



Farmers' Distress: Causes, Consequences and Solutions

Swagata Patra^{1*}, Monirul Haque², Darshan. N. P.³

¹, Ph.D. Scholar, Department of Agricultural Extension, Palli Siksha Bhavana, Visva-Bharati, Sriniketan, Birbhum, West Bengal – 731236

², Assistant Professor, Department of Biological Sciences (Agriculture), Midnapore City College, Paschim Medinipur, West Bengal, India - 721129

³, Assistant Professor, Department of Agricultural Extension, Palli Siksha Bhavana, Visva-Bharati, Sriniketan, Birbhum, West Bengal- 731236

ABSTRACT

Farmers' distress is a pressing issue that stems from financial instability, social challenges, and emotional strain caused by agricultural uncertainties, economic hardships, and policy limitations. The rising cost of inputs, low and unstable crop prices, unpredictable weather patterns due to climate change, and market fluctuations have placed immense pressure on farming communities. Small landholdings, limited access to institutional credit, and slow adoption of modern technology further exacerbate their vulnerability, making it difficult for farmers to sustain their livelihoods. The consequences of this distress extend beyond individual farmers, affecting overall agricultural productivity, food security, and rural economies. Many farmers are forced to abandon agriculture, leading to increased rural-to-urban migration and a shrinking workforce in the farming sector. Mental health issues, including depression and an alarming rise in farmer suicides, highlight the severe emotional toll of these challenges. Addressing this crisis requires a multi-pronged approach focused on economic stability, climate resilience, and institutional support. Expanding the MSP system, promoting climate-smart farming techniques, and ensuring better access to financial services can provide significant relief. Government initiatives such as PM-KISAN, PMFBY and irrigation development programs play a critical role in mitigating risks. Additionally, enhancing digital platforms, increasing mechanization, and encouraging cooperative farming can strengthen farmers' resilience. A comprehensive strategy that integrates sustainable agricultural practices, financial inclusion, and supportive policies is essential to alleviating farmers' distress and securing the long-term stability of the agricultural sector.



Keywords: Climate change; Distress; market fluctuations; policy interventions; sustainability; vulnerability.

Introduction

Farmers are the backbone of society, providing food and sustaining economies, yet they remain one of the most vulnerable groups worldwide. Despite their vital role, many farmers live in a constant state of uncertainty and distress, struggling with financial instability, erratic weather patterns, and policy changes that often leave them unsupported. Every year, more than 800,000 people die by suicide globally, and farmers account for a significant portion of these tragedies, particularly in low- and middle-income countries. In the United States, male farmers face a suicide rate higher than homicide rates, while in India, over 285,000 farmers have taken their own lives in the past two decades. Small-scale farmers, especially those with less than 1–2 hectares of land and burdened with debt, are among the most vulnerable. The root of farmer distress is deeply tied to economic hardships. Fluctuating crop prices, rising input costs, poor market access, and mounting debts create a financial trap that many farmers find impossible to escape. Additionally, changing climate conditions, unpredictable monsoons, and frequent droughts or floods only add to their struggles. Many also suffer from declining livestock health and diminishing yields, leading to further financial losses. Beyond these economic pressures, the physical and emotional toll of farming is immense. Long hours, physical exhaustion, and the social isolation of rural life contribute to severe mental health challenges. For many farmers, personal hardships intensify their struggles. The loss of a spouse, family conflicts, and societal expectations place an additional burden on their already fragile mental state. Women in farming communities often face immense emotional distress after the suicide of a spouse, while men experience significant psychological strain due to financial pressures and interpersonal conflicts. The accumulation of these stressors creates a condition known as ‘farm stress’, pushing many to the edge. Although agriculture plays a crucial role in feeding nations and supporting economies, the well-being of farmers is often overlooked. This crisis not only impacts individual farmers but also threatens food security, rural economies, and overall societal stability. Addressing these challenges requires urgent action—fair pricing policies, debt relief programs, mental health support, and sustainable agricultural practices must be prioritized. By recognizing and addressing the real struggles of farmers, society can work towards solutions that ensure they receive the support they deserve, allowing them to thrive rather than merely survive.



