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## **FOOD CRISIS: INCREASING INSECURITY IN SOUTH ASIA**

A global food crisis has been triggered by both global and national trends. An international emergency is developing across the globe. The caution symbols are everywhere. There is a growing shortage of food worldwide; food prices are rising alarmingly, and hunger is set to grow. The world is moving away from agriculture to industry swiftly and dangerously. With small farms being gulped by big agribusiness, farmland increasingly being diverted for industrial purposes, and the international focus shifting from staple foods to cash crops, the world is now facing an immanent food crisis. This has happened for a number of reasons. The high prices of petroleum products and agricultural inputs are forcing the diversion of prime farm land to other uses. For example, in India, farmers

are growing crops for ethanol on their farm lands.

There has been a depletion of global food stocks. The FAO's figures for 2007 show that we have close to 400 million tons, as opposed to 760 million tons two years ago. Food stocks globally have come down by 40 per cent. International wheat prices have risen in the last five years. Rice and maize prices too have risen sharply. Since India began importing wheat in 2006, prices have shot through the roof. Within a short span of two years, global wheat prices almost doubled, forcing India to buy at \$ 390 in August 2007. The countries that are going to be immediately affected in South Asia are China and India because these countries are the largest consumers of wheat and rice in the world. A loss of livelihood is typically the key shock factor that

will generate a crisis which in turn will culminate in greater hunger and malnourishment in South Asia.

A combination of forces is deciding the world food situation and in turn the prices of food commodities. Four more supply side factors have begun to be felt and are likely to become quite significant. Firstly, the costs of agricultural inputs, especially that of energy are rising. Global agricultural system is predicted on the availability of cheap energy source for direct use, that is, cultivation, processing and distribution, and indirectly, for instance, fertilizers and pesticides, the costs of which have tripled. Secondly, water scarcity is likely to become a more pressing issue. The demand for water has increased three times in the last 50 years globally. Pakistan, India and China have been witnessing depletion of the already limited ground water resources for the past two-three decades. Thirdly, the issue of land availability seeks attention. There is increasing competition regarding what land is available for what purposes- food, feed, fibre, fuel or forest conservation, given the high prices of land. Fourthly, climate change will worsen the situation, impinging on the availability of resources, thereby increasing the number of people at risk of hunger. It is estimated that all these will lead to an increase in the number of undernourished people from 40 million to 170 million. Last but not the least, misguided policies have

also directly damaged food security. In India, for instance, attempts to reduce the central government's food subsidy and hiking the price of food in the public distribution system led to excess holding of food stocks. This means huge waste of stocks when people in the country remain hungry.

Questions are being raised as to who will feed the 1.3 billion Chinese and the 1.1 billion Indians. Due to a shift in policy that allows private agribusiness companies to buy wheat directly from farmers, stocks for the public distribution system have significantly come to a decline thereby necessitating food imports. Both India and China have the capability to increase production and become self-sufficient; other South Asian countries are a cause for concern. This is not merely because of the problem of importing food at prohibitive prices but also due to the fact that food is increasingly becoming unavailable in the international market.

Nevertheless, rising food prices are a matter of concern in India because of their impact on inflation and the demands of the rising population. Although the country is reeling under its worst agrarian crisis, the general belief is that the farmers' distress has nothing to do with food production. Unfortunately this is not true. The negative impacts are visible all around us. Food production in India has been stagnant for almost two decades. Since 1987, food production has risen by an average of 1.5-2 million tons a year and in a country like India, a million ton here or there

would not mean much for a billion plus population to be fed. It is thus obvious that food production has failed to keep pace with the rising population.

In fact, ever since economic liberalisation was unleashed in 1991, the compound growth rate in agriculture has fallen below that of the population growth rate. Liberalisation has serious implications for agriculture. Crop diversification from staple foods to cash crops has received greater impetus. Fertile land is being diverted to meet the demands of industry and housing sectors. Cultivable land is being acquired either for Special Economic Zones or infrastructure development. The result is that cultivable land, which was already suffering from the environmental impacts of chemical-induced intensive farming, is now being put to other uses. Also calling attention is the sad truth that the enormous task of feeding the nation has been left to market forces. A policy like this will seriously hamper future food productivity as well as accessibility. In neighbouring Pakistan too, no lesson has been learnt. Pakistan has gone ahead and embraced corporate agriculture.

