

## Effectiveness of Income Diversification Interventions of Crop Maximization Project in the Socio-Economic Development of Small Farmers of District Charsadda

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### Abstract:

*The present research study is about the effectiveness of Income Diversification Interventions of Crop Maximization Project (CMP) in the socio-economic development of small farmers of district Charsadda. The main objective of the study was to know about the role of income diversification interventions in economic development of small farmers. Rajjar-II and Sarki Tetara the two union councils of Tehsil and district Charsadda were selected for the present study. The data were collected through pre-tested interview schedule from sample size of 150 respondents who were purposely selected through random sampling method. According to the analyzed data 80.7% of the respondents got benefits from the income diversification interventions of the project while 19.3% remained deprived. The research study further demonstrated that the said interventions enhanced the income of 80% of small farmers and 20% of respondents felt no change in their income through income diversification intervention. The present study also highlighted some shortcomings in the project. From the*

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*standpoint of the shortcomings observed, the present research work suggested that the small farmers should be trained before putting an intervention in to practice and the number of beneficiaries should be increased. Similarly, the future policy makers and organizations should consider the above suggestion to fill the gap and get the maximum results.*

**Key words:** Small Farmers, Income diversification, Socio-Economic Development

## **INTRODUCTION:**

Income Diversification Intervention means to diversify the income of targeted population i.e. to provide them the income generation opportunities other than their existing profession. G. Tyler Miller (2000) revealed that the small farmers' income diversification means to provide them the income generating sources or opportunities along with their agriculture to make them able to increase their income. According to Khan (2012) majority of the small farmers of Pakistan are only relying on subsistence nature of agriculture. They can hardly produce for kitchen requirements. That is the main cause of their low socio-economic conditions and expanded poverty among them. There are many factors responsible for these vulnerable socio-economic conditions of small farmers. Very little income diversification intervention opportunities is the one among them. This is a universal fact that the country's food security and agricultural development is mostly dependent on small farmers. About 70% of the country's population is living in rural areas and bulk of them is directly or indirectly involved in agriculture sector. Tariq (2013) observed that in Pakistan the strategies and plans are made for agriculture development but very little importance are given to small farmers. They have very rare access to income generation interventions. Statistics

shows that majority of them have very low socio-economic conditions. To cope with poverty and enhance the income of rural people especially of small farmers, the maximum income diversification interventions opportunities can play vital role in this regard. The government and developmental organizations from time to time providing the income diversification interventions opportunities to small famers but due to some hidden reasons it could not improve the socio-economic conditions of small farmers of the country. In this connection the government initiated Crop Maximization Project from 2008 to 2012. The target group of the project was the small farmers, having up to 15 acres of irrigated land. It was a multi-sectoral project and agriculture related income diversification intervention was one of the sectors of the project. Its aim was to increase the farm income of small farmers. Financial and technical support was provided to small farmers regarding different income diversification interventions (Khan, 2012). The present study has examined the effectiveness of the CMP in the socio-economic development of small farmers through different Income Diversification Interventions (IDI). Comer (1990) studied that Agricultural development has visible contribution in changing the economic, cultural and social conditions of small farmers through enhancing farm production and income diversification interventions. Furthermore, Maxwell (2001) demonstrated that the enhancement in socio-economic condition of the small farmers is nearly not possible by relying merely on agriculture for their economic development. It is presumed that to bring positive alteration in their life standard, there is need of maximum number of income diversification interventions for small farmers. Similarly, Rao (1995) also found that the innovations in agriculture especially in small scale agriculture are inevitable. The diversity should be bringing in income generating and farm productivity means of small farmers to make them able to increase their income and to eradicate poverty. According to the World Bank report

(2013), the enhancement in income diversification interventions for small farmers could help in agriculture development because of the raise in their economic conditions. Mehta (2009) observed that about 90% of the small farmers of the world are only depending on small scale subsistence agriculture for their livelihood, due to very limited and unaffordable income diversification interventions opportunities. This is the main cause of scattered poverty in rural people around the world. It was demonstrated by Rebecca (2013) that for alleviating the poverty from among the small farmers of the world, they should be provided the income diversification interventions opportunities. According to Sahibzada (1997), the rapid increase in world population further squeezed the agricultural land around the world. This badly affects the farming community socio-economic conditions especially of small farmers. He suggested that this situation could be somehow controlled with providing the alternative income generation interventions opportunities.

As mentioned earlier that Crop Maximization Project was a mega multi-sectoral agriculture development project. The target group of the project was small farmers. District Charsadda was one of the targeted areas of crop maximization project. By and large the district has small farmers and land less people. The district has huge potential in livestock and fishery sector. So the income diversification sector of the project better suited the small farmers of the district. The livestock sector was better chance to improve and diversify the income of small and landless people of the district (MNFAL, 2007). The project has claimed significant contribution by spending million of rupees for increasing per acre productivity and income diversification interventions of the area. Hence, the project initiated Variety of income diversification interventions for enhancing the income of the targeted small farmers of the district. So far nobody has worked on the impacts of income diversification interventions of Crop Maximization Project on

the economic development of small farmers of the projected areas of the district. Therefore this study will provide the information about the importance of income diversification interventions for small farmers.

