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PUBLIC OPINION ON SUBSIDY FOR AGRICULTURAL ACTIVITIES IN INDIA

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ABSTRACT

Implementation of agricultural subsidy in our economy would definitely boost up our economics development by several times .However,there are certain factors to be considered like the literacy rate of the people and the poverty rate.The main objectives of the study is to analyze the subsidies applicable for farmers in india and to discuss public opinion on agricultural subsidies in india.The researcher has followed the empirical research method using convenient sampling method.The sample size of the study is 55.The result observed from the study is that most people are aware about agricultural subsidies in India and also agree that agricultural subsidies is helpful to agricultural development sector.

KEYWORDS: Agricultural , subsidy , development , India, sector

INTRODUCTION:

India is mainly an agricultural country.Subsidy issues in india subsidies have increased in india for several reasons .Agricultural subsidies distort the cropping pattern and lead to inter-regional disparities in development.whether general subsidies on scarce inputs like water and power have distorted their optimal allocation.Agricultural is the most important occupation for most of the indian families.In India,agricultural contributes about sixteen percent of total GDP and ten percent Of total exports.The biggest problem is that the value of subsidies ,including protection from real estate taxes,is capitalized into higher farm land prices.If a farmer can get one million in subsidies,the value of the farmland increases by 15-20 million. In case of electricity,the subsidy rates have been rising for both agriculture and domestic sectors because because the unit cost has been rising faster than the relevant tariff-rate.Also,there is considerable variation in the level of per capita electricity subsidy indicates that,in the richer states,the per capita subsidies substantially higher as compared to that in the poorer states.On the eve of the first plan indian agriculture was in a hopeless and deplorable condition.A large part of population was dependent on this sector.

OBJECTIVES OF THE STUDY

1. To analyse the subsidies applicable for farmers in India
2. To discuss about public opinion on agriculture subsidies in India

REVIEW OF LITERATURE

Sreekumar found that the area cultivated is responsive to electricity prices both for water intensive crops as a group and for three individual crops- sugar,rice sorghum.in contrast, yields are largely insensitive to price changes.one potential reason for the lack of a yields[and output response]is that farmers respond to subsidies by cultivating less productive land (Sreekumar, 2018).

Chittaranjan Nayak revealed that fertiliser subsidy in India basically focuses on trend,pattern,impact and reforms. And he argued for reducing and rationalizing fertiliser subsidy to boost fertiliser production in the country and to reduce consumption imbalances (Chittaranjan Nayak, 2018).

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Goyal et al., studied the methods of agriculture and the ways to improve productivity. It is found that Indian agriculture is facing problems like heavy pressure of population, excess labour intensive cultivation, low productivity and lack of supportive government policy (Goyal et. al., 2019).

Sant described the power sector reforms regarding tariff of electricity or electricity subsidy. An analysis of irrigation pump sets subsidy users in maharashtra state was done.during analysis ,it was observed that with efficiency improvements ,most of the farmers will be able to pay the electricity charges.It was also observed that most of the farmers can pay the costs of electricity much higher that usually believed (Sant-1996)

Ashwini et. al.discussed paper is to bring out the linkages between electricity subsidies,water and agriculture ,with the aim to inform policy and decision makers as well as other actors in the power sector about these linkages.we also highlight the need to take these linkages into consideration when planning agricultural electricity supply [Ashwini et. al., 2018]

Birkhaeuser analysed the problem inaccessibility of the extension services to all the farmers and presented a solution by capturing extension activities at villages level. Extension services impact on farmers' knowledge,technology,farm practices,farm productivity or efficiency,technology adoption,farm output supply and demand (Birkhaeuser,1991).

