

Modi's tribal scheme shows he is pro-poor as well -Vivian Fernandes (Comment)

The Business Standard

IANS June 16, 2013 Last Updated at 13:00 IST

http://www.business-standard.com/article/news-ians/modi-s-tribal-scheme-shows-he-is-pro-poor-as-well-comment-113061600229_1.html

Those who cherish India's constitutional values will find Gujarat Chief Minister Narendra Modi's boast to build a state of Sardar Vallabhbhai Patel (India's first home minister and deputy prime minister) taller than the Statue of Liberty rather chilling. By prizing nationalism over individual freedom, Modi may have once again revealed his illiberal nature.

People who dislike this aspect of him, Leftists mainly, give vent to their disapproval by dismissing Modi's development record as pro-big business. But being pro-business does not make him indifferent to the plight of the poor. Here's why!

Seven years ago he backed an officer who had innovative ideas for tribal welfare. This, reportedly, is Modi's style. He gives does a long tenure and a free hand. Upon taking charge of the department, Anand Mohan Tiwari (now principal secretary, education) decided, after a series of debate and discussions, that low-yield, low income agriculture was the root cause of tribal poverty.

Gujarat's 7.5 million tribals, or 15 percent of the population, are better off than tribals elsewhere but they do not measure up to other Gujaratis on most counts, except land holding, albeit stamp-sized ones. A study by Amita Shah of the Gujarat Institute of Development Studies showed that in the 10 years to the middle of the last decade, poverty among tribals had actually increased while it had fallen in rural Gujarat.

Tiwari believed tribals could be lifted above poverty by getting them to switch to high-yield, high income agriculture -- which is how the Green Revolution brought prosperity to rural plains. For the sake of brevity, this report, written after a three week tour of tribal areas, made possible by Delhi's Centre for Study of Developing Societies through its Inclusive media fellowship, will focus on maize, the staple of the Gujarati tribal.

There has been maize revolution in India since 2000. Production has risen by 66 percent to 20 million tons in 2011. Productivity is up 33 percent. Hybridization has moved from 30 to 55 percent. Unlike the cotton revolution, initially triggered by Monsanto's genetically modified Bt seed approved for commercial use in 2002, state research institutes are also responsible for the maize makeover.

If private companies could roll out Bt cotton over 93 percent of the crop's area, making India the second largest producer and as big an exporter, why not tap their enterprise and profit motive for an encore in maize, reasoned Tiwari.

Coincidentally, Monsanto had around this time proposed to the tribal development department a pilot on gains from hybrid maize. The offer was accepted. Monsanto gave free seed, fertilizer and coaching in new farming practices to 15,000 farmers in 300 villages. It claims to have doubled the yield per acre and also the profit.

This became the basis for Project Sunshine (recently renamed) whereby the government brought seed from four private companies including multi-nationals Monsanto India and DuPont Pioneer without ideological hang-ups. It provided 8 kg of hybrid seed and 150 kg of fertilizer to every poor tribal before the rains set in.

The package costing Rs.2,600 was given to the farmers at a deep discount. They paid Rs.500 initially and Rs.1,100 last season. The plan is to phase out the subsidy over the next three years, in the expectation that a sizeable number of tribals would have converted by then to persuade the private seed companies to roll out their distribution network in the tribal areas.

Reputed NGOs with a record of service like Sadguru Foundation (founded by the Mafatalal's and supported now by the Tata trusts), Gramin Vikas Trust (of fertilizer cooperative company Kribhco) and Shroff's Foundation Trust (promoted by the Shroffs of United Phosphorous and Transpek Industries) were enlisted on the basis of World Bank-approved quality and cost parameters. These NGOs were supposed to distribute seed and fertilizer and guide the farmers in new farming practices through the crop cycle.

A compact agency, outside of government, with professionals on contract for the duration of the project was set up to monitor the project. It was called Development Support Agency of Gujarat or D-Sag.

Five years later, what is the outcome? In Chhota Udepur one could sense the momentum of change. Courtyards with yellow cobs (desi maize is white) drying in the sun confirmed the switch. A former sarpanch said with a gleam that he had reaped 30 quintals an acre, and had made over Rs.100,000 in four months from his four-acre crop.

A farmer said he went in search of hybrid seed if it was not locally available. A woman baking yellow maize rotis for lunch had compromised in favour of her wallet than her palate (white desi maize is tastier).

In Dahod, two sarpanches (or village heads), and by no means poverty stricken, said hybrids were more productive but they would sow them only if the government supplied the seed before the monsoons set in, indicating subsidy dependence. One presumes they speak for households in villages as well. One farmer who had used hybrid seed for three years (during the summer season) had not planted hybrids as a winter crop because he found them too expensive.

A non-tribal school teacher had planted hybrids on his own and got good results. He said farmers were illiterate and were reluctant to grow yellow maize for fear that it sucked nutrients out (true, if not replenished. High yields cannot come from air).

Evaluation studies done by Anand University and the Gujarati Institute of Development Studies over different areas and in different villages show that nearly all those officially certified as poor got their entitlement of seed and fertilizer in the right quantities and in time. The farmers had to wait a day or two but these are small gripes compared to the diversion (corruption) rampant in welfare programmes in general.

The studies show that hybrid maize yields had indeed doubled but the savings for farmers had not kept pace. One study said the profit was 46 percent of revenue and another, recent study said it was 73 percent (around Rs.4,700 in both cases). Apart from fertilisers, whose cost is globally dictated, high

cost of seed was the reason.

Since the government has opened up a virgin market for them, private seed companies must cut down the price of seed to tempt the farmers will bigger gains. The maize research institute must also step up production of the seed. Its Gujarat Makkai-6 hybrid is said to be as good if not better than Monsanto's, and takes a shorter time to mature.

GIDR recommends cotton and potatoes as better alternatives. The profit per acre was Rs.16,700 and Rs.8,300 respectively.

High-yielding agriculture is a better way of helping the tribals than schemes like the national job guarantee scheme that consign them to eternal digging. But Leftists will see it as just another pro-big business initiative in the guise of welfare.

Incidentally, Monsanto India was kept out by a Gujarat government's cabinet resolution last year, for political reasons. Modi may be pro-business, but is he pro-market?

(Vivian Fernandes has been a print and television journalist for nearly 30 years, much of it in television. The views expressed in this column are personal. He can be reached at vivianfernandesonly@gmail.com)