

Indian prime minister visits rural Vidarbha

Move to deflecting mounting anger over agrarian distress

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Indian Prime Minister Manmohan Singh visited the drought-stricken Vidarbha region of the state of Maharashtra for two days beginning June 30 as part of a larger tour of impoverished rural areas by Singh and other Congress Party leaders.

The tour is an attempt to deflect mounting criticism of the Congress Party-led United Progressive Alliance (UPA) government for its failure to take urgent measures to counteract an agrarian crisis that stalks much of rural India and to recast Singh, an economist and unabashed proponent of capitalist globalization, as “pro-poor.”

One of the most poignant expressions of the agrarian crisis—and a serious blight in Vidarbha—is the phenomenon of peasant suicides.

During the past 15 years successive Indian and state governments have slashed agricultural price supports and farmer-credit and otherwise diverted state resources from agriculture, so as to slash corporate taxes and fund the infrastructure projects demanded by Indian and international capital.

In line with India’s neo-liberal, export-led growth strategy, government authorities have also encouraged farmers to switch to growing high-yield, fertilizer-intensive, cash crops. This has led to a growing shortfall in India’s food-grain production, while making small-farmers’ livelihoods ever more dependent on the fluctuations in world agricultural prices.

In recent years, the 3.2 million-plus cotton-growers in Vidarbha, a region known as India’s cotton belt, have been hard-hit by plunging cotton prices, the rising cost of fertilizer and other inputs, and mounting debt. These woes have been aggravated, especially in the past year, by drought.

Official sources suggest that more than 1,600 farmers in the region have taken their lives since January 2001, with the problem deepening in the two years since the UPA government came to power. According to anti-poverty activists, in the year preceding Singh’s visit, Vidarbha’s

farmers were taking their lives at a rate of almost 2 per day.

The families of little more than half of the officially recognized suicides—some 930 families—have been deemed eligible for a special government benefit given the relatives of peasants who have been driven by poverty and debt to take their lives. But to date the aid has actually been received only by some 300 families.

Prime Minister Singh toured Vidarbha in the company of Maharashtra Chief Minister Vilasrao Deshmukh, Union Agricultural Minister and Nationalist Congress Party (NCP) head Sharad Pawar and Power Minister Sushilkumar Shinde. He met farmers, widows of suicide victims, other villagers, and local officials.

Singh told farming families of Dhamangaon and other villages that he had been moved by their suffering and that his government is determined to finding a lasting solution to their woes. “Dear brothers and sisters,” said Singh, “after what you have told me about the difficulties that you are going through, I understand that debt is a big problem.”

Subsequently, Singh and his aides provided details of an aid package for 31 severely distressed rural districts of Maharashtra, Andhra Pradesh, Karnataka and Kerala.

The UPA government is claiming that six districts in Maharashtra’s Vidarbha region will receive 3,750 crore rupees (\$800 million US) in coming years for irrigation projects, fresh loans and loan extensions, a waiver on overdue loan interest, economic diversification, and support for the region’s other agriculture producers. But more than half of the money—\$470 million—is being drawn from existing government schemes.

While much of the corporate media has hailed the aid package as extremely generous, it amounts to only about \$230 per cotton growing-family, and this over as much as five years.

By contrast, the existing debt of the region’s cotton farmers is estimated at \$5.3 billion, or about \$1,650 per

family.

Many farmers reportedly did not have the means to plant a crop this summer. The government offer of new loans means many will now be able to get money to buy seeds and other inputs, but only at the cost of going deeper into debt.

Notwithstanding all his professions of concern, Singh rejected calls for canceling the farmers' debts or for increasing the minimum support-price for cotton.

Moreover, the government has since let it be known that it intends to press forward with "liberalization" of the agricultural sector. A group of ministers headed by Parwar, the most important UPA minister from Maharashtra, has recommended that agriculture be opened up to 100 percent Foreign Direct Investment—a change which will accelerate the capitalist reorganization of India's agricultural sector at the expense of the small producers and landless.

In a mid-July e-mail to the *World Socialist Web Site*, Kishor Tiwari, the head of the Vidarbha Public Movement Committee, reported that Singh's visit and aid package have failed to stem the wave of farmer-suicides. Since June 30, at least 62 Vidarbha farmers have taken their lives.

"Millions of cotton growers and their families in the Vidarbha region," Tiwari told the WWS, "are directly met with distress as a result of a series of local and central government policies which slashed agricultural subsidies, dismantled price controls and shut down state-funded cotton procurement centres. As far as recent government policies are concerned, essential agricultural input costs relating to water and electricity have increased in leaps and bounds. And farmers who've been used to [getting] water and power for decades for no or minimal charges are now faced with rising input costs, when the return prices of the agricultural produce are not even enough to match the expenses.

"Last year the cotton procurement price stood at RS.2500/(US\$54) per quintal (100kg). Even at that price, cotton cash crops turned to be increasingly uneconomical, making farmers face financial losses. But this year, due to the influence of international market prices, the rate plunged as low as 1700/(US\$37) a quintal. So, I think it's not hard to imagine the devastation negative market prices could bring on a farmer."

Tiwari called the UPA's aid-package for the Vidarbha region an "eye-wash" that would do little to meet the immediate needs of the people, let alone address the roots of the crisis. "It is a very desperate situation. ... The

government should additionally offer a scheme of providing food security to the families of the small farmers and landless labourers, at least providing 30 kg of wheat or food grains per month [at a cost of] Rs.2 a kilo. Some 5,000 children belonging to the tribal population have died so far this year in the Yavatmal district due to malnutrition."

The Indian Prime Minister has said that one reason for his touring some of the country's most distressed rural districts is to make an on-the-spot assessment of how the newly-launched National Rural Employment Guaranteed Scheme is functioning. Under this scheme, which has been touted by the UPA and the Communist Party of India (Marxist)-led Left Front as a major advance, one member of every rural household in some 200 districts of India is reputedly guaranteed 100 days of work per annum at a daily wage of 65 rupees (less than \$1.50 US).

According to Tiwari, the scheme has had no impact in Vidarbha: "If talking about this summer alone, that is during the months of April-May-June, the local and central government did not provide a single job for the local population, nor create employment opportunities relating to farm labour in Vidarbha."

A recent BBC report about the village of Dhorli, whose inhabitants have decided to put the entire village up for sale, underlines the desperate plight of Vidarbha's farmers and their anger at the failure of government authorities to come to their aid.

"We have an abundance of land here," Dharampal Jharundhe told the BBC. "You can see that all 53 of us farmers have land to till. But we have no water. We are at the mercy of nature. We don't get good harvests—we have nothing to eat here. Tell me, what are we to do? How are we to feed our families, pay back our debts? We'd rather move to the cities, and set up small tea-shops, or clean footpaths—something to keep our stomachs fed."

Photographs supplied to the WWS by the Vidarbha Public Movement Committee



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