
**RISING SIGNIFICANCE OF AGRICULTURE IN THE BACKGROUND OF
COVID 19 - ROLE OF LAW**

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ABSTRACT

The economic development of India is hurting very badly. There are several reasons for the same and ill treatment towards rural economy is a major one among them. Even if agriculture is the source of livelihood for around 50% of population, it is a neglected sector in India. Indian policy makers had given much importance to agriculture and it contributed a lot in the economic development of India. Agriculture occupied a prominent role in the five-year plans of India and it is the basis of the economic growth of Indian economy. But after the emergence of industrial sector, the importance given to agriculture annulled. Many legislations and policies were enacted for the protection of industrial sector. For the promotion of agriculture there must be an effective legal mechanism for the protection of rights of people who are involved in the same. But now the only legislation which is exclusively for the protection of farmers rights is Farmers’ Rights Act and Plant Varieties Act 2001. But this legislation is dealing only with the intellectual property rights of farmers. This neglect towards the agricultural sector from the part of government and policy makers is an important reason for the slowing down economy of India. This pandemic period is the time to realize the fact that we need to be self-sufficient in matters food security. When lock down declared, none of us rushed to buy car, gold etc. But all of us rushed to buy provisions for food. In India, many states are depending on other states even for rice, wheat etc. So at least at this time of realization we should do something for the promotion of agriculture. For the strengthening of any sector contribution of legal system is very much relevant. This is evident from industrial sector which contains many legislations for its improvement. Service sector is also covered with such legal support. But there is no such rules and regulations for the protection of farmers and agricultural sector or the existing laws are not adequate. This legal lacuna is an important reason for the drawbacks of agricultural sector which is an important reason for the economic slowdown. So, the ill treatment towards agricultural sector should be cured first to overcome the economic

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slowdown. Through this paper I am trying to find out the legal remedies for the promotion of agricultural development and inclusive growth of Indian Economy.

INTRODUCTION

The concept of society was formulated through agriculture. Earlier people had a nomadic lifestyle and they started to reside in a place for the protection and preservation of farm and farm products. So, agriculture played a vital role in the development of human culture. Around 50% of India's population depend on rural economy and that means agriculture. Indian policy makers had given much importance to agriculture and it contributed a lot in the economic development of India. Agriculture occupied a prominent role in the five-year plans of India and it is the basis of the economic growth of Indian economy. But after the emergence of industrial sector, the importance given to agriculture annulled. This neglect towards the agricultural sector from the part of government and policy makers is an important reason for the slowing down economy of India. Now as a result of outbreak of Covid 19, both the global and Indian economies are in a turbulence. Through this paper I am trying to find out the legal remedies for the promotion of agricultural development and inclusive growth of Indian Economy.

CARRIERS OF INDIAN ECONOMY

Indian economy is mainly carried out by three sectors. They are industrial sector, service sector and agricultural sector. Based on the rate of contribution to national income of India, service sector comes under the first position, industrial sector comes under the second position and agricultural sector comes under third position. Earlier agriculture had an abundant role in the contribution to the GDP of India and it was the backbone of Indian economy. But later, there arose a change in this situation due to several reasons and industrial sector had given much importance. Many legislations and policies were enacted for the regulation of industrial sector and also for the protection of rights of people who are working with in this sector. Some examples are

1. Industrial Disputes Act 1947 – Established dispute settlement authorities for the settlement of disputes between employers and employees, employers and employers, and also between employee and employee.

2. Workmen Compensation Act 1923 - Provides for compensation to workmen who sustained injuries during the course of employment.
3. Factories Act 1948 – It provides health, safety and welfare measures to those who are working in factories.

Apart from this there are several legislations like Maternity Benefit Act, ESI Act, Trade Union Act, Bonus Act, PF Act, Industrial Employment Standing orders Act, Payment of Wages Act, Minimum Wages Act, are there for the regulation of service conditions and protection of rights of people who are involved in industrial sector and service sector. But when we think about agriculture, we can see that our legal system is not adequate or not that much strong to give protection to persons who are involved in agriculture.

