Chapter Two

NEXUS BETWEEN AGRICULTURE AND DEVELOPMENT: THE CURRENT PERSPECTIVE AND CHALLENGES.

This chapter, as a prelude to the empirical studies on farm distress in Kerala, examines the metamorphosis in the relation between agriculture and development during the last decades and looks into the current perspectives on agriculture and elaborates on the current problems and challenges it faces as a contributing sector to national development.

Perhaps, the pioneer writers who have identified the role of Agriculture in the Development of the Economy are the 14th Century French Writers called Physiocrates. Later, the Chinese writers of Sixth Century argued for sound agricultural policy for better governance. It is argued that man's ability to nurture mud has been the source of the economy and society. Smith has emphasized on the productivity of agriculture for overall economic growth. This can be seen illustrated from the experience of developed economies where productivity of agriculture has been higher in the periods before the take-off to industrialization. In other words, rapid increase in the productivity in agriculture, both in terms of per labor and per all other factors of production, has not only constituted as the major source of well being of the economies as a whole, but also has provided the poor with a full
basket of food items within the meager income he obtains. This has also generated more employment and income for the whole economy.

However, the role of agriculture in economic growth and development got distorted when it began to argue that agriculture will provide the required surplus labor for the development of industry. This has resulted in jeopardizing the growth of agriculture at the cost of industrial development, where subsidy regime in industry rise and began to dominate the policy spectrum. This has limited the role of agriculture to a fueling agent for the industrialization, than pursuing the growth of the agriculture for the development of the whole economy.

AGRICULTURE IN THE GLOBALISED ERA: SOME PERSPECTIVES

The industry that supplies all the others with the necessities of life and without which others could not exist is the most important: if this is true, then, agriculture is the most important of all industries. If the farmer produced no crops, everybody would starve, except the few who could live on wild plants and dress in animal skins. If the farmer grew no crops railroads would have very little to haul, the factories would have practically nothing to sell and nobody would have money with which to buy, the lawyers would have few clients who could pay them and the doctors, preachers and teachers would all have to starve with the rest or live like the savage. The farmer is the foundation of our
civilization, for, when he fails to support them, all the other occupations fall to the ground [Kyle and Ellis, 1876 (1999)].

The term farmer includes landless agricultural laborers, sharecroppers, tenants, small, marginal and sub marginal cultivators, farmers with larger holdings, fishermen and women, dairy, sheep, poultry husbandry, pastoralists, rural and tribal families engaged in a wide variety of farming-related occupations such as sericulture, vermin-culture, production of bio-fertilizers, bio-pesticides and agro-processing. The term also includes tribal families sometimes engaged in shifting cultivation and in the collection of and use of non-timber forest products. Long ago, Liberty Hyde Bailey, the Dean of one of the World's greatest agricultural colleges at Cornell University wrote "the farmer was the first man and he will be the last man" (Bromfield 1947: 237). The good farmer has always been and always will be a man with great intellectual curiosity (Ibid, 464). There is no element of our population - more intelligent or more eager for information and scientific knowledge than our average farmer (Ibid, 465).

Agriculture, to the good farmer, is a calling of intricate variety and fascination which he would not exchange for any other, regardless of rewards in money. There are periods of hard work and worry, alternating with periods of relaxation, delight and satisfaction but again they are interwoven and overlapping and contributes to the fascination which a good farmer finds in his profession (Ibid, 466).
Agriculture is so intricate, complex and interwoven a science. Weather for the farmer is rarely the right weather. If you need the rain for the corn, the pastures and the new seedlings, it may be a disaster for hay cut and drying in the field or for the grain that is just dry enough for combining. If you had good hay-making and harvesting weather-bright and hot and dry - it may be bad for the corn and the pasture. Weather is the principal reason (price as well) why the farmer has gained reputation of being a “grumbler” (Ibid, 467)

Agriculture development, as stated earlier, in economic theory, has been regarded as a pre-requisite for rapid economic transformation of the capitalist economy (Gill and Singh, 2006). Surplus, both of capital and labor resources, has historically been contributed by the agricultural sector to the modern and dynamic sectors of the economy such as the industrial sector. During the process of economic transformation, the agricultural sector diminishes in importance and the industrial sector plays a dominant role. Transformation of resources from agricultural sector to the rest of the economy has been seen as a positive and universal phenomenon by the modern thinkers of growth theory (Lewis 1954, Syrquin, 1988).

