

*India's Food Security Bill: A Retrospect
(of a long ongoing debate)*

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National Food Security Act (NFSA) 2013 seeks to....

- "provide for food and nutritional security in human life cycle approach, by ensuring access to adequate quantity of quality food at affordable prices to people to live a life with dignity and for matters connected therewith or incidental thereto".
- (**BPL, APL**) households will be entitled to receive a fixed amount of foodgrains every month (75% rural and 50% urban population).
- *While the avowed objective is 'nutritional security', the focus is on rice and wheat (energy/ calories versus pulses, micronutrients)*
- *Everyone agrees that the Public Distribution System (PDS) is broken but the debate has not provided clarity on the 'ideal' next steps*

Schedule III of NFSA

- **Revitalisation of Agriculture (State Subject)**

- (a) agrarian reforms ...
- (b) increase in investments in agriculture to increase productivity and production ...
- (c) ensuring livelihood security to farmers
- (d) prohibiting unwarranted diversion of land and water from food production

- **Access to**

- (a) safe and adequate drinking water and sanitation
- (b) *health care*
- (c) *nutritional, health, education support to adolescent girls*
- (d) adequate pensions for senior citizens, persons with disability and single

Target Group	SCHEMES	Expansion
Pregnant and Lactating Mothers	ICDS, RCH- II, NRHM, JSY, Indira Gandhi Matritva Sahyog Yojana (IGMSY) – The CMB Scheme	NRHM (2005-06) JSY (2006-07) ICDS (2008-09)
Children 0 – 3	ICDS, RCH- II, NRHM, ICPS, Rajiv Gandhi National Creche Scheme	RGNCs (2005-06) ICDS (2008-09)
Children 3 – 6	ICDS, RCH- II, NRHM, ICPS, Rajiv Gandhi National Creche Scheme, Total Sanitation Campaign (TSC), National Rural Drinking Water Programme (NRDWP)	TSC (2008-09)
School going children 6 – 14	Mid Day Meals (MDM), Sarva Shiksha Abhiyan (SSA), ICPS	SSA (2002/2005-06) MDM (2008-09)
Adolescent Girls 11 – 18	Rajiv Gandhi Scheme for the Empowerment of Adolescent Girls (RGSEAG), Kishori Shakti Yojana, , Total Sanitation Campaign (TSC), National Rural Drinking Water Programme (NRDWP), ICPS	NRDWP (2010) RGSEAG (2010-11)
Adults	MGNREGS, NRLM, Skill Development Mission, Women Welfare and Support, Programme, Adult Literacy Programme, TPDS, AAY, Old and Infirm Persons Annapurna, Rashtriya Krishi Vikas Yojana, Food Security Mission, Safe Drinking Water and Sanitation Programmes, National Horticulture Mission, National Iodine Deficiency Disorders Control Programme (NIDDCP), Nutrition Education and Extension, Bharat Nirman, Rashtriya Swasthya Bima Yojana	NHM (2005-06) MGNREGS (2005-06) NRLM(2010-11) NIDDCP (1992) RSBY (2007) Bharat Nirman (2005)



Source: Gol (2011) Presentation to Working Group on Nutrition, Presented by Dr. Shreeranjana, Joint Secretary, Ministry Of Women & Child Development, Gol, 24 June, 2011. Available: <http://wcd.nic.in/11thfiveyrplan-files/nutppt.pdf#page=16&zoom=auto,72,37>

Delhi pushes through right-to-food programme as hunger persists

India's malnourished

A political plan

Will the Food Security Bill Fight Hunger?

Delivery Challenges for India's National Food Security Act 2013

M.P Chief Minister:
'Chawal Wale Baba'

PDS gets new face in 4 new cities in
Chhattisgarh

July 2014: Odisha requires at
least 7 months for proper
implementation

Jan 2014: NFSA is already being
implemented in DL, HR, RJ, HP,
PB, CG, KA

NFSA implementation may hit a roadblock

Ration Cards to be Issued Afresh

Govt extends Food Security Act by 3 months

Outline

- The Context – Cannot be understood without reference to Consumption Poverty, Labour Market Outcomes
- Review the debate leading up to the promulgation of the National Food Security Act, The Interpretation of the Indian Constitution
- Will making rice and wheat via PDS tackle the problem of hunger or malnutrition?
- Emerging challenges in procuring and delivery of food grains
- How valid is the lingering criticism that India could have done some things differently?

