COVID-19 Lockdowns and Its Impact on Small and Marginal Farmers in Karnataka.

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Abstract: COVID-19 pandemic is severely impacting the world economy, no exception in India. Indian economy is in more worst ever deceleration phases even before the covid-19 pandemic GDP growth fell continuously for eight quarters. Lack of planning and preparation by the Central government for tackling the COVID-19 pandemic has dealt a massive blow to India's economy and has caused enormous hardships to the working people of the country. All sectors of the Indian economy are affected in their way. This paper examines about agricultural section, at the macro level this sector was affected less compared with different sectors, but at the micro-level, it is unimaginable losses and problems are faced by the farmers especially the small and marginal farmers. The aim of this paper to reveal the financial conditions and challenges faced by small and marginal farmers’ special reference to agricultural production, marketing, and public procurement related to Karnataka state and resilience strategies to stand with this disruption situation.

Keywords: Covid-19, Procurement problems, extended lockdowns, vulnerable sections, Cash Crops, Resilience strategy.

INTRODUCTION

Agriculture was a much-dominated sector in South Asian countries, Indian economy is the agrarian economy and 90% of farmers are small and marginal farmers. As per Registrar General of India & Census report 2011 the total farmers or cultivator's population of India is 118.7 million (2011) & 144.3 million agricultural workers/laborers. Agriculture with its allied sectors is the largest source of livelihood in India. 70 percent of its rural households still depend primarily on agriculture for their livelihood, with 82 percent of farmers being small and marginal. India's agricultural sector is vastly diverse due to the country's wide and competitive geographical location. The country is one of the most prosperous farms in the world, producing everything from cereals and pulses to spices, fruits, and vegetables. When you add dairy and meat from livestock to the mix, it accounts for about 14% of GDP and 10% of Indian export earnings. Much before the full impact of the contagion struck India.

The recession was already stronger than the one the Indian economy saw in 2011-12. Right before the Covid-19 pandemic, India's economy was in one of the worst slumps ever. Except for a 0.08 percentage point blip during December 2018 and March 2019, GDP growth has been declining for the past eight quarters. In March 2018, it was 8.2%, and by March 2020, it had dropped to just 3.1 percent (www.hindustantimes.com). The coronavirus pandemic and subsequent lockdowns have impacted negatively on India's economy and Karnataka also. According to the International Monetary Fund, global growth will fall by 4.9 percent in 2020, with India's GDP down by more than 4.5 percent. The farming segment, on the other hand, will be the silver lining in 2020-21, according to the department of economic affairs' monthly economic forecast for July. Agriculture is less affected at the macro level compared to different segments of the economy, but at a micro level, the agriculture sector was affected. Agriculture and supply chains are being disrupted by COVID-19. Some harvesting operations are being halted due to a lack of migrant labor, especially in northwest India, where wheat and pulses are harvested. There are also supply chain delays due to logistics issues and other issues. Wheat, vegetables, and other crops have seen lower prices, but customers are also spending higher. Consumers have begun to avoid chicken goods for fear of contracting the coronavirus, resulting in a culling of India's $14 billion (or Rs1 trillion) poultry industry. Weak demand from the poultry industry has also resulted in a steep drop in feed prices, with soybean and maize prices plummeting. Feed prices have also fallen sharply as a result of weak demand from the poultry industry, with soybean and maize prices down nearly 25% in the last two months. In India, the poultry industry absorbs roughly half of the soybean and maize production. The business deficit is estimated to be worth Rs 1,000 crore, according to industry figures. The mango season is just getting started, and nearly 40% of the crop is being sent to other countries. Farmers will incur significant losses as a result of the export ban.

LOCKDOWNS IN INDIA AND KARNATAKA

Due to amid rising COVID-19 pandemic in the country, the Government of India imposed its first lockdown for its whole country on 25th march 2020 for 21 days till 14 April. It is the 1st phase of lockdown in India, like this total, there are four phases of lockdown till 31st May 2020. Karnataka was also followed the same rules and regulations imposed by the Central government, now the present second wave of this pandemic is affected several regions in-country. Karnataka is one of the hotspots of COVID-19, for this state government imposed series of night curfew with the introduction of section 144. Again 14 days of lockdown were imposed from 27th April 2021 to May 12 and it kept extended again and again to curb the chain of this pandemic.
LOCKDOWNS IMPACT ON SMALL AND MARGINAL FARMERS IN INDIA

The Indian agriculture sector is made up of small and marginal farmers; these farmers are particularly vulnerable to economic shocks include those sparked by COVID-19 pandemic lockdowns. This series of lockdowns in India has affected the small and marginal farming activities because the small and marginal farmers are heterogeneous and less resilience power, big landholding farmers can bear the risk at any level but these smallholders are not able to face the risk and this type if farmers are growing very short term and perishable products to recover their investment instantly and to invest for further. As per Azim Premji University’s survey, 37% of farmers are not doing the harvesting of the crops, 37% of farmers have harvested the crops and sold at a lower price, 12% of farmers are sold their crops at a regular and high price and 15% of farmers are not sold theirs produces.

