

Agricultural Questions In The Era Of LPG

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Introduction

Present Indian society like any other has evolved from hunters and gatherers to agrarian to industrialist to market driven economic order. Of course its motif and context has undergone a sea change. During early stages of economic orders fulfilment of food requirements were primary, which is replaced with profit making in market driven economy. Thus, the land and its cultivation could not remain unaffected with the idea profit and loss. It began to require a huge amount of cash input into agriculture, making most of the petty farmers helpless in lieu of the same. Large farmers have always had an upper hand in terms of availing patronage and benefits from the governments. Gradually it led to, what we today call 'Agrarian Crisis'. However, in the era of Liberalisation, Privatisation and Globalisation (LPG), the agrarian community got marginalised. Partially due to global policies like those of World Trade Organisation (WTO) and substantially due to lack of interest by the ruling governments. Also, since the land is in the state list of the Indian Constitution, thus the Union government has got limited role into land reforms, which could have brought a large number of agrarian subalterns into the mainstream of agro-economy.

Therefore, it is evident that, agricultural crisis in India is an outcome of the Institutional apathy, structural – adjustments and wicked political will of the successive governments. The hands that produce to feed the people are going to bed hungry stomach, sometimes forced to commit suicide. The life line of food cycle is left to end its own lives. Hence, analysing the agrarian crisis in the world so fast undergoing democratisation has emerged as one of the greatest challenge before millions of people in India and across the world. There is a wide recognition that the agrarian crisis is a result of deep seated malady and that the suicides are only symptoms (Reddy: 2010, xiv). This introspection provides an opportunity to understand the continuity and change taking place in Agricultural sector, peasants and the transforming rural society in India.

The major challenges to the Agrarian sector are represented by declining agrarian economy, decline of Peasant's movements, Neo- liberal policies of World Trade Organisation (WTO) and climate change to name a few. It resulted into making agrarian crisis an outcome of institutional and structural failure to do something to save it.

CONTEXTUALISATION:

This paper tends to analyse, what Dev Nathan and Virginius Xaxa termed as 'invariability of development'. They aptly put it as, '*development is invariably a form of change, but not all forms of change can be termed as development. There are forms of change that may*

disadvantage communities' (Xaxa). That is what has happened to the agricultural sector and farmers in rural India in the era of LPG. Despite being an integral part of the process of change in the Indian economy and society, they are kept on the margins. The fruits of development which is very much a result of the sweat and blood poured in by the rural India and the real sons of soil- the farmers. However, it is unfortunate to notice the distressed situation faced by what was once termed as the backbone of Indian Economy. Hence the neo-liberal market forces have pounced on the backbone of the agricultural sector. Contemporary India is developing but somehow the spirit of development with a human face is found missing. It is further criticised by Nathan and Xaxa that: *'this the process of change that leads to deprivation, where dispossession, for instance, ends up with the community, or its members, being at a lower level of well- being compared to their state before the process of change'* (Nathan and Xaxa: 2012, 1).

The important contextual pillars of agrarian discourse revolves around the dynamics and forces of globalization, particularly the neo liberal reforms that reduced the role of government in society, thereby expanding the expected role of civil society, community groups, and entities such as nongovernmental organizations (NGOs) and social movements. It has resulted into mounting the pressure on shrinking agrarian economy and penetration of neo – liberal market forces in the agricultural sector. Along with this transforming socio-economic altar, a different political structure began to take shape, wherein policies of World Trade Organisation (WTO), debate on subsidy to the farmers between developed and developing worlds and International Monetary Fund (IMF) supported Neo- liberal forces have posed a challenge of survival for the farmers, agricultural labourers, small scale and cottage industries.

According to D. Narsimha Reddy, *'the liberalisation of agricultural trade has exposed commercial agriculture to the volatility of world commodity markets. Furthermore, when agricultural prices in the world market were declining in the later half of the 1990s and the first half of the 2000s, India dismantled its quantitative restrictions and slashed the tariff rates'* (Reddy, Narsimha: 2009, xv).

It had an unprecedented impact on the broad national policy vision to transform Indian society and economy through mass mobilization in concurrence to the international struggle over globalization. At the same time, the caste based social structure was also changing into caste cum economic social character. The dominant caste (mostly OBCs), which controlled land and agro – economy has initially forced the lower castes (mostly SC, STs) - who worked as small farmers or farm labourer- itself started dwindling as a financial subaltern due to inability to compete with the process of LPG. Meanwhile, the so called upper castes (mostly *Brahmins and Kshatriyas*) were also facing decline of wealth and large number of them became financial subaltern. It has affected the basic character of Indian political economy. Welch has rightly remarked it as, *'The military and other traditional institutions and politicians, it is argued, marginalized the less powerful, causing the injured to rise up in*

autonomous organizations to demand equal participation in the political economy' (Welch: 2009, 127).

