

Thinking beyond Farm Sops

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India needs well-tailored farm measures to balance the national requirement with farmers' aspirations

The year 2019 witnessed a series of interventions and disruptions in the farm sector. The first half of the year saw the launch of a grand farm sop in the form of the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) with a record allocation of ₹75,000 crore. The second half, however, was a disaster for the sector as many parts of the country witnessed drought and floods. The economic slowdown and the spiraling onion and vegetable prices burdened consumers (including farmers), providing a short respite to only a section of farmers.

This clearly reflects two things: one, populist measures have a low bearing on the economy. Second, despite several measures to reduce vulnerability of climate-induced disasters, the farm sector and farmers continue to suffer losses. Therefore, taking cognizance of past experience and leveraging on opportunities that exist is a must to boost agriculture.

Areas of Focus

Agriculture is a crucial segment for inclusive development and provides stimulus to the economy. Since the country has several targets and commitments to be achieved in the next decade, it is imperative to lay a strong foundation by launching measures that can stem falling farm growth:

- The disparity in agriculture expenditure and growth drivers, mainly the subsidiary sectors, must be addressed. Despite higher growth in livestock and fisheries sector, only moderate to low expenditure was recorded. Expenditure on livestock and fisheries must be increased, as they are mainly connected with resource-poor families in rural areas and also to raise the decelerating growth rate. Moreover, the expenditure on research and development in agriculture needs to be raised from nearly 0.40% of agriculture GDP to 1% as it pays huge dividends in the long run in ameliorating poverty and improving livelihoods compared to any other investment.
- The Farmer Producer Organisations (FPOs), which are currently facing operational and structural issues governed by different Acts and funded by various sources, may be strengthened by bringing them under one institution, preferably an FPO Development and Regulatory Authority. A structured impetus must be given to build block chain based e-market places connecting farmers, traders, agencies, institutions and exporters on a common platform to check price fluctuations and harness decentralization. Further, affordable technologies must be developed and deployed particularly in rural and remote areas where digital literacy of farmers has improved considerably. Key farm institutions and organisations in the front line of farm service, dealing with perishables and low shelf life commodities, must digitalize so that they are efficiently managed.

Private Sector Involvement

- Large-scale investments in agriculture over several years have encouraged monoculture, threatening the environment and soil health (mainly in green revolution areas). Thus small-scale investment measures or an incentive-based system is essential to scale up sustainable practices such as agro forestry, climate-smart agriculture, ecosystem services, conservation agriculture and others. Increasing corporate social responsibility will help to tap more private investments besides encouraging private players in potential areas where production sustainability is possible.
- The government must establish a farm data agency, which can consolidate, collate and maintain farm data available at various platforms. Ongoing efforts of digitization of land records must also include farmer-centric advisories. The farm data agencies can also facilitate beneficiaries' identification, better targeting of subsidies, support systems of various developmental programmes.
- Commissioning ease of farming index is necessary to ascertain the progress made by national and State governments on the key indicators of farming. Possibly, the exercise can be done with active involvement of proven private/public institutions or international agencies.

Welfare commissions

The need of the hour is setting up two institutions; one, a national agricultural development council on the lines of the Goods and Services Tax Council under the chairmanship of Prime Minister for effective coordination and convergence of States on key reforms and policies; two, farmers' welfare commissions (both at the Centre and State level), as an independent institutional mechanism which will act as a neutral platform for

assessing all agriculture-related issues and schemes. Involvement of centrally-funded research organisations as knowledge partners would help to coordinate and refine existing developmental schemes in agriculture and allied sectors.

In the era of global uncertainty and domestic glitches, we need well-tailored farm measures beyond short-run sops to balance the national requirement with the farmer's aspirations. Moreover, the right mix of direct benefits and price support with focused investment on resource conservation will bring stability in a farmer's income.

SOURCE: *The Hindu*