CHAPTER III

THE EVOLUTION OF THE FOOD POLICY

In India food has been historically considered by the Government to be a matter best left to private enterprise, natural factors and market mechanism; so has been the Government's policy towards foodgrains production. The result has been that since the middle of 19th century the Government has been reluctant to play a dominant and active part in these spheres. Its activities at best extended to regulation of supply and distribution of food and at worst were confined to an indifference to market forces of supply and demand; there have been only occasional appreciations of the necessity of protection to both quantity and quality of food.

The Medieval Period

The state regulation of supply and control of prices of foodgrains, however, during scarcity and famines was an accepted principle even during the medieval times. The Muslim kings not only controlled prices and prohibited export during distress but also made attempts to improve and extend cultivation. In the early stages, the British East India Company continued this policy but by 1834, the Company had moved away from the principles of active interference with the private trade; by 1860 this became the cornerstone of the state policy. Baird Smith, in his Report on the Famine of 1860-61, refers to "blunders" made: violent interferences with the course of the trade; persecution of the traders; fixing maximum selling prices for the grain; constituting the Government the grain dealer of the country; and endeavouring to fulfill this impossible function through a mechanism equally impossible; and in brief an entire absence
of all recognition of the truth, that the order of the nature if it occasionally produces sufferings, does also provide generally the most effective means for their mitigation."

In 1933, though continuing with the non-interventionist policy, the Government of India conceded that "in particular localities difficult to access, or where arrangements must be made for food supply of relief labourers, some intervention might be unavoidable." The Committee on Rise in Prices & Wages, headed by K.L. Dutta, stated in 1911 that the shortage of supplies of foodgrains resulted from the growth of cultivation not keeping pace with the growth of population, unseasonal rainfall, substitution of non-food crops, inferiority of new lands taken for cultivation and decrease in productive part of land. It concluded that "the requirements of foodgrains for internal consumption have increased in larger proportion than the total production of foodgrains."

The Government of India, however, did not accept the findings of the Report and allowed itself to be misled into assuming surpluses of foodgrains. The findings in Report of the Royal Commission on Agriculture 1928 also did not have its desired impact. The next three decades, thus, lured India into the comfortable but unfortunate belief that there was no food problem existing in India.

The fundamental strain of thinking and policy during the period up to 1942 was that no food problem existed in India and thus there was no consistent and comprehensive policy to help raise production or to give incentives for
development. There was also no policy for distribution of foodgrains except for certain half-hearted actions by the Government resulting in control measures imposed from time to time. There was also no realisation of the extreme poverty and the high prices of foodgrains which made it difficult for the mass of the population to live at normal nutritional levels.

1. The Dividing Line:

While the Government of India still wavered between controls and "laissez faire" as the basis of its food policy, it was compelled to discuss the issue of shortage of food supplies in the Food Conference called by the Govt. on December 14, 1942 with the aim to frame agreed estimates of foodgrains requirements and resources and to frame a quota programme for supplying the deficit areas. The year also noticed the establishment of a separate Department of Food in Government of India. Shortly thereafter in February 1943, the Second Food Conference was called which discussed the fixing of targets, surplus and deficiency figures, contracts with purchasing agents, pool prices, inspection, storage, statistics and distribution scheme under the "Basic Plan". The Third Food Conference which was called in July of the same year marked a definite stage in the evolution of a unified food policy for India. Meeting under the shadow of the Bengal Famine and of the narrow escape from the fatal disaster of a free trade policy throughout India, it decided for implementation of the Basic Plan and procurement by controlled agencies, maximum statutory price and rationing and it led to the establishment of the foodgrains Policy Committees, under the Chairmanship of Sir Theodore Gregory.
The Foodgrains Policy Committee (1943) met at a time when the supply of Burma rice had been stopped; India was threatened with Japanese invasion; the Government of India's food policy had been discredited by three failures and was distrusted by some provincial governments and many of the public; Bengal was in desperate need of rice; surplus provinces were protesting that they could not provide so much food for others, or could not introduce necessary administrative measures which other provinces were already effectively working; the trade was demanding abolition of control; and the people were frightened, afraid of famine, and suspicious that undue exports of foodgrains were in progress and that excessive purchases were being made for the army in India. The Committee had, therefore, to convince not only the governments concerned, but also the public that measures must and could be undertaken which would put India's food on an organised basis and ensure a fair share for every one in a crisis.\(^5\)

