



Rural distress

Successive droughts have imperilled the livelihoods of crores of farmers and agricultural workers in India.

By **RAMESH CHAKRAPANI**

AS India reels under the onslaught of the second drought in two years, which has forced thousands of farmers to commit suicide and placed in peril the livelihoods of crores of workers and cultivators, it is time to take stock of the central role of agriculture in the Indian economy, for the Indian population, and the number of small farmers and the extent of their debt.

The percentage of agricultural labourers among agricultural workers has been rising steadily over the past 20 years, from 40.3 per cent in 1991 to 54.9 per cent in 2011, according to data provided by the Ministry of Agriculture.

Parallely, the percentage of cultivators, which was at its peak in 1951 at 71.9 per cent, has dwindled over the decades to just 45.1 per cent in 2011.

This has to be seen in the backdrop of a declining rural share of the country's total population—from a high of 82.7 per cent to 68.9 per cent in 2011.

INDEBTEDNESS AMONG RURAL FARMING HOUSEHOLDS IN KEY STATES

State	Rural households (in lakh)	Agricultural households (in lakh)	Agricultural households as percentage of rural households	Agricultural households in debt (lakh)	Percentage of agricultural households in debt
All India	1,561.442	9,020.11	57.8	468.481	51.9
A.P.	86.76	35.97	41.5	33.42	92.9
Telangana	49.31	25.39	51.5	22.63	89.1
T.N.	93.61	32.44	34.7	26.78	82.5
Kerala	51.38	14.04	27.3	10.91	77.7
Karnataka	77.43	42.42	54.8	32.78	77.3
Rajasthan	82.72	64.84	78.4	40.06	61.8
Odisha	78.12	44.94	57.5	25.83	57.5
Maharashtra	125.18	70.97	56.7	40.67	57.3
Punjab	27.55	14.08	51.1	74.99	53.2
W.B.	141.36	63.62	45.0	32.79	51.5
M.P.	84.67	59.95	70.8	27.41	45.7
Uttar Pradesh	241.33	180.49	74.8	79.08	43.8
Gujarat	58.72	39.31	66.9	16.74	42.6
Bihar	140.61	70.94	50.5	30.16	42.5
Haryana	25.85	15.69	60.7	6.66	42.3
Assam	52.49	34.23	65.2	5.99	17.5

PROPORTION OF WORKERS ENGAGED IN FARMING

Year	Population (in crore)	Average growth (%)	Rural population (in crore)	Cultivators (in crore)	Labourers (in crore)	Farmers (in crore)
1951	36.11	1.25	29.86 (82.7)	6.99 (71.9)	2.73 (28.1)	9.72
1961	43.92	1.96	36.03 (82.0)	9.96 (76.0)	3.15 (24.0)	13.11
1971	54.82	2.20	43.90 (80.1)	7.82 (62.2)	4.75 (37.8)	12.57
1981	68.33	2.22	52.56 (76.9)	9.25 (62.5)	5.55 (37.5)	14.80
1991	84.64	2.16	63.06 (74.5)	11.07 (59.7)	7.46 (40.3)	18.53
2001	102.87	1.97	74.26 (72.2)	12.73 (54.4)	10.68 (45.6)	23.41
2011	121.08	1.50	83.37 (68.9)	11.87 (45.1)	14.43 (54.9)	26.30

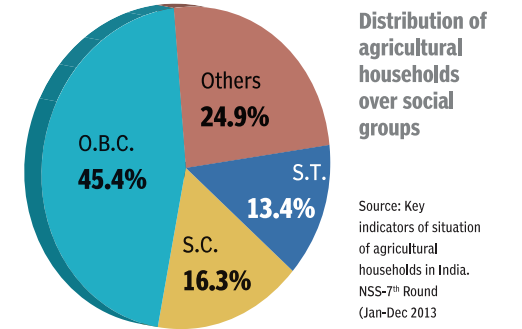
GOVERNMENT SPENDING ON AGRICULTURE (in Rs.crore)

