

Five-point Programme to address Agrarian Distress

What is the issue?

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- Indian farmers are in the state of distress due various uncertainties in agri sector.

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- Such distress can be resolved by a Five-point programme concentrating only on key areas.

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What are five major reasons which lead to agrarian distress?

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- **Income uncertainty** - Agricultural transformation has been very slow in India, therefore, the process of generating higher income from agriculture has also been slow.

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- **Poor employment opportunities** -In the absence of regular employment in rural areas, the rural population, especially the youth, is migrating to urban areas to explore better avenues.

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- **Increased Risks** -Risk in agriculture has been increasing over the years, both production and price risks are leading to agrarian distress.

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- **Lack of infrastructure** -Agri-infrastructure has not developed commensurate with increasing agricultural production.

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- **Poor quality of life** -Rural India still lacks basic amenities such as sanitation, hygiene, drinking water, drainage, schooling and health care.

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What measures had been taken by the government?

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- Union Budgets of FY 2016-17 and 2017-18 were pro-agriculture and implemented many innovative solutions to address agrarian issues.

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- More resources were allocated to agriculture and a number of programmes were initiated to increase irrigated area, improve soil health, promote agro-processing and cover production risk, among other things.

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- All these programmes and schemes function independently of each other, though they cannot completely address the distress faced by the farmers.

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How five point programme will address key areas of distress?

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- **Increasing incomes-** The government has adopted the target of doubling farmers' incomes by 2020.

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- It will require an aggressive push to improve technologies by strengthening the seed sector and the knowledge dissemination system for crop diversification and proper value chain.

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- **Employment generation** - Combining raw and processed products like pappads, pickles etc.by promoting agro-advisor and rural transport will be a game changer.

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- Creating non-farm employment in micro, small and medium enterprises and linking them with the large manufacturing sector is required to achieve success.

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- **Reducing risk** -The Prime Minister's Agriculture Insurance Scheme is already in place to cover some production losses.

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- Though the scheme is good, the compensation is not enough and does not cover the risk of falling prices.
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- Therefore, the government must consider launching a Prime Minister's Climate Resilience Scheme that covers both production and price risks and it should also ensure minimum support prices.
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- **Developing agri-infrastructure** -There is immense scope for high economic and social gains through public-private partnerships (PPPs) in developing agri-infrastructure.
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- The government should constitute a commission to develop the modalities of PPP in rural agri-markets, cold storage, agro-processing, surface irrigation and agricultural extension.
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- **Improving quality of rural life** -Former President APJ Abdul Kalam had coined the acronym PURA (Provision of Urban Amenities to Rural Areas).
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- The aim is to provide urban infrastructure and services in rural hubs in a bid to create economic opportunities in rural areas.
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- The scheme can be revived to improve the quality of life in rural areas.
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Source: Business Standard

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