Recommendations of the Committee

It recommended (i) to stop all export of rice and to start imports to cover 'statistical gap' between production and consumption, (ii) to rule out both free trade and central monopoly procurement (since free trade under conditions of scarcity would be "an open invitation for hoarders to hoard, and for every rich man and speculator to invest or hoard or do whatever strikes him as most likely to be in his own self interest" and since under monopoly procurement even if such agency could have worked, to establish it would have taken a considerable time and
time was not available during the war," (iii) to go in for state procurement agencies, with other purchasers, having government control on transport and movement, (iv) to extend rationing of food stuffs in all the large centres of India, both in deficient and surplus states (since rationing ensured fair distribution between rich and the poor, was the only way to 'kill the queue' and to hold food morals' and to keep public opinion firm against panic buying, (v) to extend statutory price control of foodgrains to all states in India, "(vi) to compensate the cultivator by allowing an unlimited rise of food prices..." and (vii) to carry out a general overhaul of the administrative machinery by combining the functions of the Secretariat and the Directorate, (since "policy is useless unless adequately carried out").

The Committee, in its final chapter, emphasised the importance of the food which affected every aspect of the administration, indeed the very existence of the State, "Hungry men do not discriminate and social unrest does not stop at provincial frontiers," it warned.

**Food Controls System**

Based on these recommendations a comprehensive and elaborate system of food controls and rationing was introduced. The system gradually developed to such an extent that it was later on described as "the largest system of food controls in the world." The main features of the system were:

(i) Price control at the producer and the consumer stage;

(ii) Rationing and controlled distribution;

(iii) Procurement of internal grains through levy and/or monopoly systems;
(iv) Maximum possible imports from abroad consistent with requirements;
(v) Allocation of the total supplies, domestic and imported, according to a Central Plan of allocation; and
(vi) Central direction and control over the movements of foodgrains covered by the Basic Plan.

For increasing indigenous production, the Government of India called a Food Production Conference on April 6, 1943, which recommended that a planned drive for the increase of food and fodder crops be initiated immediately. It suggested an increase in the area under food and fodder crops, by bringing new land, including fallow land, under cultivation; by double cropping and by diverting land from non-food crops to food crops, an increase in the supply of water for irrigation canals, the construction of additional walls, etc., the extended use of manures and fertilizers, and an increase in the supply of improved seeds. These suggestions started the 'Grow More Food Campaign' which despite criticism and disappointments, helped India in surviving the difficulties in the next five years. Under it, the Government of India asked the states to become self-sufficient as far as possible.

The Fifth All India Food Conference reviewed the progress in February 1945 and found it to be satisfactory. On January 21, 1946, the Government of India declared its policy to promote the welfare of the people and to secure a progressive improvement
in their standards of living, with the responsibility for providing enough food for all, sufficient in quantity and of the requisite quality. For the achievement of this objective it decided to give high priority to measures for increasing the food resources of the country to the fullest extent, and in particular to measures designed to increase the output per acre and to diminish dependence on the vagaries of nature. It announced that its desire was not only to remove the threat of famine, but also to increase the prosperity of the cultivator, raise the levels of consumption and create a healthy and vigorous population.

In the same year the Famine Inquiry Commission identified the problem of food in India, as "the control, directly or indirectly, of the flow of these innumerable small streams of grain and the larger streams into which they coalesce and secondly, the equitable distribution of the available supplies within pre-determined price limits." It went on to recommend, "In our view, a policy of laissez-faire in the matter of food supply and distribution at the maximum supplies is impossible in the future; and we recommend elsewhere the acceptance in principle by all the governments concerned of their responsibility for increasing the food resources and improving the diet of the people, as a permanent objective of a common food policy for India."

In October, 1946 the Government of India appointed an Advisory Planning Board which, in its preliminary report, suggested an additional production target of four million tons for cereals by 1951-52 and asked each state to achieve its share.
The Food Member of the Governor General's Council emphasised the importance of the role of the States in the execution of the food policy in the following terms:

"Agriculture is a provincial subject and we in the Govt. of India can be of service and help only in an indirect way, by offering advice or suggestions, by placing at the disposal of the provincial governments, the results of research being carried out under our auspices, by placing at their disposal such technical advice and mechanical devices as we possess and though not least, by offering to share with provincial governments and the people at large the financial burden which the plan that may be evolved will entail."

In view of the worsening food situation, the Government of India, appointed in 1947 Food-grains Policy Committee under the Chairmanship of Purshottamdas Thakurdass. In its interim Report submitted in 1948 the Committee found that food-grain production in the country was short in relation to requirements and subject to wide fluctuations due to dependence on monsoons. It noted the failure of the F.M.F. campaign because it lacked necessary vigour and drive and recommended the continuance of major responsibility for production with States & Provinces, and creation of a Central Board of Agricultural Planning to coordinate food production plans.