It is well acknowledged in economic literature that a structural transformation is painful for agriculture, in all societies, hence nearly all rich countries protect their farmers at the expense of domestic consumers and tax payers and of foreign producers (Timmer, 1988). A
turn- around in the kind of thinking occurred in the 1970's to strengthen the rural economy, through linking rural production with industry. Suggested strategy and policy changes have a capacity not only to reduce the pain of structural transformation, but also to substantially increase rural income and can also contain the population from moving to cities with an already over flowing population (Mellor, 1976). The structural transformation process has been regarded, at least in theory, as a healthy sign of economic development (Timmer 1988, op. cit). The decreasing importance of agriculture (including livestock) and the industrial sector and the increasing importance of the tertiary sector is not a healthy sign of structural transformation.

In virtually all sectors that evolved a state apparatus, land was the basis of control of actual producers by the upper classes. The struggle against serfdom in Europe, the peasant struggle in India and the Taiping Revolt in Quing China centered on control of land and getting rid of many non-market aspects of coersion (Bagchi, 2002). Cultivators of land have been styled as peasants under a wide variety of circumstances. There is a dominant tradition in anthropology and history within which cultivators have been called peasants only when they are governed by an organized state apparatus; some have further specialized the word peasants to mean only those cultivators (and their families) who have paid taxes or tribute in the form of labor services or goods in kind or cash to superior right - holders in land and/or

The lessons drawn from the economic history of many advanced countries tell us that agricultural prosperity contributed considerably in fostering economic development. Agricultural sector occupies a key position in the Indian economy. It provides employment to about 60 percent of the working population in India. About one fifth of India’s national income originates from this sector. Agricultural products like cereals (mainly rice), tea, coffee, cashew, spices, tobacco and leather are important items of India’s exports and hence foreign exchange earnings (Prasad, 2006). The role of agriculture can further be illuminated as it provides the basic ingredients to the national economy by supplying the necessary food stuffs, raw materials, shift of manpower, creation of infrastructure, relief from shortage of capital, reduction of inequalities, minimization of political and social tensions and creation of effective demand. The significance of agriculture in economic development was correctly recognized by the classical economists such as Adam Smith, Ricardo and Malthus.

Indian agricultural workforce inhabits 6 lakh villages and cultivates 184 million hectares broadly demarcated into 20 agro-
climatic zones that cater to incredibly diverse habitats. Our national endowments are: the largest population of livestock in the world and a tropical coastline of 8129 K.M long and an exclusive economic zone of 2.02 million square km vast that permits year round fish harvest. We are also home for more than 20 agro-horticultural crops. In 1965, we were supplementing our bread basket with imports; however, during the 1990’s we were ready for meaningful export of our agricultural produce generally.

The belief that India is overwhelmingly an agricultural society is fast disappearing. It is at the crossroads economically, ecologically, technologically, socially and nutritionally. The annual GDP growth of agriculture in value added terms has declined from 3.5 percent in the 1980’s, to 2.8 percent in the 1990’s, 1.3 percent in 1999-2000 and to a negative growth rate of 2 percent in 2000-2001 (Majumdar, 2002). The sectoral distribution of rural net domestic product of agriculture is down 54.41 percent from 74.37 percent in 1970-71 (Chadha, 2003). Further trends show that urban households earn more than their counterparts in villages and that the disparity is growing (Pradhan et.al. 2000). A “business as usual approach” in farm sector now will lead to an unprecedented human calamity, the beginning of which we are now witnessing in the form of suicides by farmers in several parts of the country (Swaminathan, 2005).
The National Agricultural Policy (NAP), 2000, formally recognized that agriculture has become “a relatively unrewarding profession and those efforts to revive it had to be multi-pronged in character” (Gupta, 2005). The NAP 2000 had acknowledged that the unrewarding character of agriculture was due generally to ‘unfavorable price regime’ and ‘low value addition’ causing abandoning of farming and increasing migration from rural areas. It is estimated that about 24 percent of villagers are engaged in non-agricultural occupation. The situation is likely to be exacerbated further in the wake of integration of agricultural trade in the global system (Ibid, 752). The NAP 2002, sought to promote technically sound, economically viable, environmentally non-degrading and socially acceptable use of the country’s natural resources – land, water and genetic endowments - to promote sustainable development of agriculture; besides resorting to the application of frontier sciences like bio-technology, remote sensing technologies, agricultural pre and post-harvest technologies, technology for environmental protection through national research systems as well as proprietary research.