Chapman and tripp analysed privatized extension systems have to be structured so that the majority of resource-poor farmers receive better service than they do under the poor performance of many public extension system.[Chapman and tripp] highlighted the role of private extension approach in solving the needs of commercial farmers and at the same time of subsistence farmers too..This study covered extension activities related to contract farming,agriculture input firms,and contribution of producer cooperative[chapman and tripp..2003]

Pray and nagarajan analysed supply technology and market opportunities to poor farmers and job opportunities to landless laborers and this research showed that agricultural innovation in india have dramatically increased [nagarajan..etc all presented a comparative study on the development,use and research innovations in agricultural business in india.study based on data of subsidies, seeds, pesticides,machinery.researchers discussed major policies in agricultural business research and innovations..(nagarajan-2012)

Karine daniel analysed that subsidy raises the revenue received for commodity farming above the price paid by the commodity processing manufacturing industry.. Karine daniel and maureen kilkenny found both qualitatively and quantitatively consistent with the empirical findings.[Karine daniel et al.. studied subsidies that go to farmers on their farms appear to raise welfare economy wide [assuming an exogenous farmers;farm land use ratio].subsidies also support diversification and qualitative variety (karine daniel et al 2008-2009) Dethier and effenberger analysed increases in food productivity and production in developing countries And intensive mode of agricultural and adoption of new varieties by farmers,improved irrigation and a massive use of fertilizers.Dethier nd al reviewed the economic literature on land markets ,research on seeds and inputs ,agricultural extension ,credit,rural infrastructure ,connection to markets ,food price and such other aspects(dethier nd etc.. 2012)

islam and ahmed analysed rural dwellers need day to day living information such as health, occupation,income generation,self-governance,agriculture ,education , religion ,recreation and current affairs Islam and ahmed reviewed selected research studies on information needs and information seeking behavior of rural dwellers in many selected

developed and developing countries.. Integration of (NGO) with extension and government organisations can be the best solution to cater the information needs of rural dwellers [islam and ahmed ...2012]

kameswari analysed the use of information communication and technology in agricultural extension was the one way to address information needs of farmers.This study recommended that the entire agricultural supply chain can be made more effective by the use of information communication and technology . Kameswari.. studied some issues such as time lag,high cost,low technological literacy,infrastructural problem,absence of linkage with other input agencies [input fertilizers and pesticides] that hindered the efficient use of rural knowledge centers..(kameswari-2011)

glover analysed farmers decision influenced the adoption of agricultural technologies in collaboration with private sector [Glover.. studied farmers's participation in agriculture extension services and reviewed the training and visit (t and v) approach and compared the participation and accountability of farmers between public and private sector[glover-2007]

14.vijay paul sharma and hrima thaker analyzed agriculture production increased in initial period gradually after that the fertilizer subsidies were reduced,the overall economy affected government policy of subsidy is mainly for protection of weaker sections and marginal farmers vijay paul sharma et al ..studied that subsidies are among the most powerful instrument for manipulating or balancing the growth rate of production and trade in various sectors for an equitable distribution of income for protection of the weaker sections of the society [vijay paul sharma and hrima-2009 july]

harshal A.salunkhe Dr.B.B.Deshmush analysed increased investment in agriculture appears to be a better bargain than short-sighted measures such as subsidies. Sharma..studied that subsidies have become unsustainable.in order to release for higher investments in the agricultural sector,large scale price and institutional reforms are needed to relieve the pressure of subsidies on the exchequer....[deshmush et al-1990]

Gulati analysed that more than 70 per cent of total input subsidy is on irrigation through major and medium scheme Gulati. studied that quantum and distribution of input or agricultural subsidies across states in india during 1980's.the dispersion pattern of input subsidies has implications for incentive structures prevailing in the agricultural sector....[gulati-1986] sirohi analysed that equity effects of the input subsidy seem to have gone mainly to medium and big farmers and fertilizer subsidy aggravated the income disparity in the rural areas,the benefits of irrigation accrued to all classes except the big farmers and Sirohi.. Studied that the social justification of the subsidies is only when they promote agricultural development and bring about equitable distribution of income.as regards the effects of various input subsidies on agricultural production and national income,the largest favorable impact was observed in case of subsidy on electricity....[sirohi-1984]

