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India: NITI Aayog's Proposal to Cut Food Subsidies Will Worsen India's Rising Hunger Problem

Wednesday 7 April 2021, by GOTHOSKAR Sujata (Date first published: 12 March 2021).

A number of indicators have shown that India is still reeling under the adverse impact of lockdowns and job losses necessitated by the pandemic. Any cut in food subsidies will push millions into starvation.

On February 28, 2021, it was widely <u>reported</u> that Niti Aayog put out a paper arguing for lowering coverage in food security law in order to cut the subsidy bill. The paper prescribes curtailment of food subsidy to people from 75% in rural areas and 50% in urban areas to 60% and 40% respectively. This curtailment, the Niti Aayog estimates, will result in savings of Rs 47,229 crore. This very straight proposition needs to be looked at from the point of view of several factors.

This reminded me of the experience some of us had with a lockdown helpline that we set up for a short period of 12 weeks. This was a 24 x 7 telephone helpline made possible by mostly young activists. For most of us, this was the first experience with a helpline, while many of us had participated in movements concerning different issues.

This was from the second week of April 2020 to sometime in June 2020. The calls came one after the other. Many of the callers were working people, mostly migrants from Uttar Pradesh, Bihar, Odisha, West Bengal, among others. But quite a few had been in the city of Mumbai for a fairly long time. Almost all of them who called us were in desperate need of rations.

In some cases, they did not mind even cooked food, so severe was the desperation. And this was just a few weeks into the Coronavirus-induced lockdown. Most of them had had no reserves or savings, despite working all their lives in this city. Some of the male workers lived in cramped one-room tenements. They were construction workers who had built our homes, our city. They were tailors, cooks in restaurants, and street vendors selling a number of things. It was a difficult experience for many of us to see such hunger and desperation at such close quarters, though it was only through telephonic communication.

In one such incident, a group of young men called us saying that they had had enough. They had called up several people and organisations and had not even got basic rations and that they would start walking to their village in Jharkhand. My colleague and I pleaded with them not to do that and we would see to it that they got their rations at least. We were able to reach this group of migrant workers and stop them from walking back home because they did not have basic ration. But that was it!

There were hundreds of thousands who no one could reach because food as a basic human right has not been recognised by either them or us or the government. And this desperate hunger was not the fate of the migrant workers alone.

This also reminded me of the <u>many starvation deaths</u> we had heard about in the tea plantations in North Bengal in the Dooars in 2014. They were workers who worked their entire life plucking tea, taking care of the tea bushes, spraying pesticides on the bushes, with no protective gear to cover themselves.

When the management deserted the plantations, the workers, some of them too old to try anything else and finding no other avenues in the wilderness of the tea plantations, simply starved to death. Access to affordable, subsidised food has to be a basic justiciable right!

We will briefly go into the different factors of this situation.

Employment and wages

It is commonly understood that even before the economic slowdown of the last few years, even before the pandemic and the hastily-declared, unplanned lockdown, the situation of employment and food security was not ideal. This worsened considerably in the year 2020.

According to reports, it has been estimated that about 122 million jobs were lost in April 2020 in the country. Besides 75% of small traders and wage labourers suffered considerable loss. According to Mahesh Vyas of the Centre for Monitoring Indian Economy (CMIE), even in September 2020, 21 million salaried jobs had been lost. International Labour Organization estimates a fall in wages of informal workers around 22.6% post lockdown.

There has been a serious disruption in the lives and livelihoods of the vast majority of the working population in India. It has also been acknowledged that the situation has not totally improved, nor is it likely to in the short or even medium term. This is even more relevant for the socially and economically marginalised sections of people, who are in disproportionately large numbers in the lowest rungs of the economy and the labour market.

According to <u>Ashwini Deshpande</u>, there were gender and caste disparities in the early lockdown-induced job losses, where women suffered relatively more than men (rural women more than urban women) and Dalits (Scheduled Castes) suffered relatively more than upper castes, specifically rural Dalits. Rural women's employment suffered the maximum relative loss.

What seems amazing about the lockdown is the fact that over the last several decades, every person is aware that much over 85% of the people in India work in the informal economy. This by definition means that for most people if you do not work today, you do not eat tomorrow (or sometimes today). When imposing a lockdown within four hours' notice, what was the government thinking? That people would guietly suffer pangs of hunger and see their loved ones starve? For how long?

Food and hunger

According to a <u>study</u> conducted by the Right to Food Campaign and Center for Equity Studies, in 11 states in India, covering 3,994 respondents titled *Hunger Watch*, among vulnerable communities in rural and urban areas, there is a situation of acute hunger across the country.

Over two-thirds of the respondents said that nutritional quality worsened and the quantity of food intake reduced (in September–October 2020) compared to pre-lockdown. Despite the fact that more than five months had passed since the lockdown, the phenomenon of having to sleep without food had not drastically changed.

According to this <u>report</u>, even six to seven months after the lockdown, people continued to remain hungry, skip meals frequently and are unable to afford nutritious diets because of loss of income.

This demonstrated how the decision to withdraw free grains, under the Pradhan Mantri Garib Kalyan Yojana, after November 2020 has been a completely flawed and insensitive decision.

The <u>survey</u> also interviewed people from marginalised and excluded communities, Scheduled Castes, Scheduled Tribes, minority communities, 80% of whom earned less than Rs 7,000 a month even before the lockdown. The <u>report</u> is a very tragic story of continued and escalating deprivation of several thousand households.

The preliminary results from the *Hunger Watch* show what everybody witnessed with horror when the situation was unfolding. That is the situation of hunger is quite serious, even five months after the lockdown has ended.

