

iii. Diversification- a development paradigm

Given the present status of agriculture in Assam, there will be no two opinions about the need for diversification. However, if we want diversification to happen on a sustainable basis, we cannot but stress on an entire gamut of related issues. While getting into issues behind diversification in agriculture, it would do some good to get a clear status picture on the direction and extent of such diversification. We also need to answer a few simple questions. When we say diversification, we talk of moving away either from certain food grains to,

- certain other food grains, or
- non-food crops, or
- a related sector like livestock or fisheries, or
- agriculture to non-farm activities [at the broadest level]

The rationale behind diversification in agriculture is similar to that for stocks and investments. From food crops to cash crops, it is a question of higher value addition associated with higher risks but possibly greater profits. And beyond the ‘all-eggs-in-one-basket-is-trouble’ argument, diversification out of agriculture has important positive implications for employment and productivity both within agriculture and in the diversified sectors- a development paradigm true for most states which started out with a workforce heavily tilted towards farming.

Before the green revolution, most of the growth in output for a crop was attributed to an increase in area. But, with the adoption of new technology, the primary source of growth became an increase in yield levels. Significantly, the new technologies enabled a vertical expansion in area- enhancement in gross cropped area under irrigation and growing short-duration crops. As has been evident from a number of countries and states, yield increases were possible even on a small plot of land [technology neutral to land size] with an intensive use of high-yielding

variety seeds and inputs like chemical fertilizers. The farming community should allocate the existing area of land to more than one crop, driven by suitability, demand and profitability

conditions. *The diversification would lead to new market situations like adopting processing for value addition, contract farming, use of information, communication and technology [ICT] for improving the economic lot of the farming community, producing for export markets, etc.* As mentioned above, it would also lead to diversification to related sectors like livestock and fisheries.

In order to encourage the farmers for diversifying to non-food crops or cash crops, farmers may be offered incentive for the first three years. Such measures may encourage farmers of Assam who are growing paddy to diversify to non-food crops or adopt organic farming.

Cash incentive for diversification
In Punjab, the State Government has approved a proposal for providing cash incentive at the rate of Rs.12,000 per ha to those farmers growing paddy or wheat, if they diversify to other non-food crops.