

The Business of Hunger

Devinder Sharma

The much-publicised Millennium Development Goals aims to pull out half the world's population living in poverty and hunger by the year 2015. If only India had attempted to feed its 320 million hungry in 2002-03, at least a third of world's hunger could have been taken care of. Refraining from feeding its own people, successive governments took refuge by saying that the cost of feeding the poor would push up the fiscal deficit. On the other hand, between 2000-05, Rs 720,000 million have been invested in the telecom sector. There is no dearth of money when it comes to the sunrise industries. Much of this is however in the name of building a knowledge-led rural economy.



Technology Divide

Ten years back, while researching for my book "In the Famine Trap" (published by UK Food Group, London) I was travelling in the infamous Kalahandi region of western Orissa. It was during that time some hunger-related deaths were reported from Bolangir district. I drove to the village to meet the families of those who had succumbed to hunger. As I was approaching the dusty village what appalled me was the sight of two huge satellite towers

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[http://www.inmotionmagazine.com/global/](http://www.inmotionmagazine.com/global/devsh_hunger.html) devsh_hunger.html [C.ELDOC
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installed right in the heart of the village. Believe it or not, each house in the village had a satellite telephone. The inhabitants of the village didn't have food to eat but were provided with telephones.

Satellite towers in a village where people had nothing to eat ! That surely is an ingenious way to bridge the technology divide so as to help the poverty-stricken join the mainline stream of upwardly mobile !!

In a country, which alone has one-third of the world's hungry, hunger and starvation no longer evokes compassion and reaction. News of hunger and starvation no longer adorns the front pages of newspapers. Hunger is, in reality, a non-issue. It is something that we must despise, something that we must close our eyes to. After all, the elite should not spoil their morning breakfast looking at pictures of the hungry splashed on the front pages of daily newspapers.

Farmers constitute the rural majority. Some pro-liberalisation economists led the assault on farming saying that it is not the poor farmers who needed adequate infrastructure, cheap credit, an assured market, and a remunerative price but the small percentage of rich industrialists, business and trade that needed to be showered with the State exchequer. The result is that while the non-performing assets of the nationalized banks in India grew to Rs 10,100,00 million -- you cannot call it bank fraud, as it has been performed by the rich -- with many individual industrialists defaulting the banks to the tune of Rs 5000 million, the recovery of outstanding dues from small and marginal farmers continued to be in the range of 85 per cent.

It is amusing that a majority of these erring business establishments have

already made a foray into the ICT sector. The technology divide or the digital divide surely becomes wider when scarce public resources are first misappropriated and then invested by the same industrial houses with the 'pious' intention of ameliorating poverty.

Take the case of agriculture. In Andhra Pradesh, Karnataka, eastern Uttar Pradesh, Bihar, Tamil Nadu, Maharashtra, Madhya Pradesh and even in the frontline agricultural state of Punjab, thousands of farmers had committed suicides. A majority of those who survived the ordeal preferred to migrate to the urban centres. Much of the agrarian crisis is because of the terms of trade being heavily loaded against the rural areas - more money is being taken out of the villages than what is being invested.

At the same time, in the past few months and for that matter a trend that continues from a couple of years, a few educated entrepreneurs in the Karnataka's Capital, Bangalore, have suddenly become the darling of the state exchequer. Many foreign companies most of them unable to operate in the hostile environment against genetically modified crops in Europe, have moved shop to Bangalore. The mice, they say cannot resist the cheese. Foreign investment therefore lures many of the educated young. And invariably, they all come with the promise of higher crop yields, nutritional crops, and with the underlying thrust on eradicating hunger. A majority of these biotechnology units, subsidised heavily from the state funds, merely act as a service centre for the foreign companies.



Those talking of hunger and poverty actually have never been ever close to feeling what hunger means. For the educated and the elite, hunger is nothing more than a missed lunch. Biotechnology therefore is a 'technological tool' for them that can help mitigate hunger and malnutrition. But the question that is often missed is: whose hunger and malnutrition they are talking about?

Digital Divide

At a time when jobless growth proliferates, the government has found an easy way out. Realising the importance of developing an information and knowledge-based rural economy "especially among the ultra poor and socially underprivileged sections of the society," it has embarked upon an ambitious programme to take information communication technology (ICT) to the villages.



Didn't we hear of the woman weaver in remote Tamil Nadu who was able to sell traditional handloom saris at a fabulous price? Haven't we read in the New York Times about the info-kiosks and 'e-Choupal' that Indian Tobacco Company has provided in rural countryside? Don't we know of the government's initiative to encourage farmers to go in for future trading in commodities? We are often told that these opportunities are merely a peep into the enormous potential ICT has in promoting the principles of social inclusion, gender equity and reaching remote areas and remedying regional imbalances.

The e-Choupal

The new order of empowerment is being hailed as a revolutionary paradigm transformation in the life of the Indian farmer. After all, the 'e-Choupal' project has already benefited over 2.4 million farmers with in six states. In the next ten years, its reach will extend to 100,000 villages and in the process create more than 10 million e-farmers. What will then happen? It will improve the farmers decision making ability, help aggregation of demand by creating a virtual producers cooperative and in the process facilitate access to higher quality farm inputs at lower costs for the farmers.

