

Food Security in India

Abstract

Provision of food to one and all is the first objective and top priority of every developmental activity of the state to extirpate hunger and starvation which is a deep stigma on the face of the Govt., society and humanity at large. In India we are not only self supporting in food grains rather we are exporting it. Therefore, food insecurity in India is not on account of scarcity of food grains but on account of distributive problem, administrative corruption and high cost involved. The best solution is to increase the production of food grain by providing irrigational facilities to each farmer to enable them to grow three crops a year and by injecting purchasing power in the hands of all people particularly rural people by creating adequate productive and fruitful employment opportunities. The problem of food security will automatically vanish.

Keywords: Food Security, Food Insecurity, Food Security Act 2013, Public Distribution System, Targeted Public Distribution System, Integrated Child Development Scheme, Mid-day Meal, Cost of Implementation of Food Security Act.

Introduction

Food security¹ refers to easy availability and access to food by all people at all times in sufficient quantity in a safe and nutritious form to meet the dietary requirements and food preferences to maintain healthy, active and productive life.

Poverty, hunger, malnutrition and deprivation leading to qualitative and quantitative degradation of human capital, the most important factor of production, pushes the economy in the trap of vicious circle of poverty.

Provision of food to one and all is the first objective and top priority of every development activity of the state to extirpate starvation which is a deep stigma on the face of the government, the society and the humanity at large.

Ascertaining nutritious food in adequate quantity free of cost even to the most helpless and marginalized section of the society such as the handicapped, extremely old, the lappers, the beggars who are unable physically to earn livelihood and exiled from their families as dead burden, is also the prime and pious responsibility of the society and of the government. Most of the starvation deaths engulf this section of the society. This will cover social security as well as food security.

Unless the shackles of starvation and deprivation are broken and banished from the country all the principles as well as the statistics of our development models, strategy and achievements will exhibit the paradox of poverty in the midst of plenty.

On the international front, Millennium Development goals (MDG) were agreed to in the United Nations Millennium summit 2000 to be achieved by 2015. MDGs were the world's time bound and quantified targets for addressing extreme poverty in many dimensions- income, poverty, hunger, malnutrition, disease, lack of adequate shelter and exclusion and promoting simultaneously gender equality, education and environmental sustainability.

The Global Hunger Index (GHI) 2010 released in Oct 2010 depicts the following dismal picture of Indian poverty:

1. India ranks 67, which is extremely poor, in a group of 84 countries which is below the neighboring countries like China (rank 9) and Pakistan (rank 52). Only Bangladesh has worse level of hunger than India in South Asia. Even Nepal ranks higher at 56 while Sri Lanka's rank is 39.
2. According to World Food Program nearly fifty percent of the world hungry live in India.
3. About 35% of India's population over, 350 million, is food insecure, consuming less than 80 % of the minimum energy requirement.
4. Nearly nine out of ten pregnant women between 15 to 49 years of age are malnourished and anemic.
5. Anemia in pregnant women causes 20 % of infant mortality.



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6. 46% of the children below five years of age were malnourished in 2006. The rate has improved by just one percent in a decade but is still worse than the least developed countries where the figure is 35%
7. Out of 9.7 million total deaths of children under five worldwide, 2.1 million deaths were in India in 2006. In other words, India contributed 21.6 % of total deaths in the world below five years of age.
8. Malnutrition accounts for 50 % of death of children below five years of age.
9. Out of the 19 million infants with low birth weight in the developing world 8.3 million came from India where underweight prevalence rate is 43%.
10. Three out of four children in India are anemic.
11. Percentage of stunted children is thirty seven (37). One out of three children has stunted growth.

12. Percentage of children not fully immunized is fifty one (51).

Government of India, therefore, enacted a law to provide food security to the needy persons.

The National Food Security Act 2013 was passed by Indian Parliament on Sept.2013 retroactive to July 5, 2013. This act enshrines many programs and policies such as attaining self sufficiency in food grain, improving nutritional status of all sections of the population, providing minimum support price for procurement, storage of food items, operating a Public Distribution System (PDS) and maintaining buffer stocks to combat natural calamities and also to fight the artificial price rise caused by hoarding and black marketing.

Following table exhibits the working of PDS in India:-

Table 1.1
Represents Procurement, Off Take and Stock by Different Years

Years	Procurement			Off take			Stocks		
	Rice	Wheat	Total	Rice	Wheat	Total	Rice	Wheat	Total
1991-92	11.4	10.3	21.7	10.17	8.8	19.0	10.17	8.8	19.0
2003-04	22.9	15.8	38.7	25.0	24.3	49.3	13.1	06.9	20.7
2010-11	34.2	22.5	56.7	29.9	23.1	53.0	28.8	15.4	44.3
2013-14	31.3	25.1	56.4	29.2	28.2	57.4	30.6	17.8	49.5

Source: Ministry of Food, Consumer Affairs and Public Distribution, Govt. of India as on 09-01-2015.