Five Year Plan	Agriculture Plan Outlays	Actual Expenditure	Total Plan Outlays	Share of Agriculture in Plan Outlays (%)
Ninth Plan (1997-2002)	37,546	37,239	8,59,200	4.4
Tenth Plan (2002-07)	58,933	60,702	15,25,639	3.9
Eleventh Plan (2007-12)	1,36,381	1,63,105	36,44,718	3.7
Annual plans				
1997-98	6,974	5,929	1,55,905	4.5
1998-99	8,687	7,698	1,85,907	4.7
1999-00	8,796	7,365	1,92,263	4.6
2000-01	8,281	7,577	2,03,359	4.1
2001-02	9,097	8,248	2,28,893	4.0
2002-03	9,977	7,655	2,47,897	4.0
2003-04	9,940	8,776	2,56,042	3.9
2004-05	11,109	10,963	2,87,843	3.9
2005-06	13,840	12,554	3,61,239	3.8
2006-07	16,163	16,573	4,41,285	3.7
2007-08	17,971	20,014	5,58,765	3.2
2008-09	27,270	27,087	6,84,288	4.0
2009-10	28,772	29,498	7,94,616	3.6
2010-11	36,983	40,369	9,29,725	4.0



PERCENTAGE OF PEOPLE BELOW POVERTY LINE IN KEY STATES

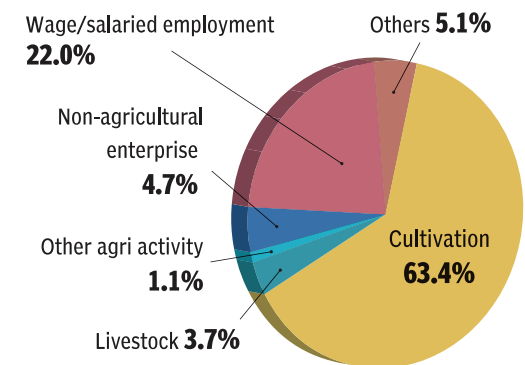
State	2004-05			2009-10		
	Rural	Urban	Total	Rural	Urban	Total
All India	42.0	25.5	37.2	33.8	20.9	29.8
Bihar	55.7	43.7	54.4	55.3	39.4	53.5
Jharkhand	51.6	23.8	45.3	41.6	31.1	39.1
Assam	36.4	21.8	34.4	39.9	26.1	37.9
Uttar Pradesh	42.7	34.1	40.9	39.4	31.7	37.7
Odisha	60.8	37.6	57.2	39.2	25.9	37.0
Madhya Pradesh	53.6	35.1	48.6	42.0	22.9	36.7
West Bengal	38.2	24.4	34.2	28.8	22.0	26.7
Rajasthan	35.8	29.7	34.4	26.4	19.9	24.8
Maharashtra	47.9	25.6	38.2	29.5	18.3	24.5
Karnataka	37.5	25.9	33.3	26.1	19.6	23.6
Gujarat	39.1	20.1	31.6	26.7	17.9	23.0
Andhra Pradesh	32.3	23.4	29.6	22.8	17.7	21.1
Haryana	24.8	22.4	24.1	18.6	23.0	20.1
Tamil Nadu	37.5	19.7	29.4	21.2	12.8	17.1
Punjab	22.1	18.7	20.9	14.6	18.1	15.9
Kerala	20.2	18.4	19.6	12.0	12.1	12.0



Distribution of agricultural households over social groups

Source: Key indicators of situation of agricultural households in India. NSS-7th Round (Jan-Dec 2013)

Percentage distribution of agricultural households by principal source of income



Among agricultural households, which numbered 9.02 crore in 2014, nearly 87 per cent possessed only two hectares or less and 69.44 per cent possessed only one hectare or less, according to data from the Ministry.

Of all the households engaged in farming on two hectares or less, the percentage of indebtedness within each class of land size varied, from 41.9 per cent of those having a land size of one-tenth of a hectare or less to 55.7 per cent among those possessing 1.01-2.00 hectares.

INDEBTEDNESS OF AGRICULTURAL HOUSEHOLDS BY LAND SIZE

Land Possessed (hectare)	Households (in lakh)		Indebted households (in lakh)		Average outstanding loan (Rs.)
	Number	% of total	Number	% of class	
< 0.01	23.89	2.65	10.02	41.9	31,100
0.01-0.40	287.66	31.89	135.97	47.3	23,900
0.41-1.00	314.81	34.90	152.16	48.3	35,400
1.01-2.00	154.58	17.14	86.11	55.7	54,800
2.01-4.00	84.35	9.35	56.10	66.5	94,900
4.01-10.00	33.02	3.66	25.21	76.3	1,82,700
10 & above	3.71	0.41	2.92	78.7	2,90,300
All India	902.01	100.00	468.48	51.9	47,000

Source: NSS KI (70/33), Key Indicators of Situation of Agricultural Households in India.