Reforming Agriculture

What is the issue?

- The first meeting of the Chief Ministers' Committee on transforming agriculture took place recently.
- In this meeting, it was proposed to link the allocation of Central funds to farm sector reforms in states.

Why do farming reforms have low progress?

- Several farm sector reforms initiated by the Centre have failed to make much progress.
- This is because of the states' apathy, the denial of funding which may prove counterproductive and undermines the spirit of federalism.
- Squeezing funds would be unfair to do in the above case. But if it is attributable to administrative lethargy and inefficiency or politically motivated one-upmanship, harsher fiscal steps may be justified.

Why the tie-up could be done?

- Leveraging Central finances for pushing states to hasten reforms is not new.
- In 2017, the NITI Aayog had advised the agriculture ministry in 2017 to tie up a part of the grant under the Rashtriya Krishi Vikas Yojana (an umbrella farm development scheme) with the implementation of farm sector reforms.
- However, this proposition was not pursued due to the fear of backlash from state governments.
- But if some chief ministers are themselves veering round to this view, it may be worthwhile to try it out, even if on a selective basic.

What change could be done?

- A beginning can be made to push reforms in fields such as agricultural marketing, land leasing, contract farming, crop insurance, and agricultural credit.
- A way to avoid the states' indifference towards the Centre's farmer-oriented agenda could be to shift agriculture from the State list to the

Concurrent List of the Constitution's Seventh Schedule.

Who suggested such a change?

- Such a statutory translocation of agriculture was suggested by the **M S Swaminathan-led National Commission on Farmers** in its final report in 2006.
- The **Dalwai committee's report, 2018** on the issues related to doubling farmers' income by 2022, also favored putting agricultural marketing on the Concurrent List.
- However, the amendment to the Constitution for this purpose would require the support of 2/3rd members of both houses of Parliament and an endorsement by a requisite number of state legislatures.

What is the way forward?

- To carry forward some vital and need-based reforms in agriculture to restore profitability and mitigate farmers' lingering financial woes.
- Exit avenues also need to be created to let farmers quit farming if they intend to do so to improve their livelihood prospects.
- The Chief Ministers' panel could come out with practically feasible plans to rejuvenate the country's farm sector.

Source: Business Standard

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