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Merchants of Knowledge: Petty Retail and Differentiation without Consolidation among Farmers in Maharashtra, India

Running Head: Merchants of Knowledge

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Merchants of Knowledge: Petty Retail and Differentiation without Consolidation among Farmers in Maharashtra, India

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This article focuses on the intermediary figure of the village-level petty retailer of chemical inputs, providing an account of the everyday relationships of farmers with transnational and domestic agribusiness capital. Retailers are figures from whom farmers purchase seeds, fertilizers, pesticides, and other chemicals. The article traces the rise of village-level retailers in western Maharashtra, India since the 1990s, and finds that Maratha (a dominant land-holding cultivator caste) households have ventured into retailing. Further, farmers depend on retailers for credit, technical knowledge, and for the sale of their harvest. By analyzing the pressures and risks of petty retail, visible in interactions with farmers, the article argues that even as retailing provides avenues for upward mobility to petty agricultural commodity producers, the trade is too

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volatile for the gains to sustain. Thus, the entry of Marathas into petty retail is akin to an attempt at class differentiation, but without consolidation.

Keywords: agribusiness capital, petty retail, intermediaries, petty commodity production, chemical inputs, India

INTRODUCTION

This article is about the people through whom farmers interact with transnational and domestic agribusiness capital in their everyday lives. The abstract machine of agribusiness capital is fundamentally driven on the ground by dense networks of people and their interactions and transactions. In this article, I focus on that node which serves as the point of sale for inputs to farmers – the petty retailer who sells seeds and chemicals like fertilizers, pesticides, herbicides, fungicides, and micro-nutrients. Questions like how is a sale of a pesticide practically transacted, who are the petty retailers, what are their social bases, and how do they interact with farmers, are not mere anthropological curiosities; rather they are integral to the story of capital in agriculture.[1] They are part of the puzzle that is the nature of agrarian transition in India, and they allow us to grasp emergent sociological shifts in the wider agrarian political economy.

Popular and policy writings on Indian agriculture often offer a narrative of crisis and all-round distress. Detailed attention to the transactions between farmers and retailers, however, reveals aspects of agrarian India that qualify this narrative (for other nuanced accounts, sensitive to regional variation, see Lerche, 2011; Ramachandran, Rawal, & Swaminathan, 2010; Reddy & Mishra, 2009). Even as certain sections of farmers are tragically driven to suicide by neo-liberal policies in agriculture (E. Shah, 2012;

[1] In this respect, the centrality that Banaji (2016, p. 417) accords to middlemen is instructive.

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Vasavi, 2012), some others have sought to capitalize on the opportunities created by the same policies (Jodhka, 2006, 2012; Lerche, 2014; Pattenden, 2011).

Petty retailers at the village level in western Maharashtra serve as a case in point. Until the 1990s, there were few pesticides and fungicides available in rural markets; these were manufactured by Indian companies and sold in market towns and district headquarters. With the expansion of transnational agribusinesses in India since the 1990s, new and many more chemicals, manufactured by Indian and foreign companies like the ‘Big 6’ (Monsanto, Dow, BASF, Bayer, Syngenta and Du Pont), have become available. Shops retailing these have slowly expanded outwards from market towns and district headquarters, going into smaller and smaller villages. Significantly, certain sections of farming households in western Maharashtra are taking advantage of these opportunities in the expanding retail space, as I demonstrate below. This troubles the populist notion that farmers as a block are under threat from an undifferentiated capital. Instead, such dynamics call for a subtly shaded picture of agrarian change, and the shifting configuration of not only constraints, but also opportunities (Harriss-White, 2005).

The key argument of this article is that the rise of petty retail, from within the ranks of dominant-caste farmers, represents differentiation among farmers *without consolidation*. In other words, even as petty retail provides opportunities for enrichment, the consequent upward mobility remains insecure and transient. The article first describes the base from which petty retailers have emerged. It then ethnographically examines their interactions with farmers, highlighting the complex, precarious ways in which retailers mediate the relationship between agribusiness capital and farmers. It describes three significant axes of dependence of farmers upon retailers. Based on these observations, the article concludes with the implications for the changing agrarian political economy, and agrarian populism.

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AGRARIAN POPULISM REDUX

The farmer movements from the 1970s and 1980s, such as the *Shetkari Sanghatana* (Farmers' Organisation) led by Sharad Joshi in Maharashtra, or the *Bharatiya Kisan Union* (Indian Farmers' Union) led by Mahendra Singh Tikait in Uttar Pradesh, brought agrarian populism centre stage in Indian politics. These movements rallied around the India/Bharat binary, where Bharat stood for the exploited peasantry, while India for westernized, urban exploiters. As many commentators pointed out in their critiques, this populist strategy very effectively masked the conflicts of interest among farmers, ignored class and caste divisions within them, rendered the interests of wage, unfree, and landless agricultural labourers invisible, and whisked rural exploiters like ex-landlords and big, capitalist farmers out of sight (Brass, 1995; Dhanagre, 1994; Omvedt, 1981).

In the wake of political and economic shifts underway in India since the mid-1980s, often glossed as neo-liberal, a similar brand of agrarian populism has re-emerged, except that farmers' struggles are now increasingly said to be against global capital, rather than national states (Brass, 2015). Scholarly counterparts of these movements have clustered around topics such as the corporate food regime (McMichael, 2006, 2012) and food sovereignty (Patel, 2007). Very broadly, the idea is that with increasing global corporate consolidation in agri-input and agro-food supply chains (Weis, 2007) under the auspices of the World Trade Organization, and the decline of public sector agricultural procurement, farmers are facing an onslaught of corporate capital like never before, which threatens to dispossess them, and destroy their cultures, livelihoods and ways of living. Therefore farmers, their considerable differences notwithstanding, have a rallying point in asserting sovereignty over their farms, and emphasizing social, cultural, and ecological rights and values, over and above the material value of commodities like food, water, seeds, and land (Kloppenburg, 2010; McMichael, 2008; Patnaik, 2006).

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In essence, this literature compellingly highlights the might of transnational corporations in structuring global food regimes, and the terms on which farmers access agricultural inputs such as seeds and synthetic chemicals. It usefully maps the terrain on which transnational corporations, the USA and the EU confront developing countries. The literature also valuably draws important connections between agrarian and ecological crises. What is less compelling is its silence on antagonisms within farmers, and their internal differences – in this regard, Balagopal's (1987a, 1987b) analysis still remains relevant (see also Bernstein 2010, 2014; Lerche, 2013).[2] As I demonstrate below, the everyday encounters which generate agri-chemicals sales and profits are marked by friction among farmers, and writings premised on the capital/farmers opposition risk obscuring this friction. With the aim of enriching such overly schematized accounts, this article focuses on the figure of the petty retailer and studies his relationship with farmers.[3]

IN THE LAP OF THE RIVER GODAVARI

During the monsoon season (July – November) of 2013 and then again in 2014, I conducted fieldwork in the agrarian villages to the west and south of Nashik city in Nashik district of western Maharashtra.[4] Close to the source of the major river Godavari, this is an area blessed with abundant rainfall, easy access to ground water, and fertile black cotton and red laterite soils. My principal field sites were Khedgaon, a large village, and its closest market town Pimpalgaon.[5] However, because I often conducted research with retailers in their shops, I ended up meeting farmers and other people from several villages around Nashik city. Marathas constituted the dominant land-holding caste in both Khedgaon and

[2] Balagopal (1987a) powerfully underscores the antagonisms and class differences among "peasants" especially between those producing a surplus and "those producing none or a deficit," and between landholders and landless labourers (p. 1545).
[3] All the petty retailers I encountered in my study were men. Their customers too were exclusively men.
[4] These were followed by shorter spells of research in the summer of 2015 and 2016.
[5] In order to protect their identity, I have disguised the names of people and villages.

