

Farmer's Suicide- The Black Episode of Indian Agricultural Sector: Magnitude, Causes and Remedies

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Abstract

As an agrarian economy, more than fifty percent of the total population depends on agricultural and allied activities. But the real conditions of the farmers are not appreciable. It is reflected by the farmer's suicide incidents took place since last two decades. The farmer's suicide incidents in India stand a big question regarding the agricultural development models and schemes in India. Various factors fuelled up the farmer's suicide incidents in India. This paper is an attempt to anise these factors in broad along with some remedial measures.

I. Introduction:

Economy of India is an agrarian economy with more than 50% population engaged in agricultural sector directly and indirectly. But the socio-economic conditions of the persons directly related with this sector, i.e., the farmers are not satisfactory. It is reflected by the incidents of committing suicide by the farmers in recent times. This phenomenon of farmer's suicide is said to be the most tragic event of Indian agricultural sector. The incidents of farmer's suicide stand a big question regarding agricultural development model or schemes in the country. These suicide incidents also reflect the worst conditions of the farmer's. If we take a look into the data of farmer's suicide in India, it reflects a horrible picture. As per the data provided by United Nations Commission on Sustainable Development, In India between 1997 to 2005, one farmer committed suicide at every 32 minutes interval. According to the National Crime Record Bureau (NCRB), about thirteen thousand farmers were committed suicide during the year 2015, with most of death occurred in Maharashtra, and followed by Andhra Pradesh, Karnataka and Madhya Pradesh. Farmer's suicide in India accounts for approximately 10% of all suicides in India.

After introduction of new economic policy, 1991, Indian economy witnesses a higher growth rate as compared to earlier. But, the tragedy is that the agricultural sector is still neglected as compared to secondary sector and tertiary sector. It is reflected, when the sectoral contribution towards GDP is observed. After adoption of new economic policy both

secondary sector and service sector get boost and sectoral contribution of these two sectors towards GDP have increase. During the year 1990-91, sectoral contribution of primary, secondary and tertiary sector towards India's GDP was 29.5%, 20.6% and 49.6% respectively. But the scenario has changed after 1990. During the year 206-17, the sectoral contributions of these three sectors were 17.32%, 29.02% and 53.66% respectively. Thus, it reflects the inefficiency of agricultural sector as compared to the other sectors. This inefficiency is more lightened by the farmer's suicide incidents. Indian agricultural sector still posses a good number of inefficiencies as compared to other developed nations.

II. Objectives:

The main objective of the paper is to analyze the magnitude, causes and remedies of farmer's suicide in India.

III. Methodology:

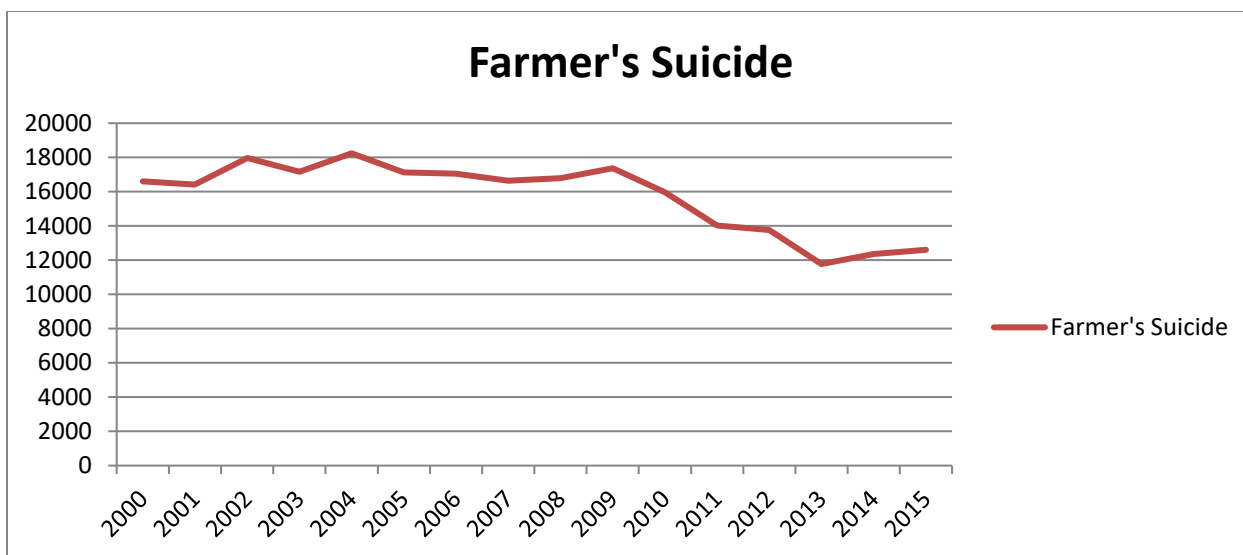
The paper is of descriptive type and based only on secondary data.

