CHAPTER - 9

CONCLUSION

Interest group approach to the study of political behaviour of various actors remains an important and useful tool in political science. Through this case study of the Bharatiya Kisan Sangh as an interest group in Gujarat and its interaction with the Gujarat State Government and the Gujarat Electricity Board, we have analyzed various facets of this vexatious problem of the burgeoning agricultural power subsidy. This has helped us understand the pressures which compel the State Government to continue with this huge subsidy. So far, the studies on the electrical power-groundwater irrigation nexus had either concentrated on the problems being faced by the power sector or on groundwater over-exploitation. Some village level micro-studies had indeed attempted to look at this problem from the angle of the village level agriculturists. However, no study had so far focused on this state level interest group in its successful interaction with the Gujarat State Government over the power issues. This study has attempted to fill this gap in political science research to understand the role of the non-governmental actors in applying pressure directly on government, or on any arm of government, in order to get favourable policy outcomes. We have studied the organization, strategy and tactics adopted by the Bharatiya Kisan Sangh to apply pressures on the government. It is indeed interesting to find that like a skillful strategist, the Bharatiya Kisan Sangh did not limit its strategy or tactics to any single approach, nor did it limit itself to applying pressure on any one wing of government; rather it adopted practically all strategies and approached various wings of government depending on the needs of the situation and the dictates of the external environment.

The study has also done a cross-country comparison of the agricultural interest groups in three different countries in three different geographical regions, namely the United States of America, France and Japan. We have observed how the
interest groups flourished during the ‘mature subsidy regime’ and how they faced the challenges of ‘agricultural welfare retrenchment’. The situation in those countries is highly comparable to that of the Bharatiya Kisan Sangh in Gujarat. Here too, the early 1980s and 1990s can be understood as the phase of unquestioned agricultural power subsidy, while from the late 1990s onwards, the State Government started its attempts at ‘retrenchment’ by attempting to reduce or curtail these subsidies. But as the case of the three advanced countries showed, there is a limit to which this subsidy reduction can be attempted and that the interest groups allow very little free play to the government. This happened in Gujarat also, though here the tough Modi government took certain strong, though unpopular, decisions. But even in Gujarat, the government had to make certain ‘side-payments’ to the agricultural sector for its electoral ‘risk-mitigation’ strategies. All these only serve to underline the significant and highly noteworthy influence that the Bharatiya Kisan Sangh had over the agricultural power policy of Gujarat.

At this point we may also reflect on the larger issue of the role of interest groups in democracy in the light of this case study. Existing literature on the subject shows two long-standing traditions on this issue. One sees interest group system as hopelessly biased in favour of powerful economic interests and narrow special pleaders; another sees a greater diversity of interests aiding the decision-making process and a positive role for groups in the creation of better citizens. Scholars in the earlier traditions include Garnet S. Griffith, Theodore J. Lowi and Jonathan Rauch. Mancur Olson in his *The Rise and Decline of Nations*, went to the extent of predicting that special interest would lead to the economic decline of the country as the political system is overwhelmed by an increasingly voracious set of interest groups intent on pleading their special case. The scholars who saw the positive aspects of interest groups in democracy include Truman, de Tocqueville, Robert Wuthnow and Jane Mansbridge. Mansbridge noted that groups could be a positive force for democratic development if they play an important role in explaining, airing and discussing the issues of the day.

1 The authors who oppose interest groups on normative grounds included
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In the light of the above theoretical viewpoint, Bharatiya Kisan Sangh can be seen as having both a positive and a not-so-positive role in the politics of Gujarat. While some may claim that the BKS has caused enormous damage to the financial capacity of the Gujarat Electricity Board, much to the detriment of the other group of consumers depending on the GEB for power supply; others may equally claim that without the constant pressure of the BKS, the GEB would not have supplied sufficient power to the farmers of North Gujarat, Saurashtra & Kutch, leading to the decline of agriculture in these areas. As we have said earlier, the entire issue of seeing the BKS as white or black depends totally on which side of the fence one is speaking from. But even among the government officials and the scholars, opinion differs, though on predictable lines. The officials belonging to the power sector or the scholars looking at the entire agricultural subsidy issue from the power sector angle see the BKS as the greatest culprit who is damaging the sector and preventing the power sector reforms. According to these scholars, the only panacea lies in the metered tariff and since the BKS or the other agricultural interest groups are preventing this, they are preventing the growth and expansion of the power sector, and thus harming the economic progress of the country.

On the other hand, the officials belonging to the irrigation and agriculture sector or the scholars who study the issue from irrigation-agriculture angle perceive the BKS in a highly favourable light. According to these officials and scholars, the flat-tariff system owes its genesis in Gujarat largely due to the pressure applied by the BKS. Rather, if the BKS were not as strong as it is now, the GEB would have long back withdrawn the entire power subsidy. This would have led to the decline of groundwater irrigation in large parts of Gujarat, leading to a decline in the agriculture in Gujarat. Thus a very large percentage of Gujarat’s population would have suffered significantly.