Immediately after Independence, Pandit Jawaharlal Nehru, sensitive to the absurdity of a nation of farmers living on imported food, and realising that the purchase-bill of imported
foodgrains hit the economic position of the country adversely, and that the device of obtaining food-grains as aid compromised her sovereign position, exhorted the country in 1948 to strive for food self-sufficiency by 1951. K. M. Munshi, who took over as Minister for Food & Agriculture in May, 1950 reviewed the then food situation as: "As you know, soon after I took over, the starvation scare, the outbreak of the Korean war and the floods in the Kosi set in motion forces which upset all our calculations. Panic seized the national mind; hoarding became rampant; procurements dried up; natural calamities created unfavourable conditions and added to the panic. Our self-sufficiency (in foodgrains) pledge provided a target of public criticism."

The Maitra Committee Report (1950) reported "evidence from all parts of the country to the effect that the majority of the people supplement their ration to however small an extent by resort to the black market." And Jaya Parkash Narayan summed up the situation as: "During the last few years the food situation has been a major drag on the country's economic progress. High prices, adverse balance of payments, and above all, the crisis complex it lends to the situation, have upset all rational attempts at planning and development of the economy. The Government in its turn, just keeps on shifting from one improvisation to another without either a clear mind or a strong will. Politics gets mixed up with economics in an unhealthy manner."

In the conference of State Chief Ministers in August, 1950, therefore, it was decided that the self-sufficiency programme had to be fulfilled by
1952, as declared by the Government of India in 1949. It was also decided to organise food procurement and production on an efficient war footing and pursued as matters of highest priority, and to ensure a "unified direction in matters of food policy between the Centre and the States." 13

2. The Beginning of Planning:

The Ministries of Food & Agriculture were reorganised and reconstituted into one Ministry of Food and Agriculture from February, 1951. The Integrated Production Programme was woven into the I Five-Year Plan and the Grow More Food Policy was revised during 1951-52 and efforts were concentrated in selected areas having assured water supply and soil suitable for intensive development. "14 Emphasis was laid on ensuring adequate supply of improved seeds, manures and fertilizers. A 10-year programme of Land transformation aiming at the utilisation of land on a rational basis from a long-term point of view", was also started. On the food distribution front, "the year 1951 opened with a gloomy partent: stocks of foodgrains with the States were very low, only a little over 7 lakh tons in all; Kharif crop of 1950-51 had been extensively damaged owing to floods in June-August, 1950 and prolonged drought thereafter; procurement was, therefore, apprehended to be below the normal; frequent break-downs in rationing and distribution of foodgrains had been occurring in certain parts of the country for some time; shipping was difficult to obtain and arrivals of foodgrains from abroad were behind schedule." 15 After the conference of State Food Ministers in February, 1952, a Basic Plan was drawn and imports of 5 lakh tons decided upon.
Stress was laid on fulfilment of procurement targets, the rationed population was increased and a slight increase in procurement prices allowed. The target date of self-sufficiency had to be extended and although the year was "an anxious one for Indian Agriculture," the overall food situation was better resulting in the relaxation of "certain irksome features of food controls." In the field of production, the Enquiry Report of the Grow More Food Enquiry Committee, under V.T. Krishnamachari, set up in February, 1952 was received in June 1952. The Report of the Expert Committee on Manures & Fertilizers set up in 1949 was also received in October, 1952.

The G.M.F. Enquiry Committee, which had been appointed to examine the working and achievements of the G.M.F. Campaign, outlined the food problem in India being "much more than one merely of dispensing with imports. Food consumption in the country is very much below minimum standards of nutrition and this is true both of the rural and of the urban areas. The food problem is, therefore, a problem of bringing about such a large expansion of agricultural production as will assure to an increasing population progressively rising levels of nutrition." It drew up a balance sheet showing the achievements as well as the shortcomings and criticised the Campaign on the grounds that:

1. It was impractical in so much as the ideal of self-sufficiency was not easy of achievement in a short time,

2. It suffered from inconsistency in the objectives— the change from self-sufficiency in...
foodgrains to Integrated Development
leading to "controversy as regards priority
between foodgrains and industrial raw materials,"
"The whole campaign was organised on tem-
porary basis; its execution was entrusted
to staffs hurriedly got together under
difficult conditions, each set responsibil-
ity for a different programme. The lack
of coordination seriously impaired the unity
of effort," and
it was not backed up by adequate finances for
and supplies of inputs like seeds and ferti-
ilizers, and even the resources available were" "spread too thinly over large regions instead
of being concentrated in the first instance
in favourable tracts".

