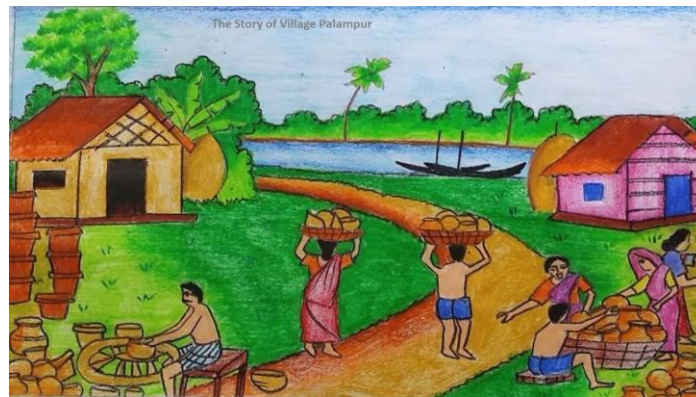


Chapter-1

STUDY NOTE

THIS BLOG INCLUDES:

1. About Village Palampur
2. Organization of Production
3. Farming in Palampur
 1. Land is Fixed
 2. Is there any Scope to Grow More from the Same Land?
 3. Is Land Sustainable?
 4. How is Land Distributed between the Farmers of Palampur?
 5. Who will provide the Labor?
 6. The Capital Needed in Farming
 7. Sale of Surplus Farm Products:
4. Non-farm Activities in Palampur



Rural Economy

The village Palampur is somewhat big in size. It is well connected by all-weather road from the nearest town. The village has a primary health center, school, irrigation facilities and electricity supply.

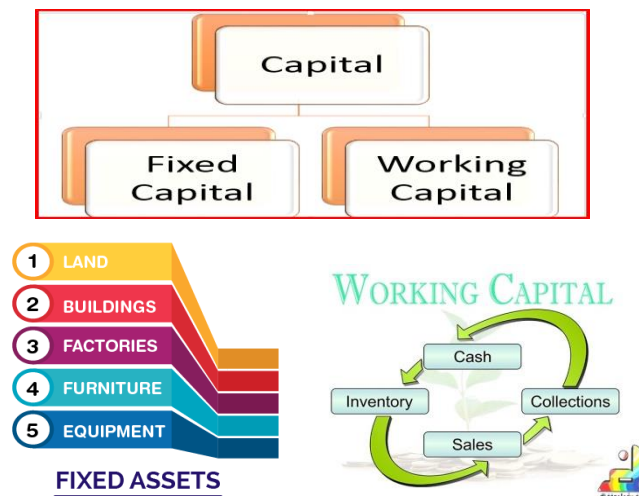
- iii) Palampur has about 450 families belonging to several different castes. 80 families of upper caste own the majority of land. Their houses are quite large and made of brick with cement plastering. The SCs (dalits) comprise one third of the population and live in one corner of the village and in such smaller houses, some of which are of mud and straw.
- iv) Most of the houses have electric connections. Electricity powers all the tube wells in the fields. Electricity is also used in various types of small business. Palampur has two primary schools and one high school. There is a primary health center run by the government and one private dispensary

Organization of Production

The main aim of production is to produce the required goods and services.

There are four requirements for the production of goods and services:

1. Land and natural resources like water, forests, and minerals.
2. Labor
3. Capital is divided into physical assets like tools, machines, buildings, raw materials and money capital.
4. Enterprise- which is the knowledge which will help to combine land, labor and physical capital to create a marketable product.



Farming in Palampur

In the story of Palampur village, farming is central to the village economy.

Land is fixed

Around 75 per cent of the total population is dependent on farming for their livelihood. The land in Palampur has been fixed since the year 1960. Thus, there is no expansion in the land area except for some wasteland that has been converted to cultivable land. There is also no scope for extension of land for cultivation which constrains farm production.

Is there any Scope to Grow More from the Same Land?

In the rainy season, Jowar and Bajra are grown. They are used to feed cattle. The cultivation of Potato takes place from October to December. During the rainy season, wheat is produced by farmers. A part of the land area is devoted to growing sugarcane which is harvested once every year and is sold as jaggery to traders. It is possible to grow one or more crops on a piece of land due to the developed irrigation system. This is also known as Multiple Cropping.

