

Small Tea Growers of Assam: Challenges, Prospects, and Sustainability

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Abstract

Assam's small tea growers (STGs) have emerged as pivotal contributors to the state's tea industry, offering employment opportunities and fostering economic growth. Despite their significance, STGs encounter numerous challenges, including financial constraints, market accessibility issues, and limited technical knowledge. This study delves into the historical evolution of small-scale tea cultivation in Assam, examines the socio-economic profiles of these growers, identifies the challenges they face, and explores potential strategies for sustainable development. Through a mixed-methods approach, combining quantitative surveys and qualitative interviews, the research provides a nuanced understanding of the STG sector's current landscape and future prospects.

Keywords: Small Tea Growers, Assam, Sustainability, Socio-economic Impact, Agricultural Challenges

1. Introduction

Tea cultivation has been integral to Assam's economy since the 19th century, with the state producing approximately 52% of India's total tea output. Traditionally dominated by large plantations, the industry has witnessed a significant shift with the rise of small tea growers (STGs), defined as individuals cultivating tea on holdings of up to 10.12 hectares. This transition has not only diversified the production base but also empowered local communities through employment and entrepreneurship opportunities. However, the rapid proliferation of STGs has brought forth challenges that necessitate comprehensive analysis and strategic interventions.

2. Literature Review

2.1 Historical Context of Tea Cultivation in Assam

The inception of tea cultivation in Assam dates back to the early 19th century under British colonial rule. Large-scale plantations were established, primarily managed by British companies, with minimal involvement from the indigenous population. The discovery of the

indigenous tea plant, Camellia sinensis var. assamica, by Robert Bruce in 1823 marked a pivotal moment, leading to the commercialisation of tea in the region. Post-independence, policy reforms and land redistribution efforts paved the way for small-scale cultivation, allowing local farmers to participate actively in the tea industry.

Historically, Assam's tea industry was dominated by large estates until the 1990s, when policy shifts facilitated the rise of small growers (Borah, 2015). Research indicates that STGs have transformed the socio-economic landscape of rural Assam, significantly contributing to employment and income generation (Baruah & Bhuyan, 2018). However, these growers face challenges such as financial instability due to fluctuating market prices and limited access to formal credit sources (Gogoi, 2019).

Market access remains a critical issue, with growers often forced to depend on middlemen, thereby receiving minimal profit margins (Saikia & Das, 2020). Studies have highlighted inadequate infrastructure as a substantial hurdle, restricting growers' ability to store and transport their produce effectively (Sharma & Bezbaruah, 2017). Further, technological gaps, especially limited access to modern agricultural practices, have restricted productivity and quality improvement (Hazarika et al., 2016).

Government policies and interventions aimed at enhancing the capacities and financial stability of STGs have had mixed results. Initiatives like financial subsidies, training workshops, and the promotion of cooperatives have shown positive impacts in some areas but remain inadequate overall (Kalita, 2021). Sustainability practices and organic farming are emerging as promising areas for enhancing profitability and market competitiveness (Dutta & Sarmah, 2018).

2.2 Emergence and Growth of Small Tea Growers

The late 20th century witnessed a surge in small-scale tea cultivation, attributed to factors such as land fragmentation, unemployment, and the quest for alternative livelihoods. Studies indicate that there are nearly 90,000 STGs in Assam, providing employment to approximately 1.5 lakh individuals. This sector has become a cornerstone of rural development, contributing significantly to the state's economy.

2.3 Socio-economic Profile of Small Tea Growers

Research highlights that a majority of STGs are small and marginal farmers who transitioned from traditional agriculture to tea cultivation. The average landholding ranges between 0.5 and 2 hectares. While tea cultivation has enhanced income levels, challenges persist in terms of financial literacy, access to credit, and market linkages. A study focusing on the Digboi region revealed that many STGs lack formal education and rely heavily on traditional knowledge, which may not align with modern agricultural practices.

3. Methodology

3.1 Research Design

A mixed-methods approach was adopted to capture both quantitative and qualitative dimensions of the study. This design facilitated a comprehensive understanding of the challenges and prospects of STGs in Assam.

3.2 Sampling Technique

Purposive sampling was employed to select districts with a high concentration of STGs, including Dibrugarh, Tinsukia, and Golaghat. Within these districts, 150 STGs were randomly selected to participate in the survey.

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3.3 Data Collection Methods

- **Quantitative Data:** Structured questionnaires were administered to gather information on demographic profiles, landholding sizes, production levels, income, and challenges faced.
- **Qualitative Data:** In-depth interviews and focus group discussions were conducted with selected STGs, key informants from the Tea Board of India, and representatives from local cooperatives to gain deeper insights into systemic issues and potential solutions.

3.4 Data Analysis

Quantitative data was analysed using descriptive statistics, while thematic analysis was applied to qualitative data to identify recurring patterns and themes.

4. Results

4.1 Demographic and socio-economic characteristics

- **Age Distribution:** The majority of respondents (65%) were between 35 and 50 years old.
- **Education Level:** Approximately 40% had completed primary education, 35% secondary education, and 25% had no formal education.
- **Landholding Size:** The average landholding was 1.5 hectares, with variations across districts.
- **Annual Income:** The average annual income from tea cultivation was INR 150,000, supplemented by other agricultural activities.

