

Emerging Issues on economic growth and sustainable development in India and Karnataka with special reference to plantation economy.

Padmini S.V.

Assistant Professor,
Department of Economics,
University College of Arts,
Tumkur University, Tumkur

Abstract

After rapid economic growth of 7.2% in the 2022-23 fiscal year, economic momentum has remained strong in the first half of 2023. India has also become an increasingly attractive location for multinationals across a wide range of industries, with foreign direct investment inflows (FDI) having reached a new record high of USD 85 billion in the 2021-22 fiscal year. FDI investment inflows into the manufacturing sector rose by 76% year-on-year (y/y) in 2021-22, reaching a level of over USD 21 billion. Recent economic indicators for India during the first half of 2023 continue to signal expansionary economic conditions driven by domestic demand. Steel production rose by 11.9% y/y in the April-June quarter, while consumption of steel rose by 10.2% y/y. Sales of commercial vehicles rose sharply higher in FY2022-23, increasing by 34.3% y/y, while sales of private vehicles rose by 18.7% y/y in FY2022-23. The study has been conducted with major objective, to examine the emerging trends of economic growth and sustainable development in India and specific objectives such as to examine the production and marketing of plantation crops in India and Karnataka. The study made with the help of primary as well as secondary data. Secondary data obtained through authentic Government reports, such as Economic survey, Census data, National Sample survey, Central Statistical Organization. Primary data obtained with the help of personal interview. Economy of Plantation crops really mattered in Indian economy and Karnataka economy. Farmers of foodgrains because of price boom changing their farms to plantation crops to reap good returns in turn to maximize their profits.

Key words: Coffee plantation, tea plantation, rubber plantation, Coconut and arecanut plantation, export potentiality.

Introduction

Sustainable Development Goal 8 (SDG 8) aims to promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all. In today's rapidly evolving global landscape, industries such as Information Technology (IT), Software Development, Finance, and Consulting play a pivotal role in driving economic growth while aligning with sustainable development objectives.

Indian economy has considered as fastest growing biggest economies from Asia. GDP growth rate has recorded 6.5 per cent and Inflation has recorded 6.3 per cent and rise in sensitive index noticed in the economy. Growth sustainability surely has its impact on economic growth. After achieving food self sufficiency and food security India surely reach its target related to Agricultural sector. With the help of adoption of technology and technical knowhow it is possible to expect good performance of Micro, small, medium and large scale industries. Contribution of Service sector has accounted to 53 per cent during 2021.

Research Methodology

The study has been conducted with major objective, to examine the emerging trends of economic growth and sustainable development in India and specific objectives such as to examine the production and marketing of plantation crops in India and Karnataka. The study made with the help of primary as well as secondary data. Secondary data obtained through authentic Government reports, such as Economic survey, Census data, National Sample survey, Central Statistical Organization. Primary data obtained with the help of personal interview.

Analysis of the Results

Coffee plantation in India and Karnataka

Coffee occupies a place of pride among plantation crops grown in India and major traded agricultural produce. The production and productivity of coffee in the state of Karnataka is showing an upward momentum.

The production and productivity of coffee in the state of Karnataka is showing an up-ward momentum i.e. production of coffee in Karnataka with that of total planted area in the state has shown a marginal increase of 03% and a rate of shift from Arabica to Robusta is similar. For the last six decades the area of production is multiplied by almost four and half times and the productivity by a significant sixteen times. From the present study it also found that Karnataka contributed 2, 30, 225 metritonnes (72.35%) followed by Kerala with 64, 200 metric tonnes (20.15%) and Tamil Nadu with 17, 370 metric tonnes (5.40%). The Non Traditional Areas comprising Andhra Pradesh & Odisha and North Eastern Region made up the remaining 6, 720 metric tonnes (2.10%) (Sunanda H.S.,Dr. Nagaraja N).

Coffee production in India grew rapidly in the 1970s, increasing from 68,948 tonnes in 1971–72 to 120,000 tonnes in 1979–80 and grew by 4.6 percent in the 1980s. ([Food and Agriculture Organization](#) of the United Nations. 1994.) It grew by more than 30 percent in the 1990s, rivalled only by Uganda in the growth of production ("The Eastern economist". **75** (2). 1980: 950–1.¹⁴¹) (FAO), the area of coffee green harvested in India was 342,000 hectares (850,000 acres), with yield estimates of 7,660 hectogram/ha,^[18] forming a total production estimate of 262,000 tonnes.

