# FOOD POLICY AND POLITICS

### The political economy of the Public Distribution System in India

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Abstract

This paper discusses the history and political economy of the Public Distribution System (PDS) in India. This food distribution programme, which dates from 1939, is meant to increase food security both at the national and the household level. Since its emergence, it has passed through several phases, the latest one starting in 1991 when India introduced a Structural Adjustment Programme. From a social constructivist perspective, this paper aims to understand a) the most important features of this system in the various phases of its history, b) the social processes that led to the emergence and subsequent development of distribution policy and c) the various functions PDS has served in the course of its history. It concludes that in the most recent era, there are two contradictory tendencies (one coming from economic rationalisation, the other from populist politics) which push and pull the PDS in different directions. The latter tendency is so strong that a drastic curtailment of the food distribution programme is unlikely, despite the pleas made by those favouring cutting down subsidies and reducing the responsibility of the state.

Why do governments do what they do? This important and ambitious question has been raised earlier by more prominent political economists and state theorists. The formulation quoted here was earlier used by the American economist Alain de Janvry, who analysed food price policy in a number of countries. Also this present paper is about why governments do what they do. More in particular, I will concentrate on food distribution policy in India, and analyse why the Indian government organised the public food distribution system.

The Indian public distribution system (PDS) is a large-scale food rationing programme, meant to increase food security both at the national and the household level. The Indian government procures foodgrains -- mainly rice and wheat -- from farmers, traders, rice millers and others. These foodgrains are stored as bufferstock or distributed to consumers at so-called fair prices. Each year about 17 million tonnes foodgrain are distributed in this way, which is about 10 per cent of the total food production in India. In principle almost the whole of India is covered; in reality, however, some States<sup>1</sup> receive much more foodgrains from the system than others and urban areas are often better served than rural ones. The system is heavily subsidised by the Indian government. In the mid 1990s, the public distribution system costs approximately 50,000 million rupees per year, or about one billion pounds. (See the Appendix for more details.) In part this is a consumers' subsidy as the selling price is below the open market price; in part it is a producers' subsidy as the procurement price is above the open market price; in part

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it reflects the large overhead costs made by the organisations involved.

The question why the Indian government does what it does in this field of food distribution policy has acquired an extra urgency and relevance recently. Since 1991, as part of structural adjustment policies, there is an increasing tendency to question the necessity and size of the programme. Especially the huge costs are now a thorn in the flesh of many neo-liberal economists. They wonder whether the costs are really worth the benefits, and search for means to reduce the 'subsidy burden' of the Indian government. Generally, the viewpoint of the Left in India has been in defence of the PDS. They have argued that one cannot and should not rely fully on the market. Food is too essential; the state should not withdraw but rather take responsibility for a more equal distribution.

Especially in situations as the present one, it becomes important to know why and under which conditions governments tend to take up certain responsibilities, and why/under which conditions they tend to turn these down. If one wants to defend a certain government policy it is crucial to know why the government would be interested at all. What is the history; who have been the advocates; which interests were at stake? In short, why did the government what it did?

This paper aims to contribute to such understanding. More in particular, it sets out to a) describe the most important features of the PDS in the various phases of its history, b) analyse the social processes that led to the emergence and subsequent development of distribution policy, and c) describe the various functions the PDS has served in the course of its history. In this analysis my main emphasis is on PDS as a *distribution* policy. Although I refer occasionally to the impact of the programme on foodgrain production and mention the influence of foodgrain producers on the policy, the main focus is on what the PDS has done to consumers, and especially why this is the case. The perspective taken is a social constructivist one. Policies are made and remade, not in a kind of evolutionary or natural process, but in historical processes and as a result of political economic constellations. They bear the imprint of the social relations and political system in which they were shaped.

In line with the various phases of the PDS, the paper consists of 4 sections. Section 1 describes the emergence of the PDS between 1939 and 1965. Section 2 describes the period between 1965 and 1990. Because different federal States followed somewhat different paths in these decades I will highlight the experiences in two particular States, in order to illustrate some of the diversity. Section 3 discusses the most recent period after 1991. In section 4 I summarise the most important trends.

### 1 The emergence of PDS, 1939-1965<sup>2</sup>

The public food distribution system in India did not emerge at a stroke. It evolved over a long process lasting approximately 25 years: from 1939 to 1965. In the course of this quarter of a century, several times the system was virtually abolished, and then a few years later revived. The year 1939 marks the start of the rationing system; the British government in India introduced foodgrain rationing, first in Bombay and later also in other cities. The year 1965 marks the establishment of the Food Corporation of India and the Agricultural Prices Commission (later renamed as Commission on Agricultural Costs and Prices). By that date the PDS stood on a firm footing.

#### The war and aftermath

On the eve of World War II India's food situation was very delicate. During the forty years

preceding the war, annual per capita food production had steadily declined from 254 kilo (annual average in the decade from 1906-07 to 1915-16) to 181 kilo (annual average in the 1936-37 to 1945-46 decade) (Bhatia, 1991:315). Imports, especially rice imports from Burma, made up for the difference between domestic production and effective demand. The average level of consumption was very low. When the war started, scarcity soon became an important fact. The demand for foodgrains for the armed forces increased, prices rose due to speculation and hoarding, and after the fall of Burma in April 1942 the imports from Burma stopped. The worst affected area was Bengal, where food entitlement failures caused a famine killing between 1.5 and 3 million people in 1943 (Sen, 1981:52-85). Also other parts of India were affected, though to a lesser extent.

India had no experience with food rationing, nor with any other form of food control. Since 1861, when the Government of India had adopted a *laissez-faire* policy, it had refrained from interference with trade and prices of foodgrains (Bhatia, 1991:331).<sup>3</sup> The period 1940-1943, when for the first time a food distribution policy was formulated, meant, hence, a watershed in thinking about food distribution and trade controls.

After the outbreak of World War II, the Government of India's initial worry (as far as food was concerned) was related to prices, especially wheat prices. Between 1939 and 1942 a number of Price Control Conferences took place. The first scheme for centralised purchase of foodgrains was discussed by the sixth Price Control Conference in September 1942. During this conference the basic principles of a public distribution system were laid down for the first time: a central government organisation that would make its purchases in surplus provinces, allocation of the supplies to deficit provinces, and distribution through fair price shops and cooperative societies in industrial areas and big cities. In December 1942 a separate Food Department was set up. In 1943 this department formulated an All-India Basic Plan that gave further form to the developing food policy. The Basic Plan included issues such as procurement, contracts for purchasing agents, distribution of supplies received under the scheme, inspection, storage, finance and district administration (Chopra, 1988:33), all meant to keep down prices. Price stabilisation, we can conclude, was the first principal objective of food distribution policy, and it dates from this period of war-induced scarcity.<sup>4</sup>

Inflation was high during these years and pushed up grain prices. The food situation was deteriorating not only in Bengal, but also in other places such as Bombay and Travancore-Cochin. The Foodgrains Policy Committee in 1943 recommended the introduction of rationing in urban centres of India with more than 100,000 inhabitants, a minimum ration of one pound of cereals (about 1600 kcal.) per capita per day even if imports would be needed, and the establishment of a proper procurement machinery.