## **MATERIALS AND METHODS:**

The present study was conducted in two union council's .i.e. Rajjar-II and Sarki Tetara of district and Tehsil Charsadda. This study was carried out to know about the effect of income diversification interventions of Crop Maximization Project on the economic development of small farmers of district Charsadda. Pre-tested interview schedule was used for data collection. The data were collected from 150 targeted small farmers, who were purposively selected from the above mentioned universe through random sampling. In later stage the data were tabulated and analyzed through SPSS. Chi-square and Gamma statistics were used to know about the association and relationship between the variables.

## **RESULTS AND DISCUSSION:**

**Table 1. Before Crop Maximization Project, Income Diversification Interventions Opportunities Availability to Small Farmers**

| Pre- CMP Availability of Income Diversification Interventions | Frequency | Percent |
|---|-----------|---------|
| No  | 150       | 100.0   |
| Yes   | 00        | 00      |
| Total   | 150       | 100.0   |

Result shown in the table.1 demonstrated the information about the pre-crop maximization project period income diversification interventions opportunities availability to small farmers of the projected area. Hundred percent of the respondents reported that in the pre-crop maximization project

era the targeted population was totally unaware of the concept of Income Diversification Interventions. It is therefore concluded from the above data that the main cause of the low socio-economic conditions of small farmers of the targeted area was the non availability of other sources of income generation than subsistence nature of agriculture. They were only dependent on small scale subsistence agriculture with poor economic conditions. Hence Crop Maximization Project provided them opportunities of income generation interventions other than agriculture to diversify their earning resources to develop their economic conditions.

Mehta (2009) also found that the major cause of meager socio-economic conditions of small farmers of developing countries is their dependence merely on farm activities for their economy. Because of lesser skills and restricted income diversification opportunities, 90% of the small farmers are relying on small scale agriculture for their livelihood. The conditions is relatively encouraging in developed countries, where the economic system of small farmers is more diversified and larger number of small farmers receive attractive amount from nonfarm activities, the rationale behind this is the extra income diversification opportunity are offered to them to develop their economic condition. Crop Maximization Project was a multi-sectoral project. It enclosed all the aspects of development of the small farmers of the targeted area. Income diversification intervention was one of them; the basic aim of CMP was to give income generation opportunities to poor small farmers to enhance their income.

**Table 2. Types of Income Diversification Interventions initiated by Crop Maximization Project for Small Farmers**

| Name of Income Diversification Interventions | Frequency | Percent |
|--|-----------|---------|
| Sheep Farming                                | 3         | 2.0     |
| Goat Farming                                 | 18        | 12.0    |

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|                       |     |       |
|-----------------------|-----|-------|
| Dairy Farming         | 44  | 29.3  |
| Off Season Vegetables | 56  | 37.3  |
| Nil                   | 29  | 19.3  |
| Total                 | 150 | 100.0 |

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Result shown in the table. 2 indicated the data about variety of income diversification interventions initiated by Crop Maximization Project for small farmers. The data shows that 2% of the total respondents took benefits from sheep farming, 12% invested in goat farming, the share of dairy farming beneficiaries were 29.3%, from off season vegetables farming 37.3% of respondents took benefits while 19.3% were the deprived small farmers, got no benefits from the said interventions. It was observed by Verdoodt (2010), that to support small scale agriculture base economy and to improve the socio-economic conditions of small farmers, the induction of variety of small scale agriculture based income diversification interventions is of high importance. The Crop Maximization Project also included variety of income diversification interventions to diversify the income of small scale subsistence farmers. The small farmers of district Charsadda showed their interest in four types of income diversification interventions of the project. The main reason behind this was the poor economic conditions and conventional nature of the respondents, who were afraid of, to experience new things, the above stated income diversification interventions were not new for them and they were practicing it in their houses since long by their own. That's why majority of the small farmers shown great interest in dairy farming and season vegetables whereas some of the small farmers got no benefits. The research find out that due to very limited number of income diversification interventions opportunities and the non serious attitude and less interest of the high ups of the project especially of the deputation staff of the project, the said interventions play very lesser role than its potential in the socio-economic development of small farmers.

**Table 3. Small Farmers Got Benefits from Income Diversification Interventions**

| Benefits Got | Frequency | Percent |
|--------------|-----------|---------|
| Yes          | 121       | 80.7    |
| No           | 29        | 19.3    |
| Total        | 150       | 100.0   |

Result shown in the table. 3 gives the information about the benefits taken by small farmers from income diversification interventions of the project. Among the total sample size, 80.7% of the respondents were got benefits while 19.3% were left deprived. Pehu (2011) described that only through subsistence agriculture one cannot change the socio-economic conditions of small farmers. Their life standard could be improved only through by providing them agriculture base income generation interventions opportunities to diversify their income. In the same manner the income diversification interventions of the project were agriculture related enterprises, easy to run with agriculture. Therefore majority of the respondents took advantages. Through the said interventions the small farmers enhanced their income which was not possible through only small scale agriculture. But due to non availability of in time and sufficient fund and some weakness in the project implementations, a number of small farmers still remain deprived. That was the main cause that the income diversification interventions sector of the project did not give the desired results.