There are approximately 250,000 coffee growers in India; 98% of them are small growers. Over 90 percent of them are small farms consisting of 10 acres (4.0 ha) or fewer. According to published statistics for 2001–2002, the total area under coffee in India was 346,995 hectares (857,440 acres) with small holdings of 175,475 accounting for 71.2%. The area under large holding of more than 100 hectares (250 acres) was 31,571 hectares (78,010 acres) (only 9.1% of all holdings) only under 167 holdings. The area under less than 2 hectares (4.9 acres) holdings was 114,546 hectares (283,050 acres) (33% of the total area) among 138,209 holders.

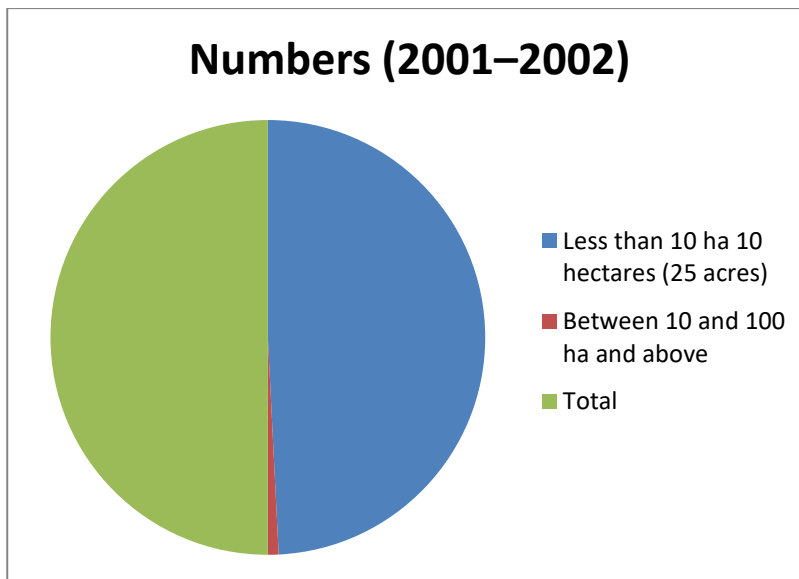
FAO. October 2010).

By 2007, organic coffee was grown in about 2,600 hectares (6,400 acres) with an estimated production of about 1,700 tonnes.(indiacoffee.org. Bengaluru). According to the 2008 statistics published by the Food and Agriculture Organization (FAO), the area of coffee green harvested in India was 342,000 hectares (850,000 acres), (with yield estimates of 7,660 hectogram/ha,forming a total production estimate of 2,62,000 tonnes (FAO. October 2010).

Table 1

Size of holdings	Numbers (2001–2002)	Area of holding
Less than 10 ha 10 hectares (25 acres)	175,475	247,087 hectares (610,570 acres)
Between 10 and 100 ha and above	2,833	99,908 hectares (246,880 acres)
Total	178,308	346,995 hectares (857,440 acres)

Source: Food and Agriculture Organisation (FAO),2010.



The most important areas of production are in the southern states of Karnataka, Kerala, and Tamil Nadu which accounted for over 92% of India's coffee production in the 2005–2006 growing season. In this same season, India exported over 440,000 pounds (200,000 kg) of coffee, with over 25% destined for Italy. Traditionally, India has been a noted producer of Arabica coffee but in the last decade robusta beans are growing substantially due to high yields, which now account for over 60 percent of coffee produced in India. The domestic consumption of coffee increased from 50,000 tonnes in 1995 to 94,400 tonnes in 2008. According to the statistics provided by the Coffee Board of India, the estimated production of Robusta and Arabica coffee for the "Post Monsoon Estimation 2009–10" and "Post Blossom Estimation

2010–11" in different states accounted for a total of 308,000 tonnes and 289,600 tonnes, respectively. As of 2010, between 70% and 80% of Indian grown coffee is exported overseas.

Tea plantation in India and Karnataka

India is widely known for its tea culture, and it is among the largest producer of tea in the world. It is the 2nd largest producer of the tea in the world after China. The country features a varied range of tea varieties, each with its unique characteristics, aroma and flavours. From the misty Assam valleys to the lush green mountains of Darjeeling, tea production thrives across eastern and southern India.

In this blog, we will provide the details about the prospects of tea production in India, major tea producing states in India, highlighting their contributions to the nation's tea industry and the distinct flavours they offer.