Our conclusion would tend to take into account both these viewpoints. While on the one hand it is true that the agriculture power subsidy has caused immense financial damage to the power sector in Gujarat, on the other hand it is
equally true that without this subsidy, agriculture sector and the agriculturists is Gujarat would suffer very heavily. It thus devolves on the State Government to balance out these competing and conflicting claims. To some extent, the Gujarat State Government played its role, but only in a passive manner till 2003 by letting the situation drift, perhaps hoping that a solution would emerge on its own. It was only after 2003 that the Modi government took pro-active steps towards solutions of this vexatious issue.

One may also ponder over the likely solution to the entire issue of agriculture power subsidy. While trying to reform the power sector per se, the agriculture sector cannot be neglected. Both are important for Gujarat - agricultural progress through proper irrigation, as also the power sector reform for the overall development of Gujarat. Any viable solution has to cater to the requirements of both the sector. Here it must be noted that power per se is not the final requirement of the agricultural sector, what the farmers actually require is water. Time and again the BKS leaders have said openly, as also in private conversation, that they expect government to provide them water for irrigation. It is because canal irrigation is practically non-existent in the areas of North Gujarat, Saurashtra and Kutch that the agriculturists of these areas have to necessarily depend upon groundwater irrigation, and for that they certainly require power. So logically if canal water is provided to these areas, then the dependence of the agriculture sector on power for irrigation will get substantially reduced. Hence rather than applying pressure for providing them highly subsidized power, the Bharatiya Kisan Sangh should demand that canal irrigation should be brought to the parched areas of North Gujarat, Saurashtra and Kutch.

One of the earliest and most well known steps by the Gujarat government to solve the irrigation issue in North Gujarat, Saurashtra and Kutch area is the Sardar Sarovar Narmada canal scheme, which aims to cover a substantial part of these areas by canal irrigation. But the recent initiative which would give quicker results is the Sujalam-Sufalam scheme, which aims to recharge the North Gujarat aquifers.

4. see www.sardarsarovardam.org and www.nvda.nic.in for further details.
from the waters of Kadana dam, and by lifting the water from Narmada main canal to the existing reservoirs in North Gujarat. This scheme also envisages construction of a very large number of check dams, *bori-bands* (sand bag dams) and *khet-talavadis* (farm ponds) all of which are expected to raise the water table in the area. The Sardar Patel *Sahabhagi* Check Dam Scheme, which has notched many successes, is also aimed at water conservation and raising the groundwater levels. All these schemes if implemented properly are definitely going to ease the irrigation requirements in North Gujarat, Saurashtra and Kutch, and thus lessen the dependence of agriculture sector on power for groundwater extraction. As a strategic, though non-populist move, (as it aims to support governments' efforts rather than fight with it over power requirements), the BKS should apply pressure for the early completion of these scheme and act as a watchdog over the progress of these schemes. This is also in the long term interest of the farmers of these areas as this will prevent the ecological damage due to the over-exploitation of groundwater resources which may eventually result into the desertification of North Gujarat areas, in the very least. However, this requires a strategic shift in the demand structure of the BKS, for which the organization did not appear to be emotionally prepared, at least as of now.

The BKS may also consider cooperating with the government over certain end-use interventions in agriculture and related activities. Firstly, farmers of North Gujarat, Saurashtra and Kutch region should, as far as possible, move out of all those crops which require intensive irrigation. Creating alternative sources of fodder could change the agriculturists' priorities for crop selection. Horticulture, which needs less water, also requires to be encouraged by the BKS. Second, BKS should promote irrigation efficiency amongst the agriculturists. Though drip irrigation had been bandied about for almost a decade by now, the BKS should seize the opportunity of the creation of the Gujarat Green Company, set up solely for spreading drip / sprinkler irrigation in Gujarat's agriculture. The agriculturists should also be encouraged to cement their field channels as this would prevent water loss through seepage and evaporation. Third, several studies have shown that

5 The details of all these schemes have been given in Chapter 7 dealing with the influence of the BKS and the Government's response to it.
about 30 percent of the efficiency of the pump sets can be improved by R2 type of rectification, which involves replacement of foot valve and pipings. The BKS and the Government may collaborate on implementing this program as this has a very low pay-back period.