Sidhu et al analysed fertilizer subsidy policy turns out to be better as compared to price support policy due to low price elasticity of output supply,higher elasticity of fertilizer and Sidhu.... studied that relative merits of price support versus fertilizer subsidy policy for food self-sufficiency in india and fertilizer subsidy policy is found to be better price support policy in terms of net social benefits and benefit-cost ratio....[sidhu et al-1985]

deininger analysed that agricultural subsidy should be given to poor states and to small and marginal farmers and deininger ..Studied the potential welfare impacts of subsidy reforms by tracing the beneficiaries,[the farmers and consumers] of food grain price subsidies and by assessing the distribution and level of these subsidies across households at the state level....(deininger1986)

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murgai analysed that agricultural subsidies should be replaced by better services and more investments and Murgai.. studied that most of india's agricultural subsidies are both inefficient and regressive while the power subsidy to agriculture has been increasing over time the other input subsidies on fertilizer and irrigation increased over the eighties but has been in the nineties(murgai-1995)

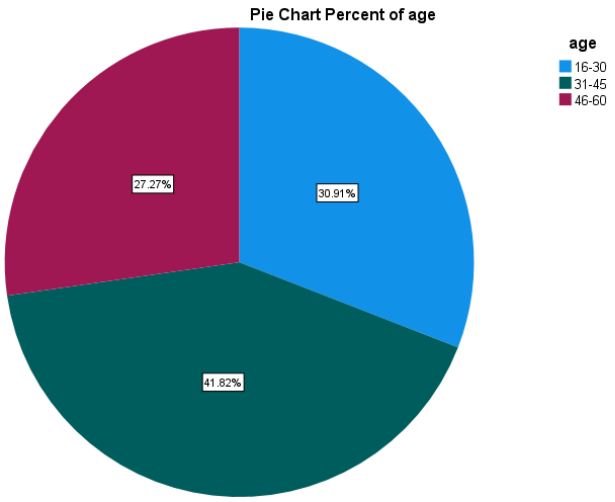
Hypothesis:

Null Hypothesis (H0): There is no significant relationship between educational qualification of respondents and their opinion on agricultural subsidy

Alternative Hypothesis (Ha): There is significant relationship between educational qualification of respondents and their opinion on agricultural subsidy

ANALYSIS

figure :1



Legend:

Figure 1 shows the age distribution of the sample population in india and their opinion on agricultural subsidies

Figure:2

METHODOLOGY

The research method followed here is empirical research. A total of 55 samples have been collected out of which all samples have been collected through a convenient sampling method. The sample frame taken here is public areas in and around tamil nadu and india .the independent variables are age,gender,educational qualification.occupation and marital status. The dependent variables are agricultural subsidy;electricity and fertilizer. The statistical tools used here are correlation and graphical representation.

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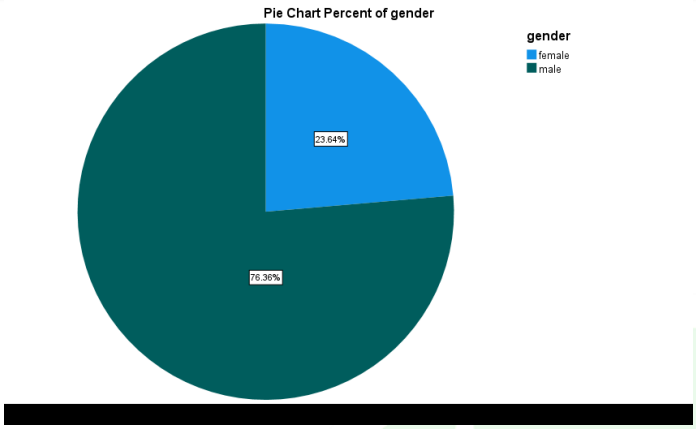
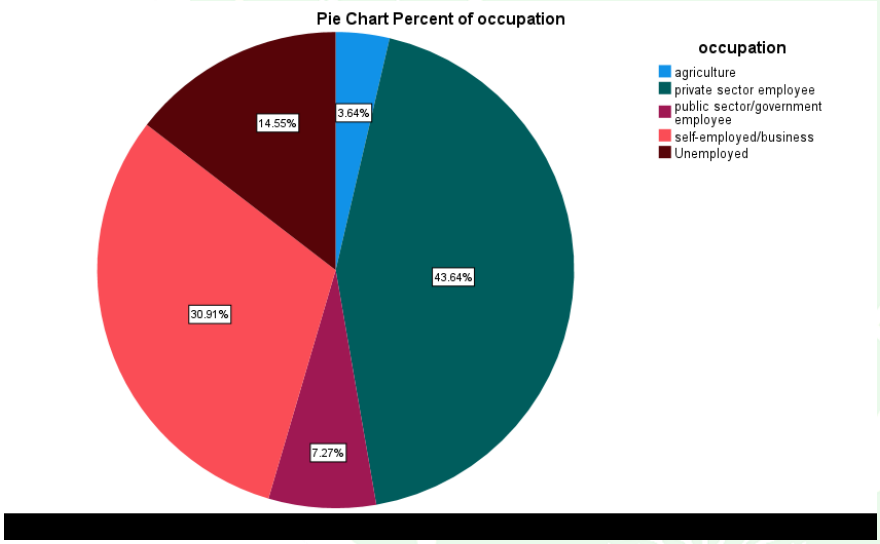