Rural economy has lost its centrality and the village economy has lost its sustaining power. If rural economy has lost its centrality in the minds of most villagers in contemporary India, it is not only because an urban world has opened up their horizons but also that rarely a villager would want to be a farmer if given an opportunity.
elsewhere. 27 percent of the farmers did not like farming because it was not profitable. 40 percent felt that, given a choice they would take up some other career (NSSO, 2005), where landholdings are so fragmented, there is little scope for regeneration.

In developed countries, farm activity is a business and farmer behaves like a businessman. The entire farm activity is organized commercially with adoption of new and high technology. All farmers are on a position to take services and guidance from various institutions. They can get, if needed, enough and timely finance. Many research institutions are at their disposal. But in less developed countries, pattern and structure of agriculture are not uniform. Some economic and social diversity can be seen. However, at the same time, some common characteristics are also found. Traditional agriculture is one of the common characteristics of all developing countries. The term traditional agriculture describes one type of farming where agriculture sector is the dominant employer.

There are 3 stages in the evolution of agricultural production.

(1) Traditional agriculture (farming), the main characteristic of such agriculture is small size of farm. The farm is small in terms of size and volume of inputs also. High degree of self sufficiency is observed under this system. In this agrarian situation, farming is not just economic activity, but is a way of life. Land and labor are major factors
of production and only a few purchased inputs and tools are used. Labor force consists mainly of family members. According to the need of individual farmer, hired laborers are engaged and his family members also work on others' farm. In such a stage, the objective of farming is to provide food security only, farming is not a business, and it is a means of livelihood. The pure subsistence farmer wishes to provide food for his family. When agriculture is a way of life as well as a means of livelihood, sentimental, sociological and psychological considerations influence the organization of agriculture. Moreover, it is followed by less efficient and more conservative people who impart it an inflexible character.

2). The second stage of evolution of agricultural production is known as “Mixed agriculture or semi subsistence agriculture”. In such a situation part of the total production is for market and part of it is for self consumption. The volume of marketable surplus is unplanned; it is likely to consist of food grains which are surplus of family needs of farmers. In the case of planned marketable surplus, the farmer may grow more than one crop, one for his family needs and other for market. In a region or in a locality, subsistence farming system and semi-subsistence farming system may co-exist. It is observed that in many developing countries, market facilities are not available to all the farmers and all the farmers do not wish to sell their product (in spite of market facilities), in such cases, families will increase their
consumption to consume their entire production. In such condition, Engel's Law is not applicable. It shows that farmers do not care for their profit. Thus agriculture in developing countries, like India, is a unique combination of business and a way of life.

3. In the third stage of evolution, "Modern Agriculture" or "Advanced Agriculture" is in vogue. In this stage, productivity is very high and production is made for market only. Farming becomes a commercial activity. Moreover, specialization is found in this stage. The cause and nature of specialization is quite different in developed and developing countries. In developed countries, specialization is based on high technology while in developing countries; it is based on natural resources only. In many developing countries, like India, modernization of agriculture is described in terms of transition from subsistence agriculture to specialized agriculture.

While the dependence on agriculture of population in developed countries has significantly reduced between 1960 and 1980, in developing countries it has increased. In relative terms, total production in developed countries has swelled up but the shift in achievements in developing countries is only of a less than proportionate one. Same is the case with per capita income as well.

