CHAPTER VII

PROBLEMS AND PROSPECTS OF COFFEE IN COORG
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Before the introduction of coffee into Coorg, people were generally poor and literacy also was low. Even though, the land was fertile and had the advantages of physical and environmental factors, people were still poor since they could not take advantage of these. After the introduction of coffee which brought in additional income, people in the region could satisfy their demands more and more. Since the income was received from the crop which has a ready market in different parts of the country, the progress of the people was accelerated. They improved their standards of living and gave better education to their children which opened up new avenues for advancement in all directions.

COFFEE AS MAJOR SOURCE OF INCOME: Coffee is a remunerative crop. It continues to yield for several years once it starts bearing. Income in Coorg is mostly derived from two important sources namely agriculture and plantation crops—specially coffee which is an important cash crop.

Of the total agricultural income of about Rs.76.67 crores in the district, coffee alone accounts for nearly 43.30 crores which offers nearly 56.48% of the agricultural income of the district, thus, indicating its great importance in the economy of the district. Coorg alone contributes about 52.80% of the total coffee production in Karnataka.
TABLE 30

CONTRIBUTION OF COFFEE TO THE TOTAL AGRICULTURAL INCOME OF COORG AND KARNATAKA

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Income</th>
<th>Income in Rs. crores for 1975-76 at current prices.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Total agricultural income of the state.</td>
<td>1,604.18</td>
</tr>
<tr>
<td>2.</td>
<td>Income from coffee alone.</td>
<td>82.00</td>
</tr>
<tr>
<td>3.</td>
<td>Total agricultural income of the district.</td>
<td>76.67</td>
</tr>
<tr>
<td>4.</td>
<td>Income from coffee alone.</td>
<td>43.30</td>
</tr>
</tbody>
</table>

SOURCE: Karnataka State Budget - 1975-76.

Income from agricultural crops such as paddy, ragi, jowar etc. other than plantation crops in Coorg account for only about 16% thus a minor factor when compared with that of coffee. The per capita income in Coorg is much higher than that in the State as a whole because it is the land of plantations. The per capita income in Coorg was Rs. 2,535.01 (1971) from all sources. It has doubled during the ten year period. It was only Rs. 1,218 in 1960-61. This increase in per capita income is mainly due to increase in income from coffee which alone accounts for nearly
half of it. The price of coffee has been rising in markets since ten years. The percapita income in the district will increase in future years and the standard of living of the people will be much better than the previous years.
The prospects for Indian coffee exports seem to be bright in the light of currently rising prices in the world markets. This rise in price is due to the following two causes—shortage of quality coffee and rising trend of world consumption of coffee at an annual rate of 3 to 4%. Though there has recently been great emphasis on increasing the area under coffee in non-traditional areas, the Natural Commission on agriculture has repeatedly stressed the importance of increasing the area in traditional regions. It feels that it is only in these areas where the congeniality of the crop to the area has been proved that there is a security of assured returns. Since Coorg is one of the major traditional areas and produces an excellent quality coffee in large scale, expansion of coffee cultivation to uncultivated lands in the districts is badly needed.

An estimated area of over 45,000 hectares is available and found suitable for coffee cultivation in the existing traditional and non-traditional coffee growing states in the country. This requires to be brought under coffee as fast as possible to improve the general economy of the area and also to achieve further increase in production. It could safely be estimated that those neglected or backward pockets could yield at least another 20,000 tonnes accounting for a total additional turn over...
of about Rs. 35 crores and a foreign exchange earning of about Rs. 30 crores.

Of the total additional land available for coffee cultivation in Karnataka nearly 60.46% is in Coorg only, 22.79% in Chikmagalur, 9.60% in Hassan and 7.15% in other districts (Vide table...). Thus, Karnataka alone possesses nearly 55.20% of the total additional area available for coffee cultivation in India.

