



Research Article

SOCIAL IMPACT OF CONTRACT FARMING ON FARMERS PRACTICING CONTRACT FARMING

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Abstract- The study was conducted in six districts of Karnataka state viz., Chikballapur, Tumkur, Davanagere, Haveri, Gadag and Bellary. Totally six crops were selected purposively namely Tomato, Marigold, Gherkin, Cotton, Watermelon and Pearl millet. The farmers practicing contract farming since from four seasons were considered in selecting respondents for the study. For each crop 40 respondents were selected thus the total sample size for the study was 204 farmers. Impact on health management (637.56%), political participation (223.47%). Public recognition (80.30%), extension participation (94.06%) had shown positive change due to contract farming in Tomato. Impact of contract farming in Marigold that health management (363.42%), political participation (223.47%) had shown higher impact followed by extension participation (53.77%) and mass media participation (43.71%). social impact of contract farming in Pearl millet, health management has shown maximum impact (393.56%) followed by political participation (112.50%), extension contact (43.23%) and extension participation (40.58%). The contract farming in crops like Tomato, Gherkins, Marigold, Cotton, Watermelon and Pearl millet has done a significant impact on health and nutritional security of the people. It has created awareness and cautiousness about managing the health among the people.

Keywords- Contract farming, Social impact, Health, Management

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Introduction

The scenario of agriculture in India is changing. Farmers are keen in transforming from traditional approach of farming to market-led approach. Farmers are now looking for the means and ways to shift from subsistence agriculture to market oriented production [1]. In this context, contract farming provides a unique opportunity to diversify their production. With minimum risk, it motivates the farmers to take up a new venture. There is an unprecedented interest shown by all the stakeholders of contract farming. After opening up of the Indian economy and entry of many domestic and multinational players into agribusiness sector, contract farming which was restricted now became the dominant and growing mode of raw material production and procurement coordination among the processors and fresh produce marketers and exporters [2]. In this regard a study has been taken up to know the social impact of contract farming on practicing farmers

Methodology

The study was conducted in six districts of Karnataka state viz., Chikballapur, Tumkur, Davanagere, Haveri, Gadag and Bellary. Totally six crops were selected purposively namely Tomato, Marigold, Gherkin, Cotton, Watermelon and Pearl millet. The farmers practicing contract farming since from four seasons were considered in selecting respondents for the study. For each crop 40 respondents were selected thus the total sample size for the study was 204 farmers.

Result and Discussion

The result presented in [Table-1] indicates that impact on health management (637.56%), political participation (223.47%). Public recognition (80.30%),

extension participation (94.06%) had shown positive change due to contract farming in Tomato. But, in case of radio (-9.82) it was found to have negative impact. In case of Gherkins higher per cent change due to contract farming could be seen in the case of health management (862.77%) and political participation (331.31%). However, impact on social participation had shown 68.86 per cent increase due to contract farming [Table-2]. A glance at [Table-3] indicates the social impact of contract farming in Marigold that health management (363.42%), political participation (223.47%) had shown higher impact followed by extension participation (53.77%) and mass media participation (43.71%). It is interesting to know that impact on social participation was very less (25.39%) compared to others.

It was interesting to know from [Table-4] that political participation (255.2%), health management (179.12%) and public recognition (60.71%) has shown per cent increase due to contract farming followed by extension contact (58.47%) and in case of mass media participation, television (67.86%) has shown a greater impact compare to other two.

The Political participation (202.18%) has shown highest impact in Watermelon contract farming [Table-5]. This was followed by health management (188.87%) and extension participation (69.16%) with respect to social indicators. In case of mass media participation (63.44%), television (117.74%) shows greater impact compare to others. But all the variables were showing significant impact at one per cent. By looking into [Table-6], the data reveals that social impact of contract farming in Pearl millet, health management has shown maximum impact (393.56%) followed by political participation (112.50%), extension contact (43.23%) and extension participation (40.58%). But comparatively less impact could be observed in mass media participation (24.18%) and it was interesting to

know that impact by radio was very less (4.64%). But the entire variables were significant at one per cent except radio which is non-significant.

