

## Revision Notes on The Story of Village Palampur

- **Pre-1960:** Farming relies on traditional methods, likely including Persian wheels for irrigation.
- Wastelands exist within the village.
- **1960:** All cultivable wasteland in Palampur has been converted into cultivated land, fixing the total land area for farming.
- Gobind, a farmer, cultivates 2.25 hectares of largely unirrigated land with his three sons, managing a basic living.
- **Early Period (before mid-1970s):** Electricity comes early to Palampur, transforming irrigation from Persian wheels to electric-run tubewells.
- **Mid-1960s:** Traditional seeds are in use, requiring less irrigation and relying on natural manures.
- **Late 1960s:** The Green Revolution is introduced, bringing High Yielding Variety (HYV) seeds for wheat and rice to India, and subsequently to Palampur. Farmers in Punjab, Haryana, and Western Uttar Pradesh (the region Palampur resembles) are among the first to adopt these methods.
- HYV seeds lead to a significant increase in wheat yield in Palampur (from 1300 kg/hectare to 3200 kg/hectare).
- Farmers begin to use chemical fertilizers and pesticides, along with increased irrigation, as required by HYV seeds.
- Some farmers buy modern machinery like tractors and threshers.
- **Mid-1970s:** The entire cultivated area of 200 hectares in Palampur is irrigated, largely due to the adoption of electric tubewells.
- **Past Fifteen to Twenty Years (relative to the present narrative):** Many farmers in Palampur start growing potatoes as a third crop, indicating an increase in multiple cropping.
- **Some Years After Gobind's Death:** Gobind's 2.25 hectares of land are divided among his three sons, each receiving a plot of only 0.75 hectares. Despite improved irrigation and modern farming methods, they struggle to make a living and seek additional work.
- **Recent Years (leading up to the present narrative):** A large number of students from Palampur attend college in Shahpur town.
- Students from Palampur also attend computer classes in Shahpur.
- The number of people involved in transport activities in Palampur has grown.
- **A Few Years Back (relative to the present narrative):** Kishora, a farm labourer, takes a government loan (part of a program for poor landless households) to buy a buffalo.
- **March 2019:** The government-set minimum wage for farm labourers is Rs 300 per day.
- Dala, a landless farm labourer in Palampur, receives only Rs 160 per day due to high competition for work.

- **Present Narrative:** Palampur is a well-developed village with established infrastructure (roads, transport, electricity, irrigation, schools, health centres).
- Farming remains the main activity, employing 75% of the working population.
- 25% of the working population is engaged in non-farm activities like dairy, small-scale manufacturing (e.g., Mishrilal's jaggery production), shop-keeping (e.g., Kareem's computer centre), and transport (e.g., Kishora's buffalo cart).
- Modern farming methods have led to increased production but also environmental concerns like soil degradation and groundwater depletion.
- Land distribution is highly unequal, with 150 landless Dalit families, 240 small farmers, and 60 medium/large farmers.
- Small farmers like Savita struggle with capital and rely on high-interest loans from large farmers like Tejpal Singh.
- Medium and large farmers like Tejpal Singh have surplus earnings, which they save and reinvest (e.g., buying another tractor).
- Traders from Shahpur have set up chilling centres in Raiganj to transport milk from Palampur to towns and cities.
- Mishrilal operates an electric sugarcane crushing machine, producing and selling jaggery to traders in Shahpur.
- Kareem opens a computer class centre in the village, employing two local women with computer application degrees.
- Kishora uses his buffalo for dairy and transport, earning additional income by ferrying goods like clay and jaggery.

## Glossary of Key Terms:

- **Capital**
  - **Physical Capital:** Refers to the variety of inputs required at every stage during production. It is categorized into fixed capital and working capital. For convenience, it is often referred to as "capital" within the context of the sources. Modern farming methods require a great deal of capital.
  - **Fixed Capital:** Includes tools, machines (like ploughs, generators, computers), and buildings that can be used in production over many years.
  - **Human Capital:** Represents the knowledge and enterprise needed to effectively combine land, labour, and physical capital to produce an output.
  - **Working Capital:** Consists of raw materials (such as yarn or clay) and money that is on hand for making payments and purchasing necessary items, which are used up in the production process.
- **Factors of Production:** The four essential requirements for producing goods and services, which are **land, labour, physical capital, and human capital**.
- **Farm Labourers:** Individuals who come from landless families or families cultivating small plots of land. They work on the fields of medium and large farmers for wages (paid in cash or kind, sometimes including meals) and do not hold rights over the crops grown on the land.

They often face heavy competition for work, leading to wages lower than the government-set minimum.

- **Farming:** The primary production activity in Palampur, providing livelihood for 75% of the working population.
- **Green Revolution:** Introduced in India in the late 1960s, this era saw the adoption of **High Yielding Varieties (HYV) of seeds** for crops like wheat and rice. It led to a significant increase in agricultural production but also raised concerns about environmental degradation due to the intensive use of water, chemical fertilizers, and pesticides.
- **Hectare:** The standard unit for measuring land, equivalent to the area of a square with sides measuring 100 metres.
- **High Yielding Varieties (HYV) of seeds:** Modern seeds that were introduced during the Green Revolution. They are designed to produce significantly larger amounts of grain per plant compared to traditional seeds but require substantial irrigation, chemical fertilizers, and pesticides to achieve optimal results.
- **Land:** The first requirement for production, encompassing natural resources such as water, forests, and minerals. In Palampur, the land area under cultivation is considered practically fixed, with no expansion since 1960.
- **Labour:** The second requirement for production, referring to the people who perform the work. This can range from highly educated workers to those performing manual tasks. In Palampur, labour is noted as an abundant factor of production, leading to competition and low wages.
- **Minimum Wages:** The wage rate set by the government for farm labourers (e.g., Rs 300 per day as of March 2019). However, due to high competition, labourers often receive less.
- **Multiple Cropping:** A method of increasing production from the same piece of land by growing more than one crop within a year. It is the most common way to do so in Palampur, where farmers grow jowar and bajra, followed by potatoes, and then wheat, with sugarcane also grown annually.
- **Non-Farm Activities:** Economic activities in Palampur that are not related to agriculture. These activities engage only about 25% of the working population and include **dairy farming, small-scale manufacturing, shop-keeping, and transport**. They generally require less land and can be expanded with access to low-interest loans and good market connectivity.
- **Palampur:** A hypothetical village designed to illustrate fundamental concepts related to production. It is depicted as having well-developed infrastructure including roads, transport, electricity, irrigation, schools, and health centres. The primary activity is farming, supplemented by various non-farm activities. Its narrative is partly based on a research study of a village in the Bulandshahr district in Western Uttar Pradesh.
- **Production:** The process of creating desired goods and services, which requires the combination of four factors: land, labour, physical capital, and human capital.
- **Raiganj:** A large village located 3 km from Palampur, connected by an all-weather road. It serves as a market for surplus farm products and milk from Palampur.
- **Shahpur:** A small town connected to Palampur by an all-weather road. Traders from Shahpur purchase sugarcane, jaggery, and milk from Palampur.

- **Yield:** The amount of crop produced on a given piece of land during a single farming season.

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