



# Agriculture: Policies and Problems

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## Abstract:

*Agriculture relates to all those activities which are related to cultivation of land or production of crops. Agriculture is the backbone of the Indian economy because more than 50 percent of the population is dependent on it either directly or indirectly. This paper attempts to highlight the various policies undertaken since inception of planning process and the progress happened till date. We are not able to meet the target of 4 percent growth in agriculture due to lack of public investment and research and development in agriculture which are considered to be 4 times more effective in raising the productivity as compared to short term methods of giving subsidies like fertilizer and power. China became self sufficient with a decade of liberalization i.e. 1980 and we are still not able to achieve the target of 4 percent. The budget has also announced some programmes like Krishi sichai yojna, soil health card scheme and has extended the interest subvention scheme.*

**Keywords:** *Crop productivity, Green and white revolution, Irrigation, Public investment, Subsidies*

## 1. Introduction

Agriculture is the heart of rural economy for India. Even after 67 years of independence more than 50 percent of the population is engaged in the agriculture sector. According to census 2011, 68.9 percent is still rural. The agriculture sector contributed more than half of the output of Indian economy when the country embarked on its first five-year plan in 1951. Over a period of seven decades, the share of agriculture has gradually declined to less than 15 percent. Despite its shrinking share in national income and losing dominance in rural income, the performance of the agriculture sector remains a matter of central concern to policymakers and at large.

## 2. Agricultural policies

Agriculture is a state subject, but the dependence of almost half of the population directly on it calls for the coordinated effort from both central and state government. Targeted policy action started when India started planning process in 1950. Agriculture policies can be studied under four phases.

**First phase (1951-1965).** This phase includes three plans. Under the first plan (1951-56), the focus was on agriculture and the targets were achieved. When second plan started focus shifted on industrial sector and by the end of third plan, agriculture sector started showing dismal growth rates.

**Second phase (1966-1980).** This phase started with the major food shortages in 1960s and the subsequent disruption in food aid supplies under PL-480 programme of US, food self sufficiency evolved as a major goal of policy planning. Thus under this phase many policies and targeted action were taken. Provision for output support in the form of minimum support price was started. Many important institutions such as Agricultural price commission which is known as CACP, Food Corporation of India and National Dairy Development Board were also established. Large investments are also made in R&D. With the launching of Green Revolution by M S Swaminathan and White revolution by Dr. Varghese Kurien, India became self sufficient in the production of food grains and

milk. The increase in agriculture production under this phase happened due to increase in area under agriculture.

Third phase (1980-1992) under this phase the HYV technology spread to regions other than northwest India. With the self-sufficiency in food grains, focus shifted in this phase to oilseeds and pulses in which growth had lagged behind. Oilseeds technological mission was introduced for ensuring optimum utilization of production, processing and management technology in oil seeds crops

**Fourth phase (1992 onwards)** this phase is marked by the launching of macro economic reforms, which focused on industrial sector. In this period, investment in agriculture started falling, which reduced the productivity of this sector. Government started resorting to subsidies which were politically feasible due to their immediate impact. In 2000s, government started making efforts to address the issue to decline in investment in agriculture, making farming viable and improving farmers income, increasing food production and providing economic access to food to large sections of populations. The major initiatives include Rastriya Krishi Vikas Yojna 2007, National Food Security Mission 2007 and National Food Security Act 2013.

### 3. Fertilizer subsidies

Soil fertility is the inherent capacity of the soils to support optimum crop growth by ensuring the adequate supply of plant nutrients and suitable condition for water uptake. It is a manageable soil property, which optimizes crop nutrition both on short term and long-term basis on sustainable crop production.

Restoration of depleted soil fertility is going to be the key to sustain the food security in India. Considering the importance of soil for human life, the 68<sup>th</sup> UN General assembly has also declared 2015 as the International year of soils aiming chiefly to develop and maintain healthy soils.

Soil fertility has become contentious issue due to growth in inputs surpassing growth of outputs as witnessed in 11<sup>th</sup> five-year plan. Fertilizer subsidy is one of the biggest subsidies of the government. It was provided with the aim to accelerate the agriculture production. With the fertilizer subsidy, the composition of nutrients of soil has been disturbed leading to declining fertility. Less of traditional inputs such as seed, feed and organic manure and more of modern inputs such as chemical fertilizers, pesticides and farm power are used.

Following sound soil and crop management practices, crop rotation etc. can restore the soil fertility. There are soil-testing laboratories including mobile van operating in the country. Recently a scheme named soil health card has also been launched. The card will carry crop wise recommendations of nutrients required for farmers, making it possible for farmers to improve productivity by wisely using inputs.

### 4. Seasonality in Agriculture

Majority of farmers in our country depend on monsoon for irrigation. Out of 143 million hectares of cultivated areas in India, 67 percent is rainfed. About 91 percent area of coarse grains, 91% pulses, 80 percent oilseeds, 60 percent cotton, 50 percent rice, and 19 percent wheat in India are solely produced from rainfed lands of which 43 percent share is through dry lands.

Water, being the critical input for agriculture, there is need for water management practices and availability of irrigation facilities. According to land use statistics only 65.3 million hectares is the net irrigated area.

The main task will be to produce more from less water by efficient use of utilization water resources in irrigated land and enhance the productivity of challenged an ecosystem that is rainfed and logged areas. Resource conserving technologies has the potential to increase factor productivity including land, labour, capital and inputs.

### References

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