On the credit side it appreciated the expenditure on
works of permanent nature—minor irrigation, land
reclamation etc., the increased production of seeds &
fertilizers, and "the sustained efforts made even
on such a scale as in these years," and recommended
inter-alia, that in the sphere of future policy,
the programme should be enlarged so as to cover
a wider plan for development of village life in all
its aspects," the administrative machinery of the
Govts' should be reorganised and "the best non-
official leadership available should be mobilised
for guiding the 60 million families in villages
in their efforts to improve their own condition." 19
It also suggested the confinement of the role
of the Government of India to the formulation of
over-all policies and coordination of rural develop-
ment, including targets of programmes of agriculture
production, the giving of financial and technical
assistance, the making of arrangements for supply

and movements of essential materials, and the assessment of the results of the rural development programmes. The recommendations were generally accepted by the Government. The improvement in the general food situation recorded in 1952 was maintained during 1953. The panic of earlier years was replaced by a feeling of "confidence." Increased production, a comfortable stock of foodgrains, higher procurement and change of system of procurement from monopoly to levy, and hence to voluntary removal of movement restrictions, reduction in the areas of statutory rationing and virtual decontrol of all crops except rice and partly wheat, reduction in inputs—all this pointed to a better year from food angle.

The year 1954 saw the phenomenal progress made in the agricultural production resulting in "the culmination of the policy of relaxation in food controls in 1955." In striking contrast to the dark days of 1950-51, the supply position became so easy that the Government had to enter the market for purchasing foodgrains at fixed minimum prices. With the complete abolition of controls, the necessity of a Basic Plan ceased; production efforts under G.M.F. however continued.

The Ministry of Food & Agriculture was bifurcated on 19th October, 1956 into two separate ministries as they were before their merger in December, 1950. In the same year the II Five-Year Plan started, which in view of a comfortable food situation, provided for a lesser emphasis on agric-
cultural Sector than in the I Plan. The Ministry of Food was, however, again made a Department of the Ministry of Food & Agriculture in the same year. Even though the 1956-57 harvest was better than the preceding years, the increase in consumer demand in the wake of the rising tempo of developmental activity, over-took the increase in production and the gap between requirements and domestic supplies tended to widen. The re-introduction of zones for wheat and rice, increase in imports, amendment of the Essential Commodities Act to control hoarding, extension of the net-work of fair price shops - all pointed to a worsening food situation.

Since the stress and strains in the food economy that had appeared in 1956 continued to operate, in June, 1957 the Government appointed a Foodgrains Enquiry Committee, with Asok Mehta as Chairman," to enquire into the causes of the rise in prices, to make an assessment of the present and prospective food situation and to suggest measures to overcome the foreseeable difficulties." The Report which was submitted in the same year reviewed the Government's food policy in its short-term as well as long-term aspects. The former consisted chiefly of programmes of food distribution and the latter of food production. They are the regulatory and developmental aspects of policy respectively." It noted that "between 1951-57 government's policy regarding food distribution has undergone a change successively from complete control to complete decontrol and back to partial control", and that with the fall of price to low levels the accent of policy shifted from ceiling to floors."
realizing that "ever since food shortage became acute in the country, there has been a growing realization that distribution control could at best be a palliative and that the real solution lay in the stepping up of food production". It concluded that both the G.M.F. Campaign and the Intensive Area Cultivation Programme had failed to make a contribution to the solution of the food problem by increasing the marketable surplus substantially." It added: "The concept of self-sufficiency" to be achieved by the end of March, 1952 was thereafter modified to that of "relative self-sufficiency" under which it was recognised that "some imports might be necessary for meeting emergencies..." Experience of implementing the Integrated Production Programme, however, showed that even the ideal of relative food self-sufficiency was itself not capable of easy achievement because in practice it turned out to be a "moving target" in a country where the masses of the population were under-fed and even a small increase of production and of income led to a substantial increase in consumption."²⁸

