

Depeasantization in Punjab: status of farmers who left farming

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The state of Punjab, earlier regarded as an agriculturally developed region of India, has been passing through a severe economic crisis. The capital-intensive mode of production, propagated by the green revolution in the mid-1960s, is turning out to be non-viable for the small peasantry and hence, they are being involuntarily manoeuvred towards shifting away from farming. Based on a field study in Punjab during the year 2012–13, it was observed that 14.39% of the farmers had left farming since 1991. A considerable proportion of marginal and small farmers who have been pushed out of agriculture become wage labourers.

Keywords: Depeasantization, land holding, marginal and small farmers, wage labour.

THE green revolution strategy which brought a phenomenal growth in the agricultural sector and improved the economic conditions of the farming community during the 1970s and 1980s, seems to be growing dim with the passage of time. Punjab, the pioneer of green revolution in India, is no more a state of ever-booming agriculture as it is facing economic crisis. Over the past decade, the state has experienced deceleration of its economy and has slipped in the ranking of the prosperous states in the country. The crisis in agriculture has manifested itself in the form of stagnating productivity, rising cost of production, decelerating income, shrinking employment, mounting indebtedness and ecological imbalance¹. One of the main consequences of this agrarian distress has been that the marginal and small farmers, who find it increasingly hard to sustain on farming, are getting pushed out from agricultural sector. These farmers are not being fully absorbed outside this sector due to the unfavourable nature and structure of the industrial sector in the state. Thus, a large chunk of 'reserve army of labour' is prevalent in the economy. It is estimated that about 35 lakhs persons are unemployed in Punjab, out of which about 24 lakhs belong to rural areas². The fact remains that there is a decline in the proportion of cultivators in the total workforce of the state that has added to the unemployed or semi-employed force, and has put pressure on an already over-crowded agricultural labour market. The process of shifting of farmers from agricultural to non-agricultural sector for an alternate of livelihood is known as depeasantization. The most agonized are the smaller farmers who have been hit hard by the financial crisis arising out of rising cost of production, declining produc-

tivity and reducing returns. As farming turns out to be non-viable for these farmers, they are involuntarily manoeuvred towards borrowing loan and hence, fall prey to the debt trap. About 89% of the farmers are under heavy debt³. The strain of this debt trap is so rigid that of the total farmer suicides (1757 cases) committed in two districts of Punjab during 2000–2008, over 79% were small farmers⁴. This phenomenon puts a question mark on the viability issues of small farmers. In view of these vital issues, the present article is planned to study the process of depeasantization in Punjab with special emphasis on the status of small farm families who have left farming in the state.

Sampling design

Punjab is divided into three well-defined agro-climatic zones, namely sub-mountainous zone, central zone and southwestern zone. There are 22 districts in the state, out of which 3 fall in the sub-mountainous zone, 13 in the central zone and 6 districts in the southwest zone. On the basis of probability proportion to the size of districts in each zone, a total of six districts were selected, choosing one district (Rupnagar) from sub-mountainous zone, three districts (Patiala, Jalandhar and Ludhiana) from the central zone and two districts (Bathinda and Ferozpur) from the southwestern zone. Thereafter, 12 villages were selected, choosing two villages from each selected district. Further, all the farmers of the selected villages who left farming since 1991, were included in the study. In this way, in the sub-mountainous zone, two villages were selected from Rupnagar district from which 23 farmers who had left farming were chosen. Similarly, in the central zone, 48 farmers from Patiala district, 57 from Jalandhar district and 48 from Ludhiana district were

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Table 1. Distribution of operational holdings in India and Punjab (lakhs)

