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● **CHLOROPHILE**

Making contract farming suitable for farmers

Do farmers' rights under PPVFR Act mean trading rights? The PepsiCo case could've decided this

THE KERFUZZLE CAUSED by PepsiCo India taking 11 persons including farmers and traders to court for unauthorised use of its protected potato variety has abated with the company dropping the litigation and the Gujarat government agreeing to play the 'umpire'. The state's Chief Secretary JN Singh said over phone that the company was paying "a good price," and since the government "wants the best possible deal for farmers," it was willing to be a party to the contract agreements between the company and farmers.

Following a backlash on the social media, and criticism in the press, PepsiCo India dropped the litigation despite obtaining a favourable ex parte court injunction against some farmers. In a statement, the company said it was relying on the government "to find a long-term and an amicable settlement to all issues around seed protection."

But the amicable settlement depends on the forbearance of farmers who are not part of PepsiCo India's contract farming system. The tripartite agreements

will also not bind potato growers who have opted out. Governments can do little if potato growers find it profitable to use PepsiCo India's protected seed without authorisation and sell the potato produce to its rivals.

Farmers feel emboldened by the Protection of Plant Varieties and Farmers' Rights (PPVFR) Act. This is a uniquely Indian law enacted in 2001, which not only recognises the rights of breeders (for 15 years) in the novel varieties they have developed, but also gives entitlements to farmers. On the other hand, the International Convention for the Protection of New Varieties of Plants, known as the UPOV after its French initials, primarily protects the rights of breeders while carving out exceptions for farmers.

Under the Indian law, farmers virtually enjoy a licence. They can save, use, sow, resow, exchange, share and even sell—in unbranded packaging—the produce or seed, even of a protected variety, grown in their fields. The law also condones 'innocent infringement'.

In contrast, the US, as a country that rewards innovation, has stiff protection

for breeders' rights. Its Plant Variety Protection Act (note that the term "farmers' rights" is not clubbed to the title) prohibits a person from selling, marketing, offering, delivering, consigning, exchanging or exposing for sale a protected variety without explicit consent from the owner. Growers can save the seeds for their own future planting, of any legally-purchased protected variety, but they are advised to read the label for limitations imposed by patents or contracts.

Farmers whom PepsiCo India sued were found to be growing its FL 2027 variety, which goes by the trade name FC 5. It got the PPVFR Act's protection in 2016. But two farmers we spoke to pleaded ignorance and innocence. One of them said he did not know the seed he had planted was FC 5. He had obtained it from his circle of friends. The other farmer also disclaimed any knowledge of FC 5. Their lawyer said his clients had procured the seed through "customary and conventional methods" from friends, relatives and neighbours. They were not interested in growing FC 5 over which PepsiCo India claims registration or in sowing any seed that violated the law.

PepsiCo India executives point to Fulchand Kachchhava, the managing director of Tirupati Balaji Chips Potato, as orchestrating the unauthorised sale of FC 5 seed and procurement of the produce. Kachchhava said he was procuring 40,000 tonnes of potatoes annually. These include table and chips-quality potatoes. Kachchhava also said he bought potatoes according to their physical attributes and not by their trade names. His family grew ATL, which is similar to FC 5. Another large potato farmer, Parthibhai Chaudhary, who supplies chips-quality potatoes to Balaji Wafers through Kachchhava, said ATL and FC 5 are "same or same." A farmer with 60 acres of land in Deesa, who is not on contract to any of the processors, said FC 5 was being passed off as ATL (ATL or Atlantic is a variety that PepsiCo India had introduced; it is not protected). Vinay Bhardwaj, head of crop improvement at the Central Potato Research Institute (CPRI), Shimla, said ATL and FC 5 have distinct DNA fingerprints. While PepsiCo India says FC 5 is higher yielding, has more dry matter and lower level of reducing sugars, Bhardwaj said ATL is better in some respects.

Farmers whom PepsiCo India sued have had a choice of other chips-quality potatoes like Lady Rosetta, Kufri Chipsona and four versions of CPRI's Rofra, Chipsona. PepsiCo India had offered to buy their FC 5 produce. It said they could join its contract farming system the next season. The amount it is charging for FC 5 seed (₹20-25 per kg depending on size) is not too high. HyFun Frozen Foods, which supplies French fries and other potato products to Burger King and KFC, charges ₹26 per kg of seed. PepsiCo India pays ₹10 per kg of produce. HyFun pays ₹9 per kg at

the farm gate.

