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**ORIGINAL ARTICLE** 



#### Perception Of Agriculture Administrators Towards Corporatization Of Farming In India

#### Vikram Kaushik and Paramveer Singh

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#### Abstract:

Development in agriculture sectors is directly related to future food security. Countries that have invested in agriculture revolution early are now reaping the benefits of food security. Early adopters of new research area in the field of agriculture have now become knowledge disseminators and consultancy provider. Farmers who have adopted the new wave of farming practices have become examples to institutions of agriculture and to other farmers.

With the new wave of information revolution Indian farmers have also started reaping the benefit of IT wave. A farmer thinks of value addition to their existing farming practices. The role of corporate sectors has also increased in the agriculture sector. Agriculture based industry rely on the new farming practices that synchronizes with the production distribution and processing of commercial farming.

Role of media in commercial farming is basically to create an environment where innovation in farming practice is fused with its adoption. Media also creates favorable approach from all the quarters to new agriculture innovations and practices.

The present paper explores the attitude of employs, students and teachers in the field of agriculture towards agriculture corporate sectors.

#### **KEYWORDS:**,

Agriculture, Farming, Food, Revolution,

#### **INTRODUCTION:**

Development in agriculture sectors is directly related to future food security. Countries that have invested in agriculture revolution early are now reaping the benefits of food security. Early adopters of new research area in the field of agriculture have now become knowledge disseminators and consultancy provider. Farmers who have adopted the new wave of farming practices have become examples to institutions of agriculture and to other farmers.

With the new wave of information revolution Indian farmers have also started reaping the benefit of IT wave. A farmer thinks of value addition to their existing farming practices.

The role of corporate sectors has also increased in the agriculture sector. Agriculture based industry rely on the new farming practices that synchronizes with the production distribution and processing of commercial farming. Corporate sectors have advantage to harness early the benefit of product development and its mass application.

Role of media in commercial farming is basically to create an environment where innovation in farming practice is fused with its adoption. Media also creates favorable approach from all the quarters to

new agriculture innovations and practices.

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#### **INFORMATION REVOLUTION**

Information revolution has opened up new market opportunities for farmers. With the success of e-governance, government is extending the model to the farming level and inviting partnership with the corporate sector and farmers to override the existing lacuna in the agriculture market. They are provided knowledge, expertise, seeds, market and finances also. Many successful ventures have been achieved through this mode by big corporate like ITC, PEPSICO, and MAHENDRA. These corporate houses have focused on the wholesome partnership model where everyone in the agriculture sector is invited to contribute their share.

The lead by the corporate sector has spilled the advantage of market information from the corporate sectors to the grass root level. As a result progressive farmers have started experimenting with new agriculture patterns with assure returns.

However not every farmer is benefited from this windfall gain. There are majority of farmers who are dependent on the present government market system to sell their agriculture produce. Farmers rely heavily on the middlemen to meet the financial needs throughout the year and virtually remain indebted to the middlemen for years together. Such farmers loss the knack to venture into corporate farming or any other such opportunities. The most glaring example is the suicide phenomenon by the farmers. In the past years more than one lakhs farmers have committed suicide due to the pressure of agriculture loan, practices and policies of the government policies.

Presently India Indian agriculture sector is three tier system where agriculture produce is sold to the market through Government, cooperative societies and Corporate house. The first two is burdened by the babu culture, poor resources, corruption and poor management to handle arrivals and disposal of agriculture produce. However corporate sector is performing reasonably good for the wholesome development of the farmers. The big question remains that why government sector is not performing in proportion to the corporate sector? This paper explores the insight of the students of agriculture and officials of market committee about their perception towards the new market scenario and corporate sector to try to find the answer.

