

Is “Doubling Farmers’ Income by 2022-23” a viable target? – Insights from the literature

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ABSTRACT

The Government of India has set up the target of doubling the income of farmers by 2022-23 in order to create a sense of income security among the farmers. The main purpose of this study is to synthesize the opinions of various researchers regarding the realization of such an ambitious target. The paper makes an attempt to describe the framework of “Doubling Farmers’ Income by 2022” and highlights the challenges and measures suggested by various researchers to get deeper insights about the viability of the target. It was found that the views of experts about the attainability of the objectives are divided into two factions. Some of the researchers are hopeful about the realization of “Doubling Farmers’ Income” through the integration of sources within as well as outside the agriculture whereas the others referred to it as the miracle of miracles.

INTRODUCTION

Agriculture, with its allied sectors, has sustained its supremacy in terms of employment generation and maintaining the food security of the nation. It caters to almost 70% of rural Indians occupied with it for the sustenance and contributes approximately 16% towards India's Gross Value Added (GVA) at current prices (Indian Economic Survey, 2019; Central Statistics Office, 2019). During the unprecedented situations like COVID-19, when all the businesses are thrashed, agriculture has emerged as the most promising sector with positive growth.

It is often argued that any organization cannot sustain for a longer period without any profit. Similarly, the appropriate returns of farmers have greater importance concerning the prosperity of agriculture. But, a larger majority of the households engaged with agriculture are grappled with low and erratic income (Food and Agriculture Organisation, 2017), the major indicators of agrarian distress (Chand, 2017). Being the largest enterprise, agriculture assumes special attention to improve the condition of more than 140 million Indian farmers (Khanam et al., 2018; Ali, 2018). It is strongly believed that the higher and steady income of the farmers is the only tool to counterbalance the chronic agrarian crisis prevailing in India (Chand, 2017; Suri, 2006).

In this context, the former finance minister (Arun Jaitely), during the budget speech in 2016, announced the objective of doubling the income of farmers by 2022, provided 2015-16 as the base year (Khanam et al., 2018), by quoting *"We are grateful to our farmers for being the backbone of the country's food security. We need to think and give back to our farmers a sense of income security. The government will reorient its interventions in the farm and non-farm sector to double the income of farmers by 2022"*. The targeted income comprises the income from both, agriculture as well as the allied activities (Dwivedi et al., 2017). The studies of Chand, 2017; Khanam et al., 2018; Mann et al., 2018 stated the objectives of DFI as follows:

- To promote farmers' welfare
- To reduce agrarian distress and
- To reduce the disparity between the income of agricultural and non-agricultural households

In order to get a deeper insight into the challenges and prospects of "Doubling Farmers' Income by 2022-23" we reviewed the existing studies of various researchers. The present study is an attempt to synthesize the opinions and suggestions of various researchers about the attainability of the target.

Review of Literature

The review of the literature is organized as follows. The first section attempts to describe the framework of DFI. The next section comprises the major challenges to DFI whereas the third section deals with the opinions and suggestions of various researchers about the realizations DFI respectively.

Since the inception of five-year planning, agriculture has witnessed a considerable increase in production because of the greater concentration of previous strategies towards production enhancement (Das and Kumar, 2019; Ali, 2018; Hazra, 2001). During the last five decades, the food production has recorded a 3.75 times increase along with a commendable hike of 45% in per person food availability. But, the increased production does not always guarantee a higher income to the farmers (Chand, 2017). Therefore the low level of absolute income along with regular fluctuations has become a natural corollary for the cultivators (FAO, 2017). BIRTHAL et al. (2017) found the per capita income of more than 70% of the farmers less than Rupees 15000. In 17 states of India, a median farmer is subsisting with less than Rupees 1700 as average monthly income (Indian Economic Survey, 2015; Sharma, 2018). Furthermore, Alvarage, 2020; Khan et al., 2019 noticed the widespread discrepancies between the income of agricultural and non-agricultural households as a common phenomenon in developing countries. An average farmer of the modern era is surviving on 30-40% of the income earned by an urban non-farm worker (Ali, 2018). The situation of a farmer is quite similar to the cultivator of the 1980s who was living with one-third income as compared to the non-agricultural workers (Chand, 2017). A large bunch of farmers is engaged with agriculture just because of the lesser skills beyond farming and willing to migrate if provided an option (Sharma, 2019; Agarwal and Agarwal, 2017; Ranganathan, 2015; Suri, 2006). Poor socio-economic conditions and unhealthy enabling environment for the sector not only demoralize the interest of youth but also create dissatisfaction among the existing peasants (Ali, 2018; Mann et al., 2018; Khanam et al., 2018; Pattnaik et al., 2017; Chand et al., 2015). Such dissent of farmers from their occupation hinders the long term investment in agriculture (Agarwal and

100 farmers of Karnataka and found the participatory labor techniques a helping hand for the small farmers to bring affordability in important farm activities.