The Context: A Well Known *Peculiar* Feature

- One major feature of India's development pattern is that the *share of agriculture in employment has not come down rapidly*. In fact, the *absolute amount of labor in agriculture has risen continuously* in India while it fell in all countries now developed during their comparable development phases.
- An important component of growth— *moving labor from low to high productivity activities* —has been conspicuous by its absence in India.
- Also, as the labor to land ratio grows, *it becomes that much more difficult to increase agricultural wages and reduce poverty*.

Source: Economic Liberalization and Indian Economic Growth: What's the Evidence?

Inter-Generational Occupational Immobility in Rural India

Father/ Son	Farm	SENA	Ag Lab	Prof	Clerks	Crafts	Elem
Farm	50	9	17	3	4	3	15
SENA	10	62	7	4	4	4	9
Ag Lab	10	6	56	2	3	4	19
Prof	27	17	10	18	10	7	10
Clerks	16	19	11	7	21	7	20
Crafts	11	24	8	3	5	35	14
Elem	8	20	12	1	4	6	48

Key Statistics from Census of India 2001 & 2011

WPR

- Workforce participation rate increased from 41.7 percent to 41.8 percent

Main & Marginal Workers

- Proportion of main workers decreased from 73.9 to 70.5
- Proportion of marginal workers increased from 26.1 to 29.5

Occupation

- Percentage of Cultivators to Total Workers: Decreased from 40.2 to 33
- Percentage of Agricultural Laborers to Total Workers: Increased from 33 to 39.3

- Trillion Dollar economy with 54.6 percent of workers engaged in agriculture sector in 2011 (2001: 58.2 percent)

Churning of Occupation within Rural Areas

- NSSO Survey in 2003 was Prescient: 27 percent of the farmers did not like farming because it was not profitable, 40 percent of farmers were open to taking up another career option
- Over 2001-11: Proportion of cultivators ↓ while proportion of agricultural laborers ↑
 - *Cultivator is a higher skill activity than agricultural labour, poverty is concentrated among agricultural laborers, no progress in financial inclusion for agricultural laborers*

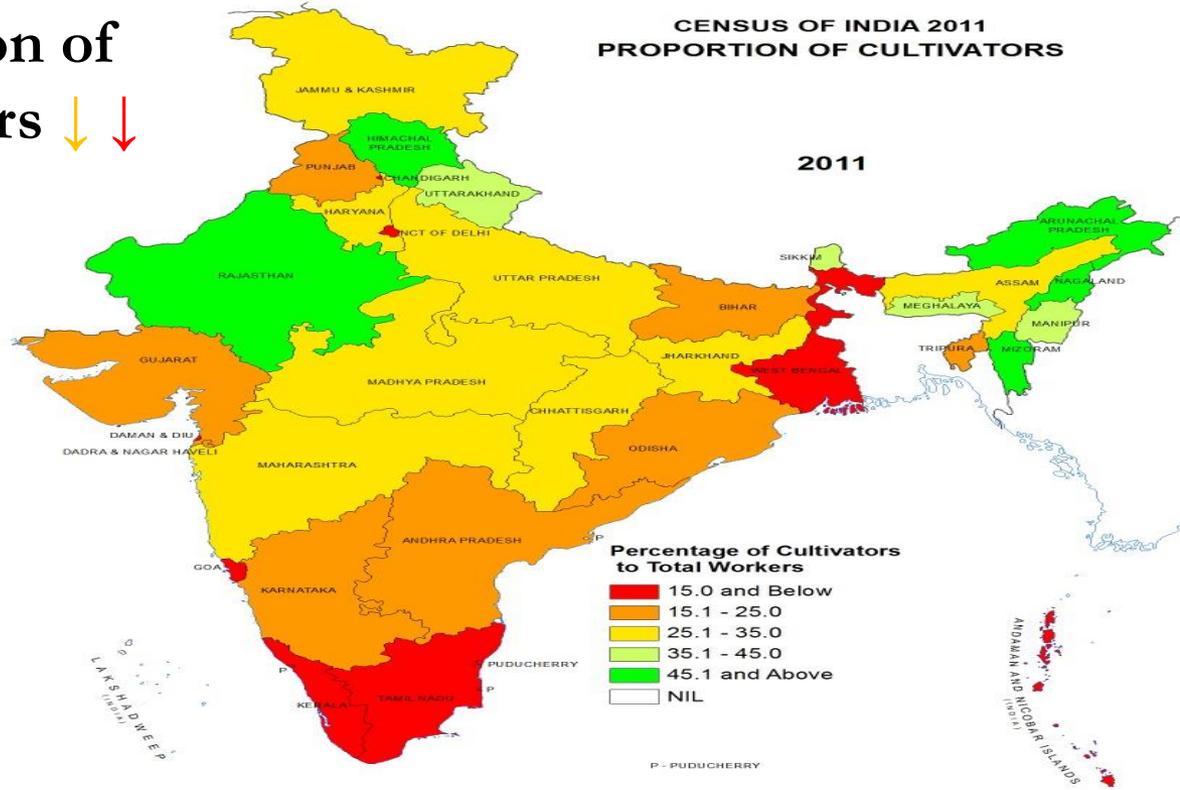
Brings into question (at the level of the household) the role of agriculture as a source of income and source of food