Significance of Farmer's Distress

Economic Impact: Agriculture is critical to many economies, especially in developing countries, where it has a substantial impact on food production, supply chains, and general economic stability. When farmers are under distress, it can lead to decreased productivity and financial instability, which reduces GDP growth and exacerbates rural poverty. As farming communities fail, the economic consequences are seen across the economy, disrupting supply networks and jeopardizing food security. Addressing farmer hardship is thus critical not only for the welfare of agricultural workers, but also for sustaining economic growth and guaranteeing long-term stability.

Food Security Concerns: Farmers under distress may leave farming or switch to low-yield crops, reducing food availability and affordability. The fall in agricultural productivity has the potential to disrupt supply systems, resulting in inconsistent output and contributing to inflation and food scarcity. As food becomes less accessible and costs rise, both rural and urban populations endure economic strain, emphasizing the larger implications of farmer distress for food security and market stability.

Social Consequences: Farmer misery frequently drives many people to migrate to cities in search of better opportunities, contributing to urban overpopulation and straining municipal resources. Furthermore, the financial difficulties and uncertainty that troubled farmers confront can lead to serious mental health issues, with an increase in depression and suicides, particularly in agriculturally dependent communities. This not only causes a social catastrophe, but it also weakens rural communities, compounding the issues in agriculture.

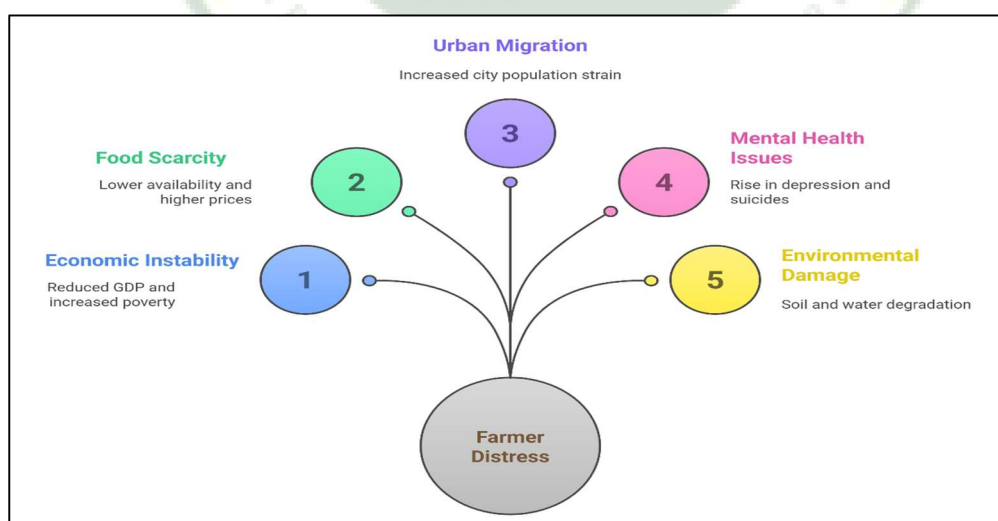


Fig. 1. Significance of farmers distress



Policy Implications: Farmer suffering underlines the critical need for effective agricultural policy, such as better pricing systems, debt exemptions, insurance coverage, and enhanced irrigation infrastructure. To address these issues, governments frequently implement policies such as subsidies, minimum support prices (MSP), and various welfare schemes aimed at providing financial relief and ensuring farmers' economic security. Such policies must be implemented and strengthened in order to protect farmers' livelihoods and support long-term agricultural growth.

Environmental Consequences: In order to enhance short-term yields and recoup financial losses, distressed farmers may turn to unsustainable methods such as misuse of fertilizers or pesticides. However, this strategy frequently has long-term implications, such as soil deterioration, decreased fertility, and water pollution. Such methods not only hurt the environment, but they also jeopardize agricultural sustainability, posing additional problems to farmers and the ecosystem.