To give an example of rationing in this period: Calcutta, the major city in Bengal, was reasonably protected by subsidised distribution schemes when the famine of 1942-43 claimed a death toll of between 1.5 and 3 million people. To quote Sen:

The official policy was based on the firm conviction that "the maintenance of essential food supplies to the industrial area of Calcutta must be ranked on a very high priority among their [the government's] war time obligations", and as early as August 1942 the Bengal government had explained to the Bengal Chamber of Commerce that as far as Calcutta was concerned the government promised to do "all in their power to create conditions under which essential supplies may be obtainable in adequate quantities at reasonable prices" (Famine Inquiry Commission, GoI, 1945:30).(...) [Several schemes were set up.] These schemes guaranteed freedom from starvation to more than a million employees and their dependents. In addition, 'controlled shops' were started in Calcutta in August and September 1942, supplemented in 1943 by a scheme of 'approved markets' by which government stocks were made available to selected private shops for sale to the public. The government helped to feed Calcutta (...). Calcutta saw the famine mainly in the form of masses of rural

destitutes, who trekked from the districts into the city (...). [R]elief offered to them was quite inadequate (...). (Sen, 1981:56-57)

Thus, food distribution was exclusively focused on the urban centre and the urban residents. The colonial government failed to take necessary action in rural Bengal. It is telling that "the famine was even never 'declared' as a famine, which would have brought in an obligation to organize work programmes or relief operations specified by the 'Famine Code' (...)" (*ibid*:79).<sup>5</sup> The British Raj was obviously much more concerned with the military, civil defence works, the army and strategic industries located in Calcutta than with the agricultural labourers, fishermen, transport workers and others who were among the most affected groups.

After the end of the war, these policies of distribution and procurement were continued for some time. The food situation was still seen as precarious by the Government; production was insufficient, the Grow More Food efforts were not successful and the danger of scarcity was far from imaginary. The situation became only more difficult after Independence and partition. Independent India got 82% of the total population of the subcontinent, 75% of the cereal production, and 69% of the irrigated area (Chopra, 1988:61).

### The first decade after Independence

During the first ten years after Independence (1947-1957), there was no consistent food policy. The second Foodgrains Policy Committee, appointed in 1947, recommended increasing domestic production within the shortest possible time, gradually reducing dependency on imports, gradually abolishing the commitments towards consumers, and creating a buffer stock. However, before the Government of India could accept or reject these recommendations, the influence of Mahatma Gandhi had overruled all other considerations. He argued forcefully in favour of decontrol, and convinced other policy makers.<sup>6</sup> In December 1947 a policy of decontrol was announced. This policy was only shortlived; in September 1948 the government reintroduced a food policy based on control over prices, procurement and distribution of principal foodgrains (Chopra, 1988:61-67).

These fluctuations in policy persisted. In 1952-1954 decontrol was again introduced. Movement restrictions were relaxed, procurement was virtually stopped, and by the end of 1954 rationing was very much reduced. (See the Appendix.) These years in the first half of the 1950s were characterised by a general optimism. Agricultural production in India was high. Imports of foodgrains fell from 4.7 million tonnes in 1951 to 0.8 million tonnes in 1954. It was thought that India was nearing self-sufficiency and that government intervention and control could slowly be broken down (Chopra, 1988:84-106). But in 1955 food problems arose again. The weather was poor, and the earlier low foodgrain prices had an adverse effect on production. In 1957 the demand for foodgrains was outstripping supply. Distortions of the free market became increasingly evident. In 1957 the Government of India again reversed food policy and reintroduced controls (*ibid*:103-124). The year 1957 can be seen as a second watershed in the history of Indian distribution policy.

### From 1957 onwards: anchoring of PDS

The Foodgrains Enquiry Committee 1957 observed that in retrospect "the total dismantling of controls appears to have been a hasty step, particularly inasmuch as Government failed to take the opportunity to build up buffer stocks as prices fell" (GoI, 1957:50). The Committee stated that complete free trade was undesirable, since it tended to increase price fluctuations. Similarly full control, in the sense of complete rationing and procurement, seemed not desirable as the

government responsibility would become too large to carry (*ibid*:75). Accordingly, the Committee argued in favour of controls of a flexible indirect nature, although, in the long run, socialisation of wholesale trade was recommended (*ibid*:86). In the short term the Committee suggested opening more fair price shops -- where food is sold to consumers at a 'fair price' -- and continuing zonal policy. The idea behind this latter policy was to create more or less self-sufficient zones. Deficit areas and surplus areas were brought together within zones, and the transport of foodgrains in or out of these zones was prohibited, except with special permits. The purpose of this zonal policy was to stabilise prices within each zone.

An increasingly important objective of food policy became distribution to the 'poorer sections' of the population. While sales from fair price shops should normally be made on a 'no profit no loss' basis (GoI, 1957:97), an exception was made for people in distress for whom even the normal fair price would be too high. This second objective of PDS -- that is to help the weaker sections of society -- would gain prominence in the years to come.<sup>7</sup>

The expansion of PDS in the period 1957-65, both in terms of food distributed and number of shops, was greatly facilitated by the large-scale imports under US Public Law-480 (PL-480) conditions. India imported cheap wheat from the USA, partly as a gift and partly to be paid for in local currency. These rupees were put into a fund that could be utilised for development purposes. For the USA PL-480 was a way to dispose of their wheat surpluses and to support US domestic farm prices. At the same time PL-480 was important in US foreign policy (see also Friedmann, 1982), providing a powerful means to impose the US will on India. Several times, the apparent charity was used as leverage upon the Indian state (Bhatia, 1991:353-359; Byres and Crow, 1983:27). Grain was withheld till the last minute, and India, desperate for food imports, accepted harsh conditions. In 1966, when there was a serious shortfall in domestic production, India agreed to the following, among other things:

that for seven years the government should no longer have control over the pricing and distribution of fertilizers by private fertilizer firms; that the Indian government should drop its demand for fifty-one per cent ownership of joint ventures in the fertilizer field; that greater latitude be allowed to American private firms operating in India; that India should stop trading with North Vietnam. Apart from this, India's devaluation of the rupee by 36.5 per cent on 6 June 1966 was strongly influenced by American pressure. (Byres and Crow, 1983:27 note 1)

In the period 1958-1966, India imported nearly 50 million tonnes of foodgrains, most of it under PL-480 conditions. In the peak year 1966, India imported more than 10 million tonnes, which was about 14% of the total amount of available foodgrain in the country. It is doubtful whether India needed this large amount of foreign cereals, and it can even be argued that it was counter-productive. As some observers comment, the shortfall in domestic production that became clear in 1964-66 may well have been partly induced by the glut of cheap foodgrains on the Indian market (e.g. Bhatia, 1991:350).