4.2 Challenges Faced by Small Tea Growers

4.2.1 Financial Constraints

A significant proportion (70%) of STGs reported difficulties in accessing formal credit due to the lack of clear land titles and collateral. Consequently, many resorted to informal lenders charging high-interest rates, exacerbating their financial burden.

4.2.2 Market Accessibility

Over 60% of respondents expressed concerns about the lack of direct access to markets, compelling them to sell green leaves to intermediaries at suboptimal prices. This dependency limits their profit margins and bargaining power.

4.2.3 Technical Knowledge and Training

Approximately 55% of STGs lacked formal training in modern agricultural practices, leading to suboptimal yield and quality. Pest management and soil health were identified as areas requiring immediate attention.

4.2.4 Infrastructure and Logistics

Inadequate infrastructure, such as poor road connectivity and lack of storage facilities, hampers timely transportation and affects the quality of produce.

4.3 Prospects and Opportunities

4.3.1 Organic and Speciality Tea Markets

The global shift towards organic and speciality teas presents significant opportunities for Assam's small tea growers. Increasing consumer awareness regarding health benefits and environmental sustainability has driven demand for organically grown and speciality teas, which command premium prices in both domestic and international markets. Approximately 30% of respondents showed interest in transitioning to organic farming practices, motivated by higher profit margins and market competitiveness. However, transitioning requires initial investment, certification processes, and technical expertise, highlighting the need for targeted support mechanisms.

4.3.2 Collective Farming and Cooperative Models

Encouraging collective farming through cooperatives or farmer-producer associations (FPOs) can significantly mitigate some of the challenges faced by STGs, such as market accessibility and bargaining power. Cooperatives can facilitate better access to credit, training, and essential agricultural inputs, as well as collectively negotiate fairer prices with buyers. Interviews with representatives from successful cooperative models, such as those in Golaghat district, revealed substantial improvements in income stability and resource management among participants. Scaling such cooperative efforts across districts has the potential to elevate the entire STG sector.

Discussion

The findings of this study underscore both the critical role of STGs in Assam's tea industry and the systemic barriers hindering their growth and sustainability. Financial constraints emerged as a primary concern, exacerbated by limited access to formal credit and dependence on informal lenders. Addressing these financial challenges necessitates robust policy interventions, including streamlined credit access, simplified loan processes, and establishing clear land titles to enhance collateral security.

Market accessibility remains another significant challenge, with many STGs dependent on intermediaries, which diminishes their profits and bargaining power. Establishing direct market linkages, possibly through government-backed initiatives or public-private partnerships, can substantially enhance growers' returns. Furthermore, cooperative models have demonstrated potential in overcoming logistical barriers, collectively improving market access, and facilitating infrastructure development.

Technological and knowledge gaps were highlighted as limiting factors in productivity and quality enhancement. Addressing these gaps through comprehensive training programs,

capacity-building workshops, and technical advisory services could significantly raise production standards and profitability. Initiatives such as mobile-based agricultural advisory platforms and frequent extension services by agricultural experts could bridge this knowledge divide effectively.

Infrastructure inadequacies, notably poor road connectivity and limited storage facilities, further restrict the growth potential of STGs. Investments in rural infrastructure development, including enhanced transportation networks and storage solutions, are essential to maintaining the quality of tea leaves and improving market readiness. Such infrastructure investments can be realised through government funding, which is complemented by contributions from private entities and international development agencies.

Conclusion and Policy Recommendations

Small tea growers have undeniably reshaped Assam's tea landscape, significantly contributing to the socio-economic upliftment of rural communities. However, their sustainability and growth hinge upon addressing a range of systemic financial, market-related, technical, and infrastructural challenges. Policymakers, industry stakeholders, and communities must collaborate actively to build an inclusive and resilient tea economy that benefits all stakeholders.

A comprehensive, multi-dimensional approach is required to secure the long-term prosperity of small tea growers. First, targeted financial interventions, such as dedicated low-interest loan programs and streamlined credit application processes, must be prioritised to alleviate immediate financial burdens. Concurrently, clear and enforceable land titles should be established to enhance growers' creditworthiness and asset security.

Promoting organic and speciality tea cultivation can provide a critical path to higher profitability and sustainability. This entails providing financial incentives, facilitating certification processes, and imparting technical knowledge essential for adopting organic farming practices. Direct market linkages, supported by strategic partnerships with domestic and international buyers, can ensure stable and lucrative market opportunities for growers.

The cooperative model has proven successful in various districts and must be expanded and strengthened further. Supporting cooperatives through consistent training, financial incentives, infrastructure development, and market negotiation strategies can amplify their positive impact. Additionally, investing in comprehensive rural infrastructure—including roads, storage facilities, processing units, and logistics systems—is vital for maintaining quality and enhancing market competitiveness.

Lastly, bridging technological and knowledge gaps is indispensable for sustained growth and development. Initiatives such as regular training workshops, digital agricultural advisory services, and robust extension programs can equip growers with modern practices, elevating productivity, quality, and market readiness.

In conclusion, addressing these interconnected challenges through integrated policy action and stakeholder collaboration will not only empower small tea growers but also ensure the long-term sustainability and competitiveness of Assam's tea industry. Such concerted efforts will foster a resilient agricultural economy, improve rural livelihoods, and contribute significantly to broader socio-economic development.

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