

Do we not need a Ministry of Essential Commodities? DECEMBER 09, 2015

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THE country has been repeatedly facing critical shortage of daily items of mass consumption like Dhal, Onions, oilseeds, pulses, vegetables and there is news circulating that rice is also likely to become scarce. Though our politicians and bureaucrats keep sermonizing about Food Security, the naked truth is that we do not even have an exclusive Ministry entrusted to ensure availability of essential commodities to the rapidly burgeoning population. Politicians keep gloating about the fact that we will overtake China by 2030 to become the most populous country on this planet. Who are we trying to impress or intimidate by our numerical numbers? The entire world is aware of the abysmal living conditions in India, as also the inability of repeated governments to ensure minimum living conditions, and sufficient availability of food items to the marginalized sections of society. To compound the misery of the citizens, a cabal of traders, importers, politicians and bureaucrats connive and collaborate to create artificially engineered food shortages to rake in enormous profits and loot. It can generally be observed that food shortages develop into a full blown crisis, items of daily consumption become scarce in the open markets, prices skyrocket and a flourishing black market thrives, giving a bonanza to some select unscrupulous traders. Belated raids are conducted on some traders and a few seizures made, but how long are we going to administer things like this?

Forget about food items, drinking water which is also an essential commodity, a very basic necessity of life, is not even listed in the Essential Commodities Act 1955! Throughout India, there is acute scarcity of clean and safe drinking water. There is not a single city in India where we can get pure drinking water of international standard purity. Even our capital city does not provide pure water in its taps! Despite various interstate water disputes, bandhs and blockades happening, successive governments have not deemed it fit to notify water as an essential commodity. Our distorted concept of "development" has rendered our rivers polluted, their pristine purity destroyed, wells, ponds and lakes are all getting filled up to make way for flats and commercial complexes. Nobody spares a thought as to how our ever burgeoning population is going to quench their thirst. Inspirational speaker and ocean advocate, Lewis Gordon Pugh rightly puts it ***"Everywhere water is under threat. It is our most precious resource. And there is no alternative to it"***.

The government machinery is unable to predict which essential commodity is going to be scarce. Either it is feigning ignorance or it is unable to read the market trends. The problem is as usual of our bureaucracy, which has distributed responsibility between various ministries and departments. Ultimately nobody is responsible, all the politicians and bureaucrats are safely ensconced in their air conditioned and fortified Alcatraz – North Block & South Block.

I have been constantly advocating for a complete overhaul of our bureaucracy. We cannot march ahead on the system conceived by Lord Cornwallis for the benefit of 18th century Great Britain, for filling the coffers of the British monarch. Today we call ourselves as a democratic, socialistic republic, but the entire political and bureaucratic machinery function like mini dictatorships presided by IAS secretaries. Politicians come and go every five years, but the rule of bureaucrats are permanent. The government of the day is unable to restructure the bureaucracy, integrate the bureaucracy and streamline their functioning. In other countries revolutions took place to put in place path breaking reforms, as happened in France, Russia and China. It is a universal rule that administrative reforms have to be initiated within at least 3 months of a new government taking charge, or else the bureaucracy reasserts its control by stressing the

logic of continuity and morale. That is what has happened in India once again, the government in power missed a vital opportunity to initiate much needed administrative overhaul. Even the Seventh Pay Commission simply skirted the issue of administrative reforms, and confined itself to recommending pay hikes without corresponding transformational changes in the bureaucracy. Thus the millions still continue to be governed by a coterie of Bureaucrats belonging to the IAS. They ultimately decide what will happen or will not be allowed to happen. Meanwhile, we are testing the patience of the common man, it was very saddening to read that poor people in Bundelkhand were eating rotis made out of grass. The fattening pay scales of the government employees, and their ever increasing holidays are in sharp contrast to the flattening and shriveling stomachs of our impoverished millions. Frank Herbert, the great American science fiction writer observes **"Governments, if they endure, always tend increasingly towards aristocratic forms. No government in history has been known to evade this pattern. And as the aristocracy develops, governments tend more and more to act exclusively in the interests of the ruling class, whether that class be hereditary, royalty, oligarchs of financial empires, or entrenched bureaucracy"**.

The politicians and bureaucrats forget that their primary responsibility is to ensure that every citizen gets his three square meals every day. Vast sections of the population are totally impoverished, living in abysmal conditions, while bureaucrats get their pay scales revised in tune with the cost of living index, there is no agency to measure the hunger index of these absolutely oppressed people, our politicians are engrossed in their newly invented toy, the intolerance debates. But when the hunger of the impoverished becomes intolerant, amazing revolutions can ignite. We hear of dictatorships being overthrown and being replaced by democracies, but we are yet to hear of democracies being overthrown and willed by the people to be replaced by dictatorships. That time will come.

To compound the problem, the government has developed an ill-advised fancy for flexible pricing, by following the practice of the airline industry. Petrol, diesel, rail fares are all being subjected to flexi pricing, creating chronic uncertainty in the meagre incomes of millions of poor householders. The prices of essential commodities are also being subjected to vagaries of the markets, i.e. traders looking out for looting, have one more reason for justifying their greed, and can put the blame entirely on the government. Corporate gamblers and fixers never had it so good. The insensible decision for creation of commodity exchanges and MCX is another reason for the prices shooting constantly upwards.

Even on the taxation front, there are a lot of grey areas. When any commodity is declared as an essential item, then export of that commodity is prohibited by the Customs Act 1962, Section 11, sub-section 2. However, in practice, despite declaring an item as "Essential", the same is permitted to be exported. This compounds the problem of shortage within the country. The Central government fixes the minimum export price, the State governments are responsible for taking de-hoarding operations under the Essential Commodities Act, by fixing stock limits and licensing requirements. The decision of the stock holding limit is decided separately by each State government. Many States and Union Territories have not implemented the National Food Security Act. Such a complicated system has been created on a vital human requirement, that we need not be surprised that shortages and skyrocketing prices are throwing the life of the common man into disarray.

What India needs now desperately is a **Ministry of Essential Commodities** that can assess our food and water requirements for the next decade, ensure stable prices, ensure that every citizen is able to afford and take the minimum prescribed WHO (World Health Organization) food intake. The haunting words of the celebrated economist John Maynard Keynes, is so relevant even now, **"If, however, a government refrains from**

regulations and allows matters to take their course, essential commodities soon attain a level of price, out of the reach of all, but the rich, the worthlessness of the money becomes apparent and the fraud upon the public can be concealed no longer."

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