Economic Reforms –Not Well Perform, for Farmers

Rekha Verma*

Department of Economics, Kurukshetra University, Kurukshetra (Haryana), India.

*Corresponding Author: Email: rrverma12@yahoo.com

Abstract

The paper deals with the Economic Reforms and Agriculture Sector in India. The paper highlights the different issues which came into existence in the Agrarian economy due to Liberalisation and Globalization. Firstly the objective of this paper to bring out different issues in the life of Farmer because of Economic Reforms. Secondly this paper works to know the effect of L.G. (Liberalisation and Globalization) on Rural India and the last but not least this paper trying to find out some answers regarding the questions related to Economic Reforms in India.

Keywords: Farmers in India, Globalization, Liberalisation, MNCs.

Introduction

Economic Reforms in India

Indian economy was in deep crisis in July 1991, when foreign currency reserves had plummeted to almost billion inflation had roared to an annual rate of 17 percent; fiscal deficit was very high and had become unsustainable; foreign investors and NRIs had lost confidence in Indian economy. Capital was flying out of the country and we were close to defaulting on loans. To solve all theses bottleneckness on the way of Economic development in India, Dr. Manmohan Singh introduced Economic Reforms in India also known as L.P.G (Liberalisation, Privatisation and Globalization).

Liberalisation

Economic liberalization is a very broad term that usually refers to fewer government regulations and restrictions in the economy in exchange for greater participation of private entities; the doctrine is associated with classical liberalism. The arguments for economic liberalization include greater efficiency and effectiveness that would translate to a ”bigger pie” for everybody. Thus, liberalisation in short refers to "the removal of controls", to encourage economic development.

Liberalisation in India

The economic liberalization in India refers to ongoing economic reforms in India that started on 24 July 1991. After Independence in 1947, India adhered to socialist policies. Attempts were made to liberalize the economy in 1966 and 1985. The first attempt was reversed in 1967. Thereafter, a stronger version of socialism was adopted. The second major attempt was in 1985 by Prime Minister Rajiv Gandhi. The process came to a halt in 1987, though 1966 style reversal did not take place. In 1991, after India faced a balance of payments crisis, it had to pledge 20 tons of gold to Union Bank of Switzerland and 47 tons to Bank of England as part of a bailout deal with the International Monetary Fund (IMF). In addition, the IMF required India to undertake a series of structural economic reforms. As a result of this requirement, the government of P.V. Narasimha Rao and his finance minister Manmohan Singh (currently the Prime Minister of India) started breakthrough reforms, although they did not implement many of the reforms the IMF wanted. The new neoliberal policies included opening for international trade and investment, deregulation, initiation of privatization, tax reforms, and inflation-controlling measures. The overall direction of liberalization has since remained the same, irrespective of the ruling party, although no party has yet tried to take on powerful lobbies such as the trade unions and farmers, or contentious issues such as reforming labour laws and reducing agricultural subsidies. Thus, unlike the
reforms of 1966 and 1985 that was carried out by the majority Congress governments, the reforms of 1991 carried out by a minority government proved sustainable. There exists a lively debate in India as to what made the economic reforms sustainable.

Globalization

Globalization (or globalisation) is the process of international integration arising from the interchange of world views, products, ideas, and other aspects of culture. Put in simple terms, globalization refers to processes that increase world-wide exchanges of national and cultural resources. Advances in transportation and telecommunications infrastructure, including the rise of the telegraph and its posterity the Internet, are major factors in globalization, generating further interdependence of economic and cultural activities.

Globalization in India

In context to India, this implies opening up the economy to foreign direct investment by providing facilities to foreign companies to invest in different fields of economic activity in India, removing constraints and obstacles to the entry of MNCs in India, allowing Indian companies to enter into foreign collaborations and also encouraging them to set up joint ventures abroad; carrying out massive import liberalization programs by switching over from quantitative restrictions to tariffs and import duties, therefore globalization has been identified with the policy reforms of 1991 in India.