Thus there is no denying of the fact that some of the least developing countries are dependent on food imports. But sound economics should surely aim at pulling these countries out rather than pushing them into dependence. India is still in a relatively comfortable situation. Economic policies must be reassessed to give due priority to sustainable agriculture. Farmers

must be given remunerative prices for their produce and be provided with an enabling environment for agriculture. In India the government must prepare a plan which would look into all the various inputs required to raise production. For example, jatropha and sugarcane grown for fuel should be allowed to be grown only on waste and degraded land and not on prime agricultural land, as is being done today. China has done a good job by prohibiting 'bread and butter land' from growing anything other than food products.

One of the most significant forms of material insecurity in South Asia is still food insecurity. Unfortunately, governments in South Asia do not seem to be determined to address this issue, which otherwise should be of top priority. The complex causes of the current food crisis require a comprehensive response. There is no easy solution in front of us. Instead, a long-term strategy has to be chalked out to ensure increased production and a better deal for farmers. There is also the need for a drought code, a flood code and a good weather code. Grain reserves are important for food security, seed reserves are important for crop security, and a proper contingency plan must be in place to ensure minimum devastation in case of floods. This makes it all the more crucial to place the goal of ensuring food security for all citizens at the core of all political agendas and strategies for positive social change.

**Archana Sinha**

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## **RISING FOOD PRICES WORLDWIDE**

**T.A. John**

Experts claim that global food prices have risen by 83 per cent over the last three years, with significant

impact on all and especially on the poorest in the world. The global food price watchers are of the

opinion that there are multiple reasons for the global price rise: low stocks, diversion from food

production to fodder and fuel needs, greater demand for food, etc. Globally, the demand for food has been about 1.5 per cent each year; however, it has now risen to 2 per cent.

The current wheat stocks are estimated to be the lowest since quarter of a century. According to the latest FAO forecast, world wheat production in 2007-08 stands at 602 million tons, which is way below expectations and just 1 percent more than that of the previous year. Although in the prediction for 2008-09, there is a 4 percent increase for agricultural production, it will be offset by existing low stocks for the current year. In February 2008, wheat prices had risen by 15 per cent due to low stocks. The main reason for the low stock is due to drought in Australia, the second largest supplier of wheat. India imported 5.8 million tons of wheat in the year 2006-07. According to experts, although India may not have to import wheat for the year 2008-09 for the purpose of distribution in the market, it will have to import 3 million tons of wheat to shore up its stocks. Similarly, FAO forecasts that China will have to import wheat for the current year for its domestic consumption needs. Furthermore, the rise in the prices of edible oils was the sharpest among all food items and is likely to continue. The price of palm oil rose from US \$350 per ton to US \$1250 per ton in the last one year.

The crisis has also been precipitated by the strong demand for biofuels as well as a steady growth in demand for animal feed, particularly in Europe. In 2007-08, a quarter of the US maize, that is, 11 percent of the global maize crop went into biofuel production.

President George W. Bush was perhaps right in his remark that the rising consumer demand for better food in countries like India and China is partly responsible for food price rise. The increase in per capita income has led to a greater demand for meat and milk products worldwide. With increasing demand for livestock products, more grain is being diverted as biofeed. Also, according to FAO, about 250 million tons more grain is being fed to livestock today than two decades ago. It forecasts an increase in production of beef and sheep and goat meat owing to a growing demand in developing countries. India probably is estimated to have witnessed maximum growth in milk production. However, in India, milk and egg prices have risen by about 20 per cent in the last one year. There is additional meat and milk demand world wide. According to the US Department of Agriculture, milk prices jumped 12 per cent in 2007 and production is expected to rise by 7 per cent in 2008. In China the demand for meat has doubled over the last two decades. The European Union also expects milk demand to rise tremendously in 2008. The European Commission predicts the need for an additional supply of about 8 million tons of milk in EU by 2014.

The Government of India believes that the price rise will be under control in a short while. However, some economists tend to think that the rising price trend is here to stay. Still others believe that there will be an overall increase in the price of essential commodities in 2008-09. The rise in prices of food grains has adversely affected the poor households in the world, especially the poor in the developing countries, as the price rise has not been followed by a corresponding rise in

their wages. Given the above situation, there is an urgent need to give serious thought on the issue at a global institutional level. Placing agricultural and food issues on national and international climate-change policy agendas is critical to ensure an efficient and pro-poor response to the present scenario of price rise in basic necessities of life like food. Political will for food security should be given the highest priority, yet in practice it only gets modest attention. Building blocks for developing political determination to end global food crisis can be based on the following strategies: (1) Rights-based policies, as freedom from hunger is a fundamental human right (2) Self-reliance and capacity building supported by ensuring individual and community empowerment (3) Protection from market failures (4) Improved national governance: public investment in infrastructure and research on production and distribution of food at a global level (5) Non-governmental and civil society organisations partnerships with governments so as to foster leadership and ensure the best output, particularly at the local level (6) Environmental pressure, as a result of climate change, droughts and natural hazards (7) Civil society pressure on national and global food policies.