Tea Production in India in 2023

The tea production in India in 2023 (Jan – Mar 2023) is roughly 1373 million kgs. The production of tea is mostly done in the northern parts of India. North India is the biggest producer, as it produces around 83% of the total tea production of the country. In absolute terms, between Jan and March 2023, North India produced approximately 1148 million kgs.

On the other hand, South India produced approximately 226 million kgs accounting for 17 per cent of the total tea production of the country.

The best tea in India is found in Assam Valley and Cachar hills of Assam. It is the largest tea producing state in India, as it alone produces roughly 697 million kg of total tea production. It was followed by West Bengal, Tamil Nadu, Kerala, and Karnataka.

For Indians, nothing is better than waking up in the morning and having a cup of tea of their favourite flavour. That is the reason around 80% of the tea produced in India is consumed within the country itself.

Rubber plantation in India and Karnataka

Top 10 Rubber-Producing States and Union Territories in India

Kerala is the largest rubber-producing state in India. Rubber is cultivated in 16 states of India. This article will throw light on the rubber production states in India and the cultivation of rubber.

The top 10 rubber-producing states in India are listed below:

Kerala

Tripura

Karnataka

Assam

Tamil Nadu

Meghalaya

Nagaland

Manipur

Goa

Andaman & Nicobar Islands

Kerala – Rubber Production

Kerala produces around 74% of India's total rubber production. During 2017-20, there has been a decline in the production of natural rubber in Kerala. In 2017-18, the natural rubber produced in Kerala was 5.40 lakh tonnes, and by 2019-20, the production of natural rubber reduced to 5.33 lakh tonnes. During the same period, the production of natural rubber increased in the states of Nagaland, Assam, and Tripura.

The total contribution of Kerala to the production of natural rubber in India was 77.8% in 2017-18. By 2019-20 the contribution of Kerala in the total production of natural rubber came down to 74.9%.

Arecanut production in India and Karnataka

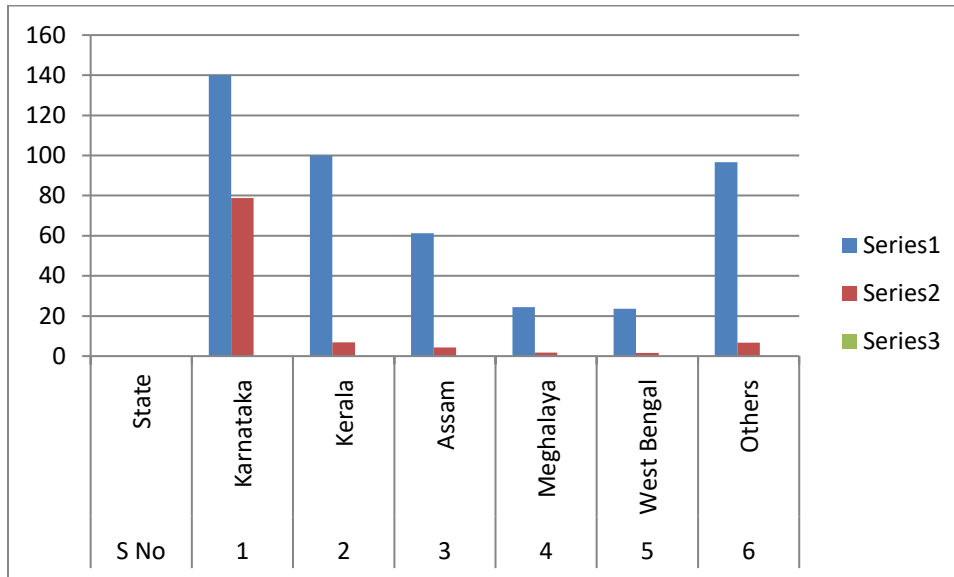
The growth of area, production and productivity of arecanut for India was 3.80 percent, 6.56 percent and 2.66 percent respectively. The growth of area, production and productivity of arecanut for Karnataka state was 5.64 percent, 8.04 percent and -0.95 percent respectively. The area and production of arecanut in all selected districts were increasing significantly with 9.42 percent and 6.93 percent in Dakshin Kannada respectively whereas, the productivity was found to decreasing at 2.54 percent. In Chikkamagaluru district area (2.44%) and production (1.05%) and productivity was decreasing at 0.60 percent. In Shivamogga district area (7.66%) and production (6.59%) were significant and productivity was decreasing with 0.15 percent. In Davangere district area, production and productivity of arecanut were increasing significantly with 7.12 percent, 8.88 percent and 2.32 per cent respectively (Hanumantappa Jamanal and Dr. C Murthy, 2022).