ROLE OF AGRICULTURE IN INDIAN ECONOMY

Indian agriculture experienced various kinds of reforms. The main theme of first five- year plan was the promotion of primary sector and agriculture. The expansion of agricultural land was considered as the way to growth during this period. Most of the Indians are directly or indirectly depending on the agriculture. Some are directly attached with the farming and some other people are involved in doing business with these goods. India has the capacity to produce the food grains which can make vast difference in Indian Economy. To achieve targeted mark by the government it needs to provide support in case of land, bank loans and other machineries to the small farmers along with the big farmers with this we can expect some improvement in Indian economy². The points which highlights the role of agriculture in Indian economy are

1. Source of Livelihood
2. Contribution to National Income
3. Supply of Food and Fodder
4. Importance in International Trade
5. Marketable Surplus

² Madhusudhan, Agriculture Role on Indian Economy. Bus Eco J 6: 176. doi:10.4172/2151-6219.1000176

6. Source of Raw Material

7. Importance in Transport

8. Contribution to Foreign Exchange Resources

9. Vast Employment Opportunities

10. Overall Economic Development

11. Source of Saving: Improvement in agriculture can go a long way in increasing savings. It is seen that rich farmers have started saving especially after green revolution in the country.

12. Source of Government Income

13. Basis of Economic Development. The development of agriculture provides necessary capital for the development of other sectors like industry, transport and foreign trade. In fact, a balanced development of agriculture and industry is the need of the day³

4

Year	Rate of contribution of agriculture to national income of India
1960 – 1961	52%
1976 – 1977	42.2%
1999 – 2000	28%
2001 – 2002	32.4%
2018 – 2019	17%

At the time of Indian independence, this sector had the biggest share in the Gross Domestic Product of India. But year by year its contribution goes on declining and currently, it contributes only 17% of Indian GDP at current prices. There are several reasons for the same

³ Himani, An Analysis of Agricultural Sector in Indian Economy, IOSR-JHSS,47, Feb 2014

⁴Himani, An Analysis of Agricultural Sector in Indian Economy, IOSR-JHSS,47, Feb 2014

and ill treatment towards rural economy is a major one among them. Even if agriculture is the source of livelihood for the majority of population, it is a neglected sector in India. To some extent the development of other sectors and the overall economy depend on the development of agriculture. The farm sector is contributing greatly to the productivity and stability of the country's economy due to which it has been believed that agricultural prosperity is fundamental to national prosperity⁵. It is worth to mention that the agriculture sector provides jobs to majority of population of India.⁶

PRESENT SITUATION OF INDIAN ECONOMY

The economic development of India is hurting very badly. Even before the outbreak of Covid 19, our economy was deteriorating very badly. That means, when contribution from agriculture to the national income decreased, it resulted in the impairment of Indian economy. In such a situation, this Covid 19 pandemic became an unprecedented menace to the global as well as Indian economy. Almost all sectors are adversely affected by this pandemic. The problems in agriculture at the moment are primarily related to (a) labour availability and, (b) inability to access markets for produce due to issues in transportation as well operation of markets⁷. The manufacturing, an important part of any economy, suffers from total lack of clarity. Lockdown has put great stress on the supply chains of essential commodities, and therefore, many of the Indian companies have focused on the production and supply of essential items only, thereby stopping all other production activities, thereby bringing down the production graph. Likewise, the other sectors like agriculture being the primary sector and the tertiary sector are also not free from its impact. There is hardly any manpower available for the agricultural purposes in different states. Lockdowns have manifestly made the farmers difficult to take their produce for sale to the markets. Informal sector of India, the backbone of its economy, will be hardest hit in view of economic activities coming to a total standstill. These lockdowns and restrictions on commercial activities and public gatherings are necessarily likely to strongly impact domestic growth. As estimated by Centre for Monitoring Indian

⁵ Bheemabai S Mulagae, History of agriculture system in india : A Legal Perspective, IJHSSE, 25, 30 (July 2017)

⁶ Hemant sikh, What is the sector wise contribution of GDP in India?, Jagranjosh, January 3, 2020, <https://www.jagranjosh.com/general-knowledge/what-is-the-sectorwise-contribution-in-gdp-of-india-1519797705->

⁷ S. Ananth, Covid 19 – Impact On Agriculture: Varied and Devastating, DH, April 22, 2020, 11.57 IST, <https://www.deccanherald.com/opinion/covid-19-impact-on-agriculture-varied-and-devastating-828390.html>

Economy (CMIE) on 07.04.2020, the overall unemployment rate may have surged to 23 per cent, with urban unemployment standing at nearly 31 per cent.⁸