Agriculture in India

Agriculture in India is a way of life of 750 million small and marginal farmers. It is a source of livelihood and not a business. In fact, agriculture cannot be a business for family farms, it has to be a source of livelihood. Agriculture is the dominant sector of Indian economy, which determines the growth and sustainability. About 58 per cent of the population still relies on agriculture for employment and livelihood. India is the first in the world in the production of milk, pulses, jute and jute-like fibres; second in rice, wheat, sugarcane, groundnut, vegetables, fruits and cotton production; and is a leading producer of spices and plantation crops as well as livestock, fisheries and poultry. In the past few years, Indian agriculture has done remarkably well in terms of output growth. The 11th Five Year Plan (2007-12) witnessed an average annual growth of 3.6 per cent in the gross domestic product (GDP) from agriculture and allied sector.

Table 1: Average growth rate of agriculture

<table>
<thead>
<tr>
<th>Plan</th>
<th>Average growth rate of Agriculture and Allied Services (per cent per annum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>7th (1985-1990)</td>
<td>3.2</td>
</tr>
<tr>
<td>(1990-1992)</td>
<td>1.3</td>
</tr>
<tr>
<td>8th (1992-1997)</td>
<td>4.7</td>
</tr>
<tr>
<td>9th (1997-2002)</td>
<td>2.1</td>
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<tr>
<td>10th (2002-2007)</td>
<td>2.5</td>
</tr>
<tr>
<td>11th (2007-2008)</td>
<td>4.5</td>
</tr>
<tr>
<td>(2008-2009)</td>
<td>1.6</td>
</tr>
<tr>
<td>(2009-2010)</td>
<td>0.4</td>
</tr>
<tr>
<td>(2010-2011)</td>
<td>5.4</td>
</tr>
<tr>
<td>(2011-2012)</td>
<td>2.5</td>
</tr>
</tbody>
</table>


Review of Literature

Kirti Parika, Shika Jha, P.V. Srinivaran in their paper title “Economic Reforms and Agriculture Policy” frame out with the conclusion that, Economic reforms has neglected agriculture and whatever the Economic reforms made since 1991 have affected Agriculture adversely. Economic reforms reduced the concentration of govt. expenditure towards agriculture [1]. Sanjay Kumar found in his study, title “Impact of Economic Reforms on Indian Electorate” that as the people awareness increasing regarding Economic reforms their weightage to Economic reforms start decreases [2]. M.H. Suryanarayan studied in his paper title “Economic Reforms, Nature and Poverty” that Economic reforms initiated since July 1991 have generated number of adverse effect to the poor and vulnerable section of developing countries[3]. E.A.S. Sarma has observed in his work “Help the Rich, Hurt the Poor Case of Economic Zones” that the policy of SEZ is anti-poor and in favour of rich class [4]. N.Chandra Sekhara Rao, S.Mahendra Dev also come out with the dark side of MNCs in their paper title “Biotechnology and Pro Poor Agricultural Development ” that the research work related Bt cotton is mainly in the hand of few MNCs which focus mainly on developed countries [5]. Bharat Dogra criticise the excessive burden of An Agriculture based economy like India on MNCs for their every task of Economy in his paper “Food Processing: Why MNCs?” [6]. Devinder Sharma conducts his research on W.T.O and Agriculture in his work “WTO and Agriculture ‘Green Box’ Subsidies Must Go” and came out with the facts that WTO’s Green Box subsidies are not beneficial for the farmers of...
developing countries. These subsidies are better for the farmers of developed nations [7]. Paper title “High Stakes in the WTO’s Mini Ministerial” Economic and Political weekly published that the draft agreement of WTO are in more favour for advanced economies, country like India will gain very little and lose considerably with the terms and condition of W.T.O [8].

P.Maheshwari and S.L.Tondon conduct their research on “Agriculture and Economic Development in India” concludes that the expansion of agriculture is must for India to meet the food requirements of its increasing population [9]. P.D. Jeromi in his paper “Impact of Agricultural Trade Liberalization in Kerala ” shows that how and what extent a traditional export oriented agricultural sector in a small local economy can suffer due to trade liberalization with the declined exports, rise in imports and indebtedness which result a large number of suicides [10]. Pulapre Balakrishanan provides an overview of economic reforms on Agriculture in his paper title “Agriculture and Economic Reforms Growth and Welfare” that economic reforms are much concentrated on industrial sector of the economy not on the agriculture. The growth rates of agriculture down falling continuously due to these economic reforms [11].

