Indian agriculture is said to be in a crisis with over 300,000 farmers committing suicide over the past two decades (NCRB 2015), largely due to growing indebtedness. It is estimated that over 51% of the farming households are indebted. In this paper I explore the intersection of class and indebtedness among farming households. Swaminathan Committee Report (2004) surfaces various factors that are responsible for indebtedness; wildly fluctuating prices of agricultural produce, rising costs of agricultural inputs, the fact that sale proceeds on their produce do not reach the farmers in time, and a lack of access to timely and adequate formal credit, among others, are widely held responsible for the chronic indebtedness that seems to have become one of the hallmarks of Indian agriculture.

Growing indebtedness among farmers, widens inequalities, precludes farmers from enjoying decent work lives, exacerbates poverty, and undermines the ability of farming households to cope with climate related variabilities. Current literature suggests that small and marginal farmers are more likely to suffer from indebtedness than the larger farmers (Taylor, Marcus, 2014). However, using landholding as an indicator for class seems rather limiting. To address this gap, I use the framework first proposed by Daniel Thorner (1956) and later sharpened by DN Dhanagare (1983) wherein they classify farming households based on social positions, into rich peasants, middle peasants, poor peasants and landless laborers; to assess as to which classes of peasantry are more likely to be indebted and why.

I use data from the All India Debt and Investment Survey, for the state of Andhra Pradesh, to explore class dimensions of rural indebtedness. I juxtapose this quantitative data with qualitative information collected through interviews with farmers in one district of Andhra Pradesh in 2018. Through this study I aim to demonstrate how indebtedness affects peasants of different classes differently and, in so doing, contribute to a growing body of academic and policy level thinking on a critical question in Indian agriculture, namely indebtedness.