It recommended the establishment of a high powered 'Price Stabilisation Board' for the formulation of the policy of price stabilisation and determining programmes of action, a Central Food Advisory Council of non-officials to advise the Ministry and the Board, a Prices Intelligence Division for collecting relevant information, a Foodgrains Stabilisation Organisation to take up buffer-stock operations, purchase & sale, socialisation of trade, compulsory procurement & fixation of prices, the necessity/possibility of continuation of imports and the licensing of
all Foodgrain Dealers in the Country. While the Report was under consideration of the Government, the situation further worsened and "the foodgrains economy was seriously upset during 1958 on account of the severe set-back to production following unprecedented weather conditions. The total shortfall in the production of foodgrains in the 1957-58 agricultural year was about 6.7 million tons, which was the heaviest decline recorded in any year in the recent past. The impact of the shortfall in output fell largely on marketed surplus resulting in severe curtailment of the flow of supplies to the market." resulting in increase in the price level. The result was the extension of zonal restrictions to other areas, enlargement of Govt. purchase and distribution programmes, fixation of maximum controlled prices, licensing of wholesale traders, foodgrain dealers and millers and larger imports and releases from Government.

At the meeting of the National Development Council held in November, 1958, it was also decided that the Government of India should take over the wholesale trade in foodgrains. The scheme envisaged an 'ultimate pattern' involving collection of farm surpluses through cooperatives at the village level, and an 'interim scheme' involving licensing of wholesale traders and progressive acquisition of marketed surpluses from them. Operations were started by State Governments under the latter scheme, but the experience of State trading was "not quite happy in the deficit States where the flow of market arrivals of rice and wheat was adversely affected despite higher
output, which was soon discontinued in deficit States. The situation further led to the conclusion of the efforts towards a long-term Agreement with U.S.A. under PL 480 for the import of rice and wheat, which had "a salutary effect" and "led to a psychology of dehoarding on the part of the traders and producers and helped in curbing speculative tendencies."

In spite of the unfavourable weather conditions in certain parts of the country and reduction in production the situation in 1960 in respect of supply and price was generally satisfactory. Some relaxations were allowed in the credit against foodgrains as also in the Zonal restrictions. It was decided "to build up a reserve of 5 million of foodgrains over the next few years" and consequently it was decided to increase speedily the storage capacity necessary.

With the prospects of a bumper crop during 1960-61, a number of relaxations on wheat were removed, but on rice they continued; the distribution network continued to meet the needs of deficit areas and vulnerable sections; price control in some States was withdrawn; imports continued to flow in. The most important activity during this year was that the III Plan, based on the recommendations of the Working Group on Subsidiary Foods and the Scientific Food Advisory Panel, draw up certain programmes of Nutrition for the conservation and effective utilisation of the available food resources, for the augmentation of these resources by the development and popularisation of subsidiary and supplementary foods, particularly protective foods, and for the diversification of Indian dietary with a view to its nutritional enrichment. On account of the weather conditions and rainfall during the year 1962-63 being extremely unfavourable for foodgrains production, 1963 & 1964 witnessed some strains.

Programmes on Nutrition

30
31
32
and stresses, but the foodgrain prices were, however, generally free from any violent fluctuations except in the case of rice. During the years, imports increased, distribution net work was enlarged to 60,000 fair price shops, rice support scheme continued, the policy of selective foodgrains credit continued and buffer stock could not be built. Pilot studies in applied nutrition, food consumption patterns and the nutrient contents of different foods, which had been undertaken in 1962 in Nilokhari, Punjab were undertaken in a few more areas. But with all this, not much consistency and planning was visible in food policy.

3. The Watershed of 1965:

The year 1965 witnessed two important events having a direct bearing on the foodgrains economy and reflecting the concern and the policy of the Government. These were the setting up of the Food Corporation of India and the establishment of the Agricultural Prices Commission. The former was to "enter the foodgrains market with the object of ensuring proper distribution of foodgrains at reasonable prices throughout the year. As the Corporation gathers strength it will be the principal agency for marketing purchases from the producer. Through its activities the Food Corporation will provide a counter-veiling force to the speculative activity of the trader". The latter was to "advise the Government on Agricultural price policy and price structure keeping in view the need to raise production of all agricultural commodities including foodgrains"
as also to ensure a reasonable price to the consumer."

In spite of an all-time record production of 88.4 million tons in 1964-65, the food position of the country remained difficult throughout because of one of the worst droughts in recent history, resulting in substantial damage to the crops. The measures taken earlier were, therefore, tightened and at the Chief Ministers' Conference in August, 1965, it was decided to reintroduce statutory rationing in cities having a population of one million and above. To affect greater coordination, the Ministry of Food & Agriculture was reconstituted as Ministry of Food, Agriculture, Community Development and Cooperation and to assess the food situation, a Foodgrains Policy Committee, under the chairmanship of S. Venkata-puram, was constituted to examine the existing zonal arrangements in regard to the movement of foodgrains and systems of procurement and distribution in the country, and to make recommendations for modifications, if any, in these arrangements and these systems for bringing about an equitable distribution of foodgrains at reasonable prices between different regions and sections of the country.

