CHAPTER - I
Introduction

World has enough food, the growth of agricultural production has been faster than population growth, yet millions of poor people go hungry every day. Food is the basic need for the existence of human beings. Poverty and hunger are the most atrocious forms of deprivation. Every one has a fundamental right to be free from hunger and have access to sufficient, safe and nutritious food and its effective utilisation for an active and healthy life. Food resembles other commodities, but differs in some respects from them. Food is simultaneously an economic commodity and a biological necessity. However unlike all economic commodities, food must be provided on a regular basis in adequate amount to all individuals if they are to survive, grow and prosper. In India, Planning Commission specifically adopted certain caloric norm to determine the prevalence of poverty. Minimum per day energy requirements of 2,400 calories per individual in the rural areas and 2,100 calories in the urban areas has been taken as the standard norm to test poverty. Measuring poverty in terms of merely calories is misleading, because other requirements are necessary for a decent human existence. The importance of food security in modern times has been widely recognised socially and legally. Making these commodities available at affordable prices to the people and enhancing their purchasing power have become the basic roles of the state in modern times.

“In spite of the significant progress that our country has made in food production and sufficiency over the last 50 years, most rural and urban populations
have had to deal with uncertainties of food security on a daily basis year after year, most often generation after generation. In aggregate, over one fifth of India’s population suffers from chronic hunger. Tracking the incidence of hunger over three reference periods, 1979-81, 1990-92 and 1998-2000, the Food and Agricultural Organization (FAO) of the United Nations plots the number of undernourished as 261.5 million, 215.6 million and 233.3 million respectively.¹ In India the problem of hunger and starvation is widespread despite self sufficiency in foodgrains production. The food insecurity is now affecting many states across the India. Millions of people in dozens of states are unable to afford the food they need, and malnutrition is on the rise. Many know the dictionary meaning of hunger, but do not really know what hunger is. This hunger is not something one feels before a leisurely good dinner, nor is it the stomach pangs we sometimes experience while on a diet. For many people, hunger is not a passing discomfort; it is an ever present reality. It is one thing to talk about it and completely another issue to experience it. Hunger and food insecurity are a devastating and unbearable human experience. It is intensely painful, ultimately it kills human beings if it goes long enough. Hunger is an experience that dominates and diminishes all other social and economic advancements. Different types of deprivations not only physical but also social and economic. Food insecurity prevents the poor from taking the advantage of opportunities that become available to them to improve, be it education, health, work etc. Persistence of hunger indeed reflects a serious denial of social and economic rights, indeed it is a social and economic problem.

¹ FAO (2002), —State of Food Insecurity in the World
The problem of hunger and poverty remains one of the most pressing and formidable social problems of time. Apart from causing visible pain and suffering, hunger and poverty also cast a shadow over the future of society. Extreme hunger is a social constrain which defies every effort of an individual or a society to improve them economically and socially. Hunger affects the health of people which directly affects the productivity. It reduces the physical potential of a person to work and be more productive. It makes people more vulnerable to disease. When hunger manifests itself on a wide scale, with a significant proportion of the population undernourished, it poses a serious challenge to the very objectives of socio-economic development and to success in poverty reduction. Hunger and its consequences are not only morally and ethically unacceptable, but also entail a high social and economic cost to the nations. Moreover, the hopelessness and anger that hunger and poverty generate can become a breeding ground for violence and crime in society.

The consequences of food insecurity at the household level were perceptible, namely, physical, psychological and social. Physical manifestations could translate into a lack of concentration at school and low work capacity either at home or at work. Psychological manifestations related to a lack of access to food were leading to a clear feeling of being constrained to go against held norms and values, as well as creating enormous stress in the home. Food insecurity consequences was a variety of social perturbations that cover the modification of eating patterns and related practices, disrupted household dynamics as well as distorted means of food acquisition and management. In addition, all food-insecure households had to resort
to some extent to food acquisition and management strategies that included unsustainable practices such as harmful practices creating unexpected dependency for e.g., relying on others or relying on credit to eat. The compromised suitability of diets might be expected to have long-term detrimental effects. They are referred to as social implications because they likely affect the potential for development of a society.

Hunger affects the health of a pregnant woman. It limits the mental capacity of a child to learn. Physical impairment because of a lack of food contributed to reduce learning in children and adults as well as a loss of productivity, increased need for health care and expenditure. Apart from livelihood issues, one major problem is starving people succumb to diseases, for example, in normal circumstances, a disease like asthma may not be fatal, a person who is starving is unable to combat it. Another major social problem which is further worsening the food insecurity situation of the poor is the alarming spread of HIV/AIDS, as it directly affects the ability of work. The pandemic is no longer a health problem alone, but is having devastating impacts on agricultural production, household food security and rural people's ability to survive.

Psychological suffering related to food intensified the feeling of exclusion and powerlessness including pessimism as well as a difficulty to overcome obstacles and get back to a normal situation. Food insecurity disrupts household dynamics decreased participation in social life. Not to be ignored are the feelings of revolt such as the very violent anti government as a result of insufficient access to food. Such
repercussions of food insecurity were an important threat to harmonious life in society; if this exists on a large enough scale, it could intensify conflicts in society. Similarly, increased social inequities associated with reduced learning, with increased illnesses and with feelings of exclusion and powerlessness are certainly not conducive to social and economic development.