Moreover, contemporary agricultural practices require urgent interventions so as to change itself with the changing global agrarian scenario. It needs to upgrade from conventional to modern methods and machinery, but due to the apathetic attitude of the state, the farmers are forced to commit suicide in every part of the country. Therefore, the state is expected to muster adequate investment, technology, research and development in the agricultural sector on the one hand and resolve the social unrest on the other. The role of civil society and academic community has become even more essential and challenging in resolution of the problem. Thus the forces of integration of agrarian market and shift from staple crops to cash crops have made this sector a more demand driven.

This paper is an effort to reach at the policy matrix through a cross-section of analysis involving the problems of farmers' culminating into distress (Deshpande: 2010). It is also a continuation of the debate that began with the reports from ground zero by eminent Journalists P. Sainath, academicians like Narasimha Reddy and R. S. Deshpande as an interventionist into policy making. It is also aimed at promoting an inter-disciplinary approach to look at the problems of agriculture and rural society.

Historical Overview

The character of agrarian relations and peasants movement was predominantly focused upon fighting against feudal ownership and control over it. A number of agrarian movements emerged during colonial period covering different regions and states of the country. The sacrifices by numerous martyrs and countless peasants' struggles such as well-known *Kayyurand Punnapra- Vayalar, Tebhaga Movement and Telangana armed struggle*, and other uprisings paved way for the development of the peasants' movements in the country. It is through such movements the socio- economic hegemony of the exploitative forces could be challenged.

The oppressive and exploitative journey of farmers from *Zamindari* system to the era of LPG, land aquisition and Special Economic Zones (SEZ) has not been understood carefully by both the governments and farmers. The late 1980s and 1990s witnessed a new wave of liberal economic programme and increasing climatic adversities across the world. Hence, it gave birth to 'semi-feudal stagnation' and 'capitalist agrarian development' in the wake of LPG. It fuels substantial debate on 'marginality' approach towards the widening gap between farmers and consumers. The increasing dependency on middle man (market forces) has resulted into exploitation of farmers and agricultural labourers.

Moreover systematic study of social characteristics of Indian agriculture reveals the roots of problems in caste and class as well. The caste character of Indian agriculture inflicts 'double jeopardy' on the landless and share croppers. During a field study in 2014 the author met

several farmers and agricultural labourers in Unnao, Banda, Pratapgarh, Gajipur and Fatehpur districts of Uttar Pradesh and Latur, Nashik and Raigad districts of Maharashtra that are largely agrarian regions. The land owners largely belonged to Kshatriya, Marathas and OBC castes but the agricultural workers and sharecroppers belonged to the Dalit or lower OBC caste communities. It gave rise to agrarian subalternity. They are at the same time a victim of Caste based landlessness as well as declining remunerations or profit from agricultural sector. Due to this there is a declining trend of contribution of agriculture and allied sectors to India's GDP:

Year	Contribution of Agriculture to GDP %
1951 -53	50.9
2011 -12	14.39
2012 -13	13.7
2013-14	18.20
2014-15	18.00
2016 -17	15.4
2017-18	15.2
2018-19	15.87

Source: Ministry of Statistics

Also, the acquisition of fertile land for the SEZs, private industrial purposes and public infrastructures like: Highways, has aggravated the crisis. A majority of cultivators are either voluntarily or pushed to change from food crop to the cash crop agriculture. Several arguments are put forward to understand the regional disparity and causes of farmers suicides in states like Maharashtra, Andhra Pradesh (now Telangana and Seemandhra), Punjab, Haryana, U.P. to name a few.

Growth of discontent amongst subalterns:

The agrarian relations and rural discontent in India has been going through a serious transformation in terms of qualitative and quantitative changes brought into agricultural sector during the Neo- Liberal phase. The legal constitutional changes brought through the, National Food Security Act. 2013 and Land Acquisition, Rehabilitation and Resettlement Act. 2013, and several international agreements on agriculture with WTO, a fresh debate emerged on whether our agricultural sector will be benefitted or would be at receiving end again?

Will it be able to meet the food requirements and generate enough employment to the bulging unemployed rural youth? Whether the state shall be able to balance the demands of market

forces and agricultural sector evenly? There is a need of intervention and academic introspection about the state of agrarian crisis and peasants' movement in the era of Neo-liberal global agricultural economy. It brings out the fact that, the problem of farmers and rural society mostly resulted from the misappropriation of profit by the neo - liberal forces and middle man at market. Due to fast decline of agriculture as an unviable economic sector, the farmers and agricultural labourers got diverted towards service sector and industry. It has resulted into decreasing share of agriculture in GDP and increase in unemployed rural youths.