IV. Results and Discussion:

Farmer's suicide in India: a quantitate perspective-

The scenario of farmer's suicide in India during the last decade was said to be worst. Various studies and reports show various numbers regarding farmer's suicide in India. A scenario of farmer's suicide in India is depicted in the following figure. Here, the total figure includes both suicide of farmers or cultivators and agricultural labourers. Farmers or cultivator are those, whose cultivate on their own land or leased land with or without the assistance of agricultural labourers. On the other hand, agricultural labourers are those, who primarily work in farming sector and whose main source of income comes from agricultural labour activities. However, while considering the issues of farmers both of these are together termed as farmer's suicide.

Figure 1: Farmer's suicide in India



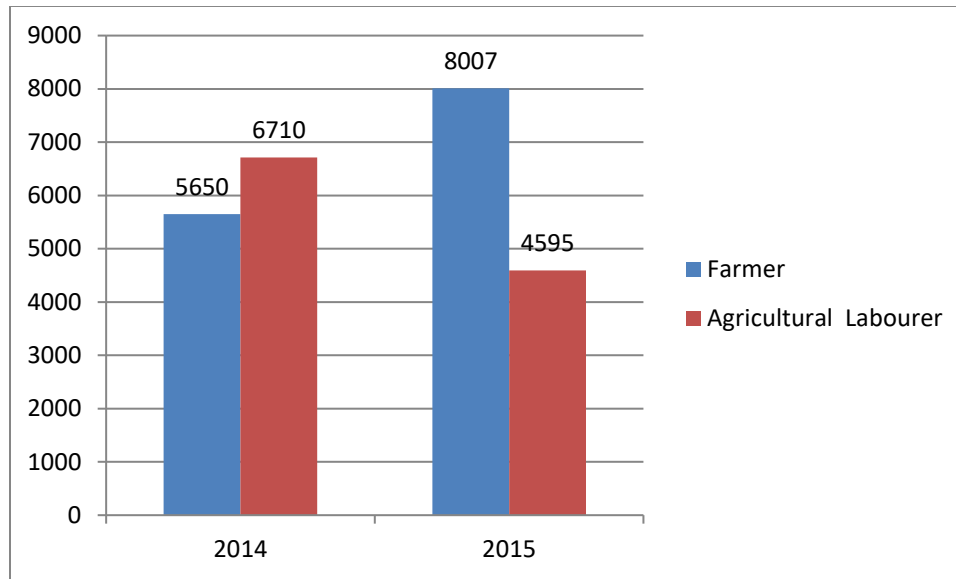
Source: National Crime Record Bureau

Figure 1 reflects the scenario of farmer's suicide in India. According to the figure, suicide case reported in India from the year 2000 to 2015 were 16603, 16151, 17971, 17164, 18241, 17131, 17060, 16632, 16796, 17368, 15964, 14027, 13754, 11772, 12360 and 10602 respectively. However, these are the only case of suicides, which were reported or which are exposed. There are more cases of suicide which were not reported. Different studies reflect this fact. Figure 1 also reflects a decreasing trend regarding farmer's suicide case. Basically, if we look a comparison between 2004 and 2014, it shows a positive sign. In 2004, total suicide cases reported in India were 18241, which decrease to 12360 in the year 2014. But, still the picture is said to be the worst.

