

A PRESENTATION ON
**Issues Facing the Peasantry
in India Today**

JAYATI GHOSH
Jawaharlal Nehru University

JANUARY 2009

Context

- Agriculture in India is in an advanced stage of crisis. The burden of the crisis is being borne by small and marginal farmers, tenant farmers and rural labourers, especially those in dryer tracts.
- This crisis is related to both current international trends and government policy, which has
 - Exposed farmers to highly subsidised competition from abroad through more open trade
 - reduced the protection afforded to farmers and exposed them to market volatility and private profiteering without adequate regulation,
 - reduced critical forms of public expenditure,
 - destroyed important public institutions, and
 - not generated enough non-agricultural economic activities.

Areas of Intervention

- Break the stranglehold of landlordism in most parts of the country
- Provide access to irrigation and sustainable water management
- Institutional credit
- Cheaper and more sustainable input use, with greater public provision and regulation of private input supply and strong research and extension support
- Protect farmers from high volatility in output prices
- Shift policies to focus on dryland farming through technology, extension, price and other incentives
- Emphasise rural economic diversification, to more value-added activities and non-agricultural activities

Breaking the stranglehold of landlordism

- Strict enforcement of land ceilings
- Land distribution, accompanied with measures for viability of beneficiaries
- Recording tenancies and providing all cultivators recognition and rights, especially tenants and women farmers
- Protection from displacement as far as possible and adequate compensation for those displaced
- Land rights of tribals and forest dwellers

Credit

- Genuine and systematic debt relief that also covers private credit
- Distress Fund for cultivators facing severe problems due to crop failures or sharp price declines
- Accumulated interest on any loan should not exceed loan principal – rest should be written off.
- Cultivators without land titles (tenants, women, etc) should be given access to institutional credit
- Universal coverage of crop insurance with subsidy for small and marginal farmers
- Comprehensive insurance for all rural dwellers

Output prices

- Market Stabilisation Fund for cash crops
- Increase procurement by central agencies and make it timely and adequate.
- Protect farmers from falling world prices by variable tariff schemes
- Improve public marketing infrastructure and provide to all farmers

Inputs

- Ensure provision of high quality inputs at affordable prices at the right time to all cultivators through public production and marketing.
- Repeal National Seed Act and introduce farmer-friendly seed legislation.
- Regulate and monitor private input suppliers.

Co-operatives

- Need to examine possibilities and develop peasant co-operatives for water use, input purchase, crop storage and output marketing and other on-farm activities like dairy.
- These must overcome problems of past and current experience like bureaucratic interference and control by some politicians.
- This will require active mobilisation by Kisan Sabha and specific focus on organisational and institutional conditions.

Irrigation and water

- Ensure equity in access to surface water resources
- Register and regulate the use of ground water resources, with the aim of public control over ground water and distribution based on progressive water rates in the medium term
- Ensure NREGS restores tanks and other water bodies in sustainable way.

Research and extension

- Public sector agricultural research to be strengthened and reoriented particularly towards dry land crops and current problems facing peasantry.
- Expand and strengthen public agricultural extension system, to reduce dependence of farmers upon private input suppliers and companies, and provide small and medium farmers with relevant knowledge.

NREGS

- NREGS must be expanded to cover all adults (not per household) and for as many days as required. This will also generate more demand in the rural areas in a context of economic downswing.
- NREGS works should be permitted on all land of small and marginal farmers, not just SC/ST. This will encourage farmers who employ labour to feel that they also benefit from the scheme.
- List of permissible works should be extended to cover all activities that improve rural quality of life.
- Work must provide minimum wages for workers.

Access to food

- Public Distribution System to be expanded to cover all rural habitations
- Ensuring provision of food grain and other basic necessities
- Ration Shops to be made viable by allowing them to sell other items and ensuring that they are open all days and can sell small amounts as required.
- Bring in local procurement of nutritious traditional cereals with local distribution.

Conditions of life

- Peasant households to get access to good quality low cost health care through more public expenditure on health.
- Major programme of construction of rural dwellings not only under Indira Awas Yojana but covering small and medium farmers also.
- Clean water supply and sanitation to all rural habitations.
- Access to good quality full school education to all children of farming households and big increase in scholarships for higher education for such youth.