#### **REVIEW OF LITERATURE**

The restructuring of the world economy under the guidance of the Washington-based international financial institutions increasingly denies individual developing countries the possibility of building a national economy: the internationalization of macro- economic policy transforms countries into open territories and national economies into 'reserves' of cheap labour and natural resources. The restructuring of individual national economies weakens the state, production for the internal market is under- mined, national enterprises are pushed into bankruptcy

The author concluded that while the international donor community cannot be held directly responsible for the outbreak of civil war in Yugoslavia, Somalia and Rwanda, the evidence nonetheless confirms that the macro-economic reforms imposed by international creditors in all three countries, played a crucial role in fostering the collapse of state institutions and creating a situation of social and political divisiveness. (1)

One of the major issues in agricultural trade policy is our stance on food self- sufficiency. There is pressure from several quarters to wean us away from this policy which was till lately the overarching objective of agricultural policies, not only in India but also in several other medium and large countries. The widespread move towards globalisation on the one hand, and secular decline in the food grains prices at the international level on the other, have been advanced as the arguments to forsake food self-sufficiency as a national objective, and organise production on the basis of comparative costs.

The criteria by which we should judge the export-potential of an agricultural commodity could be: (a) the place of the commodity in the consumption pattern of the people, especially the poorer sections; (b) supply and price elasticities; (c) the ratio of export price and the domestic price; and (d) future demand/supply prospects in the international markets. These criteria should be kept in the forefront while deciding the strategy of international trade in agricultural commodities. (2)

In his brief paper author tries to understand Indian agriculture in a Japanese perspective. He opined that although Indian agriculture was viewed in terms of only two factors, direction of public investment and land market behavior, we could see some of the basic issues for further scrutiny. he concluded that First, It has to be recognised that Indian agriculture is important not only for the Indian economy, but also for the global market because of its size and potential impact on it. In this context, healthy growth of Indian agriculture is conceived as a hidden contribution to the global economy. This paper also examines the role of public investment in agriculture and land market

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development in the context of economic reforms and globalisation. Agriculture is vital to food security and employment generation and hence to socio-political stability. Author opined that it is necessary to shift public investment to underdeveloped regions also to see that small and marginal farmers are not driven out of the liberalised land market. (3)

This essay seeks to spell out a reform agenda for agriculture within the framework of a twopronged strategy: (a) to release the initiative and enterprise of farmers and the private sector in general by removing restrictions on agricultural trade, processing, etc; and (b) to facilitate adequate supply response to the incentives so created by strengthening infrastructure, agricultural research and extension and delivery of credit, while protecting the environment

The key to the success is the effective functioning of the Panchayati Raj Institutions as enjoined by the 73rd and 74th amendments to the Constitution. As it is, most state governments have been reluctant to transfer functions, finances and functionaries to the Panchayats, as indicated in the Eleventh Schedule to the Constitution. Major initiatives are needed from the centre to persuade the states to devolve these powers and, if necessary, bring about consensus for directly transferring from the centre to the panchayats resources allocated to schemes falling under the subjects listed in the Eleventh Schedule (4)

The contract farming arrangement is a win-win situation for farmers as well as for the company benefit due to improvements in yield and income because of his access to technology, quality inputs and assured price and market support. Similarly, the company gains from assured supply of quality raw material at a pre-agreed price. However, the success of contract farming would depend on the following factors: (a) There should be an institutional arrangement to record/register all contracts, may be with the local panchayat or some government machinery. This will promote confidence between the parties and also help solve any dispute, arising out of violation of contract. (b) The contract should be managed in a more transparent and participatory manner, so that there is greater social consensus in handling contract violation from either side without getting involved in costly litigation. (c) The contract farming should have a provision for both forward and backward linkages. Unless both input supply and market for produce are assured, small farmers will not be in a position to participate in contract farming. (5)

Analyses of survey results indicate that farmers of different sizes, ages and education levels employ different types of information sources. The relatively informal sources of radio broadcasts and general farm magazines are the two most frequently cited sources by usefulness. Highly formalized and marketing specific sources such as marketing consultants, commercial advisory newsletters and computerized information sources are cited relatively infrequently. The relatively high evaluation scores for broadcast media, other farmers and individuals suggest that these informal information sources have perceived value for farm decision-making. (6)

The evidence suggests that the shift of land from the small and marginal farmers to medium and large farmers is on account of leasing out of land. Quoting a study on tenancy relations by Iobal Singh, the author has revealed that in the three sampled villages of Ludhiana district and two villages in Faridkot districts in 1979-80 a sizeable percentage of tenants are big cultivators with a substantial land area of their own, fully endowed with modern production assets such as tractors, tubewells, etc, entrepreneurial skills, high commercial status. This the author further confirmed by another study by S S Grewal and P S Rangi, of a Ludhiana village. It reveals that most of the leasing-out is done by small owners and leasing-in by the big operators. (7)

