

The Story of Village Palampur

The story of village Palampur is a narrative story based on a research study by Colleen Korten of a village in Tehsil of Jammu in Western Uttar Pradesh. The purpose of the story is to introduce some basic concepts relating to production.

Overview of Palampur Village

Farming is the main production activity in Palampur. Other production activities like dairy farming, handicrafting, transportation and shopkeeping are practised on a limited scale.

These production activities need various types of resources like natural resources, man-made means, human effort, money, etc.

Palampur is well-connected with neighbouring villages and towns. Raiganj, a big village is 3 km from Palampur. An all-weather road connects the village to Raiganj and further to the nearest small town of Shikhar.

Out of the 450 families living in Palampur, about 10 upper caste families own the majority of land in the village.

These houses are made of brick with concrete plastering. The SCs (Dalits) in the village own small plots of land and are landless labourers.

They live on one corner of the village in smaller houses, some of which are poorly constructed with mud and straw. Many houses in Palampur have electric connections.

Resources: Commodities or services used to produce goods and services.

Electricity powers all the tubewells and is used in small manufacturing units. Palampur has two primary schools and one high school.

It also has a government primary health centre and a private dispensary. The description above shows that Palampur has fairly well-developed sources of roads, electricity, irrigation, schools and health facilities.

Organisation of Production

Production is an activity which gives the required goods and services. This requires four elements: land, labour, physical capital and human capital, which are called factors of production. The factors are:

1. **Land** It is the first requirement. Other natural resources like water, minerals, forests etc. are also needed.
2. **Labour** It is used for carrying out the production activities. It may be manual workers or highly skilled or educated persons. Each worker is providing the labour necessary for production.
3. **Physical Capital** It includes two sub-components:
 - (i) **Fixed Capital** Assets or capital investments that are needed to start production of goods or services are called fixed capital, e.g., buildings, machines, tools, ranging from plough to generators, turbines, computers, etc.
 - (ii) **Working Capital** Raw materials and money in hand are called working capital. These are used at the time of production activities i.e., to purchase raw materials and services required and to sell finished goods.
4. **Human Capital** It is the knowledge and enterprise. It is required to put together all the above inputs to produce the output, either to use by the producer himself or to sell in the market.

Check Point 01

1. ... is the most important economic activity of the village.
2. Which is the most abundant factor of production?
3. Raw materials and money in hand are called ...
4. Which capital include assets or capital investments?
5. The knowledge and enterprise is called ...

2. **Irrigation** The artificial application of water to land to water in the production of crops by tubewells, tanks, canals, etc.
3. **Kharif** The crop sown at the beginning of summer rains and harvested in autumn.
4. **Rabi** The crop sown in winter and harvested in spring. (CA prr)

Farming in Palampur

Fixed Land

Farming is the main production activity in Palampur. 75 per cent of the working people living in Palampur are dependent on farming for their livelihood, either they are farmers or farm labourers. Their wellbeing is related to production on the farms.

In Palampur the land area under cultivation is fixed due to which the farm production cannot be raised. Since 1980, there has been no expansion in the land area under cultivation.

Ways to Grow More from the Same Land

Some of the ways through which farmers grow more from the same land are:

Multiple Cropping

To increase production from the same piece of land, farmers do multiple cropping, i.e., they grow more than one crop on a piece of land during the year.

During the rainy season (Kharif), farmers grow jowar and baajra, which are used as cattle feed. Kharif cultivation is followed by potato cultivation in the months of October to December as the third crop.

During the winter season (Rabi), farmers sow wheat. From the produced wheat, farmers keep enough wheat for their family's consumption and sell the rest of the wheat in the market at Raiganj.

A part of the land is also sown to sugarcane production which is harvested once every year. Sugarcane in its raw form or as jaggery is sold to traders in Shikhar.

The village of Palampur has a well-developed system of irrigation. Availability of electricity is the main reason behind the developed system of irrigation.

Pertan wheels that irrigated small fields through wells are replaced by tubewells. Due to this, by mid-1970s, the entire cultivated area of 200 hectares in the village was brought under irrigation. The irrigation pattern of Palampur is better than other parts of India.

Modern Farming Methods of HYV Seeds

Production can also be increased using modern farming methods for higher yields⁵. Till the mid 1960s, farmers used traditional seeds, which needed less irrigation, but gave relatively low yields. They also used readily available cow dung and other natural manure as fertilisers.

The Green Revolution⁶ in the late 1960s introduced High Yielding Varieties (HYV) of seeds to the Indian farmer which increased their production. Higher yields were only possible with the combination of HYV seeds, irrigation (plenty of water), chemical fertilisers⁷, pesticides, etc.

In India, farmers of Punjab, Haryana and Western Uttar Pradesh were the first to use modern methods of farming.

Some farmers also brought farm machinery like tractors and threshers. This made ploughing and harvesting faster.