The National Commission to Review the Working of the Constitution\(^2\) stated in its report, “particularly significant has been the increase in agricultural production between 1950-2000, the index of agricultural production increased more than four fold. Between 1960-2000, wheat production went up 11 million tonnes to 75.6 million tonnes on the production of rice increased from 35 millions to 89.5 million tonnes. This is no mean achievement for a country that relied on food aid until 1960s. Similarly, there has been a rapid expansion in industrial sector. The index of industrial production went up from 7.9 in 1950-1951 to 154.7 in 1999-2000. Electricity generation went up from 5.1 billion KWH to 480.7 billion KWH” (NCRWC. Chapter-II Para-2.13.1). On the other hand, endemic hunger has increased along with the food production in India. The facts and figures from national data give a bleaker view. “According to the National Family Health Survey 1998-99, for example 47 per cent of children below the age of three were malnourished by a weight-for age criterion. Data from the National Nutrition Monitoring Bureau indicate that 48.5 per cent of the adults had a Body Mass Index below the norm in 1993-94. Data from National Sample Surveys show a clear trend of decline in calorie intake. In rural India, the average calorie intake per capita per day fell from 2,226 Kcal in 1972-73 to 2,183 in 1993-94, and further to 2149 in

\(^2\) The National Commission to Review the Working of the Constitution was appointed by the government of India under the Chairmanship of Justice M.N.Venkatachalaiah on the eve of golden jubilee celebrations of Constitution of India.
Among the lowest 30 per cent of rural households in respect of consumer expenditure, the per capita calorie intake fell from 1,830 Kcal in 1989 to 1,600 Kcal in 1998. The calorie intake per them was less than or equal to poverty line norm of 2400 calories for almost 77 per cent of the rural population in 1999-2000” (Swaminathan 2004: 42).

The National Commission to Review the Working of the Constitution (NCRWC) pointed out that, “Over 260 million people living below poverty line in India are chronically hungry. Hunger and poverty forces families to make trade offs. Trade offs between hunger and meeting other basic needs. Trade offs for who goes to school and who doesn’t, in such trade offs women and children are often suffers. Poorly-fed and malnourished pregnant women give birth to stunted and unhealthy babies who are prone to diseases. ...........the Scheduled Castes, Scheduled Tribes and Backward Class are an easy prey of poverty, hunger and women of these categories are its worst victims (NCRWC, 2001:101). It is clear that a task of utmost importance today is to guarantee adequate physical and economic access to food to ensure food security and an end to hunger.

What is the response of the sate? State response to the issue of hunger and food insecurity was centred round the Public Distribution System (henceforth the PDS). The PDS in India forms a very important part of state policy for the distribution of food grains and other essential commodities. However, the nature of the policy of the state’s intervention is largely determined by socio-economic and political conditions, which are responsible for its emergence and growth. To meet
the scourge of persistent hunger, the formulation of a food policy is practical necessity. According to Amartya Sen, “Millions of lives depend on the adequacy of the policy response to the terrible problem of hunger and starvation in the modern world. Past mistakes of policy have been responsible for the death of many millions of people and the suffering of hundreds of millions, and this is not a subject in which short cuts in economic reasoning can be taken to be fairly costless” (Dreze & Sen 1990:50).

Public Distribution System

Public Distribution System (PDS) in India started as an ad-hoc war-time measure to mobilise food supplies to prevent undue rise in prices and to ensure better distribution. From that time onwards it has developed into a stable feature of the larger strategy of checking price-rise and to ensuring an equal distribution of essential commodities. Also, the food policies under PDS were designated to ensure remunerative prices to the farmers for their production. This was done through a system of assured minimum support prices and procurement during peak marketing periods when the prices normally tend to be low.

The PDS in India is a retailing system supervised and guided by the state. The basic objective of the PDS in India is to supply food grains and other essential commodities to the poor and disadvantageous sections at fair prices through fair priced shops (henceforth the FPS). The policy aims to ensure fair distribution of food grains and other essential commodities to the weaker sections. The PDS is a system owned and controlled, in principle, by public authorities on behalf of the general public. It is not a system of distribution under public ownership as in the
case of many socialistic countries, nor is it an independent system of consumer co-operatives of the type found in Scandinavian countries. In India, where the large sections of the people live below the poverty line, the PDS has very specific position. It is an arrangement, obviously, would be in the larger interest of economically vulnerable sections of Indian society.

One of the major objectives of planning in India has been to provide a minimum level of living to the people. As the first condition, this requires provision of not only the needed foodgrains but also the required quality of food. The government of India has adopted the dual market mechanism to meet the situation. It has been felt necessary by the government that there should be an efficient PDS because if enough foodgrains are not provided to the weaker sections of the society, it will impair many of government’s other programmes. Say, if some sections of the society do not get enough food, mortality rates particularly child mortality rates, would continue to be high in many food deficit states, and consequently, the government sponsored family welfare programmes would not be successful. Even the proposed employment generation programmes would get a set back because of reduced productivity of workers on account of their poor health due to malnutrition.

