Regional Disparity in Agricultural Development of Maharashtra

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Agricultural development in Maharashtra over the last three decades has been unequal across regions with western Maharashtra much ahead of other regions in terms of major developmental indicators. The rapid agricultural development in western Maharashtra is attributed to the rise of Maratha-Kunbi peasants as a unified political class, who dominated state politics through caste and kinship networks during the colonial as well as post-colonial periods. The inability of Marathwada and Vidarbha regions to compete effectively for a larger share of the state’s resources is mainly due to the absence of a well-articulated structure of groups and alliances in these regions.

The theoretical debate on unequal regional development has its origin in the history of development theory extending from the classics of 18th and 19th century political economy to the many different streams of development ideas. In the immediate post-war period, regional backwardness was largely posed by the economists in terms of vicious circles of poverty and backwardness that seemed to affect many parts of Africa, Asia, and Latin America. Later, in the 1950s and 1960s, cultural explanations influenced by “the modernisation paradigm” became popular in development discourse. It tended to identify internal cultural “defects” as the reasons for regional inequalities. However, with the failure of modernisation programme in Latin America, the neo-Marxist dependency school emerged as the alternative paradigm for understanding unequal economic development. It argued that the peripheral regions within a nation remains poor because of their dependence on core regions for expertise, technology and capital investment. However, the dependency theory is criticised for its relatively static and core-centred analysis. It does not give due importance to the regional and local forces while analysing economic development (Attwood 1992). The pattern of regional or national economic incorporation into the world economy depends not only upon the investment decisions of the national or international capital but also upon local class relations and economic interests of local elites (Tomaskovic-Devey and Roscigno 1997). Moreover, the dependency perspective restricted its attention almost exclusively to the economic mechanisms of domination and control and to a lesser extent on the socio-political mechanisms (Tucker 1999).

At the time of independence India inherited a society dominated by two powerful classes, which emerged under the social and economic impacts of British colonialism. While the literate, educated and urban drawn middle class employed in the government services and business elites mostly belonging to the higher castes like Brahmmins constituted one class, the other was the commercial peasantry, the class of rich farmers who adopted new technologies and strategies for production. After independence, the first group became more powerful through its control of public and private sector industries and bureaucracy. The latter expanded its base further due to the greater importance given to agricultural commercialisation and associated modernising measures, and started dominating power politics through the newly created democratic institutions such as cooperatives and panchayati raj bodies using caste and kinship relations. These two classes, known as intermediate classes (Nayar 1989; Bardhan 1984), remained the most powerful forces in India in
the post-independence period. The demands on the Indian state from a coalition of these classes led to the management functions of the public economy (Bardhan 1984). The state has become the grand arena of accommodation of interests of these groups and their bargaining determines the final allocation of state resources to the region (Migdal 2001: 92). As the internal cohesion and relative power of the intermediate classes vary from region to another (Atwood 1992: 15), the regions, which represent the interests of these classes in most articulated manner, are prioritised by the state for development.

Against this background, the present paper attempts to analyse regional disparity in Maharashtra, with reference to its agricultural sector which is always a case in point.

1 Politics of Regional Development

The state of Maharashtra came into being in 1960, with the bifurcation of the bilingual state of Bombay. Historically the state is divided into four main regions, namely, Konkan, Marathwada, Vidarbha and western Maharashtra (WM). However, Konkan is considered as a part of WM because of its proximity to Mumbai.

Prior to the arrival of the British, though the agricultural sector witnessed very minor changes in terms of land revenue, the mechanism of revenue collection and in the appointment of intermediaries, these regions were almost at same level of development. Subsistence farming with the use of simple technologies was the common practice as elsewhere in the country. The rulers, by and large, did not take much interest in agricultural development (Brahme and Upadhyaya 1979; Mohanty 1999). However, WM emerged as the centre of Maratha-Brahmin dominance during the rule of Shivaji (Lele 1990; Sirsikar 1995). He established a Maratha kingdom imbuing it with a Maratha identity and also promoted Brahmins by offering them official positions and titles.

