

Critical Assessment on the Promises and Performance of the Akali-BJP Government in Agriculture Sector in Punjab from 2007-17



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Abstract

Agriculture is the backbone of the Punjab economy but the conditions of the agriculture in Punjab are becoming worse day by day. The structural transformation process in Punjab has reduced income generation in the rural economy. This leads to severe problem of indebtedness and farming suicides in Punjab. So there is a need to critically assessment of the performance of the Akali-BJP Government in Agriculture Sector in Punjab Since 2007. The present study is an attempt in this direction. The study is based on secondary data and the study observed that Akali-BJP Government fulfill many of its promises made to the farmers of Punjab and also taken various admirable steps for the development of agriculture like reintroduction of free of cost electricity for the farmers for operating tube wells, issuing new tube well connections to the farmers, health care of farmers, establishing centers of excellence, mega food parks, facilities of easy loans to the farmers etc. The study suggested that there is a need to do more in the field of agriculture to end the persisting crisis of this field.

Keywords: Agriculture, Crises, Farmers, Government, Promises, Performance.

Introduction

Notwithstanding the fact that Indian economy is based on agriculture but the conditions of the agriculture particularly in Punjab are very pitiable. The structural transformation process in Punjab has reduced income generation in the rural economy, although the population continues to be dependent upon agriculture as the most important source of livelihood. The commercialization and mechanization of agriculture have distorted the self-sufficiency of villages, forcibly exposing them to the vagaries of the market economy.¹ More and more farmers are living the farm sector. So far as many as 22 per cent of the farmers in Punjab have left already farming and are working as labourers, whereas about 41 per cent of farmers are seriously contemplating to leave the farm sector.² This is because of the input cost in agriculture (diesel, fertilizer, pesticides etc.) had increased tremendously, whereas the income had reduced considerably. The small and marginal farmers in Punjab are compelled to take loans from the money lenders at a high rate of interests, in order to manage their day to day affairs and basic needs. The study conducted by professor S.H. Shergill, a well known economist with the Institute for Development and Communication, records that farm debt over 1997-2008 at the current prices has gone up five times from Rs. 5700.91 crore in 1997 to Rs. 30,394.12 crore in 2008.³ Because of the trap and inability to repay the loans, the farmers are compelled to commit suicides. According to the data collected by the farmers bodies over the past fifteen years the number of farmers suicides was: Sangrur (1046), Bathinda (750), Moga (475), Mansa (424), Feorozpur (77), Muktsar (61), Faridkot (25) and Ludhiana (12).⁴ The Government of Punjab in a report to Central Government has confirmed 2116 farmers' suicides since 1988 due to indebtedness but the actual figures according to unofficial sources was more than 40,000 between 1988 and 2005.⁵ Not only the farmers committing suicides but agricultural labourers also doing so. A study of the two worst affected districts, Sangrur and Bathinda reveals that a total of 2,890 farmers and agricultural labourers from just two districts killed themselves between 2000-2008 about 87% of those who lost their lives were either small

farmers or agricultural labourers. A total of 1,757 farmers and 1,133 agricultural labourers committed suicides in Bathinda and Sangrur. The further break-up reveals that in Bathinda, 773 farmers and 483 labourers, and in Sangrur 984 farmers and 650 labourers ended their lives. About 65% of the suicides were due to indebtedness. Agricultural labourers make-up 39.2 % of these total suicides.⁶ This shows the worse condition of agriculture sector in Punjab. So there is need to analyse the promises and performance of the Akali-BJP Government in Agriculture Sector in Punjab Since 2007.

Objective of the Study

1. Agricultural conditions of the farmers from 2007 to 2017
2. Crises condition of the farmers of Punjab from 2007 to 2017
3. Akali-BJP Government policies, premises and performance.
4. Critical assessments of the Akali-BJP Government.

Data Base

The study is based on secondary data sources and the data is collected from various books, journals, newspaper, websites, Diary of Punjab Government etc.

After independence, India had adopted the parliamentary form of government with federal set up in which the state governments play a crucial role in people's well-being along with Center Government. The protection and promotion of socio-economic welfare of the people purely depends upon the performance of their respective state governments in India. This is true in the context of Akali-BJP coalition governments in Punjab. In spite of the blames of instability on coalition governments, the Governments that were formed in 1997, 2007 and 2012 by the SAD-BJP under the leadership of Mr. Parkash Singh Badal, completed their full terms of five years successfully. These Governments have made various achievements in different fields as they promised in their manifesto. As regarding the performance of the Akali-BJP coalition Government Chief Minister Parkash Singh Badal Said to The Tribune on December 28, 2016, "Punjab Government is committed to the welfare of each and every Punjabi".

After assuming the office the coalition government of the Akali-BJP started taking various bold steps and initiatives to fulfill the promises, which it had made with the people in its manifesto during the elections.

Promises of Akali-BJP government in Agriculture field 2007-2017

1. The SAD-BJP coalition promised free power supply and new tube well connections to the farmers along with free canal irrigation.
2. The SAD-BJP coalition promised that a new 'Crop Insurance Scheme' would be introduced to recover the crop damage.
3. The SAD-BJP made promise that they would computerize all land records to facilitate the farmers.