Legend:

Figure 2 shows the gender (male and female) distribution of the sample population in india and their opinion on agricultural subsidy.

Figure:3



Legend:

Figure 3 represents the occupation distribution of the sample population and their opinion on Agricultural subsidy

Figure:4

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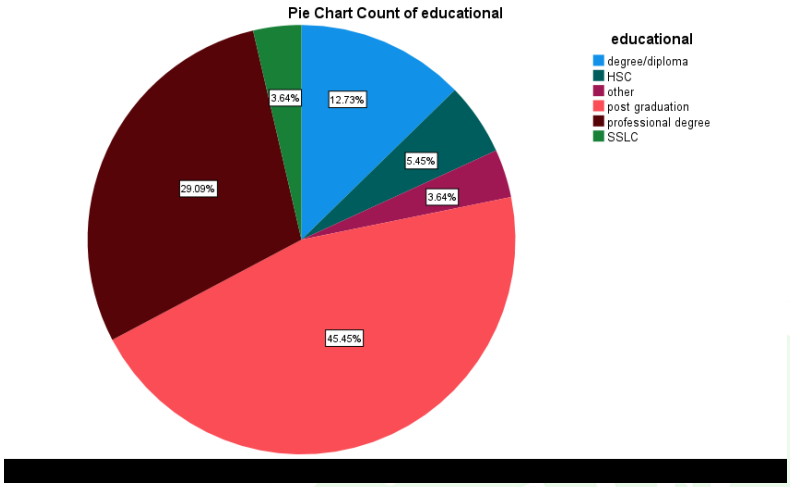
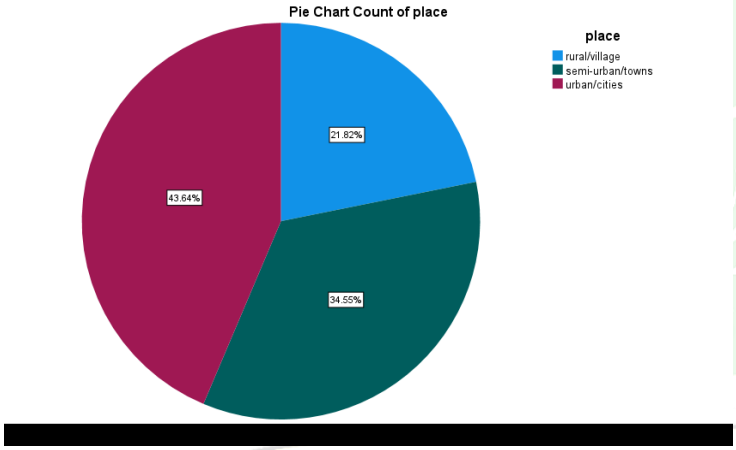


Legend:

Figure 4 represents the educational qualification distribution of sample population and their opinion agriculture subsidy

Figure:5



Legend:5

Figure 5 represents place of living of the sample population and their opinion on agricultural subsidy

