

Harvesting Hope: Hemp's Potential to Transform Uttarakhand's Rural Economy

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Abstract:

Uttarakhand, nestled amidst the Himalayas, grapples with a range of challenges in its rural economy, including unemployment, poverty, and environmental degradation. However, the recent legalisation of hemp cultivation presents a promising solution to address these issues. Hemp, known for its versatility, has garnered attention for its potential economic benefits, especially in sectors like textiles, paper, and biofuels. This research paper explores the potential of hemp to rejuvenate Uttarakhand's rural economy, providing farmers with access to a lucrative cash crop and diversifying income sources. By delving into the challenges and opportunities associated with hemp cultivation, this paper offers suggestions to maximise its role in fostering economic growth and sustainability in the region.

Keywords: Hemp, Uttarakhand, Rural Economy, Farmers, Sustainable Development, Agriculture.

INTRODUCTION

Hemp, scientifically known as *Cannabis sativa*, is a versatile plant that can be utilised in various ways, including its stalks, seeds, and flowers. It belongs to the Cannabaceae family and is commonly referred to as industrial hemp. Hemp is a low-maintenance and easy crop that can be grown without requiring extensive land preparation. It can be cultivated with ease, making it a 'hassle-free' option for farmers. In fact, it can even be grown on barren land. Hemp produces high yields per unit of land. Moreover, it requires significantly less water than other crops such as cotton. Unlike other crops, hemp is not susceptible to damage caused by wild animals such as monkeys, boars, and birds. It is primarily grown for its bast fibre or edible seeds. Hemp is an environmentally friendly and sustainable crop that does not require pesticides for growth and sustenance. However, some people may confuse hemp with marijuana and hashish, which are also products of the cannabis plant. All three products, namely hemp, marijuana, and hashish, contain tetrahydrocannabinol (THC) - a compound that produces psychoactive effects in humans. Yet, the variety of cannabis grown for hemp has only trace amounts of THC as compared to that cultivated for the production of marijuana or hashish.

Nevertheless, in recent years, there has been a growing recognition of the economic and environmental benefits of industrial hemp cultivation, including its potential to generate income for farmers while also promoting sustainable agriculture and reducing carbon emissions.

The Journey of 'Wonder Crop' in India

Hemp has been used in India for thousands of years. It has been particularly prominent in Ayurveda, a traditional medical system focused on natural remedies and healthy lifestyle practices. Ayurveda describes various parts of the hemp plant for their therapeutic properties, and the Vedas, which are ancient texts dating back at least 3400 years, consider hemp to be one of the five most sacred plants. Historically, hemp in India was primarily used for medicinal purposes, as well as for nutrition and fiber for textiles.

However, the journey of hemp in India has been a challenging one, marked by increasing regulation and even criminalisation. Though, there is hope for a resurgence of hemp in India, as there are signs of a changing attitude towards the plant and its potential not only economic but environmental benefits as well.

HEMP'S ANCIENT LEGACY

India, another ancient centre of hemp cultivation, possesses a rich historical tapestry intricately woven with this adaptable plant. Dating back to 4000-3000 BC, the Vedas, esteemed Hindu scriptures, are believed to contain some of the earliest mentions of hemp. Within these texts, numerous allusions to the utilization and consumption of hemp for medicinal and spiritual purposes can be found. Among the four Vedas—the Rigveda, the Yajurveda, the Samaveda, and the Atharvaveda—the Atharva Veda particularly stands out as a repository of medicinal wisdom. According to the Atharvaveda, hemp is revered as one of the five sacred plants capable of alleviating human distress. The sacred plants mentioned

Book 11 hymn 6 verse 15 (Atharva Veda – Samhita)

"पञ्च राज्यानि वीरुधां सोमश्रेष्ठानि ब्रूमः।
दर्भो भङ्गो यवः सह ते नो मुञ्चन्त्व अहसः॥"