Such a situation provides an opportunity to interrogate the indebtedness of farmers, inadequate credit facility and reduction in subsidy, which pushed them to resort to suicides. The state policy which was expressed during the meeting of the National Development Council reflects duality and contradiction; as on the one side, the need for increased public expenditure is suggested while on the other, the importance of contract farming is emphasised. But other side of the coin is equally distressful. However, the behaviour of farmers is sometimes questionable. Political parties are luring the farmers with electoral promise to waive off the agricultural loan. The farmers are also borrowing unwanted loans with an expectation to get it waived after elections. It is affecting both, the credit policy as well as the misuse of money. The author himself found it during interaction with the government officials and farmers from Maharashtra and Uttar Pradesh.

IMPACT OF CRISIS ON RURAL ECONOMY:

The historical and economic factors that contributed to the weakening of agriculture and agrarian movements in India need to be interrogated in the new light of corporate farming.

Nowadays, people rely not only on political parties and elections to make their preferences known, but also on protests, demonstrations, petitions campaigns, marches and organisation that pursue their demands for social change (Johnston: 2011).

A shift in method and changes of crops from traditional to commercial phase resulted into the deepening of the crisis. Hence, the strengthening of *Panchayati Raj* system on the one hand and emergence of World Trade Organisation led policies on the other hand demands some contextual introspection. Also the process of occupational diversification, from self-employed agricultural practice to service sector, from self – sustainable village economy have also blown the rural economy. It resulted into a huge migration of farmers and agricultural labourers. Thus the agrarian crisis has become a burden on urban economy as well. Today, no farmer would want his children to take up farming as occupation, rather they encourage them to take up education and search for a job in cities. Along with this, the increasing population has been resulting into distribution of agricultural land between family members.

It is not just the failure of policy but also the climatic and environmental characteristics affected the agricultural sector. The ongoing discourse on environmental and climate change places the burden of preserving the environment on the developing world. But the

technological interventions can not only transform rural livelihoods in the developing world but also can transform the social relations of the rural political- economy. Thus technology can be seen as an important modern space and medium to provide voice to the voiceless farmers for struggle and collectivist appropriation of the means of agrarian production to raise the standards of living of agrarian workers. According to a report by Richard Mahapatra in 'Down to Earth' (2019, April) environmental magazine, *'India is heading to an unprecedented rural economic crisis. Fifth consecutive draught for 1/3 districts, dipping rural wages, El Nino threatening monsoon have squeezed livelihood options for over 500 million Indian.'* (Most of this chunk belongs to agriculture or agro – business. Society of Indian Automobile Manufacturers (SIAM) released its sales data for 2018, which claims that sales that are lowest in past 14 years represents the increasing poverty in rural India as purchase of a scooter/bike is considered as the first milestone of a household's rising prosperity. Salt in the injury is that, the irregular monsoon and heavy rainfall as caused flood in the several parts of the country making life of the farmer's even worst. Therefore, agrarian distress has emerged as an overwhelming political issue in current time. However, the Union government has announced 225 districts (which mean every third district in the country) as drought – prone. Interestingly, most of these districts were rated as the poorest in the country by the erstwhile planning commission. Kerala and Rajasthan are the leading examples of the flood and draught in the same monsoon year.

Indian agrarian sector saw the emergence of two broad phenomenon's during 1970s. It was modernisation of agriculture through the 'Green Revolution' and dramatic changes in 'Climate and Natural Environment'. The global as well as local factors like Brundtland Report of 1987 and decline of Himalayan biodiversity, raising the alarm for the survival of several species on earth. While commenting on today's imperialist notion of global dynamics of the neo- liberal forces, Paul Driessen posed that, *'it is clearly a question of values, not facts or logic, and the values held, and imposed by ideological Greens are clearly very different from those held by the victims of eco-imperialism'* (Driessen: 2011, 13).

Future of Indian Agriculture:

Where do we go from here? Do we need a second green revolution and social reform in India? Yes we do. Advocates of WTO and neo- liberal market economy suggest that, since the technology and capital is under the control of private sector, we should now allow these forces to play a direct role in agricultural sector. India has global competitive advantage in lots of commodities, like wheat, rice, cotton, horticulture and dairy products etc. to name a few. The Agreement on Agriculture (AoA) designed and called by the WTO and signed by the member countries have aggravated the situation faced by the rural society in India. As it aims at promotion of corporate farming, this is predominantly controlled by the rich business establishments and Multi- National Corporation (MNCs).