Proportion of Cultivators

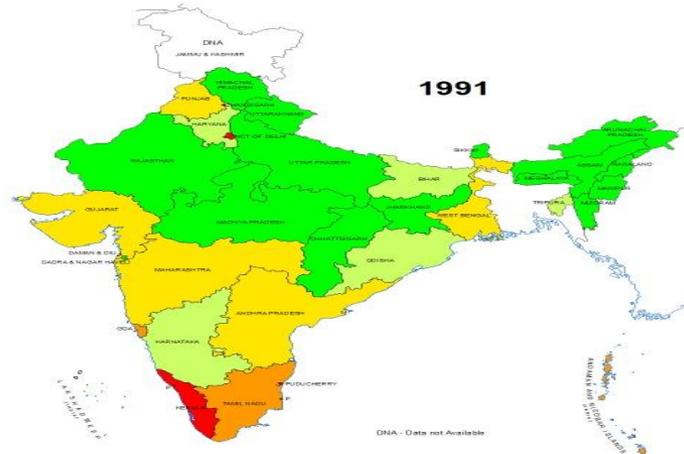


CENSUS OF INDIA 2011 PROPORTION OF CULTIVATORS

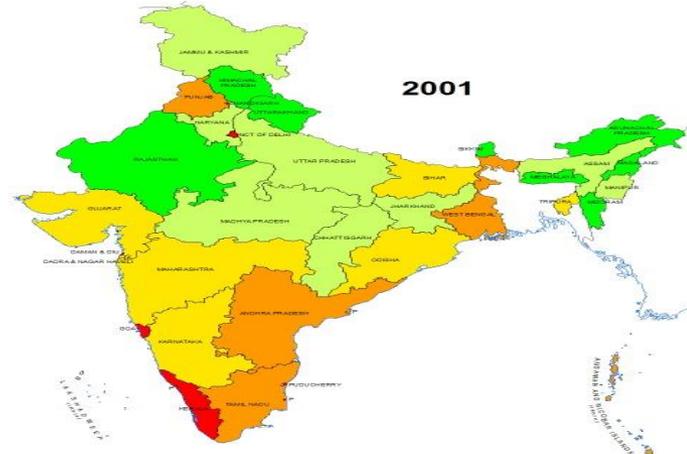
2011



1991

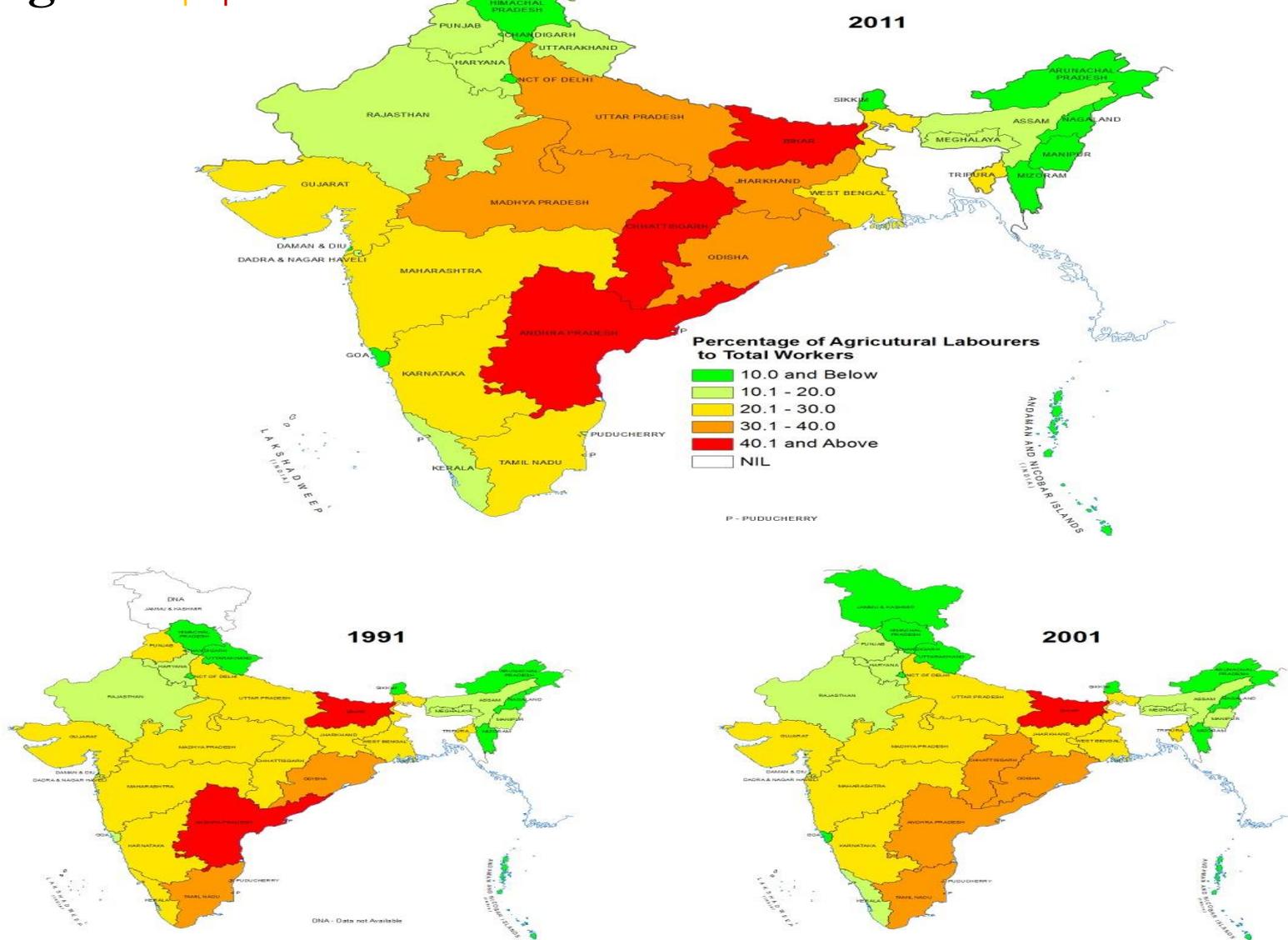


2001



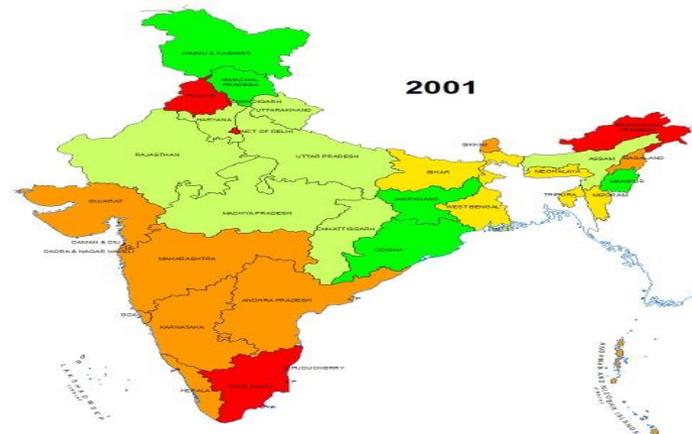
