

# **STRUCTURAL SUICIDE: HOW LAND POLICY AND PRACTICE IS DRIVING ORISSA'S SMALL FARMERS TO A DESPERATE END**

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## **What Causes Structural Suicide?**

Farmer suicides in Orissa are not new in 2009. Many cases have occurred after the economic liberalization in 1990s and this silent death is now widely discussed. According to government record there were 3509 farmer suicides between 1997 and 2008 in Orissa. These suicides were caused by policy decisions and the impoverished farmers were pushed into desperation by the systematic denial of their rights. This amounts to a form of structural violence.

Farmer suicides are the result of lack of land reforms, negligence of the agriculture sector and the institutional credit system in the state. Our rulers totally forget the land reforms of the 1960s and now even reverse gains made in land reform. There is inadequate investment in the agriculture sector and faulty policies which are so detrimental to small and marginal farmers that they commit suicide. Climate change, particularly the erratic monsoon, has made the situation worse. The fondness of the political regime for heavy and mineral-based industries in Orissa, in the name of public interest, has not been in the interest of one of the most vulnerable segments of society: the small and marginal farmers.

Agriculture is the way of life for the majority of people in Orissa so land is one of the primary necessities. Land is a fundamental asset and is the primary source of income, security, status and dignity. The record of rights (ROR) in land has an important part to play in the functioning of the economy. Without land there can be no state, no habitation and no ground work for carrying on human activities. Access to land is therefore a critical factor in how wealth, power and status are distributed within society. In rural areas land decides power relationships and Orissa has witnessed many struggles, conflicts and uprisings over land.

Many families in Orissa lack access to land or a secure stake in the land they till. As a result, acute poverty and related problems of hunger, social unrest and farmer suicide persist. The landlessness of tribals and scheduled caste people is a major concern. But it's important to note that although 70% of the population depends on agriculture for their livelihood, even as people struggle to get land the Orissa government is signing memorandum of understanding after memorandum of understanding to give land to corporations.

At the national level the importance of ROR was emphasized in the first five year plan, and plan after plan was designed with noble intent, but the sorry state of ROR in land continues. The revenue institutions have not been able to tackle the real issues and there has not been visible impact on the ground. The record of rights in land in Orissa is in dire straits and the complexity involved makes it a difficult problem to resolve. Land holdings of a size insufficient for sustainability, sharecropping, the lack of institutional credit, high input commercial crops, and problems of water sharing and irrigation all play important roles.

## **The Problems of Landlessness, Small Holdings and Sharecropping**

The average land holding in Orissa is 1.34 hectares but the land distribution pattern in the state is highly skewed in favour of large farmers. The majority of farmers have land holdings of a size that are not sufficient for sustainability: 53.66% marginal farmers and 26.22% small farmers occupy 19.73% and 26.93% of the state's land, respectively. But a small number of large and medium farmers occupy an abnormally high share of total cultivated land. In other districts of KBK, the figures are further skewed and unfavorable to the small and marginal farmers.

Many small and marginal farmers and the landless cultivate large and medium farmers' land as share croppers and also cultivate government revenue and forest land in order to eke out a living. They thus must pay large shares of the crops to the owners and are labeled as "encroachers" on forest lands. A large percentage of medium and large land owners are upper caste Brahmins, Karans and Khatriyas who are no longer actually farmers, but have moved to the cities to work in administration, politics, business and trading but still receive almost half the harvest as absentee landlords.

In this situation it is not in anyone's interest to invest money in land development. The 1960s slogan "Land to the tiller" is no more in the state agenda.

Orissa Land Reforms Act, 1960, was designed to reform the law relating to land tenures, agrarian reforms and abolition of intermediary interest, conferring better rights on agriculturists to ensure increases in food production and permanent, heritable, transferable rights on land for the tiller. The provision was there that if the land is cultivated continuously for 12 years or more by a person other than its owner, the rights to the land shall pass to the cultivator. But there are no initiatives in the recent past by the government to record the land in the name of share croppers. There is further provision of rent not to exceed one fourth of the gross produce if the land, but in practice owners charge almost half of the produce and farmers have little option to protest.

Although it is not legal to lease land, concealed tenancy persists, with tenants having little protection under the law. The sharecropping system is financially oppressive and most share croppers are unable to break out of poverty and debt. Share cropping is an open secret in Orissa as major land owners are now not cultivators. At the same time these farmers are not entitled to get any institutional credit for the crop.

Farmers who till "encroached" land also have no incentive to develop the land, nor are they entitled for institutional credit. As per government survey (2003-04) there are 4,45,450 landless families in the state and 5,40,725.461 acres of government wasteland available for distribution. But as of July 2007, 7,49,904.87 acres of government land have been distributed among 4,78,850 landless families (3,84,548.254 acres to 231,808 Scheduled Tribes, 1,75,645.812 acres to 104,311 Scheduled Castes and 189,710.804 acres to 142,731 landless families of other categories. Still there are vast numbers of landless, marginal and small farmers in the state particularly in KBK region, who lack rights on encroached land.