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Pimpalgaon.[6] There were also Dalits and Adivasis (indigenous people) residents. Among them, the few who farmed, cultivated hilly lands with poor access to irrigation.

Given the rich, water-retaining black cotton soil and the heavy rainfall, paddy, along with coarse grains, was traditionally cultivated in this area. During the winters (the Rabi season), farmers grew onions and potatoes. Village elders recount that in the 1980s, the state completed several major and minor dams, and irrigation become widely available. This was also the time access to electricity expanded in this region. With the arrival of irrigation, crops like grapes, sugarcane and vegetables began to be cultivated across a wider socio-economic base of farmers. Today, even those with less than 5 acres of land cultivate grapes for domestic and export markets, provided they have some access to water and capital, since grapes require large quantities of inputs.

The other major shift that has occurred in the last 3 decades is the progressive domination of private sector hybrid seeds in vegetables, which has contributed significantly to the high cost of vegetable farming. Although hybrids result in higher yields, they require many more inputs and greater care. The wide adoption of hybrids has coincided with the decline of public sector extension efforts and state-provisioning of rural credit across India (Ramakumar & Chavan, 2014; Shetty, 2009), and with the expanding footprint of transnational and domestic companies, supplying more and newer chemicals. These intersecting regional and national dynamics have ramped up the consumption of synthetic chemical inputs in the area post the 1990s – between 2000-01 and 2015-16, the consumption of pesticides alone in Maharashtra has nearly quadrupled, from 3239 tonnes to 11,665 tonnes (Indiastat, 2017; see also Kannan, 2015). Such trends have created the space for the emergence of petty retailers at the village level.

[6] For a history of the groups that have come to identify themselves as Marathas, see O'Hanlon (1985).

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While speaking to farmers in Khedgaon, I asked them where they purchased seeds, and how they decided which chemical to spray on their crops. Invariably they referred me to the *dukaandar* or the retailer from whom they purchased inputs. Thus, I interviewed ten retailers in Pimpalgaon and in villages around Nashik city, and spent several hours across seven months in the shops of three retailers, observing their transactions and interactions with farmers.

THE KRUSHI SEVA KENDRAS OR AGRICULTURAL SERVICE CENTERS

For an insight into the emergence of retailers, consider the profile of Somnath, proprietor of Pooja Krushi Seva Kendra (almost all retail shops are named *Krushi Seva Kendra* or Agricultural Service Center), and the principal retailer serving my farmer informants in Khedgaon. Born in 1983 to a family of Maratha cultivators, Somnath hails from a village in Dindori block (i.e. sub-district unit) of Nashik district. While his elder brother looked after their 2 acres of land where they grew grapes for export, Somnath got a Diploma in Agriculture, followed by an undergraduate degree in Horticulture from the Open University in Nashik city. In 2003, he joined the sales and marketing team of Sigma (one of the Big 6 global agrichemical companies mentioned earlier) where he was assigned the sugarcane region of Niphad, in Nashik district. As a sales-cum-marketing agent, he worked among farmers as well as retailers, promoting Sigma's chemical products.

Not keen on working for a private company for too many years, he decided to open a shop in Pimpalgaon, where he had some relatives. As he said to me one evening at his shop, "[In Niphad] there were already very strong retailers. I could not have established myself. At that time there were few retailers here. Growth was just beginning here…. Grapes were only 5-10 per cent here, today they are 80 per cent... this was not a developed pocket then. It was on the path of progress … and so I picked this

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pocket." So Somnath raised around 6 lakh (600,000) rupees from his family, without taking a loan, and started a shop.[7] In this manner, Pooja Krushi Seva Kendra commenced operations in June 2006.

Pooja Krushi Seva Kendra is one among about 25 petty shops in Pimpalgaon[8] – bearing in mind that even petty shops can have an annual turnover of 1-1.5 crore (10-15 million) rupees.[9] Consider as another illustration, bigger (and swankier) shops like Vikram Agro Services, with names in English. Although they are single-storey structures like the petty shops, their larger area and sheen qualify them as "malls" in farmers' parlance. There is also a general tenor of efficiency in these malls, which is lacking in the more relaxed, "come, sit, have some tea" air in shops like Somnath's.

As I entered Vikram Agro Services one afternoon, I spotted Rajubhau, the proprietor, immediately. A bespectacled man in his fifties with greying hair, wearing a formal shirt tucked into trousers with a smart belt, he had the air of a middle class corporate executive. He took me inside an office to speak to me. I was unused to this. Retailers spoke to me at the shop counter itself, with farmers walking in and out of our conversations.

Rajubhau belongs to a large Maratha family with about 6 acres of land. He recalled that it was very difficult to feed the family from the proceeds of the vegetables that his parents cultivated. Rajubhau got an undergraduate degree in law and a graduate degree in commerce, but could not get a government

[7] He told me that it would take about 25 lakhs (2.5 million) rupees to start a shop today in Pimpalgaon. This estimate cannot be generalized easily because the cost of real estate varies widely by location.

[8] Beyond Nashik city, petty retailers diffused to smaller market towns like Pimpalgaon. Such shops have only recently begun to open in villages like Khedgaon, and many villages remain without a single retailer.

[9] One limitation of this research lies in my inability to collect detailed information about costs of retailing. Material costs constituted the largest expense in a year, and these were also the hardest to estimate for a number of reasons. Retailers place orders several times in a year, and store stock over years, until it expires (and sometimes thereafter too), and receive discounts and cashbacks via company schemes at the end of the financial year. Other costs included transportation expenses, costs of fertilizer, seeds and insecticide licenses that have to be renewed every 2-3 years, monthly electricity bill payments, interest on loans, and 'gifts' to district agricultural bureaucracy to renew licenses on time, and during festivals. A few retailers also hired a helper to assist with storage, transport, and running the shop, with a monthly pay of 7-9000 rupees.