Tenancy reforms in Karnataka have not made a substantive dent in the skewed land distribution pattern in the state, and the surplus area distributed to the landless has been rather small. Further reforms are needed, especially with regard to updating the record of rights to determine landholding patterns and identifying surplus lands. (8)

In a highly competitive market economy only corporate bodies whether national or transnational could be effective players. Thus corporate entities would enter into the agrarian sector. Everyone who is anyone is now singing praises of the penetration of corporations in the agrarian sector and commercialisation of agriculture, including the controversial 'contract farming' - which had a dubious history in eastern India including West Bengal. (9)

Creating a new multifunctional landscape inhabited by subsidy independent leisure providing farmers and involved, proactive, rural communities entails diverting farmers from their traditional emphasis on agricultural commodity production to a more flexible approach to capital accumulation on farm units. This was the government's dream in 1995 as laid out in the Rural White Paper, recently reiterated in the Policy Commission Report on Farming and Food (HMSO, 2002). Results from this study, which looked at the development of diversification on farms over the past thirty years, suggest that this vision is coming only partially to fruition, as farm- ers are less willing to engage in schemes that dis- pense with traditional farming roles than may have once been envisaged. It appears that after the rapid uptake of diversification schemes in the late 1980s interest in this approach has dropped off consider- ably, with

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increased profitability of agriculture lead- ing farmers to concentrate again on agricultural production. What this - and the potential increase in un- conventional agricultural enterprises in response to the latest downturn in farming - suggests is that changing farmers' attitudes towards diversification is likely to follow a roller-coaster path matching the fortunes of agriculture. (10)

The classical study of innovation assessment is Everett Rogers' (2003) analysis of the diffusion and adoption of hybrid maize in the United States. This study reported an S-shaped innovation diffusion curve representing the number of farmers adopting hybrid seed over time. The diffusion of innovation first increases at increasing rate and then increases at a decreasing rate and finally decreases at increasing rate. Adoption is a bell shaped probability function, small number of early adopters and laggards falling at two tails. In this study, adoption is an individual process and diffusion is social process involving interaction between early adopters and late adopters. (11)

The report concludes that radio is the most important medium for communicating with the rural populations of developing countries. Farming systems thinking thus is presented with a continuing challenge to move beyond the "technology triangle" of research-extension-farmer linkages, whereby information is selectively released and controlled, towards a learning-centred approach for knowledge sharing. For linkage activities, emphasis must be placed on the "C" (communication) of information and communication technologies (ICTs). Evidence suggests that broadcast radio is still a highly relevant ICT for agricultural innovation for rural development in Africa. (12)

#### **OBJECTIVES OF STUDY**

The study was conducted with the following objectives-

1. To know the adoptiveness of the farmers towards new information order.

2. To know the perception about farmers towards corporate sector in agriculture business

3. To know the supportiveness of the media in agricultural related information dissemination

#### METHODOLOGY

Survey method was adopted for this study. Questionnaire schedule was circulated to the officials of market committee, experts of agriculture practices farmers and student of agriculture. Total 100 questionnaires were filled from the various age and educational background respondents.

#### DATAANALYSIS

### Table-1 Farmers in India are adoptive to new agriculture practices

Age	SA	А	NO	DA	Total
20-30	7	28	2	13	50
31-40	1	9	0	2	12
41-50	3	11	1	0	15
51-60	1	16	4	2	23
Total	12	64	7	17	100

Majority of the respondents agreed that farmers in India are adoptive to new agriculture practices. Only 17% of the respondents disagreed to the statement while 12% strongly agreed and 64% agreed. There were variations in the age groups as well and 50% of the respondents belonged to the youngest age group of 20-30, while 23% of them belonged to the 51-60 group. A nominal of 7% of the respondents were not clear and had no opinion on the matter.