Mechanisms for policy development are keys to food security. However, policy gaps remain, including low conflict-solving capacity, deficient legal and regulatory frameworks, limited human capital and low implementation capacities, low transparency, lack of land ownership, and gender inequalities, which in turn hamper mobilization of action. Rising food prices are of concern in every part of the world and so far there has been little consensus among governments on what to do about the issue. The

spiralling prices are affecting the poor people most seriously and will be a serious hindrance to achieving the Millennium Development Goal of halving hunger by 2015. This is a

time perhaps for substantive change in global food policy, in both developed and developing countries. There is an urgent need to call upon advocates of rights-based develop-

ment and policy makers to get involved in these debates and to find ways to sort out the global food crisis.

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## GLOBAL FOOD CRISIS IN SOUTH ASIA: ISSUES FOR INTROSPECTION

Pradyumna Bora

Starvation and malnutrition have affected millions of people for decades and now there is a new but real crisis which is the “global food crisis”. Globally, food prices are soaring and general expectations are that they will continue to rise. A deadly mix of food scarcity, global warming, rocketing oil prices and the global population explosion is plunging humanity into one of the biggest crises by pushing up food prices and spreading hunger and poverty from rural areas into cities. People around the world are being deprived of the right to food and this is a human rights issue. The right to adequate food and freedom from hunger is enshrined in international law as basic and universal human right. If prices keep rising, more and more people will be unable to afford the food they need for survival. The ruling classes in South Asia have done little either to curb the inflation or to ensure food security for a large section of the population. While the urban middle class with its growing purchasing power has been in a position to buy as much food as it needs, the rural poor, landless farmers, daily wage earners and the socio-economically disadvantaged sections of the society are forced to do with inadequate intake of food.

The South Asian crisis in terms of access to food is also related to changes in agriculture in the developed world as well as the

spiralling oil prices. In USA, the food grain producing agricultural land has been diverted to ethanol producing crops. Earlier, much of the surplus food grains in the USA were supplied to the South Asian countries. The diversion of arable land from agriculture to biofuel crop production has brought down the quantity of surplus food grains which USA used to supply to these countries. The monsoon failures in Australia are another cause for concern. Australia has been compelled to procure food grains from other countries, adding to the food crisis in South Asia. The rising oil prices and the increasing demand for oil in both the developed and the developing world have further aggravated the situation. The countries in South Asia are no exception to this.

If special consideration is given to the food crisis in India, one of the major food producing countries in South Asia, the food grain production in the country has gone up, but at the same time its population has also grown. There is little doubt that the economy has grown, but the pressure on agricultural land has increased while the production of cereals and pulses has not increased adequately, failing to keep pace with the population. Total cultivable land remains the same and the use of fertilizer and irrigation facility is not up to the mark, adding to the crisis.

### Solutions to Food Crisis

- ◆ It is interesting to note that whenever any step to cut down export is taken up in domestic economy, it results in panic in the international market. Such steps therefore do not help stop the crisis but precipitate it. Instead, governments should devise a mechanism where supply and demand would be kept under close lens.
- ◆ Irrigation is a major problem in South Asia and farmers need water constantly. Better irrigation facilities can help increase food productivity. So, the agencies and the government concerned in this area should ensure that water supply is provided according to the needs of the farmer and not according to its own whims.
- ◆ If we can improve agricultural practices across the board we can dramatically increase our food production from existing lands, without having to clear more forests or put more pressure on land. Farmers should have better access to credit, fertilizer, quality seeds, pesticides, electricity and water.
- ◆ In the long run, aid should aim at improving land and labour productivity. Quality research, education, investment and development are keys to this.
- ◆ Marketing is another aspect that requires attention. A network of

centres connected by roads and transport facilities, where farmers can sell produce would ensure better prices for them and also ensure that they maximise production.

- ◆ Industrialisation in South Asia is also one of the reasons which have to be given a close look and governments should ensure that no industry is set up on fertile, cultivable land. The government's development strategy must shift from giant dams and canals to aquifer management and joint use of surface water and aquifers. This

can also help increase rural prosperity.

- ◆ Fuel is very important for any economy and special preference given to bio-fuel cannot be let down. However, this should not be done at the expense of food crops.

