

Farm Diversification: A Measure to Increase Farmers' Income

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Introduction

Farm diversification is when a farm branches out from traditional farming by adding new money-making activities. This can be an expansion of agricultural activities into new innovations, or moving into non-agricultural business types. It is the stage where traditional agriculture is transformed into a dynamic and commercial sector by shifting the traditional agricultural product mix to high standard products, which has a high potential in stimulating production rate. Farm Diversification refers to either a change in cropping pattern or the farmers opting for other options like poultry farming, animal husbandry, etc. This practice allows farmers to expand the production, which helps generate a higher level of income. After the emergence of Golden Revolution (1991-2003), diversification has started to flourish rapidly across the country. Farm diversification is mainly of two types i.e.; horizontal diversification and vertical diversification. Horizontal diversification relates to the multiple cropping or mix of crops instead of cultivating a single crop. It is especially useful for small farmers who hold a small piece of land. This allows them to earn more by escalating crop intensity. While, Vertical diversification refers to the incorporation of industrialization along with the multiple cropping. In this kind of diversification farmers take a further step and invest in activities like horticulture, apiculture, livestock rearing, fisheries agroforestry etc.

Types of farm diversification:

1. **Horticulture:** Horticulture includes the cultivation of fruits, vegetables, and flowers, spices mushroom, medicinal and aromatic plants. The cultivation of horticulture crops is highly specialized, technical and remunerative venture as compared to traditional crops being grown by the farmers. It has been identified as remunerative for

diversification of land use which provides increased employment opportunities, better return per unit area besides filling the nutritional gaps.

2. **Agroforestry:** Agroforestry is a collective name for land-use systems and technologies where woody perennials (trees, shrubs, palms, bamboos, etc.) are deliberately used on the same land-management units as agricultural crops and/or animals, in some form of spatial arrangement or temporal sequence. agroforestry systems contribute to food security and income generation, in addition to providing medicine, materials for handicrafts, wood, firewood, and the improvement of the microclimate, providing the well-being of this population.
3. **Dairy:** Dairy farming is a labour-intensive productive work, which can generate employment opportunities for the rural poor. Dairy provides a viable subsidiary occupation for the unemployed rural poor so as to raise their income earning capacities. Dairy cooperatives are playing a vital role in income generating activities by resource pooling, cooperating, and joint marketing, which ultimately affects the socio-economic condition of the rural poor.
4. **Mushroom farming:** Cultivated mushrooms have now become popular all over the world. Mushroom cultivation can directly improve livelihoods through economic, nutritional, and medicinal contributions. Mushroom is a popular food due to their special flavour, nutritive value, and medicinal properties. Mushroom cultivation improves the socio-economic condition of farmers and families and solves employment problems of both literate and illiterate rural and semi-urban areas, especially women.
5. **Poultry:** Poultry farming is found to be one of the most needed areas among income-generating activities. Poultry farming enterprise is perceived as very easy to understand and use, profitable, observable, physically and culturally most compatible, labour efficient, and easily marketable but somewhat risky enterprise. In addition to contributing to improved human nutrition and food security by being a leading source of high-quality protein, poultry is of economic, social and cultural significance in small societies.
6. **Apiculture:** Beekeeping is becoming a very fascinating occupation day by day. Apiculture provides a good source of livelihood to the poor, land less, unemployed

youth, marginal farmers and farm women. Hive products such as honey, wax, propolis, royal jelly and bee venom are very useful and can be commercially exploited. The economic returns from this venture are quite high then the investment required. Thus, every section of the rural area can substantially supplement their income by adopting apiculture enterprise which has not been yet exploited to the desired extent.

7. **Fishery:** Fishery plays an important role in supporting livelihoods worldwide and also forms an important source of diet for over one billion people. The Inland fisheries are of particular importance to the rural poor accounting for about 15% of total global employment. It is recognized as a powerful income source and employment generator as it stimulates growth of a number of subsidiary industries and is a source of cheap and nutritious food besides being a foreign exchange earner. The sustainable utilization of available land and water resources by mass participation of farmers in aquaculture would be able to improve the socioeconomic condition of the farmers.
8. **Processing industry:** Food processing is the transformation of raw ingredients into food, or of food into other forms. Food processing typically takes clean, harvested crops or butchered animal products and uses these to produce attractive, marketable and often long shelf-life food products. Across the world, food-processing is considered to be a sunrise sector because of its large potential for growth and socio-economic impact. It not only leads to income generation but also helps in reduction of wastage, value addition, and foreign exchange earnings and enhancing manufacturing competitiveness. A strong and dynamic food processing sector plays a significant role in diversification of agricultural activities, improving value addition opportunities and creating surplus for export of agro-food products.
9. **Rural tourism:** Tourism is recognized as a sector with immense potential economic development and employment generation. There are many benefits to the local community because of rural tourism, particularly from the perspective of employment generation. Rural tourism can be explored as a sustainability model for India, especially because India lies in its villages. It's a replicable model, and with the



increasing interest of tourists in experiencing village life to escape their busy routines of professional lives in the cities, it has huge scope in the country.

Conclusion:

Farm diversification involves adding income-generating activities at the farm household level, including livestock, local non-farm and off-farm pursuits undertaken by farm people. Diversification has brought about a greater integration and interdependency between farm households and rural economies. The relevance of diversification strategies is growing in rural economies. Government has an intense interest in promoting increased output diversification at both the farm and national levels. Cited benefits of farm diversification are high and more stable farm incomes and employment, greater long-term prospects for farm income growth and more environmentally sustainable farming systems. So, there is need for policies specifically to promote change in farm-level output mixes arises primarily because of the existence of prior distortions, such as differential protection of specific crops.

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