With the establishment of British colonial rule the Marathi-speaking people were geographically divided into three political regions as a part of the “divide and rule” policy. Konkan and Deccan remained with Bombay Presidency, Vidarbha-Nagpur became a part of the Central Provinces and Berar, and Marathwada came under the rule of the Nizam state of Hyderabad. Different kinds of land tenures were introduced. WM and Marathwada were mostly under ryotwari land tenure system. There were two different systems of land tenure in Vidarbha. The districts which were under the Central Provinces had a zamindari system of land tenure and in Berar districts ryotwari was prevalent similar to the WM. In parts of Konkan a form of zamindari settlement was made with the Khots.

Western Maharashtra

During the British rule, agriculture in WM witnessed profound changes. The new land tenures increased the fondness for land investment, among the relatively well off farming communities such as the Marathas and the Kunbis. The traditional cropping pattern was changed, and emphasis was placed on cultivation of cash crops, especially cotton. The construction of major irrigation works in the famine prone districts of Poona, Satara and Ahmednagar opened up opportunities for irrigated agriculture (Brahme and Upadhyaya 1979; Mohanty 1999). Sugar cane cultivation became widespread in the boom following the first world war and many sugar factories were established in the canal-irrigated area. The Marathas and Kunbis largely reaped the benefits of these expanded forces of production due to their association with cultivation and landownership. The Brahmins were the only “obstacle” to their complete dominance. The Deccan riot of 1875 in Poona, Ahmednagar and Satara, led by Marathas in a sense was an attempt to challenge the dominance of the Brahmins, who were mostly the moneylenders (Lele 1981: 51). In the later phase of British rule, the differences between the Brahmins and the Marathas became pronounced with the rise of the nationalist movement due to the subtle efforts of the British. Sahu Maharaja of Kolhapur and other activists began to promote non-Brahmins. The Marathas joined the Satyasodhak Samaj and other non-Brahmin organisations to spearhead anti-Brahmin agitations. Though the Marathas and Kunbis were claiming to be separate castes despite their common social background, the effects of colonialism brought them together at least in the political arena. It is argued that the Satyasodhak movement was dominated by the Maratha-Kunbis asserting themselves as community against the Brahmins (Rodrigues 1998; Omvedt 1976). The widespread riots following the assassination of Mahatma Gandhi in 1948 compelled Brahmins to withdraw from the political arena. Added to this, moneylending legislations and land reforms (in particular), the abolition of intermediaries and transfer of land to the tillers (a move introduced following independence) weakened their dominance in rural areas. They mostly migrated to urban and industrial centres of Poona and Bombay (Rodrigues 1998: 157).

With the growth of Bombay as a centre of capitalist development, a class of big bourgeoisie emerged, who were mostly non-Maharashtrians. The educated and urban-based Brahmins of WM dominated politics in the state in collaboration with these industrial and business elites. Until 1930 the Congress Party was under the control of this educated urban-based Brahmins and business elites of Bombay (Atwood 1992). Gradually they tried to absorb Maratha elites, considering their rising dominance in the countryside. To accommodate the interests of Maratha elites, rural populism became a strong theme in the campaign rhetoric. Brahmin intellectuals along with the businessmen from Bombay, helped to establish agricultural cooperatives, educational institutions, sugar factories and other organisations in the countryside (Atwood 1992). The increasing modernisation of agriculture in WM was also in the interest of the industrial bourgeoisie of Bombay, as it created a market close by for modern agricultural appliances and inputs, and opportunities for the establishment of agro-processing industries. The modernisation of agricultural practices pushed a large chunk of the labour force from rural areas to Bombay to meet the requirements of the industrial sector. The growth of industrial establishments in Bombay and Poona also benefited the rural elites. Both the rural rich and urban-based elites helped each other in protecting their interests (Sirsikar 1995: 99). Gradually the Maratha-Kunbis who were united through their kinship ties, brought the ruling Congress party under their control by accommodating the elites from other competing caste groups such as the Malis, Dhangers, Vanjaris,
Mahars and institutionalised their own ideology of agrarian development (Jadhav 2006).