Due to these imports, foodgrains were relatively cheap in this period. According to Mundle (1981:135-166), there was a specific price regime during these years in which the equilibrium price itself was reduced to a lower level due to extra, imported supplies. The result of this policy was that "the government successfully blocked a potential shift of the terms of trade in favour of agriculture during this period" (*ibid*:149).

That the Indian government was eager to keep prices down and to favour industry over agriculture is not surprising. It is in keeping with the general development strategy of that period. Especially the Second and Third Plan (1955-65) emphasised the building of a modern industrial sector. In these Plans food policy was predominantly regarded as a means to contain price rises and inflation. The Second Plan for instance argues for imports and market control, as

"high or rising prices of primary necessities are apt to create serious difficulties (...) [that could disturb the entire plan]" (GoI, 1956:39). In this period, the PDS supported the industrial labour class, the industrial capitalist class, and the urban based politically important middle classes. With the help of cheap food and the expansion of a distribution system the Government of India succeeded, as Chakravarty says, "in maintaining a low rate of price increase (around 2.5% per annum), which helped to maintain a sort of social equilibrium in the urban areas" (1987:22).

### Changes in 1964-65

The Foodgrains Prices Committee, set up in 1964, marks a third watershed in the establishment of the Public Distribution System. The committee recommended the setting up of the Food Corporation of India "which will enable the government to undertake trading operations through which it can influence the market prices (...)" (Report of the Jha Committee on Foodgrains Prices for 1964-65, quoted in Chopra, 1988:320). Furthermore, the Foodgrains Prices Committee welcomed the constitution of an Agricultural Prices Commission to advise the Government of India "on a continuous basis, on agricultural price policy and price structure in the context of the need to raise agricultural production" (*ibid*, quoted in Chopra, 1988:214). Minimum support prices would be recommended by the commission.

In this period food policy in India acquired its third objective: to guarantee reasonable prices to the farmers and thereby increase production. In Mundle's terms, a new price regime emerged, in which the equilibrium prices were considered too low by the government. The objective of food policy now became to raise the level of the equilibrium price itself. "[While e]arlier the thrust of policy was towards preventing agricultural prices from rising[, now] the emphasis was on establishing price levels which would act as an incentive to domestic production" (*ibid*:153; see also Bharadwaj, 1994).<sup>8</sup> PDS supplies changed from imported to domestic foodgrains, while procurement prices were fixed at an attractive level.

This shift in foodgrain price policy had a lot to do with the desire to become selfsufficient in foodgrains. In view of the political conditions that accompanied US wheat imports and India's desire to protect its national sovereignty, it is not surprising that stepping up domestic production was put high on the agenda.<sup>9</sup> Simultaneously, this policy shift was strongly stimulated by the United States. In the 1960s, advisors of the Ford Foundation were very critical of India's food and agricultural policy. Together with American experts they argued that the food problem could be solved through the application of modern technology, supported by large investments in modern inputs, and price incentives to farmers. According to Frankel (1978:275), foreign experts enjoyed a "maximum influence on the thinking of the agriculture minister" in these years. At the same time, the political power of farmers themselves had also gained considerable momentum. By the 1960s, agricultural lobbies had started to influence politics in several States.<sup>10</sup> The introduction of a much more conscious producer price policy was a move to accommodate this increasingly powerful class of wealthy agriculturalists (cf. Mitra, 1977; Varshney, 1993).

Summarising, the important features of the development of PDS in India during the first quarter of a century have been the following. Up to 1957 there was no long-term food strategy. PDS was virtually abolished twice to be re-established a few years later. From 1957, a consistent price and import regime was introduced meant to keep foodgrain prices down. This policy changed in 1964-65. Imports gradually stopped; the government started to fix minimum prices in order to support domestic agriculture (Mundle, 1981:135-180).

Simultaneously in this process, the objectives of food policy widened. Initially, food

policy was seen primarily as a means to tackle food emergency situations through price stabilisation. After 1957, the idea of providing food at 'reasonable' prices to the poor came up. From 1964-65 onwards, protection of farmers' income and thereby stimulating agricultural production became a third policy objective.

In these first 26 years of the history of the PDS, food distribution was strategically employed by the government in a number of political and economic projects. Firstly, in the war period, food was distributed in the important urban centres, such as Calcutta where strategic industries, the central and provincial government, and defence works were located. For the masses of rural destitutes hardly anything was done. Secondly, in the 1957-1965 period, food distribution, which was concentrated entirely on the urban centres, contributed to economic growth and political stability. It was part of a low-wage policy meant to support industrial growth, if necessary at the expense of agriculture. In this way, government food policy corresponded with the demands of the industrial sector, as it functioned as an indirect subsidy and forestalled industrial/urban unrest. Thirdly, with the rise of political activism of capitalist farmers, also the interests of this class have been incorporated in government food policy, and a more producer-friendly price regime took shape.

### 2 Food policy 1965-1990: consolidation and the emergence of special programmes

During the next quarter of a century the Public Distribution System gradually expanded. The total amount of foodgrains handled by the FCI increased from 10 million tonnes per annum in 1965 to more than 18 million tonnes per annum at the end of the 1980s. In the same period the number of ration shops tripled. By the end of the 1980s there were more than 350,000 ration outlets. The system also became more and more costly. In 1965 there was hardly any subsidy involved, while 25 years later the subsidy given by the Central Government fluctuated around 25,000-28,000 million rupees.

Apart from this quantitative enlargement, the system also expanded in qualitative ways. In the 1970s and 1980s PDS ruralised considerably. At the end of the 1980s, approximately 75% of the ration shops were located in rural areas (GoI, 1992:53). More than 70% of PDS rice and more than 55% of PDS wheat was sold in rural areas (NSSO, 1989).<sup>11</sup> Moreover, the number of special schemes through which food is distributed increased over the years. Examples are the Food for Work programme and Noon-Meal schemes. These schemes have introduced an element of targeting within public distribution policy. While basically the PDS is a universalist programme, these special schemes aim to guarantee that part of the foodgrains reaches the most needy people.