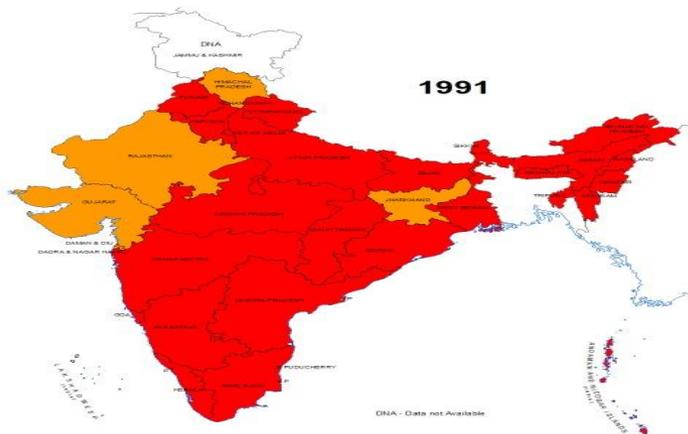
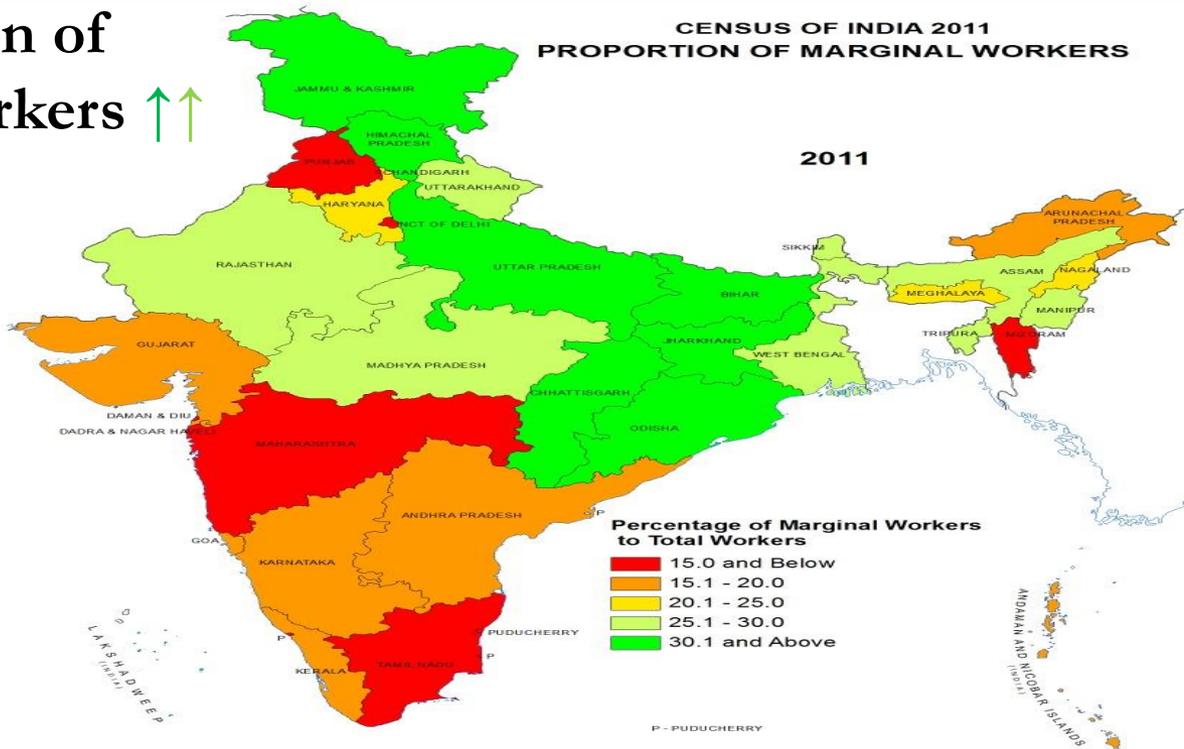
Proportion of Ag Lab ↑ ↑

