

FOOD FOR ALL?

THE DRAFT BILL HAS THE NOBLE INTENT OF PROVIDING FOOD FOR ALL. BUT THERE ARE OBSTACLES, TOO.

Sebastian PT

MOHAMMED BHURE EARNS about ₹100 a day pulling loaded carts in the bylanes of Delhi's Chandni Chowk, with which he feeds his family of three. A few days' indisposition can mean the difference between barely getting by and starvation for the 45-year-old, his wife and their six-year-old daughter. Food prices are so high

that it's impossible to set aside anything for a rainy day. This is a common tale among millions across India, with most much worse off. India has the dubious reputation of having the hungriest in the world, with different estimates putting the number at 250-350 million people. The latest Global Hunger Index ranks India low at 67 out of 84 countries. The UPA government's Draft Food Security Bill, recently put up for public comment, is a big leap toward providing succour to the country's poor.

Among other things, the landmark Bill recommends giving the poor 7 kg of foodgrains per person per month at prices between ₹1 and ₹3. Sounds good. Except that the country's system is such that most poor don't get the benefits. When Bhure sought to be listed in the 'below the poverty line' category, he was

dismissed. Without the status, many like Bhure do not get a red 'ration card' that entitle them to get subsidised foodgrains under the present Targeted Public Distribution System (TPDS). Nor will he gain from the Bill, for all its intent, until many other contingent factors to the implementation of the Act are first addressed.

Corruption, statistical and identification flaws result in millions of poor missing out on government benefits. From improving the leaky public distribution system on which the Bill hinges, to increasing food production, procurement, storage and distribution, the list is long. The Bill can't be another case of noble intent ending with chequered results. "Many challenges need to be met head-on, immediately," says NC Saxena, National Advisory Member (NAC) and former Member Secretary, Planning Commission.

Identifying The Poor

The first challenge for the success of the Bill's objective would be in the identification of the poor. Section 14(1) of the Draft Bill says the Centre will prescribe guidelines for identification of priority households, including the exclusion criteria. That is, the entitlements will not be restricted to BPL families. The Bill aims to cover up to 75% (with 46% as priority) of the rural sector and 50% (with 28% as priority) of the urban sector. "But there is no hint of how it is going to identify the priority households," says development economist Jean Dreze, also an NAC member.

In the present scheme of things, the Planning Commission gives each state a predetermined 'quota' on the number of households that can be listed as BPL. This is based on the plan panel's national esti-

mate of poverty (recently increased from 27.5% to 37.2%). Of course, many states such as Tamil Nadu and Bihar dispute the plan panel's capped estimates. The states then go about identifying the poor—based on certain parameters such as income or consumption, either given by the panel or with some criterion changed—but stay within the capped limit. Sometimes, depending on the identification methodology, if a poor person, for instance, gets a used TV or a fridge, there are chances of him being counted out of the poverty line.

This way or the other, a majority of the poor households do get left out. The National Sample Survey data show only 47% of the poorest quintile (the bottom 20% in terms of expenditure) has a BPL ration card. The Draft talks about leveraging the 'Aadhar' unique identification so that entitled beneficiaries get all the benefits due,



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thus improving delivery system. While it could take some time for the Aadhar project to complete, Aadhar only identifies an individual, not who is poor and who is not. It can help remove duplicity, perhaps fake ration cards, not proper identification of the 'priority households'. "We are looking at a new formula for identifying the priority households. We are in talks with the Planning Commission, too, on this," says Food Minister KV Thomas. The outcome will determine the

true reach of the legislation.

Support From States

In an ideal scenario of the PDS working well, the Centre procures foodgrains and delivers them to district headquarters through Food Corporation of India (FCI) depots. The allocation is in tune with the quota of the states, which lift the foodgrains and distribute them through 500,000 fair-price shops to about 160 million families. Except that, in reality, the



FALL GUY: Contrary to high economic growth, India ranks low on the hunger index.

VISHAL KOUL

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system does not work that smoothly.