Year	Marginal (<1 ha)	Small (1–2 ha)	Semi-medium (2–4 ha)	Medium (4–10 ha)	Large (>10 ha)
India					
1980–81	505.96 (56.60)	160.91 (18.00)	124.55 (13.95)	80.68 (9.03)	21.66 (2.42)
1990–91	633.89 (59.40)	200.92 (18.80)	139.23 (13.10)	75.80 (7.10)	16.54 (1.60)
1995–96	711.97 (61.61)	216.43 (18.73)	142.61 (12.30)	70.92 (6.14)	14.04 (1.22)
2000–01	753.90 (62.90)	226.87 (18.90)	140.14 (11.70)	65.73 (5.50)	12.30 (1.00)
2005–06	836.94 (64.75)	239.30 (18.52)	141.27 (10.93)	63.75 (4.93)	10.96 (0.87)
Punjab					
1980–81	1.97 (19.21)	1.99 (19.40)	2.87 (27.98)	2.69 (26.20)	0.74 (7.21)
1990–91	2.96 (26.51)	2.04 (18.23)	2.89 (25.88)	2.61 (23.37)	0.67 (6.01)
1995–96	2.04 (18.68)	1.83 (16.76)	3.20 (29.30)	3.05 (27.93)	0.80 (7.33)
2000–01	1.23 (12.35)	1.73 (17.35)	3.28 (32.89)	3.01 (30.19)	0.72 (7.22)
2005–06	0.85 (8.90)	1.83 (19.16)	3.20 (33.51)	2.96 (30.99)	0.71 (7.45)

Source: Statistical Abstract of Punjab.

Figures in parentheses are percentages of the total number of land holdings.

chosen; and in the southwestern zone 54 farmers from Bathinda district and 58 from Ferozpur district were chosen. Thus 288 farmers were included in the study and the field survey was conducted during the year 2012–13.

Process of depeasantization

The shift of workforce from farming to non-farming sector can be divided into two categories, namely growth-led shift and distress-induced shift. The growth-led shift is related to developmental factors like mechanization of agriculture, increasing employment and income, high education level, urbanization, development of secondary and tertiary sectors, and state intervention for generating employment opportunities. These factors are known as 'pull factors', which attract the workforce from farming to more lucrative non-farm activities. On the other hand, distress-induced transformation is based on hardship or crisis-driven factors like falling productivity, increasing costs, decreasing returns, unemployment, underemployment, indebtedness and even suicides. These factors are known as 'push factors', which force the agriculture workforce from farming towards non-farm activities to eke out their livelihood. This process is known as depeasantization.

Changing structure of land holdings

In India, the number of marginal and small land holdings has been following an increasing trend as the total number of their operational holdings increased from 666.87 lakhs in 1980–81 to 834.81 lakhs in 1990–91. These figures further increased from 928.40 lakhs in 1995–96 to 980.77 lakhs in 2000–01 and to 1076.24 lakhs in 2005–06. The number of total operational holdings of semi-medium, medium and large land holdings, during the last four decades, followed a different trend during

the 1980s and 1990s. During this period the number of these land holdings increased from 226.89 lakhs in 1980–81 to 231.57 lakhs in 1990–91. However, since 1995 a declining trend is being witnessed as these figures declined to 227.57 lakhs in 1995–96, 218.17 lakhs in 2000–01 and further to 215.98 lakhs in 2005–06 (Table 1).

In contrast, the Punjab economy faces the problem of labour absorption on small farm land holdings; as a result, the number of small land holders has declined over time. Unlike India, Punjab witnessed a different trend as the number of operational land holdings of marginal and small farmers increased from 3.96 lakhs in 1980–81 to 5 lakhs in 1990–91, which may have happened due to high rate of farm profitability. But after 1990s, the phase of falling profitability started, and as a result, small land holders leased out their land to the larger farmers. In this phase of reverse tenancy, the number of marginal and small farmers declined from 3.87 lakhs in 1995–96 to 2.96 lakhs in 2000–01 and further to 2.68 lakhs in 2005–06. On the other hand, unlike the rest of India, the number of larger land holdings in Punjab by and large, followed an increasing trend. This decline in the number of small holdings is a pointer to the fact that the small holdings are non-viable under modern capital-intensive farm technologies. Farmers with even holdings up to 4 ha in Punjab find it increasingly difficult to maintain their living from the farming activity alone and given an opportunity, will also leave farming⁵. This shows that contrary to the Indian scene, the number of marginal and small farmers in Punjab is declining over time, which is eventually shifting to other sectors.