<table>
<thead>
<tr>
<th>S1. No.</th>
<th>State</th>
<th>District</th>
<th>Additional land available in hectares</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Karnataka</td>
<td>Coorg</td>
<td>14,838.73</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Chikmagalur</td>
<td>5,935.17</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hassan</td>
<td>2,356.32</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Others</td>
<td>1,752.01</td>
</tr>
<tr>
<td>2.</td>
<td>Tamilnadu</td>
<td></td>
<td>12,050.85</td>
</tr>
<tr>
<td>3.</td>
<td>Kerala</td>
<td></td>
<td>7,858.59</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total 44,449.67</td>
</tr>
</tbody>
</table>

Out of the total land available for expansion an extent of about 709 hectares are considered ideal, 22,481 hectares satisfactory and 1,350 hectares marginal.

Except for absence of timely blossom and backing showers, practically all the other conditions required for coffee are prevalent in several other parts of Coorg. For instance, West, North-East, South-West, South-East and extreme eastern parts of the district have all the factors required for coffee. The soil is rich in plant food and well drained. Rainfall ranges from 1370 to 3800 mm. Temperature ranges from 30.6°C to 53.2°C. Altitude is in the range of 855 to 916.73 metres above mean sea level. Therefore, there is a great scope for introduction of coffee in these new localities as has done in the case of the other well known coffee growing localities such as Kutta, Thithimathi, Pollibetta, Siddapur, Suntikoppa, Sowcarpet etc.

There are other favourable cultural factors in these new localities. Plantation workers are available at reasonable rate in these areas and the people are highly enterprising in taking up new ventures which have prospects of success. Hence, beginning can be made to introduce coffee cultivation in these regions by providing necessary finance to start with. Success in these ventures can lead to similar enterprises in other districts also having similar environmental conditions, thereby leading to
greater economic development of the regions.

Plenty of land which is best suited for coffee is left waste in Coorg. These lands are to be distributed on a lease basis as in Brazil to persons who are really interested in it because they take extra care and interest to exploit maximum benefit within a short period. Thereby, new plantations will come into existence and production will increase. In Brazil, the estate owners who are not sound financially use to give their estates on contract basis to the interested party. This system can be introduced into Coorg since it has large number of underdeveloped coffee estates. Although owners may of such estates do not get benefit, the estates on the otherhand develop.

Coorg has 'jammas' land which is not permissible for sale. Sometimes, such lands eventhough they are suitable for coffee, are left uncultivated. The persons who have such type of land neither will be in a position to make use of that land nor they sell it off. Hence such lands are left waste. Coffee cultivation can be extended to these lands provided sale restriction is lifted by the Government.

Since almost all the plantations are situated in the midat of forests and along the hill slopes in Coorg, there are chances for encroachment of 'pyasari' land which belongs to Government.
Some planters in the district have more than two hundred acres of land under coffee. They intend to add a few more acres if such ‘pysanri’ is available free of cost. Thereby, land becomes unmanageable and expected yield will not come. If a person has limited land or landless it is possible for him to concentrate on it well. Hence, the ‘pysanri’ land should be distributed only to small and landless holders. The big estates owners should be severely punished if they encroach on ‘pysanri’ lands.

**PHYSICAL AND CULTURAL LIMITATIONS** :- In recent years, the yield per hectare attained in coffee plantations is quite satisfactory in Coorg due to impressive progress made in the improvement of varieties and the methods of cultivation. There is scope for further increase in production also provided solutions are found out well in time to check those problems which limit the production of coffee. These problems fall under the following heads :-

**A. Physical** :-  
1. Un timely blossom showers.
2. Lack of irrigation facilities.

**B. Economic and Cultural** :-  
5. Coffee diseases and pests.
(6) Non-availability of adequate finance.

(7) Inadequacy of internal roads.

(8) Improper planting distance.

(9) Un-scientific pruning.

C. Social:

(10) Social problems of plantation workers.

1. **INITIALLY BLOOMED SHOWERS**: The success of crop depends mainly on the timely occurrence of bloom showers. The failure of these showers leads to low yield (Vide...). Any shift however, in the time of occurrence of flowers can be offset by means of sprinkler irrigation to stimulate rainfall. This system is being adopted by a few larger plantations in the district with remarkable beneficial effect on yield. However, small growers who have less income from coffee can not invest money for misting sprinklers and therefore depend on "bloom" and "backing showers". The success and failure of crop in their estates solely depend on these showers. If small estates are brought under sprinkler irrigation, production in these estates could be assured year after year although there may be occasional failures of timely rains during bloom period. This again means, additional investment on equipment of sprinkler irrigation.

