

INDIA FARMING CRISIS

Debt burden driving farmers to suicide in Punjab's food bowl

Crop failures are forcing farmers to borrow from money-lenders at high interest rates, creating an endless repayment cycle for poor families

By SAT SINGH FEBRUARY 27, 2018

Crippling debts have driven thousands of farmers in Punjab to commit suicide and raised long-term concerns over India's food security as families wait for a promised government bale-out.

Known as India's food bowl, the state has historically produced the highest yields of any Indian farm belt, but a run of crop failures due to whitefly attacks and other natural calamities has pushed scores of farmers to the edge of despair. Many had taken out loans from local moneylenders at high rates, and now face an endless cycle of debt.



Farmers in Punjab
A debt crisis in Punjab has trapped thousands of farming families for generations. Photo: Wikimedia Commons

A door-to-door survey in the districts of Sangrur, Bathinda, Mansa, Barnala, Ludhiana and Moga found that a total of 14,667 agricultural labourers and farmers committed suicide between 2000 and 2015.

Sukhwant Kaur's life has been mired in tragedy. In 1996, her husband Gurtej Singh (45) ended his life by jumping into a village canal as he was unable to repay a debt of Rs150,000 (US\$2,300 at today's rates). A contract worker, Gurtej's cotton crops were damaged by pests. The family hails from Tamkot village in Mansa district, which is 200km from the state capital Chandigarh.

In 2009, Sukhwant's eldest son Ram Singh (25), who worked as a driver, was killed in an accident. "One fine day, we were informed that Ram had died after falling from the rooftop of his transporter's residence and things came crashing down for us," said Sukhwant (59).

Even as she was recovering from his death, tragedy struck again. In 2014, her youngest son, Lachman Singh (23), killed himself by consuming aluminium phosphide tablets (a chemical compound used as a fumigant for stored grains). "The two tragic deaths and our mounting debt left Lachman very upset and he stopped talking to us. Unable to repay the debt, he killed himself," she recounted.

Like other farmers in the area, Gurtej and Sukhwant grew BT cotton, a variety genetically modified to make it caterpillar-resistant that sells at a good price. The downside is that the BT varieties are more vulnerable to whitefly attacks than indigenous cotton.

After a series of damaged crops, Sukhwant's debt soared to around Rs350,000 (US\$5,394), a substantial sum in a region where the average farmer earns just RS12,000 (US\$185) a month. She prays that she will be able to clear the loan in her lifetime, which is unlikely given her meagre income from sewing clothes.

Farm debts are inherited by surviving family members, who often spend the rest of their lives trying to pay them off. For some farming families, this means a constant struggle for decades to come.

In January the state government, headed by Captain Amarinder Singh, launched a "farm debt waiver scheme" that offered relief of up to Rs200,000 (US\$3,081) for "marginal farmers" with land holdings of less than 2.5 acres and "small farmers" with less than five acres.

Government waiver too little, too late

The government calculated that nearly 1.2 million farmers across the state would benefit, but there is evidence the scheme is being abused: the names of many well-off farmers with large landholdings have been found on the eligibility list. There are also doubts that it will make much of a dent in the debtors' list, as banks in Punjab had outstanding crop loans of Rs596 billion (US\$9.1 billion) in March 2017.

Compensation is available for the families of deceased farmers. In 2015, the amount was increased from Rs200,000 (US\$3,081) to Rs300,000 (US\$4,620), but only for deaths occurring after that time. Thousands of families missed out because their loss happened earlier.

Farmers feel that partially waiving debts and compensating families will not address the core issue of Punjab's unending cycle of debt and low incomes; the government's failure to take more concrete measures is cited as evidence that it isn't really concerned about their problems. Previous state governments have likewise neglected to deliver on a range of promised measures to improve their livelihoods.

"Debt is a deadly cycle. One season of crop damage due to natural calamity or low yields due to uneven weather pushes us to the brink," said Minder Singh, a farming activist from Malwa in Punjab.

"No matter what amount of compensation is provided by the state, unless you make the profession profitable, nothing will change for farmers. In 40% of suicide cases, the families of the victims said they couldn't repay loans due to the failure of crop yield in one season and the debt just piled up," he added.

Those fighting for farmers' rights feel that both the BJP-controlled central government and the Congress-led state government are trying to score brownie points while doing little for farmers. They may not be off the mark. Federal finance minister Arun Jaitley promised the 2018 budget would focus on boosting India's flagging rural and agricultural economy, but there was no significant increase in their funding.

The allocation for agriculture was raised by 12.8%, unchanged from the 2017 financial year, while the rural sector got a meagre increase of 1.8%, much less than the 19% hike in the previous year.

"Had the government been serious, the M S Swaminathan Commission report would have been implemented by now," said Tarsem Jodhan, a former member of the Legislative Assembly and member of the non-profit All India Kisan Sangharsh Coordination Committee (Committee for Coordination of Farmer's Struggle).

“And why have they declared the so-called ‘farmer-friendly budget’ months before the general election when half the promises can’t be implemented in this tenure?” he asked.

Professor M S Swaminathan’s National Commission on Farmers submitted five reports to the central government in 2004-2006 and made a series of recommendations aimed at improving sustainability and making credit more accessible. One of the main stumbling blocks was seen as the need to reform tightly-controlled landholdings.

Devendra Sharma, a well-known food and trade policy analyst, feels the state government should focus on providing incentives to support farmers rather than seeking to modernize the agriculture sector.

“While the farmers are demanding Rs2000 (US\$30) per acre to manage agricultural residue (stubble), the government forces them to purchase agri tools. It is a simple case of helping industrialists under the garb of assisting poor farmers,” he said. He added that the state did not have cold storage facilities, yet potatoes were thrown on the streets because low-income farmers could not afford storage charges.

Families facing trauma and stigma

While the politicians procrastinate, the toll from suicides is mounting. Not only do these create trauma for the effected families, but they also bring a stigma, especially for widows. Take the case of Jasvir Kaur, who has been widowed twice — both her first and second husbands committed suicide after falling into the vicious agricultural debt trap.

Jasvir (38) was married young to Balwinder Singh from Bhatinda. Around eight years ago Balwinder hanged himself at the age of 35 when he was unable to repay his debt of around Rs900,000 (US\$13,860) to local moneylenders. Jasvir married his younger brother, Badal, as is the practice in some parts of Punjab. A year later, Badal (32) also killed himself over a debt of Rs700,000 (US\$10,780). Bathinda is the parliamentary constituency of Harsimrat Kaur Badal, the food processing minister in India’s central government.

Jasvir now avoids speaking to people outside the community and shies away from the media for fear of being tagged a social outcast. Villagers say she is scared people will label her a “bad omen” due to her husbands’ deaths.

“We don’t want to speak to anyone regarding this case,” said Jasvir’s 16-year-old son, Sikander Singh, who studies in a college near Bathinda, adding the family don’t want to be subjected to ridicule.

Jasvir married a third time to Maninder Singh, a cousin of her late husbands, in 2010. Maninder owns around five acres of land and is also in debt, though the sum is a bit lower: Rs500,000 (US\$7,700).

Source: <http://www.atimes.com/article/debts-driving-farmers-suicide-punjab-cotton-belt/>