Now let us have a look in to the fact that how Indian agricultural sector respond to this crisis. Immediately after the nation-wide lockdown was announced, the Indian Finance Minister declared an INR 1.7 trillion package, mostly to protect the vulnerable sections (including farmers) from any adverse impacts of the Corona pandemic. The announcement, among a slew of benefits, contained advance release of INR 2000 to bank accounts of farmers as income support under PM-KISAN scheme⁹ Guidelines to be followed by the farmers during lockdown period were issued by the Indian Council of Agricultural Research. Agricultural loans have been granted a moratorium for three months. The best way to address this urgent need is to use social safety nets extensively to stabilize the lives with food and cash. The Indian Government quickly responded to the crisis and announced relief packages which include food and cash transfers. Several states announced separate relief packages¹⁰. So Self-sufficiency in food security is the prime matter to be considered in the long run. While working to feed the world, many agricultural workers are unable to lift themselves out of poverty and food insecurity. As the pandemic spreads, the continued functioning of food supply chains is crucial in preventing a food crisis and reducing the negative impact on the global economy. Coordinated policy responses are needed to support agribusiness and the livelihoods and working conditions of millions of agricultural workers in line with relevant international labour standards.¹¹

The most responsive cultivation sector which is the spine of our nation is hit with the externalities of Covid-19 eruption. Although not directly, but circuitously the result of corona virus scattering effect i.e. lockdown across the kingdom have twisted out to be a black opening for the farming community. The growers are likely to feel a dip in their returns. Mostly due to lockdown the restrictions on the movement of agriculture commodities from its place of production to the ultimate consumer has been hampered. Another problem lies with the

⁸ Achal Gupta, India : Corona Virus and Indian Economy, L&L Partners, 19 May 2020, <https://www.mondaq.com/india/operational-impacts-and-strategy/936014/coronavirus-covid-19-and-indian-economy>

⁹ Dr. Peter Carberry and Dr. Arabindakumar Padhee, Containing Covid 19 impacts on Indian Agriculture, ICRISAT, April 18, 2020

¹⁰ S. Mahendradev, Addressing Covid 19 – Impacts on agriculture, food security and livelihoods in India, IFPRI, April 8, 2020, <https://www.ifpri.org/blog/addressing-covid-19-impacts-agriculture-food-security-and-livelihoods-india>

¹¹ Covid -19 and the impact on Agriculture and Food Security, International Labour Organization sectorial Brief, https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---sector/documents/briefingnote/wcms_742023.pdf

shortage of labour force due to the fear of viral transmission which ultimately leads to the wastage of harvested commodities, mainly fruits and vegetables which are perishable in nature, in the farmer’s field itself¹².

Initially, lock down was announced in India on 24th March 2020 and agriculture was exempted as it comes under unavoidable service. But migration of labourers, closure of some markets etc made many difficulties for the proper continuation of this sector. Even if such difficulties arose in agricultural sector as a result of pandemic, it has some positive impacts on agriculture even during this difficult time.

REINVENTING AGRICULTURE

As I already stated, Indian agriculture was facing a crucial downturn which led to the economic slowdown in India even before the outbreak of Covid 19. Even if government made some provisions like crop insurance etc. the number of farmers availed of such benefits are very low. The reason is that they are not considering farming as their valuable thing. Otherwise it should be stated that farmers are not able to see farming as a valuable one because it is not profitable. Farmers are working hard on land and their products are selling in markets on higher cost, but the profits will be taken by some intermediaries. So people who are involved in agriculture has a very normal temptation to quit this profession and to find out their livelihood from some other sectors. When lock down was declared people rushed to have provisions for food which are the primary products of agriculture. So this situation helped us to realize the importance of agriculture and the need to be involved in the same. That means as far as agriculture is concerned, this period of unprecedented difficulty is the time for resurrection. When we try for reinvention of agriculture, we should think about the reasons for downturn of agriculture and existing legal mechanisms for the protection of this sector. So, the main reasons which pulled agricultural sector from the highest position among other sectors are

1. Earlier, role of land had been agricultural production. But later people started to find their livelihood in other sectors and there was a high increase in number of people who find their livelihood abroad. So the role of land came to be the development of assets.