Majority of the estates in Coorg are small in size. Therefore,
they are affected by untimely blossom showers every now and then. In the greater interest of the economic development of the region small estate owners are to be encouraged by coffee board through financial assistance such as supply of equipment on hire purchase terms etc.

2. **LACK OF IRRIGATION FACILITIES** :- Growth of coffee plants is adversely affected if there is a dry season or if the rainfall in the previous season has not been sufficient. Sometimes, serious drought prevents the flowers of coffee from setting into cherries and of those expected during the next few years. Drought in West Africa is likely to have adverse effects on production in Ivory Coast and other countries. Therefore, irrigation is necessary to overcome these problems. It is indispensable to provide insurance against drought and inadequate blossom and backing showers. This is very true for coffee in Coorg. At present, only about 15% of coffee estates in the district are undertaking irrigation which helps their production to large extent compared to non-irrigated estates. The rest are still lacking this facility. Therefore, coffee board should come to planters rescue to overcome this problem.

3. **SOIL EROSION** :- Many estates in Coorg which were once very prosperous have had to be abandoned as a consequence of soil erosion. In the district, the majority of coffee plantations are
situated in the midst of dense forests. In these areas, many species of plants of tropical jungles create conditions suitable for the formation of humus-rich soils. A characteristic feature is the rapid loss of fertility after the jungle has been cut and brought under cultivation. Most of these areas are subjected to heavy rainfall, so that their basic elements are leached out.

Shade trees, mulching and contour planting on terraces control soil erosion to a great extent and therefore, they are necessary to protect the fertility of the top soil. Good and adequate shade trees are to be planted at appropriate places in the estates and contour planting method should be practised on terraces wherever land has gentle slope. These devices can minimize soil erosion.

4. NON-AVAILABILITY OF GOOD SHADE: It is understood by the observations made at Subramanya estate in Coorg that the yield of coffee is the highest in plants grown under 50% shade. (Vide P.12) It is also learnt that the growth of plants under half sunlight is quick and good. (Vide P.13). The yield under dense and thick shade is less than the yield under filtered shade. Although Coorg is a dense forest region there is scarcity of good shade trees in many estates. On the other hand, proper precautions are not taken by the people before they clear jungle for plantations. Maximum yield can be extracted provided
proper care is taken during clearing of forest. It is observed in the Butanakahada 'J' Block of Hallur estate that yield varies according to kind of shade trees. Yield of coffee varied from one strip to another although the same amount of attention has been paid towards all the strips. It is further observed that the yield under Athi and Mallagaragatha shade trees is much higher than the yield under other trees. So other shade trees are to be replaced by these two kinds.

5. COFFEE DISEASES AND PESTS:— Coffee is subjected to certain diseases such as a black-rot and Emilea Vastatrix, pests like Hairy caterpillar and Grub and also to the deleterious effect of occasional drought and excessive rains. They defoliate coffee plants and affect crop production. Sometimes the effect of one such coffee disease has changed the history and social life of nations. One day, the leaf rust struck Ceylon and in a few years production had declined. Losses in Ceylon were about £ 2,000,000 per year. 'Zebra' or 'Striped bean' in Africa and 'Maya' in Latin America are often quite serious in small areas. True bugs in South-East-Asia caused death of thousands of buds and wilting of leaves. One of the worst is the white stem borcr, Acanthos, leuconotus base which is common and injurious to Arabian coffee in East-Africa.
Coorg, the land of coffee plantations is not exceptional to this effect. Adverse climatic conditions in the district sometimes cause loss by diseases and pests. With the discovery of the insecticidal value of D.D.T. in 1939, new vistas were opened in the district for large-scale control of insect pests. To avoid such contingencies completely, scientific methods of control such as the application of Bordeaux mixture and spraying are to be utilized in an increasing measure. Or else 'columbia', which is a new variety of high quality coffee resistant to the disease should be introduced. It also yields within three years. In addition, it has mild flavour and good taste.