If we look into state-wise comparison, Maharashtra witnesses the worst scenario, followed by Karnataka and Telangana. During the year 2015, total suicide cases reported in India were 12602. Out of this, highest case were reported in Maharashtra (4291 no.), followed by Karnataka (1569 no.), Telangana (1400 no.), Madhya Pradesh (1290 no.), Chhattisgarh (954 no.), Andhra Pradesh (916 no.) and Tamilnadu (606). Thus, these seven states account total 11,026 no. of suicide cases, which is about 87.49% of the total suicide recorded in the country in 2015. Some other states that more or less contribute to the total number are Uttar Pradesh, Rajasthan, Haryana, Punjab, Gujarat, Assam, and Orissa.

As stated above, these figures include both farmers and agricultural labourers. A comparison among farmers and agricultural labourers out of total suicide cases reported is depicted in the following figure-

Figure 2: Suicide committed by farmers and agricultural labourers



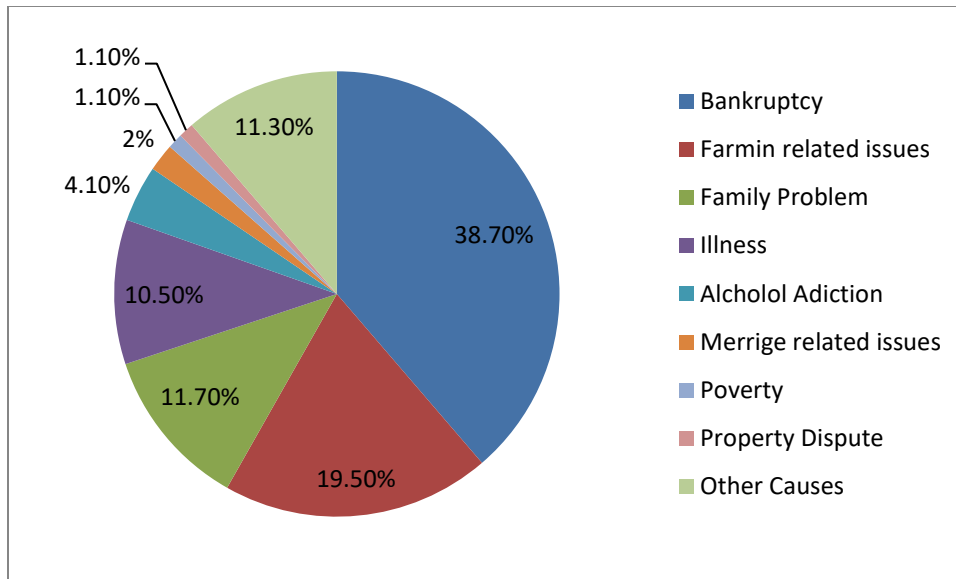
Source: National Crime Record Bureau.

From the figure it is seen that during the year 2014, out of total suicide cases recorded, 5650 no. were farmers and the remaining 6710 no. were the agricultural labourers. On the other hand, during the year 2015, these numbers were 8007 and 4595 respectively.

Causes of farmer's suicide in India:

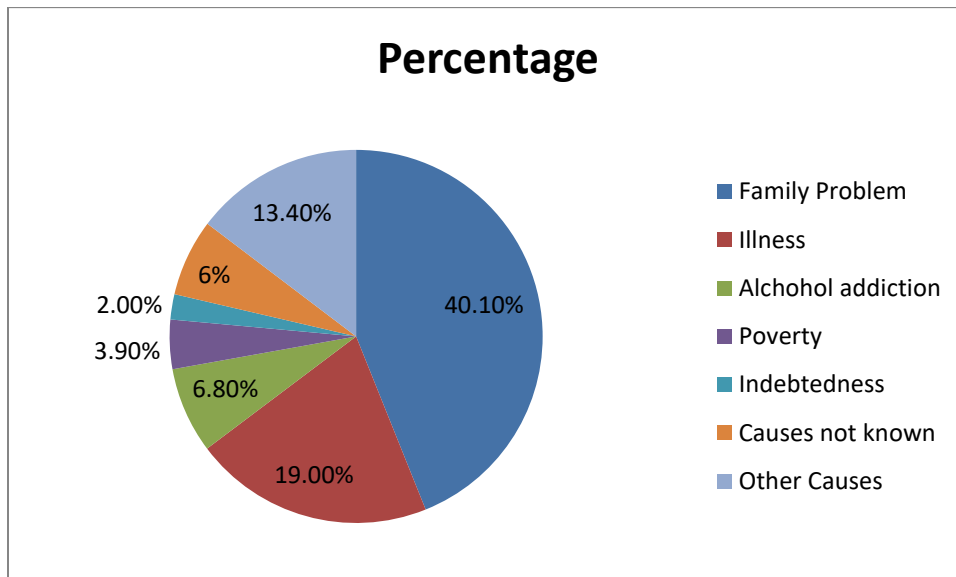
A number of factors are responsible for farmer's suicide in India. National Crime Record Bureau identified some major causes of farmer's suicide in India. It decomposed the reasons of suicide between farmer's and agricultural labourers. The prominent causes of farmer's suicide recognized by National Crime Record Bureau are indebtedness, family problems, causes related to farming such as crop failure, alcohol addiction etc. On the other hand the prominent causes of suicide of agricultural laborers are family problems, illness, indebtedness, poverty, alcohol addiction. The percentage share of major causes of suicide among them are shown in the following figure-

