

# Factors affecting Agrarian Distress Proneness in Western Vidarbha

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### **Abstract**

The present investigation was undertaken in 2008-09 to assess the factors affecting agrarian distress in districts of Western Vidarbha. A sample of 150 small and marginal farmers was selected for the study. The study revealed that, a majority (79.35%) of the respondents were under severe agrarian distress due to effect of weather and yield uncertainties, non-remunerative prices, rise in cost of inputs, lack of irrigation facilities, limited availability of credit, rise in indebtedness, supplier induced demand in the market and increasing dependency on others in the farming business. Policy makers need to take care of these triggers/factors for reducing present agrarian distress in selected districts of Western Vidarbha region of Maharashtra.

#### Introduction

As per the Radhakrishna Committee Report (2007) the Government of India declared 31 districts in four States (Andhra Pradesh-16, Karnataka-6, Maharashtra-6 and Kerala-3) as distress districts. These districts are mostly rainfed, agriculturally less developed and low productivity districts, where the Prime Minister's Relief and Rehabilitation package is being implemented. This package is designed with regional specificity to address issues of moisture conservation, infrastructural development, augmentation of non-farm sources of income and employment to farmers. Among distress districts, six districts are from Vidarbha region of Maharashtra State. These districts are Yavatmal, Buldana, Amravati, Akola, Washim and Wardha (Anonymous, 2007).

Farmer distress is a complex issue and it is difficult to arrive at an operational definition of distress. The word "distress" has been derived from the Latin word "Districtus" and has been used to imply a range of meanings like psychological suffering, a state of adversity, anxiety or mental suffering, to be disturbed, besieged by problems or upset etc. Manifestation of distress is stressful behavior arising out of social, economic and psychological reasons. Therefore there are various layers to the word and the concept of distress.

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The current research study was conducted in 2008-09 to assess the factors affecting agrarian distress in distress districts with the following specific objectives:

- 1. To assess the factors affecting agrarian distress in the selected districts.
- 2. To find the agrarian distress proneness level of the respondents, and
- 3. To document the suggestions from the respondents for betterment of the farming business.

## Methodology

The present investigation was carried out in three distress districts of Western Vidarbha region of Maharashtra with exploratory design of social research. These districts are Washim, Buldana, and Akola. One *tahsil* was selected purposively from each selected district. These *tahsils* were Barshitakali from Akola, Mehkar from Buldana and Malegaon from Washim district. Five villages from each *tahsil* and ten respondents having land holding up to five acres only, from each village were selected randomly. Thus, this investigation was confined to a sample of 150 small and marginal farmers.

# **Agrarian Distress Proneness**

Operationally, agrarian distress proneness refers to the inability of the respondent to cope with existing farming business. A scale consisting of various factors that adversely affect the farming business of the farmers was used to measure Agrarian Distress Proneness. The responses were taken on a four point continuum according to the adverse effect of each factor as severe, somewhat, can't say, not at all by assigning the scores of 3, 2, 1, and 0 respectively. Sum of the raw score of each selected factor will be the distress proneness score of an individual farmer which was converted into agrarian distress proneness index with the help of the following formula.

Agrarian Distress Proneness Index (ADPI)	=	Obtained agrarian distress proneness score	X 100
		Obtainable agrarian distress proneness score	Х 100

The respondents are categorized according to the obtained agrarian distress proneness index score with equal interval method as low (upto 33.33), medium (33.34 to 66.66) and high (above 66.66) level of agrarian distress.



# Results and Discussion Selected Factors and their Effect on Agrarian Distress

Distribution of respondents according to their responses regarding adverse effect of each selected factor on agrarian distress is given in Table 1.