It is difficult to estimate the percentage of PDS foodgrains allocated to these special schemes, as most of them are organised at the level of the individual States. My guess is that the percentage would be fairly high. The centrally organised Integrated Tribal Development Project (ITDP) distributed 1.88 million tonnes in 1990-91 (GoI, 1992:54), which is about 10% of the total PDS. Also special programmes organised in the States consume a substantial part of PDS foodgrains. For instance, the Green Card Scheme in Karnataka, meant for the rural poor, took 42 per cent of the total PDS foodgrains in 1990-91.<sup>12</sup>

The major successes and failures of the PDS are as follows. (See also Bhalla, 1994; Tyagi, 1990.) There have been no large-scale famines in independent India, despite the occurrence of severe droughts. Moreover, physical and economic access to food has increased. On the other hand, the PDS has not eradicated persistent hunger and malnutrition. Furthermore,

the system did not succeed in assuring reasonable prices to coarse grain producers. The system has concentrated on rice and wheat, and hence on the relatively well-off farmers. Thus, Tyagi concludes "the food policy has not succeeded in protecting the interests of the most vulnerable sections of the population whether amongst the consumers or amongst the producers" (*ibid*:220). In addition, by the mid-1990s, the PDS suffers from severe financial unsustainability combined with a decreasing interest on the part of the consumers. I will come back to this latter point in the third section.

Food policy at the Central level remained more or less constant during this period while various State governments took several initiatives and food became an increasingly important issue in the political processes of these States. Therefore, in order to study the social construction of food policy between 1965 and 1990 in more detail, it is necessary to shift our focus now to the level of the individual States. Karnataka and Kerala are taken as examples.<sup>13</sup>

### Food policy in Karnataka: the Green Card scheme

Until the 1980s food policy did not play an important role in Karnataka politics.<sup>14</sup> As in most parts of India, food distribution was concentrated on the towns. This changed, however, in 1985 with the Green Card scheme. This scheme introduced cheap food supply to the poorest consumers in rural areas. With the new scheme food distribution expanded. New fair price shops opened in rural areas and the total amount of foodgrains distributed through PDS increased from 754,000 tonnes in 1984 to 1,165,000 tonnes in 1986.<sup>15</sup>

The criterion for acquiring a green card was an annual family income less than Rs. 3500/-. In particular the scheme was supposed to cover landless agricultural/rural labourers, village artisans, small and marginal farmers and recipients of government pensions. To avoid having virtually the whole population included in the scheme, it was decided that not more than 40% of the households could get a green card. Each district was allotted a maximum number of beneficiaries. Households that were not eligible for a green card could get another type of ration card. At the end of 1986 3.1 million families were covered by the scheme out of a total of 8 million cardholding households.<sup>16</sup>

The Green Card scheme involved the introduction of a differential price system for PDS foodgrains. Families holding a green card could buy rice in 1985 for Rs. 2/- per kilo, and wheat or coarse grains for Rs. 1.25-1.50 per kilo. Other households holding ration cards would pay up to Rs. 0.75 more per kilo in the fair price shop. The price difference was paid as a subsidy by the Government of Karnataka. Green card holders were entitled to a maximum of 10 kilos of foodgrains per card (household) per month. Furthermore, occasionally sarees and dhotis were distributed. The amount of foodgrains allotted to other cardholders varied according to stock availability.

There were several political developments within Karnataka that led to the implementation of the Green Card scheme. In the 1983 elections Congress (I) was defeated for the first time in Karnataka, and a *Janata*<sup>17</sup> minority government was formed. This government was under permanent pressure to prove that it was worthwhile voting for *Janata*, especially after Indira Gandhi was murdered in 1984 and the subsequent landslide victory of Congress (I) at the central level. In early 1985 new elections were held. Briefly before these elections various observers predicted *Janata* would lose. In Andhra Pradesh the Rs. 2 per kilo rice scheme had proved to be very effective as vote catching instrument. The Chief Minister who had introduced the scheme, N.T. Rama Rao, had acquired massive popularity as a result (Olsen, 1989). It is against this background that the Green Card scheme was announced in Karnataka just before the elections. *Janata* won the election and got a comfortable majority in the Karnataka assembly.

Apart from these direct political pressures, there was a tendency to assign 'minimum needs' a high place on the political agenda anyway. The Economic Planning Council, the political think tank of the *Janata* government, had proposed a Minimum Needs Programme, including provision of food, drinking water, clothing, health facilities, rural roads etc. This programme was not only a brainchild of some benevolent planners; it was also the result of political pressure and demands. In the 1970s, Karnataka had been ruled by a populist politician, Devraj Urs, who had made serious progress with land reform, caste reservations and other social policies. The result of these policies was that groups that had always been excluded became represented and politically involved. The idea that any elected government should work for the poor took root in Karnataka during his regime. The government of Urs's successor, Gundu Rao (1980-83), failed completely by this criterion, and in 1983 the Karnataka electorate decided that it was time for a radical change. For the first time, it voted out Congress (I).<sup>18</sup> As a result it was up to the new *Janata* government to build further upon Urs's legacy. The Minimum Needs programme and the Green Card scheme were important efforts made in this respect.

### Food policy in Kerala: food riots, food rights

Unlike Karnataka, food issues used to play a large role in Kerala politics. The year 1964 was a crucial starting-point in this respect. Rationing existed before that date, but it was in 1964 that fair price shops became available to large numbers of people in Kerala (Franke and Chasin, 1992:29). In this year there was a food shortage in the whole of India, but the problem was particularly acute in Kerala. Kerala produced mainly cash crops while it was deficient in foodgrains. The decision to extend the rationing system in Kerala was taken at the Central level, at a conference of Chief Ministers of all States. It was agreed that "the quantity of rice required for issue under the scheme (...) would be made available to the State from the respective Central Storage Depots and that it would not be generally necessary for the State Government to procure any quota direct from other States".<sup>19</sup> In short, the Centre would take responsibility for food supplies in Kerala.

Since then, food distribution continued to be important, not only in the relationship between the Centre and Kerala, but also in politics within Kerala.<sup>20</sup> In March 1965 elections were held in Kerala, but these did not lead to the formation of a government. Instead, Kerala was brought under President's Rule. Despite the recently agreed commitment, the Centre did little to relieve the worsening food conditions in Kerala. Food rationing was temporarily stopped. Throughout these years up to the 1967 elections, the political forces that were opposed to the government (in particular the leftist parties) concentrated their attention on the food question. In January 1966 a general strike took place as a protest against the central government's policy of withholding PDS food from Kerala. Although the Congress party paid lip service to these mass demands, it never joined in the agitation. For the opposition parties, however, "the experience of organising joint struggles against food policy of the Indian Government served as a prelude to the formation (...) of an anti-Congress coalition to fight the 1967 elections on a common programme [which concentrated on food and land reforms]" (Sathyamurthy, 1985:230-1).

This coalition won the elections in 1967, and for the second time a Communist-led ministry was formed in Kerala. By that time "the majority of the people had already been under half ration regimen for well over 8 months. The new ministry's first act consisted of approaches to the centre for food allotment in order to sustain the normal rationing system in the State (...)" (*ibid*:237).