A.Vaidyanathan in his paper “Farmer’s Suicides and the Agrarian Crisis” empirically established that partialities by the Govt. between agricultural and non-agricultural sector regarding allocation of resources also one of the cause behind agrarian crisis in India [12]. Uma Shankari found in her study title “Indian Farmers and WTO” that the AOA (Agreement on Agriculture) of WTO leads Indian farmers to farming crisis and Govt. is very idle in these crises [13].

Objective of the Study

- To discuss the different issues in Agricultural sector this came into existence because of Economic Reforms.
- To know the effect of Liberalisation, Globalization on Farmers.
- To evaluate the different concepts this came through Economic Reforms in Agriculture Sector.
- To find out some suggestions to the issues.

L.G (Liberalization, Globalization) Not Life Good in Case of Farmers

Liberalization and Globalization changed completely the outlook of the Economy But internally the way of living, the Agriculture; the Farmers suffer a lot in Indian Economy. Big malls , Brands , accessibility to global goods and commodities .The coca cola ,PepsiCo, McDonald ,KFC, Apple i-5, Nokia, Sony, and many more become possible because of Globalization and Liberalisation. Today India is the largest consumer of cell phone, maximum number of Internet users Facebook users, the life style of urban India changed remarkably by Economic Reforms But when we talk about the Rural India L G just not changed life But also take many lives:

Farmer Suicides

The wave which is recorded in case of India farmer since 1991 is enough to understand the dark side of L.G on farmers. India is recorded as half a million farmers committed suicides in India, in the last decade is the biggest wave of suicides in human history.

Reasons

- High level indebtedness
- Increasing level of cost of inputs
- Increasing imports
- Decreasing exports
- Unfair competition
- Decline subsidies
- Falling prices of their product in global market.
- Decline share to GDP of agriculture

Economic Reforms consider as the second revolution in the history of agriculture in India but in term of the contribution to GDP the share of agriculture decline day by day.

MNCs and Farmers

“We do not want Western money, technologies or ‘experts’ to impose their development model on us. We refuse to be used as political tools to ask the elites for reforms that we never demanded. We only want to organize our strength and combine it with the strength of other movements in the world to regain control over our lives. We are not
Table 2: Farmer related data from 1997-2006

<table>
<thead>
<tr>
<th>Year</th>
<th>Number (Farmers' suicides)</th>
<th>Number (All suicides)</th>
<th>Suicide rate (per 100,000 population)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>13622</td>
<td>95829</td>
<td>10.0</td>
</tr>
<tr>
<td>1998</td>
<td>16015</td>
<td>104713</td>
<td>10.8</td>
</tr>
<tr>
<td>1999</td>
<td>16082</td>
<td>110587</td>
<td>11.2</td>
</tr>
<tr>
<td>2000</td>
<td>16603</td>
<td>108593</td>
<td>10.6</td>
</tr>
<tr>
<td>2001</td>
<td>16415</td>
<td>108506</td>
<td>10.6</td>
</tr>
<tr>
<td>2002</td>
<td>17971</td>
<td>110417</td>
<td>10.5</td>
</tr>
<tr>
<td>2003</td>
<td>17164</td>
<td>110851</td>
<td>10.4</td>
</tr>
<tr>
<td>2004</td>
<td>18241</td>
<td>113697</td>
<td>10.5</td>
</tr>
<tr>
<td>2005</td>
<td>17131</td>
<td>113914</td>
<td>10.3</td>
</tr>
<tr>
<td>2006</td>
<td>17060</td>
<td>118112</td>
<td>10.5</td>
</tr>
</tbody>
</table>

Source: Various issues of Accidental Deaths and Suicides in India (ADSI), National Crime Records Bureau (NCRB), Ministry of Home Affairs, Government of India.