To the five kingdoms of the plants which Soma rules as Lord we speak. Darbha, hemp, barley, mighty power: may these deliver us from woe."¹

are Asvattha (peepal), Darbha (kusha or durva), Soma (the king of plants), Bhang (cannabis), and Barley (jau), all considered healing balms. The Atharvaveda provides detailed descriptions of the medicinal uses of hemp, particularly in treating conditions like epilepsy and hemorrhoids. Another significant text, the Rigveda, also makes mention of hemp. It is the oldest and most revered of the four Vedas, focusing on hymns and rituals. Within the Rigveda, soma is referenced as a sacred elixir consumed by priests and warriors to induce ecstasy and inspiration. This intoxicating ceremonial beverage is celebrated in the Rigveda, believed to have been composed between approximately 1700–1100 BCE. There is speculation among scholars that soma might have originated from hemp or a plant closely related to it.

For nearly 3000 years, it has been an essential part of Ayurveda's holistic healthcare system. Ayurvedic texts such as the "Charaka Samhita" and the "Sushruta Samhita" extensively explore hemp's medicinal properties. They recommend its use for treating ailments such as catarrh, phlegm, and diarrhea.

Therefore, hemp has played a multifaceted role in Indian society throughout history. It has been a valuable resource for creating natural medicines, dietary supplements, and textile fibers.

LEGAL STATUS

Hemp cultivation in India, despite its long history, has faced numerous legal challenges and controversies over the years. The Narcotic Drugs and Psychotropic Substances Act (NDPS Act) of 1985 indeed marked a significant shift in India's legal approach to narcotics. Before its enactment, the legal framework concerning drugs was primarily governed by statutes such as the Opium Act of 1857, followed by the Opium Act of 1878, and later the Dangerous Drugs Act of 1930.

The NDPS Act replaced these earlier statutes and introduced comprehensive measures to control and regulate the production, manufacture, possession, sale, transport, import, and export of narcotic drugs and psychotropic substances. It aimed to strengthen the legal framework to combat drug-related crimes more effectively. Before the enactment of the NDPS Act, there were no specific legal regulations governing the possession and use of drugs like hemp in India. Instead, societal norms and practices largely dictated how such substances were perceived and managed.

Additionally, it was crafted to align with India's international obligations under conventions such as the Single Convention on Narcotic Drugs of 1961. This highlights the country's commitment to combating drug abuse and trafficking on a global scale. However, in 2021, following a scientific

assessment by the World Health Organization², cannabis and cannabis resin were removed from Schedule IV of the Single Convention on Narcotic Drugs. This marked a significant change in international law.

India supported this move by voting in favor of the proposal, highlighting its evolving stance on the issue. This demonstrated a notable shift in the country's approach to cannabis regulation. In recent times, there has been growing interest among various states in India to consider the legalisation of hemp cultivation for industrial purposes. Notably, in 2018, Uttarakhand made history as the first state in India to permit hemp cultivation for industrial purposes, setting a precedent for others to follow. This landmark decision was met with enthusiasm from farmers and businesses alike. They recognised it as a promising avenue to diversify income sources and capitalise on the burgeoning demand for hemp products.

Since then, a ripple effect has been witnessed across several states, including Uttar Pradesh, Madhya Pradesh, and Bihar, all expressing interest in legalising hemp cultivation. The collective momentum signals a positive trajectory for the Indian hemp industry. It paves the way for the establishment of a supportive ecosystem conducive to hemp cultivation and production. Such developments hold the potential to address longstanding challenges faced by farmers and businesses in the sector.

Thus, in contemporary India, some states have enacted provisions permitting hemp cultivation for industrial or medicinal applications. However, stringent regulations persist overall, hindering widespread cultivation across the nation.

Regulatory frameworks	
1893	During the time when the India Hemp Drugs Commission Report was issued, India received legal shipments of hashish from Central Asia, averaging between 70,000 to 80,000 kg annually.
1895	The findings of the Indian Hemp Drug Commission indicate that cannabis has medicinal uses and lacks addictive properties. Additionally, it highlights a range of positive emotional and social benefits associated with its consumption.
1970	Under the Controlled Substances Act, industrial hemp cultivation faced a ban.
1985	The Narcotic Drugs and Psychotropic Substance Act banned the cultivation of hemp.
2017	Gujarat legalised bhang by excluding it from the category of "intoxicating drugs" regulated under section 23 of the Gujarat Prohibition Act.
2018	Uttarakhand became the first Indian state to legalise hemp farming.