6. **NON-AVAILABILITY OF ADEQUATE FINANCE** — Finance or rather the lack of it has been the single largest factor to have hindered progress in plantations’ concessions, tax holidays, grants, interest free loans etc. which are available for industrial development have been denied to the plantation industry for some strange reasons. Banks, financial institutions and credit corporations have never been involved actively in the development of plantations.

In Coorg, there are several limitations which stand in the way of increased production. They are mostly in relation to inadequate finance, lack of good accessible roads to plantations etc. However, availability of adequate finance is absolutely necessary for successful cultivation of coffee. At present
this kind of assistance is rather limited in the district. For lack of adequate finance, small growers find it difficult to adopt scientific method of cultivation. It is, therefore, necessary to provide them with adequate funds as in 'Kenyan small holder project' which is financed by the world bank and the common wealth development corporation. This project envisages financing of various inputs through provision of long term soft loans which supplement the normal credit facilities available to the small holders. Such type of projects are to be introduced in Coorg to enable small holding planters to purchase fertilizers, plant protection equipments, materials etc.

7. INADEQUACY OF INTERNAL ROADS: The majority of the coffee estates in Coorg are not easily accessible from the main arterial roads. This makes it rather difficult to transport the produce to markets. At present, the so-called roads to interior plantations are merely tracks. They are mostly dirt tracks. In the district only 1,119 Kms out of the total road length of 2,146 Kms are surfaced and convenient for transportation purpose. Hence, it is necessary to metal all the unsurfaced roads and dirt tracks atleast, so that they can be used conveniently during all seasons for movements of materials 'to' and 'from' from the plantations to coffee curing and marketing centres.
6. **IMPROPER PLANTING DISTANCE** :- Yield of coffee differs from one spacing to another. Many a time different spacings are used to grow different varieties of coffee. Therefore, yield varies from one variety to another. (Vide P. 118). It has been noted that too close planting of coffee gives low yield whereas greater spacing of provides better yield (Vide P. 166).

Eventhough close spacing of coffee gives high yield in the earlier years, greater spacing is better for high yield in later years. Hence, ideal planting distance for each locality has to be found by keen observation and experiment and applied. However some estate owners in Coorg even now prefer good old pattern of planting distance. Such planters are to be convinced by the authorities of coffee board about the benefit of ideal planting distance.

9. **UN-SCIENTIFIC PRUNING** :- Pruning at right time enhances the productivity of coffee plants. It also evows out crops and thus avoids crop strain and debility. Pruning is absolutely necessary to overcome coffee diseases and pests. (Vide P. 130). Therefore, in order to enrich the productivity of plants, pruning has to be practised at proper time in single and multiple stem systems.

In some of the estates of Coorg district pruning is not done scientifically at right time. Production in the district could be increased further if scientific pruning is done well intime in all
10. **SOCIAL PROBLEMS OF PLANTATION WORKERS** :- Generally almost all workers in coffee plantations in Coorg are illiterate and uncivilized. They are not well paid. They do not have proper housing and adequate medical facilities. (Vide Pt. 266). Social and welfare activities are also meagre. All these factors have an adverse effect on the efficiency of the workers. It is, therefore, necessary to improve these conditions before one can think of increasing production. This aspect has to be carefully looked into by concerned agencies, owners, managers in coffee estates.

In addition to the above mentioned problems, a few more such problems like inefficient management, lack of associations of planters and good agencies are prevailing in Coorg.

The income from any business will depend on the quality of its management. For a coffee plantation, the major problems of management relate to use of inputs, employment of labour and marketing of the produce. It is difficult for planters particularly the smaller ones to decide on these without professional help. Existing efficient managements like BBTC (Bombay-Burma Trading Company), Consolidated Coffee Co. etc.
should come up in large number. Poor private managements are to be replaced by Chattiyaars who are efficient in coffee plantations' management.

If the plantation sector is to grow rapidly it is imperative that it should be modernised. Instead of depending on a single crop, plantations should be diversified. The associations of planters and the Government should create agencies.