CENSUS OF INDIA 2011
PROPORTION OF AGRICULTURAL LABOURERS



Proportion of Marg Workers ↑↑

CENSUS OF INDIA 2011
PROPORTION OF MARGINAL WORKERS



Context in which NFSA Happened

- Jobless growth, Employment elasticity close to zero
- 2004-05 – 2009-10: Number of people employed in agriculture and manufacturing declined by 23.33 million and 4.02 million respectively. These losses were offset by an increase in 25.89 million jobs in non-manufacturing (primarily in construction) and 2.7 million jobs in services.
- Debating the problems stemming from weak labour market:
 - Hunger & Malnutrition
 - *Poverty Line (Anchoring – Calorie Protein Fat)*
 - HCR Poverty, *Identification of the Poor, BPL Census*
 - Inclusiveness of Growth

Outline

- State of Indian Economy: The Context - Consumption Poverty, Labour Market Outcomes (***It is about jobs and livelihoods***)
- Review the debate leading up to the promulgation of the NFSA, The Interpretation of the Indian Constitution
- Will making rice and wheat via PDS tackle the problem of hunger or malnutrition?
- Emerging challenges in procuring and delivery of food grains
- How valid is the lingering criticism that India could have done some things differently?

A little bit of not so distant history ...

PDS, RPDS, TPDS

- PDS: general entitlement scheme for all consumers
- RPDS 1992: in 1775 blocks
- **TPDS** 1997: Focus on the poor - States required to implement arrangements for identification of the poor, delivery of foodgrains

Committee for Long Term Grain Management 2002

- *A system of universal PDS*
- Procurement should also become more dispersed and this process can definitely save costs of transportation
- When market price > MSP, government can import, purchase from secondary markets etc
- Crop diversification

Today, the system is broken, leakges from PDS, rotting food grains + media reports of hunger, litigation

Interpreting the Constitution

- **Article 21 (Fundamental Right):** No person shall be deprived of his life or personal liberty except according to procedure established by law
- **Article 39 (Directive Principle):** The State shall, in particular, direct its policy towards securing .. that the citizens, men and women equally, have the right to an adequate means of livelihood
- **Article 47 (Directive Principle):** Duty of the State to raise the level of nutrition and the standard of living and to improve public health
- **Article 32 (Fundamental Right):** The right to move the Supreme Court by appropriate proceedings for the enforcement of the rights

Reference to the Indian Constitution

Article 21+39+47

- places the issue of food security in the correct perspective, thus making the Right to Food a guaranteed Fundamental Right which is enforceable by virtue of the constitutional remedy provided under Article 32 of the Constitution (NHRC)