Figure 6

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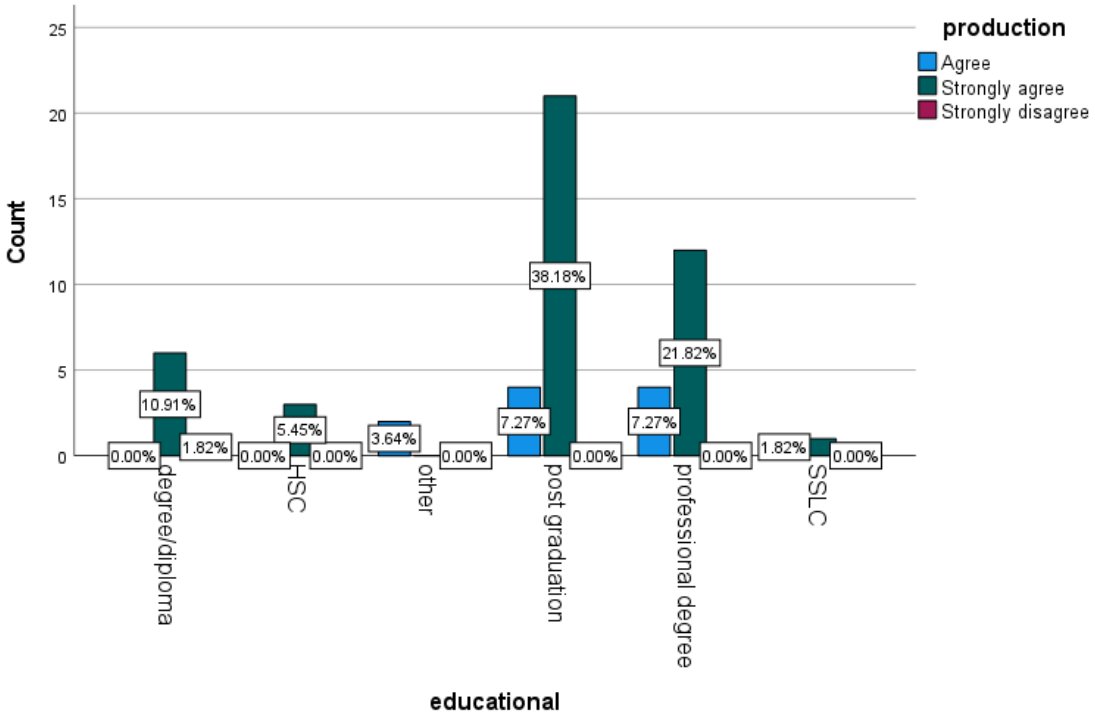

Legend:

Figure6 represents post graduation,professional degree and etc all people strongly supported that subsidies help farmers a lot