HEMP'S ECONOMIC POTENTIAL

The cultivation of hemp has the potential to transform the village economy by providing farmers with a new source of income and promoting economic growth in the region. The economic impact of hemp cultivation on farmers in Uttarakhand can be analysed through various factors, such as income generation, employment opportunities, and poverty reduction.

Hemp cultivation has the potential to **generate income** for farmers in Uttarakhand. The hemp plant has multiple uses, and its various parts can be sold in the market for different purposes. For instance, the seeds can be used to produce hemp oil, which has several health benefits and is in high demand in the market. The fiber from the stem can be used to make various products such as paper, textiles, and biodegradable plastics. The leaves and flowers of the plant can also be used for medicinal purposes. Hemp cultivation can potentially provide a new source of income for farmers who have limited

options for income generation in their traditional agricultural activities. The income generated from hemp cultivation can help to increase their overall household income and improve their standard of living.

Cultivating hemp offers farmers in Uttarakhand an additional source of income, particularly those currently dependent on traditional crops like wheat and rice. **Economic diversification** is a key strategy to mitigate the risks of relying on a single crop. This can be achieved by exploring alternative crops, such as industrial hemp, or branching out into non-farm activities, like starting a small business or offering services. By having multiple income sources, farmers can reduce their dependence on a single crop and minimise the risks posed by weather conditions, market fluctuations, and pests. This approach can stabilise their income and enhance their livelihoods over time.

The potential health benefits of hemp-based products have driven their increasing demand in international markets. Cannabidiol (CBD) oil, hemp fiber, and hemp seeds are popular natural remedies for issues like anxiety, pain, and insomnia. This has led to a significant rise in demand for these products. The growing market for health and wellness products presents an opportunity for farmers in Uttarakhand to cultivate hemp and produce related products. By doing so, they can offer natural remedies for health issues and boost their income. Hence, to tap into the **export potential**, farmers must ensure their hemp-based products meet international standards and regulations. By meeting these standards, they can expand their businesses and increase their income. This, in turn, contributes to the economic growth of the region. The export of hemp-based products can generate significant foreign exchange, benefiting the national economy. By leveraging the export market, farmers can drive industry growth. They can seize economic opportunities from the global demand for hemp products.

Hemp cultivation can also create **employment opportunities** for farmers in Uttarakhand. It requires manual labor for activities such as planting, harvesting, and processing. This can provide employment opportunities for local people and create a new source of income for them. Moreover, the processing and manufacturing of hemp-based products can create further employment opportunities in downstream industries. For instance, textile mills can use hemp fibers to create fabrics. Similarly, paper mills can utilise hemp pulp for paper products. The production and sale of these products can create additional jobs for local people. The

Gandhian Visions of Self-Reliant Villages

Mahatma Gandhi, "The Father of the Nation" strongly believed in promoting self-reliant economies in villages. He was a vocal critic of the Western system of life, which he believed was unsustainable and detrimental to the well-being of rural communities. Instead, he advocated for an economy that empowered villages to generate their own livelihoods and support their own needs, without relying on external forces. Gandhi envisioned self-sufficient villages that could fulfil their own needs. They could also trade surplus goods with other regions for items they could not produce themselves, promoting interdependence and economic cooperation.

He did not support capitalism, which he believed would create unnecessary wants and increase poverty. Gandhi envisioned a village economy that could provide basic essentials such as education and employment, which would eliminate the need for villagers to leave their homes. He strongly encouraged the development of village industries, particularly handicrafts.

Therefore, the cultivation of hemp presents an opportunity to realize Gandhi's vision, which has eluded us even after gaining independence. By promoting a hemp-based economy, we can strengthen our villages and empower local communities to become self-sufficient.

most noteworthy aspect of this is that individuals can gain employment within their own villages, without having to uproot themselves. This provides economic independence as they are not reliant on the opening and closing of a factory for their livelihood, instead, they can cultivate their own fields or create their own products. The growth of the hemp industry can also create jobs in related industries such as transportation, logistics, and retail.