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job, for which there was a “craze” then. He rued that his “open category” Maratha caste got in the way of getting a government job.[10] So he joined a small manufacturing unit in Nashik’s industrial area, in the finance department. Although he had a job, he used to feel very insecure, fearing that the private company might close down any day. So, he kept saving money and started stocking a few bottles of chemicals at home. Thus began the retail business from his homestead. This was about two decades ago. He kept the job, but slowly grew his business, buying his current shop in 2004. In 2007, he finally left the job to work full-time on his retail business. Today, he is not only a retailer, but also a wholesaler to other retailers. He is also grooming his son, Vikram for the business. Vikram, who is in his twenties, has finished a graduate degree in Agriculture and an MBA in Agribusiness Management, the latter from the prestigious Symbiosis College in Pune, the state’s second largest city and a prominent education hub. These are but two examples, but they point to the general trend.

SITUATING THE RETAILER

Since the 1990s, Marathas, typically small and semi-medium (and not large) farmers, have ventured into petty retailing, usually sourcing capital from the small surplus generated by agriculture along with some loans.[11] Since qualitative production relations cannot be neatly read from landholding categories, the distinctions above deserve further explication. Retailers belong to land-owning households producing agricultural commodities primarily with the help of family labour,[12] even as their land-holdings straddle the boundary of small/semi-medium farmers. In my sample, landholding sizes ranged from 2 to 6

[10] Open category comprises of those castes that are not eligible for reservations or affirmative action benefits. In the context of declining number of government jobs, and increasingly insecure private sector jobs, the Marathas, like some other cultivator castes in India, have been agitating for reservations for several years.

[11] The classification of farmers in terms of land holding is as follows: marginal: less than 1 hectare; small: between 1 and 2 hectares; semi-medium: between 2 and 4 hectares; medium: between 4 and 10 hectares; large: beyond 10 hectares. This is as per the Agricultural Census 2010-11 commissioned by the federal Ministry of Agriculture.

[12] These households also hired wage labour depending on the crop mix in particular seasons. For instance, a tomato crop required more hired labour than an eggplant crop, in this area. The crop mix in turn depended on surplus available from the previous season, the anticipated realizations from different crops, weather trends, etc.

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acres. Descriptively, they are the poorer among Balagopal's (1987a; see also Jeffrey & Lerche, 2000) "provincial propertied class:"

> A typical family of this provincial propertied class has landholding in its native village, cultivated by hired labour, [share-croppers], tenants or farm-servants and supervised by the father or one son; business of various descriptions in towns – trade, finance, hotels, cinemas and contracts – managed by other sons; and perhaps a young and bright child, who is a doctor or engineer or maybe even a professor in one of the small-town universities…. (Balagopal, 1987a, p. 1545)

I say poorer because the retailers I interviewed had their families still labouring on farms. This is not the class of big, capitalist farmers who found opportunities for consolidation of their power and wealth through control of co-operative institutions, local self-government bodies, credit societies, sugar factories, electoral politics (Baviskar, 1980; Breman, 2007; Pattenden, 2011), and diversification into agro-based industries (Damodaran, 2008; Lerche, 2014).[13] In sum, retailers have arisen from among petty agricultural commodity producers (Bernstein, 1986), of the provincial propertied class, at the edge of capital accumulation.[14]

Thus, as transnational and domestic capital penetrates deeper into rural areas, petty commodity producers of the dominant farming caste have tried to capitalize on the associated opportunities. While at

[13] It was this class of capitalist farmers that galvanized the new farmer movements of the 1970s and 1980s around their particular interests (Brass, 1995).

[14] Petty agricultural commodity production encompasses a diversity of farming practices, social organization and labour processes (Bernstein, 2009), especially at the boundaries of different classes of farmers. Petty commodity producers at the edge of capital accumulation are similar to Llambi's (1988) "petty capitalist producers," and Patnaik's (1976) "middle peasants." I prefer "petty commodity producers" because it highlights to a greater extent, than middle peasants, the household's presence across different economic sectors, and because Llambi himself (1988, p. 353) acknowledges the similarities between petty commodity and capitalist producers, and because a farming household can cross from one to another depending on market and other conditions. More recently, Pattenden (2011) has conceived of "dominant class" as the class of net buyers of labour power. In terms of this framework, retailers belong to the lower levels of the dominant class whose economic situation can easily stagnate "in a context of relatively small surpluses and large lifecycle costs" (p. 172).

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the district and state levels, Marwari/Gujarati *Jain*, *Baniya* merchants, with generations of mercantile experience, handle the trade,[15] for perhaps the first time, at the village level, Maratha petty commodity producers are venturing into the retail business. The next section describes the dynamics of selling inputs to farmers, and provides an account of farmers' dependence upon retailers along three principle axes: provision of credit, troubleshooting knowledge, and access to markets for their produce.

SELLING CHEMICALS TO FARMERS: RUNNING THE RETAIL BUSINESS DAY-TO-DAY

As merchants, retailers buy, store, and sell things. This means that their profitability crucially hinges on managing inventories and timelines, as in any other retail business. The peak season for the sale of inputs is determined by the grape season, since grapes is the principal crop driving the chemicals business in this region, followed by tomato and other vegetables. Since pruning starts around October, that is when the peak season begins, and since grapes are harvested around February, that is when the season ends. In the slack season (i.e. from March until around August), companies offer schemes or incentives, and retailers lift stocks at discounted rates for a certain fraction of their anticipated turnover for the year. The rest they order at spot, and therefore at undiscounted prices.

Provision of Credit

When I probed the challenges of running the retail business, Somnath touched upon some themes which I had heard across interviews with retailers.

> Somnath: This is a 100 per cent credit business.[16] If farmers do not pay on time, then it becomes difficult to make payments to my creditors.

[15] These are two of the most important and geographically widespread castes powering trade and commerce in India. For a historical account of the peasant-*baniya* relations in western India, see Hardiman (1996).
[16] Different retailers extend credit to different degrees, depending, in part, on their risk appetite, their economic position, and pleas from farmers. Pleas from regular customers are difficult to refuse.

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Author: […] You need to settle accounts monthly or maybe [every] two months, and once you offer credit to farmers, they will not be able to make payments until they harvest their crops. So how do you manage your business?

Somnath: I am always under pressure (*kayam gaadi load var rahate*). It is difficult even to tell you how I manage. It's terrible.

The entire terrain of credit lending is a field of negotiation, and much depends on the historical relationship between the farmer and the retailer on the one hand, and the retailer and the companies on the other. That said, all retailers reported that companies had become very "tight" in the last several years. Companies insisted on monthly settlements, and required payments to be made with checks. Moreover, for some years now, transnational corporations in particular were asking for blank checks from retailers as guarantee of payments. Matters had been less stringent in terms of timing some years ago. This has a bearing on the terms retailers impose on farmers when they buy on credit.

Typically, retailers offer the largest discount when their fellow Maratha farmers, regular customers, buy with cash. In general though, they appraise their customers before they quote a price and some negotiation is virtually guaranteed. Dhananjay, a retailer outside Nashik city, told me that he never divulges prices on the phone; he insists that customers come to the shop, so that he can appraise them before quoting a price.