The distribution policy of the government usually evolves in response to the exigencies of critical situations such as shortages, price rise, or deterioration in quality of essential commodities. Because of its exigent nature, the distribution policy of the government tends to be somewhat fragmented. Although concerns are often expressed for a consistent, well integrated public distribution policy, the
situational factors have prevented the emergence of such a comprehensive policy so far.

An effective PDS policy requires the fulfilment of certain conditions. For instance the quantities supplied the range of commodities to be included and their distribution of the essential commodities like rice, wheat, sugar, edible oil and kerosene oil to various sections of society. Public distribution of foodgrains and other essential commodities like rice, wheat, sugar, edible oil and kerosene oil was envisaged as a thoughtful social policy by the government of India, since the beginning of its planning era in 1951. It was, in fact, to form an important component of the policy of growth with social justice. The real aim of such a policy was to keep the prices of essential commodities in check and reduce the economic burden on consumers both in rural and urban areas.

In view of its crucial significance, the PDS has been introduced in almost all parts of the country. Admittedly, the PDS is not a perfect system as it has been facing several problems. The shortcomings of PDS are fairly well known, several studies on PDS by Madhura Swaminathanan, Mahendra Dev, Bapna, Tyagi,Indrakanth, Krishnaji, Krishnan Venugopal, George Usta Patnyak and Jos Mooij have criticised PDS for its inefficiency in income transfer to the poor. Heavy leakages as also the food subsidy accruing to higher income groups at a high rate than the poor income groups has also been noted. The operational difficulties of reaching foodgrains to the poor when they need and have the resources to purchase have also been noted. However, while there has been much debate and criticism of
the effectiveness and the desirability of continuing the PDS system in its present, form, there has been very little work on the operational aspects of the PDS at micro level. At the same time there has been little work on the politics of food security and food policy with reference to PDS except few works of Jos Mooij. An attempt has been made in following discussion to bring out the findings of the prevalent literature on the subject of food security with respect to the role and effectiveness of PDS in India.

Review of Literature

According to Bapna (1990) the world has more food than is required for the nutritional wellbeing of its population (Bapna 1990: 99). Access to adequate food for all people at all times is defined as food security. The notion that all people, especially the most vulnerable, have dignified and unthreatened access to the quality and quantity of culturally appropriate food that will fully support their physical, emotional and spiritual health. It means that all people in the community have access to good nutritious food at all times. FAO Rome World Food Summit 1996 defined "food security, at the individual, household, national regional and global levels, exists when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life."³ Access to food at all times, in order to have an active, healthy life is food security. Food also needs to be available, affordable, and culturally and environmentally appropriate. The most important season in present

³ See appendix-I for the Rome Declaration on World Food Security.
times for food insecurity are lack of purchasing power with the poor and vulnerable sections.

The PDS in India whose basic objective is to provide essential commodities particularly foodgrains to the population, in particular to the vulnerable sections of society, at affordable prices, functions as a security measure to the poor. The supply of grains through the PDS has increased rapidly since the mid sixties. The average annual supply increased from 6.5 million tonnes during the 1961-65 to 11.0 million tonnes during the eighties and further increased to 23.0 million tonnes during nineties. The PDS quantity distributed accounted for 12 per cent of average net availability during 1996. The timely release of foodgrains through the PDS network in years of drought has helped to contain the prices of grains. However, the evidence suggests that government supply is not very sensitive to inflationary situations (Radhakrishna 1996: 175).

In India, although the foodgrains production has increased substantially, from a deficit state to a surplus state, the per capita availability more or less remained the same for quite a long period. However, the recent trend shows that the per capita availability has increased and India is in a position to export grains to deficit countries. Internally there is a widening disparity in per capita food production among the states over the years (Krishnan1992: 2486). He opined that the foodgrains transferred through PDS, which moved grains from surplus production states to deficit consumer states not only reduced interstate disparity in per capita consumption, but also provided grains to poor through ration/fair price shops at subsidized prices. According to him, the inter-state inequality in per capita
consumption of cereals had probably declined in the 1980s compared to earlier periods (Krishnan1992: 2486).

The continued operations of PDS in India for the past five decades could be perhaps explained by the fact that poverty and inequality still remain high. Though state interventions in the foodgrains markets have been in existence in India for a long time, extensive use of this mechanism has been adopted from the Second World War period (George 1983: 5). In India, poverty prevails, though trend of declivity has been noticed, numerically the poor remain same even after 50 years of independence. Through the incidence of poverty in India has declined from 51.5 per cent in 1972-73 to 36 per cent in 1993-94, the number of poor who lived below poverty line was increased from 292 millions to 320 millions during the same period (George 1983: 4).