Major Concerns of Distress in Agriculture

Agricultural distress is caused by a number of interrelated problems that endanger farmers' livelihoods and the sector's stability. Climate change-induced unpredictable weather patterns, such as droughts, floods, and erratic rainfall, have a significant impact on crop output. Price volatility and market uncertainty exacerbate the dilemma, as farmers frequently confront low or fluctuating produce prices, diminishing their income stability. Rising input costs (seeds, fertilizers, and insecticides) paired with limited finance availability drive farmers into debt

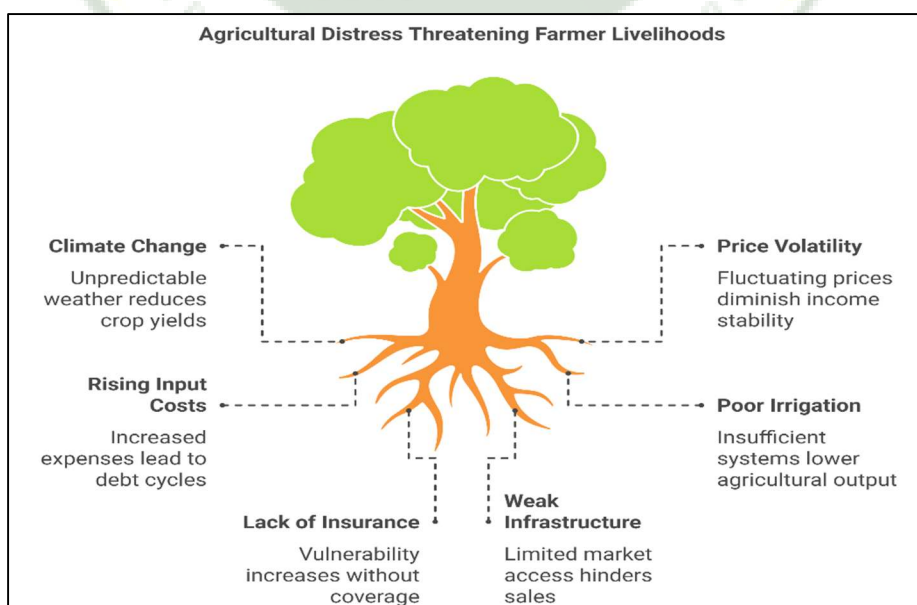


Fig. 2. Major causes of distress in farming



cycles. Furthermore, insufficient irrigation systems and deteriorating soil fertility reduce output. Their vulnerability is exacerbated by a lack of appropriate insurance coverage and delays in government assistance programs. Farmers in areas with weak infrastructure and limited market access find it difficult to sell their produce at reasonable rates, exacerbating their financial suffering. The escalating number of farmer suicides shows the gravity of the situation, making it a major socioeconomic concern.

Challenges in Landholding Patterns in the Rural Economy Contributing to Farmer's Distress

The landholding pattern in rural areas plays a crucial role in determining agricultural productivity and farmers' economic stability. However, several challenges associated with fragmented and small landholdings contribute to farmers' distress:

Small and Fragmented Landholdings: In many rural locations, landholdings are tiny and dispersed, making mechanized farming inefficient and economically unviable. Farmers with small plots frequently struggle to implement modern technologies due to high costs and limited scalability, limiting their productivity and earning potential. This lack of access to new farming practices exacerbates their financial difficulties, adding to the cycle of agricultural hardship.

Lack of Land Consolidation: The lack of land consolidation rules leads in dispersed land parcels, increasing cultivation costs and decreasing operating efficiency. Farmers are unable to achieve economies of scale due to their fragmented land holdings, making farming less profitable and limiting their capacity to invest in modern agricultural technologies. This fragmentation eventually reduces productivity and exacerbates small-scale farmers' financial difficulties.

Inequitable Land Distribution: Land disparity persists in rural regions, with major landowners controlling a significant part of cultivable land while small and marginal farmers own only a few plots. This disparity limits small farmers' access to credit and institutional support since they frequently lack the collateral required for loans. As a result, their financial troubles worsen, worsening their unhappiness and reducing their ability to invest in better farming practices.

