states. This risk related to

- unpredictability is low and delayed monsoon, poor soil fertility, pests and crop diseases.
- 2) Rise in cost of production- due to rising prices in the economy the prices of agricultural inputs are also increasing. For example: - a.)The cost of seeds, fertilizers and pesticides b.) Cost of agricultural equipments i.e. tractors, pumps etc c.) Labour cost-hiring labours and animals for agricultural purposes is also becoming expensive. Also the small farmers are unable to reap enough profits to cover the required transport costs.
 - 3) Loan Distress- a report by National Crime Record Bureau found that 2474 out of 3000 farmers suicides had unpaid bank loans in the year 2015 and only 9.8% of the loans was taken from the money lenders. Therefore the indebtedness is one of the major reasons for the farmer's suicide. Maharashtra and Karnataka had recorded the highest cases of farmer's suicide due to indebtedness.
 - 4) Lack of institutional credit – the data by National Crime Record Bureau showed the major reason is indebtedness for Indian farmer's suicide. Poor farmers do not have access to the government institutions for financial support, they move to moneylenders who exploit them till death by charging extra interest rates.
 - 5) Fragmented Land- Fragmented landholding leads to low productivity hinder infusion of technology and new techniques of production.
 - 6) Problems with Minimum Support Price (MSP) - the procurement price of the government is meant to support the marginal and small farmer's unfortunately big trader reaps the benefit. Over 70% of the Indian farmers seldom receive minimum support prices for want of official intervention.
 - 7) Lack of awareness- there are plenty of schemes, policies and measures to uplift the condition of farmers but the irony is they are not aware of any of the benefits by the government. Even if they know about the schemes, they do not know how to avail the benefits or the procedure will be so difficult. Lack of awareness is pushed by the illiteracy and poverty in the rural areas.
 - 8) Failure of Public Distribution System (PDS) - Public distribution system does not have capacity to undertake procurement operation for 24 crops for which minimum support price is announced.
 - 9) Climate Change- due to the changing climate the farmers and agriculture is adversely affected as this leads to fluctuation monsoon systems, flash floods etc. The environment stability is a very important component for the betterment of the farmers.
 - 10) Agricultural Marketing- in India there is lack of Storage Infrastructure and processing capacity which leads to post harvest loss. Uncertainty of prices is a major concern for the farmers and led them to the mercy of the big traders. Agricultural Produce Marketing Committee (APMCs) are also unfavourable to the farmers since they have to sell their agricultural produce via auctions in regulated markets controlled by cartels of licensed traders. Low prices are fixed by the cartels and extract large commissions also these are things worrisome for the farmers.

- 11) Ineffective Government Response- the Government's response towards farmer's income, productivity and prosperity is not effective. Indian government is focussing on the credit and loans creation whereas the need of the hour is to develop more opportunities for the income generation for the farmers.

V. TREND OF FARMERS SUICIDE IN RECENT YEARS

Official estimates indicate that over 15000 farmers are committing suicide every year, which is 11.2% of all the suicides in India (National Crime Record Bureau 2015). The United Nations Commission on Sustainable Development (UNCSD) indicates that one farmer committed suicide every 32 minutes in India between 1997 and 2005. The below table indicates farmers's suicide in recent years (2015, 2016) as compared with 2001.

Farmers Suicides in India (Table-1)		Total number of Farmers' Suicides			
S.no	States	2001	2015	2016	%change between 2001-2016
1	Punjab	45	124	271	502.22
2	Haryana	145	162	250	72.41
3	Karnataka	2505	1569	2079	-17.01
4	Gujarat	594	301	408	-31.31
5	Madhya Pradesh	1372	1290	1321	-3.72
6	Telangana	00*	1400	645	-
7	Maharashtra	3536	4291	3661	3.54
8	Andhra Pradesh	1509**	916	804	-46.72
9	Chhattisgarh	1452	954	682	-53.03
10	Other States	5257	1595	1249	-76.24
	Total	16415	12602	11370	-30.73

*Data not available for 2001 **Data for undivided Andhra Pradesh. Source: National Crime Record Bureau, 2001, 2015, The Hindu Business line.2018

The above table indicates that farmers suicides are decreasing over years, but showing an increasing trend in few states like Punjab, Haryana, Maharashtra. Among the Farmers suicide deaths reported in 2016, nearly one-third of these deaths were reported from Maharashtra (3661), followed by Karnataka (2079), and Madhya Pradesh (1321) as per the data shown (The Hindu Business 2018). These states together with Chhattisgarh, Andhra Pradesh and Telangana have over 80% of the farmers suicides reported from India.

For the past one decade, over 15,000 farmers in India have been taking their own lives each year. The recent report of the National Crime Records Bureau, Accidental Deaths & Suicides in India – 2010, says 15,964 farmers committed suicide in 2010. The report has drawn a baseline of 15,000 farmer suicides each year since 2001. Analysis of the 2010 data shows that majority of the suicide victims are in the age group of 30 to 59. They number 9,910. As many as 4,409 farmers who committed suicide were below 30, while 1,645 farmers were senior citizens. The five most affected states are: Maharashtra (3,661), Karnataka (2,079),

Andhra Pradesh (2,525), Madhya Pradesh (1,321) and Chattisgarh (1,452). Calculation of average number of deaths during the decade reveals that over 45 farmers are committing suicide every day. Moreover, out of the total deaths, around 15 per cent suicide victims are women farmers.

The National Crime Records Bureau started recording farmer suicide cases in 1995. The data compiled from 1995 to 2010 reveals that over a quarter of a million farmers (256,913) have killed themselves. The deaths underscore the growing agrarian crisis in India

However, comparing 2009 and 2010 data reveals that farmer's suicide cases decreased eight per cent in 2010 as the numbers declined from 17,368 in 2009 to 15,964 in 2010. The dip happened mostly because of fall in number in Chhattisgarh and Madhya Pradesh.

VI. SUGGESTIONS

- 1) The Government of India has taken many steps like the PM Fasal Bima Yojana(PMFBY), PM Kisihi Sinchai Yojana(PMKSY), electronic National Agriculture Market (e-NAM), soil health card, Neem-coated urea etc. These measures will give phenomenal results if implemented efficiently.
- 2) Our agricultural equipments policy needs to be revamped with a focus of improving the manufacturing of such equipment in India rather than importing which makes it costly.
- 3) The dependence of Indian agriculture on monsoon must be reduced by using water management techniques. Rain water harvest or to utilise the waste water techniques should be introduced in agriculture.
- 4) NABARD with the help of local authorities should come up with the local intervention policy and timely devise the loan restructuring initiatives and insurance settlement claims.
- 5) Public-private partnership which is working successfully in other sectors must be introduced in agriculture sector also.
- 6) Institutional finance should be easily available to every poor marginal and small farmer so that they will be benefited instead of big traders. The problem of red tapism need to be monitored effectively by the government.
- 7) Effective and timely counselling of the farmers is required. They should be made aware of technological advancement i.e. the new techniques and methods of cultivation.
- 8) Provision of relief should enable farmers' families to sustain a livelihood rather than as just a relief. In certain cases in Andhra Pradesh, a few farmers committed suicide just so their families could get the relief packages.

There is no single sure-shot method to reduce the burden on our farmers. The government, in consultation with various stakeholders, should come up with effective and long-term measures to reduce farmer indebtedness, improve crop yield, manage water resources efficiently and make alternate income sources to farmers.

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