

## Go Back to Committees, Is the Farm Laws Lesson

*In any key legislation, the practice now of not involving the established systems of Parliament has to be reviewed: The Hindu*

**Syllabus-** GS 3:-agriculture reforms; GS 2: - Government Policies and Interventions for Development in various sectors and Issues arising out of their Design and Implementation.

The Prime Minister has announced the withdrawal of the contentious farm laws.

### What were the farm laws that have been repealed?

1. Farmers Produce Trade and Commerce (Promotion and Facilitation) Act, 2020:
2. Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act, 2020:
3. Essential Commodities (Amendment) Act, 2020

### Agriculture is the backbone of the Indian Economy"- Mahatma Gandhi

Even today, the situation is still the same, with almost the entire economy being sustained by agriculture, which is the mainstay of the villages.

- It contributes **16%** of the overall GDP and accounts for employment of approximately **52%** of the Indian population.
- Rapid growth in agriculture is essential not only for self-reliance but also to earn valuable foreign

### Summary of the three farm laws:

Farm Laws	Main Provision
1. The Farmers' Produce Trade and Commerce (Promotion and Facilitation) Bill, 2020	The Bill sought to open up the <b>sale of farm produce outside of APMCs as well</b> and also aimed at creating an e-highway for trading for agriculture produce. The aim perhaps was to create a <u>larger market leading to better pricing amongst other things for the farmers.</u>
2. The Farmers (Empowerment and Protection) Agreement of Price Assurance and Farm Services Bill, 2020	Bill paved way for <b>contract farming</b> . This Bill sought to provide a framework with regard to <b>agribusiness, processing, and the entire range of services.</b>
3. The Essential Commodities (Amendment) Bill, 2020	Bill took out cereals, pulses, oilseeds, edible oils, onion and potatoes from the list of essential commodities and deregulated them, freeing up their free trade.

### Why were these reforms sought?

- ❖ **APMC reforms:** There has been a long-pending demand for reforms in agricultural marketing, a subject that comes under the purview of state governments.
- ❖ **Long pending reforms:** It was in this backdrop that the present government went for reforms in the sector by passing these laws.

### In what circumstances were the laws passed?

- ❖ The government initially cleared them **as ordinances** in June 2020, there were token protests with the country's attention gripped by the first wave of Covid-19.
- ❖ In Parliament, there was no thorough scrutiny of the Bills by a parliamentary panel. The government dismissed these demands and pushed the legislation through.
- ❖ The Opposition benches were suspended for a week for their "disorderly conduct" while protesting against the rushed passage of the laws.

### What is new now

- ❖ The **Union Cabinet**, in its next meeting on November 24, will take up for approval the repeal of the three farm laws announced by PM Modi.

### In spite of all this benefits, what went wrong?

- ❖ These laws have a **far-reaching impact on the farmers**, and it was very improper and quite unwise to push them through without taking the farmers into confidence.
- ❖ Under **Article 123 of the Constitution the President** can legislate on a matter when there is great urgency in the nature of an emergency and the sitting of Parliament is quite some time away. Farm laws which make radical changes in the farm sector and affect the life of farmers in very significant ways do not have the kind of urgency which necessitates immediate legislation through the ordinances.
- ❖ It is a wrong impression that Bills which are brought to replace the ordinances are not or cannot be **referred to the standing committees of Parliament**.

### Farm bill repeal and the way ahead:

- ❖ There has been a long-standing demand of the farming communities (endorsed by the **Swaminathan Commission**) on the **Minimum Support Price**. The calculation of the MSP should be based on the formula that calculates the comprehensive cost borne by the farmer — the C2, and not the one proposed by the government (A 2).
- ❖ On the other hand, the contract farming Bill needs to allow the farmers a proper judicial process that is as per the law of the land, something that was not properly articulated in the farm laws
- ❖ However, to address the larger structural question one will have to also take into account the fact that the umbrella of MSP be extended to all crops and the issue of water be addressed at its fundamental level.
- ❖ As has been pointed out by **Mihir Shah Committee**, **India is on the verge of exhausting its ground water due to over exploitation of aquifers** and unless we fundamentally rethink our policy of managing surface and ground water, we are now looking at point of no return.
- ❖ The **Mihir Shah committee report** has argued for a demand side management of water for all sectors and as rightly and strongly advocated for **eco zone-based farming** and a wider, diversified procurement process that gives a due consideration to millets, and other crops, a move away from water intense crop regime. The farmers, as long as they are assured of good returns from such a crop regime will certainly consider it as these favour them in the long run as it reduces the input costs and saves the soils from the excess of chemicals and fertilisers.

**Conclusion:**

- ❖ An assurance that the farmers' interests would not be hitched to immediate compulsions of interest groups, be it political or corporate. The Prime Minister's announcements perhaps are an acknowledgement of this reality. The country cannot afford to see a situation where the farmers are pushed into such a situation again.
- ❖ Thus, proper parliamentary scrutiny and discussion with proper consensus is required because farm laws have an impact on more than 50 per cent of population of the country.

**Mains Question:**

1. *Indian agriculture needs urgent structural and institutional reforms. In this background, explain what went wrong with current farm laws. Also suggest how government to proceed about to bring the necessary reforms.*
2. *The Essential Commodities Amendment bill 2020 aims to deregulate the production supply and distribution of farm produce. Critically examine its spatial consequences. [CSE 2020]*