Is PDS equally catering to the needs of people across the states? Many studies by Madhura Swaminathan, Mahendra Dev, Bapna, Tyagi, Indrakanth, Krishnaji, Krishnan Venugopal, George show that there is no equitable distribution of PDS grains among the states. There is also criticism that economically developed states like Kerala, Gujarat, Andhra Pradesh and Tamil Nadu are enjoying the fruits of ‘subsidised’ grains while poor states like Bihar, MP, Orissa and UP are denied benefits of the establishment of FCI. It has been said that Kerala and Maharashtra have been the largest recipients of foodgrains from the central pool, built up through compulsory procurement from surplus states for which quotas were fixed (Dantawala 1993). He further argues that in a vast country like India the food economy is not centrally controlled and intervention through PDS can not bring
about perfect state-wise balance in availability of food. Geeta and Suryanarayana (1993) confirm the general impression that there have been disparities in the state-wise PDS quantities either with respect to total population or population covered by the PDS (Geeta and Suryanarayana 1993:2211). Tyagi (1990) brought out sharp difference in the working and impact of PDS across the states. Many scholars felt that the need for public intervention must be clearly established and its effectiveness should be constantly reviewed (Tyagi 1990:89).

Another criticism of PDS is that the distribution of foodgrains has not been reaching the deserving population below poverty line in different states (Tyagi 1990:89). Tyagi examined the state-wise per capita production of foodgrains, their share in total public distribution and the poverty ratios and concluded that ‘the per capita distribution of foodgrains in different states has not been consistent with the percentage of population below poverty line (Tyagi 1990:99). Bapna (1990) in his study found that in Andhra Pradesh, all ration cardholders participated in the PDS programme. He also found that the off-take of rice in Andhra Pradesh was high but observed that the poor segment obtained lower quantities than the rich.

In view of vast difference in the coverage of PDS among the states, Tyagi (1990) argues that under the present system, the poor in the states where PDS operations are limited or negligible may actually be worse off than they would be under free market conditions. V.M. Rao (1995) recommends that states have to play a better role by relieving the centre of the responsibility from the routine shores. Further, he suggests that an environment has to be created in which the local level
participating organizations would grow, spread and acquire capacity of delivering a wide range of development services to the rural people including schemes for food security for selected groups.

It is only in recent years in response to fears about the adverse effects of liberalisation policies on the levels of living among the poor, that the PDS is being seriously considered as a means of providing food security to the poor all over India (Krishnaji & Krishnan 2000) Analysing the food security and PDS during the structural adjustment, Madura Swaminathan (2000) concludes that the public distribution in India needs to be genuinely reformed if it is to provide basic food security for the vast majority of India’s population.

There are conflicting views about the open market prices of foodgrains due to public procurement and distribution operations in India. Some are of the view that both the farmers and consumers have been benefited out of the scheme, others expressed that only consumers have benefited. Radhakrishna and Indrakant (1987) in their study on ‘Effects of Rice Market Intervention Policies in Andhra Pradesh’ found that the open market price of rice in the dual market system was about 20 per cent higher than in the absence of public intervention.

Tyagi (1990) analysing the food policies followed in India concluded that the producer benefited more than the consumer. In particular, the government failed to contain prices despite large and growing levels of stocks. The main objective of foodgrains price policy in India has broadly been concerned more with the
stabilisation of consumer prices than with ensuring maximum prices to producers. A comparison of the producers’ and consumers’ prices indicate that the Government of India’s price policies tried to play fair between the producer, the consumer and country’s economy as a whole. The administered prices in the form of procurement/minimum support prices to the farmers as well as issue prices to the consumers under the public distribution system – hardly touch 10 per cent of the total production of foodgrains and 25 per cent of the entire marketable surplus.

Geetha and Suryanarayana (1993) examined the critical issue of reorganising the PDS. They reviewed the objectives of food policy pursued in different Five Year Plans and have examined interstate PDS disparities and their implications for the ongoing reforms. In the early 1970s the magnitude of subsidy was not that alarming as it was in the 1990s. Though, the share of food subsidy in national budget has not increased substantially, the policy makers and economists felt that this subsidy was provided at the cost of development. Many attempts were made to curtail food subsidy by making reforms in PDS. The major reforms focus on ‘targeting’ that is providing subsidised foodgrains to the deserving poor and excluding the better-offs from the scheme. Of late, there has been a lot of emphasis on revamping the PDS involving the backward regions and classes and excluding the non-poor from the scheme this called targeting. Such an approach is supposed to not only protect the weaker sections but also at the same time reduce food subsidy and hence budgetary deficit of the central government.
Targeting has been understood as restricting the PDS coverage to the vulnerable sections of the society. The options suggested to achieve this objective range from direct to self-targeting, the latter through supply of poor quality (coarse variety) of foodgrains (Ahluwalia, 1993). Also, many studies suggested that even without explicit targeting, it could be ensured that the benefits of the system accrue to the deserving classes by means of, say, providing inferior cereals mainly consumed by the poor or by supplying goods in predominantly poor areas. Shikha Jha (1992) analyses the effectiveness of self-targeting in the Indian Public Distribution System and shows that the implicit targeting leaves considerable scope for improvement. There is wastage of consumer subsidy in the sense that a substantial amount goes to the non-targeted population, while a part of the deserving population is left out. Hence, it is worth diverting resources to goods, which are better targeted from goods which are poorly targeted. That is, even if targeting cannot be improved, switching of subsidies both between good and areas can lead to improved distribution of subsidies to the poor.