Soon, the central government's tactic of withholding food from Kerala led to the desired

result: the active cadres of the marxist communist party (CPI-M) resumed agitation, even though the party was in power (*ibid*: 238). Although this led to conflicts between the CPI-M and its coalition parties, this twin strategy of agitation *cum* administration proved to be highly effective in the realisation of fairly radical legislation -- in particular land reform.<sup>21</sup> With regard to food, it meant that rationing remained high on the political agenda, and that the activities of the Food Minister were closely watched by politicians from opposition parties, the general public and the press.

Although food lost its top ranking on the political agenda in the next decades, it has remained important throughout. Periodically the central government reduced allotment to Kerala, and regularly marches and manifestations were organised in Kerala to protest for more distribution or against rising prices. The issue is also important during elections when both Congress (I) and the leftist parties promise to keep a check on price rises and to expand PDS.

#### **Populism and popular protests**

In short, in the period 1965-1990, the PDS expanded enormously. The amount of food dealt with by the FCI multiplied, and so did the subsidies involved. Also the number of people covered by rationing programmes increased. The expansion of the system -- in particular the implementation of special schemes for the rural poor -- meant that the original urban bias has been somewhat modified over the years. However, easy generalisations are not possible in this respect, due to large variations between various States and the effect of foodgrain price policy on farmers' incomes and, hence, on intersectoral relations.<sup>22</sup>

The descriptions of food policy in Karnataka and Kerala illustrate the changing function of food policy in economic development and politics. While food distribution was seen primarily as a supplementary arrangement meant to support industrial development in the period up to 1965, it got more prominence in the next phase. In Karnataka, the expansion of the PDS was never a political issue as such, but the overall political climate as well as the immediate threat to lose the 1985 election were instrumental in the expansion of the system. Food became an issue on the political agenda. Also in Kerala electoral considerations have prompted politicians to promise and/or organise expansions of the food distribution schemes. This connection between food and populist politics<sup>23</sup> is not exceptional; it exists in other States as well, such as Andhra Pradesh and Tamil Nadu. The difference between Karnataka, Andhra Pradesh and Tamil Nadu on the one hand and Kerala on the other is that in the latter case there are important pressures from below to which State politicians have to respond, while in the former three States these pressures are almost absent and politicians themselves take the initiatives, for electoral or other reasons.

Conscious efforts are made by the leading politicians to link the special food schemes to their own personality, charity or parent-like care.<sup>24</sup> The Noon Meal Scheme in Tamil Nadu, launched by the Chief Minister M.G. Ramachandran, was originally called the Chief Minister's Nutritious Noon Meal Programme; later it was renamed as 'Puratchi Thaliavar (Revolutionary Leader) MGR Nutritious Meal Programme'. The Andhra Pradesh Chief Minister N.T. Rama Rao was called *anna* (elder brother) in relation to his role in the Rs. 2 per kg. rice scheme. Also in Tamil Nadu kinship terminology is used in this context. The Indian bi-weekly *Frontline* quotes one of the staff members of a noon meal centre:

When Indira Kumari [Social Welfare Minister] visits a [noon meal] centre, her first question is "Where is the picture of Amma [Mother: Chief Minister J. Jayalitha]?" But the Government does not supply us with these pictures. If we don't display Jayalitha's picture, we are immediately given marching orders. Therefore, I bought a photograph. (Frontline, 1993: Vol. 10, No. 14, pp. 108)

The names of the schemes and the use of kinship symbolism clearly illustrate the significance of these food schemes for personality cults of political leaders.

This new function of food distribution policy in the political process has a lot to do with the search for political legitimacy, which is no longer a given, but has to be established and defended. On the one hand, this decline in legitimacy has to do with the dynamics generated by the parliamentary democratic system. In the course of the years voters became more assertive and demanding. Increasingly they started to make claims from politicians and governments (Manor, 1988; Vanaik, 1990). Governments that do not deliver what they promise are now often outvoted. On the other hand it has to do with the break down of the 'dominant party system': the erosion of the Congress party and the increasing importance of competition between political parties (Kothari, 1964; 1988; Vanaik, 1990). One of the ways in which politicians and political parties now try to establish political legitimacy is through populist programmes that appeal to large parts of the population. Food distribution has obviously become one of them.

### 3 Food policy after 1991: changes under economic adjustment

The next phase of food distribution started in 1991, when India adopted a structural adjustment programme. The direct cause leading to this economic reorientation was an acute balance of payments crisis. There were also longer-term economic problems that led to this shift in economic policy, related to the inefficiency of public sector units and underperformance of the private sector. The structural adjustment programme the Indian government took on board consisted of measures such as convertibility and devaluation of the Indian rupee, trade liberalisation, facilitating foreign investments, deregulation of the industrial and financial sectors, and containment of government subsidies.<sup>25</sup>

The effect of this economic reorientation on food distribution has been twofold.<sup>26</sup> On the one hand, there is a tendency to stress the need for reduction or at least rationalisation, of government expenditure (Bhagwati and Srinivasan, 1993; Pursell and Gulati, 1993). In the mid 1990s, government subsidy was approximately 50,000 million rupees per year, and it was argued that this is too much. Popular phrases in the 1990s are 'streamlining of PDS', 'pruning of PDS', 'revamping the system', 'making PDS viable' and 'subsidy burden'. They all stress the lack of financial means to sustain the system. Targeting is depicted as the solution, as it would combine the provisioning of food to the most needy people with a reduction of government expenditure (GoI, 1994; World Bank, 1991).

On the other hand, the safety net aspects of PDS come again to the forefront. It is generally acknowledged that the new economic policy hit hardest on the weakest sections of the population. The Public Distribution System is seen as part of a social safety net "to ensure that the costs of economic reforms do not fall heavily on those least able to bear them" (GoI, 1993:19).

When we look at actual practices, we can observe a number of different policy changes. The new economic climate has certainly been conducive to several increases in PDS prices since 1991. Between 1991 and 1994, the issue prices of PDS foodgrains -- that is the selling price of the Food Corporation of India -- have gone up by more than 40%. The result is that the price difference between PDS foodgrains and open market foodgrains has become small. Consequently, the offtake of PDS foodgrains came down.<sup>27</sup>

This increase in issue prices has not resulted in a reduction of overall food subsidy. On

the contrary, food subsidy has nearly doubled in the 1991-94 period. This is due to a simultaneous increase in procurement prices. Between 1990-91 and 1994-95, procurement prices increased by 60 per cent in the case of rice and 66 per cent in the case of wheat.<sup>28</sup> So, in effect, the subsidy became more a producers' subsidy than a consumers' subsidy.<sup>29</sup> The paradoxical situation has emerged that both procurement and distribution prices more or less equal open market prices. PDS offtake has come down. Procurement, though, was very high. Consequently, the buffer stock has tripled in 3 years (more than 37 million tonnes in June 1995, as compared to 12,2 million tonnes in April 1992) (Hanumantha Rao and Nayyar, 1994:table 3). In January 1996, the stocks were reduced again to 25 million tonnes, but not because of increasing PDS offtake but because of open market sales and even exports.<sup>30</sup>

Targeting -- in the sense of excluding particular groups -- has not been introduced. Although there have been several advisory committees recommending the introduction of targeting, it has never been implemented. The trend towards targeting without excluding other groups altogether continues. At the central level, there was the 'Revamping the PDS' effort: the re-allocation of PDS foodgrains to 1700 selected blocks, without any formal decision to exclude the other 3400 blocks henceforward. From 1997 onwards, there is a plan to introduce a differential pricing system: poor households get the PDS foodgrains at a lower price than households not classified as poor. At the level of the individual States, there are similar schemes. This type of targeting can never contribute to a reduction of the costs and the size of the system. It only means the PDS expands and becomes more expensive.