Before it is too late, the South Asian countries need to understand the gravity of the crisis and take stern measures for the spread of improved technology. Food crisis can be genocide of a different nature where people could be killed without any warhead or nuclear

bomb. Securing food and reducing poverty can also have a strong impact on efforts to curb the flow of people, especially environmental refugees, within as well as across national borders. A more determined effort is required to check the growth of population, increase the viability of food cultivation, to improve the productivity of land through public measures and to expand and strengthen the public system of procurement and distribution. It would be too late, if ignored now, to wake up to the alarm call and address the issue of food security.

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## **FOOD SCARCITY OF PEASANT HOUSEHOLDS IN SOUTH ASIA**

**Ramesh C Nayak**

More than 70 per cent people in South Asia depend on agriculture for their livelihood. The income of the majority of the peasant households in the region is based on subsistence agrarian economy. India, Pakistan and Bangladesh have common shared history of land revenue administration for centuries in the region. From 1757 to 1947, India was under British rule. The land revenue policy of the colonial government alienated a vast majority of peasant households from their land and their traditional sources of livelihood. The zamindari system of land revenue administration introduced in eastern India (Bengal, Bihar and Orissa) giving ownership right to landlords and tenurial right to tenants alienated thousands of peasants from their land. Social scientists working on agrarian history of colonial India debate on social control over land and agrarian relations that severely affect productivity in agriculture. My argument is that the present agrarian crisis has its origin in the

250 years of colonial exploitation and the subsequent non-implementation of land reforms in post independence India, Bangladesh and Pakistan. The crisis in agrarian economy started with excess collection of land revenue, commercialization of agriculture and production of cash crops for global metropolitan economy. The British introduced commercial crops to suit their interest thus destroying the age-old village subsistence peasant economy. Repeated famines, droughts and food scarcity in colonial India bear testimony to the under-developed state of agriculture in British India. Millions of people had died due to food scarcity. Agriculture in colonial period also suffered from stagnation.

The crisis in agriculture affected the livelihood and employment of small and marginal peasants, landless labourers, tribals and the lower castes who were attached to land. The machine-made products from England destroyed

the livelihood of traditional artisans. The colonial government brought land to the market, destroying the subsistent peasant economy. A small number of zamindars owned majority of land and gave it for share-cropping. The large numbers of tenants held insecure tenure rights on land. This severely affected investment in technology by peasant households and their agricultural productivity consequently declined.

Land reform by the successive governments after independence was not satisfactory. The surplus land after ceiling was not given to the landless peasants. Green revolution was introduced in late sixties to increase production of wheat and rice. The green revolution benefited big farmers than small peasants and agricultural labour households. It was successful because of availability of cheap migrant labour coming from eastern Uttar Pradesh and Bihar to work in Haryana and Punjab. The migrant labourers were brought by labour contractors who under paid these labourers. The

migrant labourers taking lesser wages also pushed the local labourers into less bargaining power, and the local labourers who were mainly from oppressed castes took refuge in non-agricultural work.

Foodgrain production in India has declined in comparison to population growth in the last decade. India has to double its annual foodgrains production from the present 210 million tons to 420 million tons by 2015. The employment in principal crops in Punjab declined from 48 crore man days in 1983-84 to 43 crore man days in 1996-97. The average farm size is also declining. Nearly 80 per cent of the rural households belong to the marginal and small peasant categories. Investment in agriculture has suffered a decline in the past two decades. In Maharashtra, over 55 per cent of the state's peasant households are in debt. The agrarian crisis in the cotton belt of Vidharbha has driven more than 1.5

lakh farmers to suicide. As per World Bank estimates, the per capita income of 75 per cent of people in India is less than one dollar a day. The National Sample Surveys on food and calories consumption also confirm that almost 75 per cent of our people are poor. How can we achieve the targeted foodgrains production when in Punjab and Haryana the peasant households are diversifying their agriculture for more cash crops than wheat and paddy? The food grain production in India will further decline by 30 per cent due to global warming.

According to the report of the Inter-Ministerial Task Force on Agricultural Marketing Reforms, about 50 per cent of the marketable surplus of small peasants is disposed off in distress sale. It is normal for a peasant to get 10-15 per cent discounted price for spot payment for his produce. In South Asia where poverty is high and standard of living is low, people are

depending more on common property resources for livelihood. Their livelihood is severely challenged by loss of these resources to multi national companies that set up industries, Special Economic Zones (SEZs), shopping malls and urban housing colonies. The economic reforms have not benefited the peasant households. In its report "Global Employment Trends for Youth", the International Labour Organisation (ILO) has brought out that the number of unemployed between 15 and 24 years of age has risen. About one third of world's young people are without jobs. The highest numbers of unemployed youth are in India and other countries of South East Asia. As per World Hunger Report 2006, in India, the number of people dying every year because of hunger since 2006 is bigger than the number of those who perished in the Bengal famine of 1943. These are mainly from the poor peasant households of shining India.