Table 1. Distribution of Respondents according to their Responses regarding Adverse effect of each selected factor on Farming Business

Sl.	Factors	Severe	Somewhat	Can't	Not
No.		(3)	severe	say	at all
			(2)	(1)	(0)
1.	Weather related uncertainties	106	09	34	01
1		(70.66)	(06.00)	(22.66)	(00.68)
2.	Yield uncertainties	113	24	13	00
		(75.35)	(16.00)	(08.65)	(00.00)
3.	Non-remunerative prices	147	03	00	00
		(98.00)	(02.00)	(00.00)	(00.00)
4.	Lack of technical knowledge	01	99	43	07
		(00.68)	(66.00)	(28.66)	(04.66)
5.	Lack of non-farm	30	45	69	06
L	employment opportunities	(20.00)	(30.00)	(46.00)	(04.00)
6.	Spurious quality seeds	20	63	65	02
		(13.33)	(42.00)	(43.34)	(01.33)
.7.	Rise in cost of inputs	115	30	03	02
		(76.65)	(20.00)	(02.00)	(01.35)
8.	Lack of irrigation facilities	116	23	09	02
		(77.33)	(15.34)	(06.00)	(01.33)
9.	Problem of electric load	37	36	65	12
	shedding	(24.65)	(24.00)	(43.35)	(08.00)
10.	Unavailability /high wages of	59	44	39	08
	labour	(39.33)	(29.33)	(26.00)	(05.34)
11.	Inadequate market facilities	26	63	50	11
		(17.33)	(42.00)	(33.33)	(07.34)
12.	Limited credit availability	88	38	19	05
		_(58.65)	_ (235.35)	(12.65)	(03.35)
13	Increased indebtedness .	88	29	25	08
	·	_(58.65)	(19.35)	(16.65)	(05.35)
14.	Supplier induced demand in	126	20	03	01
	market	(84.00)	(13.35)	(02.00)	(00.65)
15.	Increasing dependency on	138	02	09	01 ·
L	others	(92.00)	(01.35)	(06.00)	(00.65)



From table 1 it can be seen that, majority (98 per cent) of the respondents reported that non-remunerative prices to farm produce in the market severely affected the farming business. Only two per cent of the respondents expressed that it affects the farming business to some extent. A non-remunerative price for produce results in a dent in the farmer's income. It is generally understood that prices are low when yields are high and vice versa, but this is true at an aggregate level. Western Vidarbha region a low-yield producing region would also be at a disadvantage and more so when the produce is for the market.

With respect to the increasing dependency on others in the farming business, a majority (92 per cent) of the respondents expressed that increasing dependency on others severely affecting their farming endeavor. Only 1.35 per cent of them reported that it has somewhat severe effect on farming, 6 per cent of the respondents reported that they cannot say about its effect on the farming business and a meager (0.65%) of the respondents expressed that it has no effect on farming business.

Eighty four per cent of the respondents reported that they were under severe distress due to supplier induced demand in the market followed by 13.35 per cent of them who expressed that it has somewhat severe effect on farming. Only 2 per cent of the respondents reported that they can't say about its effect on the farming situation. A meager (0.65%) of the respondents expressed that it has no effect on the farming business. The latest technology had made the farmers increasingly dependent on unregulated private suppliers of inputs. Conventionally, the farmers have been using their own seeds, but now they have to be dependent on the market. Once a fertilizer is used, it has to be used continuously, because withdrawal has negative effect on yields. Continuous use of pesticides could lead to the pests developing immunity, and hence, resulting in requirement of applying higher and higher dosages. Most of the farmers of this region are rain fed and resource poor farmers, hence they have to depend on input dealers for input availability on credit. The input dealers take the benefits and most of the times they supply the input to the farmers that are in their stocks earning more profit for themselves only.

Lack of irrigation facilities is an important factor to affect the farming business. It was observed that 77.33 per cent of the respondents experienced that lack of irrigation facilities severely affects their farming business, followed by 15.34 per cent who expressed it effected to somewhat extent, 6.00 per cent cannot say about it and a negligible percentage (1.33%) of the respondents reported no effect on the farming business.