¹² Kangavalli nadeshan & M Manida, Covid 19 – Impact of agriculture in India. Aegaeum May 2020, <https://www.researchgate.net/publication/341324024>

2. Negative impact of Neo Liberal policies is another reason for the deterioration of agricultural sector in India. After the introduction of liberalization, globalization and privatization policies many people who were involved in agriculture were attracted to other sectors.
3. Role of intermediaries in marketing of agricultural products discouraged the farmers to continue their farming profession. Because they were badly exploited by the intermediaries and the real tillers were thrown to poverty.
4. Many agricultural lands were acquired by the Government in the name of public purpose and farmers who were satisfied with the compensation for land acquisition failed to find their livelihood in other sectors.
5. The rate of farmer suicides in India itself shows the picture of agricultural deterioration in India.
6. Now people are not interested to continue the farming profession as they don't have any support to overcome the hurdles caused as a result of natural calamities, governmental policies etc. Even if we say that around half of the Indian population are depending on agriculture and involved in farming, the real picture is not like that. The coming generations of traditional farmers are not ready to accept farming as their profession.
7. The most important reason for the decline of agriculture in India is the lack of effective legal mechanism and inadequacy of existing legal measures.

EXISTING LEGAL PROTECTION TO AGRICULTURAL SECTOR IN INDIA

While discussing the legal history of agriculture in India we can see several legislations and governmental policies which promoted agriculture. After Independence, once there was a crisis to agricultural sector in India and we had to depend on imported items for food security. To overcome that situation policy makers had given much importance to agriculture and that is the way in which agriculture became the backbone of Indian economy. But later, our thought was on other sectors and we forgot that agriculture was the heart and soul of Indian economy.

Some of the existing legal measures for the protection of agriculture in India are

- a) Article 48 of Indian Constitution (Directive Principles of State Policy) : Organization of agriculture and animal husbandry - The State shall endeavor to organize agriculture and animal husbandry on modern and scientific lines and shall, in particular, take steps

for preserving and improving the breeds, and prohibiting the slaughter, of cows and calves and other milk and draught cattle

- b) Farmers Rights’ and Plant Varieties Act 2001 - This legislation is dealing with the intellectual property rights of farmers. Rights to produce, sell, market, distribute, import and export the varieties are provided by this legislation.
- c) Seeds Act 1966 – This legislation provides for legal framework around seed certification and make good quality seeds available to the cultivators
- d) Land Acquisition rehabilitation and resettlement act 2013 – This Act provides that an agricultural land can be acquired for public purpose only as a last resort and only in unavoidable situation. Even if Such an agricultural land is acquired, an arable land or compensation must be given.
- e) Land Reforms act – Deals with redistribution of land to the tenants, fixation of fair rent, abolition of landlordism, Imposition of ceilings on ownership, Cooperative reorganization of agrarian economy etc. Only a few states in India implemented land reforms.

Most of such legislations are giving some kind of protection to agricultural sector. But the primary purpose of these legislations are something other than agricultural protection. Policies declared by the Government on the occurrence any event like natural calamity, grasshopper attack also will not give a permanent solution to the problems of this sector.

From the analysis of reasons for downturn of Indian agriculture it is clear that people had a circumstantial compulsion to renounce farming and to be associated with other sectors. They felt that they will be safe in other sectors as agriculture is not a profitable one. But this pandemic season helps us to recognize the fact that we are not safe even in other sectors. Many people who left farming profession and depended on other sectors are now under the peril of unemployment. People who found their livelihood in other countries were sent back by those states and they are also facing the issue of unemployment and livelihood matters.

CONCLUSION AND SUGGESTIONS

The problems will not be cured with the end of lockdown. Farmers are likely to be compounded at the commencement of new agricultural sowing season. They may not be able to repay the existing loans and they will be needed to have other loans for next sowing season. Otherwise farmers will be compelled to borrow money from informal sector and that may lead to more farmer suicides. So Government should take a stand to convert all existing loans to long term loans and to provide help to farmers for preparation of agricultural inputs. Even now agricultural sector is giving employment to the half of Indian population. If the basic rights of farmers are not properly protected by our legal system, then it may result in the destruction of agriculture itself. If that happens in a highly populated country like India, the food security will be badly affected and there will be need to import food for this large population. The financial expenditure for importing food commodities for the entire population will be very high and economy of India will be demolished. For the protection and promotion of farmers rights, the ultimate benefit of which is the promotion of agriculture and strengthening of Indian economy, there must be a specific legislation exclusively for such purposes. There must be an effective mechanism at international level to codify and promote the human rights of farmers.

Some specific suggestions are

1. There must be a specific legislation to deal with the matters related to agriculture. Because for the strengthening of any sector, contribution of legal system is significant
2. Role of intermediaries must be regulated by a well formulated legal system.
3. Should recognize the fact that steps must be taken from the part of government to attract more people in to agricultural sector and inclusive growth of Indian economy
4. The right to remunerative price of farmers must be protected.
5. Promotion of agriculture should be considered as a public purpose as food security is connected with it.