By referring to the More from Less for More (MLM) paradigm, Mashelkar (2018) argued the need for innovation-led agriculture to get more output through limited resources. Gore (2018) mentioned that the escalation of technology and innovation would bring sustainability along with enhanced production. Lately, researchers have observed a phenomenal stride of innovation in agricultural production, enhancing productivity and preserving the environment (Shivay and Singh, 2018). The studies of Shivay and Singh 2018; Mashelkar, 2018 identified various system-based technologies like Genetically Modified Crops (GMCs), crop diversification, integrated farming system, conservation agriculture, climate-smart cropping and integrated crop management to make the most from the limited resources.

Undoubtedly, agriculture would not have evidenced such phenomenal progress without the innovations in technologies (El Titi, 1992). But, the production-centric strategies in the past have resulted in an excessive burden on natural resources (Abrol and Sangar, 2006). A shift from prevalent agricultural practices has become a necessary phenomenon for the preservation of the environment (Bhan and Behera, 2014). Conservation Agriculture is a sustainable agriculture production system that suits the local conditions to protect scarce resources such as soil, air and water (European Conservation Agriculture Federation). Many of the earlier studies highlighted the need for diversification towards high-value crops. Crop diversification offers a wider spectrum of crops to the farmers to decrease the risk of uncertainties (Hazra, 2001). Tripathi (2020) stated the promotion of diversification as a need rather than to be an amenity. It has become more critical for some north-western states (including Haryana, Punjab and some parts of Uttar Pradesh) which are known for the significant contribution towards the green revolution in the past (Khanam et al., 2018). The diversification could be used as a tool to tackle the seasonal variability of farmers' income (Ogundari, 2013). Shivay and Singh (2018) stated the two types of diversification- horizontal and vertical. Horizontal diversification comprises crop intensification and crop substitution whereas vertical diversification is concerned with value addition to the product through processing. Bhalla and Singh (2009) noted a nationwide diversification from coarse cereals to high-value food-grains like wheat and rice. Coarse cereals like millet (Bajra), can be grown in adverse climatic conditions, offer alternatives in dynamic weather conditions (Reddy et al., 2018). Bhattacharyya (2008) argued that the proper diversification would boost the income along with the protection of precious natural resources like soil and water.

Some researchers provided certain suggestions for the farmers to strengthen their position on their own. The reliance of farmers on individual components rather than an integrated approach to farming (Gill et al., 2009) is subjected to a high degree of uncertainty in income and employment. Kirsten and Sartorius (2002) stated the need for a customer-oriented approach among farmers about the selection of the crops. Ray et al. (2018) suggested that the appropriate selection of crops, scientific land use and better management practices will help elevate the income to the farmers. Ali (2018) recognized that allied activities like horticulture, fisheries and bee-keeping can significantly contribute towards the consolidation of earnings to the farmers. Brumfield et al. (2000) conducted the cost-benefit analysis of Integrated Crop Management (ICM) through budgeting methods and postulated that the ICM approach may diminish the earning of farmers in terms of increased expenses but favorably influence the environment and society through the reduction in the use of fertilizers and the health issues among farmers. According to the Model Contract Farming Act 2018, the essence of contract farming lies in the pre-production agreement between farmers and sponsors to transfer the risks of market uncertainties to the latter. Contract farming (CF) has resulted in more income to the cultivators (Singh, 2002) but the impact of CF is not so appreciable (Henningsen et al., 2015) because of the minute participation of the poorest farmers which is the real concern for ensuring their welfare (Ton et al., 2018). Therefore, the role of public and institutional support becomes indispensable to determine the welfare of the poorest on a larger scale (Qaim, 2009). In order to accomplish the objective of Doubling Farmers' Income, the Government is focusing on numerous facets including income support schemes, crop insurance, water conservation, waste management techniques and agriculture marketing reforms. Recently, several steps have been taken for the development of agriculture in sustainable manner by considering various aspects like improving soil fertility, enhancing productivity, boosting production, risk coverage, easy availability of credit and consolidating the irrigation systems. But the real success of such initiatives depends on the sound implementation system. Mann et al. (2018) highlighted the need for investment in cold storage and food processing to bring agility in post-production activities. Prioritized investment in underdeveloped areas would generate higher returns as the extra unit of capital is employed (Bathla, 2017).

Technology-enabled supply chain system, the sound public distribution system and the use of collective intelligence of the grass-root farmers for improving the productivity of workers might be the significant contributors in improving

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