



# COVID-19 and the Indian farm sector: ensuring everyone's seat at the table

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Folks songs have been instrumental in rural India to educate and update the rural farming communities on the need to wash hands frequently and maintain social distancing, however, there is little monitoring evidence to portray how social distancing is maintained during farm practice. While it is practically difficult to spread out and work on a farm, the burden of vulnerability is substantially reduced since the Indian Government secures the farmers by (a) a front-load payment of INR 2000 in early April via the *PM-KISAN scheme* for the loss of income, (b) compensating the farmers under *Pradhan Mantri Crop Insurance Scheme* (Prime Minister's Crop Insurance Scheme) for crop damage, (c) buying unsold/leftover crops directly at farm gate using the *eNAM* (Electronic National Agricultural Market), and also keeping *mandis* (village markets) open with restricted timings, (d) an insurance cover of INR 5 million per health worker fighting COVID-19.

Some other trendsetting moves during this pandemic phase, e.g., 5 kg of free grains will be delivered for three months straight to those entitled under the *National Food Security Act*. Also, the cash transfers schemes that pays INR 500 (\$6.60) per day, paid directly to the bank account (thanks to the rural digitalisation success!) of women and unemployed informal workers via the '*Jan Dhan*' financial inclusion program. Certainly, cash transfers are debatable schemes but they are arguably the best available tool for triggering a quick surge in income and boosting demand, even more so during a pandemic outbreak. *The question remains nonetheless*, how to best secure the tenant farmers and contractual labourers who are equally reliant on agriculture as much as the land-owning cultivators?

Prior to the pandemic and the initial 21-day lockdown, the Indian rural economy was already witnessing declining incomes, largely for casual workers (40–50 million seasonal migrant workers in India), rural (real) wages were falling drastically before hope was beginning to look north with food prices gradually rising until January 2020. Therefore, the ongoing rural distress got amplified by the new overwhelming pressure on the food supply chain coupled with less availability of farmworkers due to imposed mobility restriction. *Another emerging question*, therefore is, how to avoid disequilibrium in a situation that needs sustaining an 'essential' food supply chain which includes managing plummeting market prices of wheat and vegetables while customers in both urban and peri-urban areas are paying an exorbitant price (remains largely unreported)?

The consequence of the nexus of the new food habit (the move from restaurant/take away to shopping heavily at supermarkets and street vegetable vendors) and food supply will have a more visible impact on the farm sector if the lockdown continues for a longer period in India. The resilience of the Indian farm sector stays intact, ordinarily, due to the interplay of nested institutions and cross-related industries. The lockdown imposes restrictions of agribusiness labourers as well as the functionality of supply chain. Historically, agricultural cooperatives in India have been financially conservative, so they might be able to sail through the tough times for 6–8 months under lockdown. Would this, however, be possible only if the Department of Agriculture, Cooperation and Farmers Welfare acknowledge the importance of not resorting to export bans and import quotas for several months to follow?

Job rotation and job revolvment within the Indian farm sector are areas demanding an urgent platter of innovative thoughts, regardless of a pandemic or other face of crisis. Ongoing disequilibrium in pisciculture, floriculture and horticulture markets have challenged agri community's immunity and therefore farmers are willing to diversify to other agri activities, but this is an area where new sets of ideas

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and propositions are called for. Horticulture production, in particular, exceeds food grain production but a vast majority of the farmers have no markets for their output.

With the second extension of the lockdown now imposed on 14th April, the logistics may subsequently be insufficient to ensure an optimal flow of goods, the health of all operators in the chain (including migrant and contingent workers, truck delivery agents, retailers and also street vendors—starting from animal feeding operations, food processing to export facilities and retail outlets) is equally important to be acknowledged and insured. While the assistance package by the Pradhan Mantri Garib Kalyan Yojana (Prime Minister's Plan for the well-being of the poor) plans to spend \$22b (i.e. 0.8% of India's GDP), meant for the hardest hit (in a country of 1.3b demographics), the number is much lower than what developed and other BRICs countries have planned to shell out.

Though agricultural markets remain exempt from the lockdown, agricultural output in some of the surplus Indian states of Punjab, Uttar Pradesh and always Haryana cannot harvest in this labour-intensive month due to lack of available migrant labourers who would also help in the packing to selling chain. Month-long absences of labourers during the harvest and post-harvest of the labour-intensive crops would consequently keep their incomes in the following months

stranded. Continued cash transfers from the list mentioned above would not help in building community and farming resilience, could new and innovative forms of contracts for seasonal migrant workers build a more crisis-immune agri picture in the future?

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