



Review Article

Revoking of Farm Laws: A Setback or a Step in the Right Direction

Dr. Pankaj Bala Srivastava

Associate Professor, Department of English,
Mahila Vidyalyaya Degree College, Lucknow (U. P.)

Abstract

Repealing the three recent agricultural reform Acts, popularly known as Farm laws, by the Union government of India was a failure or not. Are repealed acts worthy of a reanalysis or buried in past pages? This research paper elucidates that there is no such thing as failure, only a lesson for the future. The paper focuses on different shades of agrarian crisis, the history of agricultural reform laws in independent India, analysis of agricultural reform policies through these Acts & reasons for repealing these Acts. This paper also highlights that a yearlong protest against these Acts caused the death of hundreds of protestors. The paper argues that an appropriate new policy needs to be evolved urgently to safeguard that farming activity becomes viable and the socio-economic condition of farmers is enhanced on a sustainable basis.

Keywords: Agricultural Reform Act, Agrarian Crises, Farmer's, Protest, Farmer's distress, Samyukta Kisan Morcha, Repeal of Acts

Copyright©2022, Dr. Pankaj Bala Srivastava This is an open access article for the issue release and distributed under the NRJP Journals License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

Introduction

The significance of agriculture in the socio-economic fabric of India can be recognised from the fact that the livelihood of a majority of the country's population depends on agriculture. It plays an indispensable role in the process of economic development. Apart from providing food to the country, agriculture releases labour affords to save, contributes to the industrial goods market, and earns foreign exchange. India is blessed with wide-ranging arable land with 15 agro-climatic zones as defined by the Indian Council of Agricultural Research (ICAR), having almost all types of weather conditions and soil types and capable of

growing a variety of crops. Our country is the top producer of milk, spices, tea, cashew, jute, and pulses and the second-largest producer of rice, wheat, fruits and vegetables, sugarcane & cotton in the world.

Even though the contribution of agriculture to the gross domestic product (GDP) has reduced to less than 20 per cent, the contribution of other sectors increased faster. There is a large gap between the farmers' selling price and retailers' selling price, and the benefit of this gap goes into the accounts of intermediaries or mandi organisers

(adhaties). The disparity between the per capita income in the farm and non-farm sectors is continuously widening.

Despite all these facts, the average productivity of many crops in India is very low. The country's population is expected to become the largest globally in the next decade, and providing food for them will be the primary concern. Farmers are still not able to earn the required remunerative.

Thus, dealing with those issues that impact farmers' income levels is essential. The income levels are determined by the overall production, supported by reasonable levels of yield and prices realised by the farmers. Several constraints affect the income levels of farmers adversely. The main restraints in Indian agriculture are:

1. Agricultural land in India has not been properly distributed, and huge landholdings are among the wealthy landlords, industrialists, and money lenders. Many farmers own minimal and inefficient holdings, resulting in a higher cost per unit.
2. An ongoing sub-division and fragmentation of agricultural land due to forced selling of land for repaying debt obligations, increasing population pressure, and the joint family system breakdown. Therefore, the size of operational holdings has been declining year by year.
3. Undoubtedly, after indecency, many agricultural reform measures are introduced. However, the insecurity of tenancy and eviction still prevails due to absentee landlords and Benami's land transfer in various states.
4. Indian agriculture is unstable due to the unpredictability of monsoon and weather. Consequently, the production of food grains and other crops fluctuates widely and adversely affects crops' prices.
5. The prices of the cash crops are flattering and more alluring; it has diverted the crop pattern from the production of available crops to cash crops or commercial crops.
6. The farmers in India have been adopting conventional and inefficient methods and techniques of cultivation. In recent years, the Indian farmers have only started to adopt improved implements like steel ploughs, seed drills, barrows, hoes, etc, to a limited extent.
7. Indian farmers face impoverished income from their marketable surplus crops due to a lack of organised markets and adequate transportation facilities. Therefore, they drifted into the clutches of intermediaries for the speedy disposal of their crops at cut-price.
8. One of the most significant problems of Indian agriculture is farmers' indebtedness. Farmers are borrowing a heavy amount of loans regularly to fulfil agricultural requirements. Due to crop failure, low prices of crops, exorbitantly high rate of interest charged by the moneylenders, and manipulation in loan accounts, farmers could not repay the debt in time. Then, unfortunately, debt passes from generation to generation.

9. Uncertainty in the prices of agricultural products poses a significant threat to Indian agriculture. They never get a reasonable income from agricultural practices. There is a large gap between the farmers' selling and retailers' selling prices.

Objectives of the Study

The objectives of the present study are:

- Focus, in brief, on the government's policies for the reform of agriculture and farmers since after Independence.
- To analyse and evaluate the main provisions of repealed three Farmers Acts.
- To find out the causes and consequences of protesting against these repealed Farmers Act.