The Committee realised that "the problem of shortage is one which will be with us for a number of years. We are not increasing our food supply or decreasing our population growth fast enough for it to be otherwise." It stated that "in the present situation, it is unavoidable that Govt. should be in charge of the over all management of food" prudent food management being 
...long enough in point of time and countrywide in point of area" covering production and imports both. "Neither need nor responsibility can be washed out of existence." After reviewing the food situation, it concluded that "the possibility that the situation of marginal shortage might continue even after five years cannot be ignored, especially as the factors which tend to increase the demand for foodgrains will continue to operate. It follows that the available food supplies will have to be managed in accordance with a national plan so as to minimise distress and avoid excessive price rises. Food Policy will have to envisage not only the basic shortage of normal years, but also the recurrent crisis precipitated by adverse seasons. It has to be evolved on a basis that is adequately long-term and enduring. And the administrative machinery to implement it will have to be so designed that it can deal with all situations of shortage, normal and abnormal, during the relatively long period, that must elapse before the attainment of self-sufficiency."37

It, thus, advocated an Integrated Food Policy of which the main objectives would be "to achieve self-reliance, to ensure equitable distribution; and to keep prices stable and at reasonable levels."38 It recommended the preparation of National Food Budget for normal as well as abnormal periods; the setting up of a National Food Council presided over by the Prime Minister, for formulating, reviewing, revising and implementing the National Food Budget; the
establishment of a Central Food Committee, with Union Food Secretary in the chair to prepare proposals for National Food Council; the rationalisation of the public distribution system and the role of the Food Corporation to ensure equitable sharing of available food supplies; the creation of an adequate bufferstock to be able to exert a stabilising influence in the foodgrains market; the necessity of procurement by whatever modes can be effectively enforced; and the utilisation of procurement prices as real incentive to produce more.

**Objectives of the IV-Five Year Plan**

The Committee's recommendations were in tune with the objectives of the IV Five Year Plan, which stated them to be:

"(1) to ensure that consumer prices are stabilised and, in particular, that the interests of the low income consumers are safeguarded;

(ii) to ensure that the producers get reasonable prices and continue to have adequate incentives for increasing production; and

(iii) to build up an adequate buffer stock of foodgrains with a view to ensuring both the objectives mentioned above."

The recommendations of the Committee were considered at a conference of Chief Ministers in November, 1966 and the principal recommendations were broadly endorsed.

The hope that the food situation would improve in 1967, did not materialize owing to the occurrence of drought for the second year in succession, and therefore, procurement operations
were intensified, procurement prices fixed as per advice of the Agricultural Prices Commission, imports stepped up, distribution arrangements enlarged, rationing extended to new areas, Bank credit regulated, Food Corporations's activities expanded, storage capacity increased and zonal restrictions continued. In view of the difficulties of data, the idea of a National Food Budget was shelved in the meeting of the Chief Ministers in April, 1967. Some nutrition programmes were taken up under the Food & Nutrition Board. At the Chief Ministers' Conference in September, 1967, it was agreed that a "vigorous procurement drive" be undertaken during 1967-68. The situation, however, started turning for better by the middle of 1968 and continued to be comfortable during 1969— thanks to a second successive good foodgrain crop in 1968-69. Considering the general improvement in production and availability of foodgrains, restrictions on movement and distribution were relaxed. Procurement was, however, intensified in both surplus and deficit States. The trend continued in 1970 and 1971, "despite the additional pressure on supplies on account of Bangla Desh refugees, thanks to a second successive bumper harvest of foodgrains", the production touching a new high peak of 197.8 million tons in 1970-71.