**Vidarbha**

Vidarbha also witnessed prosperity during the colonial period due to expanded cotton cultivation, particularly following the American civil war and the Lancashire cotton famine (Guha 1972). However, by and large, the region remained agriculturally backward owing to the absence of any irrigation and due to erratic monsoons. Moreover, cotton cultivation was limited only to the districts in Berar. With the increasing cultivation of cotton, famine was also a regular feature in this region (Mohanty 2001). Nevertheless, cultivators belonging particularly to Maratha-Kunbis, Rajputs and Telis who had surplus foodgrains prospered very well. Unlike wm, the Maratha-Kunbis were not in a position to dominate the society and politics of Vidarbha. Marwaris and Komtis were the archetypal moneylender-cum-traders with near complete stranglehold on the regional economy (Phansalkar 2005: 612). To put it somewhat differently, the region was dominated by the Hindi-speaking areas of Madhya Pradesh and there was a kind of animosity between the Hindi and Marathi-speaking people in the region. Beneath this, the Kunbi, Marathis and Deshmukhs of this region were rivals to each other (Siriskar 1995; Lele 1981). The conflict between the interests of rich cotton traders and cash crop farmers, and the smaller grain producers, peasants and labourers also contributed to Maratha-Kunbi disunity. This apart, tension between the lower castes (scheduled castes and nav-Buddhists) and the higher castes following Ambedkar’s socio-political movement and the consequent conversion to Buddhism was a challenge to the Maratha-Kunbis’ hegemony (Mohanty 2001). In a sense, the society in Vidarbha was a fragmented one in terms of adherence to caste, ethnic and class loyalties. Though a tiny business and urban oriented industrial class emerged in Nagpur following the establishment of textile and other industries, this class did not show interest in agricultural development, as it was drawn from non-Marathi communities, who had almost no linkages with rural Vidarbha.

**Marathwada**

Marathwada did not witness substantial agricultural development in contrast to wm during the colonial period. It was a neglected part of the Hyderabad state ruled by the Nizam of the Asafiya dynasty. Though this region was characterised by ryotwari land tenures which were conducive to the growth of enterprise and generated incentives for work, the social structure perpetuated by the oppressive rule of the Nizam was inimical to agricultural development. Moreover, the ryotwari settlement did not characterise the Marathwada districts until Salar Jung became the chief minister of Nizam in 1853. Though the Maratha-Kunbis improved their position through cotton and sugar cane cultivation due to their large holdings of fertile lands, the region remained backward because of the neglect of the Nizam. The Marathi elites were continuously stifled by the policies of an autocratic and theocratic Muslim regime (Lele 1990: 164). The domination of the Muslims as well as other non-Marathi (Telugu and Kannada-speaking) communities was an obstacle for the Maratha dominance. Unlike rest of Maharashtra, Marathwada did not enjoy the contingencies of democracy and capitalist modernisation along with British colonial rule; rather it had to continue within the framework of a community based on caste and religion (Tambe 2004: 686). The industrial and business elites of this region were mostly based in Hyderabad having roots in Telugu-speaking areas.

**Konkan**

In Konkan, the exploitation of rich mineral, water and forest resources during colonial period impoverished people and led to continuous migration to Bombay city (Brahme and Upadhyaya 1979: 8). It experienced the disadvantages rather than the advantages of the twin forces of commercialisation and expanded communication. Only the Khots (chiefly the chitpavan Brahmins and Marathas) emerged as rich farmers (Rodrigues 1998: 23). People mostly depended upon employment opportunities available in Bombay. Politics here has either followed the elite Maratha pattern or has been influenced by politics in Bombay city (Lele 1981: xviii).