Research Design and methodology

The present study uses the Qualitative research methodology and the explanatory method. Using these methodologies, review analyses on agricultural policy and production are discussed. Articles on Agri-crises, problems of farmers, policies on agriculture reforms, and disputed three farmers' laws written in English and published between 2000-2021 (20-year range) are included in the analytical study.

Discussions

After Independence, when Five Year Development Plans were prepared in 1950, agriculture was given priority. India followed an agricultural development strategy focused on self-sufficiency in essential foods like wheat and rice. Agrarian reforms were undertaken to consolidate holdings, abolish Zamindari, etc. In the initial decades, the farmer seems

a magnificent position, but the immobility of policies and improper vision leads to the downfall of the condition.

During the sixties, research activities in agriculture picked up and got a boost. Prime Minister Sri Lal Bahadur Shastri coined the famous phrase "Jai Jawan, Jai Kisan" and successfully hurled the milk cooperatives, which later brought in the White Revolution; Prime Minister Mrs Indira Gandhi sowed the seeds of the Green Revolution.

The Agricultural Prices Commission (APC) was established in 1965 to advise the government on the level of prices that would act as an incentive for the approval of technologies and instruction for the reasonable utilisation of land and other resources. Most states enacted and enforced the Agricultural Produce and Marketing Act (APMC), and all primary wholesale assembling markets were brought under these regulations. Under the APMC, many regulated markets were set up across the country.

In 1970, the Minimum Support Price (MSP) policy was introduced for wheat, giving farmers a higher assured price and an assured market. It was a famine-avoidance strategy which witnessed 28 famines during the British Raj.

National Farmers' Commission

The National Farmers' Commission was formed on November 18, 2004, under the Chairmanship of eminent agricultural scientist M.S. Swaminathan. Between 2004 and 2006, Commission submitted five innovative reports and two drafts of a National Policy for Farmers, evaluating the

agrarian crisis in India and providing concrete solutions.

Pitching for converting farmers' challenges into opportunities, Prime Minister Mr Modi, on 28.02.,2016 urged all states to prioritise implementing the 'roadmap' for boosting the agriculture sector with a target of doubling farmers' income in 2022.

The three farm Acts:

The Indian agricultural Act of 2020 was passed and enacted by the parliament on September 20, 2020.

1. Farmer's Produce Trade and Commerce (Promotion and Facilitation) Act, 2020

Main Provisions

- Farmer's Produce Trade and Commerce (Promotion and Facilitation) Act, 2020, permits farmers to trade their agricultural produce outside the markets notified under various state Agricultural Produce Marketing Committee laws/ Acts (APMC). This Act is also well known as the 'APMC Bypass Act'. It will override all the state-level APMC,
- The Act Promotes barrier-free intra-state and inter-state trade of farmer's produce.
- Suggests an electronic trading platform for direct and online trading of produce. Entities establishing platforms include companies, partnership firms, or societies.
- It allows farmers to trade anywhere outside state-notified APMC markets, including trade at farm gates, warehouses, and cold storage.

- This Act prohibits state governments or APMCs from levying fees, cess, or other charges on farmers' products.

2. Farmers (Empowerment and Protection) Agreement of Price Assurance and Farm Services Act, 2020

Main Provisions

- The Act pursues to allow farmers to engage in contract farming, where farmers can enter into a direct agreement with a purchaser to sell the product to them at pre-determined prices.
- Objects that may strike agreements with farmers to buy agricultural produce are defined as "sponsors" and include partnership individuals, companies, firms, limited liability groups, and societies.
- This Act provides for setting up farming contracts between farmers and sponsors. Any third parties tangled in the transaction will have to be mentioned in the agreement. State governments can establish registration authorities to provide electronic registries of farming contracts.
- Agreements can cover mutually agreed terms and conditions between farmers and sponsors, and the terms can shelter supply, quality, standards, price, and farm services. These include supplying seeds, feed, agrochemicals, fodder, machinery and technology, organic agro produce, and other agricultural aids.
- Contract agreements must have a minimum duration of one cropping season or one livestock production cycle, and the maximum duration can be five years.

- Purchase price of the farming produces to be paid as well as explicit references for any other amounts the farmer may receive, like bonus or premium.
- Either party may undertake delivery of farmers' produce within the stipulated time.
- In the case of seed production, contractors are required to pay at least two-thirds of the agreed amount at the time of delivery. The difference is paid after due certification within 30 days of delivery. Regarding all other cases, the whole amount must be reimbursed at delivery, and a receipt slip must be issued with the sale details.
- Agriculture produce under farming agreements is exempt from state Acts to regulate the sale and purchase of agricultural produce, leaving no room for states to impose MSPs on such produce. Such contracts or agreements exempt the sponsor from any stock-limit restriction liable under the Essential Commodities Act, 1955. Stock limits are a technique for preventing the hoarding of agricultural produce.
- The Act provides a three-level dispute settlement mechanism: the conciliation board, which comprises parties' representatives in the agreement, the sub-divisional magistrate, and the appellate authority.