So, what we witness in the 1990s is a Janus-faced policy. On the one hand, issue prices have been increased in an effort to curtail food subsidies and to reduce the system. On the other hand, new expensive schemes are created to serve the poor.

Contradictory as it is, this Janus-faced policy enables the government to pursue various strategies and serve various interests simultaneously. Firstly, the interests of farmers and/or traders who profit from high procurement prices. In the mid-1990s, farmers' movements are still an important political phenomenon to be reckoned with (Brass, 1995; Varshney, 1993). Capitalist agriculturalists have formed powerful lobbies, and they are represented in almost all political parties. No political party can afford to neglect these interests. Secondly, food policy remains one of the ways in which politicians and political parties try to establish the legitimacy of their claim to state power. Despite the economic ideology of the 1990s that stresses the virtues of the market and the failure of planning, it is still through government programmes and distribution schemes that politicians try to woo the voters, who generally tend to prefer -- and vote for -- direct material benefits, instead of economic policies with potentially positive longterm effects but with a possible detrimental short-term impact on employment and prices. Although the special programmes are initiated both at the central and at the State level, so far it is primarily the regional and non-Congress (I) political parties (for instance, Telugu Desam in Andhra Pradesh, Janata Dal in Karnataka) that have been able to make political capital out of them. Thirdly, apart from its role in political legitimacy at the national level, food policy is also part of a project to establish political legitimacy in the international arena, in which aid agencies and UN organisations and summits stress the need of social policies and a social safety net,<sup>31</sup> while international banking institutions put more emphasis on a reduction of government spending.

## 4 Conclusion: the various functions of food policy

The general point I hope to have shown in this review of the emergence and evolution of the PDS, is that food policy is not an automatic response to food insecurity. Food policies are shaped in and through concrete historical and political economic processes. The direction in which the PDS develops has been influenced by the specific political economic context in which it was shaped. Another point I hope to have shown is that food policy is strategically employed by the (Union and State) governments in political and economic projects. It is as much a result of political processes, as an instrument of governments and ruling parties to work on particular projects. In the course of time, the content of the various projects may have changed, as I pointed out in this paper, but the general point remains true.

To be more specific and to summarise the most important points, after food distribution was introduced for the first time in 1940-43, it would only be in 1957 that a consistent food policy took shape which would last for some time. This policy was based on large-scale imports and food aid, and it aimed to bring down the prices of foodgrains by releasing large quantities at low prices. As Dandekar (1994:219) stated, it "was politically acceptable and it did not cost anything financially to the government". The economic function of food policy in these years was to support planned economic development. As economic development policy was mainly directed at industrial development, food policy contributed to low food prices especially in urban areas.

From 1965 onwards, a new type of food policy took shape. The idea was no longer to bring down the foodgrain price level, but to support foodgrain production through an increase in the equilibrium price level (Mundle, 1981). This shift coincided with a general trend in economic policy to give more emphasis to agricultural development. The Green Revolution took off in the second half of the 1960s, boosting first wheat and later also rice production, mainly but not exclusively in North India. India became almost self-sufficient in foodgrains. As a result of the Green Revolution, a new class of capitalist farmers emerged who gained considerable political power in the course of time (Mitra, 1977). Not only did they become influential in almost all political parties, they also succeeded in penetrating into various policy institutions, such as, for instance, the Commission on Agricultural Costs and Prices (Varshney, 1993:183).

From the 1980s onwards, food became an issue in populist politics. Cheap food was among the promises with which politicians or political parties tried to win the favour of the electorate. The political-economic background that gave rise to this development is the intensified political competition. Opposition parties emerged and became influential in many States. Moreover, the increasing political awakening and emancipation of large parts of the population made it necessary for politicians and political parties to formulate policies that appeal to these voters.

Yet, the last phase since 1991 clearly illustrates that despite the evocation of food in populist vote-catching practices, the development trajectory of food distribution policy has not become fully subordinate to political opportunism. In fact, food policy is still closely linked to wider issues of development and planned state intervention. The development of food policy in the 1990s cannot be understood through a reference to populist politics alone. There is also the connection with structural adjustment policies. I recall that PDS issue prices have been increased in compliance with these economic policies and that there is discussion about a reduction of the subsidy and restructuration of the whole system. In short, it is not only opportunistic politics that forms the wider context in which food policy is shaped, but also economic policy.

What is noteworthy here is that these two contexts belong by and large to two different

levels of the Indian state: economic policy to the centre state and political opportunism to the federal states. Structural adjustment is initiated by the centre state. No doubt, there are implications for the federal governments, but these are imposed rather than self-chosen by the politicians of the federal States. On the other hand, food related populist politics is especially a phenomenon prevalent at the level of the States; it exists less at the level of the Centre (but this may change in the future).

These two tendencies in the development of food policy -- compliance with economic policy and adjustment to populist politics -- do not necessarily work in the same direction. In the 1990s, there is indeed a growing discord between the two. The logic of structural adjustment dictates a reduction of food subsidy and dwindling of the system. The logic of populist politics, on the other hand, implies further enlargement of the system, the inclusion of hitherto excluded categories of people and a continuing burden to the exchequer. This explains why, despite the new policy environment and the increasing emphasis on policy rationalisation and cutting subsidies, nothing much is happening.