Multiple Cropping is the most common way to increase production on a single piece of land. Earlier, farmers used traditional seeds for cultivation which had relatively low yields. During the late 1960s, the **Green revolution introduced HYV (High yielding varieties) of seeds which helped the farmers grow a larger amount of grain in the same land.**

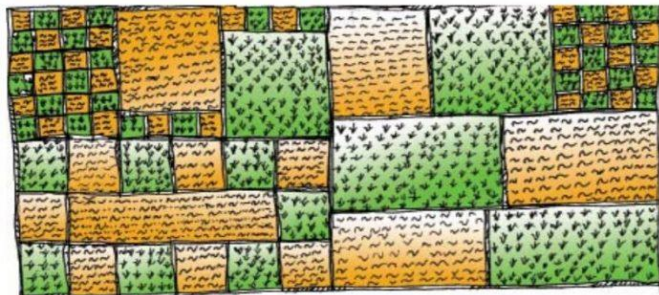


Is Land Sustainable?

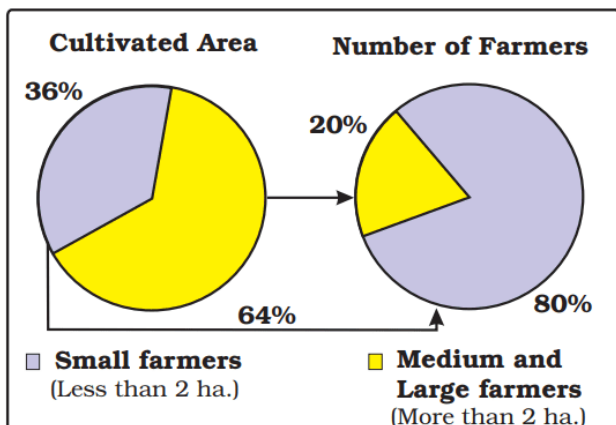
The Green revolution has increased the use of chemical fertilizers and groundwater for irrigation due to which soil fertility has decreased. It takes many years to restore. Land degradation is a downside to farming in the story of Palampur village.

How is Land Distributed between the Farmers of Palampur?

The land is scarce for cultivation. About one-third of the 450 families are landless. Around 240 families cultivate in small plots of less than 2 hectares which is inadequate income to the farmer family.



Picture 1.5 Palampur village: Distribution of cultivated land



Who will provide the Labor?

Farming involves a great deal of hard work. In the story of Palampur village, small families cultivate their fields and act as labourers. Medium and large farms hire farm labourers to work in their fields. They are paid wages for their work.



The Capital Needed in Farming

In the story of Palampur village, small farmers borrow money from large farmers and village money lenders to arrange capital. The medium and large farmers use their savings from farming for the required capital.

Sale of Surplus Farm Products:

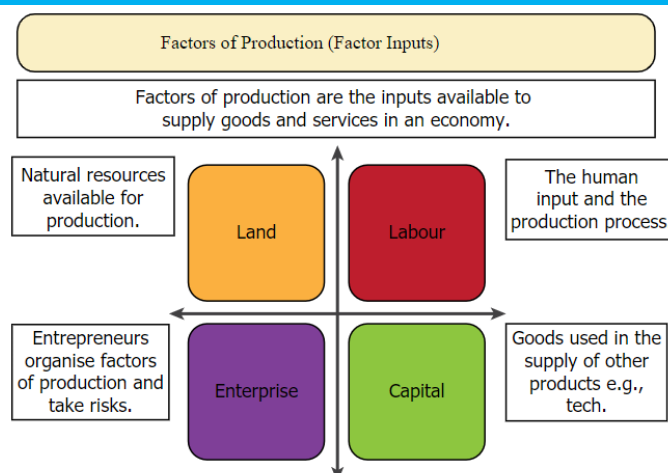
Farmers retain a part of their production for their consumption and sell the surplus. It is usually the medium and larger families who sell their surplus production to the market.