3. Essential Commodities (Amendment) Act, 2020

Main Provisions

- This Act is an amendment to the Essential Commodities Act, 1955, which seeks to regulate the government's power concerning the

production, supply, and distribution of certain vital commodities.

- The Act eliminates cereals, pulses, oilseeds, edible oils, onion, and potatoes from essential commodities.
- Government can enforce stock holding limits and control the prices for the essential commodities under the Essential Commodities Act, 1955, only under exceptional circumstances. These include war, famine, unexpected price rises, and the natural calamity of severe features.
- Stock limits on farming crops are based on price rises in the market. They may be imposed only if (i) a 100 per cent increase in the retail price of farming produce and (ii) a 50 per cent increase in the retail price of non-perishable agricultural food items. The increase is estimated over the price prevailing during the preceding one year or the average retail prices over the last five years, whichever is lower.
- The government had projected these laws as reforms like 1991's Acts, which liberalised the Indian economy, connecting it with the globalised markets. The new laws aimed to strengthen basic farm sector infrastructure through more significant private investments. Although the previous governments faced financial constraints when financing rural and farm infrastructure. The government noticed that the growing food markets in India would offer scope to private investors and make agriculture lucrative for the farmers.

Farmers' protest against Farm Laws

Farmers' unions lost no time in rejecting and discarding the farm Acts. From

November 26 2020 to December 27 2021 (date of repeal), they protested against these farm Acts on the following grounds:

Sl. No.	Provisions of farm Acts	Objections of farm protestors
1	State Governments can impose fees/cess charges on the private mandis	The creation of private mandis and the state-run Agriculture Produce Market Committees (APMC) will push all agriculture businesses towards private markets. The result will end government markets, intermediary (commission agent) systems, and APMC structures. Subsequently, only big traders and giant companies will operate the markets and procure farm produce at incidental prices. The government has proposed a uniform policy of taxes, fees, and cess in both markets.
2	Written guarantee from the government for the continuation of the existing MSP system	The new agricultural Acts are brought to disassemble APMCs. Thus, the Union government should pay a comprehensive Act on MSP for the whole country and all crops. Nevertheless, the government is dragging its, and written assurance is not a legal document and has no guarantee.
3	State governments can register traders to control them	In farm laws, no provision to regulate the traders. These Acts permit any PAN cardholder to procure grains from the markets at wishful prices and indulge in hoarding. Instead of making registration provisions to regulate the traders, Act only passes the responsibility to state governments to control the traders. Nevertheless, the Central Government is not willing to take any accountability.
4	Under the contract farming law, farmers will have the alternative to approach the court, and their land will be safe as no loan will be given to farmers.	Farm outfits are apprehensive about grabbing the farmers' land by the big corporations under contract farming. The government said there would be no sale, lease, or land transfer during the contract agreement period. However, the history of contract farming has many examples of non-payment by the companies making various excuses like the inferior quality of produce. It will push the farmers into a debt trap. Contract farming has resulted in displacing and destroying farmers all over the world. Even in the USA, where massive subsidies are given to the agriculture sector, farmers are forced to commit suicide.

However, the government explained that the farmers had fallen prey to the fundamental misunderstanding that the provisions of these laws would lead to loss of agricultural land and clarified so many times 'that the law is only for voluntary contract farming of crops. Agricultural land will remain immune.' Nevertheless, farm unions' contemplation was that these laws would leave farmers vulnerable to big companies and destroy their livelihoods.

Petition against Farms Act

Various petitions were filed against these three Farm Acts in the Apex Court. On January 12 2021, the Supreme Court observed that the farmers' issue would soon become a 'national issue', so it intends to set up a committee comprising representatives of the farmer's unions all over India, the government and other stakeholders to resolve the issues of protesting farmers. The court constituted a

four-member committee of experts 'to listen to the farmers' grievances on these farm laws and the government's stand and then make recommendations. The court observed that the stay order might assuage the hurt feelings of the farmers and make them confident enough to sickle their way to the negotiating table in good faith. Finally, the Apex court kept implementing the laws to facilitate negotiations with the committee. The constituted committee has to start work in 10 days and submit a report to the court in two months. The court directed that the MSP system be maintained before enacting the farm laws until further orders.

Repeal of the Farm Laws

The government was not in favour of rolling back these farm Acts as all the opposition parties were against the new farm laws, and the scrapping of laws will prove to be a victory for the opposition. Repealing the farm laws at this level will defeat the central government morally. Another reason was that revoking the laws would set a bad precedent. It takes several years to pass a law in the parliament. Laws are not made overnight; hence, repealing a law by coming under pressure will not set a good example. It will have an adverse effect because the citizens will think that this law was a horrendous mistake, so they had to repeal it. Agitations in the future will intensify as people will set this incident as a benchmark, hence leading to more severe and long-lasting protests.

