Twitter Thread by Karan Bhasin



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Here is a thread that explains the three bills and why the reforms will benefit the farmers. This comes from a joint article with @RashiShar11 on the issue.

"The agriculture sector has a huge number of small and landless farmers. These farmers produce little marketable surplus, that is, additional produce that could be sold in the market to generate income."

There exist feudal production relations in Indian agriculture.

"The big landowners are often also the money lenders to small farmers, acting as the suppliers of seeds and fertilisers in the region. They play a disproportionate role in the government-regulated markets—the Agricultural Produce Market Committees (APMCs)."

"The big farmer produces excessive marketable surplus and thus benefits from the increase in minimum support prices (MSPs). The control over markets tends to create a system of exploitation of small and landless farmers."

"Food security concerns should no longer be the sole objective behind our agricultural policy. The new laws precisely mark this shift."

"These are long-pending reforms that provide choices to farmers to sell agricultural surplus at lucrative prices, an opportunity for barrier-free, inter-state exchanges and even e-trading of farm produce."

Involving private players would improve competition, force APMCs to become more efficient and result in a systematic breakdown of feudal production relations in agriculture, thereby improving price realisation. A consequence of this would be an improvement in agricultural incomes

Farmers will now have a choice - whether to sell through APMCs at MSP or through private markets. This gives them the choice to seek better price realization at private markets; if price offered at private markets is low, they can go to the APMC and sell at MSP.

The competition from private markets would force APMCs to become more efficient and reduce mandi tax. It will also break the monopoly of large farmers in distorting price realization in APMCs and break the feudal relations that exists in our agrarian economy.

The provisions of contract farming will reduce price volatility for the farmers. They would receive the prices quoted to them in the contracts, thus eliminating last-minute negotiations after harvest as in the case of MSPs given by traders. Legal framework will protect farmers.

On contract farming - "With the burden of marketing, packaging and supplying the products on the cooperative, farmers could focus solely on maximising production. The Amul model helped transform India from a milk-deficient nation into the world’s largest milk producer."

The full article with @RashiShar11 can be accessed by clicking here -

https://t.co/PlqdHld7PW

Please help others understand the importance of these reforms and how they will benefit our farmers. Let us put an end to the misinformation that is being spread on these reforms.