In the meanwhile

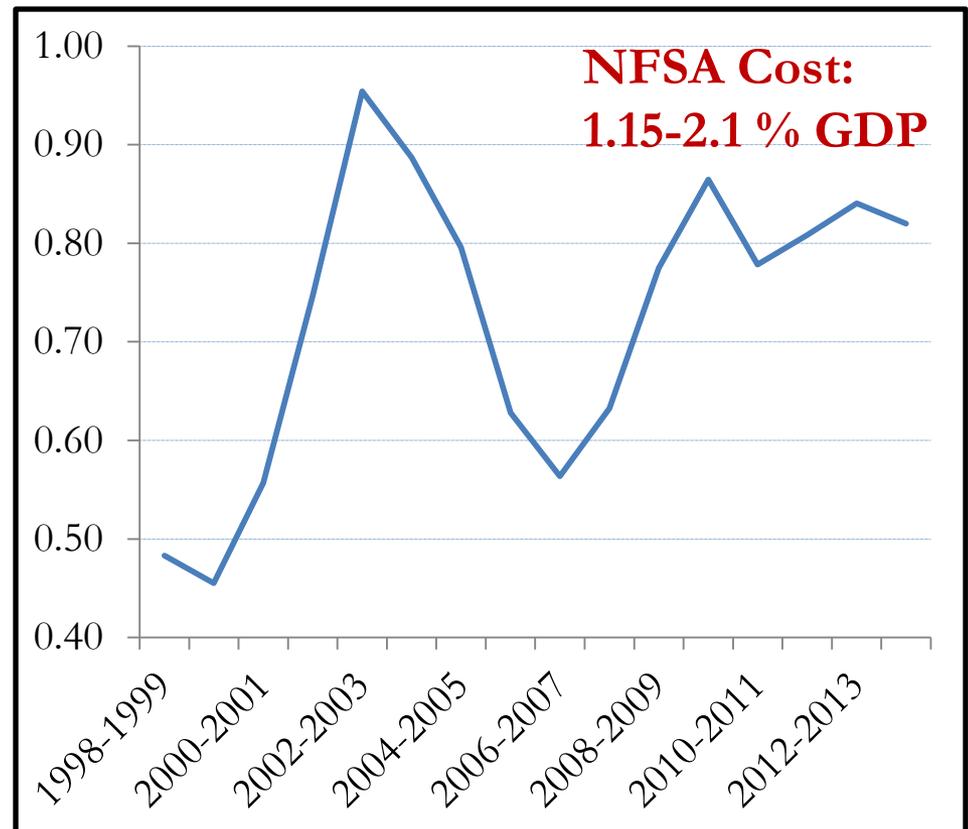
- “Fundamental Rights and Directive Principles must be interpreted harmoniously”
- Social activists and lawyers to approach the Court on behalf of others (PIL)
- Judicial Activism??
- Supreme Court of India has passed orders on the functioning of many programmes

Still being Debated (Implementation of NFSA)

Procurement & Storage

- Procurement for what:
Procurement > PDS sales,
Price Stabilization(?)
- The Politics of excess
procurement, MSP,
Procurement >> PDS Sales
= Storage Problem
- Storage Estimates: 46mn
tonnes, 64-74 mn tonnes
- *Unbundle procurement for PDS
and for buffer stocks*

Food Subsidies as % of GDP



Schedule III of NFSA

- **Procurement, Storage and Movement Related Interventions**
 - (a) incentivising decentralised procurement including procurement of coarse grains
 - (b) geographical diversification of procurement operations
 - (c) augmentation of adequate decentralised modern and scientific storage
 - (d) giving top priority to movement of foodgrains and providing sufficient number of rakes for this purpose, including expanding the line capacity of railways to facilitate foodgrain movement from surplus to consuming regions.

Still being Debated (Implementation of NFSA)

Distribution

- PDS reform at the state level
- TN & HP (Universal) MP, CG, OR, BH (Improved Performance – evident before NFSA)
- CG: CORE PDS (Portability)

Logistics

- Identification of beneficiaries
- Real time information, Using information technology to improve efficiency
- Biometric ID, Smart Cards, Coupons
- Cash Transfers

- Impact of PDS on consumption of cereals, protien, fat evident (though the existing database is far from ideal for such evaluation)

To Summarize

- Labour market outcomes need to improve
- ~~Right to food~~ Abolishing hunger is not difficult and is a must
- A broken system, poor governance (public distribution system) led to the judiciary getting involved
- Goal of a safety net for food is only partially achieved by distribution of rice and wheat via the public distribution system
- All eyes now on the respective state governments
- *Agreed that Rome was not built in a day, but the continued lack of clarity on how to fix the safety net for food (debate spanning successive decades) is a cause for concern*

Politics vs Fiscal Discipline:
“Electoral Security – Where: Center / State?”.