4. They also promised that SAD-BJP would provide assistance to the families of the farmers had committed suicides including distressed farmers.
5. They promised that Akali-BJP government would strive for minimum support price for all major crops. The prices of agricultural production would also be linked with global market.
6. To improve the agriculture sector new research, marketing and training centers would be opened in the state along with training programmes to break stagnation in agriculture.⁷
7. The SAD-BJP would give education loans up to 10 lakh for the children of poor and landless farmers at low rate of interest.
8. No land would be acquired without the consent of farmers. The Government would pay proper market price to farmers for acquired land.
9. Rich quality seeds, pesticides and fertilizers would be provided at low rates by the Akali-BJP Government.
10. Horticulture would also be paid special attention.
11. The Akali-BJP Government would establish Agriculture Marketing Centers to uplift the marketing of flowers, vegetables and fruits.
12. Food processing units would be established at local level to enhance agriculture of the state.
13. The SAD-BJP would introduce pension scheme for old age farmers and their women.⁸
14. The Akali-BJP government would provide free health insurance of two *lakh* for landless labour class and poor farmers.
15. To reduce the harassment of farmers the Akali-BJP government promised that they would make efforts for quick procurement of the crops and would also avail on the spot payment of sold crops.

Achievements of Akali-BJP government in Agriculture field 2007-17

Agriculture is main base of the economy of the Punjab and 26.29 % income to the state comes from agriculture. Most people of the state resides in rural areas the life of whom directly or indirectly dependent on agriculture. That is why; the rural population is the main electoral support in the state. So, the SAD (a leading partner of coalition government) could never miss a single chance to appease people involved in agriculture in rural areas of Punjab.⁹ Following efforts have been made by the Akali-BJP government for agriculture since 2007.

1. Punjab Government had given Rs. 5535 crore for the development of agriculture sector.¹⁰
2. Punjab Government had also ensured free power supply to farmers for agriculture sector of Rs.32666.75 crore.¹¹
3. The Akali-BJP coalition government had given 238869 new tube well connections for irrigation.¹²
4. The present government of Akali-BJP had made a payment of Rs.935 crore for the producers of sugar cane.
5. The Government had also paid Rs. 64 crore to the needy agriculture labourers.
6. Punjab Government had increased the compensation from Rs. 3600 per acer to Rs. 8000 per acer for the damage of crop.¹²

7. For health care of farmers and free medical assistance, Bhagat Puran Singh Sehat Bima Yojna of Rs. 50,000 and 5 Lakh (death/disability cover for Farmers) had been started by the Akali-BJP Government.¹³
8. Up to 50,000 interest free loan to farmers for agriculture was provided by the Government.
9. A Mega Food Park of Rs. 127 crore had been established at Ludhiana in 100 acres and two more Mega Food Parks had also been established at Arniwala (Fazilka) and Fuglana (Hoshiarpur).
10. With the help of Holland the State Government had established a Centre of Excellence at Jalandhar (Rs.9.56) for potato crop.
11. For the Production of vegetables, the State Government had also established another Centre of Excellence (Rs. 9.5 crore) at Kartarpur with the help of Israel
12. A new Solar Powered Community Micro Irrigation Project was set up by the State Government in Kandi Belt of Talwara and Hajipur blocks of District Hoshiarpur to benefit 658 hectares in Kandi areas.¹⁴
13. The Akali-BJP Government had established two maize drying centres at Shahid Bhagat Singh Nagar Salla Khurd. Five more maize drying centres of lesser capacity were being established at phulgana, Bhogpur, Nakodar, Kapurthala Machiwara.¹⁵
14. 1585 Agro Service Centres have been established by the Government for providing costly agricultural implements like Laser Land Levelers, Tractors, Rotavators, Happy Seeders etc. to the farmers on hire basis at very nominal rates.¹⁶
15. The Akali-BJP Government provided 75% subsidy on micro irrigation systems coupled with Storage tanks and solar pumps.¹⁷
16. The Government had establish ultra Modern air conditioner fruit and vegetable market at Mohali at the cost of 50 crore.¹⁸
17. ATM facility had been provided to the account holders by Cooperative Banks and ATM cards had been provided.¹⁹
18. The Government had given Rs. 80 crores to 19 District Central Cooperative Banks as share capital to improve their financial condition.²⁰
19. In order to support mushroom growers Markfed has proposed canning of mushroom, which has been initiated in November 2015.²¹
20. Markfed had established Honey Processing Plant with total cost of Rs. 1550 crore having production capacity of 3000 MT per year, under the financial assistant of APEDA.²²
21. To bring transparency in distribution of fertilizers through primary Agriculture Cooperative Societies, an SMS based system had been introduced in the year of 2012. According to this system advance information regarding the dispatch of

fertilizers from the rake point by the suppliers was provided to members.²³

Critical Assessment

It is clear from the above mentioned efforts of state government of the SAD-BJP coalition performed well during the time period of 2007-17. But in spite taking very bold steps and making these efforts, crisis of Punjab agriculture persists and that is why the state government has to face criticism of the critics, opposition and the stake holders of the society.