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new information revolutions can change the mind-set of Indian farmers								
Education	SA	А	NO	DA	SDA	Total		
UG	11	10	0	1	0	22		
Msc (Agriculture	5	11	2	0	0	18		
MA	13	30	1	1	1	46		
PhD	2	7	2	2	1	14		
Total	31	58	5	4	2	100		

As far as education standard was concerned majority of the respondents (78%) were post graduate and only 22% of them were undergraduates. To the statement that – new information revolutions can change the mind-set of the Indian farmers – majority of them (58%) agreed while 31% strongly agreed and only a few (2%) disagreed. Out of 14% highly qualified individuals (PhD) 50% agreed with the statement while 7% disagreed.

Table-3	
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farmers have been financially benefitted by the entry of corporate sector in the farming sectors									
Age	SA	А	NO	DA	SDA	Total			
20-30	6	28	9	5	2	50			
31-40	2	7	3	0	0	12			
41-50	4	6	1	4	0	15			
51-60	2	15	3	2	1	23			
Total	14	56	16	11	3	100			

Majority of the respondents thought that farmers have been financially benefitted by the entry of corporate sector in farming sectors. 70% of the respondents agreed to the point while 14% of them strongly agreed. A total of 14% disagreed with the statement out of which 3% strongly disagreed.

corporate sector will destroy the Indian agricultural markets								
Age	SA	А	NO	DA	SDA	Total		
20-30	0	3	23	15	9	50		
31-40	2	3	0	4	3	12		
41-50	1	4	4	4	2	15		
51-60	1	2	6	10	4	23		
<b>T</b> ( )		10			10	100		





When asked whether the corporate sector will destroy the Indian agricultural markets majority of them disagreed and 18% of them strongly disagreed. However comparatively large number 33% of them remained undecided and only 16% of them disagreed.

Tabl	e-5
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edia from time to time keep farmers informed about the latest innovations in agricultural practices								
Education	SA	А	NO	DA	SDA	Total		
UG	5	8	5	2	2	2		
Msc (Agriculture)	5	9	0	3	1	1		
MA	14	23	2	6	1	4		
P hD	2	9	0	2	1	1		
Total	26	49	7	13	5	10		

On the role of media as an information source regarding latest innovations in agricultural practices, most of the respondents accepted that media keep farmers informed regarding such matters. Although a significant number (18%) disagreed to the notion.

#### Table-6

media supports policies of corporate sector in agriculture more than the problems of farmers										
Age	SA	А	NO	DA	SDA	Total				
20-30	10	18	14	7	1	50				
31-40	0	7	2	3	0	12				
41-50	3	7	3	2	0	1				
51-60	5	13	2	2	1	2				
Total	18	45	21	14	2	10				

Majority of the respondents accepted that the media supports policies of corporate sector in agriculture more than the problems of farmers. A total of 63% of them agreed out of which 18% strongly agreed which is a large number if compared to the disagreed lot which was 16% of the total number.

#### **CONCLUSION-**

Indian agriculture patterns are traditional so the productivity of land is very low. If new patterns and technologies are adopt than the scenario of agriculture can change. This study indicates that the Indian farmers are adoptive to new technology. Mostly respondents were agreed that the farmers are adoptive to new agriculture practices for the benefit of agro-production. Information and communication technology can play a vital role in agriculture sector. In Indian context the information related to agriculture is very important for farmers. Mostly respondents are agreed that the information technology can change the mind set of Indian farmers. Mainly educated respondents are agreed that information technology helps the farmers to change the mind-set regarding agriculture patterns and practices. The information of innovations in agriculture should reach to the farmers at right time from right medium. The role of media as information source regarding latest innovation in agriculture is very important. The respondents of the study accept that the media keep farmers informed regarding such matters. Majority of the respondents accepted that the media supports policies of corporate sector in agriculture more than the problems of farmers.

Indian agriculture sector is very potential. But the farmers of India are not benefited because of inadequate infrastructure and outdated practices. If we analysis the past decade the government of India are

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promote the corporate sector to invest in agriculture sector. Study indicates that the entry of corporate sector is beneficial for agriculture sector. Respondents are agreed that the entry of corporate sector in agriculture have been financially benefitted. The mostly respondents are told that the corporate sector will not destroy the Indian agriculture market.

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