Table-1 Impact of contract farming on social characteristics of farmers practicing contract farming in Tomato n=40

Sl. No.	Variables	Mean scores		Percent change due to contract farming	Paired t-value
		Before contract farming	After contract farming		
I.	Social variables				
1.	Political participation	3.75	12.13	223.47	4.34**
2.	Health management	112.50	829.75	637.56	4.99**
3.	Organizational participation	6.90	8.58	24.35	3.03**
4.	Public recognition	3.30	5.95	80.30	9.43**
5.	Extension contact	5.10	8.73	71.18	8.69**
6.	Extension participation	4.38	8.85	94.06	12.08**
7.	Mass media participation	9.55	11.83	23.87	6.11**
	a. Radio	2.75	2.48	-9.82	0.86 ^{NS}
	b. Television	3.23	4.43	37.15	4.83**
	c. Newspaper	3.80	4.86	27.89	3.44**

*Significant at 5%

** Significant at 1%

Table-2 Impact of contract farming on social characteristics of farmers practicing contract farming in Gherkins n=40

Sl. No.	Variables	Mean scores		Percent change due to contract farming	Paired t-value
		Before contract farming	After contract farming		
I.	Social variables				
1.	Political participation	3.13	13.50	331.31	3.82**
2.	Health management	333.75	3213.25	862.77	4.44**
3.	Organizational participation	5.33	9.00	68.86	6.73**
4.	Public recognition	4.40	6.35	44.32	7.09**
5.	Extension contact	6.30	8.75	38.89	8.69**
6.	Extension participation	6.85	9.75	42.34	7.87**
7.	Mass media participation	12.38	13.95	12.68	3.98**
	a. Radio	4.13	3.95	-4.36	0.68 ^{NS}
	b. Television	4.30	5.13	19.30	2.59*
	c. Newspaper	3.95	4.88	23.54	3.60**

*Significant at 5%

NS Non-significant

** Significant at 1%

Table-3 Impact of contract farming on social characteristics of farmers practicing contract farming in Marigold n=40

Sl. No.	Variables	Mean scores		Per cent change due to contract farming	Paired t-value
		Before contract farming	After contract farming		
I.	Social variable				
1.	Political Participation	3.75	12.13	223.47	4.34**
2.	Health Management	138.75	643.00	363.42	6.07**
3.	Organizational participation	6.38	8.00	25.39	2.52*
4.	Public recognition	4.15	5.85	40.96	7.06**
5.	Extension contact	6.23	8.23	32.10	4.64**
6.	Extension participation	6.23	9.58	53.77	7.84**
7.	Mass media participation	8.58	12.33	43.71	9.69**
	a. Radio	3.03	3.10	2.31	0.27 ^{NS}
	b. Television	2.78	5.08	82.73	8.81**
	c. Newspaper	2.65	4.08	53.96	5.81**

*Significant at 5%

NS Non-significant

** Significant at 1%

Table-4 Impact of contract farming on social characteristics of farmers practicing contract farming in Cotton n=40

Sl. No.	Variables	Mean scores		Percent change due to contract farming	Paired t-value
		Before contract farming	After contract farming		
I.	Social variables				
1.	Political participation	2.50	8.88	255.20	5.50**
2.	Health management	906.50	2530.25	179.12	2.43**
3.	Organizational participation	5.90	8.00	35.59	7.71**
4.	Public recognition	4.25	6.83	60.71	10.62**
5.	Extension contact	5.90	9.35	58.47	10.52**
6.	Extension participation	6.10	9.08	48.85	7.54**
7.	Mass media participation	12.98	8.70	-32.97	48.34**
	a. Radio	3.28	4.33	32.01	4.58**
	b. Television	2.80	4.70	67.86	6.10**
	c. Newspaper	2.75	3.93	42.91	4.51**

*Significant at 5%

NS Non-significant

** Significant at 1%

Table-5 Impact of contract farming on social characteristics of farmers practicing contract farming in Watermelon n=40

Sl. No.	Variables	Mean scores		Per cent change due to contract farming	Paired t-value
		Before contract farming	After contract farming		
I.	Social variables				
1.	Political participation	2.75	8.13	202.18	5.05**
2.	Health management	710.00	2051.00	188.87	3.37**
3.	Organizational participation	4.35	6.15	41.38	5.92**
4.	Public recognition	3.93	5.98	52.16	9.83**
5.	Extension contact	5.20	8.53	64.04	8.01**
6.	Extension participation	5.35	9.05	69.16	8.86**
7.	Mass media participation	7.85	12.83	63.44	9.72**
	a. Radio	3.23	4.78	47.99	7.78**
	b. Television	2.48	5.40	117.74	11.51**
	c. Newspaper	2.95	2.05	-30.51	4.20**

*Significant at 5%

NS Non-significant

** Significant at 1%

Table-6 Impact of contract farming on social characteristics of farmers practicing contract farming in Pearl millet n=40

