



INDIA'S FOOD FAILURES

An Indian journalist asks why the world's second-largest food producer still has the highest number of people ravaged by hunger

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HONOLULU (June 8, 2011) – Has India's food system failed its people? Hunger and starvation remain serious problems in India despite agricultural advances that have helped make the country the world's second-largest food producer, following only Brazil. And India's failures are coming under increased scrutiny as soaring food price inflation cripples household incomes, according to an essay by Sarosh Bana, executive editor of *Business India* and an alumnus of the East-West Center. (Click here to read the full text of Bana's essay.)

"It is a vicious cocktail of weak purchasing power that denies nutrition to the masses, and a systems failure in tackling supply-side challenges," writes Bana.

At one point, vegetable prices skyrocketed by almost 60 percent in India, where the population of 1.2 billion is largely vegetarian, and vegetables are normally far cheaper than meats and poultry. Costs of other foods quickly rose as well, according to Bana.

"While initially it was the onion's threefold price increase that hit the consumers, a tardy government response helped push up the cost of eggs, meat and fish by 21 percent, and fruits and milk by nearly 20 percent," he writes. "This was alarming, considering that [India's wholesale price index] had shown single-digit growth, largely below 5 percent, throughout the last 13 years. Even the devastating famine of 2002-2003, when foodgrain production plummeted to 174.2 million tonnes from 212 million the year before, had not hurt the consumer as much, as the government had then managed to control the food prices."

India's low per capita income – U.S. \$985 per year, compared to U.S. \$6,700 in China – is a big part of the problem; for example, leaving the per capita availability of milk below the world average, despite India's ranking first in world milk production, according to Bana.

Other foods are also plentiful, yet often out of reach for Indian consumers. India is the world's largest producer of cashew nuts, coconuts, tea, ginger, turmeric and black pepper; the second largest producer of wheat, rice, sugar, groundnut and inland fish; and the third largest producer of tobacco. It also has the largest cattle population, and counts for a tenth of world fruit production, while being the foremost producer of bananas and sapota (chiku).

"The situation is thus a paradox of plenty across a landscape of debasing malnutrition," writes Bana. "What is worrisome is that increasing yields over the past many years, barring sporadic declines, are not rendering food progressively affordable."

Despite emerging from an era of food scarcity to one of self-sufficiency and surpluses, India has the same proportion – roughly 24 percent – of undernourished people as it did two decades ago, and a recent legal battle drew attention to the disparity, he writes: "In an unprecedented intervention last year, the Supreme Court had directed the government to release decaying wheat stocks for the hungry rather than have them rot completely. Contesting the ruling, Prime Minister Manmohan Singh contended that to implement it would hurt the interests of the farmers by denying them remuneration for their produce."

India's agriculture must evolve to meet demands of its booming population, expected to reach 1.33 billion by 2020 and 1.4 billion by 2026, Bana writes.

Indian farmers are vulnerable because of two primary factors, according to Bana. One relates to their small holdings that keep them in a low-income trap, restraining any credible investment of their income or surplus in land productivity. Secondly, 60 percent of agriculture remains dependent on rainwater, rather than irrigation; if the rains fail or there are unfavorable variations in rain or other climatic factors, crops suffer.

India's government is pursuing a "Second Green Revolution" to mirror the gains of the first such concentrated effort to improve agricultural production half a century ago, writes Bana. The four-pronged strategy targets 4 percent annual growth by augmenting production, reducing wastage of produce, expanding credit support to farmers and boosting the food processing sector.

A National Food Security Bill that the country is close to enacting will entitle up to 70 percent of the population to subsidized foodgrains, a massive effort that will require about 60 million tonnes of foodgrains.

"These are credible steps toward food security for the people of India," writes Bana. "The government will need to have the will to see them through."

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