

## Initial Findings

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From all accounts, we are experiencing a **deep agrarian crisis**. The manifestations are ubiquitous and unmistakable. Agriculture has stopped absorbing additions to rural labour force. The struggles for occupying available land and for securing a living wage for landless labour have become more intense and violent. The phenomenon of reverse tenancy is on the rise. The exodus to urban centres in search of employment has accentuated, resulting in ever-increasing outgrowth of slums around all urban centres. The situation is explosive and threatens to destabilise the social and political fabric. Public investment in agricultural sector has declined sharply leading to deceleration in output growth and even negative growth. The lack of employment opportunities and income have resulted in an unprecedented reduction in the per capita availability of food-grains for the rural poor, pushing as large as three quarters of the rural population below “the poverty line”. The condition of even the relatively better off sections of farmers seeking higher returns by raising cash crops/ generating marketable surplus of staple food-grains has deteriorated sharply thanks to their exposure to the volatile world agriculture market, particularly in the period of a deep cyclical downturn, on the one hand, and the policy –induced sharp rise in the cost of inputs, drastic reduction in the availability of credit and declining state procurement at remunerative price, on the other. Widespread phenomenon of farmers’ suicides constitutes a cruel testimony to this state of affairs.

Surprisingly, **the official policy level response continues to be insensitive to this reality**. The recent initiative of rural employment programme has been reduced to a limited gesture totally inadequate to meet the enormity of the crisis. The virtues of the other initiative, namely, the projected enhancement of agricultural credit, are exaggerated. By itself, it offers no solution to the problem of the chronic indebtedness of small and medium peasants and the heavy debt -burden recently incurred by the relatively better off farmers who had to turn to usurious moneylenders. The inadequacy of the initiative is apparent in the context of the policy environment of withdrawal/ reduction of minimum support price programmes. The broad definition of its potential beneficiaries which includes the big agri-businesses further reduces its utility as far as the vast sections of peasantry facing the crisis.

**The syndrome of corporate agriculture systematically promoted by IFIs and WTO continues to govern the policy making**. The so-called “agricultural reforms” have long substituted the theme of “land reforms”. The opening up of the agriculture sector to the corporate capital is the cornerstone of the policy. It is sought to be done directly, facilitating the corporate ownership by abolishing the ceiling laws and/or indirectly, through contract farming and encouraging dependence of the peasants on the corporate sector for both procurement of inputs and marketing of output. Infusion of capital and

modern technology, diversification of cropping pattern, value addition through better storage , processing and marketing constitute the professed rationale of this policy. Further more, the arena of operation of the corporate sector is situated in the context of integration with the world agriculture markets within the framework of the WTO's Agreement on Agriculture( AoA) whose paradigm is biased in favour of temperate -zone, capital -intensive , corporate agribusiness- driven, export- oriented, peasant -insensitive and mass –livelihood- threatening agriculture. The route to this “grand transition” of the Indian agriculture from its present stage where it constitutes the sole means of survival for the two-thirds of the total population, is marked by the predominance of small and marginal peasants and continues to retain its largely rain-fed character, has not been worked out. Nor have the enormous implications been explicated.

**The agrarian crisis** is rooted in the inability of the present agrarian system to absorb the additions to labour force in the rural sector traditionally and inevitably dependent on agriculture, the resultant involuntary displacement of large masses of labour force out of the rural, agricultural hinterland , and the near absence of alternative means of survival with dignity.

The present **agrarian scene is characterised by:**(a) large masses of marginal and small peasants with holdings not exceeding two hectares ( constituting about 80 % of total operational holdings and accounting for 36 % of the total cultivated area as estimated officially in 1995-96) practising virtually subsistence agriculture and the prevalence of large masses of landless workers(the official estimate of agricultural workers being 10.7 crores in 2001 );

(b) relatively much smaller numbers of middle and large landholders with holdings larger than four and ten hectares respectively, (constituting about 7 % of the total operational holdings and accounting for 40 % of the total cultivated area) practising capitalist agriculture;

(c) intrusion of the agents of the Corporate agriculture through the supply of inputs and control of the market system;

(d) incipient direct entry of the Corporate sector into farming in the name of providing capital, technology and access to markets;

(e) large scale migration of agricultural labour from areas characterised by (a) to areas characterised by (b) and (c);