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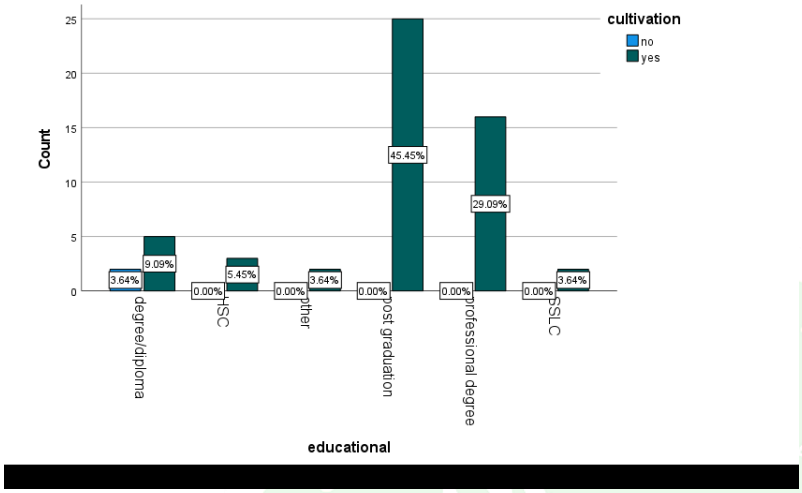
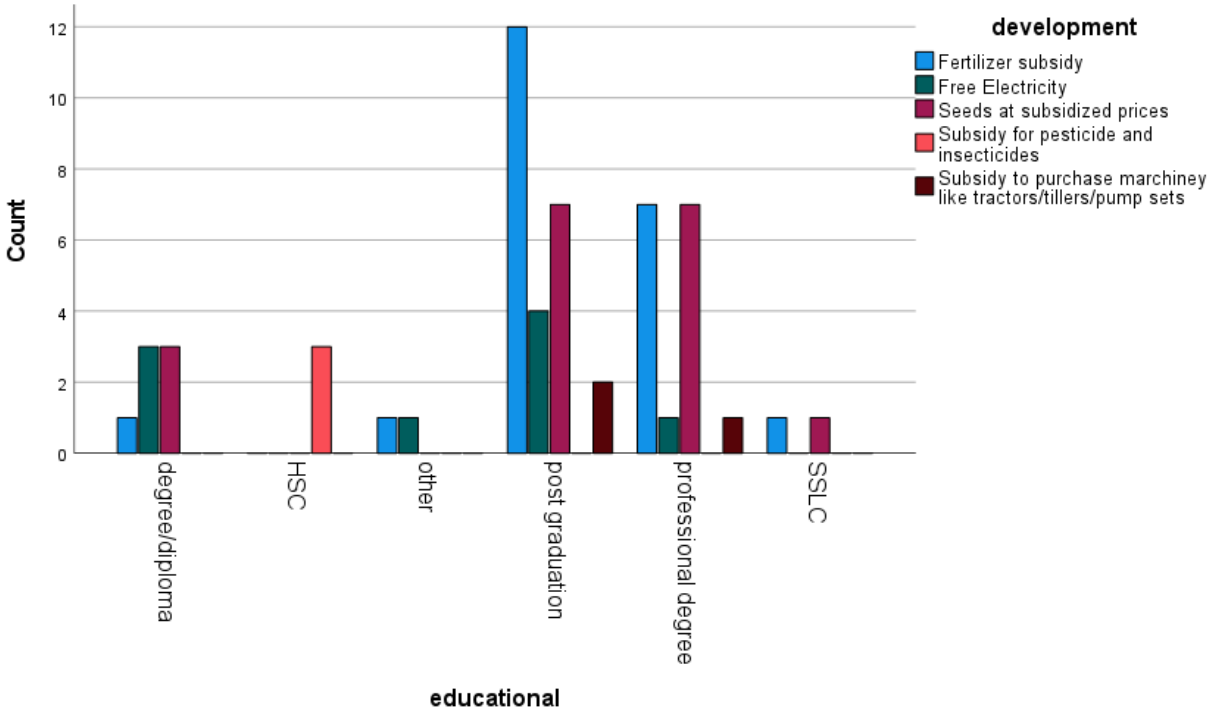
Figure 07



Legend:

Figure 7 represents that post graduation,professional degree and etc people all supported that subsidy to help to increase the area under cultivation.

Figure 8



Legend:

Figure08 represents that degree/diploma,post graduation and all people strongly supported that fertilizer subsidy helps the farmers to increase the production of agricultural crops.

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Chi square:

Table:1

education * agriculturalsubsidy Crosstabulation

Count

		agriculturalsubsidy			
		Agree	Strongly agree	Strongly disagree	Total
education	degree/diploma	0	6	1	7
	HSC	0	3	0	3
	other	2	0	0	2
	post graduation	4	21	0	25
	professional degree	4	12	0	16
	SSLC	1	1	0	2
Total		11	43	1	55

Legend:

Table 1 represents the educational qualification of sample respondents and their opinion on subsidy for agricultural activities

Table:2

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	18.686[a]	10	.044
Likelihood Ratio	16.097	10	.097
N of Valid Cases	55		

a. 14 cells (77.8%) have expected count less than 5. The minimum expected count is .04.

Legend:

Table 2 represents the chi square tests conducted between the two different variables educational qualification and subsidy is very important to the agricultural sector for development.