The success of the scheme has depended on the capacities of the different states, and their political will for reforms. For instance, if a state fails to lift the grain in a month's time, the quota lapses. Due to fund paucity and deficient storage facilities (especially in the sub-district level), many poor states like Bihar and Orissa usually lift about half or less of their quota. Whereas others with lower BPL numbers lift more grain for the above-poverty line segment. In fact, some states issue excess cards and bear the additional food subsidy. Tamil Nadu, for instance, has issued ration cards taking the whole state as a BPL area and provides 20 kg of rice free per family.

While the PDS works well in about half a dozen states such as Tamil Nadu and Chhattisgarh, it has been run pathetically in most others. There is massive corruption with large quantities of commodities diverted from the time grain is lifted. To check this, steps have been taken to computerise the entire PDS and track the movement of grain, but not much has been achieved yet.

The Draft does insist on steps like all TPDS documents being placed in the public domain and setting up of vigilance committees. But the Food Security Act will only succeed if the Centre takes greater responsibility in monitoring and implementation of the programme, and not just blaming the states. While Section 29 (2) does say the Centre may conduct social audits, either by itself or through independent authorities, there should be a mandatory annual impact study of the PDS.

There also needs to be simplification in the system with less cumbersome bureaucratic procedures. Saxena points out that a dealer will have to go through four government levels just to hand over a draft to get grain. That said, Dreze and Saxena

feel the Bill has largely excluded the NAC proposals on the elaborate grievance redressal structure, penalties and compensation and transparency provisions.

Foodgrain Supply

Agriculture Minister Sharad Pawar says, “The monsoon has been good,” and feels there will not be any problem in providing foodgrain. Pawar is said to be opposed to the foodgrains being hugely subsidised. But when asked about whether the foodgrain availability can be sustained over the years, he merely looks towards the sky and points.

The fact is, the farm sector has been in the doldrums. And revitalising it is vital for advancing food security. This is part of the Draft's wish list. Though output of certain foodgrains has been on the rise, per capita foodgrain production has been

DRAFT BILL

- To cover up to 75% (46% priority) of the rural sector and 50% (28% priority) of the urban sector.
- Priority households to get 7 kg of foodgrains monthly per individual. Issue price of ₹3/ 2/ 1 for rice/wheat/ coarse grains.
- General households to get 3 kg of foodgrains monthly per individual. Issue price at half of Minimum Support Price.
- A 'food security allowance' to people in case foodgrains are not supplied.
- Free meals for destitutes, children, pregnant women, lactating mothers.
- To create a grievance redressal mechanism.

dipping in the post-liberalised era since 1991. The Economic Survey shows an 11% dip in per capita foodgrain production—from 208 kg per annum in 1996-97 to 186 kg in 2009-10. The question is, how will the government suddenly buoy the sector?

“We will have enough food stocks to fulfil the legal commitments, provided we procure grains at remunerative prices,” says MS Swaminathan, noted agri-economist and Rajya Sabha MP. Timely procurement holds the key to stimulate and sustain production. He says the government should implement the National Policy for Farmers laid on the table of Parliament in November 2007. It calls for an income orientation to farming. “The monsoon and the market are the two major determinants of the well-being of farmers. We should adopt a pro-small farmer approach,” he says.

Procurement aside, our storage infrastructure lacks capacity with foodgrains rotting away. Thomas says the government is working on improving the storage capacity and this will go up by 15.3 million tonnes by 2013. However, experts are worried about the Draft's provision allowing the Centre to replace food entitlements with cash transfers 'on its own terms'. Swaminathan says that by proposing to distribute cash rather than grain the interest in procurement at the minimum support price will go down. This will lead to a drop in foodgrain output. And investment in safe storage will go down further. “This will be suicidal for our food security system,” he says.

Not Just Laws

“We are committed to implement the food security legislation to fight hunger,” says Thomas. But to achieve food security the government needs to do a lot more beyond just this legislation. It is not just about whether Bhure or someone else gets a ration card as a 'priority household.' It is about the country producing enough food to sustain the growing population; and offering a minimum standard of living and dignity to its citizens by providing adequate healthcare, sanitation and other basic conditions. Finally, the Bill that goes to Parliament and gets passed must be a better version, not a diluted one.

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