

COMMENT

## The Issue of MSP

THE ISSUE OF REMUNERATIVE PRICE of agricultural produce is as old as the Republic. In the eighties when the penetration of MNCs in Indian agriculture was not that prevalent the movement for fair price of agricultural produce gained wide currency and momentum because of some regional agitations launched by Sharad Joshi and Tikait. Political parties, left included, raise hue and cry when farmers resort to distress sales in every harvesting season. Distress sales for jute growers is as normal as anything else. And now potato growers too are committing suicide. Minimum Support Price (MSP) for paddy and wheat announced by the Union Government on the eve of every harvesting time sometimes becomes a big joke and it is increasingly becoming irrelevant in a situation where market manipulators and middlemen actually decide the price.

It is almost axiomatic that for farmers in India, the cost of cultivation of their land, is seldom met by the sale of food grains to the government. Then the government is responsible for procurement of agricultural produce. The minimum support price is far below what would allow the farmer to earn a living. 40,000 farmers in East Godavari district (Andhra Pradesh) have recently decided to allow their fields to go fallow, for the current year. The union government's MSP neither reflects the cost of production, nor provides support to the farmers. The MSP is derived from data collected from farmers, in the cost of cultivation scheme. The economic equation of the farmers varies from state to state. The average cost of male labour in Punjab is Rs 250 per day, while a farmer in Maharashtra earns just Rs 80 a day. Input costs cover hired human labour, male and bullock labour to seed, manure, mechanized devices like tractors, fuel and electricity, insurance and interest on loan. The cost per quintal of 'moong' is about Rs 4062, whereas the MSP declared by the Committee of Agricultural Costs and Prices (CACP) is Rs 3300. The CACP does not factor the steep rise in prices of certain inputs, particularly fertilizer Di ammonium phosphate. The method of averaging the cost of production and wages in different regions is unfair.

Then the peasant question doesn't trouble the left movement anymore. In neo-liberal regime they are anti-peasant. But India still lives in villages and no powerful mass mobilisation against the unjust system is possible without taking into account the peasant question in its entirety. □□□