Results:

Respondents belonging to the post graduation have shown a higher preferences that subsidy strongly support farmers .(Figure.1)Figure 1 the age distribution of the sample population in india and their opinion on agricultural subsidies.Figure 2 the gender (male and female) distribution of the sample population in india and their opinion on agricultural subsidy.Figure 3 the occupation distribution of the sample population and their opinion on Agricultural subsidy.

Figure 4 The educational qualification distribution of sample population and their opinion on agriculture subsidy.Figure 5 place of living of the sample population and their opinion on agricultural subsidy.Figure 6 place of living of the sample population and their opinion on agricultural subsidy. Figure 7 that post graduation,professional degree and etc people all supported that subsidy to help

increase the area under cultivation.Figure 8 that degree/diploma,post graduation and all people strongly supported that fertilizer subsidy helped the farmers to increase the production of agricultural crops.Table 1 degree/diploma have strongly supported that subsidy will help the agricultural sector development only one strongly disagree with the statement.professional degree,post graduate,SSLC,HSC,all peoples strongly supported that subsidy will help the agricultural sector development.Independent variables is educational qualification

Table:2

The chi square value should be P=0.05

The chi square test value=0.00<0.05

Thus we are rejecting the null hypothesis,hence THERE is a significant relationship between the educational qualification of the respondents and their opinion about agricultural subsidies

Discussion:

Respondents belonging to the educational qualification group of post graduation people strongly supported that subsidies are very important to the agricultural sector development. Figure 1 The age distribution of the sample population in india and their opinion on agricultural subsidies most of the people convenient with statement subsidies is very important to the agricultural sector development. Figure 2 gender (male and female) distribution of the sample population in india and their opinion on agricultural subsidy.Figure 3 states the occupation distribution of the sample population and their opinion on Agricultural subsidy.Figure 4 states the educational qualification distribution of sample population and their opinion agriculture subsidy.Figure 5 states place of living of the sample population and their opinion on agricultural subsidy.Figure 6 states post graduation,professional degree and etc all people strongly supported that subsidies help farmers a lot most probably post graduate and diploma people strongly supports that subsidies help the farmers. Figure 7 states that post graduation,professional degree and etc people all supported that subsidy helped to increase the area under cultivation post graduation and professional mostly participated in analyzes their supported subsidy help to increase the area under cultivation.Figure 8 represents that degree/diploma,post graduation and all people strongly supported that fertilizer subsidy helps the farmers to increase the production of agricultural crops.Table 1 states that degree/diploma have strongly supported that subsidy will help the agricultural sector

development only one strongly disagree with the statement.professional degree,post graduate,SSLC,HSC,all peoples strongly supported that subsidy will help the agricultural sector development.Table2 state that chi square tests conducted between the two different variables educational qualification and subsidy is very important to the agricultural sector for development

Limitations:

One of the major limitations of the study in the sample frame.There is a major constraint in the sample frame as it is limited Convenience sampling method used in this paper.Due to covid pandemic responses is collected through google form only educated peoples have answered.thus,it proves to be difficult to extrapolate it to a larger population.

Conclusion:

Based on the results of the analysis done,it has been found that most of the people are aware about agricultural subsidy. Most well deserved farmers are unable to get subsidies produced by the government.due to lack of proper implementation of subsides in distribution program,they are not reached to farmers.The few subsidies are provided on the basis of the cast.this thing is discourage to other farmers.Many farmers cannot get some types of subsidy due to rules and regulation of government.The government should make

simple rules of regulation for farmers.Indian government producing different type of subsidy.Government gives different types of subsidies to farmers like fertilizer,electricity,irrigation,equipment ,credit subsidy,seed subsidy ,export subsidy etc.In the this study main two subsidies is electricity and fertilizer. Direct subsidies are given by the government to farmers through the bank.The indirect form of subsidies is distributed by government to agricultural vendor (mediator) e.g. fertilizer company,pipe company ,the mechanized farm equipment company and an electricity distribution company to end users i.e.farmers.Thus,it is clear that agricultural subsidies is very helpful for farmers

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