What does all this tell us about the future of the Public Distribution System? Personally I regard it as rather unlikely that the economic logic of structural adjustment will be applied rigorously to the PDS. The function food distribution fulfils in the political arena is too important for an abrupt change, despite the pleas of some economists and the rhetoric of the government to prune or revamp the system. This function will not disappear in the near future, I expect, especially since the two basic conditions -- parliamentary democracy and massive food insecurity at the household level -- are not likely to change. This, together with the fact that capitalist rice and wheat farmers are a powerful lobby group which demands high procurement prices, would mean the PDS as a big and costly intervention is there to stay.<sup>32</sup>

Nevertheless, there is a real issue in which way distribution policy will survive the neoliberal offensive. With higher prices (for both producers and consumers) and of marginal significance for those who really need it, or as a substantive intervention with a real impact on accessibility of food. In order to achieve this second situation, relying on populist politicians, who as I analysed above can be seen as the main patrons of the PDS at present, is not sufficient. A third type of tendency is necessary, alongside the other two: public action from outside the state.<sup>33</sup> What is required is the active participation of various types of interest groups who demand fair priced food from the government and hold the state accountable to deliver what it promises. Apart from Kerala, this third tendency is weak or almost absent in all the other States. If my analysis is right, the important issue to think about for those who are in favour of the PDS is not so much the defence of the programme *per se*, but a restructuration of it in such a way that this third tendency may become more important in the social construction of food distribution policy in the future.

|         | Distribution of foodgrains (million tonnes) | Number of Fair Price Shops (thousands) | Total subsidy on foodgrains (millions of rupees) |
|---------|---|--|--|
| 1950-51 | 7.6   | N.A.                                   |  |
| 1951-52 | 7.9   | N.A.                                   |  |
| 1952-53 | 6.7   | N.A.                                   |  |
| 1953-54 | 4.6   | N.A.                                   |  |
| 1954-55 | 2.2   | N.A.                                   |  |
| 1955-56 | 1.6   | N.A.                                   |  |
| 1956-57 | 2.1   | 18                                     |  |
| 1957-58 | 3.1   | 38                                     |  |
| 1958-59 | 4.0   | 46                                     |  |
| 1959-60 | 5.2   | 52                                     |  |
| 1960-61 | 4.9   | 51                                     |  |
| 1961-62 | 4.0   | 48                                     |  |
| 1962-63 | 4.4   | 51                                     |  |
| 1963-64 | 5.2   | 60                                     |  |
| 1964-65 | 8.7   | 102                                    |  |
| 1965-66 | 10.1  | 110                                    |  |
| 1966-67 | 14.1  | 136                                    |  |
| 1967-68 | 13.2  | 143                                    |  |
| 1968-69 | 10.2  | 140                                    |  |
| 1969-70 | 9.4   | 139                                    |  |
| 1970-71 | 8.8   | 122                                    | 100  |
| 1971-72 | 7.8   | 121                                    |  |
| 1972-73 | 11.4  | 165                                    | 1700 <sup>c)</sup>                               |
| 1973-74 | 11.4  | 201                                    | 2500 <sup>c)</sup>                               |
| 1974-75 | 10.8  | 222                                    | 2700 <sup>c)</sup>                               |
| 1975-76 | 11.3  | 240                                    | 2861 <sup>d)</sup>                               |
| 1976-77 | 9.2   | 236                                    | 4410 <sup>d)</sup>                               |
| 1977-78 | 11.7  | 239                                    | 5340 <sup>d)</sup>                               |
| 1978-79 | 10.2  | 239                                    | 5570 <sup>d)</sup>                               |
| 1979-80 | 11.6  | 244                                    |  |
| 1980-81 | 15.0  | 284                                    |  |

| 1981-82 | 13.0               | 283               |                     |
|---------|--------------------|-------------------|---------------------|
| 1982-83 | 14.8               | 278               | 9440 <sup>d)</sup>  |
| 1983-84 | 16.2               | 284               | 10910 <sup>d)</sup> |
| 1984-85 | 13.3               | 302               | 13530 <sup>d)</sup> |
| 1985-86 | 15.8               | 315               | 18910 <sup>d)</sup> |
| 1986-87 | 17.3               | 325               | 20000 <sup>e)</sup> |
| 1987-88 | 18.7               | 333               | 20000 <sup>e)</sup> |
| 1988-89 | 18.6               | 345               | 22000 <sup>e)</sup> |
| 1989-90 | 16.4               | 352               | 24760 <sup>g)</sup> |
| 1990-91 | 16.0               | 358               | 24500 <sup>g)</sup> |
| 1991-92 | 16.6 <sup>a)</sup> | 399 <sup>f)</sup> | 28500 <sup>g)</sup> |
| 1992-93 | 16.6 <sup>a)</sup> | 409 <sup>f)</sup> | 28000 <sup>g)</sup> |
| 1993-94 | 14.5 <sup>a)</sup> | 424 <sup>f)</sup> | 55370 <sup>g)</sup> |
| 1994-95 | 12.6 <sup>a)</sup> | 433 <sup>f)</sup> | 51000 <sup>g)</sup> |
| 1995-96 | 10.7 <sup>b)</sup> |                   | 53770 <sup>g)</sup> |

source: unless otherwise indicated: *Bulletin of Food Statistics*; Directory of Economics and Statistics, Ministry of Agriculture, GoI (various issues)

<sup>a)</sup> source: Gopalan (1995:figure 1)

<sup>b)</sup> source: Ghosh *et al.* (1996:1235)

<sup>c)</sup> source: Bapna (1990:144)

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<sup>d)</sup> source: The Food Corporation on India (quoted in Tyagi, 1990:131)

e) source: EPW Research Foundation (1995:table 3)

<sup>f)</sup> source: Government of India, *Economic Survey* (various years)

<sup>g)</sup> source: EPW Research Foundation (1997:table 3)

With the exception of Tyagi  $(^{d})$ , the original source of the data is not mentioned in these sources.

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#### Notes

1. In this paper, the term 'state' is used in several ways. In some contexts the term refers to federal States, the constituent units of the Indian federation. In such instances I use a capital 'S'. In other contexts, 'state' refers to the state apparatus. In those cases I mean a set of political, administrative and coercive institutions and organisations, headed and more or less well coordinated, by an executive authority, the government. Although I often speak about 'the state', I realise that the state is fragmented and heterogeneous. In fact, this is already implied in the definition, because the state is conceived as a *set* of institutions. Another element of this heterogeneity, the multiple objectives and contradictory tendencies that may exist within the state generally as well as within particular policies, is further explored in this paper.

2. For its descriptions of the history of food policy at the all-India level, this chapter relies heavily on Bhatia (1991), Chopra (1988) and Dandekar (1994).

3. The Famine Codes, published in 1883 by the provincial governments with the aim of laying down procedures to be followed in case of famine, did not deal with issues related to market intervention. They mainly discussed famine relief measures in the form of employment generation (Bhatia, 1991:184-189).

4. In addition to food distribution, the Government of India also took steps to increase foodgrain production. Between 1942 and 1951 several measures were introduced as part of the Grow More Food Campaign. Among other things, these measures involved minor irrigation works, distribution of fertiliser and seeds, and land reclamation. All in all, the results of this campaign lagged behind the expectations (Chopra, 1988:67-75).

5. Drèze and Sen (1989:212, note 30) recount that it was a deliberate decision of the government not to invoke the Famine Code, in order to "avoid the obligation to undertake the relief measures mandated by the (...) Code".