Finally, on November 19 2021, after one year of intense and intensive agitation by millions of farmers, which caused about 671 deaths and indescribable suffering, the prime minister announced

the Union government's decision to repeal the three controversial farms laws .

While an official reason for the government's decision on scrapping of laws is awaited, Prime Minister only said that 'it seems some of the farmers are still not convinced by our sincere efforts. So they have decided to repeal the three farm laws.' However, opposition parties have claimed that the Government has decided to repeal the controversial laws due to forthcoming elections in five states scheduled to be held within two months.

On November 29 2021, the Farm Laws Repeal Bill, 2021, which sought to rescind the three laws, passed within minutes without making any discussions or debate in Rajya Sabha and Lok Sabha.

Conclusion

Since the enactment, the Farm laws have created controversy and led to massive protests by farmers and unions. After a yearlong agitation by millions of farmers, about 671 human deaths caused indescribable suffering, and these contentious farm Acts were repealed. This decision of the Central Government was entirely unpredicted, and the stunning declaration acknowledged reactions from every end of the country. There is a sense of hopelessness at the laws being repealed, but the reaction is somewhat mixed overall. People understand why these laws were repealed, and there is also an acknowledgement that this was not a good decision.

It is difficult to understand that when the apex court kept implementing the farm's Acts, formed a committee and ordered the government and farmers to go

one by one and tell the committee their problems. Moreover, which part of the law needs to be changed? The court said that no power could prevent it from setting up a committee to resolve the impasse on new farm laws. The court ordered that the committee submit its recommendations to the court within two months from the date of its first sitting.

Without obtaining permission from the supreme court, the Union of India can not decide to repeal the Acts. Surprisingly, when the court expressed its intention, 'We are concerned about protecting the lives and property of citizens of India, and we want to solve the problem.'

However, Once the laws are repealed, the Supreme Court will pass orders only declaring the petitions to be infructuous. The decision to repeal the farm laws has not gone down well among certain sections of the farming community. The move was unfortunate and it was not in favour of either the farmers or the nation. Throughout the protests, the interests of those farmers who are not wealthy and do not own vast tracts of land were missing.

The unhappiest part of this rollback is that India's agriculture has now been condemned to be crushed by the wealthy farmers, traders and intermediaries for another entire generation; no political party will dare touch these reforms for a long time. It is a significant loss for India. Undoubtedly, repealing these laws is a setback to the agriculture reform process.

The agriculture and farm sector is primarily a state subject, and the state governments should now rethink, redesign, and implement reforms suited to their

conditions. The agriculture sector requires policies that represent good economics and are also politically acceptable.

So, there is an urgent need for the government to put up a new farmers' reform bill after severe discussion and consultation with Agri-scientists, farmer unions, leaders of the opposition, and members of agricultural produce marketing committees (APMCs), experts from the fields of management and law. It should be passed after proper discussion and making consensus in parliament. We will conclude that 'Everything else can wait, but not agriculture.'

References:

- Anand, B. R S. and Neema S. (2020), 'From Annadata to Farmpreneur: Playbook for Reforming Indian Agriculture', Centre for Civil Society, New Delhi.
- Bhalla, G. S and Singh, Gurmail (2001), Indian Agriculture: Four Decades of Development, Sage Publications, New Delhi.
- Deshpande R S and Prabhu N. (2005), 'Farmers Distress: Proof Beyond Doubt', Economic and Political Weekly, October 29, Mumbai.
- Gulati, A. and Cahill, C. (2018), 'Resolving farmer-consumer binary', Indian Express, July 9.
- Madhur, G. (2016), 'Making Indian Agriculture More Resilient: Some Policy Priorities', Economic and Political Weekly, Vol. 51 No.8
- Narayanan, Sudha (2020), 'The Three Farm Bills'. India Forum, October 2,
- Rangarajan, C. and Dev S. M. (2019), 'Removing the Roots of Farmers' Distress', The Hindu, January 28, 2019

- Singh, S. (2018), 'Reforming Agricultural Markets in India: A Tale of Two Acts', Economic and Political Weekly,
- Vaidyanathan, A (2010), 'Agricultural Growth in India: Role of Technology, Incentives and Institutions, Oxford University Press, Delhi.
- Farmer's Produce Trade and Commerce (Promotion and Facilitation) Act, 2020 (Now Repealed)
- Farmers (Empowerment and Protection) Agreement of Price Assurance and Farm Services Act, 2020 (Now Repealed)
- Essential Commodities (Amendment) Act, 2020 (Now Repealed)