Magnitude of depeasantized families

Our census survey of 12 villages revealed that there was a total of 2002 farmers in the selected villages. Among these, 419 were marginal farmers, 684 were small farmers, 398 were semi-medium farmers, 359 were medium

Table 2. Number of families who left farming in Punjab since 1991

Category	Total number of farmers in sampled villages (no.)	Farmers who left farming (no.)	Percentage of farmers who left farming*
Marginal	419	111 (38.54)	26.49
Small	684	125 (43.40)	18.27
Semi-medium	398	29 (10.07)	7.29
Medium	359	17 (5.90)	4.74
Large	142	6 (2.08)	4.23
Total	2002	288 (100.00)	14.39

*Percentage of selected farmers from their respective categories. Figures in parentheses are percentages from total farmers who left farming.

Table 3. New occupations of farmers who left farming in Punjab (%)

New occupation	Marginal	Small	Semi-medium	Medium	Large	Total
Labour	39.64	23.20	0.00	0.00	0.00	25.35
Self-enterprise	16.22	17.60	34.48	23.53	23.53	19.44
Shopkeeping	4.50	2.40	6.90	0.00	0.00	3.47
Dairying/milk vending	4.50	5.60	6.90	0.00	0.00	4.86
Animal trading	1.80	3.20	6.90	0.00	0.00	2.78
Commission agent/dealer/brick kiln owner	0.00	1.60	10.34	11.76	11.76	3.13
Others*	5.41	4.80	3.45	11.76	11.76	5.21
Services	24.32	32.00	24.14	11.76	11.76	27.08
Government	11.71	12.00	13.79	11.76	11.76	12.50
Private	12.61	20.00	10.34	0.00	0.00	14.58
Emigration	5.41	8.80	24.14	23.53	23.53	10.42
Idle/nothing	14.41	18.40	17.24	41.18	41.18	17.71

*Includes street vending, atta-chakki, repairs and maintenance, etc.

farmers and 142 were large farmers (Table 2). A total number of 288 farmers had left farming since 1991. Of these farmers, 111 (38.54%) were marginal farmers, 125 (43.40%) were small farmers, 29 (10.07%) were semi-medium farmers, 17 (5.90%) were medium farmers, 6 (2.08%) were large farmers. It was found that on the whole 14.39% of the farmers had left farming in the state since 1991 (Table 2). This proportion is very high in case of marginal (26.49%) and small (18.27%) farmers. However, a relatively small proportion of semi-medium, medium and large farmers left farming in the state. Of the total sampled farmers who left farming, 38.54% were marginal, 43.4% were small and 10.07% were semi-medium, 5.9% were medium and 2.08% were large farmers.

New occupations after leaving farming

Leaving farming has a two way impact. It is a healthy trend if the person leaving farming joins a more lucrative profession but on the other hand becomes disastrous if unable to find a job, joins a low-paid profession or the labour market. Table 3 reveals that of the total 288 sampled farmers who left farming, 25.35% started working as labourers. This proportion was very high among marginal (39.64%) and small (23.20%) farmers. This shift of peasantry into wage labour is painful in the context of socio-cultural traditions and psychological conditions of the farmers. On the other hand, about 19.44% of the total

sampled farmers set up their own petty businesses. The proportion of small, semi-medium, medium and large farmers who started their own enterprise was 17.60%, 34.48% and 23.53% respectively. Of the total farmers who left farming, about 3.47% became shopkeepers, 4.86% became milkmen, 2.78% became animal traders, 3.13% became commission agents/dealers/brick kiln owners and 5.21% became hawkers, mechanics, atta-chakki owners, etc. About 27.08% of the total sampled farmers joined public or private sector. These figures for marginal, small, semi-medium, medium and large farmers were 24.32%, 32%, 24.14% and 11.76% respectively. About 13% of the farmers were engaged in Government services and about 15% in private services. About 10.42% of the total farmers who left farming had emigrated. These figures for marginal, small, semi-medium, medium and large farmers were 5.41%, 8.80%, 24.14% and 23.53% respectively. However, 17.71% of the total farmers who left farming were idle or were not engaged in any kind of profession after leaving farming. The highest proportion of the same was that of the semi-medium farmers followed by medium and large farmers.