The dominance of the rural rich in the countryside made it difficult to take up the issues of land, wages and tenancy rights, and adequate support for the poor peasants and the rural poor. Over the decades in post- independent India, the agricultural sector was overcrowded and had to cater to the needs of a large section of population which is disproportionate to its size compared to other sectors. Therefore, the agrarian crisis was increasingly becoming an unviable project for large sections of the peasantry. The changing technology and dynamics of market forces have increasingly made agriculture an unviable and vulnerable sector. It has got its structural and functional impact upon the people dependent on agriculture.

There is enormous space to engage the democratic and collective appropriation of modernisation of agricultural production and debate on climate change, environmental damage, in the context of larger processes of inequality in the global political economy. The principal contradiction between Indian people and the capitalist ruling class- global imperialist forces seems to be emerging. Therefore, it requires a serious introspection and intervention at all the levels to protect the, erstwhile ‘back bone’ of Indian economy and rural society.

The Non- Governmental Organisation (NGOs) and Media played a vital role in bringing up the concerns of the farmers into the mainstream debate. The NGOs were seen at the forefront during the opposition to the land acquisitions and (Special Economic Zones) SEZ projects. Media has also started focusing upon the farmers and rural society, through exemplary work done by journalist like P. Sainath. It has three trajectories of their political mobilisation i.e. class based Adivasi (tribal) politics of democratic movements opposed to unplanned capital, the politics of the ‘Maoist Extremism’ and ‘Communitarian politics’ of the adivasi elites across the country. The Maoists or Naxalites got a change to mislead the people and capitalise over the failures of the state in protecting the *jal, jungle and jameen* (Water, Forest and Land) of the Adivasis and Farmers.

Possible Solution:

Thus the deepening agrarian crisis will be a serious threat to the social and economic order of the country. Also, it will derail the process of democratisation in Indian states. It will push several million subalterns into economic crisis every year. Some of the main solutions generally accepted are policy for Small and fragmented land-holdings, availability of good quality seeds, training to prepare and use of manures, Fertilizers and Biocides, Irrigation, providing training with mechanisation, preservation of soil, agricultural marketing, adequate storage facilities, adequate transportation, scarcity of capital. The government of India has prepared National Agricultural Policy, which aims at making agriculture a better and sustainable occupation. Smriti Chand in her article has explained the main features of the National Agricultural Policy are:

1. Privatisation of agriculture and price protection of farmers in the post QR (Quantitative Restrictions) regime would be part of the government's strategy to synergise agricultural growth.
2. Private sector participation would be promoted through contract farming and land leasing arrangements to allow accelerated technology transfer, capital inflow, assured markets for crop production especially of oilseeds, cotton and horticultural crops.
3. The policy envisages evolving a 'National Livestock Breeding Strategy' to meet the requirement of milk, meat, egg and livestock products and to enhance the role of draught animals as a source of energy for farming operations.
4. High priority would be accorded to evolve new location-specific and economically viable improved varieties of farm and horticulture crops, livestock species and aquaculture.
5. The restrictions on the movement of agricultural commodities throughout the country would be progressively dismantled. The structure of taxes on food grains and other commercial crops would be reviewed.
6. The excise duty on materials such as farm machinery and implements and fertilizers used as inputs in agricultural production, post-harvest stage and processing would be reviewed.
7. Rural electrification would be given high priority as a prime mover for agricultural development.
8. The use of new and renewable sources of energy for irrigation and other agricultural purposes would be encouraged.
9. Progressive institutionalisation of rural and farm credit would be continued for providing timely and adequate credit to farmers.
10. Endeavour would be made to provide a package insurance policy for the farmers, right from sowing of crops to post-harvest operations including market fluctuations in the prices of agricultural produce.

Conclusion

Thus, it is essential to understand the undercurrents of rural India, dynamics of agricultural sector, and role of structural and functional developments in the wake of LPG. It strongly argues the uneven capitalist development in agriculture as one of the major reason for agrarian crisis now. This research paper is an effort to examine the crisis not only as a farmers suicides but also in the increasing indebtedness, migration of farmers' to urban areas and increasing opposition to the SEZ, township, Highways and other projects that results into

acquisition of large chunk of land in almost every part of the country. It is noteworthy that, the farmers during the discussion affirm that, “they were not against the development, but what is there space in this large scheme of development?.” Therefore, the development with human face is main challenge before Indian agriculture today. Ultimately the need for requirement of understanding ‘market oriented autonomous farmers’ and ‘victim of middlemen and market controlled farmers’ to classify the agrarian problems and recommend the befitting solution for the policy reforms.

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