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## Small Holder Farmers Market Participation in Rural-Urban Continuum to Improve the Livelihood Condition in Developing Countries

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### Abstract

The majority of the population in developing countries depend on agriculture for their livelihood. Focus of this research is mainly on smallholder vegetable growers in India participating in different chains for marketing their produce across rural and urban areas. The perishable nature of agricultural produces such as vegetables provides challenges to analyse the supply chains in order to estimate transaction costs and to analyse chain efficiency. A reduction of the transaction costs might encourage farmers towards resource intensification while increasing their family income. The co-existing market outlets with competing conditions include local markets where farmers directly provide fresh products to local traders who sell these products to rural or urban consumers. Co-operatives, APMC (Agricultural Produce Market Committee) and wholesalers serve as a clearing house between surplus and deficit regions. However, the individual small farmer is often a marginal participant in the value chains. Smallholders in developing countries like in India face numerous problems and constraints while marketing their produce. The limited access to physical and financial resources restrict their opportunities to increase production, resulting in high transaction costs. Also, these farmers lack bargaining power, and, as a result, there is an unequal distribution of value among the actors in the market chain, which is even more prominent for perishable seasonal agricultural commodities. The research objective aimed at identifying efficient value chains, analysing the transaction costs through socio-economic indicators and finally formulating recommendations for improving the livelihood condition of the small and marginal farmers of the developing world.

**Keywords:** India, livelihood, market participation, smallholder farmers