LOCKDOWNS IMPACT ON SMALL AND MARGINAL FARMERS IN KARNATAKA

There are around 80 Lakh small and Marginal farmers in Karnataka. Karnataka is one of the highest sown areas and highest agricultural production area among 12 states in India. As per the Public health foundation of India’s Baseline Survey Results of 12 states in India they generalized their findings to each state that 38% of cultivated land was harvested out of which only 28% of harvested agri-produces are sold, 59% of agri-produces are stored in warehouse and farmers are trying to sell 14% of agriculture products of 2019-2020 season. 60% of yield loss compared to last season, 13.6% of loss due to labor not available, 13.4% of loss due to storage not available, and 12% of loss due to non-availability of transport, 56% of farmers are anticipated that lockdown is impacting on the ability to sow next 2021-2022 season, the second wave of this pandemic is presently hitting each sector of the economy. Again the 1st phase of 2021-22 lockdown was imposed by the state government. Even though the agriculture sector is exempted from this hurdle but it slowdowns the activities of farming.

Major Problems and challenges are faced by the small and Marginal Farmers:

The central government's lack of coordination and readiness for lockdowns in response to the COVID-19 pandemic has delivered a huge blow to India's economy and triggered immense difficulties for the country's working people in the agriculture region.

Harvesting the crops (Rabi Crops):

Rabi crops are the crops that are sown in the winter season. The lockdowns levied from 25th march 2020 to 31st may 2020, accidental and unanticipated levying of lockdowns in a series of phases emanate in a substantial and unrivaled interruption to agriculture activities such as harvesting, processing, transporting of agri-produces, marketing, and purchase of inputs to farming proceedings. The lockdown prompt major interruption to harvesting major cash crops like wheat, gram, lentil, paddy, fruits, and vegetables. In Karnataka sugarcane, grapes, oilseeds, cotton, and peanuts. The cost of the harvest was increased due to the non-availability of laborers. 21% of the harvest was done by the family laborers.

Crop Loss:

60% of yield was the loss in 2019-2020 seasons out of 40% of crop loss reported by the lockdown-related issues. There are five major reasons for crop losses, 80% of loss due to Weather conditions because in the month March to April heavy rainfall, due to excess moisture resulted in considerable losses, 14.6% loss due to pests, 13.6% of loss due to unavailability of labor, 13.4% of loss due to non-availability of warehousing facility. 12% of loss due to non-availability of transportation. In Karnataka, this mostly applies to short shelf-life products such as vegetables and fruits, as the uncertainty and lack of planning during the initial days of lockdowns resulted in large-scale waste of Agri produces. The failure and waste are caused by two reasons. Harvested fruits and vegetables that arrived at the APMC shops for sale did not have wholesale buyers in the first stage because there were no trucks to carry them to various areas of the State and the part of India.

Procurement Problems:

Procurement was postponed by several weeks, and by the 15th of May 2020, just 83 percent of the overall amount of wheat procured in the previous year and with only a negligible amount of mustard and chana procured. Just a few states procured 96 percent of the wheat; the majority of the other states' farmers sold their crops to private traders. Most of the products are sold below the MSP, in the North Karnataka division vijaypur, Bagalkot, Belagavi, Gadag, and koppal district more than 30 thousand grape growing farmers are affected by the lockdown in the second wave of COVID-19. Karnataka daily paper 'Prajavani' Reported on 16th May 2021, that 1.20 lakh tonne of dry grape was produced in 24 thousand hectares of land. But half of the remaining produce was not yet procured, in these districts only more than 3000 crore transactions took place every year but in this pandemic era, all the farmers are hit by this medical emergency. The horticulture was also affected in north Karnataka 1194 hectors of land used for flower growing, from March till now no grand celebration any festival, marriage and other cultural activities so there is no demand for the produces.

Inputs Problems:

Another factor of uncertainty is the affordability and accessibility of seeds, fertilizers, and pesticides for the upcoming crop cycle. Peasants brace for the next (Kharif) season in May after the Rabi harvest in April. However, the COVID-19-induced disturbances have limited farm input-output capability and contributed to price increases, rendering these commodities unavailable to the country's smallholder and marginal farmers.

Objectives:

1. To analyze the small and marginal farmers financial situations
2. To study the COVID-19 extended Lockdowns impact on small and marginal farmers In North Karnataka
3. To suggest suitable measures for the sustenance of small and marginal farmers in North Karnataka.