Figure 3: Percentage share of major causes of suicide among farmers



Source: National Crime Record Bureau

Figure 4: Percentage share of major causes of suicide among agricultural labourers



Source: National Crime Record Bureau

Thus, many factors are responsible for suicide of farmers in India. Out of these the major economic factors are as follows-

(i) Financial reasons:

As an agrarian economy more than fifty percent of the population in India directly related to agricultural sector. To perform agricultural activities the farmers require capital. But the nationalized banks generally do not willing to lend fund to the farmers as there is no security to lend it. Generally the institutional credit to agricultural sector is lower as compared to industrial sector in in India. On the other hand the non-agricultural sources or private money lenders exploit the farmers by charging higher interest on lending. Moreover, Along with the agricultural activities the farmers have their family responsibility also. Thus, most of the farmers in India faces financial crisis in their day to day life. These excess financial crises compel the farmers to commit suicide.

(ii) Indebtedness:

Indebtedness is a burning problem among most of the farmers in India. If the lended amounts are not used in productive purpose or not yields sufficient returns, then indebtedness results. In India both of the situations faces by the farmers. Many of the India farmers take loan for some unproductive purpose such as to perform marriage and other festivals. The loan amount used in these purpose do not yield any return. Similarly, many times Indian farmers do not get expected returns from their agricultural activities due to various reasons. These situations pushed up the farmers towards indebtedness and mounting indebtedness compel the farmers to commit suicide.

(iii) Natural Calamities:

Indian agriculture is said to be the gamble of monsoon. I India still most of the farmers have to depend on weather for operating agricultural activities. Various natural calamities or unfavorable weather conditions such as flood, draught, delay in raining etc. negatively affect the agricultural activities in India. These unfavorable weather conditions results crop failure or less expected return from agricultural activities, which in turn create loss for the farmers. The heavy amount of loss faced by the farmers compelled them to commit suicide.

(iv) Unfavorable market condition:

Unfavorable market condition is very common in India. In India agricultural production are generally influenced by demonstration effect. Most of the farmers do not study the prevailing market condition and operate production. If the weather condition is in favor of the farmers, then productions increase in large scale, which in turn reduces the prices of the product by increasing supply. It further creates loss for the farmers. Though government provides minimum support price for some agricultural products, these are not sufficient. Even sometime these cannot recover their cost of production. These make continuous loss to the farmers and compel to suicide.

(v) Increase in cost of production:

Increase in cost of production creates loss for the farmers. In India prices of agricultural inputs, which are the outputs of industry sector, are growing day by day. But, the prices of agricultural outputs are not satisfactory for the farmers. In India, agricultural products are seasonal and at the same time period the supply of these products become very high in the market. It reduces the prices of the agricultural products. Thus, increase in the prices of agricultural inputs and decrease in the prices of agricultural output result loss to the farmers. If the amount of loss is very high the farmer become economically unviable and compel to suicide.

(vi) Lack of government incentives:

Lack of government incentives is also responsible for farmers suicide in India. Government always gives less important to the agricultural sector as compared to the industry and service sector. Infrastructures and other services that should be provided to the farmers or agricultural sector are not sufficient. On other hand, though government of India has been undertaking some schemes, but these do not reach to the poor farmers.