Respect for IPRs is necessary for the sustainability of the processing industry, says Hareesh Karamchandani, the CEO of HyFun Frozen Foods, which has licensed a French-fry variety called the Santana from the German plant breeding group KWS. Wouldn't it be unfair for the company if its rivals brought Santana produce from unauthorised growers by paying a slightly higher price because they were saving on royalty payments? Karamchandani says the Dutch breeding company Meijer Potato was reluctant to bring Lady Anna, its French-fry variety, to India because it feared for its IPR. He sees big opportunities in potato processing and exports. India lags in both, though it is the second-largest potato producer. New proprietary varieties suitable for processing and global palates will not come to India if IPR protection is weak.

Sukhpal Singh, chairman of the Centre for Management in Agriculture at the Indian Institute of Management, Ahmedabad, recalls Gujarat farmers gaming the law and selling Bt cotton seed, with the patented genetically-modified insect-resistant trait, in unlabelled packaging early in the last decade at a price lower than that of Mahyco Monsanto Biotech and its franchisees. (Bt cotton seed is protected under a different law, the Patents Act). Singh says the PPVFR Act does not allow commercial exploitation of the exemption it provides for farmers. He says the definition of 'branding' is quite broad conceptually. It means anything that gives identity (tangible and intangible) to a product in the market.

There is no reason why farmers should profit from intellectual property they don't own. If PepsiCo India had persisted with the litigation, courts could have ruled on such practices and also inter-ruled PPVFR's 'brown bagging' provision. The legislative intent was to protect farmers' rights and not traders' rights.

Congress Party leader Ahmed Patel is reported to have said that PepsiCo India was "brazenly wrong" in taking farmers to court. More than 190 organisations also urged the company to withdraw its litigation. Would they have reacted similarly if the protected variety belonged to a farmer or a small Indian company?

Contract farming is good for farmers as they get stable prices, better technology and new markets. At times, market prices will be higher than contracted prices. But a steady income is better than going bust during price slumps.

Contract farmers like PepsiCo India, McCain and HyFun Frozen Foods have incentivised micro-irrigation and other good agronomic practices in areas like Banaskantha where food irrigation was the norm. They have encouraged mechanisation of planting, sowing and harvesting, which is both labour and cost-saving. Techniques like anti-sprouting coating have been popularised. PepsiCo India is the largest procurer of processing quality potatoes. It says it buys 3 lakh tonnes annually. That's a transfer of ₹300 crore to 24,000 contract farmers.

At a conference in 2017, NITI Aayog Member (Agriculture) Ramesh Chand said corporate involvement in agriculture was necessary for profitable and innovative agriculture. He noted that the share of corporate investment in agriculture was just 2%, that of the government was 14% and of farmers 84%.

Singh says his studies of contract farming over the past two decades show that both farmers and companies renege on contracts when it suits them. In Punjab, he found large farmers defaulting more than small farmers. He argues for group contracts that can be beneficial for both small farmers and companies as these reduce transaction costs and improve compliance to contract terms by both parties. He is not in favour of governments insinuating into private contracts. They should frame and enforce laws that protect the farmer interest adequately and are sophisticated enough to take into account the changing dynamics of contract farming. The current model contract farming law, he says, fails in this respect.

MONTHS AFTER IL&FS COLLAPSED India's markets are on a strong run

Investors seem convinced new bankruptcy code is starting to have an effect

IN OCTOBER, SENTIMENT on India's financial markets was bleak. The previous month, Infrastructure Leasing and Financial Services (IL&FS), a Mumbai-based lender with scores of subsidiaries, had defaulted on a series of loans. Stock market indices fell sharply (see chart). Investors worried not only that the firm's losses would directly harm other institutions, but also that similar problems might be lurking in other lenders.

Then the government stepped in. The management was replaced, and state-controlled entities ensured that other non-bank lenders had enough liquidity to enable credit markets to function. From a low point on October 26, financial markets resumed a rise that, notwithstanding several reversals and a lull in recent days, has seen dramatic gains in the past decade. Last month, the major indices, including the Bombay Stock Exchange's Sensex, which includes 30 companies, and a broader index of 500 companies, flirted with the heights they reached before the IL&FS scare—even though American sanctions on Iran pushed up the price of oil, India's biggest import.

Looking lively

Crucial to the rally have been foreign buyers, whose activities are tracked and reported by local exchanges. Their importance is a consequence of the odd ownership structure of Indian companies. More than half the shares of private companies are held by "promoters", managers with controlling stakes, who rarely trade. Similarly, the government sits on its shares in the numerous semi-public companies in which it holds large stakes, in sectors such as banking, coal and oil.

Of the "free float" (the shares not locked up and thus available to trade), foreign institutions owned about half, reckons Gaurav Narain, head of equities for India at Ocean Dial Advisers, an asset-management company. They thus play a crucial role in setting prices. And, in recent months, they have been pumping billions of dollars into Indian shares. That is, no doubt, partly a result of broader enthusiasm for emerging markets that has led to rallies elsewhere. But there are also India-specific reasons.