The emergence of 'e-Choupal' is also timed with the withdrawal of safety nets for the farmers. It is coming at a time when the retail sector is fast moving into the rural areas. The real objective of the 'e-Choupals' is to create a direct marketing channel for the promoting company, by what it calls as 'eliminating wasteful intermediation and multiple handling'. It actually aims at harmonising the business pursuits of the promoting company rather than helping the farming community

with pro-environment, pro-women and pro-farming systems that lead to sustainable livelihoods.

If the retail sector (read supermarkets) is an endeavour for achieving the broader objectives of social and economic development, farmers in the rich and developed countries would not have been driven out of the farm lands. *It is a fact that corporate agriculture in collaboration with the retail sector has plundered the natural resource base thereby rendering agriculture unproductive and environmentally-unfriendly. Promoting such a system in India is sure to compound the existing agrarian crisis and lead to some unforeseen socio-economic problems.*

The Commodities Exchange

Let us analyse the motive behind the commodity exchange. At a time when thousands of farmers have committed suicide in the past few years throughout the country, the government's intention of introducing future trading in rice, wheat and other commodities shows the complete bankruptcy in finding alternatives. In India, the average land holding size is 1.47 hectares, and only five to ten percent of the farming population has land holdings exceeding 4 hectares. To expect these farmers, who continue to survive against all odds year after year, to go online and trade seems to be a wild imagination of a stockbroker that has been accepted by apathetic official machinery.

It is known that the government is slowly withdrawing from food procurement citing the unwieldy procurement structure and the inefficiency in the system as the main reason. Food procurement however was an essential measure to provide an assured market to the farmers. By withdrawing

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from food procurement, it is obvious that farmers are being penalised for the inefficiency of the food corporation and various other government agencies, which includes some of the original promoters of the NMCE.

At the same time, the government is also withdrawing from providing an assured price to farmers by saying time and again that the minimum support price (MSP) has become the maximum support price. This is a wrong conclusion, and does not hold true. The reality is that the MSP looks higher than the international prices because of the massive agricultural subsidies in the western countries that depress global prices. In the richest trading block - Organisation for Economic Cooperation (OECD) countries - a subsidy of US \$ 1 billion is provided every day to agriculture as a result of which the international prices slump.

The question is why should the Indian farmers be penalised for the subsidised agriculture in the rich countries? Furthermore, by withdrawing the support prices, the Indian government is only helping the American and European farmers who continue to produce at subsidised prices and then dump the produce in the global markets. The cheap and subsidised commodities that are dumped on the world markets, actually is the key reason for growing rural poverty and loss of livelihoods.

Even in America, it is not the farmers who trade at the stock markets. It is the trade, which does that. If only future trading was a viable mechanism to ensure lock in prices of future production or sales, and provide efficient management of price risks through hedging, there was no need for the rich countries to shell out a monumental subsidy for agriculture. If the American farmers, with the level of education and the size of landholdings, do not find future trading to be helpful, it is strange how the Indian government is promoting it as a saviour for the farming community.

In reality, future trading is a recipe for sure destruction of the gains achieved after the advent of green revolution. This is a recipe for the elimination of small and marginal farmers, forming 80 per cent of the agricultural workforce, and is meant to pave the way for the smooth entry of the private sector. This is a recipe for further marginalisation of the farming communities. This is a recipe to ensure that India slips back into the dark days of the 'ship-to-mouth' existence.

A Vision for Rural Knowledge Revolution

Setting up a vision for a rural knowledge revolution is certainly not incorrect. *But what is needed is a mission that takes advantage of the existing knowledge and wisdom in the rural areas and incorporate strategies that actually help mitigate the existing problems.*

Change is not only desirable, but vital. But *the time-tested technologies of the past cannot be confined to a dead museum.* Take the case of the traditional water harvesting structures. These have been perfected with time, and have incorporated the wisdom of the people who lived in water scare situations. The need is to rebuild these structures, rather than to allow the water tankers mafia to ruin the remarkable traditional system.

History tells us that civilisations were nurtured along the rivers, the meandering rivers acting as a lifeline. At the same time the population in the cities drew its food requirements from the adjoining hinterland. The synergy between the cities or towns (call it urban) and the rural areas was therefore economically integrated. This has been gradually dismantled. Instead the entire effort is now to privatise the rivers and lakes, de-link it from the people who protected these water bodies. Similarly, the food supply of the mega cities and urban centres is now being passed into the hands of supermarkets. These highly subsidised retail malls are now moving into the villages.

Pushing the farmers and the rural populations into yet another alien 'knowledge' system is unlikely to meet Mahatma Gandhi's dream of a gram swaraj. Mahatma Gandhi realised the strength of the villages and wanted these to be self-reliant. *The tragedy is that those who design such massive networks in the name of poor and hungry have actually lost touch with the ground realities. The problems exists somewhere else and we come out with solutions that actually help the corporates garner more profits.*

The ICT industry can meet its own obligations from its own resources. The technology is certainly very useful and this writer is not opposed to technology interventions but what has to be immediately checked is the faulty emphasis in promoting the commercial interests of the hardware manufacturers in the name of creating rural livelihoods.

It is time to redefine the national priorities. It is time we first understood the limitations of our own 'knowledge' in grasping the real problems and obstacles in rural development.

Where is the technology intervention that can help create a livelihood or empower under-privileged people?

Poverty cannot be removed by providing the poor with mobile phones and knowledge-kiosks whereas hunger cannot be fought by setting up a nationwide network of 'e-Choupals'.

If we are honest in fighting hunger and squalor, let us begin by making an effort where it is needed.