Editorial

Farm Bills 2020: No Green Signals From The Farmers

President Ram nath kovind gave a green signal to all the three contentious agriculture bills a mist and President protest by opposition and farmers across the country. Calling the farm bill as long pending agricultural reforms BJP government is now all set for making them a law. Opposition parties have even urged president kovind raising the concern that agriculture falls in the state list and centre has no right for making legislation on this subject.The state government of Chhattisgarh and Maharashtra soon after the president's consent to the bill announced that they will not implement the anti farmer law in their states while Kerala and Punjab have cleared their intention to challenge the bill in the supreme court.

Need for reforms in agriculture can be very well understood as approximately 60% of the population works in the agriculture sector with the contribution of about 18 % in the country's GDP.

The three bills passed by Indian parliament claims for accelerated growth through private sector investment in supply chain and infrastructure building. The Farmers (empowerment and protection) agreement on price assurance and farm services act, 2020, has provisions for contract farming and the farmers could produce crops at a mutually agreed remuneration and as per contracts with corporate investors thereby could reap the benefit of price assurance even before sowing the crops. however problem lies in the fact that approximately 86% of the farmers in the country are marginal farmers who own meagre piece of land thereby the possibility of exploitation of these farmers bye by the MNCs cannot be ruled out. Farmers fear this bill to be e corporate agriculture bill which could be against their interest and would pave the way for dismantling of the minimum support price system prevalent for very long in India.

The farmers produce trade and Commerce promotion and facilitation act 2020 gives farmers the freedom to sell their crops anywhere, even outside APMC, under one nation one market concept. This bill also allows private players to initiate online trading platforms for trading in agricultural commodities. Different states are having different views towards this bill. Farmers of Punjab and Haryana are having massive uproar as they heavily rely on minimum support price for their crops.

The huge protest is based on the fact that more than half of all government procurement of paddy and wheat in the last 5 years has taken place in both the states. more than 75% of paddy and wheat in Haryana and 85% grown in Punjab has been purchased by government at MSP rates and farmers fear that without minimum support price the market prices will bound to fall and leave them on the mercy of the big companies. Moreover these States have made high investments in the APMC system and have strong networks of Mandies, commission agents and link roads. The annual revenue of Punjab government alone is around rupees 3500 crores from charging 6% Mandi tax plus 2.5% fee for handling centre procurement. A major concern for opposition by the states is due to loss of commission and mandi fees that adds to the revenue of the state government. Manipur, Bihar and Kerala do not follow the APMC system and are least bothered by this act. Out of the three bills, The essential commodities amendment Bill 2020 was long overdue and contains provision to exempt commodities like onion edible oils pulses serials oilseeds and potatoes from the essential commodities list which might lead to hoarding and black marketing of these essential commodities. Major reason for the lot of of a pro against these bills throughout the country seems to be the unconstitutional way in which these laws were passed by the central government not taking the state governments into to confidence through regular and clear communication. The government should have also included the farmers' organisation in creating the awareness against these bills for better acceptability.

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