

Vijay Jawandhia on Crops Pricing & Farmers' Situation

(Vijay Jawandhia is one of the leading farm activists in Vidarbha, the region that has India's highest rate of farmers' suicides – eight per day. Jawandhia was the founder member of the Shetkari Sanghatana. He is also President of the Kisan Co-ordination Committee, a coalition of farmers' organizations across the country. For one year, the Maharashtra government appointed Jawandhia as the director of the Maharashtra Cotton Federation.)

In rural India the landless and the landed farmers are all dependent on the agricultural economy. If the prices of agricultural products rise and are stabilized, then wage rates will also go up, and because of that the money supply in the economy increases. Only if the wage rate increases, can people cope with price rise.

What is happening in our economy now is that the prices of essential commodities have gone up but the government is afraid it is leading to inflation. So it takes measures and imports food grains to reduce the price. As a result, farmers don't get the benefit of the price rise. When the price is high, farmers shift to that crop to take advantage of the price. Then the production increases and it is used as an excuse to reduce prices, so farmers never get the price they hoped for while sowing the crop.

That's why higher prices should be stabilized. Support prices should be increased. For example, in West Bengal, the CPM government is worried because of falling potatoes prices. Last year, it was Rs 15-18 per kg. Now it is only Rs 2 per kg because production has increased. If the government wants the market to prevail, why do they intervene to reduce prices for farmers? Why don't they intervene to ensure that farmers get a fair price when the market prices crash?

In the last decade, there have been low prices in the international commodity markets due to subsidies to farmers in developed countries. We imported cheap food then. Our farmers have no subsidy and we were not allowed to increase prices from 1997-2003. L.K. Advani claims that their government controlled inflation. But I want to refute that myth. They controlled inflation at the cost of the farmer. During their rule, 110 lakh bales of cotton were imported in 7 years. Because of this cheap import, cotton farmers in Andhra Pradesh started committing suicide. They also imported pulses and palm oil to keep prices low.

Now the prices in the international market are high. Wheat prices have shot up from \$90 per tonne in 1999 to \$500 per tonne now. Rice was \$240 per tonne in 1999, but now, it is more than \$500 per tonne. Pulses have increased from \$300-400 per tonne in 1999 to \$600 now. Cotton was \$1.10 per pound in 1994, then 47 cents in 1998-2000, and now it is 70 cents. The prices have risen now because the US government has decided to

subsidize the production of maize for ethanol, and also because of the drought in Australia. Rice production has fallen too and because of the wheat shortage there is a greater demand for rice, pushing up the prices further.

The Indian government has reduced. Import duties of agricultural products in the last year. Import duty of wheat was brought down from 50% to zero, pulses from 10% to zero and rice from 80% to zero. Edible oils had a duty of 90% which was reduced to 20%. But despite all this, the government can't seem to be able to control prices. They were controlling prices by importing cheap. That's not possible any longer with high international prices.

Mr. Chidambaram says it is a problem of 'supply side' management. So, we must increase supply by increasing production and importing. If the farmer increases production, he won't get the price because the government will reduce the price. So what does the farmer gain by increasing production? The more he produces, the more prices fall.

The government is adopting an inflationary economy. It is increasing money supply by announcing the 6th pay commission and allowing foreign investments and inflows. Price rise of agricultural products is very necessary so that producers of essential commodities can survive in that economy. When we talk about inflation, we should not only talk about prices of wheat, rice and sugar but we should also include the price of iron, cement, petrol, diesel, plastic, health care, education and transport. We have to re-define what price rise is. Too much weightage is on food items. It should be more on the industrial and service sector. Only then will we be doing justice to the food economy.

In 1980, one litre of diesel was 84 paise and one kg of wheat was Rs. 1. Now, diesel is Rs 35 per litre, while the support price of wheat is only Rs 10 per kg. The question for the farmer is not only what price he gets, but what is the per kg purchasing power of agricultural produce. That is what common farmer wants from the system. In 1973, the price of 10 grams of gold was the same as one quintal of cotton – Rs 300. That's why cotton was called 'white gold'. Now, 10 grams of gold (Rs 12,000) is more than four times the price of one quintal of cotton (Rs 2,700).

The panic about price rise is an anti-farmer urban bias. While announcing the 6th Pay Commission, why doesn't the government also announce an increase in wages under National Rural Employment Guarantee Scheme? Doesn't inflation affect everyone, not only government employees? If the wage rate increases, the cost of production also goes up so support price should also be hiked. In fact, there is a need to increase prices further. We demand that the minimum wage of agricultural labor should be the same as the minimum wage under the 6th Pay Commission. The Commission for Agricultural Costs and Prices (CACP) should use this to calculate and announce the support price accordingly. M.S. Swaminathan has recommended that the support price should be the cost of production plus 50% profit. At present, it is only 15% profit.

The entire system works against the producers of essential commodities. There is no denying that poor people must get cheap food. But to keep food cheap for poor people, the government is keeping food producers poor. Instead of increasing the subsidy for food distribution under the ration system, they are transferring the burden on to the farmers. That's why they are keeping support prices low. If the government were to stabilize prices at today's higher prices for 3 years, they would see a change in the rural economy.

