



Speaker Summary Note

Session: South Asia

G. Chandrashekhar

Speaker: Associate Editor,
The Hindu Business Line, India

Title: Farm Resurgence Must for Improving Nutrition and Health

The recently concluded international conference on 'Leveraging Agriculture for Improving Nutrition and Health' organised by the Washington DC headquartered International Food Policy Research Institute (IFPRI) in New Delhi during February 10–12 brought together over 1,000 participants from 65 countries around the globe to discuss strategies to combat poverty and malnutrition by strengthening agriculture.

This author was invited to speak on the Indian situation and how agriculture can be leveraged to improve nutrition and health of people. The presentation comprised specific solutions to the known issues that plague Indian agriculture and was divided into three parts, namely agriculture resurgence, nutrition challenge and legal angle.

Agriculture resurgence: Indian agriculture desperately needs resurgence. Farm growth over the last ten years has been tardy. During the period, the country has registered remarkable rates of economic growth year after year, driven primarily by the manufacturing sector and the services sector.

Agriculture, to be sure, continues to be a laggard. Rising incomes and demographic pressure generate expanding demand for food products; but domestic output growth lags demand growth, leading to tightening supplies, rising prices and increasing dependence on imports (pulses and edible oil regularly, while sugar and wheat occasionally).

India has all it takes to become a farm superpower—with about 270 days of sunshine, over 160 million hectares of arable land, 900 millimeters of annual rainfall, varied agro-climatic conditions and biodiversity, two cropping seasons, over 7,000 kms of coastline, and of course abundant supply of cheap labour.

The author professed a five point mantra for **Indian agricultural resurgence**. The action plan goes like this:

1. Strengthen the input delivery system: The input market needs to be monitored, and if need be regulated strongly, to ensure easy access to quality inputs (seeds, fertilizer, agro-chemicals) at affordable prices.
2. Rapidly expand irrigation facilities: Just about 40 percent of land under cultivation is irrigated and as much as 60 percent is rain-fed or dependent on vagaries of monsoon. Many irrigation projects

have been languishing for long years, while enormous amounts spent on numerous schemes have not yielded desired results. Major field crops (rice, wheat, coarse cereals, pulses, oilseeds, cotton, and sugarcane) show no marked increase in acreage under irrigated land over last ten years. There have been inordinate cost and time overruns. Last-mile connectivity issues are not sorted out. Scientific management of water resources will help raise crop yields substantially from the current low levels as well as help raise land use intensity, currently at a low 1.3.

3. Improve antiquated agronomic practices through revival of Extension services; and by involving the private sector through appropriate policy support: Encouragement for adoption of scientific pre- and post-harvest practices as well as infusion of technology inputs like genetically-modified seeds would help cut on-farm losses. (Bt cotton is a good example of success through tech infusion).
4. Invest in rural marketing infrastructure: Conditions in rural areas are pathetic. Huge budgetary outlays are necessary for building scientific warehouses, primary grading and sorting facilities, revamping the agricultural marketing yards and laying roads to connect them with villages. Quality-related pricing of farm produce will enhance growers' incomes.
5. Use information technology to deliver price and market information to growers: India's IT prowess is globally known; but is hardly utilized at home. Timely delivery of price and market information will convert humble growers into savvy traders. Capacity building to capture market opportunities is the key.
6. Step up public investment in agriculture. In the event, much-needed private investment will begin to flow into the farm sector.

India can learn from the OECD farm support program. While developing countries generally attack the humungous farm support program of OECD countries (\$375 billion a year and counting), a look at the details of support would reveal that as much as \$85–95 billion year are spent on what's described as 'general services' to agriculture which include expenditure on research, infrastructure, inspection and control as also marketing and promotion. These are absent in India.

To strengthen agriculture, in addition to specific crop production programs, India should invest large sums in general services as described above and build capacity among farmers to face market uncertainties. Higher farm output through higher yields or productivity gains is the way forward. Agricultural resurgence in India will improve rural incomes and allow easier access to nutritious food as well as other essential goods and services. It will set-off a virtuous cycle.

Nutrition challenge: India suffers from pervasive malnutrition and under-nutrition, especially among the poor in rural areas, and mainly among women and children. There is acute protein and calorie deficiency as the poor are unable to access nutritious food at affordable prices. This follows skew in income distribution resulting from skewed pattern of economic growth or 'growth without equity'.

There are easy policy options to deliver calories and protein to the poor at affordable prices. I make three notable salient recommendations:

1. The Public Distribution System (PDS) with 500,000 shops reaches a large number of the poor and delivers subsidized rice, wheat and sugar. It is critical that the Indian government includes edible oil and pulses also under PDS at subsidized rates. Admittedly, PDS as it works at present has certain limitations. Leverages exist. Yet, it is a time-tested and ongoing mechanism to deliver much-needed food and thereby nutrition for a large numbers of poor people. The government needs to strengthen the PDS and plug leakages through close monitoring and use of innovative means like 'smart cards'.
2. High food prices hurt the poor the hardest. Food inflation dilutes the consumption of nutritious foods among the poor. So, consumer subsidy is inescapable. Additionally, in agrarian economies such as India where hunger is turning chronic and food shortages endemic, government policies should check rampant marketisation of agriculture and rabid financialisation of agricultural

markets. Curbs on speculative capital that chases essential foods in short supply and creates avoidable price volatility are necessary.

3. Rising incomes and spread of information and communication technology (ICT) are changing people's food habits. Consumers have to be educated about eating healthy foods. A campaign to 'make eating healthy food fashionable' is needed.

The Constitution angle: Under the Constitution of India, 'agriculture', 'health' and 'education' are State subjects. Importance given to agriculture, health and education varies across States. India needs a unified approach to agriculture which can help improve nutrition and health. It is suggested that 'agriculture' and 'health' may be shifted to the Concurrent list so that the Central government can come up with legislation that can be implemented uniformly across the country.

Finally, the government must demonstrate 'political will' to implement progressive and growth-oriented policies. Accountability for outcomes is necessary. Clearly, there is no one-step solution to leveraging agriculture for improving nutrition and health. India has to move in several different directions simultaneously but with one common national objective. Multitasking is the way forward.