Again, BKS should also consider whether some modifications in the flat-tariff can be done without the whole-hog return to the metered tariff system. Even a highly sympathetic scholar, Tushar Shah, regards the present model of the flat-tariff system as a “degenerate version of what might otherwise be a highly rational, sophisticated and scientific pricing regime. Zero tariff is certainly not a rational flat tariff, nor is a flat tariff without proactive rationing and supply management.” Shah et al suggest that the existing model can be improved by four things (a) gradual and regular increase in the flat power tariffs by 10-15 annually rather than 200-300 percent increase in a single year, (b) government to announce explicit subsidy in the beginning of the year so that the Electricity Boards and the agricultural interest can negotiate the periodicity of power supply, (c) as agriculture sector is supplied off-peak power, power utilities should compute lower opportunity cost for this off-peak power when making subsidy calculations, and (d) there should be intelligent supply management rather than indiscriminate power supply which would by its very nature lead to its over-exploitation. It would be worthwhile for the BKS to reconsider its blind opposition to any proposal which suggests modification to the existing system.

As far as the Gujarat government is concerned, it has already taken certain positive steps towards reforms in the power sector. The Gujarat Electricity Board has been divided into seven subsidiaries and the resultant closer monitoring is expected to usher efficiency improvements in financial and physical performance. Even prior to the division of the GEB, successful steps had been taken towards improvements in generation, reduction of theft and better treasury management, all of which had combinedly resulted in the reduction of the losses for the GEB. However, more pro-active and empathetic handling is required in ‘selling’ the

reforms to the agricultural sector. Even if the Narmada and Sujalam-Sufalam scheme are fully implemented, agriculture sector would still continue to require groundwater for supplementary irrigation and would hence require power. It would be better if the Gujarat State Government or the GEB subsidiaries convert the BKS into their ally rather than have it as an antagonistic interest group. Brinkerhoff and Crosby give a six-step theoretical model for implementing policy reforms in the developing and transitional economies. They talk of policy legitimization by key leaders, building up of a constituency which will support these reforms, accumulation of sufficient financial, human and technical resources to implement these reforms, modification of the organization to spearhead the reforms, taking actions in the field to convince the ‘losers’ in the process, and finally monitoring the progress and impact of these reforms. The Gujarat State Government must attempt to successfully ‘sell’ all such reforms which aim to reduce the power subsidy, because the agriculturists genuinely believe that the Government is insensitive to their needs and aspiration and is being dictated by the WTO conditionalities. There has been good amount of debate on whether the implementation process should be open or closed. In fact Chile & Argentina achieved remarkable success while keeping the system closed. But recent wisdom suggests involvement of stakeholders and building up of consensus for two reasons. First, the reform process is not likely to bring instant panacea and hence long term political and social support is necessary, which is possible only when a consensus is built around the reforms. Second, as tariff increase is an important and painful issue, the agricultural sector in Gujarat, is bound to feel hurt. It is important to make to make all stakeholders fully aware of the ground realities and involve them in the decision making process. At the same time, the participatory approach will also build a strong coalition which will favor reform, and largely neutralize those who oppose it.


Thus there is no reason why the Government of Gujarat and the Bharatiya Kisan Sangh should be permanently locked, somewhat antagonistically, over the power subsidy issue. By the pro-active water conservation initiatives and the successful implementation of Sujalam-Sufalam scheme by the Gujarat Government, the dependency of North Gujarat agriculturists over groundwater irrigation and hence over power, may get substantially reduced. If the Gujarat State Government and the Bharatiya Kisan Sangh work jointly over these and similar projects which aim to boost water supply to the parched areas of Gujarat, certainly the politics over water would no longer remain a zero-sum game between the Gujarat State Government and the Bharatiya Kisan Sangh, but would get transformed into a positive-sum game which would bring benefits to both sides. This is, however, possible only in an atmosphere of trust and cordiality. The onus to usher this atmosphere is on the State Government and they may follow the Brinkerhoff-Crosby model of reform implementation, as has been outlined above.

Finally, this study highlights the importance of group approach to the analysis of political phenomenon. Our case study clearly demonstrates that to understand the reasons as to why the Gujarat State Government continues to give such huge agricultural power subsidy, one has to study the Bharatiya Kisan Sangh in detail – its social base, its organization, strategy and tactics and the influence its wields. Any suggested solution based only on the viewpoint of the power or the agriculture-irrigation sector, would be only partially correct; to get the holistic and full picture one has to approach the problem from the group theory perspective. This is not to suggest that the group theory alone and by itself, can analyse all such issues, but certainly a neglect of the group approach can often lead to missing the full picture. It must be realized that groups are at the heart of the political process; they are central to the process of representation just as they are key elements of how democratic representation can be distorted through influence and one-sided mobilization. They motivate people in election; they channel participation in the political process; they disseminate information from the elite to the masses as also
carry out the reverse dissemination process; they speak for the affected constituencies and debate the merits of the proposed policy change and they work in almost every conceivable way to affect the government for gains to their constituencies. As Baumgartner and Leech comment, "group interests are basic to the practice of politics; interest groups must be basic to the study of politics as well." 10. One can only plead for more studies of political analysis using group approach as their basis.

10. Baumgartner and Leech. op. cit. p. 188.