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India should strengthen its public distribution system to reduce food scarcity



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The Food and Agriculture Organization (FAO) of United Nations has recently issued a report which reveals that currently there are 75 million (7.5 crore) people in the world who have fallen victim to famine and if the current crisis of price rise persists this count may reach the total of 920.25 million (92.25 crore).

India too is facing the same harsh situations where poorest of the poor of our country have to go to bed hungry. But at this crucial time when the country expects some stringent steps from the government's side, it is defending itself by saying that food crisis is a global problem which has already struck over 30 countries, most of which have witnessed food riots. It is not interested in finding and disclosing the root cause of this havoc

The FAO report further says that in 2007-08 there has been a 52% increase in the price of grains and that of fertilizers has doubled. In India, the retail price of many food commodities have seen a sharp rise in the past six months—pushing the inflation level around 12 at the end of September. Experts have cited various reasons behind this food crisis like increasing population, growing inclination towards bio-diesel crops, weakening of US currency, frequent natural calamities. Even the US president blamed Indians of eating more due to growing purchasing power. But in Indian context the pro market biased policies of the government and "planned weakening" of Public Distribution System (PDS) to benefit corporate sector are responsible for food crisis. Though the signs of the food and agricultural crisis were noticed by the government in its early stage but it continued with its neo liberal policies to benefit corporate sector. All this liberalization has been done under the pressure of US and World Bank who have been constantly pressurizing India to break its tariff walls and open its market for wheat import. It was due to their influence only that India became a wheat importer from wheat exporter. All this was done to benefit major grain corporate companies like Glencore, Cargill India and the Australian Wheat Board. This imported wheat was unaffordable for the poor people of India.

In spite of rising inflation and panic regarding food availability our government still believes that to sustain in world economy we need investment and support of corporate companies. The Economic Advisory Council to the Prime Minister advocates the role of corporate sector in agriculture and says that activities other than food grain production like

commercial crops, horticulture etc. have contributed most to agricultural GDP. The council recommends removal of subsidies related to grain procurement and Public Distribution System, making more room for the private sector in agriculture and promoting contract farming. These recommendations were made as per the wishes of US and World Bank who have asked India to shift from subsidy based agro-economy to more diversified agriculture sector so as to allow corporate companies to enter this sector.

To give entry to various giant grain corporations, the Indian government slowly and systematically weakened its Public Distribution System (PDS) by slowing down grain procurement, especially wheat. Taking advantage of this situation Multi National Companies like Glencore, Cargill India, the Australian Wheat Board, Indian companies like ITC and Adani group procured 30 lakh tones of wheat as compared to the government's 9.2 million between 2005-07. Due to this reduced procurement by public sector, a number of families which comes under Below Poverty Line (BPL) and collect subsidized rations from Fair Price Shops were devoid of their bread. The cost of wheat decided by corporate companies is far away from their purchasing power. This disrupted the supply and demand ratio and food insecurity prevailed in the country.

FAO's Assistant Director General Hafez Ghanem has emphasized on two important points. First, to make available grains for poor countries of the world. Second, to encourage small scale farmers to improve crop productivity. Now, it's the high time when the Indian government should also realize that those small scale farmers, who are the worst sufferer of liberal agro-economy, can be made a key to the solution of food crisis. The agricultural sector of India is mainly covered by small and marginal farmers, so our government should promote small scale agriculture. Besides, the agriculture sector should be solely covered by the public sector from investment up to marketing and distribution. Even if there is any kind of corporate investment, that should be properly regulated by the public authorities.

Sarika Tripathi

Author is a Correspondent of Citizen News Service (CNS, www.Citizen-News.org), and also a post-graduate scholar of Public Health Management at Lucknow University in India. She can be contacted at sarikasarika_49@rediffmail.com



[editor](mailto:editor@assamtimes.org)

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