**Table. 4 Income Diversification Interventions Enhanced Small Farmers Economy**

| IDIs Brought Changes | Frequency | Percent |
|----------------------|-----------|---------|
| Yes                  | 120       | 80.0    |
| No                   | 30        | 20.0    |
| Total                | 150       | 100.0   |

Result of the table. 4 indicated the role of income diversification interventions of the project in economic development of small farmers of the targeted area. The analyzed data shows that majority of the respondents agreed with the role of the said interventions in their economic development. Ansoms (2010) observed that the small farmer’s crop production is always very low due to the small piece of land and very limited resources. According to him for enhancement of their income, they should be provided the income generation interventions opportunities. It will bring positive change in small farmer’s social and economic conditions. The same methodology was used by the said project for the improvement of small farmer’s socio-economic conditions.

It is therefore concluded that majority of the small farmers were satisfied the role played by income diversification interventions of the project in their economic development. This indicates the effectiveness of the interventions in bringing positive changes in small farmer’s socio-economic conditions. Though these changes in their economic conditions were not so high and furthermore a number of small farmers felt no change in their economic conditions. It shows that some more efforts were required to make the available interventions more effective and also to bring maximum number of the small farmers in the cycle of beneficiaries of the said interventions.

**Table. 5 Cross Tabulation showing association between “Income Diversification Interventions” and “Socio-Economic Development” of Small farmers**

| Change in Socio-Economic Condition through IDIs | The economic development of Small Farmers |                   |                |                 | Total | Statistics              |
|---|---|-------------------|----------------|-----------------|-------|-------------------------|
|   | To Some Extent                            | To Greater Extent | To Less Extent | No Change Occur |       |                         |
| Yes   | 83  | 20                | 9              | 8               | 120   | Chi-square value 62.900 |
| Yes or No                                       |   |                   |                |                 |       |                         |

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|       |    |    |    |    |     |             |       |
|-------|----|----|----|----|-----|-------------|-------|
|       |    |    |    |    |     | P-value     | 0 .00 |
| No    | 4  | 0  | 17 | 9  | 30  | Gamma value | 0 .00 |
| Total | 87 | 20 | 26 | 17 | 150 |             |       |

Result of the table. 5 shows, cross tabulation of independent variable “Income diversification interventions” and dependent variable “socio-economic development” of small farmers. The data in above table were tested the hypothesis of the study by applying Chi-square and Gamma statistics. After analyzing the data the Chi-square value is 62.900 and P-value is 0.00, shows the significant association between dependent and independent variables. Hence the null hypothesis (Ho) is rejected and the alternative hypothesis (H1) is accepted. The statistics proved that there is significant association between the income diversification interventions with the socio-economic development of the targeted population. Moreover, the Gamma Value 0.00 indicated that there is strong relation between dependent and independent variables. It is therefore concluded that there is very strong relationship between Income diversification interventions and economic development of small farmers. If the number of agriculture related income diversification opportunities are increased for small farmers, there will be a chance of their socio-economic development. The collected and analyzed data shows that the majority of the respondents of the present study were poor and small farmers; they hardly produced crops for their kitchen requirements. They were unable to start other income generating activities due to low income. This was the main cause of their low economic conditions. Crop maximization project gave them variety of agriculture based income diversification interventions for their economic development. Good portion of the sample size got benefits from the interventions. According to them income diversification interventions of the project bring somehow change in their economic conditions. A part of the

sample size did not get the returns from the said interventions. The main reason behind the varying results given by the above interventions was the availability of very limited number of income diversification interventions opportunities. By bringing some positive changes and improvement in the process and implementation of these interventions would have further strengthened the affect of income diversification interventions on the economic development of small farmers of the targeted area. But still the said interventions leave very positive impact on the overall attitude of the small farmers of the area. They sense the importance of income diversification interventions in economic development of subsistence small farmers. This will help them in future while initiating any income generating intervention for their economic development.

Findings of the study concluded that Crop Maximization Project initiated variety income diversification interventions in the targeted area for the economic development of small farmers. These interventions provided support to majority of small farmers in their economic development.

## **CONCLUSION:**

The crux of the present study was to inquire about the effectiveness of income diversification interventions of Crop Maximization Project in socio-economic development of small farmers of district Charsadda. From the research findings it is therefore concluded that the income diversification interventions of the project played very essential role in the socio-economic development of small farmers of area. This research study found that notable changes occurred in socio-economic conditions of the small farmers of the area after the introduction of income diversification interventions of the project. Majority of the small farmers benefited from the different interventions. The short duration of the project and very limited number of income diversification interventions

were the main factors for not providing equitable opportunities to all farmers. These sorts of problems negatively affected the overall effectiveness of the project. Though the project was very much effective in getting its predetermined objectives but for mitigating the all of the bottleneck some structural and institutional changes are required to be incorporated in the basic theory of such projects.

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