**The Continuous Rise of WM**

After 1960, the introduction of community development programmes and the panchayati raj system, along with cooperatives provided opportunity structures and encouraged the Maratha-Kunbi elites of wm to increasingly participate in state politics. The cooperatives emerged as a source of state power and served as a training ground for the emerging political leadership (Carter 1975; Baviskar 1980). The Maratha elites monopolised cooperative institutions, especially the sugar factories and used the policy processes of pluralist democracy with great sophistication to their maximum advantage (Rosenthal 1977; Dandekar 1973). True, the “cooperative sugar factory” together with the networks of “cooperative credit societies” also provided a basis for the prosperity of other rich landowning communities such as the Malis, but they being small communities could not rise to leading positions like those of the Marathas. The symbiotic relationship between cooperatives and politicians enabled the Marathas to consolidate their position in the economic and political fields and contributed significantly to the higher rate of overall development in wm (Baviskar 1980; Attwood 1992). Though the sugar cooperatives came up gradually up all over the state including Vidarbha and Marathwada, the preponderance of these ventures was confined to wm. The landowning classes of other regions had a sense of exclusion from the benefits of development as enjoyed in the western region (Tambe 2004). Even the Employment Guarantee Scheme (EGS) which was implemented in the state from the 1970s over the years has served the landed interests of wm (Patel 2006; Jadav 2006).

Thus, the Maratha-Kunbis of wm emerged as the dominant political class in Maharashtra. They were relatively united without any distinct sub-class within themselves (Carter 1975: 39). The internal cleavages in Marathwada and Vidarbha helped them to gain support from their Maratha-Kunbi counterparts in these two regions. The Maratha-Kunbis of these two regions were desperately looking for an alignment with their fellow members of
their community in wm to challenge the dominance of other communities. In this context, the Samyukta Maharashtra movement which became intense following the appointment of State Reorganisation Commission in 1953 and the subsequent formation of unilingual State of Maharashtra gave the Marathas of wm a near-monopoly over state politics.

**Regional Movements**

The Maha-Vidarbha movement which started in the early part of the 20th century demanding a separate statehood finally culminated in the Nagpur Agreement. Though the Nagpur Agreement was accepted as the basis for addressing regional inequality after the formation of Maharashtra State in 1960, excepting some symbolic changes such as the shifting of the legislative session to Nagpur and setting up of a high court bench, nothing substantial took place on the developmental front till the elapse of five successive five-year plans. Rather attempts were made to distract from the issue of regional disparity. It is strongly felt that leaders, who claim that they struggled for justice for Vidarbha, ended up compromising the cause for their personal gain (Phansalkar 2005).

The statement made by the chief minister V P Naik, a Vanjari landlord from Vidarbha and the only established alliance leader to speak for the region after almost a decade of the formation of the new state, in the state assembly on 20 August 1969 is worth quoting:

…we should now reject the view that a certain district or a certain region is underdeveloped and hence should be given additional assistance. Instead we should direct our efforts to secure a balanced development of all the regions of the state, the whole of which is more or less underdeveloped.

On the other hand, the Marathwada region was not conceived as an arena of contestations and negotiation for radical transformation. Though the Marathwada Janata Vikas Andolan, which put forward the issue of economic backwardness and remained active from 1970 to 1974 demanding more budgetary allocations for the region, the ruling Congress Party strategically diluted this sub-regional protest by coopting the dominant landowning Maratha elites who were mostly associated with Congress Party at that time (Tambe 2004: 685). Shankarrao Chavan was made the chief minister at that time on the basis of his being from Marathwada. The leaders as well as people seldom took an adversarial position vis-a-vis Maharashtra. Leaders like S B Chavan, Patil-Nilangekar, and Shivajirao Patil worked through the same kinship network without overt tantrums or confabulations (Phansalkar 2005).

Moreover, caste-based divisions, alignments and consequent tension were also the characteristic feature of this region.