Land Leasing Issues: Farmers who lease land sometimes have uncertain tenure and no formal rights, which limits their access to subsidies, insurance, and government programs. Informal tenancy arrangements aggravate their predicament by making it difficult for tenant farmers to



obtain loans due to a lack of legal documents. This lack of financial support and stability exacerbates their susceptibility and adds to their financial anguish.

Low Land Productivity: Low productivity is common on fragmented and small landholdings due to insufficient irrigation access, mechanization, and inefficient farming practices. As a result, farmers receive low returns on investment, increasing their financial vulnerability and making it more difficult for them to sustain their agricultural operations. This vicious cycle of low productivity and financial burden exacerbates their distress.

Limited Access to Credit and Insurance: Farmers with small and marginal holdings often lack land titles or clear ownership records, making it difficult for them to access institutional credit. Without proper financial support, they are forced to rely on informal lending sources, often at high interest rates, trapping them in debt cycles. This ongoing financial burden further increases their distress and limits their ability to invest in productive farming practices.

Major Causes of farmer's distress

Rising Input Costs and Low Crop Prices in Agriculture: A Major Challenge

The agricultural sector is increasingly burdened by rising input costs coupled with low crop prices, creating a significant financial strain on farmers. Input costs, including seeds, fertilizers, pesticides, fuel, labour, and irrigation, have steadily increased due to inflation, supply chain disruptions, and higher global prices. However, crop prices often remain stagnant or decline, preventing farmers from covering their production expenses.

Rising Input Costs: The rising cost of chemical fertilizers, insecticides, and hybrid seeds has greatly raised farmers' production costs. Furthermore, increased fuel and energy prices for irrigation and machinery increase their financial burden. The scenario is exacerbated by growing labour prices caused by seasonal shortages and rural-to-urban migration, making agricultural operations even more expensive and financially unsustainable for many farmers.

Low Crop Prices: Farmers sometimes confront low or unpredictable market prices for their produce, especially perishable crops. Lack of appropriate Minimum Support Price (MSP) implementation and insufficient market linkages frequently cause them to sell their produce at cheaper prices. Oversupply in local marketplaces and exploitation by middlemen exacerbate the situation, reducing farmers' negotiating strength and profitability.



Market Fluctuations and Inadequate Minimum Support Price (MSP)

Market volatility and insufficient Minimum Support Price (MSP) considerably worsen farmers' misery by causing financial uncertainty and income instability. Their earnings are impacted by frequent price volatility caused by changes in demand, oversupply, or speculative trading. During gluts, farmers frequently sell food at a loss, whereas during shortages, intermediaries reap the benefits of higher pricing. The ineffective application of MSP exacerbates the situation, as many farmers, particularly in non-MSP-covered regions, do not profit. Procurement delays and ineffective market intervention further decrease the effectiveness of MSPs, forcing farmers to sell at unjust rates. Farmers face debt and financial difficulties due to the lack of price stability.

Climate Change and Unpredictable Weather Patterns as Causes of Farmer's Distress

Climate change and unpredictable weather patterns exacerbate farmers' misery by altering agricultural productivity and stability. Unpredictable rains, droughts, floods, and heatwaves affect agricultural production and quality, making farming less predictable. Farmers relying on rainfed agriculture are especially vulnerable since erratic rainfall directly influences their revenue. Crop failures are frequent, forcing them into debt cycles, while increased pest and disease outbreaks caused by changing weather raise production costs and diminish revenues. The absence of effective weather forecasting and limited access to climate-resilient technologies exacerbate their susceptibility, making climate change a primary driver of financial instability and food poverty.

Poor Access to Modern Farming Techniques as a Cause of Farmer's Distress

Limited access to modern farming techniques significantly contributes to farmers' distress by reducing productivity and profitability. Many small and marginal farmers lack the resources, knowledge, and financial capacity to adopt advanced technologies like precision farming, mechanized equipment, and climate-smart practices. High costs and limited credit access keep them reliant on traditional, low-yield methods. Inadequate extension services and poor infrastructure further prevent the adoption of innovative techniques. This inability to implement efficient farming practices leads to low yields, crop failures, and income instability, worsening farmers' financial struggles.



