



## EVALUATION INDICATORS

1. Contextual Competence
2. Content Competence
3. Language Competence
4. Introduction Competence
5. Structure - Presentation Competence
6. Conclusion Competence

Overall Macro Comments / feedback / suggestions on Answer Booklet:

1.

2.

3.

4.

5.

6.

**All the Best**

## Section A

Is doubling of farmers' income by 2022 an unrealistic goal?

The British rule in India left its marks in almost all spheres of our cultural, social, political set ups.

One area, often overlooked but equally crippled due to the colonial legacy is Indian agriculture.

The land revenue system, commercialization of agriculture, deindustrialization, ignorance of investment in agriculture left a plundered Indian farm and a loted farmer.

Post independence, the nation

had to deal with a food crisis.  
Green revolution and its aftermath  
resulted in a food secure India  
with an agriculture export surplus.  
However, the Indian farmer still  
frustrates her/himself to make ends  
meet.

Recognizing the plight of the  
food security providers - our farmers,  
the government launched an  
ambitious plan to double the farmers  
income by 2022 - the 75<sup>th</sup> year of independence.

Why is it so important?

All the post independence  
records show a clear match between

the years of agricultural slowdown  
and that of national income slowdown.  
Agriculture contributes to 24% of India's  
GVA and thus, any slowdown  
directly impacts national income figures.

Years of green revolution  
saw a decline in poverty from  
more than 60% to less than 40%.  
Thus, agriculture prosperity has direct  
impact on our poverty numbers.

Agriculture directly employs  
49% of India's population. 70% of  
India's population lives in rural  
areas and 80% - 85% of it is  
directly or indirectly dependent on  
agriculture or allied activities.



Even in the years of current account deficit, India holds a surplus in agriculture. Thus, agriculture acts as a BOP balancer and a forex earner.

In recent years, a depressed rural demand arising out of low agricultural incomes, resulted in macro-economic slowdown as our economy is primarily consumer driven and rural demand forms its largest component.

Agriculture has massive backward and forward linkages with industry and services.

At individual and farmer household levels, enhancing farmer

income is important to bring out farmers from vicious cycle of poverty.

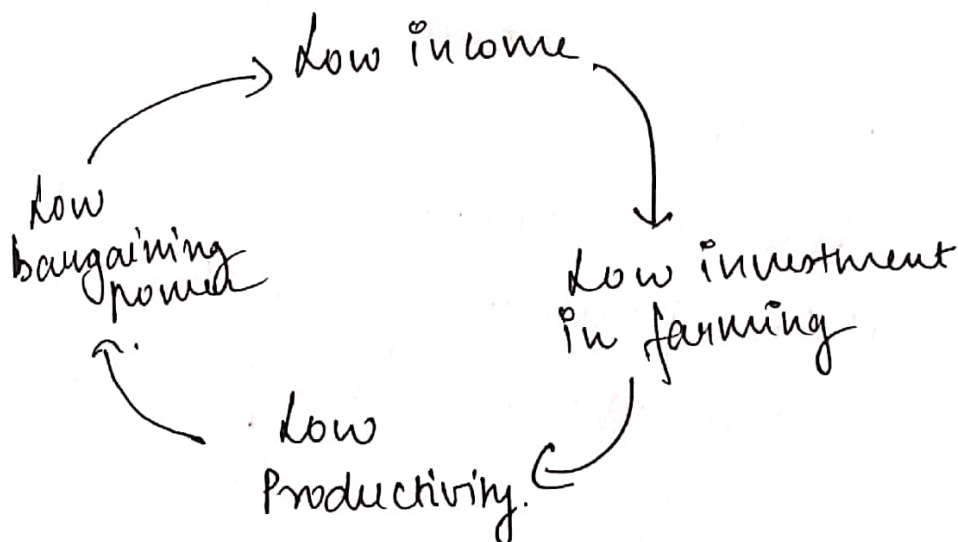


Fig: Vicious cycle of poverty

Further low income means farmers depend on credit. Given that formal sources are not easily available and accessible (40% of rural households depend on informal sources), farmers are caught in a debt trap and this may even lead to bonded labour and in extreme cases - farmer suicides with multiple generations caught in the web.