Mahendra Dev (1996) examined the targeting effectiveness of PDS in Maharashtra and West Bengal. The ratio of percentage of quantities purchased from PDS to the population for bottom four deciles of population is used as the criterion to measure the targeting effectiveness. Out of 40 ratios presented, only for eight cases the effective ratio is more than one. It shows that PDS does not particularly favour the poor or there is no implicit targeting towards the poor. Tyagi (1990) found that low and middle income groups are largely benefited by the PDS but not the lowest income groups. He also observed that the issue prices of wheat and rice
are higher than the open market prices in many parts of the county, which might be
due to commitment of distribution of foodgrains in the untargeted system. Further,
he emphasised the need for government interventions as far as the vulnerable
sections are concerned.

In the light of New Economic Policy, when a sizeable number of people are
suffering from mal-nutrition and under-nutrition, the removal of inputs and food
subsidy adversely affects the vulnerable sections of the society in India (Vyas,
1993). Through the PDS, the states’ operations should be limited to provide the
basic necessities to the poorer sections. A subsidised PDS for well targeted groups
is the best form of food security that has been devised. Analysing the food security
and PDS during the structural adjustment process, Madhura Swaminathan (1996)
concludes that the public distribution in India needs to be generally reformed if it is
to provide basic food security to the vast majority of India’s population.

In the 7th plan, it was argued whether the PDS should be confined to a well-
defined target group. But, for the first time it was made a permanent feature of the
strategy of control prices, reduce fluctuations and achieve equitable distribution of
essential commodities. However, the Eighth Plan has clearly emphasized the need
for exclusion of the non-poor to make the procurement and distribution system more
efficient. Till 1979, the PDS policy was rather vague and only after the drought year
1978-79, a consistent policy could be traced. At present it is a permanent feature of
food policy and almost the whole population is covered under PDS (Bapna 1990).
Analysing the NSS 42\textsuperscript{nd} round (1986-98) social consumption data, Shikha Jha (1992) found that a major part of subsidy goes to the non-poor population. She also found a lot of variation among the commodities preferred by the poor and non-poor. The non-poor who can afford to pay high price preferred to purchase rice and wheat from open market while purchasing sugar and kerosene from the PDS outlets. There is no quality difference in sugar and kerosene between PDS and open market. But in the case of rice and wheat at higher price, one can get better quality of grains in the market. According to her, self-targeting can be achieved by providing coarse cereals, which are mostly consumed by the poor through the public distribution system.

Since the public distribution of food in India is almost universal, many scholars, administrators and policy makers expressed that there are leakages in the system in the form of transferring subsidy to the non-poor. Ahluwalia (1995) conducted a study on the leakages in the distribution of foodgrains and other commodities in the form of losses in transport and diversion to the free market. It is estimated that a little more than 3 per cent of the foodgrains and sugar and over half of the edible oil does not reach the actual users of PDS. Indrakant (1997) in his study of Andhra Pradesh pointed out that there are three types of possible leakages in the system. According to him, they are: 1) the leakages at FCI godowns – the PDS goods does not reach the village fair price shop and are diverted for black marketing, 2) the leakages at the village level – the FPS dealer divert some/all quantities to private dealers at market prices and 3) the leakages at household level – the consumer may also sell his entitlement of PDS commodities at higher prices for
one reason or the other. Further, in his study of four villages in Andhra Pradesh, he found that in backward villages a large percentage of beneficiaries are non-poor. In developed villages, the PDS scheme has provided access to food to most of the poor. He also found substantial leakages at village level. He suggested the need for the targeting the PDS to the poor in the state.

In recent years there was lot of debate on distributional aspects of PDS goods between rural and urban and between poor and rich. Initially the PDS in India was mainly concentrated in big cities, towns and selected deficit areas. Since the PDS is almost universal now, many felt that the exclusion of the coarse cereals from its distribution favours the better of sections of the population. Secondly, in rural areas, the poor whose purchasing capacity is very low may not purchase all his or her entitlement at one time from the ration/fair price shop. The Agriculture Price Commission (1969) opined that the benefits of PDS have accrued predominantly to the urban population, except in the years of widespread drought. Prior to 42nd NSS round, the findings of many authors show that a large portion of the total PDS deliveries had gone to the urban sector. For example, George (1985) analysing PDS off-takes concludes that 85 per cent of the PDS supplies benefited the urban areas.

Mahendra Dev and Suryanarayana (1991) made an attempt to verify severe criticism levelled against the PDS in India that it was urban biased and it benefited, by and large, the middle and upper income groups. They used the criterion of PDS quantity per market dependent in rural and urban sectors found that PDS is rural biased at the all India level for rice, coarse cereals, sugar and cloth. However, the
findings at state level vary and in states like West Bengal the PDS commodities are rural biased in Andhra Pradesh. Analysing the same data, they found that at all India level the PDS is not favouring the middle or rich groups. More or less all sections of population depend uniformly to the same extent on the PDS with respect to all commodities in rural areas and in urban areas the poor get slightly higher proportion than the rich. Thus, as the evidence shows, the PDS does not discriminate against the poor as commonly perceived.