The resurgence of interest in regional imbalances had come at the beginning of the Sixth Five-Year Plan and until then most elites from the backward regions had silently accepted the switch in focus from region to district. However, the Sixth Plan itself contained no specific, time bound provisions for fulfilling all or any of those glibly announced promises. In response to some kind of agitation against regional disparity, the government appointed a Fact Finding Committee (FFC) in 1983 (known as the Dandekar Committee) which submitted its comprehensive report in 1984 indicating a huge developmental backlog in Vidarbha, Marathwada and Konkan. Though the committee suggested to remove disparity through appropriate allocation of resources in the three regions within a period of five to seven years, the government did not formally accept the recommendations till 2001-02 using some or other pretexts. However, it started allocating “special” outlays for the removal of backlogs from 1985-86 onwards. As a result, low budgetary outlays for backlog removal and inequitable allocation of funds for non-backlog schemes continued.

Stated precisely, in the absence of a well-articulated structure of factions and alliances, politicians from Marathwada and Vidarbha were unable to compete effectively for a larger share of the state’s resources. Though these regions have produced many powerful leaders, there have been no leaders of a significant stature and widespread influence, like Y B Chavan, Vasantdada Patil and Sharad Pawar, all of whom hail from wm. Even leaders like V P Naik from Vidarbha and S B Chavan from Marathwada, who were the chief ministers of the state, found it difficult to push up the interest of their own backward regions. Instead, their attempt to challenge the dominance of wm invited their own downfall. The Shiv Sena which came up in late 1960s propagating Marathi nationalism by the industrial bourgeois and urban-oriented higher caste elites based in Bombay and Thane, also tried to integrate dominant rural interests of the western region. Besides, farmer organisations such as the Shetkari Sangathan which tried to protect the interest of rich farmers by demanding higher prices for crops like onion and sugar cane (Dhanagare 1994) were also rooted in wm. As Sirsikar (1995: 26) rightly observed,

…The politics of Maharashtra is in one way an expression of the dominant interests of the sugar barons and the big bourgeoisie of Bombay. The hierarchy has strict rules of allegiance and obedience. Any person who tries to build support structure independent of the linkage network is never able to remain in power.…

## 2 Trend of Disparity in Agricultural Development

After Independence, the government of Maharashtra made systematic attempts to expand the area under irrigation in the state as whole. During the first three plans about, 40% of total outlay under the state plan was spent on irrigation and power which increased subsequently in successive plan periods. Even though the net result of these planned efforts was an increased irrigated area in all regions, the most significant progress in this respect was made in wm (Table 1). The proportion of irrigated area, which was 10% in the triennium ending (TE) 1970 in this region, gradually rose to 24% in TE 1990s. Irrigation continued to be negligible in Konkan as it was before. Though the trends in Vidarbha and Marathwada indicated a continuous rise, the gap between them and the western region remained almost at the same level. Over 53% of the total irrigated area of the state was in wm. However, the progress

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<tr>
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Source: Season and Crop Report of Maharashtra, various issues.
in Marathwada in this respect is relatively better. It is noteworthy that, covering over 10% of the total irrigated area in the state, sugar cane (which is mostly grown in western region) gets 50 to 60% of the total irrigation water (Rath and Mitra 1987: 49). The question raised by Attwood (1992: 286) is worth mentioning here, Should a semi-arid region invest so much irrigation in sugar cane, when the same volume of water could be spread over wider areas to protect seasonal crops from drought?

The FFC (1984) noted the disparity in the irrigation sector and recommended a budgetary allocation amounting to Rs 138.60 billion to wipe it out. The physical backlog in irrigation as per the FFC report as on 2001 was 3,03,000 hectares in the three regions (Vidarbha, Marathwada and the rest of Maharashtra) in which Vidarbha and Marathwada account for 1,15,000 and 1,06,000 hectares, respectively. This figure had escalated further to 9,45,000 hectares for three regions (5,71,000 and 2,85,000 hectares for Vidarbha and Marathwada, respectively) as on April 2000 according to the estimate of the Indicators and Backlog Committee (IBC).

