

# Displacing farmers: India Will Have 400 million Agricultural Refugees

Neoliberal Reforms Wreak Havoc

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It was on the cards. With Prime Minister Manmohan Singh announcing the formation of a new rehabilitation policy for farmers displaced from land acquisitions, it is now official — farmers have to quit agriculture.

Ever since the Congress-led UPA Coalition assumed power after an angry rural protest vote threw out the erstwhile BJP-led NDA combination in May 2004, the Prime Minister had initiated a plethora of new policies for the spread of industrialization. After having laid the policy framework that allows private control over community resources – water, biodiversity, forests, seeds, agriculture markets, and mineral resources — the UPA government finally looked at the possibility of divesting the poor people of their only economic security – a meagre piece of land holding.

“Special Economic Zone (SEZ) is an idea whose time has come,” the Prime Minister had said at an award ceremony in Mumbai sometimes back. Supported by all political parties, including the Left Front, he has actually officiated a nationwide campaign to displace farmers. Almost 500 special economic zones are being carved out (see *The New Maharajas of India*). What is however less known is that successive government’s are actually following a policy prescription that had been laid out by the World Bank as early as in 1995.

A former vice-president of the World Bank and a former chairman of Consultative Group on International Agricultural Research (CGIAR), a body that governs the 16 international agricultural research centers, Dr Ismail Serageldin, had forewarned a number of years ago. At a conference organised by the M S Swaminathan Research Foundation in Chennai a few years back, he quoted the World Bank to say that the number of people estimated to migrate from rural to urban India by the year 2015 is expected to be equal to twice the combined population of UK, France and Germany.

The combined population of UK, France and Germany is 200 million. The World Bank had therefore estimated that some 400 million people would be willingly or unwillingly moving from the rural to urban centres by 2015. Subsequent studies have shown that massive distress migration will result in the years to come. For instance, 70 per cent of Tamil Nadu, 65 per cent of Punjab, and nearly 55 per cent of Uttar Pradesh is expected to migrate to urban centres by the year 2020.

These 400 million displaced will constitute the new class of migrants – agricultural refugees. Twice the number of people that are expected to be displaced by global warming worldwide are alone be pushed out of agriculture in India.

Aacerbating the crisis are the policy initiatives that promotes privatization of natural resources, take over of farm land, integrating Indian agriculture with the global economy, and moving farmers out of agriculture – in essence the hallmark of the neo-liberal economic growth model.

Agricultural reforms that are being introduced in the name of increasing food production and minimising the price risks that the farmers continue to be faced with, are actually aimed at destroying the production capacity of the farm lands and would lead to further marginalisation of the farming communities. Encouraging contract farming, future trading in agriculture commodities, land leasing, forming land-sharing companies, direct procurement of farm commodities by amending the APMC Act will only drive out a majority of farmers out of subsistence agriculture.

Although the land holding size is diminishing, the answer does not lie in allowing the private companies to replace farmers. Somehow the entire effort of the policy makers is to establish that Indian agriculture has become a burden on the nation and the sooner the country offloads the farming class the better it will be for economic growth.

Contract farming therefore has become the new agricultural mantra. Not realising that private companies enter agriculture with the specific objective of garnering more profits from the same piece of land. These companies, if the global experience is any indication, bank upon still more intensive farming practices, drain the soil of nutrients and suck ground water in a couple of years, and render the fertile lands almost barren after four to five years. It has been estimated that the crops that are contracted by the private companies require on an average 20 times more chemical inputs and water than the staple foods.

Sugarcane farmers, for instance, who follow a system of cane bonding with the mills, actually were drawing 240 cm of water every year, which is three times more than what wheat and rice requires on an average. Rose cultivation, introduced a few years back, requires 212 inches of groundwater consumption in every acre. Contract farming will therefore further exploit whatever remains of the ground water resources. These companies would then hand over the barren and unproductive land to the farmers who leased them, and would move to another fertile piece of land. This has been the global experience so far.

Allowing direct procurement of farm commodities, setting up special markets for the private companies to mop up the produce, and to set up land share companies, are all directed at the uncontrolled entry of the multinational corporations in the farm sector. Coupled with the introduction of the genetically modified crops, and the unlimited credit support for the agribusiness companies, the focus is to strengthen the ability of the companies to take over the food chain.

I have always warned that agribusiness companies in reality hate farmers. Nowhere in the world have they worked in tandem with farmers. Even in North America and Europe, agribusiness companies have pushed farmers out of agriculture. As a result, only 7,00,000 farming families are left on the farm in the United States. Despite massive subsidies in European Union, one farmer quits agriculture every minute. Knowing well that the markets will displace farmers, the same agriculture prescription is being applied in India.

A Planning Commission study has shown that 73 per cent of the cultivable land in the country is owned by 23.6 per cent of the population. With more and more farmers being displaced through land acquisitions, either for SEZ or for food processing and technology

parks or for real estate purposes, land is further getting accumulated in the hands of the elite and resourceful. With chief ministers acting as property dealers, farmers are being lured to divest control over cultivable land. Food security and food self-sufficiency is no longer the country's political priority.

The government has very conveniently taken refuge behind an NSSO study that says some 40 per cent of the farmers have expressed the desire to quit farming. After all, what the government is facilitating is to make it easier for the farmers to abandon their land. It believes that a rehabilitation policy for the farmers therefore is the need of the hour. What is however not being seen through is that an agrarian economy like India cannot afford large-scale displacement of farmers. It will lead to social unrest the kind of which has not been witnessed. What India needs desperately is a policy paradigm that restores pride in agriculture, stops take-over of agricultural lands, and ensures sustainable livelihoods for 600 million farmers.

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