Table 3: Growth in GDP at Factor Cost at 2004-5 prices (per cent)

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry &amp; fishing</td>
<td>5.1</td>
<td>4.2</td>
<td>5.8</td>
<td>0.1</td>
<td>0.8</td>
<td>7.9</td>
<td>3.6</td>
<td>1.8</td>
</tr>
<tr>
<td>Mining &amp; quarrying</td>
<td>1.3</td>
<td>7.5</td>
<td>3.7</td>
<td>2.1</td>
<td>5.9</td>
<td>4.9</td>
<td>-0.6</td>
<td>0.4</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>10.1</td>
<td>14.3</td>
<td>10.3</td>
<td>4.9</td>
<td>11.3</td>
<td>9.7</td>
<td>2.7</td>
<td>1.9</td>
</tr>
<tr>
<td>Electricity, gas, &amp; water supply</td>
<td>7.1</td>
<td>9.3</td>
<td>8.3</td>
<td>4.6</td>
<td>6.2</td>
<td>10.2</td>
<td>5.6</td>
<td>5.9</td>
</tr>
<tr>
<td>Construction</td>
<td>12.8</td>
<td>10.3</td>
<td>10.3</td>
<td>5.3</td>
<td>6.7</td>
<td>10.2</td>
<td>5.6</td>
<td>5.9</td>
</tr>
<tr>
<td>Trade, hotels, &amp; restaurants, transport &amp; Communication</td>
<td>12.0</td>
<td>11.6</td>
<td>10.9</td>
<td>7.5</td>
<td>10.4</td>
<td>12.3</td>
<td>7.0</td>
<td>5.2</td>
</tr>
<tr>
<td>Financing, insurance, real estate &amp; business services</td>
<td>12.6</td>
<td>14.0</td>
<td>12.0</td>
<td>12.0</td>
<td>9.7</td>
<td>10.1</td>
<td>11.7</td>
<td>8.6</td>
</tr>
<tr>
<td>Community, social &amp; personal services</td>
<td>7.1</td>
<td>2.8</td>
<td>6.9</td>
<td>12.5</td>
<td>11.7</td>
<td>4.3</td>
<td>6.0</td>
<td>6.8</td>
</tr>
<tr>
<td>GDP at factor cost</td>
<td>9.5</td>
<td>9.6</td>
<td>9.3</td>
<td>6.7</td>
<td>5.6</td>
<td>9.3</td>
<td>6.2</td>
<td>5.0</td>
</tr>
</tbody>
</table>


working for a place on the global table of negotiations, nor for a bloody revolution; are we just working on the long-term process of construction of a different world, a world which will come about from the local to the global, from a shift in the values and everyday choices of millions of persons." The Karnataka Rajya Raitha Sangha (KRRS), or Karnataka State Farmers’ Association, 18 June 1999. On the one side the Govt. of India claims "The Food Security" by passing “Food Security Bill" and on another side Govt. allowing the Multinational Corporate Houses to capture the land which is one and only source of living for majority of population by The Land Acquisition, Rehabilitation and Resettlement Bill-2011. When the Government cannot provide the sufficient employment to the people than why the government is destroying the self-employed sector of the Country. There are many examples in the developed countries that FDI does not benefit farmers. For MNC’s it's agri-business but for us it’s way of life. The FDI in Retail is nothing but a game-plan to control the food security of the country through the contact farming system. We will lose rights on our natural
resources i.e. Land, Water and Environment. After their monopoly, the farmers will dance on the tunes of these MNC’s. Even in US the Wall Street Movement is opposing the development model and policies of these corporations. They always buy Cheap and sell highest is globally known and FDI is a root for corruption as MNC’s are known for lobbying by using money power to gain advantages and favours. Independent Farming and Trading are the pillars of strong India. Why the government is not ready to develop the infra-structure in the country the MNCs can be a remedy for urban India but for rural India this seems an incurable disease the MNCs came into India with a number of problems for farmers.