Trends of depeasantization

For a better understanding of the depeasantization process, the study enquired about the time when the farm families left farming. The analysis shows that the

Table 4. Category-wise trend of depeasantization in Punjab (%)

Time period	Marginal	Small	Semi-medium	Medium	Large	Total
1991–95	5.41	4.80	6.90	11.76	16.67	5.90
1996–01	18.02	23.20	20.69	23.53	33.33	21.18
2002–07	32.43	26.40	27.59	29.41	33.33	29.17
2008–13	44.14	45.60	44.83	35.29	16.67	43.75

Table 5. Reasons for shifting away from farming in Punjab (%)

Reasons for leaving farming/farm category	Marginal	Small	Semi-medium	Medium	Large	Total
Non-profitable	53.15	18.40	13.79	11.76	–	30.56
Land leased out due to high rent	7.21	23.20	27.59	29.41	–	17.36
Joined other profession	17.12	23.20	6.90	11.76	33.33	18.75
Land sold out due to high debt burden	7.21	9.60	13.79	11.76	–	9.03
Emigration	5.41	8.00	17.24	35.29	33.33	10.07
Less family labour due to old age/death/disease/drug addiction	9.91	16.00	6.90	–	33.33	12.15
Purchased more land elsewhere	–	1.60	13.79	–	0.00	2.08

marginal and small farmers are leaving farming at an increasing rate since 1991 compared to their larger counterparts. Of the 288 depeasantized farm families, the highest proportion (43.75%) left farming since 2008 (Table 4). It was observed that about 5% of the marginal farm families left farming during 1991–1995. The proportion of these families that left farming during 1996–2001 was 18.02%, which increased to 32.43% during 2002–2007 and to 44.14% since 2008. Of the total 125 depeasantized small farm families, 4.80% left farming during 1991–1995. This percentage has been increasing ever since – it was estimated to be around 23.20% during 1996–2001 to 26.40% during 2002–2007, and 45.60% since 2008. Similarly, of the total 29 semi-medium farm families who left farming, the percentage of depeasantized farm families has been increasing over time – it was 6.90% during 1991–1995, increased to 20.69% during 1996–2001, 27.59% during 2002–2007, and 44.83% since 2008. Of the total 17 depeasantized medium farm families, 11.76% left farming during 1991–1995, 23.53% during 1996–2001, 29.41% during 2002–2007 and 35.29% during 2008–2013. However, among the six large depeasantized farm families, the trend of leaving farming was the same from 1996 to 2007 and declined during 2008–2013. Basically, these large farmers have been leaving farming due to entirely different reasons other than agrarian crisis. They have been joining more lucrative professions.

Reasons for leaving farming

Economic reasons are the main factors which influence the decision of farmers to shift away from agriculture, who in search of better employment or business opportunities take up other professions⁶. Although there are multiple reasons for this phenomenon, the present study considers the most dominant reason which induced the

