

Peasantry in Punjab: Major Concerns and their Solutions

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Punjab, with only 1.53 per cent of the total geographical area of the country produces about 16% wheat, 11% rice, 3.4% cotton and 7% milk of the country. State produces about 2.5% rice, 2.3% wheat and 0.7% cotton of the world. During the last decade, the state has contributed 35-40% of wheat and 25-30% of rice to the Central Pool. If we look back over the last seven decades, Punjab's agrarian economy and culture have continued to thrive, signaling a reach much beyond its demographic and geographical boundaries. The state possesses best agriculture infrastructure in the entire country. The state's average monthly income for agricultural households has consistently been increasing.

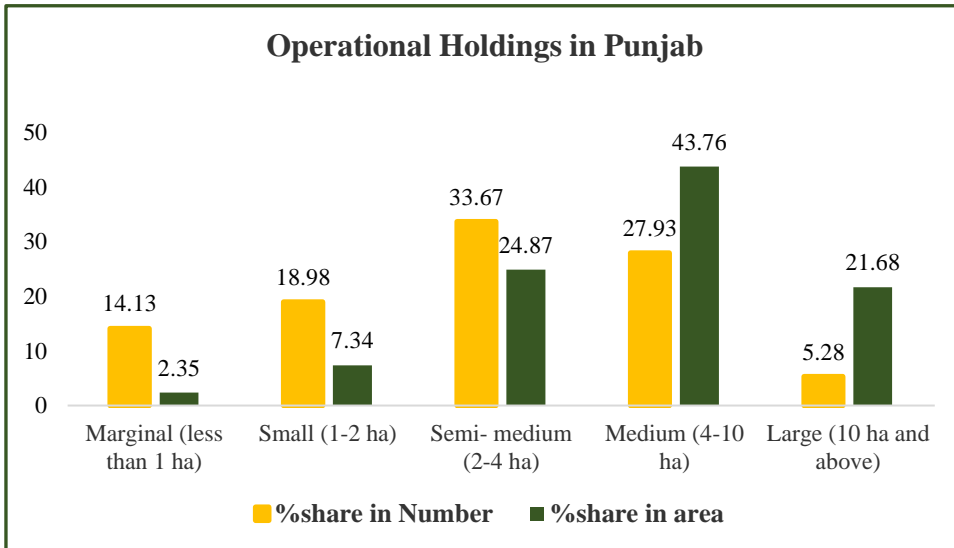
Table 1: Average monthly income of agricultural households

State	2012-13 (NSSO)	2016-17 (NABARD)	2018-19 (NSSO)
Punjab	18059	23133	26701
Haryana	14434	18496	22841
Bihar	3558	7175	7542
India	6426	8931	10218

(Rs./household)

However, the state continues to face a number of issues, including depletion of underground water, mounting debts, and a lack of alternative employment opportunities. The alternatives advocated by the experts and well-wishers, such as agricultural diversification, have proven to be non-starters. Approximately 67 per cent of farmers in Punjab cultivate less than 4 hectares of land, although their portion of total cultivable land is only 34.6 per cent. On the other hand, only 5.3 per cent farmers having more than 10 hectares of operational holding with a share of 21.7 per cent total cultivable land of the state. The average size of operational holding in Punjab is 3.62 hectares.