Above table explains the attempts of the Government in procurement, off-take and stocks for ensuring food security through PDS.

Objectives of the Paper

No one can deny the moral, social, administrative and legal importance and responsibility of food security to be provided to all. In our country we are producing not only surplus food grains rather, we are exporting and maintaining buffer stock of food grains. Even then hunger and starvation in India due to food insecurity really becomes a burning, shocking and exciting problem depicting poverty in the midst of plenty. It is, therefore, prime duty of all concerned to search and research the proper and practical methods to aim strike and kill the monster of hunger and starvation without putting unbearable burden on the State exchequer. This is the main objective of this Paper. The author also wants to invite constructive criticisms from all concerned and lit a lamp post to guide and lead the Government to a successful goal of food security.

Features of Food Security Act

Following are the main features of Food Security Act:

1. This act aims to provide subsidized food grains to approximately two-third of India's population. Under the provision of the act, beneficiaries of the PDS are entitled to 5KG per person per month of cereals at following prices:-
 - i. Rice at Rs. 3 /KG
 - ii. Wheat at Rs. 2 /KG
 - iii. Coarse grain at Re 1 /KG
2. There will be fixed quota of food grain allotted to every state. The respective states will decide the criteria for the beneficiary.
3. Women will be made head of the family for this scheme. This is a positive step.
4. Pregnant women, lactating mother and certain categories of children are eligible for daily meals.

5. The act provides legal right over subsidized food grain to about two-third of the population.

Govt. of India has adopted the following three food-based safety nets²

1. Public Distribution system (PDS)
2. Integrated Child Development scheme (ICDS)
3. Mid-Day Meals (MDM)

Public Distribution System

The main objective of PDS in India is to provide essential consumer goods at controlled prices to all its citizens without any discrimination but on defined principles to maintain nutritional status of the population. The Govt. resorts to heavy purchases of a part of marketable surplus from traders/millers and producers at procurement prices. The grain thus procured is used for distribution to the consumers through net work of ration or fair price shops under PDS and also for building buffer stocks. The Govt., besides rice and wheat also distributes edible oils, sugar, kerosene oil and cloth through PDS. The Public distribution System distributes commodities worth more than Rs.30000 crores annually to about 160 million families which is the largest distribution network of its kind in the world.³

The rice stock of 34.2 m. tones making for a total of 47.5m tones in 2010 compared to a total of 35.8m. tones in Jan 2009. The stock of both the grains were much higher over the buffer stock norms for the period being 8.2 million tons for wheat and 11.8 million tons for rice. The storage cost of one ton of grain has been estimated to be Rs.35.80 per month.⁴ In fact the differential between market price and PDS price came down from 47.44% in January 1991 to merely 8.21% in Feb 1994.⁵

Targeted PDS

The TPDS was adopted by Govt. of India from June 1, 1997. It aims at providing food grain to people below poverty line at highly subsidized prices adding special focus on people below poverty line

(BPL). Even TPDS could not make significant impact on the access of food since delivery system in the poorer states are weak.⁶ 5.90 lakh tons of food grain was released to states as calamity relief etc.⁷ During 2003-04 out of an estimated subsidy of Rs.7258 crore under TPDS Rs.4123 crore did not reach BPL families. Moreover, Rs.2579 crore did not reach any consumer but was shared by agencies involved in the supply chain.⁸

Integrated Child Development Scheme (ICDS)

ICDS was started in 1975 which intended to provide food supplementation to children and pregnant / nursing women. Experience indicates that the neediest may have access to the facility and even when they do, the food provided acts more as a substitute than a supplement.

Mid-day Meal (MDM)

MDM programme was introduced for children between ages of (2-14) group attending Balwadis /schools at the expense of Rs.0.44 to 0.90 per beneficiary. The program does not cover poor children not attending schools. This program has been as nutritional support to primary education and implemented in 1975 to universalize primary education. By March 1997 this program covered 5.57 crore children in 4426 Blocks.

Availability of Food Grains

In India we are not only self supporting in food grains rather we are exporting it .Therefore, lack of food security in India is not on account of scarcity of food grains but on account of administrative or distributive problem. From the chronic shortage of food grains in the mid-1960s, India had made considerable strides towards achieving food security on account of the success of green revolution .There are enough indicators to suggest that we are far behind in ensuring to the citizens of the country the kind of food security defined above. Due to the difficulties in measuring food security it is not possible to be precise on the degree of food insecurity that a household is confronting .