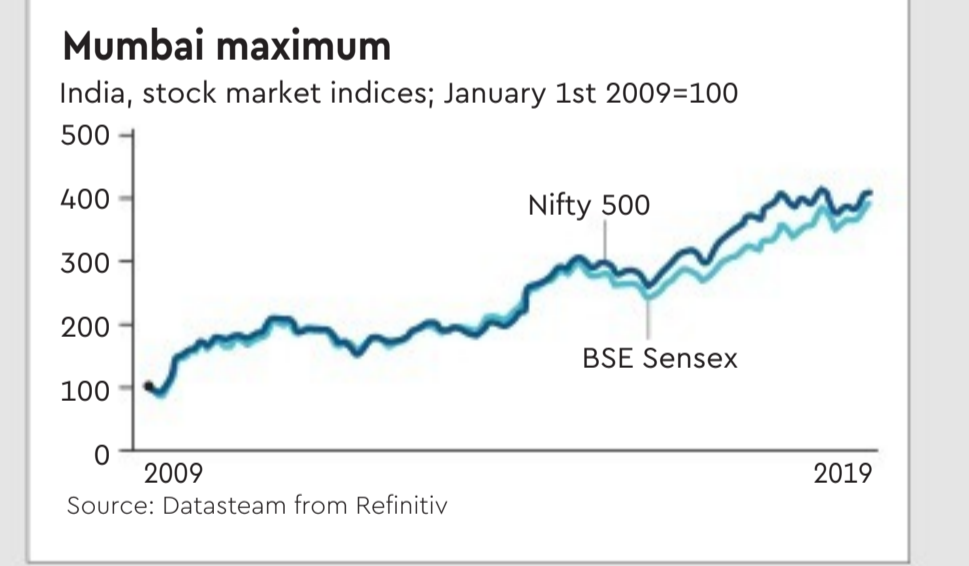
The first is election. As a bitter campaign reaches its final stages, fears that the result will be a destabilising muddle have receded. Narendra Modi, the current prime minister, looks likely to remain in office, albeit with a reduced majority. He has not lived up to all the business-friendly promises he made before entering office, but investors would still prefer stability over unpredictable parliamentary horse-trading.

More significant, some sectors of India's economy that have been through serious problems are now doing well. The best-performing, up more than 70% since the October dip, is airlines, which have been in the news since the collapse in April of Jet Airways, once India's largest private airline. Though Jet's shareholders were largely wiped out, shares of other airlines rose on the prospect of less competition and higher fares.

Shares in some private banks have also appreciated, though less dramatically, buoyed by the demise of IL&FS. So have those in the cement sector, plagued by overcapacity in recent years: a flurry of mergers and acquisitions is letting prices stabilise. Even in telecom, where competition from Jio, of Reliance Industries, one of India's biggest conglomerates, has been relentless, rising share prices suggest business conditions are improving. Some of Jio's competitors have merged and there are hints it may be tiring of a costly price war.

India's rising stock market has not benefited every industry. Vehicle and apparel stocks, for example, have declined as sales have slowed. The specifics suggest something less indiscriminate than a bull market, and more hearteningly: that tighter bankruptcy laws passed in 2016 are finally biting, and rotten financial structures are being exposed. With fewer "zombie" companies able to stagger on endlessly, healthy competitors will be less likely to get dragged down.

THE ECONOMIST



FULL STATEHOOD FOR DELHI

THE AAM AADMI PARTY'S manifesto for the 2019 general elections reiterates its 'sole objective' of "making Delhi a full state." The 35-page document belabours the point with fallacious arguments, even citing specious instances as of the Vatican and universities in US cities, to buttress the claim, which but tantamount to sophistry.

Somewhat of a diarchy, a dual centre of powers is not unique for Delhi. Most metropolitan capital cities across the world have their own unique governance systems. Explaining how the multiplicity of authority impeded implementation of Delhi's master plan and policy, former mayor of Madrid's central district, now at Marron Institute of Urban Management, Pedro B Ortiz maintains that "a metropolis needs a federal system." Sharing a similar view at the recent consultation "Re-inventing Delhi" on Delhi's 2041 Master Plan, Sebastien Maire, chief resilience officer of Paris, held that "a central agency" is well placed to resolve "the biggest challenge of coordination among multiple stakeholders."

