



# The Big Picture: The Demands of Farmers

## Why in News?

- Farmers have been protesting for over months and have congregated on the periphery of the National Capital.
- They have blocked roads to Delhi and remain firm on their demand to repeal the recently passed [farm laws](#).

## Key Points

- Despite the government's assurance given to the farmers that the new laws are for their benefit, they still fear that their livelihood will be severely affected.
- The major demands of farmers include completely rolling back the three farm laws along with ensuring Minimum Support Price (MSP) on the crop products.
- Farmer unions had also intensified their agitation against the farm laws by calling for 'Bharat Bandh' to show their discontentment with amendments to the agricultural legislations being proposed by the government.

## The Farmers' Demands

- **Repealing the farm laws:** The first and foremost demand of the protesting farmers' organisations is the repeal of [three new agricultural laws](#).
- **Minimum support price:** The second demand of farmers is the guarantee of [Minimum Support Price \(MSP\)](#) to ensure procurement of crops at a suitable price.
  - The Farmers are also demanding to get a written assurance in the form of a Bill for the continuation MSP and conventional food grain procurement system.
  - The Farmers' organisations want the [APMC](#) or the Mandi System to be protected.
- **Electricity (Amendment) Bill:** The third demand of farmers is the withdrawal of the [Electricity \(Amendment\) Bill](#), as they feel that they won't get free electricity due to this.
- **Stubble burning:** The farmers' fourth demand is to end the fine and jail sentence for [stubble burning](#).
- **Swaminathan Commission:** The Farmers are demanding MSP as recommended by the Swaminathan Commission.
  - The Swaminathan Commission Report states that the government should raise the MSP to at least 50% more than the weighted average cost of production. **It is also known as the C2+ 50% formula.**
    - It includes the imputed cost of capital and the rent on the land (called 'C2' ) to give farmers 50% returns.

## Are the Demands Justified?

### Arguments in Against

- **MSP is an incentive not a right:** Even though the MSP might be beneficial for a section of the farmers only, the cost of MSP itself is very high for the country as a whole.

- MSP was given to the farmers as an incentive to prevent them from exploitation, it cannot be mandated as a right.
- It is an artificially high price which hurts the population who does not cultivate these crops but is poor; e.g. landless labourers, small & marginal farmers in villages who are also the net buyers of the food grains.
- **The law does not dismantle the APMC system:** The APMCs are not going to shut down and will continue to be available as an alternate option for the sale of farmers' produce.
  - The government has only given the farmers the freedom to sell out of the APMCs.
- **Contract farming:** Contract farming already exists in parts of the country. Large scale informal contract farming is already happening in West Bengal and around Delhi.
  - The law simply recognises contract farming, makes it legal and provides mechanism protection for the farmers.
- **Allowing stubble burning:** The farmers, who burn stubble, are conscious of going to jail if they continue burning the stubble as the law provides for a fine up to Rs. 1 crore or jail of up to five years or both.
  - Despite the raging need for laws against pollution, this demand of the farmers is utterly saddening.

## Arguments in Favour

- **Corporatisation of agriculture is against the farmers' welfare:** The global experience across agricultural markets demonstrates that corporatisation of agriculture without a concomitant security net in the form of an assured payment guarantee to the farmers results in the exploitation of farmers at the hands of big business.
- **Threat for small and marginal farmers:** This poses a significant challenge to Small and Marginal Farmers which constitute 86% of our agricultural class.
  - The present laws alter the bargaining landscape in favour of the corporate players.
- **Dispute resolution mechanism:** The new farm laws expressly exclude the jurisdiction of the civil court, leaving the farmers remediless and with no independent medium of dispute redressal mechanism.
  - The farmers shall be given the right to take their stand to the court.
- **Gradual decline of APMC mandis:** The farm laws open the field to an alternate set of markets/private yards, where the buyer will have no statutory obligation to pay the MSP.
  - Since the markets/private yards will not be charged any market fee/levy and the agricultural sector will see the gradual shifting of trade from the APMC mandis to these private yards.
- **Agriculture is a state subject:** The Union Government has by-passed the federal structure by legislating on subjects that exclusively fall within the domain of the state government under the state list of the [Seventh Schedule of the Constitution](#).

## Way Forward

- **Choosing a middle ground:** The government is not going to repeal all the three laws while the farmers are adamant about their protest for repealing the laws. The need here is to adopt a middle path.
  - There must be some negotiations between the two, while the government is accepting the genuine demands, the farmers should also agree to some of the former's terms.
- **Complete information about the rights:** What farmers need is complete information of their rights and duties and connectivity which needs to be provided by central as well as state governments.
- **Landless labourers:** The landless labourers are often left out of welfare policies, while they are the majority of rural areas. More policies should be more focussed upon the landless labourers.
- **People's suggestion:** It is important to take the suggestions of all the stakeholders before passing a new bill especially in the world's largest democratic country.

## Conclusion

The farmers are an integral part in the formation of the country, their interests must be preserved and their issues must be looked and worked upon. In this case, adopting a middle path is the best and wisest

way forward.

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