(f) total inadequacy of (b), (c) and (d) to cope with the additions to labour force in the rural areas; stunted growth of the secondary sector for the past decades, and the recent policy -induced tendency in that sector to adopt labour saving/displacing technologies, further reducing the scope for alternative employment ; and the consequent prevalence of low/subsistence wages for agricultural/rural labour everywhere (and also in the so-called “services” sector mushrooming in the urban areas);

(g) increasing integration of the Indian agriculture with the world agriculture markets endangering the livelihood of peasants and landless labour [vide (a)] and adversely affecting even better off farmers [vide (b)] , but opening up prospects of definite gains for the Corporate sector[vide (c) and (d)].

**The agrarian situation is marked by contradictions ,old as well as new.** There is persisting and deepening contradiction between (a) and (b). The relationship between (b), on the one hand, and (c) and (d), on the other, is marked by collaboration as well as conflict, the contradictory tendency sharpening with the ongoing integration with and the cyclical downturn in the world agriculture market.

The State policy is clearly in favour of (c) and (d), somewhat ambivalent towards (b) and indifferent, if not antagonistic to (a). It is convergent with AoA paradigm. It is leading to sharpening of contradictions.

**The priority task is to analyse the nature of these contradictions and come to a strategic understanding about the major contradiction characterising the agrarian scene.**

The challenge posed by the agrarian crisis is unprecedented both in terms of scale and the politically explosive implications. Is it possible to meet this challenge except in terms of structural transformation of the agrarian system to ensure primarily the survival and welfare of (a) and a measure of accommodation of (b)? No readymade blueprint is available. The Chinese example of universal right of access to land and collective/commune level cultivation is the only comparable historical parallel available. But even there, as Samir Amin has pointed out, the absolute number of the Chinese population dependent on agriculture is unlikely to decline in the coming decades, even assuming that China's dazzling performance in GDP rate of growth continues unabated. What is our contemporary alternative? Palliatives such as enhanced credit, debt-relief, food-for-work, may provide temporary help but can hardly constitute a solution to the agrarian crisis.

Approaching the problem from the other end, that is to say, ruling out approaches and policies that are aggravating the crisis, one can perhaps say that the rejection of the AoA paradigm and the State Policy that accepts it is the first step towards the solution of the agrarian question. But only the first step.

**Experiments** such as self-reliant dry farming; organic, non-capital intensive farming; rural economy based on bio-mass based energy; **movements** such as water-shed development; equal access to water to all irrespective of the size of land holdings; and **militant struggles** for land redistribution and remunerative wages for the landless are perhaps some of the possible elements of the solution, responding to the differentiated agrarian scene. The differentiation is significant for historical, geographical, climatic and demographic reasons. Notwithstanding such differentiation, the inappropriateness of the policy based on the Corporate agriculture and AoA paradigm seems unquestionable. On the other hand, there appears an underlying unity of causation calling for an egalitarian structural transformation.

There are two levels at which the task needs to be elaborated, **analytical** as well as **mobilisational**.

Taking the **analytical aspect** first , there appear to be three main lines of reasoning. It is argued that enhanced investment in the agriculture sector(irrigation, R&D, enhanced credit, assured state procurement at remunerative prices)coupled with massive employment generation programmes in rural areas constitute the key element in the solution. The other line of reasoning emphasises the need to deliberately tilt the terms of trade in favour of the agriculture sector and substantial state subsidisation of inputs of farming. Both these approaches recognise the deleterious effects of the ongoing integration with the world agriculture market., but they do not explicitly argue for de-linking of the Indian agriculture from the AoA paradigm.

The third approach emphasises the structural transformation of the agrarian system with corresponding transformation in the rest of the economy/polity. One pre-condition for bringing about such transformation , it is believed, is the de-linking of our agriculture from the AoA paradigm.

At the level of **mobilisation**, the task will get defined by the developing contradictions. Interaction with/among the dispersed and specific movements/struggles may throw light on the dialectical processes at work. Equally it will enrich the perception of the differentiation of the agrarian scene, and lead to better appreciation of the underlying unity of causation.

The two tasks, analytical and mobilisational, are integrally inter-linked. The analytical task should help reinforce mobilisation. Equally the experience of the movements and struggles will anchor the analytical task to the emerging objective reality.

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