Agricultural economy of Punjab has been passing through a phase of stagnant productivity, increasing costs, declining returns and squeezing employment. This crisis was not built of a single day as its seeds were sown with the initiation of new agricultural strategies which escalated in the wake of liberalization. The green revolution model was introduced in the mid 1960s distorted the self sufficiency of the state's economy and linked it with market driven mode of production. In this phase, the financial requirements of the farmers surged which increased their dependency on outside funding. The state of Punjab is witnessed a boom in the agricultural sector during the 1970s as the net returns of the farmers increased due to paramount increase in the productivity of principal crops. However, the period of 1980s witnessed a phase of stagnation in the crop yield and net returns from farming. Farming demands regular outflow of cash to acquire various agricultural inputs but the inflow of the same is not continuous due to seasonal nature of agriculture. The gap so created is plugged in by borrow funds from either institutional or non-institutional sources. The incidence and extent of indebtedness has considerably increased over the past one decade across the states in India. The extent of indebtedness is higher among the agriculturally developed states. The root cause for the is the lack of technical knowhow, declining irrigational facilities, lower crop yielding and farm income, burden of higher expenditure, insufficient institutional credit availability and easy credit from non-institutional sources.²⁴

The farmers especially the smaller ones, had been adversely affected by neo-liberal economic policies during the 1990s to extent that some of them even over extended themselves financially. Not only had their agricultural income declined, the cost of cultivation increased. They were experiencing increasing trends toward individualization. As a ramification of such policies, the debt burden of peasantry started to swell. The total debt of the Punjab farmers during the mid 1990s was Rs. 5,700 crore. The cotton belt of the state was the most affected region by the financial crisis as it suffered from continuous failure of cotton crop during 1997-2002.

The structural transformation process in Punjab has reduced income generation in the rural economy, although the population continues to be dependent upon agriculture as the most important source of livelihood. The commercialization and mechanization of agriculture have distorted the self-sufficiency of villages, forcibly exposing them to the vagaries of the market economy.²⁵ More and more

farmers are living the farm sector. So far as many as 22 per cent of the farmers in Punjab have left already farming and are working as labourers, whereas about 41 per cent of farmers are seriously contemplating to leave the farm sector.²⁶ This is because of the input cost in agriculture (diesel, fertilizer, pesticides etc.) had increased tremendously, whereas the income had reduced considerably. The small and marginal farmers in Punjab are compelled to take loans from the money lenders at a high rate of interests, in order to manage their day to day affairs and basic needs. The study conducted by professor S.H. Shergill, a well known economist with the Institute for Development and Communication, records that farm debt over 1997-2008 at the current prices has gone up five times from Rs. 5700.91 crore in 1997 to Rs. 30,394.12 crore in 2008.²⁷ Because of the trap and inability to repay the loans, the farmers are compelled to commit suicides. According to the data collected by the farmers bodies over the past fifteen years the number of farmers suicides was: Sangrur (1046), Bathinda (750), Moga (475), Mansa (424), Feerozpur (77), Muktsar (61), Faridkot (25) and Ludhiana (12).²⁸ The Government of Punjab in a report to Central Government has confirmed 2116 farmers' suicides since 1988 due to indebtedness but the actual figures according to unofficial sources was more than 40,000 between 1988 and 2005.²⁹ Not only the farmers committing suicides but agricultural labourers also doing so. A study of the two worst affected districts, Sangrur and Bathinda reveals that a total of 2,890 farmers and agricultural labourers from just two districts killed themselves between 2000-2008 about 87% of those who lost their lives were either small farmers or agricultural labourers. A total of 1,757 farmers and 1,133 agricultural labourers committed suicides in Bathinda and Sangrur. The further break-up reveals that in Bathinda, 773 farmers and 483 labourers, and in Sangrur 984 farmers and 650 labourers ended their lives. About 65% of the suicides were due to indebtedness. Agricultural labourers make-up 39.2 % of these total suicides.³⁰

Conclusion

The above discussion on the performance of the Akali-BJP Government in agriculture sector shows that it was able to fulfill many of its promises made to the farmers of Punjab and also taken various admirable steps for the promotion and protection of agriculture like reintroduction of free of cost electricity for the farmers for operation tube wells, issuing new tube well connections to the farmers, health care of farmers, establishing centers of excellence, mega food parks, facilities of easy loans to the farmers etc.. However, there is a need to do more in the field of agriculture to end the persisting crisis of this field. To sum up we may that the Agriculture in Punjab has become a non-profitable. To make it profitable the government should pay due attention to it and try to reduce input and to increase output and should try to protect agriculture from the bad impact of neo-liberal policies or Market economy. Minimum support price should be fixed for all major crops. Moreover, the proper implementation of the recommendations of Swaminathan report can help to improve the profit of

agriculture Sector. But this may be possible with political will.

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