

ANURADHA

B.A. (H) Economics (III)

LNMU (Part-III)

Paper-VIII

Group-B

Agricultural economics

MODULE I: Rural economy of INDIA

DIVERSIFICATION OF AGRICULTURE (PART-I)

Agricultural diversification is one of the essential components of economic growth. It is the stage where traditional agriculture is transformed into a dynamic and commercial sector by shifting the traditional agricultural product mix to high standard products, that has a high potential in stimulating production rate. Here, the agricultural diversification is supported by a change in technology or consumer demand, trade or government policy, and by transport, irrigation and other infrastructure development.

Two aspects of Diversification

↓  
Change in  
cropping pattern

↓  
Transformation of  
Manpower from agriculture  
work to other activities



These other activities can be poultry, livestock, fisheries etc. and also non-agriculture work. For rural people, diversification or focusing on associate activity is important as it gives them an opportunity to earn extra income and overcome poverty.

## Poultry and Livestock

• Animal Husbandry: Most of the farmers use mix-crop/livestock system to increase their standards of living and income.

• Fisheries - Aquaculture of fisheries is an important part of food production providing economic security to millions of people besides livestock/livelihood support. Today, fisheries contribute a total of 0.8% of GDP.

• Horticulture - It is agriculture that deals with plantation of garden crop especially vegetables, fruits, flowers, tuber crops, spices and ornamental or medicinal plants etc.

In next class, we will learn more about other aspects of Diversification of Agriculture.