(1) to help the planter choose a mix of crops which will optimise his returns;
(2) to advise him with the latest cultivation practices;
(3) to advise him on the latest techniques to improve productivity of the land and labour;
(4) to import training in modern farm practices and farm management;
(5) to develop a comprehensive data base which can provide an effective marketing and management information system for industry etc.

It is essential for the industry to take a keener interest in its problems. To enable it to devote greater attention to its developmental problems, the Government should treat it on par with industry in so far as tax incentives on expenditure for research and development are concerned.

In well established coffee estates the trend is towards
specialisation and there is very little interest in diversification, except in some areas where inter-cropping is done. Small holdings, generally adopt mixed farming in an attempt to ensure a balanced economy because productivity is poor in the case of small holdings. They are not economical. In the production pattern coffee holdings of 4 hectares and under produce 15% of the total production. Holdings of 4 to 20 hectares produce 23%. Holdings of 20 to 80 hectares produce 26% and holdings of 80 hectares and over 31% of the total production. Hence thorough research in studying the various effects of inter-cropping with coffee to ensure the optimum utilization of land in a well-balanced economy is a necessity. In this context, the seasonal pattern of work in coffee and optimum utilization of labour spread throughout the year have to be given special emphasis.
The need and prospects for substantial development of coffee industry is already realised by the central and state governments. The central government under coffee development programme during the Fourth plan period brought some fresh land into coffee cultivation in non-traditional states like Andhra-Pradesd, West-Bengal, etc. also. It chalked out some plans to enhance production and export of coffee. The various Socio-Economic measures have been taken up by the present state government to ameliorate the living conditions of the tribal population who work in the coffee plantations. Recently Government of Karnataka has taken a bold step and proposed a minimum wage of Rs. 300/- per month for every worker. The coffee board is solidly behind the growth and development of the Indian coffee industry. Introduction of a suitable quick yielding varieties, adoption of intensive cultivation, soil conservation etc. are some of the important measures undertaken by the coffee board in Coorg. As a result, prospects of coffee in the district geared. The coffee board has been implementing a development programme on a modest scale to exploit higher yield in the low yielding areas under the small growers' development project. It has also introduced extension service schemes of the coffee
development plan such as:

1. loan-aid for intensive cultivation.
2. replanting loans.
3. supply of equipment on hire purchase terms.
4. distribution of seeds of improved varieties and
5. inspection of land for suitability for coffee
cultivation referred to them by the state government. The

strengthened objectives of these schemes are to provide
liberal financial assistance and free technical know-how to
coffee growers particularly the small growers to enable and
encourage them to adopt scientific methods of cultivation and
improve their holdings. The various schemes introduced in 1956
in Coorg have undergone a good deal of modification over the
years. The board has appointed a sub-committee to make a
detailed study of the problems and difficulties facing small
growers and to suggest ways and means of solving them to the
extent possible.

IMPACT OF AREA RESTRICTION: Fair price for coffee in an
international market has tempted people in Coorg to exploit
the maximum benefit out of it. Un-cultivated lands which were
under forest are being brought under cultivation of coffee. No
restriction is kept on extent of area under coffee either
by state or central government so far. Therefore, there is a
constant fear expressed by growers that further increase in production either in traditional or non-traditional regions or countries create marketing problems. There is evidence to substantiate their fear. Export price of coffee upon which the fortunes of the growers depend have steadily decreased, though they have stabilized at lower levels. The export price now is around Rs.17,000 per tonne. The internal price is around Rs.9,500 per tonne. Coffee price in the country are kept being artificially depressed and kept at ridiculously low levels. On the other hand, there is inflation in the price of inputs like fertilizers, machineries etc. So a strong case should be made out for a rise in the internal price. Some kind of price parity with the internal price should be established. Thereby, planters get inputs at reasonable rate and increase in production will not cause much more problems.

According to coffee agreement, India's annual quota is only 9,60,000 bags (60 Kgs. in each bag). Even if production increases in the country, it can not export more than the fixed quota. This restriction has recently discouraged planters in the district. The days of labour intensive mono-cropping of perennial crops on large acreages are fast disappearing.