A large number of households report lower levels of income (62%), reduced intake of cereals (53%), pulses (64%), vegetables (73%) and eggs/non- vegetarian items (71%), worsened nutritional quality (71%) and an increased need to borrow money to buy food (45%).

The government support in the form of free rations and alternatives to school and anganwadi meals in the form of dry rations and/or cash transfers reached more than half the people (PDS having relatively better outreach).

While this support from the government programmes has been crucial, the staggering levels of hunger witnessed during the *Hunger Watch* study also showed the inadequacy of these schemes. Many are left out and even among those who did get the entitlements, the overall consumption has been still lower than what it was before the lockdown.

This calls for the strengthening and expansion of these schemes and making them more robust and inclusive. The report unveils different levels of deprivation, much of it, sadly, would be a chronic state of affairs, exacerbated by the lockdown.

Status of health

The third factor in this situation is the well-documented health situation in the country. The National Health Survey 5 of 2019 (even before the pandemic) showed huge levels of malnutrition. The NHS 5 looked at the health situation in the country between 2014 and 2019.

Several states across the country have reversed course and have been recording worsening levels of child malnutrition despite improvements in sanitation and better access to fuel and drinking water. Several states have either witnessed meagre improvements or sustained reversals on four key metrics of child (under five years of age) malnutrition parameters. These four key metrics are child stunting, child wasting, share of children underweight and child mortality rate.

Child stunting: The most surprising reversals have happened in child stunting, which reflects chronic undernutrition, and refers to the percentage of children who have low height for their age. Stunting, more than any other factor, is likely to have long-lasting adverse effects on the cognitive and physical development of a child.

Telangana, Gujarat, Kerala, Maharashtra, and West Bengal saw increased levels of child stunting. The reversals in child stunting are "hugely troubling", as normally, stunting levels do not increase because all the things that affect child growth tend to improve as stable democracies and economies move ahead.

Child wasting: It reflects acute undernutrition and refers to children having low weight for their height. India has always had a high level of child wasting. Instead of reducing it, Telangana, Kerala,

Bihar, Assam and Jammu-Kashmir witnessed an increase, and Maharashtra and West Bengal have experienced stagnant rates.

Share of children underweight: In the proportion of underweight children, big states like Gujarat, Maharashtra, West Bengal, Telangana, Assam and Kerala have seen an increase.

Child mortality rate: Infant mortality rate (the number of deaths per 1000 live births for children under the age of 1) and under-five mortality rate data are mostly stagnant. Between NFHS-3 (2005-05) and NFHS-4, there was progress on mortality reduction, but NFHS-5 and NFHS-4 weree about five years apart, but still, there is very little progress in many states.

In **Maharashtra**, the under-5 mortality rate is basically the same in NFHS-4, and in Bihar, it reduced by just 3% over five years. Over 60% of child mortality is explained by child malnutrition, which is the <u>central problem</u> and needs to be addressed.

Fiscal position

This entire exercise of the Niti Aayog is to curtail food subsidies that would result in savings of Rs 47,229 crore. These Rs 47,229 crore would mean the difference between life and death or slow death for millions of poor working people. This has been amply demonstrated during the lockdown when the PDS (the ration system) provided the lifeline for a large number of people, both in rural and urban India. If not for the PDS and the MNREGA, there would have been a pandemic even larger and more brutal than the one we are experiencing right now.

Contrast this with Rs 7, 94, 354 crore (almost 8 lakh crore) government loses in <u>writing off loans</u> to large corporations besides other subsidies and tax concessions. Between 2015-16 and 2018-19, Rs 4,32,584 crore were written off, and only Rs 25,659 crores were retrieved from the big industrialists – barely 10%.

Out of the Rs 1,65,000+ crore written off by the State Bank of India, only 7.16% was concerning agriculture, by 65%, that is Rs. 3.91 lakh crores went to the large corporations. Again, this is besides waiver of taxes, like property tax, capital gains tax and many more.

In fact, the <u>loans written off for big capitalists by the Modi government</u> are three times as compared to the loans written off by the earlier government. According to another <u>report</u> in *Business Standard* on February 18, 2019, the top 12 corporate non-performing assets (NPAs) cost the exchequer twice as much as farm loan waivers.

Why government must continue to support the masses?

This is the time when governments should be extending their support in every possible way. This is not just for the benefit of the working poor who deserve and need this support, but also in order to revive demand in the economy and hence revive the economy itself.

In fact, this is the time that the Central government should actually get rid of the quota system in the implementation of the National Food Security Act (NFSA) and loosen their purse strings to accommodate everyone and go ahead to broader and universalise the PDS.

The government also needs to deepen the PDS and include basic items like pulses, oil, sugar, coarse grains, and many more. This is the time. The granaries are overflowing. The National Health Survey 5 of 2019 (even before the pandemic) showed huge levels of malnutrition. People have no means of livelihood. In these times if the government does not provide the most basic means of survival – food, what is the government for in any case?

The questions to the Niti Aayog and to the government of India are: what exactly do you want? How many more should sleep hungry tonight and many subsequent nights? How many starvation deaths do you want in your account?

Equally crucial is the question as to what have we learned from the pandemic? It was the ration system, however deficient, that averted a major genocide of massive proportions. As we saw in the healthcare system, it was only the public healthcare system, though completely destroyed through decades of neglect and callous sabotage, which actually came to the rescue of the people and the governments.

As predicted by several scientists and scholars, given the manner in which we are contributing to climate change and given the frequency with which epidemics and pandemics have been occurring, most likely this may not be the last pandemic we are experiencing in the near future.

We need to draw serious lessons from what we have experienced as a society for the future, and the pathway to that has to be by strengthening our public healthcare and other public services, the foremost among them being food security.

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