Hemp cultivation has the potential to **reduce poverty** among farmers in Uttarakhand. Poverty is a major issue in rural areas of India, with farmers being among the most vulnerable. Hemp cultivation can help to reduce poverty in multiple ways. First, it can increase the income of farmers, providing them with a more stable and secure livelihood. Second, it can create new employment opportunities, which can help to reduce unemployment and underemployment. Third, hemp cultivation can promote sustainable agriculture practices, which can help to improve soil fertility, increase crop yields, and reduce the reliance on chemical fertilisers and pesticides. This can lead to increased food security and a reduction in poverty.

In conclusion, hemp cultivation has the potential to have a significant economic impact on farmers in Uttarakhand. It can generate income, create employment opportunities, and help to reduce poverty in the region. Moreover, developing policies that can maximise the benefits for farmers and promote sustainable agriculture practices is crucial.

CHALLENGES

Hemp, a versatile and eco-friendly crop, promises to enhance India's agricultural and industrial sectors. Despite its many benefits, hemp cultivation in India encounters numerous challenges such as agricultural, financial, quality standards, infrastructural, and market-related issues. Nevertheless, significant hurdles arise from regulatory and legal issues as the process of obtaining permissions for hemp cultivation in India is complex due to the absence of a standardised route and unclear departmental responsibilities. For example, the Seventh Schedule of the Indian Constitution shows ambiguity between item 84 of List I and item 51 of List II. Item 84 authorises the Union Government to levy excise duties on manufactured goods, excluding opium, Indian hemp, and other narcotic drugs. In contrast, item 51 of List II grants State Governments the authority to impose excise duties on these substances. In particular, farmers might find it challenging to obtain licenses³ for hemp cultivation due to inconsistent state and national regulations. Additionally, processors could face obstacles in transporting hemp products across state lines, as some states may have stricter regulations or outright bans on hemp products. Furthermore, the lack of clear guidelines for the THC content in hemp-derived products can lead to legal issues, making it risky for businesses to develop and market their goods. As seen in the Uttarakhand case, state governments frequently use their excise laws to authorise hemp cultivation. Nevertheless, the lack of clarity on which specific departments are responsible forces companies to navigate multiple agencies, including excise departments, the Central Bureau of Narcotics, and state agricultural and revenue departments. This ambiguity hinders business operations and creates unnecessary barriers for firms interested in the industrial, medical, or scientific use of hemp.

Hence, this dual jurisdiction can thus create regulatory challenges. Consequently, to address the evolving uses and legal status of hemp—especially industrial hemp, which has non-psychoactive applications—there is a need for clearer delineation and better cooperation between Union and State Governments.

Despite these challenges, the potential economic benefits of hemp cultivation in Uttarakhand make it a promising alternative crop for farmers in the region. To achieve this, there is a need for research, awareness campaigns, and capacity building to promote sustainable cultivation practices, increase the acceptability of hemp-based products in the market, and ensure that farmers can benefit from this emerging market.

CONCLUSION

To fully capitalize on the potential benefits of hemp cultivation, it is essential for policymakers and stakeholders to collaborate closely in addressing the associated challenges. Such a cooperative effort could revitalize abandoned villages, offering residents prosperous and fulfilling livelihoods. Given hemp's deep roots in Indian traditions and its wide range of applications. It holds immense promise for connecting farmers in remote areas to the global economy. With strong government support, the hemp industry could drive significant economic growth and contribute to the eradication of poverty. By embracing the concept of "Atmanirbhar Bharat" (self-reliant India), hemp cultivation offers a viable path to self-sufficiency in these remote villages. In Uttarakhand, the hemp industry presents a valuable opportunity for farmers to diversify

their income and tap into export markets. With the right policies and support in place, this industry has the transformative potential to reshape Uttarakhand's economic landscape and significantly improve the livelihoods of its farmers.

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² WHO review of cannabis and cannabis-related substances". World Health Organization. Retrieved May 26, 2021.

³ <https://www.ikigailaw.com/article/431/hemp-high-time-for-legalisation>