In Palampur, with the HYV seeds, the yield of wheat went up to 3200 kg per hectare as compared to 1300 kg per hectare with the traditional seeds.

Sustenance of Land

Due to large amounts of water required in modern farming methods, the water level below the ground has reduced. This further impacts the fertility of the soil.

Modern farming methods have over used the natural resources. In many areas, Green Revolution has resulted in loss of soil fertility due to increased use of chemical fertilisers.

III Effects of Chemical Fertilisers

- Chemical fertilisers provide minerals which dissolve in water and are immediately available to plants. But these minerals may not be retained in the soil for long. They may escape from the soil and pollute groundwater, rivers and lakes.
- Continuous use of chemical fertilisers has led to degradation of soil health.

- The chemical fertilisers kill the bacteria and micro-organisms in the soil and reduce its natural fertility.
- The consumption of chemical fertilisers in Punjab is highest in the country.

Land Distribution in Palampur

In Palampur, all the people are engaged in agriculture, as they do not have sufficient land for cultivation. Out of 450 families in Palampur, 150 families are landless and most of them are dalits.

240 families out of those which own land, cultivate small plots of land less than 2 hectares, which does not bring adequate income to the farmer family. So, they have to look for additional work.

Remaining 60 families of medium and large farmers cultivate more than 2 hectares of land. A few of them have land extending over 10 hectares or more.

Farm Labour

Farm labourers come either from landless families or families cultivating small plots of land. These labourers are paid in cash or crops and sometimes they get meals also. The labourers may not be hired for the full year. They may be hired on a daily basis or for particular activities like sowing and harvesting.

There is a heavy competition for work among the farm labourers in Palampur. So, they agree to work for lower wages. Some labourers have also entered in the non-farm sector in the village and some live on the mercy of moneylenders.

Capital Needed in Farming

As modern farming methods require a great deal of capital, the farmer needs more money for it. Small farmers have to borrow money to arrange the capital. They borrow from large farmers, village moneylenders or traders who supply various inputs for cultivation.

The rate of interest on such loans is very high. They are put to great distress to repay the loan. The large and medium farmers have their own savings from farming. Thus, they are able to arrange for the capital needed.

Sale of Surplus Farm Products

The large and medium farmers of Palampur retain a part of the produced grain for their own use and sell the surplus⁸ in the market. Traders in the market buy these grains by selling them to the shopkeepers in cities and towns.

These farmers earn a good amount of money through this sale. Later, they use this money to purchase inputs for the next farming season, purchase capital equipment or even give loans to small farmers. Some farmers also use this surplus money to start activities in the non-farm sector. Thus, this surplus money increases their working capital as well as land capital.

Non-Farm Activities of Palampur

At present, only about 25 per cent of the working population in Palampur has acquired non-agricultural occupations. It is almost similar to the percentage of non-farm working force in rural areas of the country.

Though there is a variety of non-agricultural activities in the village (e.g., dairy farming, sugary production, transportation, shopkeeping, computer education, etc), the number of people employed in each activity is quite small.

Dairy in Palampur After farming, dairy is the most common activity in Palampur. People feed their buffaloes on various kinds of grass, jowar and bajra grown in the rainy season.

The milk produced is sold in the nearby large village, Raiganj. The milk is transported to far away towns and comes from collection cum chilling centres at Raiganj.

These centres have been set up by two traders of Bhushpur town.

Manufacturing in Palampur In Palampur less than fifty people are engaged in the manufacturing sector. It is done on a small scale.

This manufacturing is carried out mostly at home or in the fields with the help of family labour. Labourers are not hired for manufacturing.

Trade in Palampur A very few people in Palampur are involved in trading (exchange of goods). The traders of Palampur are shopkeepers who buy various goods from wholesale markets in the cities and sell them in the village.

A few of the families whose houses are close to the bus stand have set up small shops and sell groceries.

Transport Sector A number of vehicles run on the road that connects Palampur to Raiganj. Many people are in the transport services (i.e., rickshaw-wallahs, tongawallahs, temp. tractor, truck drivers and people driving the traditional bullock and bullock cart).

The number of people involved in transport has grown over the last several years.

Check Point 02

1. What per cent of the working population is dependent on farming in Palampur?
2. What types of crops are grown in Palampur?
3. Which state is the highest in consuming chemical fertilisers?
4. Two non-farm activities are _____ and _____.
5. In Palampur very few people are engaged in small scale _____.

⁸ Surplus: An amount excess of something needed.

⁵ Yield: The amount of crop produced in a given piece of land during a single season is known as yield.
⁶ Green Revolution: An agricultural revolution in 1960s that increased agricultural production of food grains (especially wheat and rice).
⁷ Chemical fertilisers: A chemical fertiliser is a substance applied to soils or directly onto plants to provide nutrients, optimal for their growth and development.