Retailers prefer cash but it is almost impossible to sell only in cash. Grapes and vegetables are very inputs-intensive, and around late-October, farmers start running short of cash, on account of mounting expenses of inputs, as well as purchases for the festival of Diwali which falls between October-November each year. Perhaps because of climate change, the monsoon season has also got more erratic in

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this region, and it is not uncommon for rains as late as October-end and November,[17] a time when grape vines are particularly vulnerable to fungal attacks. Farmers have to douse the ripening grape buds with fungicide as soon as rainfall stops. Even 12 hours of delay can devastate the crop. This was forcefully brought home to me late one evening when suddenly, it started pouring, and I decided to wait the rain out in Somnath's shop. As soon as the rain stopped, the roads were full of grape farmers rushing to different shops to purchase fungicides. Within minutes, Somnath's shop was full, and there was a queue outside. Such rainfall imposes an enormous burden on grape farmers' pockets. For these reasons, this is when *udhari* or buying on credit peaks.[18]

When Maratha farmers buy on credit, the retailer gives them a receipt but does not write the price on the receipt. He quotes a price only when the farmer returns to settle the bill. The price he quotes depends on the time interval between the purchase and the full payment of the bill. As Dhananjay explained, "If my purchase cost is 800 rupees, and the MRP [Maximum Retail Price] 900 rupees, I will sell it for 850 rupees on cash basis. If it's on credit, then I will sell it for the MRP. The margin between my purchase price and the MRP is what I have to play with." The maximum retail price (MRP) is the printed price on a product. Since companies insist on monthly settlements, generally retailers start asking for the MRP if the bill is settled more than a month after the purchase. From the point of view of the retailer, this makes sense as he manages a complex credit-driven business, but for the farmer this effectively amounts to usurious lending. Paying 850 rupees in cash, and 900 rupees after a month implies an effective interest rate of 71 per cent per annum. Ganpat, a retailer said to me explicitly, "Anyway one takes credit at five per cent per month, why should it be any different when he takes credit from me? I too have to run a business." In this remark, Ganpat was referring to the widespread, informal, non-

[17] In the past, rains generally ceased by early October in this region.
[18] Even in this period of cash crunch, retailers insist on small part-payments in cash, with variable success.

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institutional money lending, which comes with an interest rate of anywhere between five and ten per cent per month, depending on one's caste and one's standing with the money-lender.

In Table I [insert Table I here], I list a few examples of the prices that retailers offer on cash-and-carry basis and on credit, and the annualized interest rate implied by the difference between the two. These are of course indicative – the cash price offered, the period after which the retailer will charge the MRP, and the length of time for which a farmer could delay re-payment in full, depend in complex ways on the retailer's impression of who he is selling to, their previous history of transactions, and the bargaining power of the farmer based on his caste, landholding, crop mix,[19] and standing in co-operative and local self-government institutions and political parties. The significant point is that the retailer serves as an important node of informal lending.

From the point of view of farmers, they get locked through credit to particular retailers. The more a farmer takes credit from one retailer, the more he gets locked to that particular retailer. This is because another retailer will be much more reluctant to open a credit line to a new person,[20] and in a small market-town, retailers know most farmers and who they go to for credit. However, credit is not the only mechanism by which farmers get locked to particular retailers. There are two other principal mechanisms that tie farmers to retailers – troubleshooting and the sale of harvest.

Provision of Troubleshooting Knowledge

[19] For instance, a farmer with 8 acres of grape vines may be perceived as more risky, and less credit worthy, than one with 6 acres of tomatoes and eggplants, since grapes are harvested only once in a year, are much more capital intensive than tomatoes and eggplants, and are highly susceptible to fungal attacks.

[20] A farmer is free to go to any retailer while purchasing in cash. The issue is that cash is scarce in the peak season, and the need for credit binds farmers to specific retailers. At the same time, these are not crop-tying credit extensions.

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Retailers are the principal source of knowledge and troubleshooting advice for farmers. This is why I have called them merchants of knowledge.[21] It is very common to see farmers come into shops and describe various symptoms of their crop, sometimes with a sample cutting of the infected plant. The retailer then gives them a chemical remedy, or more often, a cocktail of chemicals. To appreciate the delicacy of this transaction, consider the following exchange I observed at Somnath's shop.

Farmer: Do you have anything to get tomato to flower?

Somnath: <to his assistant> *Arey*, give that .. give Daikin 1 kg. And Hans 1 litre.

[Turning to the farmer]

Somnath: Do you need pesticide? Are there leaf miners [a class of pests that consumes leaf tissues]?

Farmer: I have applied medicine (*aushadh*)

Somnath: Which one?

Farmer: Korasin [Du Pont's Coragen]…. no, [there are no] leaf miners.

Somnath: Trust me and apply some pesticide, if there is a miner hiding somewhere, it'll die. Leaf miners will not come. There is a light and inexpensive pesticide here [adding a packet of pesticide to the carry bag].

Farmer: Is this for flowering?

Somnath's assistant: Yes, this is for flowering. Each of the three is for two tips [400 litres].

Farmer: I need 16 pumps [referring to the spraying container that one straps to the back].

Somnath: Will you spray with a pump?

Farmer: 1.5 tips [300 litres].

[21] In this respect, agri-inputs retailers can be usefully compared to those running pharmacies in India.

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> Somnath: Look here, I will explain. 1 tip is 200 litres. Put in half the powder (*puda*), half the bottle, and [the] full bottle [pointing to the three chemicals he had sold]. Now what's left with you? Half the powder, half the bottle and a full bottle. Now put half of each. When you have 300 liters, some amount of chemicals will remain, but that cannot be helped.

One must pay attention to a few important things in the exchange above. First, the farmer came to Somnath asking for a stimulant for tomato. Somnath used the opportunity to ask him if he wanted a pesticide, and if the tomato had leaf miners. The farmer replied that he had already applied Du Pont's powerful pesticide, Coragen, and confirmed that he had no leaf miners. Nevertheless, Somnath asked him to apply another dose of an inexpensive pesticide. He said if there were any leaf miners hidden somewhere, they would die. Thus, Somnath managed to sell the reluctant farmer a pesticide he never wanted and did not ask for. Further, the farmer asked Somnath for the dosage. So, not only did Somnath sell him a pesticide he did not originally want, Somnath was also the authoritative source for how much to use.[22]

Retailers try different techniques of persuasion with different farmers. A few minutes after the incident above, I noticed another delicate transaction, where Somnath managed to veer a farmer away from what he originally asked for, and towards what Somnath wanted to sell him. These transactions are sensitive to the farmer's position with respect to the retailer. Sometimes farmers are assertive and refuse to take anything beyond what they ask for. Sometimes they say they have already applied a pesticide or fungicide, at which point the retailer asks them which one. If farmers can name the pesticide, then the retailer offers another one saying it is different, more powerful, or more appropriate for the problem. However, quite often farmers cannot name what chemical they have used, in which case the retailer asks

[22] Although dosage is mentioned in English and regional languages on bottles and packets, farmers and retailers tend to ignore it.