METHODOLOGY

This study is confined to Karnataka particularly North Karnataka, India in general. Research is mostly descriptive. Secondary sources of data have been used for this study.
Secondary data has been collected from different published sources like review papers, articles, Newspapers articles, statistics of the agriculture department of Karnataka and India.

LIMITATIONS

1. This study focused on only cash crops in Karnataka particularly, India in General.
2. This study is conceptual based on secondary observation from different secondary sources.

Scope:
In the beginning, we come across the problems and challenges are faced by the small and marginal farmers throughout India, particularly Karnataka. In North Indian states like Panjab, Haryana, Uttar Pradesh, Bihar, Madhyapradesh, Rajasthan are very high productive agri-lands growing most of the cash crops like wheat, paddy, and other crops. Which supply throughout India and outside the country most of the farmers are benefited from the government schemes, subsidies, and who are adopting the new agricultural machines and technologies in farming, marketing produces through e-platforms, but in south India even though refurbish happened with this sector farmers are not shifted to that level of improvement. It is the reason the farmers in Karnataka are affected every time by different issues. This study is confined to Karnataka particularly to North Karnataka, in this area most of the crops are sowing cash crops and horticulture farming crops also majorly cash crops, in series of lockdowns the small and marginal farmers of North Karnataka became vulnerable because 90% of the population’s primary source for livelihood is agriculture. COVID-19 pandemic adversely affected the small and marginal farmers and the resilience power of these farmers is very impecunious.

Government response to Agriculture sector in the COVID-19 pandemic Lockdowns
- The PM Kisan Yojana Budget includes INR 54,000 crore. The direct transfers INR 6,000 a year to farmers' accounts in three installments of INR 2,000 each.
- Agri infrastructure fund for farmers' farm-gate infrastructure INR 1 lakh crore was allotted in the budget. The fund would invest in FPOs, primary agriculture cooperatives (PACS), and agriculture entrepreneurs, among others, to improve infrastructure at the farm gate and aggregation points.
- Micro Food Enterprises Are Being Formalized (MFE) INR 10,000 crore has been allotted in the budget. The formalization initiative aims to assist 200,000 MFEs in upgrading their technological skills, complying with Food Safety and Standards Authority of India (FSSAI) standards, building their products, and engaging in marketing activities.
- The budget allocated INR 15,000 crore for the establishment of the Animal Husbandry Infrastructure Development Fund. The fund will promote private investment in dairy production, value addition, and cattle feed infrastructure. The fund will encourage private investment in dairy production, value-added processing, and cattle feed infrastructure.

DISCUSSIONS
The coronavirus pandemic is a bugbear to the small and marginal farmers; even the government of India has announced that doubling the farmer’s income by the year 2022-2023. In the pandemic situation and extended lockdowns, there is no hope for even a single income earned by this segment of the farmers. In north Karnataka during the COVID-19 situation and extended lockdowns, farmers are growing good cash crops (grapes, lemon, groundnut, sugarcane, mango, red chili, and other grams) this is a harvesting and sowing season, but in the fields, crops are standing and withering. Procurement is a huge problem even state and union government has not announced any package to this farmers. The notable point is the government of India under PM Kisan yojana under this some farmers are receiving 2000 rupees through a direct transfer system, this 2000 Rs is very meager. Small and marginal farmers as already taken loan from money lenders and in the banks all this money invested in their crops there is no procurement even the markets are shut down in this position the farmer's financial condition is very precarious a lot more interventions particularly state and union government is a need of the hour otherwise farmers may take extreme adverse decisions (farmers suicides) this family members are coming to the road because the saving pattern and even there is no cash keeping their house. This farmer’s segment exists and hand to mouth and another dangerous situation is covid-19 second wave reached to villages and remotes areas. Even there is no vaccination program still raised in the rural areas. The main responsibility duty of the state and central govt to safeguard the rural people in general and small and, marginal farmers, in particular, this segments badly required standing crop procurement process and provide minimal support price and every month sum up Rs (at least 2000 Rs cash compensation per month at least one should be announced by state and Union Government) in the COVID extended period highest victims are unorganised sectors workers and small farmers they are in the ring fenced situation and bugbear movement. The government announced many packages for these sections only worries from these packages must be free from malpractice and malfeasances. The present situation is highly topsy-turvy and it does not work dystopian vision it requires very credible and justiceble vision.

CONCLUSION
It is possible to assume that the COVID-19 pandemic will leave its black shade on the agriculture sector. now presently India is facing a second wave of pandemic different states of the country imposed the lockdowns themselves in Karnataka also lockdown imposed till the end of the May-2021, despite the possibility that agriculture activities are exempted from lockdown, but this situation never supports the sound working of Agri activities and inputs price fluctuating, marketing hurdles will lead to interrupt the life of the small and marginal farmers in India as well as Karnataka also but the farmers must get resilient power to come back with hurdles government must take remedial measures to protect the farmers from huge loss prevent them with proper support.
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