An impressive record of economic growth on the one hand with a negligible growth in agriculture and allied activities on the other, a growing middle class of around 100 million with annual incomes
ranging from Rs. 2 lakhs to Rs. 10 lakhs, alongside 260 million population without incomes to access a consumption packet, a surging services sector fuelling the country’s economic boom with the traditional manufacturing sector trailing behind, falling import tariffs pitted against a complex export regime - India’s economic canvas was reviewed by the Trade Policy Review Body (TPRB) of the WTO in an appraisal held on 23 and 25, May 2007 (4th Report). According to the 4th Report, the share of agriculture and allied activities in India’s GDP decreased from 23 percent in 2000-2001 to 18 percent in 2005-2006 and the consequent distress among small and marginal farmers in spite of government intervention through high tariffs, price support and direct input subsidies is a cause of concern. Low agricultural labor productivity, fragmented land holdings, poor mechanization, inadequate public investment in infrastructure and research, dependence on rainfall are some of the reasons stated by the WTO for the continued slow and erratic growth of the country’s primary sector (Bhagabati, Moana, 2007).

Economic Reforms initiated in 1991 have largely bypassed the agricultural sector. A few initial steps have been taken but they are by no means adequate (Prasad, 2006). Agricultural growth decelerated during the 1990’s. Per capita food grains availability remained below the historic peak attained in 1991. Agricultural performance witnessed a dip in the 1990’s, partly on account of subdued public investment in
agriculture and inadequate diversification. The decline in public investments was partially compensated by the rise in private investment. Although agricultural sector witnessed slow down in the 1990's, the same period recorded unprecedented accumulation of food stock due to persistent price distortions through MSP. The impulses of reforms have been relatively less in scope and depth in the agricultural sector. "After the economic reforms in 1991-92, that removed the restrictive and protective licensing regime for industry, the policy focus turned to agriculture. There is still the general impression that agriculture in India operates amidst a number of restraints and controls and that farmers do not receive the benefits of free trade as compared to other sectors of the economy". (Economic survey, 2000-2001). Nevertheless, a series of policy initiatives have been undertaken in this sector as well. They include:-

1. The National Agricultural Policy, 2000
2. Protection of plant varieties and farmer's rights legislation
3. Development of food processing Industry
4. Announcement of Agricultural Export Zones through EXIM Policy, 2001-2002
5. Protecting domestic agriculture (In the Budget 2002-03, import duties were raised for pulses from 5 to 10 percent, tea and coffee from 70 to 100 percent, natural rubber, pepper, cardamom and clove from 35 to 70 percent.
6. Vishesh Krishi Upaj Yojana (Promotion of exports of fruits, vegetables, flowers, minor forest produce and their value added products).

7. Crop Diversification measures

8. Initiatives to boost plantation sector like tea, coffee and rubber


10. Tenth Five year plan on Agriculture and Rural development

11. National Commission on Farmers (NCF), with Dr. M. S. Swaminathan as chairman.

Rural development in India has had a fairly long history going back several decades before independence. Programmes for rural development, after independence, were state-driven and a new conscious endeavor was made in the direction to bring about an overall change in rural social life (Desai, 1979). These programmes were meant to keep hopes and aspirations of the rural people as well as their faith in democratic institutions and the state, alive (Gaikwad, 1986). A major agricultural development occurred when the programme of support prices and state purchase of grains at determined prices started getting momentum (Brahmananda and Panchamukhi, 1987).

There are three central dimensions of rural development. These are (1) agricultural productivity (2) rural income and (3) rural welfare in terms of health, nutrition, education and other features of satisfactory life such as security and equity (Uphoff and Milton, 1974).
Agricultural developments of any country is directly dependent not only on the 'economizing behavior' of the farmers, it is also determined by the 'economizing setting' within which they operate (Wharton jr. 1967). Agriculture is an economic residue that generously accommodates non-achievers resigned to a life of sad satisfaction (Ibid.). The growth in agriculture and allied activities are not encouraging when compared to industrial sector. Hence it is not only a mandate to bring up a dynamic and stable agriculture but also to establish sustainability in agriculture.