With a plethora of elected and other agencies, with little coordination, the administrative structure for Delhi is in need of drastic remake. In addition to 272 councillors in three municipalities, 70 MLAs in NCT, 7 MPs, there is NDMC for the cloistered Lutyens' zone, and Cantonment Board, not to talk of Union government controlling its land and policing. Strangely, Arvind Kejriwal has never made a serious bid to wrest control of MCDs,

AAP's obsession is a misplaced priority

Kejriwal may well ponder how this obsession in reality dwarfs the space he needs for action

RAGHU DAYAL

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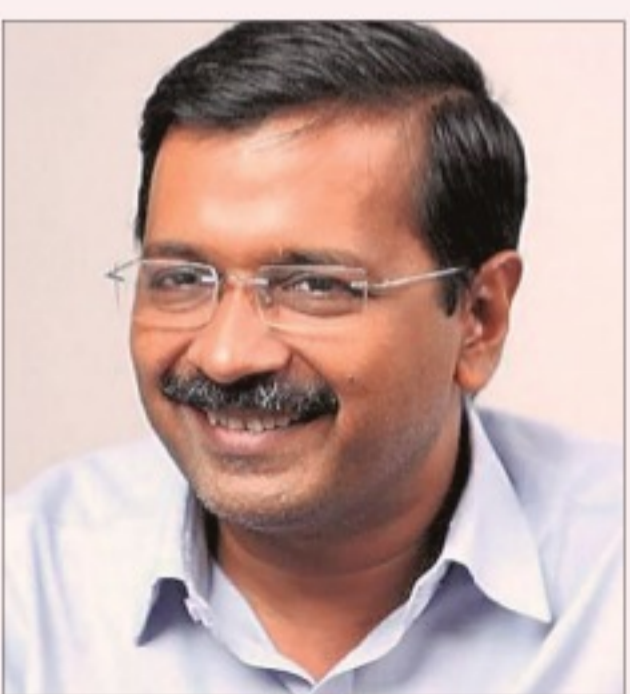
which deal with salient issues of concern to citizens.

Notwithstanding both the Congress and the BJP being guilty of promising full statehood for Delhi in their election manifestos and reversing the stand when in power at the Centre, the issue has often been debated. The Supreme Court recently underlined the unique nature of the role assigned to the LG, advising the CM and the LG "for a harmonious working relation" to serve the people. Well known for his short fuse, Kejriwal termed the verdict as "anti-Constitution" and "anti-democracy." Worse still, one of his senior colleagues contemptuously termed it "a *naib tehsildar* court."

Betraying ignorance of gigantic challenges Delhi faces, most of AAP's 2019 manifest signifies much of old wine in old bottles—free supply of water, much

cheaper electricity, houses to all middle class people, even undesirable, if not irresponsible, promises with the potential to damage primary and higher education, et al. ("We will build so many colleges and universities that even those with 60% will get seats.") Instead of ferreting out anachronistic populist platitudes, its leadership needed to indicate its serious intent of collating best practices worldwide for sagaciously and earnestly devising a sustainable framework conducive to rebuilding the metropolis with a happy blend of its pristine heritage with rising aspirations of a new India, in concert with the Centre and neighbouring states.

Kejriwal pooh-poohed the former three-term CM Sheila Dikshit's counsel that, notwithstanding Delhi's powers being performance limited, due to its special



status as a Union Territory, Delhi state can indeed do a lot as her government successfully operated within the limited jurisdiction. He had no qualm in adding, "Still in the last four years we have done more work than her government did in 15 years." Which magic did the humble *jhadu* wield to clear the Augean stables? The hyperbolic claim was in tune with the general tenor of AAP's self-delusion. Consider his glib claim: "India is being known at the world stage due to the Delhi model of governance." and his thunder at AAP's 6th Foundation Day, "The revolution in health and education witnessed in last three and a half years in Delhi is being talked about internationally!" Isn't it a stark instance of inflated *amour propre*; Kejriwal couldn't be unaware of the perils of narcissism.

First, the AAP needs to do due diligence

to comprehend how much Delhi by virtue of being the capital city benefits from a plethora of central government-aided facilities—educational, medical, infrastructural, fiscal. Instead, the AAP chooses to sow seeds of parochial view of India, maintaining that vacancies in Delhi government are "scooped up by people from outside," and that students from other cities and states corner all available seats in colleges and universities!

Second, like China envisioning three big urban clusters—along the Pearl River, Yangtze River and the Beijing-Tianjin corridor, each with 50 million people or more—Delhi needs to calibrate its plans in the context of the National Capital Region (NCR). Delhi confronts gargantuan problems. It may boast of an annual per capita income of ₹3.29 lakh (2017-18), almost thrice that of India, and has almost 2.5 lakh homeless people, and 49% of its population in slums and unauthorised colonies. With people pouring into the city and cars pouring on to roads, the outlook for the environment looks grim. Mysterious encroachments devour the green belt and create lucrative real estates. The number of *jhuggis* shot up from 12,000 in 1951 to 5 lakh now. It has some 75 lakh registered vehicles. If population and diseases don't kill, the capital's roads do. Migrants formed 45% of the addition to city's population in 2011, up from 40% in 2001, which is projected by MPD-2021 to rise to 50% in 2021.