Sl. No.	Variables	Mean scores		Percent change due to contract farming	Paired t-value
		Before contract farming	After contract farming		
I.	Social variables				
1.	Political participation	4.00	8.50	112.50	4.32**
2.	Health management	279.50	1379.50	393.56	3.07**
3.	Organizational participation	6.18	8.68	40.45	4.75**
4.	Public recognition	4.68	6.18	32.05	7.52**
5.	Extension contact	6.13	8.78	43.23	9.59**
6.	Extension participation	6.58	9.25	40.58	7.28**
7.	Mass media participation	9.18	11.40	24.18	4.59**
	a. Radio	3.23	3.38	4.64	0.56 ^{NS}
	b. Television	3.43	4.63	34.99	4.60**
	c. Newspaper	2.53	3.33	31.62	3.77**

*Significant at 5%

NS Non-significant

** Significant at 1%

But when we look at over all social impact as depicted in [Table-7] reveals that major impact could be seen in Watermelon as the mean score before contract farming (36.93) has increased to 58.38 after contract farming. Comparatively less impact could be seen in case of Tomato as mean score (41.25) before contract farming is changed to 54.61 after contract farming. But, it is very interesting to see that in all the six crops social impact was significant from before contract farming to after contract farming at one per cent.

Table-7 Social impact of contract farming on farmers growing crops under different contract farming n=40

Sl. No.	Crops	Model of contract farming	Mean scores		Paired t-value
			Before contract farming	After contract farming	
1.	Tomato	Multipartite model	161.19	902.38	5.16**
2.	Gherkins	Informal model	391.73	3295.27	4.48**
3.	Marigold	Centralized model	187.33	717.21	6.38**
4.	Cotton	Intermediary model	956.45	2606.77	2.47*
5.	Watermelon	Centralized model	749.98	2122.46	3.45**
6.	Pearl millet	Intermediary model	332.11	1451.47	3.12**

*Significant at 5%

** Significant at 1%

The variable Health management has shown significant impact due to contract farming in crops like Tomato, Gherkins, Marigold, Cotton, Watermelon and Pearl millet. Now a day's improved facilities in rural area along with better accessibility might have been made them to be more conscious about their health. Due to contract farming in crops like Tomato, Gherkins, Marigold, Cotton, Watermelon and Pearl millet, organizational participation of the farmers also increased. The increased political participation helped to get position in society. Farmers started participating in the social and organizational activities very effectively. Many organizations were existed in study area made them to have better participation. Recognition in public was increased among the farmers practicing contract farming in Tomato, Gherkins, Marigold, Cotton, Watermelon and Pearl millet. The farmers are getting due recognition in the society as an impact of better organizational participation and political participation. Better exposure of the farmers to outside world might have also increased them to have good public recognition. There was a significant impact on extension contact and extension participation due to contract farming in Tomato, Gherkins, Marigold, Cotton, Watermelon and Pearl millet. By participating in contract farming made the farmers to have regular contact with extension personnel of the firm to get additional information about farming. Firm involved in contract farming was conducting extension programmes like training, demonstration, group discussion meeting etc. about farming activities for the benefit of the farmers and compulsion for the farmers to participate in these activities. Many times crops grown under contract were new to farmers so they were interested to know about that. If we have a look at the mass media participation, which involves radio, TV, news paper, there was a significant impact in case of TV and news paper in Tomato, Gherkins, Marigold, Cotton, Watermelon and Pearl millet contract farming. In case of radio it was non significant. Recent advancement in the field of broadcast has created a revolution, replacing traditional media like radio by TV, internet, etc. Thus, reducing the usage of radio by the people. Apart from this extension services provided by the sponsors were very good and timely. When we look at the overall impact of contract farming we could observe that there was significant impact could be observed in health management, political participation, extension contact, extension participation, public recognition and also mass media participation. From this we can conclude that contract farming gave an opportunity for the farmers to open up themselves and could able to create a good position in the society.

Conclusion

In the present study, high social impact can be seen in Gherkins comparing before

contract Farming (391.73) to after contract farming (3295.27) followed by Cotton before contract Farming (956.45) to after contract farming (2606.77), Watermelon and Pearl millet and less social impact can be observed in case of Tomato before contract farming (161.19) to after contract farming (902.38) and Marigold before contract farming (187.33) to after contract farming (717.21). But all have shown significant impact at one per cent. The contract farming has also significantly influenced the social characters of the farmers like Political participation, health management, Organizational participation, Extension contact, Public recognition, Extension participation and Mass media participation. The impact of contract farming on farmers shows that it is one of the important extension strategies that can be considered to improve the social status of the farmers.

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