

# The “Tipping Point” in Indian Agriculture: Understanding the Withdrawal of the Indian Rural Youth

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## ABSTRACT

*Recent trends suggest that India might very well be at the “tipping point” of the transition in its agriculture-dependent population. A large proportion of the youth in the countryside are trying to sever their links from farming. The paper attempts to identify the drivers of this process of withdrawal and assess the odds of an average farmer’s move out of agriculture. Results of the study indicate that occupational mobility tends to be higher among younger farmers and they are found to be more sensitive to income differentials between farm and non-farm occupations, farm prices, and interest rates. Further, this study finds that the availability of irrigation does not have any significant impact on the withdrawal behavior. The small and marginal farmers express a great desire to quit farming, possibly because of the low viability of smallholder agriculture. But as the land size increases, the tendency towards withdrawal gains among the large holder category as well, thus suggesting a U-shape relationship between farm size and the willingness towards withdrawal. Interestingly, all these factors seem to become more dominant and their coefficients improve for villages farther removed from towns. Thus, the importance of the proximity to urban areas for occupational choice seems to be indicated.*

We are all, at heart, gradualists, our expectations set by the steady passage of time. But the world of Tipping Point is a place where the unexpected becomes expected, where radical change is more than a possibility. It is - contrary to all our expectations- a certainty.

-Malcolm Gladwell, Tipping Point