6. Controls, according to Gandhi, "give rise to fraud, suppression of truth, intensification of the black market and to artificial scarcity. Above all it (they) unmans the people and deprives them of initiative; it undoes the teachings of self help, they have been learning for generations, makes them spoonfed." (quoted in Chopra, 1988:67).

7. The term 'targeting' was not yet invented in these years. Yet, the Foodgrains Enquiry Committee dwells at some length on the issue of whom to include, as shown in the following quotation. "We recognise that the selection of such distressed persons will present some difficulty. But we feel that a practicable solution may be to give to each fair-price or modified ration shop a limited number of what may be called 'relief quota cards'. The issue of these cards may be limited to special categories of persons *e.g.*, expectant and nursing mothers, sick and convalescents, teen age children of families below a certain *per capita* income limit. The distribution of these cards may be looked after by a responsible Government officer in consultation with a small representative committee of citizens of the locality" (GoI, 1957:97-98).

8. Agricultural price policy was not the only measure introduced to increase domestic production. Soon after 1965 additional initiatives were taken in this respect: the Green Revolution -- with new seeds, fertiliser, irrigation and credit -- took off from 1967-68.

9. As early as in 1951 Nehru had argued in a broadcast: "We have sought help from abroad ... and we shall continue to do so under pressure of necessity, but the conviction is growing upon me more forcefully than ever how dangerous it is for us to depend for this primary necessity of life on foreign countries. We can never function, with the freedom that we desire, if we are always dependent in this matter on others. It is only when we obtain self-sufficiency in food that we can progress and develop ourselves. Otherwise there is the continuous pressure of circumstances, there is trouble and misery, and there is sometimes shame and humiliation" (quoted in Bhatia, 1991:345-6).

10. Not only in the separate States but also at the level of the Union state, farmers became increasingly dominant in politics. "While the ratio of representation of agricultural to business and industrial interests was 2:1 in favour of the agriculturalists in the first Lok Sabha in 1951, it increased steadily to 3:1 in the second (1957), 4:1 in 1976 as the Green Revolution was gaining momentum, 5:1 in 1971, and 9:1 in 1977 under the Janata government. It returned to 4:1 in 1980 as the Congress Party boosted the representation of business and industry under the influence of the late Sanjay Gandhi (...). [T]he large farmers' interests gained control of the Agricultural Prices Commission to the exclusion of representation of consumers' interests" (De Janvry and Subbarao, 1986:96). See also Varshney (1993) on the increasing importance of rural interests in the Indian polity.

11. But it may be that 'rural area' also includes local towns. The NSS reports do not clearly define the terms 'urban' and 'rural'.

- 12. Government of Karnataka (1991).
- 13. Karnataka and Kerala are two south Indian States. Generally food distribution has become more of an issue in south Indian politics than in north

Indian politics. Karnataka was selected because it gives the opportunity to study the connection between food policy and populist politics. Kerala is interesting because of its food deficiency and the pressure from below on the government to increase access to cheap food.

14. That is, in consumer politics. For farmers, food procurement had become an important issue by 1980. Farmers' resistance against food procurement marked the start of the farmers' movement in Karnataka (Nadkarni, 1987).

15. This increase proved to be only temporary. 1986 was a peak year, and afterwards the amount gradually came down again to approximately 800,000 tonnes.

16. Government of Karnataka (1987).

17. *Janata* was a national (i.e. not a regional) political party in India, although its social base and policies varied from State to State. Later it became *Janata Dal.* 

18. For interpretations of this phase in Karnataka's political history, see for instance Kohli (1987), Manor (1984), Srinivas and Panini (1984).

19. From the Administration Report 1964-65, quoted in Government of Kerala (1989).

20. The following three paragraphs lean heavily on Sathyamurthy (1985:230-40).

21. See e.g. Oommen (1975), Sathyamurthy (1985).

22. This latter aspect especially is often neglected in statements about a presumed urban bias of PDS. Recently two pairs of researchers have investigated the issue on the basis of NSS data (42nd round) on utilisation of the PDS in 1986-87. Dev and Suryanarayana (1991) conclude that "there is no single criterion by which one can unambiguously state whether the PDS is urban biased or not. The nature of bias varies between commodities depending upon the criterion used. However (...), one can safely say that the PDS is in general rural biased at the all-India level. But at the regional level, the picture varies (...)" (p. 2361-2). The criteria used in this study were a) per capita quantities purchased from the PDS, b) per capita consumption from the PDS, c) the relative dependence on the PDS, and d) to what extent the PDS meets the needs of those who depend on the market for their food provisioning. A second pair of researchers, Howes and Jha (1992), used different measures of urban bias, namely a) per capita quantities consumed, b) per capita subsidy implied in purchase of rationed goods, and c) accessibility of the PDS. Their conclusion is that "an overall urban bias is present in half of the 18 states (...). Three states (...) show a rural bias. The other six show mixed results" (p. 1072). Both pairs of researchers have worked with a narrow conception of urban bias as only the rationing side of PDS is included. The effects of government procurement and foodgrain price policy on farmers' incomes -- and hence on intersectoral relations -- are left out.

23. By populist politics, I mean the tendency of governments, politicians and political parties to address the citizens as if no internal differentiation exists. Populist policies are meant for a wide public: with slogans appealing to, and programmes meant to accommodate, as many people as possible. One of the objectives of populist politics is often to gain popularity among a large part of the population in order to broaden the social base of the government, politician or political party.

24. Elsewhere I have analysed the dominant food policy discourse in this period as a 'donative discourse' because of the emphasis on charity and generosity of the government (Mooij, 1995). See also Schaffer (1984) and Wood (1985:358-9) about donative versions of reality.

25. See e.g. Basu (1993), Cassen and Joshi (1995), Patnaik and Chandrashekar (1995).

26. Again, I focus particularly on distribution. For an analysis of changing government attitudes towards food production, see Patnaik (1997). She analyses the whole period up to 1991 as a 'food first' era, because food security was seen as a top priority. The period after 1991 is an 'exports first' era because production of agricultural export products got more prominence.

27. "During 1993, against an allocation of 90.53 lakh (9.053 million) tonnes of wheat, the offtake was only 47.39 (4.739) tonnes and against an allocation of 121 lakh (12.1 million) tonnes of rice, the offtake was a mere 80.46 lakh (8.046 million) tonnes" (Gargi Parsai, in *the Hindu*, 6.2.1994).

28. Editorial of *Economic and Political Weekly*, 10.6.1995.

29. See also Varshney (1993:note 21),

30. Editorial of *Economic and Political Weekly*, 16.3.1996.

31. E.g. the World Summit on Social Development held in Copenhagen, 1995.

32. It might be that this conclusion contains a south Indian bias, as it is especially in south India that food distribution has become important in State politics. I would not be surprised, however, when this tendency would also become stronger in north Indian States, or even in central state politics.

33. About the relevance of public action for food entitlements, see Drèze and Sen (1989).