Whereas the AAP-ruled 1,483 sq km NCT around Delhi as its core is estimated by the Master Plan to be home to 2.3 crore by

2021, the NCR, extending over 55,098 sq km, including 23 districts from three states, is projected to home population of 6.4 crore by 2021, up from 4.6 crore (Census 2011). Incredible is it that NCR be treated as a Common Economic Zone, with rationalised interstate tax structure, uniform financial/banking services, telecom facilities and power supply, integrated education policy, health policy, rail and road transport network, water supply and drainage system.

The AAP appears justified in claiming that it broke "the spine of corruption in Delhi" in its initial 49-day government. It needs to introspect why the aura evaporated. Its biggest positive contribution was before it first came to power in Delhi. With avowed unconventional politics, its astonishing debut generated a wave of optimism, a hope to cleanse the country's debauched politics. It needs to ponder why what looked like a green oasis in political wilderness soon proved to be a mirage.

Born with birthmark of perilously populist promises of freebies, the AAP finds itself unable to transform its apparatus from the protest mode to responsible governance. From Jantar Mantar to Sachivalaya is a long journey, which, it has sadly shown, it is unable to comprehend, much less complete. Kejriwal needs to heed the wisdom of the adage—it's only a bad worker who quarrels with his tools. There is a lot that needs to be done, and can well be done within the limitation of powers available to the NCT government. Why must he let an impression persist that, for him, it has to be the AAP way or no way.

Opinion

MONDAY, MAY 13, 2019



NO RUSH ON TRADE TALKS

Donald Trump, US president

Talks with China continue in a very congenial manner—there is absolutely no need to rush. In the meantime we will continue to negotiate with China in the hopes that they do not again try to redo deal

Mess in the Supreme Court gets worse, who will fix it?

If three court orders have been changed to suit the interests of certain parties, this speaks poorly of how the SC is being run

ITMAYOR MAY not be true that the Supreme Court is being manipulated by certain 'fixers' in order to 'manage' judgments in exchange for cash, as was alleged by lawyer Utsav Bains in his affidavit in the case relating to the sexual harassment charges against Chief Justice of India Ranjan Gogoi. In his affidavit, Bains is supposed to have mentioned a few names of persons who said they could fix the bench of the judges to get the judgment they want. That is why, the SC bench led by Justice Arun Misra and comprising Justice RF Nariman and Justice Deepak Gupta, said that the entire country would lose faith in the judiciary if the affidavit was not taken on record for further investigation. While this charge of fixing benches, linked to the charge that CJI Gogoi was framed by these very fixers, will be probed by retired Justice AK Patnaik, it would appear the mess in the Supreme Court—and perhaps other courts as well—goes beyond the allegation of fixing benches. Three disturbing instances have come to light in just the last month or so.

In the case of industrialist Anil Ambani who was asked to appear in the Supreme Court in connection with the ₹400-crore Ericsson dues case, the Supreme Court website—where the orders/judgments are uploaded for everyone to see—said that a personal appearance was not required though the judges had said that it was required. When this came to light, two SC staffers were found to have been responsible and they were dismissed, and even arrested by the police; it is not clear if the investigation has made any progress but it is obvious the SC staffers were paid by someone to switch the orders. In other words, fixing has been taken to another level since, in such cases, it doesn't matter what the court has ruled/ordered, a different result can be posted on the website. The three instances of the last month were caught out, but what of others that are not so high-profile and go unnoticed, or of possible changes made in the fine print of some judgments; who checks against possible abuse here?

In the case of the Rafale review petition and Congress president Rahul Gandhi's contempt petition—for wrongly saying the SC had said there was corruption in the Rafale deal and that prime minister Modi had given Ambani orders worth ₹30,000 crore—CJI Gogoi had, in open court, dictated that the two cases would be heard together on May 6. On May 6, when SC was hearing the matter and CJI Gogoi asked for the file in the contempt case, he was told that was listed for May 10, the last working day before the court breaks for summer vacations. Once again, someone benefitted from the Rahul Gandhi matter getting postponed, with a final decision likely to come after the elections were over, and got someone in the SC to try to ensure this. Even more bizarre is the case of Amrapali builders where directors of various firms who supplied goods to it were ordered by the SC to appear before forensic order Pawan Agarwal; the court order that was put on the website, however, directed that they appear before another forensic auditor Ravinder Bhatia; presumably that means one auditor was seen as more likely to uncover the truth. While the jury remains out on whether the handling of the sexual harassment case—and the various allegations made by the victim including her sacking along with her husband/brother-in-law—has hurt the SC's image, it is clear that these three incidents have laid bare another part of the court's underbelly. For the court's reputation to be restored, credible action needs to be taken on this front as well.