farmers to leave farming (Table 5). One of the most common reasons for which farmers (30.56%) left farming was its non-profitable nature. About 53% of marginal farmers, 18.4% small farmers, 13.79% of semi-medium farmers and 11.76% medium farmers left farming as it was a non-remunerative venture. This clearly indicates that for marginal and small farmers, farming as a source of livelihood is becoming more non-profitable compared to the larger farmers. Joining other professions was the second most common reason for which about 19% of the total sampled farmers left farming. Of the total farmers, 17% of the marginal farmers, 23% of the small farmers, about 7% of the semi-medium farmers, 12% of the medium farmers and 33% of the large farmers left farming as they joined other professions. Farmers were leasing out land and this was identified as the third most common reason, as about 17% of the total sampled farmers left farming due to high land rent compared to returns from farming. Seven per cent of the marginal farmers, 23% of the small farmers, 27% of the semi-medium farmers and 29% of the medium farmers reported high land rent as a reason for leaving the farming profession. About 12% of farm households were facing the problem of less availability of family labour, which was due to various factors like old age, disease, drug addiction and death of main earners in the family. Emigration was identified as the next most common factor for which 10% of the total sampled farmers left farming. About 5% of the marginal farmers, 8% of the small farmers, 17% of the semi-medium farmers, 35% of the medium farmers and 33.33% of the large farmers were reported to have left farming as they had migrated abroad. High debt burden was a reason which forced about 9% of the total sampled farmers to sell their land; as a result, they left farming. Due to price differentiation, few farmers (2.08%) left farming from their respective villages to buy land elsewhere for increasing the size of their land holdings.

Table 6. Satisfaction level of depeasantized families with respect to present profession in Punjab

Farm category	Satisfaction level		Want to expand (%)	Want to shift (%)
	Mean score	Mean (%)		
Marginal	2.16	53.88	23.42	32.43
Small	2.26	56.54	30.40	29.60
Semi-medium	2.33	58.33	51.72	13.79
Medium	3.56	88.89	47.06	11.76
Large	3.67	91.67	33.33	16.67
Overall	2.33	58.33	30.90	27.78

Level of satisfaction from new occupation

Farming is attached with some social status in the agrarian society. Thus, it is difficult for the farmers to leave this occupation and join services which pay less and have lesser social status in the economy. Some people who have found jobs in public sector or joined other better-paid activities were satisfied with their new profession. However, some were less satisfied with these occupations, even though they were earning better now. In this regard, an attempt has been made to measure the level of satisfaction of present (new) profession of the depeasantized families (Table 6). The mean score of satisfaction level of the farmers of the state was worked out through a satisfaction index, in which the farmers who were dissatisfied, less satisfied, medium satisfied and fully satisfied were given the weight of 1, 2, 3 and 4 respectively. The average mean score of total farmers of the state was 2.33, and about 58% of the farmers had achieved satisfaction after shifting from agriculture to a new occupation. The mean score of satisfaction of marginal farmers was 2.16, and about 54% of the farmers had achieved satisfaction after joining a new occupation. There was a direct relationship between the level of satisfaction achieved after shifting from agriculture with the size of land holding of farmers. These figures were 56.54%, 58.33%, 88.89% and 91.67% for the small, semi-medium, medium and large farmers respectively. The satisfaction level was soaring for about 31% of the overall farmers as they wanted to expand their work in the present occupation. However, all were not envisaged shifting to a new profession. This is symptomatic of the lack of opportunities available to such distressed farmers. However, the satisfaction level of about 28% of the farmers was low as they wanted to further shift to another profession. More of the larger farmers wanted to expand their new businesses compared to their smaller counterparts. Thus, better the resource base, better the level of satisfaction from the new occupation.

Conclusion

Although the total number of smaller land holdings has been rising and the larger farm holdings have been following a declining trend, contrastingly in Punjab, the number of smaller land holdings is declining unlike the large land holdings whose number is increasing. The process of depeasantization in Punjab began since 1991 and has gathered momentum since the mid-1990s. A considerable proportion of marginal and small farmers are pushed out of agriculture because it is non-viable and majority of them have joined other sectors like wage labour. It is significant to note that about one-third of the marginal and small farmers were dissatisfied with their new occupations and wanted to shift to another profession. In such a situation, it is of utmost importance to address the problem of the small farmers who are leaving farming. There is a need to look into the viability of the farming sector, particularly small farmers.

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