Over seventy six per cent (76.65%) of the respondents, expressed that rise in cost of farm inputs severely affects the present agrarian business, whereas one fifth (20%) of the respondents reported somewhat severe effect on farming and 2.00 per cent of the respondents can't say about it, while 1.35 per cent of the respondents expressed no effect on farming. The farmer is increasingly becoming dependent on the market for inputs like fertilizers, insecticides and even seeds. This not only increases costs, but the proportionate increase in costs goes much higher than the proportionate increase in returns. In such circumstances, a crop loss would mean greater economic stress.

More than three fourth (75.35%) of the respondents reported that yield uncertainties severely affected the farming business, followed by 16 per cent of the respondents who reported that it had some impact on farming and 8.65 per cent of the respondents who expressed that they can't say about it. In this region while studying rainfall data of the last ten years it was observed that during only in few years rainfall exceeded the average rainfall i.e. 750 mm. This might be the reason, with majority of the selected farmers, for yield uncertainties.

Weather related uncertainties like monsoon vagaries severely affect the farming business, according to 70.66 per cent of the respondents; 22.66 per cent of the respondents reported that they can't say about it, followed by 6.00 per cent of them who expressed that it affects the farming business to some what extent. From the result it is observed that amongst the majority of the farmers monsoon vagaries severely affected their farming business. The reason might me that in selected districts more than 85 per cent of the cultivated area comes under rain fed farming, hence the farmers mostly take a single *kharif* crop, if monsoon rains are below average then most of the crop yields are affected.

Increasing indebtedness is one of the important reported causes for farmers suicides (Kale,2008). It was observed that more than half of the respondents (58.65%) expressed that it severely affected their own profession, followed by 19.35 per cent who reported its effect to some extent on their farming, 16.65 per cent expressing as 'cannot say about this factor' and 5.35 per cent of them said that it did not affect their profession at all.

While considering the factor, limited credit availability, a little over half (58.65%) of the respondents reported that this factor severely affected the farming business. Over one fourth (25.35%) reported somewhat effect on their farming business, followed by 12.65 per cent of the respondents who expressed that they cannot say about its effect on farming endeavor, while 5.35 per cent of them did



not report any effect of this factor on farming business, which might be due to economic sustainability.

Two third (66.00%) of the respondents said that said that lack of technical knowledge affected the farming business to some extent, more than one fourth (28.66%) of the respondents reported that they can't say about it, whereas, 4.66 per cent of the respondent expressed that it will have no effect on farming situation and only one (0.68%) of the respondent expressed that it severely affected the farming business. With changing technology towards input-intensive cultivation, the farmers' social capital of knowledge in cultivation gathered over centuries was rendered redundant. The farmer, had always been a learner and in the current context has to rely on the input dealer, who very often misleads him in order to sell the pesticides or other inputs that are in his stock, rather than rendering the right advice.

With respect to spurious quality seeds, nearly equal percentage of the respondents expressed it affected to some extent (42.00%) and cannot say (43.33%) about its effect on the present agrarian situation, while 13.33 per cent of the respondents expressed that spurious quality seeds severely affect the present agrarian crisis.

About the factor inadequate market facilities, 42 per cent of the respondents reported somewhat effect on farming business. One third of them (33.33%) cannot say about the effect of this factor on the present agrarian situation, whereas, 17.31 per cent reported severe effect of this factor on their farming business.

Regarding lack of non-farm employment opportunities 46.00 per cent of the respondents cannot say about its effect on the present agrarian situation, 30 per cent of the respondents reported its effect to some extent, 20.00 per cent of the respondents reported severe effect and a negligible (4%) expressed that it had no effect at all on present farming business.

# **Agrarian Distress Proneness Level**

It is apparent from the data in Table 2 that the majority (79.35%) of the respondents were under high levels of distress and the remaining 20.65 per cent of the respondents were under medium level of agrarian distress. No single respondent was observed under low level of distress. Thus it is concluded that majority (79.35%) of the respondents were under severe agrarian distress due to effect of the selected factors under study. Hence policy makers need to take care of these factors while planning about the farmers of distress districts.