Declining Rural Workforce as a Cause of Farmer's Distress

The diminishing rural workforce exacerbates farmers' problems by producing labour shortages, higher wages, and decreased output. Rural-to-urban migration for better work and living conditions diminishes farm labour supply, leaving an ageing farming population. This hinders the implementation of current, labour-intensive methods. Higher labour costs during peak seasons raise output costs, particularly for small farmers, putting them in financial difficulty. Inadequate mechanization exacerbates the problem by decreasing output and profitability, exacerbating farmers' difficulties.

Impact of Farmer's Distress

Farmer distress has wide-ranging economic, social, and environmental consequences, significantly affecting farmers and the broader agricultural sector.

Economic Impact: Reduced farm productivity and income instability are common outcomes of farmer distress, as financial difficulties frequently drive farmers to curtail agricultural investments, resulting in poorer yields and profitability. This economic strain often leads to debt cycles, when they rely on informal moneylenders with high interest rates, exacerbating their financial condition. Prolonged misery eventually leads many farmers to forsake agriculture entirely in favour of alternate livelihoods, resulting in a drop in agricultural productivity and jeopardizing long-term food security.

Social Impact: Farmer distress has led to a rise in suicides, particularly in regions facing chronic agricultural challenges, as financial and emotional pressures become overwhelming. Persistent distress also compels many farmers to migrate to urban areas for better livelihood opportunities, weakening rural economies and depleting the agricultural workforce. Additionally, prolonged financial strain results in severe mental health issues, including stress, anxiety, and depression, significantly affecting farmers' overall well-being.

Environmental Impact: To cope with distress, farmers frequently resort to unsustainable farming techniques such as excessive pesticide use, over-cultivation, and soil exploitation, which eventually destroy land and water resources. This not only affects present output but also jeopardizes agriculture's long-term viability. Furthermore, financial constraints hinder farmers from investing in climate-resilient approaches, making them more vulnerable to future uncertainties and environmental shocks, further reducing agricultural resilience.



Food Security Impact: Declining agricultural yield owing to farmer hardship affects food availability and stability, resulting in supply shortages. This can result in higher food prices, making basic goods less affordable and jeopardizing local and national food security. As agricultural output decreases, the risk of hunger and malnutrition rises, particularly in vulnerable groups.

Government Initiatives and Policies to Address Farmer's Distress

The Indian government and various international agencies have introduced several initiatives and policies to mitigate farmer distress by enhancing income stability, improving productivity, and providing financial support.

Income Support and Direct Benefit Schemes: The Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) scheme provides direct income support of ₹6,000 per year to small and marginal farmers, helping to reduce their financial strain. Similarly, state-level initiatives like the Rythu Bandhu Scheme in Telangana and the KALIA Scheme in Odisha offer direct cash transfers to assist farmers with input costs. These schemes aim to enhance farmers' financial stability and support agricultural sustainability.

Crop Insurance and Risk Management: The Pradhan Mantri Fasal Bima Yojana (PMFBY) offers crop insurance to protect farmers against natural calamities, price fluctuations, and yield losses, reducing their vulnerability. Similarly, the Weather-based Crop Insurance Scheme (WBCIS) provides coverage against weather-related risks, helping farmers mitigate financial losses caused by unpredictable climatic conditions.

Minimum Support Price (MSP) and Price Stabilization: The government implements the Minimum Support Price (MSP) annually for key crops to ensure farmers receive a fair price, protecting them from market volatility. Additionally, the Price Stabilization Fund (PSF) is used to regulate the prices of perishable commodities, reducing price risks and safeguarding farmers' incomes from sudden market fluctuations.

Credit and Loan Waivers: The Kisan Credit Card (KCC) scheme provides farmers with easy access to credit at low interest rates, helping them meet production and post-harvest expenses. Similarly, the Agricultural Debt Waiver and Debt Relief Scheme (2008) aimed to reduce the debt burden by waiving farm loans, particularly benefiting small and marginal farmers struggling with financial distress.



