

Mains Practice Question

Q. PM-KISAN is aimed at boosting rural consumption and helping poor farmers recover from distress. Examine the challenges of PM-KISAN in this context. (250 words)

03 Sep, 2019 GS Paper 2 Social Justice

Approach

- Introduce by mentioning the situation of farm distress and the need for schemes like PM-KISAN.
- Give details of PM-KISAN and how it aims to improve farmer's condition.
- Mention the challenges in rolling out PM-KISAN.
- Conclude by giving suggestions to improve its functioning.

Introduction

• Indian farmers continue to suffer from distress sales and lack of financial support to improve their living conditions. Despite the government's aim to double the farmer's income by 2022, there is not much significant gain on productivity and their income.

Body

- The Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) was announced in budget 2019 as direct income support to farmers on the lines of already existing state-level schemes like Telangana's Rythu Bandhu Scheme and Odisha's Krushak Assistance for Livelihood and Income Augmentation (KALIA) scheme.
- It aims to provide direct income support of Rs 6000 a year to all farmers. Initially, it was launched to provide support only to small and marginal farmers with cultivable land of up to 2 hectares.
- The direct income support can serve as an important tool for farmers to overcome credit constraints and would allow them to buy agricultural inputs like seeds, farm implements, livestock etc.
- Its one of the objectives is to increase productive investment, access to markets and stimulate local economies.

However, there can be certain challenges and concerns related to the scheme:

- **Inadequate income support:** Addition of just Rs 500 per month will not have much significant benefit for the farmers considering the rising input costs in agriculture.
 - Therefore, a welfare measure such as PM-KISAN can only be realised through financial support that provides farmers with adequate purchasing power to meet their daily basic necessities.
- **Price volatility:** Given the volatile market and price fluctuations in different regions, it is important to index the cash transfers to local inflation.
- **Grievance redress:** Besides, the scheme does not provide a clear design of transfers and a framework for effective grievance redress. In the Mahatma Gandhi National Rural Employment Guarantee Scheme, for instance, State governments still struggle to resolve complaints and curb corruption.

- **Failure in targeted delivery:** Even medium and large farmers are entitled for the benefits and not the tenants and sharecroppers who need income support the most.
- And finally, cash transfer is neither a substitute for the structural reforms needed in agriculture nor does it adequately compensate the farmer for the risks and uncertainty of crop cultivation.

Conclusion

■ PM-KISAN is an ambitious scheme that has the potential to deliver significant welfare outcomes. However, the current top-down, rushed approach of the government ignores governance constraints and is therefore likely to result in failure. An alternative bottom-up strategy and well-planned implementation mechanism would allow weaknesses to be identified and rectified at the local level. The most effective modalities can then be scaled nationally to benefit the farmers.