More DUs, not more quota

AAP's talk of 85% quota for Delhi students in DU unrealistic

THE AAM AADMI PARTY (AAP), in its manifesto for the ongoing Lok Sabha elections, promises 85% quota in Delhi colleges for students who have completed their senior secondary level education from Delhi schools. The fact is the 'war-cry' is of little value—just rhetoric in the admission season, as Delhi students vie with aspirants from rest of the country for seats in the colleges under the prestigious Delhi University. The AAP knows that getting Delhi University colleges—even those that receive funding from the Delhi government—to reserve seats for locals can only happen if the Delhi University Act of 1922 is amended by Parliament. The AAP-led Delhi government passed a resolution in 2017 to demand the amendment. But, despite the Congress government under Sheila Dikshit having passed a similar resolution in 2013 and the Delhi unit of the BJP raising the demand for quota for Delhi students in DU, the AAP hasn't been able to generate support in Parliament; there is little reason to expect things would be different this time around, even if the AAP registers a stronger presence in Parliament. Besides, regional parties will oppose attempts to dilute the prospects of students from their states.

The quota demand sidesteps the real issues afflicting higher education. While, ideally, a university/college should be serving the needs of the local student population—and that would mean a healthy university/college density in a geography—there is great disparity amongst states when it comes to higher education infrastructure. As per AISHE 2017-18 data, there are 903 universities in the country and nearly 40,000 colleges in the country serving 36.6 million students. This problem of inadequate higher education infrastructure is greatly exacerbated by both yawning gaps in quality of education between the institutions and the disparity between states in terms of infrastructure. For instance, while a Bihar has just 7 colleges per lakh of tertiary-education age population, Karnataka and Telangana have 51—against a national average of 28. Central universities thus become a lifeline for students from states like Bihar. Another, perhaps far more important, problem is the difference in the marking standards different boards, including the state boards, follow. In an ideal world, there would have been fair competition between a student from Bihar State Board and a student from Delhi Board, or even a CBSE student for a seat in, say, Delhi University. But, the students from the lenient boards are always at an advantage vis-a-vis the rest with university cut-offs being based on XII marks. Competitive leniency has led to the unhealthy practice of 'moderation' amongst boards where evaluation is deliberately made lax. Apart from impacting the quality of educational outcome at colleges, this has also meant cut-offs in a Delhi University remain astronomically high even in the slug overs of the admission season.

The solution lies in developing higher education infrastructure, perhaps with the private sector facilitated in playing a larger role. The AAP would be much wiser, thus, to look at fulfilling a different promise it made to Delhi voters in 2014—of setting up 20 new colleges—instead of demanding 85% quota. At the same time, a nationwide test for college admissions, like the American SAT, should be looked at. A National Testing Agency, which conducts four major national-level entrance exams, could do this easily.

Elephantine PROBLEM

Four African nations want ivory trade permitted to control fast-rising elephant populations

WHAT WOULD INDIA do if tiger conservation became a resounding success, but man-tiger conflict increased exponentially? Five African nations are facing a similar challenge. Conservation efforts have seen the number of African elephants swell within their territories, and now they are facing a backlash from the people who share the elephants' habitat. Rural populations in Botswana, Zimbabwe, Zambia, Namibia—together, home to 60% of the African elephant population—and Angola want their governments to secure their lives and property from "marauding" elephants. The rare conservation success must be read with the fact that the pachyderm is still classified as vulnerable by the IUCN and faces extinction in many nations—east African nations lost 111,000 in 2006-2016 to poaching.

The five nations are in a meeting in Botswana since last Friday to discuss "concrete interventions". As per a Bloomberg report, ivory stockpiles are also on the agenda. Botswana, Zimbabwe and Namibia are lobbying with the Convention on International Trade in Endangered Species of Flora and Fauna to get approval. Zimbabwe and South Africa were the last to receive such approval, in 2008, for a one-time only sale of their stockpiles to China, but given ivory sales encouraged demand and led to poaching, there is overwhelming support for moratorium on ivory trade. The five nations say that the populations are becoming too large for them to sustain—in Botswana, it is over 160,000 today, up from 55,000 in 1991—and the people who live alongside the animals should be allowed to benefit from them. But, once the floodgates are opened, there is no controlling what comes after. If ivory trade is allowed for these nations, countries like India will find it difficult to protect their elephant populations, with illegal ivory being "whitewashed" in African trade.

FROM PLATE TO PLOUGH

APART FROM TALK OF DOUBLING FARMERS' INCOME AND HIGHER MSPS, THE BJP HAD PROMISED FAST-TRACK ACTION ON 99 IRRIGATION PROJECTS AND FCI REFORMS. NONE OF THIS HAS HAPPENED

The perils of over-promising

WE OFTEN FEEL proud of our democratic system of governance. But, it also has a blot, which is magnified in the ongoing election campaign. Instead of discussing what the BJP/NDA promised in its manifesto of 2014, and how far they have been able to deliver so far, the political discourse has drifted far away. Accusations and counter-accusations are being hurled on who was/is more corrupt, of course, without any proof. All gloves are off, and now the ditch battle for power is bayonet to bayonet. And when political parties approach the Supreme Court against the failure of the Election Commission to act against violations of the model code of conduct, our political system seems reaching its nadir. Yet, I hope things will return to normal after election results, and real issues will haunt any government that comes to power. We focus here on the key issues that confront the food and agri sector, including the issues of farmers' incomes.