A recent estimate reported that though the state average for irrigation potential had increased and the residual backlog of FFC had been taken into account in the IBC report, the presence of 57% of the outstanding backlog in Vidarbha and 31% in Marathwada indicate a rising trend of regional disparity in this sector. Both regions also experienced a substantial shortfall in actual expenditure in the recent (three) Annual Plans (2002-03 to 2004-05) for the irrigation sector as against excess expenditure in the rest of Maharashtra.

Due to greater proportion of area under irrigation, gross cropped area in the western region remained at a higher level (Table 2). About 40% of the gross cropped area in the state belonged to this region as against 27 to 28% in Vidarbha and Marathwada, respectively. However, WM witnessed a marginal decline over the years. The share of the Konkan region was negligible. The disparity is also evident in terms of consumption of electricity for agricultural purposes (Table 3). The use of electricity in agriculture showed a rising trend across regions, WM was much ahead of other regions both in terms of share in total agricultural consumption of the state as well as per hectare (cropped area) consumption. It consumed 58% of total agricultural consumption with about 40% of the total cropped area of the state in TE 1996-97 as against 23% for Marathwada and 16% for Vidarbha (each accounting nearly 30% share in the total cropped area). As electricity is provided at a subsidised cost through the provision of flat rate tariff for agricultural use, farmers of WM appropriated a lion’s share of this benefit due to their greater consumption. In order to meet the demands of the farmers for more working capital, the credit network was expanded throughout largely through the establishment of agricultural cooperative credit societies. The information on outstanding loan and overdues in these credit cooperative societies also indicated the state’s preference for agricultural development in WM. Over 62% of total outstanding loans in the state from these cooperative societies belonged to the western region in TE 1996-97 and its share went on increasing accompanied by a continuous decrease in that of other regions. Same could be said about the overdues of members of these societies as well (Table 4). The western region accounted for as much as 53% of total overdues of the state as against 26% in Marathwada and 19% in Vidarbha. According to an estimate made in the mid-1970s, major sugarcane growing talukas, which accounted for 5% of the gross cultivated area in the state, secured as much as 25% of the loan amount.

As a result, the farmers of the western region apply greater doses of agricultural inputs and also utilise the low cost credit capital for acquiring high valued agricultural assets. The data on ownership of high valued agricultural machinery such as tractors and oil engines indicate rising regional inequality (Table 5). The ownership of tractors in WM was as high as 39 per each 100 hectares of gross cropped area in 1992 which was many times more than that of the other regions. While the farmers in Vidarbha owned 12 tractors per each 100 hectares, in Marathwada it was only 10 tractors. Though tractor ownership position improved in course of time in these backward regions, the pace of growth in WM was much higher. The ownership of oil engines exhibits almost a similar pattern. The substantial decline in the number of oil engines in WM is mainly due to increased use of electricity-operated pumpsets. As regards the position of agriculture pumpsets, this region is much ahead of others in terms of both total numbers as well as per thousand hectares of cropped area (Table 8, p 68).

Crop Patterns
One way of looking at the regional inequality in agricultural development is to look at the regional shares in area under major crops. Sugar cane, which is a highly valued cash crop and enjoys

| Table 4: Loan from Primary Agricultural Credit Cooperative Societies |
| --- | --- | --- | --- | --- | --- |
| Regions | Share in Outstanding Loan | Share in Total Overdues |
| Konkan | 2.25 | 2.72 | 1.89 | 1.34 | 4.52 | 4.32 | 2.81 | 2.43 |
| WM | 51.91 | 52.93 | 60.73 | 62.55 | 45.63 | 45.57 | 52.79 | 52.55 |
| Marathwada | 25.33 | 17.21 | 23.29 | 22.78 | 25.16 | 19.35 | 23.95 | 26.02 |
| Vidarbha | 20.50 | 27.15 | 14.09 | 13.33 | 24.68 | 30.76 | 20.45 | 19.48 |
| All | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |

| Table 5: Agriculural Machinery (Per hectare of gross cropped area) |
| --- | --- | --- |
| Regions | Tractors | Oil engines |
| Konkan | 1.81 | 1.54 |
| WM | 11.70 | 29.17 |
| Marathwada | 2.43 | 6.63 |
| Vidarbha | 3.60 | 7.62 |
| All | 6.51 | 15.60 |