The Concept of SEZ

A Special Economic Zone is a geographical region which has economic laws that are more liberal than a country’s general economic laws. It is a specifically delineated duty-free enclave treated as a foreign territory for the purpose of industrial, service and trade operations, with exemption from customs duties and a more liberal regime in respect of levies, foreign investment and other transactions. In fact, the SEZ is a development tool, with the goal of promoting rapid economic growth by using tax and business incentives to attract foreign investment and technology. The policy of SEZs was first adopted by China in 1978 as part of its economic reforms. On seeing the success of this policy in China, India adopted this scheme in April 2000. The concept of SEZs is not a new one and it is an improvement over the concept of Export Processing Zones (EPZs). India was one of the first in Asia to recognise the effectiveness of the EPZ model in promoting export, with Asia’s first EPZ set up in Kandla in 1965. Seven more EPZs were set up thereafter. The policy provides for setting up of SEZs in the public, private, joint sector or by the State Government. There is also a provision in this policy that some of the existing Export Processing Zones would be converted into Special Economic Zones. The SEZ Act 2005, supported by the SEZ rules, was passed by Parliament in May 2005 and came into effect on February 10, 2006, providing for drastic simplification of procedures and for single-window clearance on matters relating to the Central as well as State governments. Prior to the SEZ Act 2005, there were only 19 operational SEZs in India. But after the SEZ Act 2005, the number of SEZs increased at a very fast speed. As on May 15, 2008, 462 formal approvals and 135 principal approvals had been given for the setting up of SEZs by the Government of India. Out of these 462 formal approvals, notifications have been issued to 222 SEZs. This happened due to the incentives and facilities which were offered by the government under the SEZ Act, 2005 to the developers of the SEZs like duty-free import, 100 per cent income tax exemption on export income for SEZs, exemption from minimum alternate tax, external commercial borrowing by the SEZ units up to US $ 500 million in a year, exemption from Central sales tax and service tax, single-window clearance for Central and State level approvals, exemption from State sales tax etc. for establishment of SEZs in India, farmers are helpless, their land is forcibly seized for this purpose the number of SEZs in India is enough to understand that how the land which is using for farming now grabbed for profit making.

SEZS: Legal Violations

The following are the main legal violations because of the SEZ Act, 2005:

- It violates the letter and spirit of the Indian Constitution.
- It infringes the fundamental rights of the citizen guaranteed in Part III of the Constitution.
- Relaxation/inapplicability of many labour laws (including under the Industrial Disputes Act, Contract Labour Factories Act, Minimum Wages Act, Trade Union Act).
- Environment (Protection) Act is inapplicable to SEZs. No environmental clearance needed
- Violates Panchayat Raj Act (1996) for local self-government
- Violates laws granting rights and control to Adivasi communities over their land
- Violates many international conventions on human right.

Retail Market and Farmers

100% FDI in retail market can be good news for big enterprises but for a small farmer this is a matter of great concern Govt. claims job insurance with this deal but farmers have no connectivity with the employment, the maximum level of production from his land and highest level of prices to him for his production is the secret of happiness for him but the economic reforms take away from him the surety for the two time food. Globally Wal-Mart, Tesco, Carrefour and Metro group together provide around 3.1 million
Table 4: SEZs exports

<table>
<thead>
<tr>
<th>Year</th>
<th>Value (Rs. Crore)</th>
<th>Growth Rate (over previous year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003-2004</td>
<td>13854</td>
<td>39%</td>
</tr>
<tr>
<td>2004-2005</td>
<td>18314</td>
<td>32%</td>
</tr>
<tr>
<td>2005-2006</td>
<td>22840</td>
<td>25%</td>
</tr>
<tr>
<td>2006-2007</td>
<td>34615</td>
<td>52%</td>
</tr>
<tr>
<td>2007-2008</td>
<td>66638</td>
<td>93%</td>
</tr>
<tr>
<td>2008-2009</td>
<td>99689</td>
<td>50%</td>
</tr>
<tr>
<td>2009-2010</td>
<td>220711.39</td>
<td>121.40%</td>
</tr>
</tbody>
</table>