Table 2: Distribution of respondents according to their level of Agrarian Distress Propeness

S. No.	Level of agrarian distress proneness	Number	Percentage	
1.	Low	00	00.00	
2.	Medium	31	20.65	
3.	High	119	79.35	
	Total	150	100.00	

## Suggestions to prevent agrarian distress

Taking suggestions for avoiding present agrarian crisis is one of the important aspects of this study. It refers to the opinion of the respondents about what action should be taken for reducing distress proneness level among the farming community, which can help to some extent in finding out the ground realities for agrarian distress and help to suggest different measures to solve farmers' distress in Western Vidarbha region. The responses received from the respondents are presented in Table 3.

It is clear from Table 3 that majority (94 %) of the respondents suggested remunerative prices to their farm produce and provision/ creation of irrigation facilities (70.67%) as important measures to be taken to prevent agrarian distress.

Table 3: Suggestions to prevent Agrarian Distress Proneness levels of the Respondents

S.	Suggestions	Frequency	Percentage
No.			
I	Remunerative prices to farm produce	141	94.00
2	Provision/ creation of irrigation facilities	106	70.67
3	Family counseling for increasing self-confidence through local leaders/ social workers	47	31.33
4	Abundant electric supply for farming	45	30.00
5	Complete waiving of old loans	44	29.33
6	Provision of easy, timely and sufficient credit at low interest rate	41	27.33
7	Creation of subsidiary occupations and other income sources	34	22.67
8	Crop insurance	24	16.00
9	Availability of information about agricultural technology	23	15.33
10	Provide knowledge about improved technology	21	14.00
12	Timely employment by creating non-farm employment opportunities	20	13.33
13	Strict vigil on the quality of inputs in the market	15	10.00
14	One Time Settlement (OTS) rules need to be changed in such a manner that the 'standard' accounts, which were rescheduled / restructured on account of natural calamities may qualify for OTS	15	10.00



Family counseling for increasing self-confidence through local leaders/ social workers (31.33%), abundant electric supply for farming (30.00%), complete waiving of old loans (29.33%), provision of easy, timely and sufficient credit at low interest rate (27.33%), creation of subsidiary occupations and other income sources (22.67%), crop insurance (16.00%), availability of information about agricultural technology (15.33%), providing knowledge about improved technology (14.00%), timely employment by creating non-farm employment opportunities (13.00%), strict vigil on the quality of inputs in the market (10.00%) and One Time Settlement (OTS) rules need to be changed in such a manner that the 'standard' accounts, which were rescheduled / restructured on account of natural calamities (10.00%), were the measures suggested by respondents to reduce the farmers' distress in Western Vidarbha region.

## **Conclusion and Suggestions**

Thus this study revealed that the factors viz., weather and yield uncertainties, non-remunerative prices, rise in cost of inputs, lack of irrigation facilities, limited availability of credit, rise in indebtedness, supplier induced demand in the market and increasing dependency on others in the farming business severely affect the farming business among a majority of the selected respondents. A large majority of respondents reported severe level of agrarian distress proneness. Hence, there is need to take care of these trigger/factors for reducing present agrarian distress in selected districts of the Western Vidarbha region of Maharashtra.

Agrarian distress cannot be relieved only with firefighting techniques. A well thought out strategy for both the short and long term is needed. While planning short and long term measures, the government should focus on the above suggestions made by the respondents. Majority of the respondents suggested remunerative prices for their farm produce and creating irrigation facilities as important measures to be taken to reduce the agrarian distress proneness level. It means that in the short term, there is an urgent need to immediately declare the remunerative prices for all crops and secondly, among long term measures, the government should focus more on increasing irrigation facilities in Vidarbha region.

#### References

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