To achieve the above goal a major thrust is to modernize agriculture through farm diversification. Farm diversification comprises of various profitable ventures namely, farming livestock, poultry, fish culture, biogas and biomass manure, tree cropping etc. The researches undertaken have recommended a judicious mix of one or more of these enterprises with a view of effective recycling of residues and wastes. A "Whole Farm Approach" will maximize farm income and farm profitability (Jayaraj 1991, Ganeshan et al.,2002). The "Satellite Farm Approach" developed by the Tamil Nadu Agricultural University based on the findings of the ICAR - sponsored action research project entitled “An Alternative Model for Training and Visit System” is worth experimenting with (Perumal et. al., 1993). The satellite farm is defined as any farm with a combination of compatible, feasible, profitable and eco-friendly enterprises by the farmers used as
a means for broad-basing agriculture. ‘National Commission on Farmers’ has focused on the “actionable and affordable” while formulating the action plan to “Save farmers and farming”. Its first report, submitted to the union Agricultural Ministry in December 2004, adopted a “Business Approach” towards this end (Venkataremani, 2005). Leadership, availability of technology, necessary farming inputs, available credit facilities, favorable price relationship, control of nature and communication process etc. had a significant contribution towards agricultural modernization process (Ross, 1970).

A brief summary of State of affairs in Agricultural sector in Kerala and the situation in Waynad, the sample area of our study will be of much use.

Since the mid 1970s, the most remarkable trend that can be observed in the crisis ridden state economy is the switching over to more remunerative crops like coconut and rubber, from the traditional crops such as paddy and tapioca, in the dimension of structural transformation. There has been an increase in the area under commercial crops in general and rubber in particular during the last two decades. In 2005-06, out of the gross cropped area of 30.38 lakh ha, food crops including rice, pulses, minor millets and tapioca occupied only 12.5 per cent. Kerala state which had a low base in food production is facing serious challenges in retaining even this meager area.
Apart from this, there is a growing recognition that agriculture is becoming increasingly unstable due to a host of factors such as liberalization, trade agreements, environmental issues and natural calamities. The marginalization of holdings, extreme subdivision and fragmentation, declining family participation in farm operation, increase in production costs have all wreak havoc with the already vulnerable situation in Kerala Agriculture. Consequently, there is a steady decline in the share of agriculture and allied sectors in the GSDP of the state. The share of agriculture and allied sectors in GSDP was 36.49 per cent in 1980-81 which declined to 27.52 per cent in 1993-94 and further to 15.55 per cent in 2005-06.

The Agricultural sector continue to be one of the sub sectors of primary Sector in the State Economy and accounts for more than 80 percent of SDP in the Primary Sector. The recent situation in the agricultural economy, analyzed in terms of the trends in the growth pattern of area, production and productivity of major crops, presents a dark and dismal picture. In the case of food crops, as far as the three parameters are concerned, an apparent declining trend can be observed since the mid 1970s.

The overall performance of the agricultural sector of the country and the State of Kerala became sluggish and the confidence levels of the farmers detonated. Kerala presented a very unsteady and unsustainable picture, as far as her food security was concerned. The
record of farmer suicide between 1997 and 2005 and the current type of food inflation are conspicuously related. The state still remains vulnerable to the volatility in the prices of, for instance, coffee, pepper, cardamom, vanilla etc. Farmer suicides in Kerala are a matter of great gravity and any complacency on the part of the society to halt it and provide the necessary safety net would be literally fatal.

A brief note on the sample is i.e; the Wayanad District is customary in this context.

