

## Budget 2011-12

### Comments and Suggestions by Prof M.S Swaminathan

March 11, 2011

1. I shall restrict my comments to the farm and food security sectors. The Budget contains several valuable initiatives like farm loans at 4% interest rate, direct lending to small and marginal farmers, payment of fertilizer and kerosene subsidies directly to farmers and the improvement of agricultural productivity in eastern India. Ultimately, it is the cost-risk-return structure of farming that determines farmers' enthusiasm for increasing productivity. I request that the suggestion of the National Commission on Farmers that the minimum support price should be fixed at C2 (i.e, total cost of production) + 50% should be adopted as a general policy.
2. Global food scenario is a cause for concern and emphasises the need for strengthening the national food security system, particularly in the context of uncertain climate, and escalating petroleum prices. Also, the legal right to food can be implemented only with home grown food. On January 1, 2011, foodgrain stocks in the central pool reached 47 million tonnes. The standing crop of wheat is good and Government may have to procure about 25 million tonnes of wheat during April-May 2011. A distribution cum storage strategy should be ready before the end of this month. As stressed already by several Hon. Members, a National Grid of grain storage structures beginning with storage by farmers and covering rural godowns and state and national level ware houses and ultra-modern silos should be in place. I have often stressed that for facilitating the implementation of the proposed National Food Security Act, we

should establish in about 50 locations in the country modern grain storage facilities, each with a capacity for about a million tonnes of foodgrains.

3. Special Attention to Eastern India – the heartland of the Green Revolution, namely, Punjab, Haryana and Western UP, is in a state of ecological distress, which will be further aggravated by an increase in the mean temperature as a result of climate change. Ground water quality and quantity are deteriorating. It is this region which is the mainstay for feeding the public distribution system. While we should defend the gains already made in this region through an integrated conservation cum climate resilient farming strategy, attention to the untapped production potential of Assam, West Bengal, Orissa, Bihar, Jharkhand, Eastern UP and Chhatisgarh, will confer double benefits – alleviation of poverty and hunger, and strengthening the Public distribution system. An important component of the agricultural production strategy in this region should be the sustainable management of the Ganges and Brahmaputra Water Machines. Energy should be available for pumping water during rabi and boro seasons. The aquifer should be recharged during the kharif season. In the chronically flood-prone plains of Brahmaputra, the flood free season (i.e winter months) should become the major cropping season. The 400 crore allotted in the budget should be used for filling gaps in the allocations under the Rashtriya Krishi Vikas Yojana, National Food Security Mission and various other ongoing schemes. The Mahatma Gandhi NREGA can be used effectively in states like Jharkhand for enabling farmers to take two good crops where only one uncertain crop was taken before, through water harvesting, aquifer recharge and watershed

management. All these steps will call for a “Deliver as one” approach among the Ministries of Agriculture, Water Resources and Rural Development.

4. Nutri-cereals and Pulses – I complement and thank the Finance Minister for referring to bajra, jowar, ragi and other millets as nutri-cereals and not as coarse cereals as is done in official documents. I hope the Ministry of Agriculture will also make this change in nomenclature. A diet consisting of ragi and moringa (drumstick) will provide all the needed micro- and macro-nutrients. **The production of nutri-cereals will however go up only if the MSP is implemented and if they are included in the PDS.** I am also glad that the 60,000 pulses villages programme initiated last year is being continued with an outlay of 300 crore. Efficient water, weed and pest management will hold the key to increasing the yields of pulse crops. Here again, linkages with MG NREGA and National Food Security Mission will be helpful to overcome the inadequate allocation of funds for this programme of great importance to the nutrition security of the poor and for containing food inflation.
5. Milk production – Another food item which plays a role in food inflation is milk. Over 75% of the cost of milk is due to the cost of fodder and feed. Therefore the Accelerated Fodder Development Programme is a welcome step. Government should however review its policy towards export of oil cakes and concentrates. If they are made available at affordable prices, the quantity and quality of milk will go up. It will be appropriate if the setting up of Fodder and Feed Banks in centres of milk production is linked with the Mahila Kisan Sashaktikaran Pariyojana started last year. It is estimated that

nearly 75 million women are involved in producing about 110 million tonnes of milk, taking us to the first position in the world in milk production.

6. Food safety and storage – Several Hon. Members have already referred to the extensive spoilage of not only food grains, but more importantly fruits and vegetables. In this connection, the food processing industry will grow only if we can enlarge the consumption base of processed foods. It will be useful if Siksha Food Parks are established in our Home Science Colleges to train women SHGs in all aspects of food safety, processing, storage and marketing. Such a Siksha food park programme could be linked with the proposed Womens' SHG Development Fund.
  
7. Oilseeds – I would like Government to review carefully the programme for taking oilpalm cultivation in 60,000 hectares. Such initiatives have an over 50 year history and it will be useful to review this experience carefully, particularly in the context of its impact on ground water resources. The money may be better spent on increasing the production of sesame, safflower and sunflower.
  
8. Retaining farmers in farming and attracting youth to farming – It is well known that while the onus of employment falls largely on the farm sector, the contribution of agriculture to GDP has fallen below 15%, thereby leading to the increasing impoverishment of the peasantry. There is a need for a mindset change in all our Bhavans in relation to agriculture. Agriculture is not just a food producing machine but is the backbone of the livelihood security system for about 70 crore of our population. The human dimensions of

agricultural programmes should not be forgotten. This is why the National Commission on Farmers recommended that the Ministry of Agriculture may be redesignated as Ministry of Agriculture and Farmers' Welfare. **Without farmers' enthusiasm, there will be no second green revolution.** For facilitating such a change in mindset, NCF recommended that outstanding farm women and men should occupy leading positions in the Ministry of Agriculture such as Extension Commissioner. While government departments can help to bring about small incremental changes in production, it is only farm families that can bring about a revolutionary change.

**(M S Swaminathan)**