Source: Statistical Abstract of Maharashtra, various issues.
maximum state support, was mostly grown in WM. Over 75% of total area under this crop in the state was in WM (Table 6). Though a major part of the cropped area in Vidarbha was under cash crops, the area under sugar cane was almost non-existent. Cotton continued to be the predominant cash crop in this region. As the area under irrigation was negligible, cotton cultivation

Table 6: Region-wise Shares in Area under Major Crops

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was mostly left to the vagaries of monsoon. Due to variations in rainfall, crop failure was a frequent visitor to this region (Mohanty 2001). The recent spate of suicides of farmers in this region reflects the plight of cotton growers (Mohanty and Shroff 2004; Mohanty 2005; Mishra 2006). Cotton also covered a significant part of the cropped area in Marathwada. It is also evident that the share of WM to gross value of all crops was nearly 50% (Table 7). While Marathwada and Vidarbha contributed only 25% each, Konkan’s share was only about 5%. However, WM’s share decreased by less than 2% between TE 1980-81 and TE 1990-91.

Backward regions like Vidarbha witnessed more disadvantages in recent years owing to the adverse impact of economic liberalisation on cotton growers. The domestic subsidies given to farmers in the United States caused significant price suppression of cotton in the international market between 1999 and 2002. Between 1994-95 and 2001-02 the Maharashtra Cotton Federation incurred losses to the tune of Rs 39.85 billion (Shroff 2003).

Table 7: Region-wise Shares in Gross Value of All Crops

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<th>Region</th>
<th>TE 1970-71</th>
<th>TE 1980-81</th>
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<td>Marathwada</td>
<td>20.44</td>
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<td>Vidarbha</td>
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<td>All</td>
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In view of this, the scheme of monopoly procurement of cotton which was at work since 1971 to ensure fair and remunerative price to cotton growers, has finally given up its monopoly character and has allowed private agencies to procure cotton. On the other hand, sugar cane growers remained in a relatively better position due to state intervention. As of 2001-02, of the total 160 sugar factories in the state, 147 are in the cooperative sector. Many of these cooperative sugar factories pay sugar cane price to farmers which is much beyond their financial capacity (Shroff 2003). Though three-fourths of these mills were incurring huge losses and accumulating heavy debts adding to the fiscal burden, the government continues to support them due to the strength of the sugar lobby in state politics. The Godbole Committee (1999) appointed to look into the sickness of cooperative sugar factories noted the unlimited state support enjoyed by these cooperatives.

In addition, the agricultural activities in western Maharashtra have been well adjusted with the global market by integrating its agricultural activities with floriculture, horticulture, viticulture and food processing with state support. In tune with economic change, agriculture and allied activities of this region is effectively linked with service sectors such as information technology, banking, insurance and leisure industry (Jadhav 2006).

3 Conclusions

The process of agricultural development in Maharashtra over the last three decades indicates regional inequality in which WM remained much ahead of other regions in terms of major developmental indicators. However, compared to Vidarbha, the Marathwada region experienced better improvement in some respects. The rapid development in WM is attributed to the rise of the Maratha-Kunbi peasants as a unified political class, who dominated state politics through caste and kinship networks during the colonial as well as post-colonial periods. The increasing modernisation of agriculture in this region was also in the interest of the industrial bourgeoisie of Bombay, as it created a nearby market for modern agricultural appliances and opportunities for the establishment of agro-processing industries. The Marathwada and Vidarbha regions were unable to compete effectively for a larger share of state's resources due to the absence of a well-articulated structure of factions and alliances. As a result, the influential elites of WM remained in an advantageous position to divert the developmental resources of the state to their region. The relatively better performance of the Marathwada region was mainly due to the socio-cultural proximity of its local elites with those of WM.


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