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them to err on the side of yet another dose. In general though, the retailer has to balance his interest to sell more with the necessity of not coming across as too keen or aggressive.

After many hours of observation, I started noticing a pattern where, in the absence of any strong countervailing pressure, retailers would try to push domestic companies' products onto farmers. I asked Somnath, and other retailers, about this and they told me that "multinational (MNC) products" offered very low margins vis-à-vis domestic products, and so retailers had an incentive to push domestic products. Transnational companies employ their own sales and marketing teams to advertise, without selling, their products.[23] Domestic companies generally do not have the resources to invest in sales and marketing teams, and so they rely on retailers to market their products. This became clear to me in the following exchange with Somnath and a marketing agent for a domestic company with a pesticidal product, Larwa Fighter: I asked the agent how his company competes with large Indian and transnational corporations selling rival pesticides. Before the agent could answer, Somnath said:

> Somnath: Why will they compete? They will take me to a hotel, take me to a dance bar.[24]
>
> Author: You mean they will take the retailer…?
>
> Somnath: Who else? Otherwise why am I here? And then will I sell XX [rival product from the house of Tatas] or Larwa Fighter? <winking> You need two things. First of all, the product. When you give a product, it must be good. And then the question is, do farmers know about your product. Once demand among farmers is created, then I don't have to use my mind … If a farmer is already asking me for a product, then I don't need to advertise. But when I do need to advertise, then the company has to give me better margins. So the money I make from selling four bottles of [Du Pont's] Coragen, I can make from selling two bottles of Larwa Fighter.

[23] For actual sales, marketing teams direct farmers to retailers.
[24] Dance bars offer alcohol, food and adult entertainment in the form of dances by women for male patrons.

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Over time, I consistently observed that retailers would push domestic products whenever they could. When I met him in September 2016, Ganpat patiently explained to me why he prefers pushing domestic products over those of transnational companies. He said, "…with multinational products, margins are small, and because results are good, farmers don't come back for more chemicals quickly. Domestic companies offer higher margins, and the results are not as good, and so farmers have to come back sooner for more purchases." Nor was Somnath's talk of dance bars and hotels an exaggeration. Domestic companies find it cheaper to offer monetary and non-monetary incentives to retailers, than to recruit sales and marketing teams to travel from village to village.

One reason why farmers are dependent on retailers for technical advice is that there is virtually no state extension service providing technical support. Although there is an extension unit of the Indian Council of Agricultural Research (ICAR) about 8 kilometres from Khedgaon, none of the farmers I met through the period of my fieldwork sought technical advice from the extension staff, and nor did any extension staff visit Khedgaon. Moreover, the extension staff focused on cereals, oilseeds and pulses, rather than on horticultural crops like grapes and tomatoes.[25] A second reason is that farmers seek solutions to problems as they arise within the specific micro-ecological conditions of their fields, for example, why were two specific rows of tomatoes paler than those in the rest of the field, or how to address the slope of their field. No one has clear answers at this level of specificity. Friends, neighbours and kin, marketing teams of transnational agri-inputs companies, as also the package of practices that some of the younger, educated farmers access online via their mobile phones, provide broad-brush solutions in the form of chemical applications. Further complicating matters is the fact that farmers

[25] The extension staff was constrained by the varieties and technologies available with state agricultural universities and regional ICAR institutes, whose research programs for vegetables pale in comparison to those of private seed companies.

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identify some chemicals by their brand name (e.g. Coragen, Karate), some others by their chemical compounds (e.g. cypermethrin), and others simply by their function (e.g. *kitaknashak* or pesticide). In this context, the retailer, situated at the point of sale, is in a position to exercise influence over what farmers buy, by making sense of, and tailoring, rightly or wrongly, these bits of information for the specific requirements and conditions that the latter report.[26] The confusion and gaps in knowledge among farmers allow the retailer to push products he wants to push. For instance, I have seen farmers simultaneously buy the same fungicide under two different brand names, belonging to two different companies.[27] I also encountered occasions of outright duping. For instance, Gokul, a grape farmer went to his retailer for fungicides, but the retailer palmed off domestic pesticides instead, and Gokul was none the wiser. As a contrast, one evening, when I was sitting in Somnath's shop, two men walked in. The way Somnath immediately stood up, adopted an extra-ingratiating tone, and shook hands with them, it was clear that they were rich farmers. They too wanted fungicides for their grape vines and Somnath tried to push domestic copper sulphate to them. They laughed, firmly pushed the copper sulphate back towards Somnath, and insisted upon a "multinational product."[28]

Another implication of the difference in margins is that retailers, overtly and covertly, start bundling products, especially to infrequent customers. I noticed very often, that if a farmer came asking for fertilizers, which have very low margins because the government regulates their prices, retailers would try to get him to buy other things alongside. If, however, he insisted on buying just fertilizers, they would claim that they had run out of stock. Many farmers told me that their retailers explicitly bundle products

[26] In the fields, many of my farmer informants would confidently assert to me that they knew what was best for their crop. Yet, in the shop, they would appear much less sure of themselves, and would often defer to the retailer.

[27] A few of my farmer informants did this to hedge the risk of one of the two being fake or inactive. Some others told me that they were buying two distinct products, which they were not. Glenn Stone (2007) notes a similar confusion in the case of Bt cotton seeds in Warangal.

[28] Marketing teams of transnational companies make extra efforts to seek out and cultivate large landholding, capitalist farmers.

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by insisting that they buy certain products together, as a package. I asked Ganpat about this after several months of interacting with him, and he told me that he saw no point in selling something which earned him a mere 5 to 10 rupees, and so he bundled low margin products with high margin products.

Providing technical inputs frequently leads to conflicts between farmers and retailers. On several occasions, farmers came back and argued that the retailer's advice and product had not worked. Sometimes they even demanded a refund or refused to pay off their debt to the retailer. In all such cases, retailers deftly and firmly absolved themselves of any responsibility. They insisted that they could scarcely help it if, for example, it had rained too much, or too little, or if it was too sunny, or too cloudy, and so on and so forth. In brief, there was always a competing explanation for their advice not having worked. This rarely satisfied farmers, but they felt unable to challenge the retailer in the absence of an alternative source of advice and diagnosis. Further, they felt constrained by their dependence on the retailer for subsequent purchases of inputs. Farmers also worried that if they fought with one retailer, all the other retailers in the market might boycott them.

Provision of Access to Market

Finally, farmers also depend upon retailers for access to markets for their produce. Traders purchase grapes directly from the farms, and tomato traders from north India set up camp in Pimpalgaon from October to early-December. For all other crops, the farmers have to take their produce to the nearest agricultural produce market yard or *mandi* in Nashik city, wait there for it to get auctioned, collect the money from the commission agent (*adathi*),[29] and return home. This can easily take half to a full working day. Therefore many farmers, especially those who do not have access to vehicles, sell their produce

[29] As per the Maharashtra Agricultural Produce Marketing (Regulation) Act 1963, the state government set up agricultural produce marketing committees (APMCs) at all the market-yards or *mandis* in the state. These committees licensed commission agents to auction farmers' produce to buyers in order to protect farmers from exploitative middlemen, at least in theory.