Low income means low expenditure on education and health and low human capital formation. This capability deprivation and resultant low income is another trap.

Thus, the target is an important one. However, given the structural and administrative problems plaguing the current system, the goal may seem unrealistic.

Problems in the current system:

The current system is more subsidy oriented which is eating up the critical public expenditure in

Year	Subsidies as % of GDP	Public investment in agriculture as % of GDP
1960-65	4.2%	5.8%
2015-16	has risen 8 times	Fall of 2.4%



The initial neglect of agriculture which started in 80's (The contribution of Agriculture to GDP was 25% and the part of ~~GDP~~ GCF of agriculture was just 7% of total GCF), continues till today.

These subsidies have had of perverse impacts as well. They resulted in a monocropping pattern, water thirsty crops being grown in water starved areas (Rice in Punjab), degradation of soil (Soil in Punjab has seen a ~~the~~ 30% decline in carbon content since green revolution).

Similarly, around 40% areas are rainfed where 2 or more crops are not possible in year. Even though 83% of water extracted goes

for irrigation, serious inequalities between irrigated and rainfed areas lead to surface soil erosion in one and acidity in another.

Credit availability to farmers is another concern. 40% of rural agricultural households depend on informal sources. Lack of patta rights (particularly in case of women farmers), makes it difficult for farmers to avail formal credit.

Indian exports face sanitary and phytosanitary blockades especially in European countries. Tussle in WTO on Agricultural subsidies is another issue.

Connectivity to markets, bargaining

powers of marginal farmers,  
technology utilization on fragmented  
land holdings, food wastage are  
other concerns.

Many<sup>a</sup> task force and committees  
have suggested for complete revamp  
of agriculture. The latest, Ashok Dalwai  
committee on doubling of farmers'  
income has some innovative solutions  
along with the other conventional ones.

Changing the mandate of  
agriculture from food security providers  
to creating agripreneurs and managing  
farms like enterprises. It also suggests  
on outsourcing tasks to specialized  
agencies.



The committee also suggests on increasing public investment in agriculture.

Spending on	₹ earned per ₹ spent	No. of people out of poverty per million spent
Fertilizers	0.08	9
Rural roads	11	129
Agriculture extension services	23	234

Source: Fan et al.

Clearly, public investment can pull more people out of poverty.

Similarly, expenditures on Agriculture research and enhancing extension services also proves to be 5 to 10 times more beneficial than spending on subsidies.

Direct transfers to farmers —  
PM KISAN, Rythu Bandhu, KALIA



ensure that farmers have funds in hand in times of distress and for some initial investment. PM KISAN can also include other benefits like insurance to make the scheme more comprehensive.

Economic survey 2016-17  
recognizes the needs of 127 <sup>agro-</sup>climatic zones of India and suggests ~~the~~ course of action to make Indian agriculture more climate resilient. Zero budget natural farming, <sup>Perumpragat</sup> KV Yojana are <sup>steps</sup> irrigation needs to be nationalized. Small and its technologies of precision agriculture along with some traditional practices of Bamboo drip farming can come to the rescue.

Ensuring remunerative prices to farmers is the easiest step. The

process chosen is MSP. However, only 6% of farmers can use MSP and others have to depend on open markets.

There is a need to make procurement more effective and functioning in all crops, enhancing capabilities of FCI, including private warehouses, e-trading of NWR, delegation of duties to efficient steps. Other recommendations of Shantakumar Committee should also be followed. PM-AASHA should be effectively implemented.

~~It~~ Adding value to crops and growing HVC, (Horticulture, vegetables, flowers) - FPOs should be promoted (PM KISAN I AM PADA Yojana, operation green) & food processing industries have not only the potential to add value to crops, but also, reduce wastage and absorb surplus disguised labour from

agriculture to enhance earnings of those left. This value addition is the fork to farm approach of the Dattaraj committee. India must also push for standardization of its farm products. This would increase domestic demand and also address concerns of sanitary and phytosanitary measures. WTO platform can be utilized to make countries specifically list out their quality requirements on WTO websites.