Wayanad, one of the beautiful hill stations of Kerala, with 25 Panchayats and one Municipality, is in the blue green misty mountains of the Western Ghats. This, abode of greenery lies at a height of 700-2100 m. above sea level, on the north-eastern part of the State. Waynad, has a total geographical area of 2,131 sq. km and population of Wayanad is 7,80,619 with a male and female population is 3,91,273 and 3,89,346 respectively. The female-male sex ratio is 995 women per 1000 males. The density of population was 260 per square kilo meter in 1981, 315 per sq.km. As per 1991 census with an increase of 21 per cent and according to 2001 census the density of population reached 369 per sq. Though there is no urban population in Wayanad, Sulthan Bathery, Mananthavady and Kalpetta are in the speedy process of urbanization.

Wayanad is basically agrarian district and plantation economy plays a major role. Of the total area 37 % is forest and 54% is used for agricultural purposes. Census of India 2001 reveals that around half of the total work force of the district is involved in agriculture, against the state
average 22.8%. More than one third of the total labor force of the district is agricultural laborers, against the less than one fifth for the entire State. The district is characterized by perennial plantation crops and spices with coffee, forming the main agriculture crop, covers one third of the total cropped area. The coffee plantations in Wayanad constitute 80% of the total coffee plantations in the State of Kerala. Along with coffee, Pepper, Coconut, Rubber, Areca nut, Cardamom and Ginger are grown in Wayanad.

Till recently, Wayanad had plenty of water. But today the entire region is facing drought due to unchecked deforestation and large-scale conversion of paddy fields into plantations. In 1982, there were 30,000 hectares of paddy fields in Wayanad. It has shrunk by more than 76 per cent to 7,000 hectares in 1999. Paddy, once the major crop of the District, is now cultivated in 12988 ha only and that too for a single harvest. Much of the paddy fields of the district is being converted for banana cultivation. Ginger cultivation in Wayanad has also substantially increased in recent years and paddy fields are increasingly being converted for ginger/vegetable cultivation. Many traditional rice varieties have also disappeared. According to 2001 census in Wayanad 47.3% of its working population is involved with agriculture or related activities. The average size of land holding is 0.68 ha. A variety of crops including annuals and perennials are grown in these small holdings. The crops include coconut, betel nut, pepper, vegetables, tuber crops, drumstick, papaya, etc. and fruit trees like mango and jack. During the last 10 years, Wayanad has
earned the country foreign exchange worth Rs 4192.48 crores through the export of coffee alone; an average of Rs 381 crores per year. The foreign exchange earnings through pepper, tea, cardamom, etc. were in addition to this. It is to be highlighted here that as a district that produces mainly cash crops and earns a good share of foreign exchange to the national exchequer, the State and Central Governments have a special responsibility to protect the agro ecosystem and economy of Wayanad. However, neither the Union Government nor the State Government has done justice to the people of Wayanad.