Farmers don't get an assured price, especially when it's time to sell the harvest. This year, when we started selling soyabean, it was Rs 1,400 per quintal. Now, after everything is sold, the price has gone up to Rs 2000. It's the same for all crops. Right now, farmers are not getting the international price of wheat, which is 1600-2000 per tonne because government is importing wheat. The support price is still only Rs 1050-1150. The government would rather import at a high price than pay Indian farmers the market rate.

Inflation has hit the rural economy too. People cannot afford medical facilities or education. A CT scan or MRI costs nothing less than Rs 3000 to 4000. How can anyone earning the average rural income of Rs 1500 per month afford it? That's why people are so deep in debt or are just living without medical treatment by the grace of God. People in villages are living because they are not dying.

To get admission into a Diploma in Education (D.Ed.) course, you have to pay a donation of Rs 2 lakh. Government colleges are not increasing seats in proportion with population growth. Instead, the state is promoting private colleges, which charge hefty donations. For example, the donation for an engineering college is anywhere between Rs 2-7 lakh, and the fee is Rs 40,000. Who can afford this?

The purchasing power of the common man is reducing. The gap between urban and rural India is increasing.

Urban India is becoming Super India and Bharat is becoming Ethiopia.

(as told to Dionne Bunsha)

Letter to Prime Minister Dr. Manmohan Sing

॥ जय जवान जय किसान ॥

विजय जावंधिया



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आदरणीय डॉ. मनमोहन सिंगजी,
प्रधान मंत्री, भारत सरकार,
नई दिल्ली.

किसानों का योजनाबद्ध शोषण
बंद करो।

विषय :- भारत सरकार लोहा-सिमेंट का आयात करके उसे सबसीडी दे कर गांव
की जनता को सस्ते में उपलब्ध कराये।

सादर प्रणाम,

कृषि उपज के दामों में और
उद्योगिक उत्पादनों के दामों में
परस्पर संबंध (निर्देशांक) होना
चाहिए।

मुद्रास्फीती (Inflation) कम करने के लिये भारत सरकार ने गेहूँ, चावल,
खाने का तेल, दालों पर का आयात कर (Import duty) शून्य (Zero) कर दिया है। इन
उत्पादनों का निर्यात (Export) भी सरकार ने बंद कर दिया है। किसान को बाजार में चना-
तुअर मुंग उडद के अच्छे दाम मिल रहे थे। २५०० से २७०० रु. क्विंटल तक तुअर-चना बिक
रहा था। परंतु आज चना २१००-२२०० रु. तुअर २३००-२४०० रु. बिक रही है। गेहूँ के दाम
तो समर्थन मूल्य १००० रु. प्रति क्विंटल से कम हो गये हैं। तेल बिजो के दामों में भी मंदी
आई है।

भारत सरकार कीसी भी राजनैतिक पार्टी की हो, कृषी उपज की आयात
(Import) कर के दाम गिराने की नीती समान होती है। महंगा गेहूँ आयात करके उसे
सबसीडी देकर रेशन दुकान से बेचने की नीती गेहूँ के दाम को समर्थन मूल्य तक गिराना, तय
शुदा नीती है। दुनिया के बाजार में इस वर्ष गेहूँ के दाम १४०० से १६०० रु. तक थे। परंतु
हमारे देश में किसान को ९०० से १००० रु. ही मिल रहे हैं।

गरीब को अनाज सस्ता मिलना
चाहिये पर अनाज उत्पादकों ने
गरीब क्यों रहना चाहिये ?

आज दुनिया के बाजार में दालों के दाम ६०० से ७०० डॉलर प्रति टन के है।
२५०० से ३००० रु. प्रति क्विंटल के आसपास आयातीत तुअर चना के दाम है। परंतु भारत
सरकार नाफेड, एसटीसी को १५ प्रतिशान सबसीडी देकर आयात कर रही है और देश के
बाजार में दाम गिरा रही है।

इस तरह १५ रु. प्रति किलो आयात किया हुआ पाम तेल को सबसीडी देकर
बेचने की नीती की घोषणा की है।

कृषि मजदूरों की मजदूरी में
वृद्धि के बगैर गरीबी हट नहीं
सकती।

आदरणीय महोदय, हमारे देश की राजनीती में महंगाई को रोकने के नाम पर
जीवनावश्यक वस्तुओं के दाम नियंत्रण में रखने के लिये सक्त कदम उठाये जाते हैं। परंतु
जिवनावश्यक वस्तु के निर्मात किसान मजदूर को भी जीवन है यह हम कब स्थिकार करेंगे?
किसान मजदूरों को छठवा वेतन आयोग का लाभ क्यों नहीं ?

भारत सरकार अब लोहा और सिमेंट के दाम कम करने का प्रयास कर रही
है। सरकार की इस पहल के लिये हम आपका आभार व्यक्त करते हैं। परंतु किसान की तरह
उद्योगपतियों को दबाना संभव नहीं हो रहा है।

इस पार्श्वभूमिपर हम आपसे विनंती करते हैं की भारत सरकार लोहा, सिमेंट
आयात कर और उसे सबसीडी देकर गांव की जनता को सस्ते में उपलब्ध कराये। आपके इस
निर्णय से सदियों से मिट्टी के कच्चे घरों में रहने वाली गांव की जनता को पक्के छत के निचे
रहने का अवसर प्राप्त हो सकेगा।

धन्यवाद !

आपका विनम्र,
विजय जावंधिया
(विजय जावंधिया)