Finally, the domestic markets need a relook. States must pass the Model Agriculture and Livestock marketing act to break the APMC monopoly and also strike down the essential commodities act. e-NAM is bringing a slow but sure resolution in ensuring competitive prices to farmers.



Creating non-agricultural employment to reduce burden, farming contract farming act, enhancing agriculture credit availability, recognizing the importance of agriculture insurance can be other steps.

Uplining agriculture <sup>its due</sup> importance in food security, <sup>of the nation</sup> and livelihood of 49% people, would show results.

A concentrated effort can ensure doubling of farmers income by 2022 and a sustained growth trajectory thereafter. ✱

On the 75<sup>th</sup> year of its independence, Indian farmers can break free from the shackles of a colonial legacy and set on a high growth trajectory in future!



## Section B

Panchayati Raj : 25 years, an opportunity missed?

25 years ago, with the 73rd Amendment to our Magna Carta — The Indian constitution, India added a new chapter to its federalism and democracy — The era of Panchayati Raj began!

The idea of local self government was however not new to India. Raja Raja Chola in 1000 A.D. had an effective <sup>system</sup> local self government. ~~for~~ Post independence, with community development programmes, local government was given some impetus. However, it resulted in a dormant

implementation of central or state policies with ~~no~~ little or nil community participation.

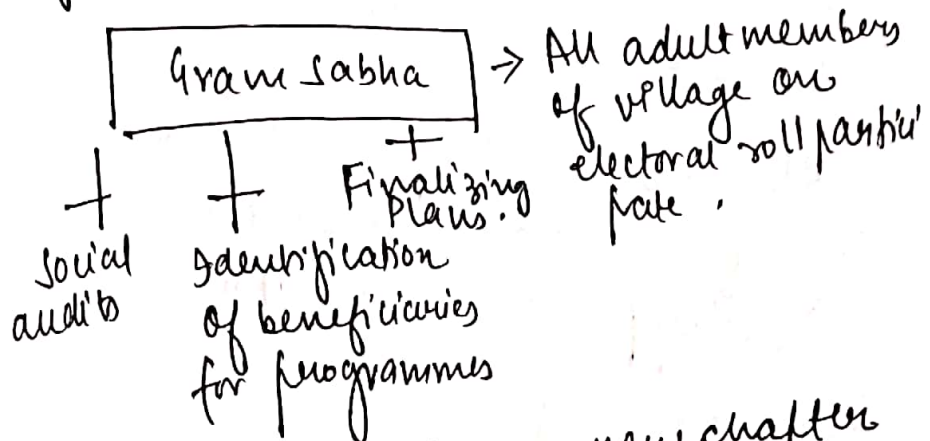
Thereafter, on recommendations of Balwant Rai Mehta committee, a few states formed the Panchayati Raj institutions (PRI). The results were yet not positive.

Finally, in 1993, with 73<sup>rd</sup> Amendment (i.e. 74<sup>th</sup> Amendment for ULAs) PRI's gained a legal status. 81<sup>st</sup> schedule was added with the ~~four~~ functions that

can be transferred to the ~~that~~ third tier. PESA was later enacted ~~for~~ for scheduled areas.

Why was it important to bring in picture PRI's? What opportunities did it offer?

→ To begin with, it is the closest democracy (which by definition is self rule) can get.



→ India also added a new chapter to its federalism by bringing in the third tier of government. This was important for further customization of plans as per local social, cultural, economic needs.

This involves both political and economic federalism. Planning at the level of gram panchayats gave way to a bottom up approach of planning.



→ 2nd ARC recognizes good governance as citizen centric. When citizens themselves make plans and monitor progress (social audit), the governance gets as inclusive as it can be.

→ It is also required to protect the diversity of localized issues. A 'one size fits all' approach is inescapable in centralized planning.

→ 2nd ARC also recognizes centralization of powers as the core reason for corruption. Accountability gets dissolved and power centres become out of reach for people.