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through retailers. Since the last decade, retailers have struck tie-ups with commission agents in the agricultural produce market yard at Vashi, a town outside Mumbai, and source cartons/boxes of vegetables from farmers on their behalf. The retailer sends mini vans to the farm gate, where the farmer keeps the produce packed and ready. A few days later, the farmer can collect cash from the retailer, along with the *pukka* or proper receipt. The receipt lists the rate at which the produce was auctioned at Vashi, as also the deductions – commission for the agent, transportation charges, and a 3 per cent commission for the retailer, among others. As Sandip, a retailer, told me, the three per cent commission is entirely "risk-free," to be made "just by sitting in the shop."[30]

In this way, the retailer also becomes a banker of sorts for the farmers. During harvest season, when farmers come to collect their receipts and money, the retailer makes claims on the money in lieu of the credit he has extended. Or sometimes, he adjusts the cash against their immediate purchases. And then sometimes farmers deliberately leave their money with the retailer, saying that if they take it home, they may end up spending it. While many Maratha farmers in Khedgaon told me that they were free to sell their produce through any retailer, and not exclusively through their creditor-retailer, a few also mentioned that they felt obligated to sell through their creditor-retailer, even if they thought that some other retailer would get them better rates.

To sum up, for all these reasons, the figure of the retailer embodies a dense hub of social and economic relations in agrarian life. Moreover, it would be wrong to see these relations as mere transactions. The retailer's shop is a place for exchanging news, reading the newspaper, drinking a cup of tea while waiting for the bus to Nashik city, gossiping and discussing political developments. Further, the

[30] This arrangement inverts the very purpose of the Agricultural Produce Marketing (Regulation) Act's insistence on open auctions. Open auctions were meant to ensure transparency and to thereby get the best rates for farmers, even if this did not work well in practice. In the arrangement above, however, farmers have no way of knowing what prices their crop actually fetched at Vashi.

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retailers are often from the same or neighbouring villages, and may even be related to some of their clients through birth or marriage.

So far, I have described the emergence of village level retailers since the 1990s, when agribusinesses expanded their footprint in India in a big way. These retailers are pre-dominantly Marathas from farming backgrounds. Further, their relationships with farmers is key to sustaining cultivation day-to-day, season-to-season since they provision farmers with inputs such as seeds, fertilizers and chemicals as well as non-institutional credit, and then they also help farmers market their crops. Finally, they are the principal sources of troubleshooting knowledge for farmers, even if their standard response is to tell farmers to apply yet another dose of chemicals. The observations above allow us to tentatively discern some trends in differentiation among Maratha farmers.

DIFFERENTIATION WITHOUT CONSOLIDATION

Differentiation…

Literatures on the corporate food regime and food sovereignty posit a sharp divide between transnational agribusiness capital and the peasantry in order to highlight, with great effect, the power of agribusinesses and commodity trading giants. However, from the vantage of Maratha farmers, there is no direct confrontation with transnational capital. Rather, capital and farmers transact with each other through complex mediations, and at the bottom of the agribusiness supply chain is the retailer who is both farmer, and agent of agribusiness capital. Figures like Somnath and Rajubhau belong to a small section of Maratha farmers, who have invested some amount of surplus capital generated from agricultural petty commodity production, or from salaried jobs, or from loans taken from kin and caste relations, and

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ventured into petty retail.[31] Many retailers continue to retain one leg in farming, often with the help of the labour of family members, including women of the household. A few have, over the years, slowly pulled back from direct involvement in farming, as their retail business stabilized – Rajubhau is an example of a farmer who has pulled back entirely from agriculture.

In this way, retailing for domestic and transnational agribusinesses offers avenues for upward mobility to Maratha farmers. As more and more villages see such shops open, we can see retailing as a vehicle for class formation and farmer differentiation. More precisely, the Maratha petty retailer represents a further differentiation among landed dominant caste farmers. In western Maharashtra, as in some other irrigated areas of India, the process of differentiation has been on since at least the colonial times (Charlesworth, 1985; Guha, 1985), which saw the advent of cash crop cultivation. While the capitalist farmers have consolidated their power and wealth through electoral politics, and control of co-operative societies, banks, sugar factories, etc., the deeper penetration of agribusiness capital in rural areas, the turn to petty commodity production, and the decline of public sector extension and rural lending have together offered opportunities for accumulation to those sections of farmers, who could not break into influential positions in co-operative societies and sugar factory boards. With access to some surplus, these farmers have augmented their petty agricultural commodity production with retailing – which can be seen as one step up the agricultural inputs value chain.

Of course, in their pure form, merchants are not thought of as a class, because their capital is deployed for buying and selling, rather than in productive relations. However, in the impure form, in actual markets, merchants' capital is fused with productive and finance capital (Harriss-White, 1996). This point is as true for petty retailers, who perform the productive functions of transport and storage of

[31] As Harriss-White (2016, p. 495) notes, petty commodity producers expand through diversification and multiplication rather than concentration.

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chemical inputs. In addition, many petty retailers remain engaged, directly or via family members, in agricultural petty commodity production. Moreover, on account of the three dependencies, they are in a position to appropriate some of the surplus of their cultivator-clients.[32] Finally, there are incipient efforts to make common cause, such as by sharing details of defaulting farmers, as I mention below. For these reasons, we can think of retailers as differentiating from other petty commodity producers, and *potentially* being able to stabilize as a class.[33] However, the nature of the business, and the political economy of contemporary agriculture is such that this differentiation is unable to consolidate.[34]

… without consolidation

Petty retail is very risky. Retailers extend credit to farmers on the one hand, and take credit from companies and their district-level distributors on the other. However, the two credit lines operate on different schedules. Farmers cannot fully repay until harvest time, and harvest may be delayed because of weather, or markets may be down because of gluts or export restrictions.[35] Companies operate on the linear time of quarters and financial years. They do not operate by agricultural seasons, which dominate the lives of farmers.

[32] Relations of surplus appropriation are germane to processes of class formation (Harriss-White, 1996). For a definition of class based on share of social wealth, see Lenin (1965, p. 421).

[33] At least initially, this class will likely be less “awkward” than that of the merchants that Barbara Harriss-White (1990, 1996, p. 321) has studied in depth. This is primarily because retailers’ set of relations to the means of production and exchange are more uniform than that of the merchants in Harriss-White’s studies. The relative uniformity is also why we can think of these retailers as potentially coalescing into a single class, at least at present.