However, Howes and Jha (1992) who defined accessibility in terms of crowding in ration shops and distance of residences from these shops, show that the ration shops are more easily accessible in urban areas than in rural areas of many states in India. Analysing the same 42nd round data, Shikha Jha (1992) observed that the PDS foodgrains consumption of an average rural dweller was about 70 percent of an urban dweller, which has improved compared to 20 percent in 1978. However, in terms of implicit subsidies, it is only in case of sugar that the rural users of PDS are treated almost on par with their urban counterparts. Emphasising the need for PDS, Venugopal (1992) who was a key architect of ‘Rupees Two a Kilo Rice’ scheme in Andhra Pradesh during N.T Rama Rao period, carried out a study in which he concluded that some states which did not produce enough foodgrains, had far better record of providing food for the poor than states which had a surplus. Various issues like the intensity of hunger in rural poor households, the financial constraints involved in the rational use of foodgrains in rural employment programmes, reorientation of the PDS to serve only poor and the needy were also discussed. It showed that a very substantial percentage of the beneficiaries, who
were daily wage earners, were unable to buy their entire monthly entitlements. It was also observed that the scheme had not been able to meet the expectations of rural poor labour class in the state of Andhra Pradesh. Venugopal observed that in the present context of acute hunger, poverty and unemployment for millions of people in the country, food subsidy was both inevitable and essential. He further emphasised that the present undifferentiated generalised urban oriented PDS needs proper adjustment to serve the poor.

In the light of new economic policy, it is interesting to note that Indian government is taking steps to revamp the PDS to improve its reach on the basis of an area approach and to eliminate leakages and malpractices that have crept into the system (Government of India 1992) while such efforts continue, the rural-urban gap in terms of subsidised foodgrains has been reduced overtime though completely note eliminated.

Though PDS has played a significant role over the past four decades, it has been seen that its benefits have not been flowing to certain vulnerable sections of the population due to their disadvantageous locations and lower purchasing power. When it was found that in the backward areas people were not getting sufficient supplies from PDS, a revamped public distribution system (RPDS) was launched in 1992 for tribal, hilly and remotely located areas. Initially, it was introduced in 1700 blocks and latter on extended to 2496 blocks all over the country. Even the functioning of RPDS was not very much satisfactory. Kripa Shankar (1997) in his study of 21 remote tribal villages found that none of the households received any
foodgrains from RPDS. However, they were supplied sugar (22 percent) and kerosene (44 percent) of their requirement under PDS.

In recent years many scholars tried to assess impact of PDS, where subsidised goods are supplied, to the population in general and to the vulnerable sections in particular. There are few studies where the authors tried to measure the effects of PDS in terms of improvement in calorie intakes, income transfers and decline in inequality. The impact of the PDS can be classified into two categories. First, there is a direct effect in subsidising prices of essential commodities, particularly foodgrains on the consumption pattern of poor in particular. PDS helps to increase the consumption levels and income transfers from better off to the poor. Indirectly, it influences the demand for the supply goods and also open market prices.

According to Bapna (1990), the development programmes introduced in 1970s did have some impact on the poor, but that impact was not sufficient to reduce the degree of malnutrition among the poor. As a result the proportion of poor remained high. In contrast to these programmes, the PDS is considered more effective because it provides (subsidised) nutrition; make food accessible to the poor and at the same time transfers income to the poor. Studies conducted by George (1983) in Kerala and Gujarat amply demonstrate that food subsidy scheme helped to raise the consumption levels and thereby the nutritional status of the poor and middle income groups. Redistributing income through food subsidy is another objective, which may be examined with care.
Vijayendra Rao and Komal (1997) in their four village study of Karnataka observed that there are price variations among the different sections of population for the same quality of goods in free market system. The main reason for heterogeneity in unit price is that higher unit prices are charged when small quantities are purchased. They also observed that the prices paid for same quality of items are income dependent, with the poor paying higher prices than the rich. The reason why the poor pay higher prices is that liquidity constraints force them to purchase goods in very small quantities and consequently subject them to quantity premiums.

These realities make a strong case that it is the high time to reflect on and assess food security and elimination of hunger. The views of the community are significant both in understanding the problem of food insecurity and hunger and in working out the policies and programme strategies most appropriate to solve the problem. Most of the earlier studies are concerned with food policy and changes in functioning of PDS. The study of food problem and its distributional aspects at national level has received considerable attention at the hands of academicians as well as policy makers in recent years. The earlier studies on food policy concerned themselves with selected issues like food grains production, drought and its impact on food production, procurement, demand and supply and consumption levels. There were attempts to find out the impact of PDS on different sections of the population like the different social and occupational groups with an economic perspective. There were attempts to measure the impact of food policy and PDS at
macro levels upon the different sections of the population, in terms, welfare gains and food security. The sizeable literature that has grown around the subject of evaluating the distribution system is large but it has ignored the political aspects of food policies. The major gap in the existing literature on PDS is the influence of electoral politics on food security. There are no studies on PDS from the perspective of politics.