A National Food Congress was held in 1970, which recommended a more vigorous approach towards food self-sufficiency in view of the preceding food surpluses. Reviewing a decade of food situation, it noted that "the food policy
during the last ten years has been developed and has functioned on an ad hoc basis under the shadow of food shortage. With emerging food surpluses in some areas, there were expectations of self-sufficiency being achieved in a few years. This constitutes a watershed in the development of food policy for the future.\(^\text{42}\) The Finance Minister's Budget Speech of 28th May, 1971 noted this with satisfaction; "In agriculture, progress has been maintained; foodgrains production has continued to expand at a most satisfactory rate; .... there was a marked stability-occasionally even a certain fall-in foodgrain prices." \(^\text{43}\)

The result of all these reports and actions of Government is, however that, as the 'Approach to Agricultural Development in the IV Five-Year Plan', 1964 started, during the I & II Plans, agricultural production advanced at the rate of about 4% per annum with the triennium ending 1951-52 as the base and the per capita availability of foodgrains also increased slightly. During the III Plan there was a set back to agriculture and consequently shortfall in targets of development. "The principal cause of this shortfall was the poor performance of agriculture. Throughout the first half of the Third Plan agricultural output was at best stagnant with population growing at an accelerating rate, the goal of self-sufficiency had to be moved forward to a distant future. In addition to the vagaries of the monsoon rains, there was a serious failure on the part of the States to implement programs and projects for raising agricultural output." \(^\text{43}\)

The performance during the first part of the IV Plan witnessed a further worsening of the situation...
in foodgrains production and thus showed an increase in the imports of foodgrains. With good harvests of 1969, the situation started improving, till there was again a set back in 1972 which made the Government eliminate the middleman and take over the wholesale trade in wheat.

4. The State Take-over of Wholesale Trade:

On account of a set back in foodgrains production to 95.2 million tons and more particularly because of the extensive damage to the 1972-73 kharif crops resulting from erratic and scanty rainfall and the prevalence of drought conditions in several parts of the country, the food situation became under considerable strains in 1972. Apprehending a serious deterioration of the food situation, the Government took a decision of far-reaching importance in 1972 and decided "as a matter of policy to take over the wholesale trade in wheat and rice from 1973-74 marketing season". The Chief Ministers' Conference in September, 1972 decided to continue zonal restrictions and the Food Ministers' Conference in December, 1972 ratified the decision of State Take-over, which was confirmed by the Chief Ministers' Conference in February, 1973.

The scheme envisaged effective control over the marketed surplus, remunerative prices to the growers so as to provide them with incentive to expanded production, assured availability to consumers at reasonable prices and economy in the cost of wholesale trading. The situation, however, worsened in 1973-74 owing to set back to production. There was a perceptible
shrinkage in market supplies and prices ruled high throughout the year." The Finance Minister in his 20th February Budget Speech in Lok Sabha admitted: "The House will appreciate that the pressure on prices was inevitable as a result of the unsatisfactory performance in the field of agricultural production in two successive years, 1971-72 and 1972-73," and reiterated in the 31st July, 1974 Budget Speech that the causes for the persistence of inflationary pressures were "basically rooted in the sluggishness of agricultural production". Procurement and imports were, therefore, stepped up to withstand the pressure on the distribution system.

The Government modified and virtually restored "status quo ante" in the policy of State take-over, after meeting with the Chief Ministers and "in the absence of the buffer stocks and requisite arrangements, it was decided to rephase the take over of wholesale trade in rice, to leave the States free to adopt any system of procurement that best suited to the prevailing local conditions, and to allow wholesalers, both private and Cooperative Societies, to operate under a system of Licensing and Control." This was reversed in the next season, when food shortage and scarcity conditions continued to haunt the policy makers.

The year 1975, however, witnessed reiteration, in the Finance Minister’s February, 1975 Budget Speech of a special emphasis on production of quality seeds, augmentation of fertilizer production capacity and programme of
better utilisation of surface and ground water—in short, provision of key inputs as necessary to raise agricultural production. The Finance Minister added "Our ability to meet the minimum basic needs of our people depends crucially on the trend in agricultural production. It is in this regard that I regard the claims of agricultural growth as the first charge on our developmental resources." The I Plan emphasis on Agriculture has thus taken a full circle.

In sum, in the historical process of evolution of the Central Government's food policy, there are certain well-discernible stages of growth. Starting from the late nineteenth up to the second quarter of the twentieth century, there was an absence of the realization of existence of a food problem; this was overtaken by a sudden panic, resulting in a haphazard growth of controls and decontrols during the stormy years of the second World War and the years around the grant of Independence (1947); this was followed by an awareness of the difficulties of foreign exchange resources and the birth of G.M.F. campaign to increase food production; the first Five Year Plan's stress on agriculture as the first charge on developmental resources, followed by the initiation of a compact area intensive development approach in the II Plan period was the next stage; the dawn of the idea of food self-sufficiency and the consequential desirability of Government intervention and regulation, even when the going was good, during
late fifties, the awakening to the Nutritional aspects of a Food Policy in the early sixties and the establishment of a Food Corporation and an Agricultural Prices Commission, in 1965 followed in quick succession as important policy considerations; the necessity, the urgency and the essentiality of adequate increase in domestic food production through timely and sufficient supplies of crucial inputs of seed, water and fertilizer during the late sixties and the early seventies were supported by measures of State takeover of wholesale trade in 1972 to control distribution of available food supplies. And finally, the reiteration of the importance of the Agricultural Sector as of basic and primary nature in the national economy in the Draft Fifth Five-Year Plan.