[34] It is difficult to speculate, but if retailers did stabilize as a class, they could do so in a number of ways, such as: a) by combining agrarian and mercantile capital; b) by diversifying into real estate in pursuit of steady rental income; or d) by educating their children and through them, venturing into industrial capitalism (e.g. food processing). These were some unfulfilled aspirations that I encountered while conducting research with retailers. If and when retailers are able to realize such plans, they may further differentiate based on their portfolio of assets, income streams and accumulation strategies.

[35] Kasturi (2014) analyzes enormous fluctuations in the market for vegetables in Maharashtra, which highlights the uncertainty that farmers encounter, even, or perhaps especially, in good monsoon years.

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Retailers end up mediating the two timelines. They have to manage their operations in a manner that ensures that they have sufficient cash flow to honour the monthly settlement that companies insist upon, and to take care of their day-to-day expenses, even though farmers can pay off most of their debts only at harvest time. Coordinating these two schedules successfully is thus a risky task, requiring astute accounting skills, as well as judgment in terms of how much credit to extend, and to whom. As many retailers told me, managing inventories and credit was crucial to staying afloat.[36]

Here lies the crux of the difficulty with running the retail business. Several retailers told me that if a farmer were to default on payments owed to them, they could not easily seize his assets or land. This, again, points to their socio-political location – retailers have neither the political muscle nor the collective organization to forcibly collect dues from defaulting farmers. Ganpat explained the conundrum thus:

> If my credit goes up, say in a month, I have extended credit to the tune of 1 lakh rupees. Will I be able to sleep at night? It's not easy recovering 1 lakh. Farmers are full of excuses … seeds did not germinate, market was down, and of ten customers, one or two usually turn out to be scoundrels … you have to be prepared for that… The important thing is that you should never allow the gun to go into the hands of farmers. The gun should stay in your hands…

Retailers have to be careful never to extend so much credit to farmers, as to become seriously vulnerable to the threat of default.[37] As already mentioned, retailers in small market towns do not open a new credit line to a farmer they associate with another retailer. Of late, they have begun to share details of defaulting farmers with retailers in nearby villages and towns through Whatsapp groups,[38] and other social media

[36] Retailers did not think that providing good technical advice was a key driver of success. This is not surprising given how difficult it is for farmers to verify the soundness of the advice retailers offered, as discussed previously.
[37] In the context of Punjab, where commission agents lend to farmers somewhat like retailers in my study, there have been reports of agents committing suicide on account of defaulting farmers. See for instance Chaba & Jagga (2016).
[38] Whatsapp, an internet-based cellphone messaging platform, is widely used in India.

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platforms. Even with their regular customers, they do insist on small, part-payments at frequent intervals before the harvest season, intensifying their demands for re-payment once harvests begin.

Without an easy recourse to coercive power, retailers can only flex the dependencies to collect their dues from farmers, while being careful about how much and to whom they lend. This aspect of retailing – managing risk and credit – is precisely where they lack historical experience as first generation merchants. In the words of one Maratha retailer, "Unlike *Marwaris*, we don't know how to patiently recover money. We Marathas … our style is to abuse the farmer, fight, and snap all ties with him. But that does not get our money back. *Marwaris* know how to get their money back."

Companies too are aware of retailers' vulnerability, and therefore try to minimize their risk exposure by insisting on stricter settlement terms. On the other hand, given their importance to farming, farmers too try to cultivate retailers through the usual method of forging kin and marital relations. For example, one of the most respected farmers in Khedgaon had "given his daughter" in marriage to Somnath.[39] These ties come with their own obligations and norms, which cut both ways. While farmers deploy the idioms of kinship to try and get better credit terms, retailers modulate them to exert pressure, garner sympathy, and threaten social and moral sanction to recover their dues in a timely manner.

Buffeted by obligations from companies as well as farmers, retailers run a precarious operation. The intensifying vagaries of weather and market volatility have deepened their risk and it is not uncommon for retailers to go bust.[40] A small number of credit extensions at the wrong time, or to the wrong people can snowball into collapse. There is high attrition in this game. For these reasons, the class

[39] This was an important reason why so many of my farmer informants in Khedgaon came to Somnath for their inputs.

[40] Somnath told me that over a decade in Pimpalgaon, six of 20 retailers had closed shop, and ten new retailers had come in. Rajubhau, who services retailers in many blocks of Nashik district, told me that he had seen as many as 80 per cent retailers go bust over a decade, to be replaced by new entrants.

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of retailers is unable to consolidate. The volatility and turn-over is too high for gains to sustain and translate into a stable class, and the articulation of a class-for-itself remains unfulfilled.

CONCLUSION

The preceding discussion allows me to reflect more broadly on certain key, inter-related aspects of the changing political economy of agriculture in India.

The Limits of Agrarian Populism

This article approaches agrarian change by observing how farmers relate with agribusiness capital in their everyday lives. It finds that retailers, arising from Maratha petty agricultural commodity producing households, are the vehicle for the deepening penetration of agribusiness capital in western Maharashtra, even as this intensifies indebtedness. The expanding market for agricultural inputs has opened opportunities for upward mobility, income diversification and enrichment for farmers, however limited and tenuous. The emergence of these petty retailers nuances the stark transnational capital vs. peasantry opposition in the literatures on corporate food regimes and food sovereignty in three crucial ways.[41]

First, the literatures tend to paint both agri-inputs industries, and industries that rely on farm outputs, with the same brush, without parsing the differences between the two (e.g. Patel, 2007; Weis, 2007). While both types of industries share the logic of appropriating agrarian surplus, it is important to note that they do not appropriate agrarian surplus in the same way. Industries that rely on farm outputs seek to direct and control practical aspects of production, through contract farming, vertical integration, payment terms, and so on (Banaji, 2016; Singh, 2009). Companies manufacturing pesticides or chemical fertilizers do not need to directly control farm practices in their quest for greater sales and profits. They

[41] This is an analytic point. Even if politically, we are sympathetic to farmers' movements asserting food sovereignty against corporate food regimes, this need not be the only way to understand agrarian change.

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can capture a share of farmers' wallets through managing the mediating figure of the retailer, his incentives and constraints. Thus, farmers do not perceive as clear a conflict of interest with agri-inputs industries, as with buyers of their produce (e.g. Rakshit, 2014).[42] The conflict with agri-inputs industries gets figured, in practice, as bargaining, negotiations and arguments with retailers. These differences help disaggregate agri-business capital, the recent target of agrarian populism, in the service of finer distinctions.

Second, retailing opportunities have arisen on account of both transnational and domestic capital. Indeed, the friction between them is one important source of profits for retailers, as they chase higher margins offered by the latter. In other words, more than antagonisms between agri-inputs businesses and farmers, the tensions within different blocs of capital help explain some strategies by which retailers accumulate. From the vantage of the Maratha petty retailers, heterogeneous agri-inputs capital presents another complex of constraints and opportunities, in the long history of peasant differentiation.

