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June 29, 2009

Dear Mr Chief Minister

***Sub: Your initiative on Cooperative Farming; request rethinking***

As people who have been working with very small and marginal farmers, mainly dalits and women, we are addressing this letter to you in response to your new initiative on “Cooperative Farming.” We write this in great alarm and anguish since we seriously believe that this initiative will create extraordinary harm and distress for the small and marginal farmers of the state. You might say that the initiative is purely voluntary for farmers. But history tells us how pressure is built upon farmers by bureaucrats who want to show you how “successful” the initiative has been. At that point of time the voluntariness for farmers remains illusory.

It is a great twist of irony that your initiative reflects exactly the vision of the infamous Kuppam Experiment indulged in by your predecessor Mr Chandrababu Naidu. At that time you had vigorously and justifiably opposed the ill fated experiment. In fact Kuppam and similar visions had spelt the end of the Telugu Desam rule in 2004. In your historic march preceding your momentous victory in the 2004 election, you had met hundreds of thousands of farmers and heard their views. That had tempered your views on hare brained adventures such as Kuppam.

That is another reason why we are extremely surprised that this policy initiative comes from your government. Why are we alarmed and what are our objections for the Cooperative Farming that you have envisaged?

1. The concern of land productivity that forms the backbone of your new initiative was exactly the concern expressed by the Vision 2020 policy document of the Telugu Desam government. Therefore there is nothing new in what your government is saying. The problem is that exactly like the Telugu Desam government your government also does not seem to be able to see the underlying reality of the farming crisis in India. In the confusion, you are venturing into a land of no return. This is completely avoidable.

2. The biggest mistake you are making is to monetize the productivity of the land and calculate how much money a unit of land can produce. This became the biggest undoing of Kuppam and will become the bane of your farm policy.
3. For the small and marginal farmers, in whose name this policy is being propagated, what is becoming extremely important is how much food they produce on their land rather than how much money. The global food crisis has taught us that a farmer who produces food and diversity in his farm and disconnects himself from the food market enjoys far superior psychological confidence and economical stability than a commodity farmer producing non food crops in a monocultural fashion. Therefore your policy should concentrate more on food production on small farms and create a series of enlightened incentives for farmers to do so rather than looking at the money earned per unit of farm.
4. The second and most dangerous aspect of your new initiative is that it gives the farmer an option to enter into the cooperative but does not offer the same option when he wants to exit. Blocking the exit by bringing in a rule that the farmer must leave behind the land when he exits, makes your initiative draconian. Have you Mr Chief Minister seriously considered what happens to a farmer who loses his land? It strips him from all his dignity and the very raison detre to live itself. It is an act that empties the soul from the farmer. Would your government want to do this?

What kind of indignity does a farmer suffer when alienated from his land? Let me reproduce an excerpt from the report from Katharine Ainger of the globally reputed **New Internationist** who found a farmer in Kuppam being held for “theft” by the security staff of the Kuppam farm. What was his crime? Read on:

*“Apparently the white-bearded farmer has been caught stealing carrot leaves (not the carrots, just the leaves) to feed his buffalo. Since he gave over his land to the company it’s been hard for him to find fodder for his livestock. He has been accused of stealing his own vegetables from his own land – for which crime Mr Isaac, the regional manager of BHC, has been throwing rocks at him.”* After suffering such humiliation, the farmer told Katharine: *‘If you gave me ten lakh rupees [around \$20,000] I wouldn’t give my land to BHC again!’* Ten lakhs was a hell of a lot of money in 2001. And the farmer was not willing to part with his land even for this fortune.

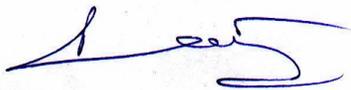
We request you Mr Chief Minister, please do not create many such Kuppams in AP and make many farmers become beggars in their own farm.

5. The most important point you must bear in your mind is that small farms are not viable. This is the worst myth generated by corporate and contract farming interests. Many serious and long term studies done on farming tell us that the most viable farms are small farms. The vibrancy and productivity per unit of a farm of the size of let us say five acres is ten times more than a farm 200 times greater than it. Therefore please do not repeat the same horrible mistake made by the Kuppam models. We have done many comparative studies with farmers in the UK who own upto 2000 acres and do all their farming mechanically and orient their produce for export. Each of them has been suffering a loss of between Rs.800 to Rs.2000 per acre. Doesn’t this send a clear message to all of us?

- 6 Newspapers report that your initiative is prompted by the concern to produce with less input costs and increase the yield significantly. Just by making the land size larger by bringing in several farmers, how can the input costs be lowered? Actually a larger farm which is mechanized attracts greater input and managerial costs. Once farmers are made to handover their land to the cooperative, they lose all incentive to work voluntarily and therefore labour costs go up enormously. Thus the larger coop farms you are envisaging will actually result in higher input costs and lesser productivity than vice versa. [as described above]
- 7 The next concern we have is about the governance of such a Cooperative Farm. Will the decisions regarding what to cultivate and produce, lie with a “decision making body” of the bigger farmers and the “experts” or will the decisions be made in a participatory fashion by all the farmers in the cooperative? If this is not ensured, many small farmers who love their land and have a spiritual relationship with it will be extremely sad to see how the lay of their land had been destroyed by the Israeli company BHC which managed the farm. [Please read a study on Kuppam titled *Corporate and Contract Farming at Kuppam Signals from Israeli Technology Demonstration A report by the Andhra Pradesh Coalition in Defence of Diversity*]
8. In conclusion let me urge you on behalf of millions of small and marginal farmers in Andhra Pradesh not to rush with your new idea and subject it to intense discussion at the level of farmers at mandal levels in AP. Let us hold farmers juries and let the state explain and defend its policy in front of farmers. This should be completely devoid of the political colours of various parties and should be completely farmer-focused. If you get farmers approval for your plans you will have scored a huge democratic brownie points. It is nice that you are holding a consultation in Hyderabad today. But the kind of people you are consulting with are primarily responsible for today’s agrarian crisis. The bureaucrats and “experts” who caused the crisis cannot have the moral right to suggest solutions for it. In any case they are incapable of finding solutions. It has to be done by farmers themselves and therefore Farmers Juries will be the best fora for debating it.

In view of all the above, we request you to sincerely hold back this experiment and encourage a wider debate on this all over AP with civil society groups, farmers associations and small farmers through a series of farmer juries.

With warm regards



p v sathesh

***The Chief Minister of Andhra Pradesh, Hyderabad***  
***The Minister for Agriculture, Government of Andhra Pradesh, Hyderabad***