In the light of these facts, it becomes imperative to make an in depth study of the politics of the PDS. The contradictions and the interrelations between politics and economy are the ultimate determinants of development of society. Politics explains how the potential resources of a given society are mobilised and distributed through public policy. Until today most research has concentrated on consumptions levels, nutrition levels, the impact of PDS on poverty, and cost-benefit analysis of PDS. Most of the studies neglected politics and ideology in creating and alleviating hunger in society.

Why do hunger, food insecurity and poverty persist in a democratic society? The problem of hunger and food insecurity amidst plenty needs to be analysed from the perspective of Politics. Political thinkers Plato and Aristotle conceived politics as an art of understanding the problems of the society and science of solving the problems of the society. Since politics is supreme science and politics administers and manages the entire society through public policy, what happens at the level of politics is an important question. Policy decisions are taken by the political executive, thus the

---

4 Aristotle gives first place to the politics among other sciences in his famous book ‘Politics.’ He considered politics as ‘Supreme Science or Master Science.’
politics plays a major role through the policy interventions and regulations. What sort of politics is best suited to protecting the food security and well-being of the society? This question leads to the examination of political system that operates in the society and form of government. The purpose of the state is the well being of its people. The state achieves its goals through the government. The government is the instrument of the state through which the aims of the state are realised. The state formulates expresses and achieves its objectives through the public policy and implements through the organs of government. This leads to a major theme within the policy and political process literature, the idea that political parties interact and bargain with electorate, and thereby produce a particular policy outcome. Political parties can be individual, pursuing their own power interests, or they can be collective (coalition) pursue mainly political interests. Policies are made by political compulsions of competing interest groups and sections of society. Policy processes are inherently political. This is because political parties stress interactions between people, mobilisation and pursuance of ideas and interests. There is nothing natural or automatic in a policy process; on the contrary, policy processes are social processes and the outcome cannot be established in advance, but depends on the interactions and the strength of the groups.

The state of Andhra Pradesh is a case to be studied as there are no comprehensive studies on the politics of hunger and PDS in Andhra Pradesh. The present study analyses the policy framework and several political aspects of the PDS in A.P. Further, it also evaluates the working of the system from the feedback of consumers and beneficiaries as they look at the programme in terms of their level of
satisfaction or otherwise. The main focus of the study is to evaluate the policy intervention to tackle the problem of food insecurity. The study concentrates on the state’s obligation to the objective of food security. It also aims at evaluate and analyse the working of Public Distribution System at grassroots levels. To do this Anantapur district of Andhra Pradesh has been selected. Anantapur district is the one of the largest district in Andhra Pradesh. The issue of poverty and hunger in Anantapur district became the subject of extensive public interest in Andhra Pradesh during 1990s to present, as attention was drawn to the cases of extreme need within the area by mounting news coverage, political discussion in print and electronic media. Because of this type of conditions Anantapur district got the attention of central government accordingly; the United Progressive Alliance (UPA) government selected the Anantapur district to launch the National Rural Employment Guarantee Act (NREGA). Accordingly Prime Minister of India, Dr. Manmohan Singh and Chairperson National Advisory Council, Mrs. Sonia Gandhi, launched NREGA in Bandameeda Palli village of Anantapur. Political factionalism is also one of the important features of the district. These conditions strongly influence the standard of living and food security of the people living in the region.

The government of Andhra Pradesh provides a substantial additional subsidy on rice over and above the central subsidy under PDS. In Andhra Pradesh, rice is a major ration commodity, hence the entire distribution system revolves around rice. Since the inception of rupees two a kilo rice scheme in 1983 by N.T Rama Rao government, subsidised rice schemes are a prominent part of PDS in Andhra Pradesh. It is important to examine in detail the direct and indirect effects of the
heavily subsidised rice scheme under PDS in Andhra Pradesh at the grassroots level. It is important to understand the conditions under which this scheme could emerge and consolidate, and why it developed particular features. The questions relate to the politics of PDS and politicisation of food subsidies. Addressing question, may shed light on the conditions under which the PDS is working. The question clearly calls for an extensive field study across the deferent social groups. This would involve interviews with different actors of PDS such as beneficiaries, dealers, local political leaders, civil supplies officials at the district level.

There are a set of questions that could be explored further. The first one refers to the history PDS as massive food subsidy scheme with the inception of the Rs. 2 per kilo scheme. A better understanding of this history is important, because the PDS is a very ambitious attempt to improve the food security of millions of people in Andhra Pradesh. There is a huge cost on PDS in the form of the subsidy. Since liberalisation of the economy at the national level, successive governments Andhra Pradesh started to introduce several economic reform measures and went for World Bank loans, there was some pressure from the World Bank to reduce the food subsidy and make the scheme more targeted. Almost twenty years after its inception under PDS, the scheme is revived and still the major scheme for food distribution in the State. It is clear that the concept of state-mediated food entitlements has become stronger and more widespread in Andhra Pradesh. To what extent has this empowerment been realised, or under what conditions could it be realised more.