(vii) Unfavorable international policies:

International agricultural policies are not favorable for the farmers of the developing countries like India, as they are formulated according to the need of develop countries. Different restrictions put on agricultural sector by the international organizations make very complex in surviving of the farmers.

(viii) Absence of alternative source of income:

Absence of alternative source of income of the farmers is an another factor that contribute towards this respect. In India, most of the people live in India don't have alternative source of income except agriculture. On the other hand, agricultural activities involved various risk, such as, unfavorable weather condition resulted in crop failure, lack of sufficient demand in market that resulted in fall in price etc. Therefore, if the only source of income, i.e, agriculture is failed, then there is no any option for income flow. In such situation, the farmers are compelled to commit suicide.

These are the major economic factors that contribute to suicide of farmers in India. If these incidents continue in future, then it will be very bad for the economy. These farmers' suicide incidents negatively affect the economy for long run, such as, reduction in agricultural production, food inflation, food crisis, family disturbance etc. Therefore, adoption of some remedial measures to prevent these incidents becomes the need of hour. Some remedial measures to overcome this problem are suggested as follows-

(i) Diversification of agriculture:

Agricultural diversification reduces the risk involved in agricultural activities. Since agricultural activities involve various risk, depending on single crop may not be profitable for the farmers. But, diversification of agricultural activities helps in this regard. This diversified agricultural activities act as alternative sources of income for the farmers.

(ii) Contract farming:

Contract farming is a contract between farmers and sponsored company established in advance of the growing season for a specified quantity, quality and date of delivery of an agricultural output at a price fixed in advance. Under contract farming farmers are provided assured sale of the product, technical assistant, credit services and input by the sponsored company. Thus, under contract farming, the farmers get all necessary facilities for cultivating a specific crop along with assure sale. Therefore, the farmers get expected return without facing any uncertainty.

(iii) Crop insurance:

Crop insurance should be popularized. Crop insurance protect the farmers against either the loss of their crops due to natural disasters, such as hail, drought, and floods, or the loss of revenue due to declines in the prices of agricultural commodities. Crop insurance is helpful for the farmers in different ways- it protects the farmers against losses caused by crop failure; under crop insurance farmers are able to repay their loans even during the time of crop failure; insurance companies provide awareness campaigning to help farmers to understand the effect of natural calamities etc.

(iv) Adoption of advanced technology:

Technological advancement is utmost necessary in agricultural sector. Adoption of new an advanced and advanced technology will reduce the dependency of agriculture on weather or nature. Thus, it will prevent the loss that occurred from crop failure due to unfavorable weather condition. Advanced technology will also be helpful for increasing agricultural productivity, which in turn increases profit of farmers. However, this technological advancement in agriculture should pass down to the poor and small farmers.

(v) Easy access to institutional credit:

In rural India, still many poor and small farmers depend on non-institutional sources of credit for agricultural activities. This is because of non-availability of easy institutional credit. The non-institutional sources exploit the farmers by charging high rent of interest on lending. The government should make easy availability of institutional credit to the poor and small farmers at low rate of interest. It will help the poor and small farmers to escape from the debt

trap of non-institutional sources. However, proper monitoring of disbursed fund to the farmers is necessary.

(vi) Efficient market system:

The defects of Indian agricultural market should be abolished. Indian agricultural market system have various effects, such as presence of middlemen; lack of cold storage facility, lack of transportation facility etc. These defects prevent the farmers from obtaining the expected return from their products. So to obtain the expected return from agricultural production, the market system should be made efficient by abolishing the defects associated with the market system.

(v). Conclusion:

The trend of the suicide incidents reflects the inefficiencies associated with Indian agricultural sector. Though, in recent times it shows a little bit declining trend, the picture is still said to be very bad. By active participation of government and by addressing the real issues behind the suicide incidents, this can trend can be reserved. Some long term and effective schemes must have to be adopted by government. In recent times, some state government has been adopting loan relief programm. But in actual sense, these programmes cannot be effective for long term. It's not a solution. To made permanent solution the whole agricultural infrastructure should be improved. The structure should be so that the farmers or the persons directly or indirectly related with agricultural sector would able to obtain the expected return from agricultural activities. It will remove the pessimism faced by the farmers or the persons depend upon agricultural sector.

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