

Impact of Organic Farming on Household Income of the Smallholders: A case study from

Bangladesh

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Due to increasing consumer awareness of health and environmental issues, the demand of safe and organic food has been growing significantly throughout the world for past several years. The statistics showed that global sales of organic food and drinks have increased by 43 percent, reaching 33 billion US\$ (25.5 billion Euros) in 2005 from 23 billion US\$ (17.8 billion Euros) in 2002 (Willer & Yussefi, 2007). The market for organic foods is anticipated to generate sales of 133.7 billion US\$ by 2012 (ITC, 2006). According to IFOAM (2007), of the 120 countries producing certified organic foods commercially, where 15 are Least Developed Countries. Unfortunately, the share of the less developed countries like Bangladesh is really very little in this big organic market. Many researchers advocate that organic agriculture is likely to benefit the poor farmers (both marginal and small) in improving productivity and income and promoting environmental sustainability. Researchers like Kilcher 2002, Mc Neely and Scherr 2002, Yussefi and Willer 2003 recommended that organic agriculture is not just a resolution for more affluent countries but useful even in poorer countries it can give purposeful socio-economic and ecologically sustainable development. Non-certified organic (default organic) is being practiced by the Bangladeshi farmers since early 1980s by the guidelines of a few NGOs. Despite of the nonstop efforts from the NGO sector for past two decades it could not expand adequately in the country. Thus question rises to the researchers whether this organic farming has the economic potentials for the practitioner farmers or not. That influenced the researchers to verify that what is the impact of organic farming on household income of the practitioner farmers? Necessary data for the study were collected randomly from 150 organic farmers of three villages (namely Pirojpur, Kuragacha and Lokdeo) under Madhupur *upazila* in Tangail district. The results of the study showed that organic agriculture is contributing in a range of 13.79 to 87.72 % on household income of the organic farmers, where the average contribution is 45.98 %. The result of the regression analysis showed that among all income sources organic farming alone contribute the highest (42 %) on household income of the respondent farmers. Correspondingly, remittance earning, small business and traditional agricultural income contribute on household income of the respondent farmers. The result of the study also showed that the amount of contribution of organic farming is greatly (70 %) influenced by the factors like land under organic farming, duration of organic farming adoption, market access with premium price and family labour forces. Thus it can be concluded that through adopting organic farming, small and marginal farmers can improve agricultural production in their small lands in a sustainable manner and if they have the access in the market with premium prices they may efficiently increase their income and that might be the key to mass reduction of poverty among the smallholders in rural Bangladesh.