Non-farm Activities in Palampur

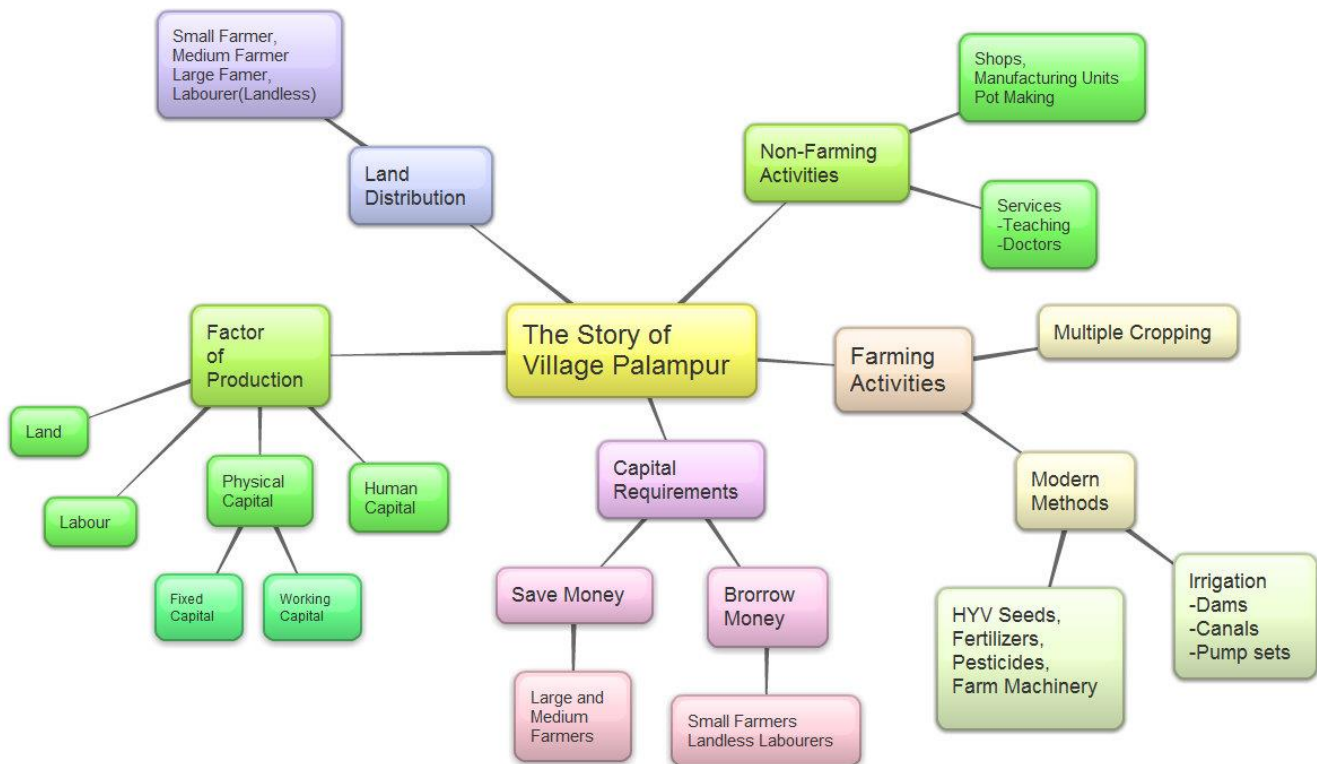
The story of Palampur village includes non-farming activities. Apart from farming, 25 per cent of the people working in Palampur are engaged in other activities.

- Dairy is an everyday activity apart from agriculture. The milk produced is sold in nearby towns and villages.
- People are engaged in small scale production at home or in fields with simple methods.
- Traders of Palampur are shopkeepers who buy goods from wholesale markets and sell in their native place. General stores with a wide range of items like rice, wheat, sugar, tea, oil biscuit, toothpaste, soap. Notebooks, candles, pen, etc. essentials can be found.
- Few families who are close to the bus stand open small shops to sell eatables

TERMS TO KNOW:



MIND MAP



AREA OF CONFUSION

Difference between Multiple Cropping and Modern Farming:

Multiple Cropping:

It is a traditional method of farming.

It includes growing more than one crop on a piece of land during the same year.

This method involves using of traditional seeds that requires less irrigation, wooden tools and equipments, ancient machinery, etc.

Thus, the productivity of this method tends to remain low.

Modern Farming:

It is a modern method of farming.

It includes growing of one crop on a single piece of land at one point of time.

This method involves using of high yield varieties (HVY) of seeds, chemical fertilizers, pesticides and insecticides in large quantities, modern machinery, etc.

Thus, the productivity of this method is high, however, it is not environment friendly.

	Developed	Developing
National Wealth	High	Moderate
Finance	Developed, Integrated	Less developed
Standard of living	Good	Moderate
Character of economy	Postindustrial (service)	Industrial
Distribution of income	Equal	Unequal
Factors of production	Effectively used	Ineffectively used
Perspective of Growth	Technological progress	Capital accumulation
Infernal violence	Low	Moderate

Source: Based on existing literature.