Source: Ministry of Finance, Govt. of India (2011: 177)

Table 5: Agricultural exports (Rs. In Crore)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total exports</th>
<th>Agricultural exports</th>
<th>Share of agro exports</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992-93</td>
<td>53688</td>
<td>7884</td>
<td>14.7%</td>
</tr>
<tr>
<td>1995-96</td>
<td>106363</td>
<td>17496</td>
<td>16.5%</td>
</tr>
<tr>
<td>2000-2001</td>
<td>203571</td>
<td>28582</td>
<td>13.4%</td>
</tr>
<tr>
<td>2008-2009</td>
<td>840755</td>
<td>77783</td>
<td>9.2%</td>
</tr>
<tr>
<td>2009-2010</td>
<td>845534</td>
<td>85211</td>
<td>9.9%</td>
</tr>
<tr>
<td>2010-2011</td>
<td>1142649</td>
<td>113116</td>
<td>9.9%</td>
</tr>
</tbody>
</table>


employment. In this context, it is ridiculous for the Indian to say that retail chains in India would provide 10 million jobs in the country. The real fact is that the retail chains would displace more than 40 million small retailers from their livelihood.

Retail market not good for Farmer:
- This is a good option for urban India.
- This is for educated people to work with such market.
- Farmers cannot compete with it
- This is a threat for millions of farmers
- This can lead again towards a recorded decade of suicides.
- No job for farmers.
- Accessibility to such markets is very tough.
- It can be a challenge to identity of farmers.

G.M (Genetically Modified) Crops and Farmers

Genetically modified crops (GMCs, GM crops, or biotech crops) are plants, the DNA of which has been modified using genetic engineering techniques. In most cases the aim is to introduce a new trait to the plant which does not occur naturally in the species. Examples include resistance to certain pests, diseases, or environmental conditions, or resistance to chemical treatments (e.g. resistance to a herbicide), or the production of a certain nutrient or pharmaceutical agent. The first commercially grown GM food crop was Tomato (called Flavr Savr), modified to ripen without softening by a Californian company Calgene, which took the initiative to obtain approval for its release in 1994. Currently, a number of food crops such as soybean, corn, cotton, tomatoes, Hawaiian papaya, potatoes, rapeseed (canola), sugarcane, sugar beet, field corn as well as sweet corn and rice have been genetically modified to enhance either their yield, or size, or durability, etc. Scientists are also working on crops which they hope will be useful for industry, such as plants that produce oil for the cosmetics industry, crops with altered nutritional value, and even crops that produce pharmaceutical drugs. Major producers of transgenic crops include USA, Argentina, Brazil, India, Canada, China, Paraguay, South Africa, among others.

The case of Bt Cotton

The Maharashtra Hybrids Seed Company (Mahyco) jointly with the US seed company Monsanto developed the genetically modified Bt Cotton to tackle the bollworm problem that had devastated cotton crops in the past, by introducing into the cotton seed a gene of the common soil microbe called Bacillus Thuringiensis that encoded an insecticidal protein lethal to the bollworm (hence the name Bt. Cotton). In 2002, Bt Cotton became the first and only transgenic crop approved by the GEAC for commercial cultivation in six States namely, Andhra Pradesh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra and Tamil Nadu. It has been further extended to Punjab and Haryana. The Bt Cotton seeds were marketed by the
Monsanto-Mahyco joint venture. Though the public opinion has been divided on this issue, the Government has indicated satisfactory performance of the Bt Cotton. As per the Government figures, the area under Bt Cotton has increased from 0.70 lakh acres in Kharif—2002 to 2.30 lakh acres in Kharif—2003 and further increased to 12.00 lakh acres in Kharif—2004. As per the latest unofficial report, India has become the fourth largest adopter of biotech crops in 2008 with cotton alone occupying 7.6 million hectares. On the one hand, it has been claimed as the ‘Bt Cotton Revolution’ with transgenic cotton being grown in 90 per cent of the cotton growing areas, increasing yields by as much as 50 per cent in certain regions.