Estimated cost of Implementation of the Bill

The act estimates the total food grain allocation as 54.926 million metric tons. The Standing Committee estimated the value of additional food subsidies (i.e., on the top of the existing PDS) during 2012-13 works out to be Rs. 2409 crores that is Rs.24.09 billion or about \$ 446 million at the current exchange rate for a total expenditure of Rs. 1.222 billion (or between \$ 20 billion and \$21 billion).

However, the commission on Agricultural Cost and Prices (CAPC) calculated currently the economic cost of FCI for acquiring, storing and distributing food grains to about 40 % more than the procurement price.

The stated expenditure of Rs.1,20,000 crores annually in National Food Subsidy is merely the tip of the iceberg. To support the system and the welfare schemes, additional expenditure is needed for the administrative operations, enhancement of production, investment, for storage, movement, processing and market infrastructure. The commission concluded that the total bill for the implementation of the Food Security Act may touch an expenditure of anywhere between Rs.125000 crores to Rs.150000 crores, i.e., Rs.1.25 trillion to Rs.1.5

trillion. On November 28, 2014, the Indian Govt. announced allocation of food grain to 11 states/UT namely, Bihar, Chandigarh, Chhattisgarh, Delhi, Haryana, Himachal Pradesh, Karnataka, M.P., Maharashtra, Punjab and Rajasthan who have started working under the Act.

Criticisms

1. The bill reflects political motivation and fiscal irresponsibility. The current fiscal deficit may swell. Some critics call it as vote security rather than food security. The report of 33rd Technical Advisory Committee on Monetary Policy fears the aggravation of food price inflation as it will tilt supply towards cereals and away from other farm produce (proteins) which will raise food prices further.
2. RBI should impress upon the Govt. to address supply side constraints which are causing inflationary pressure especially on the food front.
3. Govt. estimated the cost on food security to be 11.1% of the total receipts whereas the cost estimated by CACP comes at 21.5%. Bhalla estimated the cost around 28% of the total receipts.
4. As criteria of beneficiary will be decided by the respective states, wide regional disparity cannot be ruled out as the person not eligible in one state may become eligible in other state. Corruption may be practiced in deciding the criteria of beneficiary.
5. Procurement of food grains in huge quantity by the Govt., little will be left in the open market leading to market forces imbalances and hence inflation.
6. Export of food grains will also be adversely affected as most of the food grains will be purchased by the Govt. to provide food security.

If the Govt. borrows high amount from banks to finance food security program, meager amount will be left for general public hampering private investment for economic development.

Suggestions

1. criteria for beneficiaries should be decided very specifically at the central level.
2. More stringent laws to check corruption for proper implementation of the program should be enacted because the case of the poorer who are not influential, deprived and helpless section of the society is involved.
3. Production of food grain in every village at micro level be increased by providing irrigation facility to the extent that three crops a year can easily be reaped.
4. Income of the people particularly in the rural sector should be increased by providing productive employment for injecting adequate purchasing power in their hands for enabling them to purchase sufficient quantity of food containing required nutrients without any difficulty.
5. For reducing loopholes in PDS system, after the delivery of food grains to PDS branch, all the beneficiaries should get a message through mobiles about the same so that they may know and reach their respective PDS branch timely.

This system has been adopted by Chhattisgarh Govt.

6. The Food Security Program may be linked to education system. School children and their families should be given access to subsidized food. This has been adopted in Bangladesh.

Conclusion

Following important points emerge from the above deliberations, discussions and analysis:-

1. Food security is the first priority and prime responsibility of the govt.
2. The cost to be incurred can roughly be taken as Rs.200000 crores annually leading to fiscal problems.
3. The administrative complications and corruption involved cannot be denied or overlooked.
4. Even after confronting above problems achievement of gross outcome and aggregate output of the program appears to be doubtful.
5. If Rs.200000 crore is allocated to all the a little more than 400,000 villages having no irrigation facilities comes to about Rs.50 lakhs per village. This amount should be spent on construction of rain water harvesting reservoirs, big diameter well, deep boring, after surveying level of the land as well as water table within. This will definitely enhance agricultural production.
6. The next task will be to inject purchasing power in the hands of villagers by creating additional

employment opportunities in the rural sector. In this way additional productive as well as purchasing power capacity will be created and the Indian economy will achieve the goal of "growth with justice"

7. The exiting PDS branch will serve the need of helpless handicapped marginalized, abandoned and exiled section of the society India will thus become the richest and strongest country of the world. The problem of food security will automatically vanish.

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