



**स्वतंत्र भारत**  
**Swatantra Bharat Party**

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*MEMBER, SUPREME COURT COMMITTEE ON FARM LAWS*

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## **MEMORANDUM TO THE PRIME MINISTER OF INDIA**

### **SUMMARY OF FARMER DEMANDS**

Dear Prime Minister

India's farmers have proven beyond the slightest doubt that they have been exploited by the government of India for over 70 years. All relevant details are provided in the Discussion Paper that has been released today (see: <http://swatantra.org.in>).

Indian farmers have been sucked dry by the government. Their incomes are reduced by 5 to 25% each year because of the government's market and property restrictions. In some cases, farmers end up with a net loss. Farmers are being expected to run a race with their hands and legs tied. The loot of farmers must stop.

India's farmers have come together today with the following set of demands:

#### **1. Stop all negative market subsidies**

This requires abolishing the Essential Commodities Act and restrictions under the Foreign Trade Act on foreign trade of agricultural produce. The FT Act needs to intervene only on national security grounds. Details are in the Discussion Paper. Illustratively:

- Farmers should be able to sell their produce anywhere they choose – whether at APMC mandis or to private buyers through contract or any other method.
- Farmers should not be restricted on the production, storage, movement, logistics and processing, and trade of their produce within or outside the country.
- The government must manage a strategic food reserve based on market conditions but no purchase must be made at a price lower than the global market price. When old stocks are sold, these should be released in small quantities so as not to disturb the market price, else such sale will effectively become backdoor market interference by the government.

#### **2. Ending all property rights restrictions**

We demand the complete end of restrictions on property rights.

- Farmers should be able to use their land for any purpose they wish so long as they are not causing hazardous damage to the environment.
- All restrictions on the quantum limit of ownership of agricultural to be scrapped. If industrialists can become billionaires why are efficient farmers constrained?
- Farmers must be able to buy and sell land freely to any Indian citizen or OCI. Even foreign citizens should be able to purchase agricultural land under regulatory conditions that ensure national security.
- Farmers should be able to grow whatever they wish, on the land that they own. Should they choose, they should be able to use their land as collateral for loans, and also pledge that land as a share of the farmer for any industry or commercial activity.

To implement these property rights reforms will require Constitutional amendments that bring back the original property rights of the Ambedkar Constitution.

### **3. Continuation of positive subsidies for 10 years**

After reforms (1) and (2) above are implemented, the current positive subsidies (MSP, fertiliser subsidy, etc.) must continue for at least 10 years to compensate farmers for the harm caused for over 70 years. After 10 years from the completion of reforms (1) and (2), positive subsidies can be reduced to 50% and mainly spent on rural infrastructure, given the poorer connectivity in rural areas.

### **4. Legislating these reforms**

These reforms and commitments should be converted into legislation, including relevant constitutional amendments. Without legislating these reforms and changing the Constitution it is impossible to achieve closure to the ongoing unrest among farmers.

### **5. A one-off sweetener to farmers**

As a token of the Government's goodwill towards farmers, a one-off sweetener must be implemented: a waiver for **all** agricultural loans outstanding by any farmer anywhere in the country.

After having been bound for 70 years in chains, farmers are in no position to stand on their feet without this remedy to get reduce the burdens they face, which cause many farmers to commit suicide. However, we want fool-proof delivery of reforms (1) to (4) first, only after which the waiver should be implemented. After that, farmers will never need large-scale loan waivers again.

We are aware of the harmful impact that loan waivers can have on the proper functioning of credit markets. Therefore, after the government removes the chains that bind farmers, India's farmers will earn their income in the free market and will not need any loan waivers in the future. In fact, Shetkari Sanghatna has never wanted any subsidies or loan waivers – all we have wanted is that farmers should be allowed the market price for their sweat.

### **6. Other reforms**

We want all associated **reforms of infrastructure policy and governance** – as detailed in the Discussion Paper, to be agreed in writing. Without these reforms the reforms (1) to (3) cannot be implemented properly.

Yours sincerely

Anil Ghanwat

**President, Swatantra Bharat Party  
and Member of the Supreme Court Committee on Farm Laws**

**CO-SIGNATORIES**