The heavy investment on about 4.7 lakh tractors, 15 lakh tube wells, 0.9 lakh threshers and 19 thousand combines harvesters in the state, which have made the agricultural production process capital intensive. Heavy farm investment and low level of savings in agriculture is leading to indebtedness. It is not economically viable to acquire even the smallest 25 HP tractor on 67% of holdings with less than 4 hectares of land. The small farmers could not afford farm investment on land, irrigation and farm machinery from their own savings in order to enhance productive capacity of farms and realize the benefits of precision farming. Therefore, cooperative farming needs to be promoted in order to alleviate the financial burden associated with the purchase of expensive machinery and tools. Hiring farming equipment is a significant cost-cutting measure for farmers. Such machinery can be maintained at the village level cooperative organization and made available to farmers on custom-hire basis, avoiding them from making large investments. This type of experiment should be conducted on a wider scale in the state. Collectively, the farmers themselves can also pool their resources and start cooperative farming. To initiate cooperative farming, well-run Primary Agricultural Cooperative Societies (PACs) can prove to be a lifeline for small and marginal farmers. These societies should not stop at fertilizer providers; they should also promote co-operative farming, mechanization and marketing of agricultural produce. Such a strategy can help farmers increase their profits. Thus, small farmers must form groups and FPOs to strengthen their bargaining power, which will enable them to not only purchase quality inputs in bulk at relatively lower prices, but also sell their produce at higher prices. Besides, the farmers can choose crop rotations that require more labour and yield higher



progressive dialogue with experts rather than relying solely on private traders and fellow farmers.

The reduced working hours of the agricultural labour force is another rising issue in today's agricultural scenario. The mode of production in Punjab agriculture has become capital intensive over time and the demand for human labour has

returns than wheat-paddy cycle, such as horticultural crops. This will also result in increased employment hours in the fields. Contract farming, likewise, may also assist small farmers in ensuring their returns. However, it requires government intervention to establish strict rules and regulations to protect both parties, as contract farming has a checkered history in the past.

The state's infrastructure for produce storage must be improved. Farmers can obtain credit against their stored produce using the warehouse receipts system. Additionally, this will assist them in avoiding distress sales immediately after harvest. Around 36% of farmers rely on non-institutional sources of funding (private dealers, corporate agents, commission agents, and money lenders) to meet their household and agricultural needs at a high rate of interest ranging from 24 to 36% per annum. The government should exert a firm check on the un-regulated operations of non-institutional sources, and secondly, the farming community, particularly small and tenant farmers, should have increased access to institutional financing.

Moreover, many farmers usually acquire agricultural supplies such as seeds, fertilisers, and pesticides from private dealers, and often utilise these inputs according to their recommendations. The agricultural problems can only be resolved through

diminished since the late 1980's. Such idle agricultural labour is often unable to find new employment in the non-farm sector. According to the recent cost of cultivation data, a one-acre paddy-wheat crop rotation requires only 20-25 man days of labour. Crop rotation or a supplementary occupation that generates additional work throughout the year is necessary. Farmers can visit Punjab Agricultural University (PAU) or district-level Krishi Vigyan Kendras (KVKs) to explore new supplementary occupations of their choice. With the addition of new occupations, farmers' effective working hours can be increased, resulting in a higher revenue. Apart from diversification within agriculture, the surplus agricultural labour force must also be redirected to non-agricultural sectors in order to maintain a subsistence level of living. The farming business should be planned in such a way that each member of the family has a work. Farmers should stay current on agricultural information in order to increase their farm income by maintaining contact with PAU and its KVKs.

Farmers must adhere to the latest agricultural techniques recommended by Punjab Agricultural University in order to reduce production costs and ensure the sustainability of their profession. Additionally, it has been noticed that the majority of farmers lack the practice of keeping proper records of

expenses and returns from farming. By keeping accurate records of returns and expenses, one can quickly detect unnecessary expenditures that can be reduced. Unproductive expenses on conservative social values such as symbols of social status, expensive costs associated with marriages and other social rites, and so on, should be eliminated in order to alleviate the burden of debt. Individuals should live within and consume within their means.

Utilizing modern agricultural techniques, efficient farm planning, diversified agriculture through

demand driven production, and better farmers' exposure to both local and distant markets can help the farmers in lowering crop production costs, increasing demand for their produce, exploring additional work hours, and ultimately turning agriculture into a profitable occupation. Within the confines of the Punjab economy's socio-economic and political framework, these approaches can be helpful to improve farm income and reduce the incidence of indebtedness.

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