In 2014, BJP manifesto promised to implement the recommendations of the Swaminathan Committee report, especially the one on minimum support prices (MSPs) being 50% above cost. For four years after being in power, the BJP/NDA never talked about it. In the fifth year, it announced MSPs 50% above cost, but the reference cost was lowered from comprehensive cost (C2), which was implied in the Swaminathan formula, to Cost A2+FL (paid out costs plus family labour). Cost A2+FL is about 38% lower than Cost C2. Farmers saw through the trick and felt cheated. And when market prices remained 10-30% lower than the announced MSPs for most crops, farmers lost any hope to get remunerative prices for their produce. In



the meantime, BJP changed the goal post to doubling farmers' incomes by 2022-23. Whatever little I have learnt about agriculture in my professional life, I can say confidently that the government can't achieve even half of this target by 2022-23 with the set of policies it has been following for the last five years. What pains me to see is how ministers, bureaucrats, and even many academics parrot this to please their masters. Either they don't understand the challenges in agriculture or they are simply befooling people. There is a famous saying, "You can befool all the people for some time, some people all the time, but not all the people all the time!"

My humble assessment of the BJP's promises and performance of the last five years is that they suffer from perils of over-promising. Their achievement in food and agri-space is not even half of their promises. Let me cite some examples beyond the promises of higher MSPs and doubling farmers' incomes.

One of the major promises in the BJP's 2014 manifesto was reforming the foodgrain management system. In fact it had explicitly stated to unbundle Food Corporation of India (FCI). Did it do this? The short answer is 'no'. Grain management system broadly stays the same, with all its ills where these were in 2013-14, with one notable change. It is the introduction of POS (point of sale) machines at large number of fair price shops. The government claims



that it has weeded out 2.75 crore fake ration cards. If so, why has the PDS off-take not fallen? In fact, the PDS off-take has been gradually rising, and so has been the procurement and stocks with the government. On April 1, the grain stocks were more than double the buffer stocking norms, reflecting high economic inefficiency. The food subsidy bill is touching ₹1.84 lakh crore in the FY20 budget. What is less known is that the outstanding dues of FCI have been mounting, touching ₹1.86 lakh crore now. FCI has been asked to take loans after loans to keep the wheel running. These loans have now touched ₹2.48 lakh crores. The upshot of all this is that the grain system remains as messy as it was in 2013-14, and the figures of fiscal deficit given in Union budget are all murky. No major overhauling of the grain system has happened, despite the sweeping reforms that were suggested by the Shanta Kumar panel that was set up by the prime minister himself.

Take the case of public irrigation. After two successive droughts in 2014 and 2015, the government identified 99 projects that were at advanced stages of completion, and vowed to complete them by December 2019. Long Term Irrigation Fund

(LTIF) of ₹40,000 crore was created with Nabard to help states complete these projects in time. But, the BJP manifesto of 2019 states that, so far, only 31 projects have been completed. However, our research into this reveals that the command area development has taken place only in case of six projects. What this means is that farmers have received water in their fields only in six out of 99 projects so far. That's the pace of progress in drought-proofing the country!

One can go on and on to show how the achievements in most projects fall way short of the promises made. But, my purpose here is not to be too critical, but to show the challenges inherent in food and agri-space, which get compounded when you have incompetent people at the helm of affairs to deliver. When a political party cannot deliver even half of what it promises, what would you call it? A failure? An over-promise? Or an attempt to befool people? You can pick your answer.

This problem is not just with the BJP today, but also with the Congress in opposition. The manifesto of 2019 promises all-India loan waiver, ₹72,000/- per year income support to bottom 20% of population (NAYAY), higher MSPs, and so on. Again, over-promise when in opposition!

Instead of discussing these promises and performance, our political discourse has skidded to emotive non-economic issues of caste, religion, etc. This weakens the foundations of democratic system. But, who cares? Elections are all about grabbing power. It is only coincidence that each one promises to serve the poor.

Digitise the vote

There is no reason why, by the next general election, India shouldn't have made casting votes remotely possible. In fact, it will save a lot of election-related expenditure

With over a billion voters, the next election (assuming the incoming government lasts full five years) will need to be planned even more carefully than this one. Stretching the voting over nearly six weeks, from April 11 to May 19, is no doubt necessary because of the stretch of land, difficulty of access in many parts of the country and the difficulty of maintaining order. Even the Election Commission must be stretched now, monitoring the multiple violations of the Code of Conduct, to say nothing of the many more false allegations by parties. The Supreme Court has also been needlessly busy with parties rushing to it for some real or imagined violation of the law.