Table 2

State-wise production of arecanut in India (2019-20 to 2021-22 average)

S No	State	Production ('000 tonnes)	Share (%)
1	Karnataka	139.95	78.84
2	Kerala	100.05	6.92
3	Assam	61.18	4.23
4	Meghalaya	24.35	1.68
5	West Bengal	23.60	1.63
6	Others	96.72	6.69
7	Total	1,445.86	100.00

Source: National Horticulture Board (NHB).



Coconut production, productivity in India and Karnataka

The production of coconut in India during 2021-22 was 20,309 million nuts which accounts for more than 31 per cent of the global production. The productivity was recorded at 9,346 nuts per hectare. The total area under coconut is 21.73 lakh hectare (Coconut Development Board (CDB))

India leads the coconut growing countries in production and productivity and holds the third position in area under coconut.

The four southern States viz Kerala, Karnataka, Tamil Nadu and Andhra Pradesh contribute to about 90 per cent of the area and production. The state of Karnataka occupies a major share of the coconut cultivation in India.

Coconut is currently cultivated in an area of 5.5733 lakh ha in Karnataka. Production of coconut in the state is 5897.32 million nuts with a productivity of 10,581 nuts per ha. The productivity is much higher than the national average of 9123 nuts per ha.

Karnataka contributes to about 26.42 per cent of area and 30.64 per cent of production under coconut in India. Tumkur district ranks first in terms of area (1,78,748 ha) as well as production (13123.68 lakh nuts), which is followed by Hassan District (97,999 ha – 4759.81 lakh nuts) and Mandya District (67106 ha – 6009.34 lakh nuts).

Conclusion

Coffee, Tea, Rubber, Coconut, Arecanut have considered as major plantation crops in India. Coffee and Tea have considered as wellknown beverages of Indian people. The produce from Rubber plantation used for different purposes. Uses of rubber ranges fro eraser to tyres, tubes and industrial products. Coconut used as tender coconut, coconut, dry coconut.. Arecanut is used for masticatory purpose. People chew arecanut with betelvine after food. All these plantation crops have their impact on the performance of Agricultural sector and the plantation economy has its definite influence on the contribution to Gross

National Product. Farmers of Plantation crops lead decent standard of living as the agricultural produce of plantation crops get remunerative price.

References

- 1) Ayong Le Kama, A. D. (2001). "Sustainable growth renewable resources, and pollution". *Journal of Economic Dynamics and Control*. 25 (12): 1911–1918.
- 2) Ali, Muhammad Fadzli, et al. "The dynamics of rubber production in Malaysia: Potential impacts, challenges and proposed interventions." *Forest Policy and Economics* 127 (2021): 102449.
- 3) Dasgupta, P. (2007). "The idea of sustainable development". *Sustainability Science*. 2 (1): 5–11. doi:10.1007/s11625-007-0024-y
- 4) Endress, L.; Roumasset, J.; Zhou, T. (2005). "Sustainable Growth with Environmental Spillovers". *Journal of Economic Behavior and Organization*. 58 (4): 527–547.
- 5) Ghosal, Sutanuka (17 December 2011). "Tea industry's annual turnover to reach Rs 33K crore by 2015: ASSOCHAM – timesofindia-economictimes". *The Economic Times*. Archived from the original on 5 March 2016. Retrieved 4 February 2019.
- 6) Kang, H.; Kang, M.Y.; Han, K.H. (2000). "Identification of Natural Rubber and Characterization of Biosynthetic Activity". *Plant Physiol*. 123 (3): 1133–1142. doi:10.1104/pp.123.3.1133
- 7) Listiyorini, Eko (16 December 2010). "Rubber Exports From Indonesia May Grow 6%–8% Next Year". *bloomberg.com*. Archived from the original on 4 November 2012
- 8) Nitin Aant, Gokhale (1998). *The hot brew: the Assam tea industry's most turbulent decade, 1987–1997*. Spectrum Publications. p. 4. ISBN 978-81-85319-82-7.
- 9) Rathna. B , Dr. Dhananjaya K. B ,The Emphasis On Coffee Production And Productivity In India, *International Journal of Creative Research Thoughts*, ISSN:2320-2886, Page No: a220-a228.
- 10) Williams, Colin C; Millington, Andrew C (2004). "The diverse and contested meanings of sustainable development". *The Geographical Journal*. 170 (2): 99–104.