Thus while the fifties marked the desire to augment indigenous food production, the sixties laid emphasis on distribution of food, both these combined together to form the basis of the food policy in the seventies. The early seventies have also witnessed the growing realization of the direct relationship between the control of population and the increase in food production, both being essential aspects of any policy towards food self-sufficiency.

The Findings

There are certain facts that are obvious from the foregoing discussion of the history of food policy-making in the country. Since the advent of Independence in 1947, there has been a persistent problem of food sufficiency as well as self-sufficiency and in spite of various
measures towards increasing indigenous production
the problem is continuing to cause concern even
now. There have been a number of expert Committees
which have gone into the causes of the chronic
problem of food and suggested measures for rectifi-
cation. There have also been various expressions
of concern by the Govt. often followed by campaigns.
But in spite of this constant concern there has not
been any comprehensive or consistent food policy
and the various measures have been erratic and
largely dependent on the emerging situations. The
measures concerning food have been confined to food-
grains, aimed at physical survival, and there has
been practically no nutrition-orientation in the
conception of implementation of such policies.

Further, there has been no scientific assess-
ment of demand and supply of even foodgrains and
no attempt at the preparation of a food budget for
the country. Production and distribution policies
have been, by and large, ad-hoc measures, though
recently increasing stress is visible on augmenting
the former and strengthening the latter. In fact,
it may be correct to say that all such measures
were generally dependent on the level of production
of foodgrains in the country, which in its turn
was heavily dependent on the fickle forces of
nature. It would also be correct to say that the
food situation improved or deteriorated on account
of good or bad weather, and the food policy was
shaped and reshaped accordingly.
References


2. Resolution No.: 44F, dated 9.6.1883, Govt. of India, New Delhi.

3. "December 1942 forms a natural dividing line because it was in that month that the Feed Deptt. was created and the feed policy of the Central Govt., its implication and its failures or its successes became of great importance." (Feedgrains Policy Committee Report, Henry Knight, Food Administration in India—1937-47, Stanford: California: Stanford University Press, 1954, p.56).

4. A Plan of Feedgrains procurement, movement and distribution.

5. Henry Knight, ibid., p.106.


8. Records of Government of India, Department of Feed, New Delhi.

9. He reiterated this fifteen years later: "Self sufficiency in feed was no less important than an impregnable defence system— in order to feed and build up a nation which is healthy and strong." (Jawahar Lal Nehru, October 1965, S.L. Ogale, The Tragedy of Tea Many, Academic Books, 1969, p.59).


23. (i) Monopoly Procurement—the term aimed at getting the whole surplus of foodgrains by Govt. at a fixed price by assessment of the surplus of each producer and direct from him; (ii) Levy—

(a) on produce: The system in which the Govt. took a fixed quantity of flat $\text{ru}\$ or a graduated rate on acreage under a crop at a fixed price;
(iii) Voluntary Procurement- The system in which the Govt. makes open market purchases through the trader or its own agents at below the maximum prices fixed by the Govt.


29. **Annual Report of Ministry of Food & Agriculture, Deptt. of Feed, 1958-59.**


31. **Annual Report, Ministry of Food & Agriculture, Deptt. of Feed, 1960-61.**


33. "In sum the State Chief Ministers have written the epitaph on the hopes that, moved by the mass privations caused by the food shortage of these last two years, the Govt. might at last work out a rational long-term food policy necessary for sustaining a high level of development expenditure without the prospect of a spectacular rise in agricultural production" (Feed policy Sell out," /The Economic Weekly/(Nov.21,1964), p.19-28).

34. **Annual Report, Ministry of Food & Agriculture Department of Feed, Government of India, 1964-65.**
35. Which binds the Government legally to provide the specific ration to every card holder and makes it illegal for the card holder to obtain his supplies from anywhere else.


38. Ibid, p. 23.


44. Report 1972-73, Ministry of Agr. Deptt. of Food, Govt. of India, Delhi.