→ Finally, it is important for a participative citizenry. A participative citizenry is an involved citizenry which keeps its representatives in check, is open to accept changes and can not be lured by narrow political agendas, thus forming an informed electorate.



25 years down the line, how far have we progressed? Have we truly realized the potential P.R.I.s offered to us on the ~~set~~ soul of India which resides in its villages (as Gandhi pointed) is still tarnished?

An analysis of our track record on P.R.I.s :

As local government is a state issue and most of the functions in the 73<sup>rd</sup> Amendment were not mandatory, many state governments ignored their responsibility to give the required impetus to the third tier.

Most of the XI schedule powers were not transferred to the third tier. Even for those transferred, states created Panchayats which coincided

With the functional areas of these PRTs.

On political federalism, SECs are not regularly formed and Panchayat elections are often missed.

Even when they occur, they are not paid adequate attention. The emergence of 'Panchayat Pati' to implement the 33% reservation for women mandate stands testimony. & SEC is both man and material resource starved.

On economic federalism, most of the PRTs have low revenue mobilization sources and high cost of mobilization. Moreover, most of the funds from state and centres are scheme bonded which leave little in autonomy for the PRTs. These

PRTs are thus ~~removed~~ reduced to mere implementation bodies for centre or state schemes.

Like SEC, SFC, are arbitrarily formed, their recommendations often ignored. Moreover, their formation is often not in synchronisation with the Central Finance Commission. Thus, they cannot advise the CFC on its TOR of augmentation of state funds with local bodies. SFCs also lack in resource and human capital.

In certain scheduled areas, the rights of Gram Sabhas are often encroached. Talking of Gram Sabhas, the biggest issue in dormant implementation of PRTs is the low participation.



abuse in Gram Sabhas, lack of awareness of the rights of Gram Sabhas, less serious holdings of sabhas and massive number of daily wage earners who don't want to give up on a day's earning for something that they don't consider important enough to impact their lives, may be the reasons.

On the other hand, Panchayati Raj has some positive feathers in its cap as well.

Some states have reserved more than  $\frac{1}{3}$ rd seats for women, this is a silent revolution in itself where women are gaining agency both within the household and outside it. With girls gaining more education, and the new generation coming up with a high desire for change, self rule would



be a revolution.

Mamfurn made social audit  
in gram sabhas compulsory for all  
p<sup>ts</sup> public programmes. Statutory  
social audits under MGNREGA and  
NFSA are also done through Gram  
Sabhas.

It brought accountability  
closer to people and Panchayat elections  
are now seeing serious debates.

Above all, it made the country  
realize serious lack in its an important  
change. No revolution is perfect from  
the beginning, it needs time to evolve.

Steps that can help to rectify:

The 14th Finance commission  
recommended on devolution of funds  
to the third tier from the central

pool of divisible changes.  
Strengthening the SFCs ~~an~~ with  
technical and human resources, and  
to State governments submitting a  
response for non acceptance of recommen-  
dations of SFCs in the SCA should be  
considered. Their formation should be  
synchronized with CFC.  
SFCs should be regularly formed  
and Panchayat elections regularly  
held. They should be closely monitored  
for malpractices.  
Ensuring no duplication of  
tasks of PRI's and no encroachment  
of rights of gram Sabha are other  
steps.

Social audit should be made  
compulsory and people must be made  
aware of their rights and powers  
under the third tier.

Massive social campaigns, involving celebrities & clear messages can work wonders. Swachh Bharat Mission, Plus Polio campaign, At Janani Suraksha Yojana stand testimony. All this should be used to enhance gram Sabha participation.

Clearly, achievements in 25 years of PRT history are not rejoicable. However, with 50% working age population, an opening demographic window, and 70% of India still in rural areas, we can not afford to miss the opportunity now.

Targetted reforms can ensure efficient opportunity realization of PRTs and give well deserved



power and rights to people. This will empower them and enhance their capabilities.

True democracy and power to people will ensure that Gandhi's prophecy -

'Where the mind is without fear and the head is held high,  
where knowledge is free and words  
come out from the depth of truth...  
... into that heaven of  
freedom my father, let my  
country awake'.  
comes true.