The Dark Side

- Fear of undertaking by MNCs
- Inadequate management
- Number of Health Hazards
- Demand excessive water quantity

Nearly three-quarters of the world's cotton harvest comes from irrigated land, according to the World Wildlife Foundation's report “The Impact of Cotton on Freshwater Resources and Ecosystems.”

Not for uneducated farmers: Most of instructions on Bt crops are written in English which cannot be read by the uneducated farmers of India they are unable to read and understand the process of such crops.

Toxin crops: Bt is a toxin. Sheep and goats grazing over Bt cotton died. At least 1,820 sheep were reported dead after grazing on post-harvest Bt cotton crops; the symptoms and post-mortem findings strongly suggest they died from severe toxicity. This was uncovered in a preliminary investigation conducted by civil society organisations in just four villages in the Warangal district of Andhra Pradesh in India. The actual problem is likely to be much greater.

Decline land for grazing: Grazing lands in Warangal district have declined steeply as commercial crop cultivation expanded in recent years, and it has become customary for sheep and goats to be allowed to graze on crop residues after harvest. This year, there have been several media reports of sharp increases in the deaths of sheep and goats after grazing in Bt cotton fields. There were similar reports in 2005, when complaints were lodged with the Joint Director of Agriculture by a few NGOs, but no action has resulted.

Malnutrition and Poverty

The country where more than 50% people are engaged in agriculture the graveness of malnutrition and poverty is still a matter of great concern. Hunger do not know the Development, the globalization, the liberalisation, it demands only food and the food quality should be such kind which can keep far away the malnutrition. India rank 15th among 88 countries in the Global Hunger Index. The World Bank estimates that India is ranked 2nd in the world of the number of children suffering from malnutrition, after Bangladesh (in 1998), where 47% of the children exhibit a degree of malnutrition. The prevalence of underweight children in India is among the highest in the world, and is nearly double that of Sub-Saharan Africa with dire consequences for mobility, mortality, productivity and economic growth. The UN estimates that 2.1 million Indian children died before reaching the age of 5 every year – four every minute – mostly from preventable illnesses such as diarrhoea, typhoid, malaria, measles and pneumonia. Every day, 1,000 Indian children die because of diarrhoea alone. According to the 1991 census of India, it has around 150 million children, constituting 17.5% of India's population, who are below the age of 6 years. Such dreadful facts can tell the story of economic reform success.

Suggestions

- Unbiased development should be encouraged
- Anti-Farmers reforms should be removed
- Schemes for their livelihood should be introduced:

Aajeevika-National Rural Livelihoods Mission (NRLM): The mandate of the Ministry of Rural Development, Government of India, is rural poverty alleviation through programmes directly targeted at the rural poor households. The major programmes of this Ministry that directly targeted poor families for creation of assets, skill development and self-employment started with Integrated Rural Development Programme (IRDP) in the year 1980 and included several other programmes like the Training of Rural Youth for Self Employment (TRYSEM), Development of Women and Children in Rural
MKSP envisages to be set up in the country. 500 Rural Self Employment Training Institute (RSETI), Ganga Kalyan Yojana (MKSP) was launched by Government of India in 2010-11 as a sub component in Aajeevika, in order to improve the present status of women in agriculture and enhance the opportunities for empowerment. MKSP was initiated for livelihood enhancement and vulnerability reduction interventions across the country. MKSP recognizes the centrality of women in agriculture and therefore aims to provide direct and indirect support to enable them to achieve sustainable agriculture production. MKSP envisages initiating learning cycle by which women are enabled to learn and adopt appropriate technologies and farming systems. MKSP is implemented as a sub component of Aajeevika through specially formulated project.

### Rural Self Employment Training Institute

The Government of India decided to set up Rural Self Employment Training Institute, one in each district of the country for basic and skill development training of the rural BPL youth to enable them to undertake micro enterprises and wage employment. These will be bank led institutions i.e. will be managed and run by the Public Sector/Private Sector Banks with active cooperation from the State Governments. 500 RSETIs were proposed to be set up in the country in the 11th Five year Plan. RSETIs core offering includes its free, unique and intensive short-term residential self-employment training programs with free food and accommodation, designed specifically for rural youth.

