India's Watered-down Food Bill Won't Really Benefit its Hungry Millions

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No one can deny that <u>food security</u> – or rather the lack of it – is a crucial issue in <u>India</u>. Despite more than a decade of stellar GDP growth and rising per capita incomes, food consumption remains very low and highly unequal.

The government has not done a demographic health survey for years, but the most recent one (of 2005-06, pdf) showed appalling indicators: 46% of children under three were underweight; 33% of women and 28% of men had a body mass index below normal; 79% of children aged six months to 35 months had anaemia, as did 56% of married women aged 15-49 and 24% of married men; 58% of pregnant women had anaemia. Things were much worse in rural India, especially in Madhya Pradesh, Bihar and Jharkhand states, where the indicators were worse than for most sub-Saharan African countries.

Matters are likely to have got worse: these poor nutrition outcomes refer to the period before food prices rose significantly in India. Since 2006, food inflation has been much faster than general inflation, and the prices of basic foods have doubled or even tripled.

This has been reflected in consumption, <u>as the official survey data</u> suggests an alarming picture of declining trends. Monthly per capita consumption of food grains has been declining since the early 1990s. In rural areas, the declines were as much as 15%. Average consumption of cereals fell from 13.4kg per month in 1993-94 to 11.35kg in 2009-10. The consumption of pulses (still the major source of protein) fell from 760g per month to 650g over the same period. In urban India, the declines in grain consumption were less steep but still notable: from 10.6kg to 9.7kg for monthly cereal consumption and from 960g to 870g per month for pulses.

It is not just per capita consumption of traditional grains like millet that have declined, but even "preferred" cereals like rice and wheat. Consumption of sugar also declined, although that of milk and oils increased slightly.

As a result, per capita calorie consumption has been falling, and the decline accelerated even in the high-growth 2000s. About 63% of India's population gets inadequate nutritional intake just in terms of calories, and there are large deficiencies of protein intake.

No wonder that the Congress party, the leading constituent of the United Progressive Alliance government, <u>promised to ensure food security to all households</u> as a major part of its election plank in the 2009 general elections, which was one of the reasons for its success. When it started its second term, it promised to bring in a law that would ensure every household received at least 35kg of grain per month from the public distribution system, through enlarging and strengthening the system of public procurement from farmers and retail distribution through ration shops.

But the government has dithered and waffled for four years, apparently persuaded by some in the finance ministry and other departments that this is too expensive. The <u>final bill</u> (pdf) is a pale shadow – some would say a mockery – of the original

intention. It does not provide universal access, but instead restricts the responsibility of the government to provide subsidised food grain to households on the basis of defined eligibility criteria, estimated to account for two-thirds of the population.

Such targeting will be prone to well-known errors of unfair exclusion and unjustified inclusion. It moves away from the 35kg per household promise to 7kg per person per month, reducing the amount small families will get, and leaving it unclear how children's entitlements will be calculated.

It even leaves open the possibility of doing away with grain provision altogether, by giving state governments the option of replacing grain distribution with cash transfers (which are unlikely to track effectively the actual cost of buying grain in the market).

This reflects another problem with the bill, which is why many state governments have opposed it. In India's federal system, states can choose to add their own subsidy to ensure wider coverage or cheaper grain – and several states now run effective near-universal programmes of providing cheap wheat or rice to people. This legislation will affect the price at which the centre sells grain to the states, and those with larger programmes will end up having to buy from the open market to top up their requirements.

States such as Tamil Nadu and Kerala, which have good public distribution systems, will be worse off, as will those like Chhattisgarh and Orissa that have recently universalised and strengthened their public distribution schemes.

These flaws in the bill require more public discussion and parliamentary debate. But the government that spent four years doing precious little to implement this promise is now in a tearing hurry to push the bill through before the next election, due within the year. The past session of parliament was held up largely because of an opposition outcry over financial scams, so this important bill was not discussed.

The Congress party has been toying with the idea of an ordinance that would force the bill into law while parliament is in recess, but its allies have apparently been persuaded to call a special session of parliament to discuss this. In its current form, the bill is so flawed that passing it without amending it in crucial ways, to make it universal and to strengthen access, may even be counterproductive.

But if India's hungry millions are really to benefit from such legislation, the government needs to approach this matter with genuine seriousness, not as a cynical ploy to gain electoral mileage.

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