The agriculture credit data relating to the district reveals that, per hectare credit to agriculture is very high for the district with Rs. 4311 while it is only Rs.2794 for Kerala and 1046 for India. Per capita bank credit for agriculture is Rs. 933/-, which is almost four times higher than in the State of Kerala and five times higher than that in India. The district has two climatic zones, the dry zone lying on the east and the wet zone lying on the western parts of the district. Introduction of new crops on massive scale has significantly reduced the ground water level and certain parts of the district faces draught. It is interesting to note while the 42 rivers in Kerala flow from east to west, the four rivulets in Wayanad flow from west to the east. Kabani among them is an important tributary of Cauvery. The Panamaram rivulet, originating from Lakkidi and the Mananthavady rivulet originating from Thondarmudi peak, meet six kilometers north of Panamaram town and after the confluence, the river is known as Kabani. Almost the entire district is drained by
Kabani and its three tributaries. The other important rivers are Chaliyar and Mahe. Mahe River originates from the western slopes of the dense forests of Mananthavady. The Chaliyar River originates from the Elambileri hills (1839m) of Sultan Bathery Taluk and flows through Ernad and Kozhikode to the Arabian Sea. Even with all these water sources Wayanad is under great eco-stress. Human as well as natural stress is reflected everywhere. Forest degradation and aggressive cropping pattern has put pressure on the ecosystem. The district has a mixed population of Hindus, Christians and Muslims. As per 1991 census, of the total population of the District, 50% is Hindu, 26% is Muslim and 23% is Christian. Other religious groups include a small Jain community, which has a long history in Wayanad, forming 1% of the total population. Barring a few, Malayalam is used as the common language in the District. It is understood and spoken by non-Malayali communities that include Tamils, Kannadigas and a section of Adivasi communities. Adivasi communities, with a total strength of 136062 (17.43% of the total population of Wayanad) hardly form homogenous entity. Major communities found in the district are Paniyan (44.77%), Mullu Kuruman (17.51%), Kurichian (17.38%), Kattunaickan (9.93%), Adiyani (7.10%) and Urali Kuruman (2.69%). They can broadly be categorized into three avocations viz., agricultural laborers, marginal farmers and forest dependants. (Census Report of India, 2001). The aborigines of Wayanad have a great political tradition. This area was originally reined by the Rajahs of the Veda tribe. Later, political authority came to the Pazhassi Rajahs of
Kottayam royal dynasty. The Kurichias of Wayanad have a great martial tradition. They constituted the army of Pazhassi Veera Kerala Varma Rajah who engaged the British forces in several battles. With the fall and death of Kerala Varma Pazhassi Rajah of Kottayam, Wayanad fell into the hands of British, and with it began a new turn in the history of this area. The British people opened up the plateau for cultivation of tea and other cash crops. The Government of Kerala has identified Wayanad as a Tourism District and tourism is an emerging sector in Wayanad. The scenic beauty, exotic landscape and rich heritage sites of Wayanad offer several opportunities for tourism expansion in the district. The important tourist centers are Pookode Lake (Vythiri), Kuruva Island (Mananthavady) Thirunelly Temple (Mananthavady) Edakkal Cave (Ambalavayal), Pazhassi Tomb (Mananthavady), Wild life sanctuaries at Muthanga and Begur, Waterfalls at Sujipara, Kanthanpara and Meenmutty. The two prominent trekking centers in this district are Chembra Peak and Pakshipathalam. Wayanad is one of the few districts in the country endowed with adequate natural vegetation. About 55% of the land is used for cultivation and the forest occupies 37% and the rest is used for other purposes. From the last decade the economy is suffering from severe devastation and the people in this district faces various problems. The total destruction of the agriculture sector crushed the economic background of almost all families. The difficulties in meeting daily needs of own as well as the dependents became enormous challenges to the family heads as they move through huge financial debts.
The major setbacks suffered by the farmers include: declining prices of agricultural produce, increased use of chemical pesticides and fertilizers, ineffective market intervention by the Government, shift from food crops to cash crops, successive crop failures, unscientific agriculture practices, high production cost and low income and lack of proper irrigation facilities.

Quite unfortunately, Waynad is in the news headlines, and turned out to be Kerala’s Vidarbha, from the position of cash-crop citadel of Kerala, when more than 500 farmers ended lives between 2001 and 2006. This continued till 2009, through 2011, during the three years in which no farmer suicides were reported from Kerala. But manifesting the fallacy of cosmetic measures of the Government, farm suicides are again in the news headlines from Waynad.

Notes and References

Notes

1. Trade Policy Review (TPR) exercise by WTO secretariat for all its members is done on a regular basis, which is a mandate of the multilateral trade organization to examine and evaluate a member’s trade and economic policies and practices, ostensibly to enhance their transparency and enable a multilateral assessment of the effects of policies on the world trading system. TPR is peer group assessment conducted by the PRB consisting of the full WTO membership to discuss a set of reports (1) a policy statement by the government of the members under review. (2) A detailed report prepared by the WTO secretariat. Indian Economic performance was reviewed by the TPRB. Once every 4 years 3 such reviews were prepared in 1993-94, 1997-98 and 2001-02. In the 4th TPR of India, the country’s sustained growth since 2001-02, in particular the average GDP rate over 8.5 percent since 2003-04, with a long term target of 10 percent a year received applause. (Bhagabti, 2007)
References


Lewis. W. A., 1954, “Economic Development with Unlimited Supplies of Labour”: Manchester School of Economic and Social Studies, 22


