

## NEWS WRAP

### AGD

THE LACK OF IMPROVED technologies in pulses, makes heavy imports of pulses necessary in India. Whereas, oil seeds have experienced technological breakthrough, which can lift productivity and production. But 60% of the need for vegetable oils is met by imports. The total vegetable oil imports is expected to rise in 2011-12 to over 9.2 million tons, against the anticipated demand of 15.5 million tons. The import bill is expected to increase to Rs 35,000 crore. The demand for edible oil is rising at a pace double that of foodgrains. Even though domestic edible oils supplies have been rising steadily, the increase is insufficient to fulfil demands. India's edible oil industry has an annual turnover of over Rs 1,00,000 crore, but restricted by the government's policy deficiencies, and varying taxation policies. Improved technology and higher input use ensured self-sufficiency in oil seeds and edible oils by the late 1980s. The union government's present policy favours edible oil consumers at the cost of growers and the oil seed industry. Edible oil prices are controlled with easy imports. Incentives to invest in yield boosting inputs or superior technology have declined. Much of the oil seed cultivation is taking place on marginal lands, with low fertility, and without irrigation facilities. The potential for palm oil cultivation in India has scarcely been tapped, while edible oil imports are mostly palm oil.

### WOES OF BENGAL PEASANTS

A majority portion of small and marginal farmers in West Bengal are share croppers. Barga recording arrangements are cumbersome, and understanding between landowners and share croppers is based generally on real contracts. When the share croppers try to sell their produce to government agents, they are unable to exhibit any documents. The current kharif season has been a bumper year, with paddy crop being around 15 million quintals. Lack of funds and administrative initiatives have resulted in little market impact, even though the West Bengal state government has decided to procure 20 lac tons of rice (30 lac tons of paddy).

The prices of commonly used fertilizers have increased multifold, with the decontrolled prices in the fertilizer market. Urea is still under control, whose prices have increased by 11%. But the prices of different grades of complex fertilizers have increased exponentially from 111% to 163%. There is no regulatory mechanism where a state government could intervene, as and when the situation demands. On the other hand, farmers' demand for better minimum support price for paddy and jute has been ignored by the union government and the state government. The targeted quota of rice has not been lifted by the state agencies. The peasants' sufferings increase with the repayment clause of bank loans, and middlemen are entering the village economy and looting farmers of their due share. In spite of steep fertilizer prices, the state government is not pursuing low irrigation farming methods and organic manure.

### LAOS MEKONG DAM

The proposed Xayaburi Dam project along the Mekong river in Laos, is being implemented by the Mekong River Commission comprising Cambodia, Laos, Thailand and Vietnam. The project costing \$3.5 billion, was to become the hydro power battery of southeast Asia. Opponents to construction of the dam claim that the project jeopardizes a key food source for millions of people. Environmentalists and other activists fear that the Thailand financed Xayaburi Project would disrupt the migratory patterns of fish in Cambodia. It could also block crucial, nutrient rich sediment flows to the rice growing Mekong Delta in southern Vietnam. Approval to Laos's planned dam could encourage other nations to construct as many as ten more planned dams, on the lower reaches of the 4900 km long Mekong. Vietnam has called for a ten year moratorium on the construction of new dams on Mekong River, until their consequences are better understood. Recently the Mekong River Commission has postponed construction of the Xayaburi Dam in Laos.

### OLD CONFLICTS IN MYANMAR

Just as the Myanmar government is pushing forward economic and political reforms, efforts by the Yangon Government to restart talks with leaders of the Kachin ethnic group appear to have failed. Resumption of fighting between Myanmar's army and ethnic rebels has forced thousands of villagers into refuge camps near the Chinese border. There have been bombings around the northern town, Bhamo, almost daily. Fighting continues near the headquarters of the Kachin Independence Organization, which has an army of several thousand. Clashes involving heavy weaponry in the troubled and remote region have resulted in displacement of above 30,000 villagers. Many Kachin fighters have abandoned several of their bases, and were now engaged in guerilla attacks against the Myanmar military.

### RADIATION IN BABY FOOD

Since the 11 March 2011 Fukushima Daicchi Nuclear Accident, there have been reports in Japan of beef contamination, and instances of tainted rice. Recently, in the latest radiation food scare to hit Japan, Meiji Holdings Company, the country's largest maker of baby formula has found radioactive cesium in cans on store shelves. Although the measured amount of cesium falls well below the level the Japanese government has declared hazardous, concerned parents have questioned whether the government's existing standards are safe enough for babies. □□