**Objective of the Study**
The study focuses on political process and policy process with special reference to PDS in Andhra Pradesh. Its subject matter is the way in which policy is given shape from the standpoint of politics, because the policies are not mechanical resolutions resulting from particular social problems. Since the rice is predominant commodity under the PDS study gives emphasis on rice with special reference to heavily subsidised ‘Rupees Two a Kilo Rice’ scheme. The present study has been undertaken with the following objectives in view;

(i) to study the state responses to problem of hunger and food security and policy interventions with special reference to PDS;

(ii) to study and analyse the politics of hunger with reference to electoral politics and the PDS in Andhra Pradesh with reference to rupees two a kilo rice scheme and politics of the scheme.

(iii) to critically analyse and evaluate the PDS at the grassroots level and to examine the level of benefits that the rural and urban households are able to get from this system;

(iv) to analyse the distributive mechanism and political dynamics at the grassroots level focusing on functioning of the fair price shops and to probe micro level problems occurring the delivery system with the perspective of politics.

**Methodology of Study**

The present study is field-work based. It looks at the both the primary and secondary sources to analyse the issue of food security and the politics surrounding it. The study adopted purposive sampling method. In the first stage, Anantapur district
was selected. The selection of the districts was done on the basis of the following considerations. The Anantapur district is one of the most underdeveloped districts of Andhra Pradesh. Anantapur district is historically known as stocking ground of famines and droughts. The district is located in the driest regions of Andhra Pradesh and is drought-prone. Anantapur district falls under the one of least rain fall areas in the India and least rain fall area in Andhra Pradesh. In Anantapur district monsoon failures have been recurring phenomena, and well known for farmers’ suicides, labour migration and political factionalism such problems have been a part of the lives of the people in this region.

In the second stage, three mandals were selected; two rural Mandals and one urban Mandal were selected for the purpose of comparison. Accordingly, Anantapur urban Mandal and Kuderu and Atmakur rural Mandals are selected. A representative sample of 100 card holders in each sample Mandal is taken on a purposive sampling basis to study the working and impact of the PDS. From each sample Mandal, three villages were selected; from each village approximately thirty five households are purposively selected based on the social group and possession of below poverty line (BPL) or above poverty line (APL) household card. The study made use of secondary as well as primary data. The secondary data on PDS schemes was collected from mandal, district and state level agencies. The primary data were collected from beneficiary households through structured questionnaires. Apart from the survey on cardholders and dealers of Fair Price Shops, qualitative information was collected through discussions with card holders and interviews with key Officials like District Supply Officer, District Manager, Civil Supplies, Tahsildars and other officials of
Civil Supplies of Anantapur District. The collected data processed, tabulated and analysed. The responses of consumers were analysed to find out the extent the PDS meets their essential consumption needs, functioning of the fair price shops, quantity, quality and accessibility of major commodities are analysed from consumers perspectives. Since the rice, wheat, sugar and kerosene oil are the major commodities under the PDS in Andhra Pradesh, therefore concentration rests on these commodities.

The study has few limitations, the coverage of sample is small both with regard to the number of respondents and with regard to the issues carry out for study. The difficulty of using a questionnaire method of survey is the possibilities of the subjectivities of the respondents in interpreting the features were taken cognizance of it. Though in the initial stages of the interviews, the respondents were reluctant to give information at later stages they were co-operative and prompt in their responses. The initial hesitation in responding to interviews was it seems because of they believe the information collected may work as feedback for government to eliminate bogus cards and ineligible BPL cards.

Some set of questions may not objective enough to capture views, especially on food security. Because of the rural cultural reasons of the issue, people who are not eating sufficient always may not be willing to say that, for the head of the household to say that, they are short of foodgrains to cook even in some days of the year hit the very dignity of the people. At times Civil Supplies officials also did show impatience and resentment, as they thought the information collected may be used for press reports. To the extent possible efforts were made to bring clarity wherever possible, through
participant observation at Fair Price Shops and Stockiest points several events could be verified. However taken representative sample and qualitative information collected through interviews can through enough light on understanding the issues raised in the study.

**Chapterisation**

The thesis has five chapters. The second chapter which follows the introduction attempts to elucidate what is meant by food security. It presents the different themes and perspectives of food security and the various approaches to tackle the problem. It also discusses the issue of food as a human right and obligation of the state. The chapter also discusses national and international covenants on right to food. It examines the recent interventions of the judiciary in India, and the public interest litigations filed on the issue of hunger and starvation amidst plenty.

The third chapter examines the state response to hunger and food insecurity. It also looks at policy debates in India with special reference to public distribution of food. It analyses the politics of land reforms and relevance of land reforms in securing food to all. It also discusses politics of the Public Distribution System and electoral politics in Andhra Pradesh. It draws attention on recent developments in public distribution of food in Andhra Pradesh, and analyses electoral strategies and populist food policy of rupees two a kilo rice under PDS. The fourth chapter explores the functioning of the Public Distribution System at grassroots levels. It evaluates the processes and politics in the working of fair price shops. It examines the beneficiaries’ responses to various issues in the PDS like availability and accessibility of foodgrains
supplied and also the experiences, complaints and grievances of people. It also looks at
the dealers’ responses regarding distribution of the foodgrains under PDS. The last
chapter presents the summary of findings and conclusion of the study.