This finally brings me to the question of farmers' resistance to corporate capital. In a recent interview, while thinking about the disturbing spate of farmers' suicides in India, Partha Chatterjee wondered why indebtedness among farmers was not resulting in collective resistance as in earlier historical periods (Goswami, 2013, p. 185). Undoubtedly very complex transformations have occurred in the nature of farmer resistance and politics, but perhaps we can unravel certain aspects of the absence of collective resistance by remembering that, at least some of the indebtedness of farmers stems from what they owe to retailers. Perhaps, farmers, and particularly Maratha farmers, are not contesting corporate capital because the local agents of (agri-inputs) capital tend to be their kin, son-in-laws, nephews, and

[42] The specific context of Rakshit's study points to a collective conflict between farmers and buyers of their output, despite differences among the former.

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neighbours. More importantly, perhaps the very notion that farmers ought to challenge corporate capital collectively needs to be critically re-examined, to which I turn next.

Farmers as a Distinct Class of Producers

In the last three decades, in part because of the expansion of irrigation, even small and marginal land-holding farmers in western Maharashtra, as in other parts of India, have recast themselves as petty commodity producers. Land is just another factor of production that can be leased in, rented out, bought and sold. In the last decade, across western Maharashtra, more and more farmers are investing in net-houses and poly-houses, and purchasing soil-like media for cultivation, further increasing the distance between themselves, and the idea of peasants.

This raises complex terminological problems. Even as the notion of farmers as a community tied to land is analytically suspect, it remains deeply lodged in the language of policy and mass politics, and marshals great emotive appeal (Jodhka, 2012). Activists and farmers' groups insist on sector-specific demands for agriculture, including a separate annual budget, even as it has become harder to defend a rigid distinction between farmers and petty commodity producers in other sectors like weaving or pottery (A. Shah & Harriss-White, 2011). Important attempts, in recent times, to theorize popular politics in India too do not pay adequate attention to the structural similarities that a large number of people, across economic sectors, share as petty commodity producers;[43] nor do they attach analytic significance to the varied logics and cleavages underlying this heterogeneous form (e.g. Chatterjee, 2011).[44]

Reckoning with the pervasive form of petty commodity production, its diversity and contradictions, can highlight new, unexpected axes of collaboration and conflict. These may well cut

[43] Petty commodity production is the most common form of production in contemporary India (Harriss-White, 2012).

[44] Instead, these nuanced differences get flattened into broad categories like non-corporate capital or political society, whose conflict as a whole with corporate capital or civil society is said to drive the motor of politics.

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across economic sectors, while being sensitive to differentiation within any given sector.[45] This will not only help move policy and political debates away from unhelpfully broad categories like farmers (or weavers), but may even prompt a fundamental re-evaluation of the very terms in which we conceive of the political.

The Gambles of Agriculture

One implication of the emergence of the farmer as petty commodity producer lies in farmers' increasing exposure to market risk, coupled with the intensifying risk of crop failure on account of climate change (Vasavi, 2012). Commercial farming is becoming akin to a gamble. Farmers may have a good year followed by several bad years, and then another good year without any systematic pattern. In fact, while conducting fieldwork in 2013, I noticed that purchase prices would fluctuate by as much as 22% for every crate (about 20 kgs) of tomatoes within the span of an hour. 2013 saw prices for tomato in my fieldwork area go through the roof, because unseasonal rainfall had routed the crop elsewhere in the state. In 2014 however, prices crashed and many farmers were forced to dump their harvest by the roadside. In the same year, Marathwada (central Maharashtra) was witness to unprecedented hailstorms, which destroyed the lucrative pomegranate crop, among others (Balajiwale & Shaikh, 2014).

There is thus a thick fog of uncertainty that farmers experience – it has become very hard to predict what price a crop might fetch in the market. In addition, farmers often cannot fathom why crops are not growing well, and how to address the increasingly aggressive pest and fungal complexes, made worse because of climate uncertainty. As Maratha farmers negotiate these uncertainties and the attendant risks, they can effectively reach out only to retailers, who not only provide some troubleshooting knowledge, but also absorb some of the farmers' risk by extending credit.

[45] Thus, axes of collaboration and conflict have to be empirically discovered in political economic and historical context, and not imputed.

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This dependence on the retailer for knowledge stems from larger shifts that have taken place in India in the last three decades. First, as I alluded to earlier, more and more farmers are raising unfamiliar crops like grapes, tomatoes, bell peppers, in which their accumulated experience across generations is thin. Second, the state has scaled back the provisioning of agricultural credit. Finally, the state has effectively privatized agricultural extension, by allowing retailers to reclaim the space vacated by public agricultural extension. Indeed, every retailer is licensed by the state government, and the government insists that retailers have some formal education in agriculture to dispense technical advice to farmers. To be successful, retailers thus have to be merchants of knowledge, not only because their advice drives the sales of inputs, but also because farmers are accessing technical advice and innovation through them.

More broadly, the very production of the encounter in which the retailer provides expert technical knowledge to the farmer, sometimes authentic, sometimes erroneous or fraudulent, is enabled by political economic shifts in India, only one trajectory of which has been the scaling back of public agricultural extension as part of liberalization. What I describe in this article is another, equally significant trajectory, which has admitted farming castes into higher education and sectors of the economy such as petty retailing, where they were previously absent or under-represented (Jeffrey, Jeffrey, & Jeffrey, 2005). Even as this has democratized the purveying of technical expertise to some extent, it has also intensified risk exposure. If agriculture is becoming a gamble, then retailers become those financing the gamble – since it is their capital that gets invested in farming through the credit they extend.

Given the risk, the following question arises: for petty commodity producers with some surplus, is there another avenue for investment that is more secure? A tentative answer to this question can be inferred from Lerche's (2013) suggestion, following Bernstein (2006), that the agrarian question has been bypassed in India. If the classes (and castes) running the industrial sector no longer require agrarian

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surplus to service their need for capital, it follows that in a caste society, farming castes will find it difficult to obtain a foothold in the industrial sector. It is not surprising then, that with few other opportunities for investment, figures like Somnath and Rajubhau, despite the differences in their life trajectories, gravitate towards retailing. In other words, the venture into retail is perhaps another consequence of the agrarian question of capital being bypassed or distorted (Rakshit, 2011). Although this will remain speculative, this leads to a surprising implication: whereas industrial capital does not need agrarian surplus for its expansion, it is nevertheless insuring itself against market and climatic risk by deploying agrarian surplus i.e. by passing the risk onto the shoulders of retailers. Agrarian surplus serves not to propel the expansion of industrial capital, but rather to mitigate the risk associated with the expansion.

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TABLE 1

Annualized interest rates implied by the difference in the cash price and the maximum retail price (MRP)

Item	**Cash price in Rupees**	**MRP in Rupees**	**Annualized interest rate (when paid after a month)**	**Annualized interest rate (when paid after two months)**
Ivory Radish seeds (1 can)	350	415	223 per cent	111 per cent
Round Up (500 ml)	180	200	133 per cent	67 per cent
Doom (Dichlorovos 76%)	525	550	54 per cent	27 per cent

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