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## **GENDERED PERSPECTIVE OF SOUTH ASIA FOOD CRISIS**

**Arani Sinha**

We are at the midst of an unprecedented food price inflation and food crisis. The increase in price and the food crisis are affecting all kinds of foods, but particularly the most important staples such as wheat, maize and rice. The present food crisis is not due to a sudden slouch in food production, but due to the fact that the public stocks globally are at their lowest in the last thirty years. This can be argued more so because since 1961, the world cereal output has tripled, while the population has only doubled. The food crisis is therefore a manifestation of the bad management of global food economy and definitely not due to

increase in consumption in certain countries such as India and China as conveniently argued by a section of neo-conservatives and neo-liberals led by George W. Bush.

The present crisis reveals that food has been transformed from something that nourishes people and provides them with secure livelihood into a commodity for speculation and bargaining. The defining feature of globalization that we witness today lies in the change in the principal function of capital. Instead of being invested for production, capital is largely used today for short term speculative activity, resulting in the metamorphosis of foodgrains

into objects of speculation. The food crisis has severe political ramifications. Major wheat producing countries have either banned or have severely imposed restrictions on exports. So is the case with regard to rice. Thus the crisis is further fuelling speculative activities.

Though all the sections of the society are facing the burden of the food crisis, women rights activists from across the South Asian region argue that it is the women of this region who are facing the maximum burden of the rising food crisis. "With increasing prices of rice, oil, fuel, transport and all

basic commodities, women workers in Asia are the worst hit”, declared the Committee for Asian Women, a regional non-governmental organisation. To begin with, when the food prices rise, women have to bear additional burdens of their families; moreover, as women are generally the last to eat in families they tend to eat even less due to limited food at home. Increase in food prices forces more and more women to take up additional jobs in the informal sector which lacks social security. In this process, some women end up having to do more than two to three jobs. The problem is compounded by the lack of basic minimum wage for female workers in the informal sectors. In many Asian countries the concept of minimum wages in reality is still a far cry and where ever they exist, they do not take into account the rise in inflation.

According to the International Labour Organisation, women make up 38.7 per cent or some 730 million of the Asia-Pacific region’s total workforce, currently estimated at 1.9 billion people. But close to 65 per cent of female workers earn a living in the “vulnerable” and “informal” sectors, where there are no steady wages or social benefits. “The women who work as street vendors are being directly

hit by the increase in food prices, because they have no social protection nor benefits in times of trouble”, says Steven Kapsos, a labour economist at the ILO’s Asia-Pacific regional office based in Bangkok. “Even women working in the region’s garment sector will be vulnerable despite getting a wage, because they do not enjoy benefits to deal with such a spike in food prices”, he argues further.

Female workers in Thailand, the world’s largest rice exporter, are not immune from the hike in food prices either. “Women working in the informal sector are concerned about the rise in the cost of living. The cost of one meal with rice has almost doubled in some places”, said Wilaiwan Seta, chairperson of the Thai Labour Solidarity Committee. “Some women say they cannot afford to give birth to a second child because they worry that milk powder will be beyond their reach”. To be a female worker in such times is to shoulder a larger burden, Jurgette Honculada of the National Federation of Labour in the Philippines said at the conference in Bangkok. “Nearly 40 per cent of the Philippines labour force is either unemployed or under-employed. They are under constant assault”. Women make up the majority of workers in the informal

sector, some 27 million, in the Philippines. “They have no social security, no protection and have to find small jobs that keep them afloat”, she added. “Workers in this sector are eating less and less these days”.

The South Asian region had made enormous strides during and after the green revolution in improving agricultural productivity. In recent years, however, agricultural growth in South Asia has been less than 3 per cent, far below the growth rates of other economic sectors. It can however be argued that even though women and girls are most affected by global crises, they are also among those best suited to take leadership in crisis situations. The disproportionate vulnerability of women and girls is often equated with victimisation. However, the experiences women and girls face as a vulnerable population can empower them with specific knowledge and skills that are essential for creating and implementing sustainable solutions. With the right support, women can move their communities from subsistence farming to commercial farming and even industry. They hold the key to breaking out of the food crisis; to educating the young; to peace, progress and prosperity. Much more needs to be done to empower women.