- Right to decision must be to every farmer in a democratic country like India every reform should be formulated to keep in mind the small farmers who constitute the large part of farmer population in India.
- Agriculture just not a profession in India this is a way of living of people in India so Government should fully aware about their each and every policy
- Indian agriculture is depending on monsoon so the technology which introduced for the cultivation should favourable to it.
- Farmers in India are uneducated so the typical way of technology should keep far away from them.
- The retail market, the MNCs, the FDI boosts up the urban economy with their ill effects but these concepts are very much complicated to the simple rural people.
- Natural resources just not resources air, water, land, rivers, grazing fields, mountains are the source of two time food for farmers so if these resources captured by the skyscrapers MNCs the farmer will left with no land.
- The proper allocation of Budget for this sector is must.
- The farmers in India not know how to use i-5 technology the just and not well versed to use 3G, 4G so the simplest way of all reforms and policy mandatory.
- Proper credit facilities and market accessibility for their production should be made.

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**Table 6: UNICEF malnutrition report**

<table>
<thead>
<tr>
<th>Country</th>
<th>Year</th>
<th>Stunting prevalence (%)</th>
<th>% of global burden (2011)</th>
<th>Number of children or severe, thousands</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>2005–2006</td>
<td>48</td>
<td>38</td>
<td>61,723</td>
</tr>
<tr>
<td>Nigeria</td>
<td>2008</td>
<td>41</td>
<td>7</td>
<td>11,049</td>
</tr>
<tr>
<td>Pakistan</td>
<td>2011</td>
<td>44</td>
<td>6</td>
<td>9,683</td>
</tr>
<tr>
<td>China</td>
<td>2010</td>
<td>10</td>
<td>5</td>
<td>8,059</td>
</tr>
<tr>
<td>Indonesia</td>
<td>2010</td>
<td>36</td>
<td>5</td>
<td>7,547</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>2011</td>
<td>41</td>
<td>4</td>
<td>5,958</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>2011</td>
<td>44</td>
<td>3</td>
<td>5,291</td>
</tr>
<tr>
<td>Democratic Republic of Congo</td>
<td>2010</td>
<td>43</td>
<td>3</td>
<td>5,228</td>
</tr>
<tr>
<td>Philippines</td>
<td>2008</td>
<td>32</td>
<td>2</td>
<td>3,602</td>
</tr>
<tr>
<td>United Republic of Tanzania</td>
<td>2010</td>
<td>42</td>
<td>2</td>
<td>3,475</td>
</tr>
<tr>
<td>Egypt</td>
<td>2008</td>
<td>29</td>
<td>2</td>
<td>2,628</td>
</tr>
<tr>
<td>Kenya</td>
<td>2008–2009</td>
<td>35</td>
<td>1</td>
<td>2,403</td>
</tr>
<tr>
<td>Uganda</td>
<td>2011</td>
<td>33</td>
<td>1</td>
<td>2,219</td>
</tr>
<tr>
<td>Sudan</td>
<td>2010</td>
<td>35</td>
<td>1</td>
<td>1,744</td>
</tr>
</tbody>
</table>

Areas (DWCRA), Supply of Improved Toolkits to Rural Artisans (SITRA), Ganga Kalyan Yojana (GKY), and the Million Wells Scheme (MWS).
• Effective and return full insurance policy for their crops also required.
• The land of farmers should not forcibly take off for profit making purpose
• Agriculture sector should not be ignored in term of industrialization
• Poverty and malnutrition must be tackle firstly there cannot be any inclusive growth with Hunger
• The fuel the energy for the Dream GDP comes from agriculture sector so if really wish to be Developed country, so the all reforms must be for farmers not anti-farmers.

**Conclusion**

Indian economy can be a developed economy with a balanced growth between agriculture and industrial sector so if we consider them the two wheels of the engine of development so proper and equal weightage should be given to both sector

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