Irrigation and Infrastructure Development: The Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) aims to expand irrigation coverage and improve water-use efficiency, enhancing farm productivity. Complementing this, the Rural Infrastructure Development Fund (RIDF) provides funding for irrigation, rural roads, and storage infrastructure, promoting agricultural sustainability and boosting rural development.

Technology and Extension Services: The Soil Health Card Scheme helps farmers monitor soil quality and adopt appropriate nutrient management practices to improve productivity. Similarly, the National e-Governance Plan in Agriculture (NeGPA) promotes digital platforms for information dissemination, aiding farmers in making informed decisions and enhancing their agricultural efficiency.

Future Prospect and sustainable solutions

To mitigate farmer's distress and promote agricultural sustainability, long-term strategies focusing on financial security, technological advancement, and resilience-building are essential.

Enhanced Income Security and Price Stability: Strengthening the Minimum Support Price (MSP) by ensuring timely procurement and fair price realization for all farmers, including those cultivating perishable crops, is critical for reducing financial misery. Expanding MSP coverage to include more commodities and regions would further improve price stability. Furthermore, boosting income diversification through off-farm options such as agro-processing and agribusiness might help farmers minimize their reliance on agricultural revenue. Developing cooperative farming methods would also provide farmers more bargaining power, allowing them to get higher market prices and improve their overall financial security.

Climate-Resilient and Sustainable Farming: Climate-smart agriculture (CSA) promotes the adoption of drought-resistant crops, water-efficient irrigation, and precision farming techniques to enhance resilience against climate variability. It also encourages practices like agroforestry and conservation agriculture to improve soil health and reduce farmers' vulnerability to environmental shocks. Additionally, improved weather forecasting systems play a vital role by strengthening early warning mechanisms and providing accurate weather data, enabling farmers to make informed decisions and better manage climate-related risks.

Technology Adoption and Mechanization: Promoting farm mechanization through subsidized access to modern farming equipment and precision technologies can significantly



enhance productivity and reduce labour dependency. Encouraging the use of drones, AI, and IoT for efficient resource management further optimizes agricultural operations. Additionally, expanding digital platforms and market access, such as e-NAM (National Agriculture Market), ensures direct market access for farmers, reducing exploitation by middlemen. Developing mobile apps and digital tools for real-time price information and advisory services further empowers farmers with better decision-making capabilities and improves their market competitiveness.

Financial Inclusion and Credit Support: Affordable credit access through expanded Kisan Credit Card (KCC) coverage and low-interest loans can help farmers meet their financial needs and reduce dependence on informal lenders. Promoting microfinance and self-help groups (SHGs) further enhances financial inclusion, providing small-scale farmers with easier access to credit. Additionally, comprehensive crop insurance through the expansion and simplification of the Pradhan Mantri Fasal Bima Yojana (PMFBY) ensures broader coverage and protection against crop losses. Timely claim settlements under the scheme provide much-needed financial relief, helping farmers recover from losses and sustain their livelihoods.

Infrastructure Development: Improved irrigation systems through the expansion of micro-irrigation and rainwater harvesting can reduce farmers' dependency on erratic rainfall, ensuring more reliable water access. Building storage and cold chain facilities further helps minimize post-harvest losses by preserving crop quality. Additionally, rural infrastructure enhancement through strengthened rural roads and logistics improves market connectivity, enabling farmers to access better prices and reduce transportation inefficiencies.

Policy and Institutional Reforms: Land consolidation and leasing reforms through land pooling policies can optimize farm sizes, improving productivity and operational efficiency. Formalizing land leasing would enable tenant farmers to access credit and benefit from government schemes, reducing their financial vulnerability. Additionally, strengthening farmer cooperatives and producer organizations (FPOs) enhances collective bargaining power, helping farmers secure better prices and market terms. Encouraging contract farming models further provides farmers with assured income and reduces market-related uncertainties.

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