The use of EVMs speeds up voting and counting. India is a pioneer in this respect, though the likely losers are dreaming up a variety of objections and wish to revert to old handicraft technology—the paper ballot. This time, the Supreme Court has thwarted them. But losers always come back.

The more serious problem is of people having to return to the constituency where they have been registered as voters. There is no reason why they should lose their votes if they do not return. A country which can use EVMs and has a billion-plus mobile subscriptions can surely take the next step in improving people's chances of voting. At the very least, a system of postal voting should be devised which is safe from fraud. In UK, I regularly get a letter from the Election Commission or the local authority to confirm my name on the register. I am also asked if I wish to cast a postal ballot which I can in advance of the date of voting, and the envelopes are not opened till the counting begins. At the very least, India should allow postal ballots. This would result in an extra 50 million votes being cast.

My next suggestion is more radical. After careful piloting, India should pioneer remote voting. This can be done electronically online or by smartphone. Popular TV shows solicit online voting all the time quite effectively. It would mean giving each voter a unique number and then a password with sufficient care for averting voter fraud. Aadhaar is already there to aid in this task. A new generation has arrived which does things on the move, something which my generation could never imagine. They bank online, date online, shop online, hail taxis using their phones book holiday accommodation online. The idea of having to turn up, even once in five years, at a particular location within certain time limits to cast your vote will appear bizarre to them. India has made enormous strides in digitisation. It cannot be beyond possibility that the option of voting at a distance be implemented.

The one advantage this has is that the election cycle can be shortened. Voters can be allowed to vote on any day within an interval of, say, one week. Those who wish to push the button on an EVM physically and enjoy the festival of democracy can go on doing so. But, if more voters choose to vote remotely, then the law and order problem can also be more manageable. There will be complaints of voter fraud no doubt just as now there are demands for paper trail. That can be left to the Election Commission to handle in its usual way.

A shorter election cycle has other

advantages. It will ease the burden on the Election Commission of monitoring the adherence to the Model Code of Conduct. But, there are also ways of making the cost of complaining higher, to reflect the resource cost in terms of time and personnel for the Election Commission. It seems complaints against rival parties are part of an election campaign. As of now, the EC imposes ban for a day or two on the culprit campaigning. I would propose that the punishment should be on the analogy of sports tournaments. Persistent frivolous complaints should cost the candidate costing them a certain number of votes when the counting is done.

If let us say for each complaint rejected, the candidate was to lose 5,000 votes, we may get some seriousness in the behaviour of political candidates. As it is, the costs of wasting the time of the Election Commission are too low and do not restrain anybody. Why else would we have the same old, tired complaints like the one about Rahul Gandhi's foreign citizenship turn up at each election?

It may also help the Supreme Court to have similar powers of punishing candidates for time wasting. The court should be allowed to impose higher sanctions, including declaring the election null and void or preventing the candidate from taking up seat in the Lok Sabha for a period of time. An even better solution would be for the Court to say that they will only hear complaints which they deem serious immediately. The others would be heard after polling is over.

MEGHNAD DESAI

economist and Labour peer



LETTERS TO THE EDITOR

2019 polls: A return of the coalition era?

Narendra Modi, in one of his interactions on assumption of power in 2014, remarked that there was no vacancy for the post of prime minister till 2024. The five phases of polling, in which nearly 80% got the finger inked, do not seem to indicate the fruition of his wish—his return to power. Modi's last-ditch attempts to woo the voters showed up his desperation and capacity to be graceless. His belief that statements on possible defection of 50 TMC MLAs, the alleged Congress-SP conspiracy against Mayawati and on how Rajiv Gandhi 'died as Corrupt No. 1' and on the misuse of warship INS Viraat by Naamdar' (Gandhis) for junket, as if it were a 'personal taxi' was simply misplaced. We do not expect India's prime minister to be a graceless leader. The likelihood is that BJP will fall far short of the numbers to get the invite from the president for formation of the next government. It is unlikely that the BJP will make up for the losses in states where it reached the saturation point in 2014 with the gains it now hopes to make in states like West Bengal and Odisha. A hung Parliament appears to be what we are headed to. One thing is for sure—it is going to be a coalition government. — G David Milton, Maruthancode

Amul sponsorship

It is really delightful to know that Indian dairy giant Amul will be the official team sponsor of the Afghanistan cricket team at the upcoming World Cup. It is indeed a pride for our nation and a feather on the cap of Amul. Amul is a pure symbol of upliftment and empowerment of rural India and its association with the fastest-growing cricket team in the world is welcome. — M Pradyu, Kannur

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