The problem of land alienation of tribals in the tribal belt is well known. With each passing year more tribals are becoming marginal and small farmers due to the illegal land alienation, and development-induced displacement is a major factor. When the democratic people's organizations are raising the issue they are branded as Naxalites and brutally oppressed. The recent killing of two tribals on 20th November in Narayanpatna area of Koraput district is a stark example.

### **Lack of Institutional Credit and Issues with Private Money Lenders**

In our state we have the Orissa Money Lenders Act, 1939, (modified in 1979) which clearly states that the every money lender should be registered and prohibits business without registration. The rate of interest is also defined in the Act. There are provisions for punishment for money lenders. But it is no secret that private money lenders operate with impunity all over the state charging annual interests from 60% to 120%. Farmers get trapped in a cycle of debt when they use these local money lenders because they have no other options.

It is very difficult for small farmers to get credit from the bank and other cooperatives. The conditions and bureaucratic processes exclude these farmers from access to credit that larger land holders enjoy, further disadvantaging them. It is ironical that although upper class people can easily be approved for a car loan or other consumer credit scheme, but for a poor farmer the door is closed. Thus, in lean years these farmers get trapped with private money lenders and the loans pass from generation to generation. This hopeless condition leads to suicide as the only way out.

### **High Input Commercial Crops and Honesty/Ethics of Poor**

Aggressive marketing campaigns by seed and fertilizer companies, the assurances of the government's agricultural extension offices, combined with the necessity to do as much as possible with small holdings, induce small and marginal farmers to gamble with high input commercial crops. Investment costs for this type of farming are high and require loans. When crops fail, the farmers are unable to repay them. Agricultural subsidies are decreasing and crop insurance is hard to get. The high ethics of the tribals and other marginalized village communities makes it intolerable for them to live with debt they cannot repay and must pass on to their children. Suicide seems the only option.

### **Water Sharing and Irrigation Problems**

The growth of mineral based industries is causing a water crisis for farmers because these industries now must share water resources needed for irrigation. Small and marginal farmers cannot afford the cost of lift irrigation and there is little electricity in the remote areas to operate the lifts.

Because of erratic monsoon, agricultural production fluctuates widely from year to year. The net irrigation potential created in the state by the end of 2004-05 from all sources was 26.96 lakh hectares, which is around 46% of the estimated irrigable area of the State.

However, this sector continues to languish for want of inputs and government attention. The only attention has been negative from the perspective of the small and marginal farmers: passing the contract farming bill and allowing large Indian corporations to start marketing farm produce. There is no talk of cold storage facilities, marketing linkages, easy credit to farmers or development of irrigation facilities, all interventions that would help this vulnerable population.

### **What is Best for the People?**

The nature of the welfare state is changing fast in the last two decades and the state is saying farewell to its constitutional obligations towards the poor. The farming subsidies of the sixties and seventies are decreasing and at the same time subsidies to big industries and multinational corporations are increasing. There are bailout packages for companies but the only bailout poor farmers have access to is suicide. In this situation perhaps the government wants the farmers to work as a daily wage laborer in the growing industries.

The priority of the state has changed and over emphasis on mega mineral based industries has become costly for poor farmers. Professional planners and politicians always regret the fact that though Orissa is blessed with abundant mineral resources, poverty continues to haunt the state even after 64 years of independence. This issue is bemoaned in workshops, conferences and meets held by World Bank and other international mega developmental financial institutions and trade associations. This propaganda has been spread over the last two decades. The general public remains under the illusion that the chronic poverty of the state would somehow vanish if only our mineral resources are dug out and sold to the world. This daydream has been created, fostered and nourished persistently by the MNCs hiding behind trade bodies and potential investors. It is well known who the culprits are in the recent mining scams. Planners, decision makers and industries and powerful groups are plundering the national resources in broad daylight.

The state should not forget that Orissa remains an agrarian economy. The administrators, planners and decision makers should always focus on development of agriculture and realization of the full agricultural potential of its lands and people. More than half of the area which is irrigable is yet to receive the benefits of irrigation. Instead of borrowing World Bank and other financial institution funds for high speed roads, airports and power reforms to feed the growing needs of industry, the state should borrow money for completing its long pending irrigation projects which would provide water to millions and also save valuable lives.

Growth in the Indian economy does not necessarily lead to increase of per capita income of poor farmers of Orissa. The fruits are reaped by the upper class people. The recent talk of inclusive growth by the Planning Commission does not bode well for the poor farmers of the state. Structural suicide by farmers is a stark example of "exclusive growth". This is a wake-up call to everybody to bring back focus on the agriculture and development of poor farmers.

The agriculture sector, the irrigation, the land reforms, the institutional credit system has become outdated issues for the politicians and planners. Arable land remaining almost the

same, the per-capita availability of land in Orissa has considerably gone down from 0.39 hectare in the year 1950-51 to 0.15 hectare in 2004-05 due to increase in population.