



Agricultural Economics Research Association (India)

22nd Annual AERA Conference

Leveraging Institutional Innovations for Agricultural Development

18-20 November 2014

University of Agricultural Sciences, Raichur (Karnataka)

Theme of the Conference

Agriculture, despite a significant decline in its share in the gross domestic product to less than 15 per cent in 2011-12, continues to be an important sector of Indian economy because of its strategic importance to food and nutritional security, employment generation and poverty reduction. The sector still engages more than half of the country's labour force, and is a significant, if not the sole, source of livelihood for the smallholders (< 2 ha) who comprise more than 85 per cent of the farm households. While the future of India's food security rests on small farms, the land-based livelihoods are becoming untenable for the majority of smallholders not only because of their limited scale but also due to a number of constraints, such as poor access to markets, inputs, technologies, information and services, they face in their endeavour to enhance farm incomes. At the same time, with unfolding of globalization, the competition in agri-food markets would become intense, and the smallholders would be affected more by it. Given this state of affairs, there arises a basic question: how to improve small farmers' access to these resources so as to empower them to sustain their livelihoods and to adjust their agricultural activities to the changing market conditions?

The supply-driven approaches to agricultural development, as in the Green Revolution period, made a significant impact on food production; the emerging market environment necessitates addressing diverse concerns of consumers for diversified, safe and quality food products, and of producers for higher farm incomes in a holistic manner. This requires effective coordination and partnership among different stakeholders including farmers, processors, traders, institutional buyers, exporters, service providers and research institutions. In the recent past, some new institutional models have emerged that involve different stakeholders to address some of these concerns. Nonetheless, these have remained by and large commodity- and location-specific.

The institutional innovations for agricultural development may be related to production (staple food agriculture, high-value agriculture, secondary agriculture, sustainable agriculture, etc.), labour and mechanization, processing and value addition, credit, infrastructure, R&D, extension, marketing (input and output), quality and safety, policy and governance

(consolidation, continuity, change, coordination, convergence). The institutional innovations in the above areas might have been through public sector, private sector, NGOs, farmers' organizations and others, or a combination thereof.

The paper writers may provide status, nature and trends in institutional developments/innovations, evaluate these for their efficiency, inclusiveness and sustainability, maybe as case studies, and derive the lessons for their replication or scaling-up for faster, inclusive, competitive and climate-smart agricultural development. The impact of various innovations on the livelihood security and gender issues could also be studied.

Some of the following issues provide food for thought for their in-depth probing:

- Improving scale is crucial for development of small-scale agriculture. A number of institutional models such as contract farming, producers' associations, self-help groups and cooperatives are important to realize economies of scale, accelerate the speed of technology adoption, and ensure supply of raw material to agro-industries. Notwithstanding, the success of small farmers in benefitting from these innovations is not satisfactory. Further, sometimes larger institutions create conflicts with macro-institutions and political systems. For the success of such institutional arrangements, it is essential that there are effective links between various agents such as government, user organizations, voluntary groups, individuals, etc. Hence, there is a need to review and document these institutional innovations in different spheres and agents of agricultural development and analyze where they have worked and where they have not. The success stories and lessons learnt from these institutional arrangements must be brought to the fore.
- Some technologies and practices such as IPM are effective when adopted collectively. Others like laser land levelling, because of lumpy investments, cannot be afforded by the smallholders. These situations require some kind of institutional arrangements for their wider application and effectiveness. The institutional set-up in this process needs to be studied for their adoption and impact.
- Farmers need to be protected from the supply of spurious inputs like seeds and pesticides. A number of laws have been enacted to regulate the technology system such as Seed Act (1966), the Plant Variety Protection and Farmers' Rights Act (2001), the Patents (Amendments) Act (1999), rules regarding GMOs, etc. The effectiveness, implementation and implications of these laws need to be evaluated from the perspective of social welfare.
- Irrigation infrastructure in India has been one of the most extensive in the world. However, much of the developed potential is not utilized owing to the ineffective institutional arrangement and functioning. The alternative institutional arrangements need to be evolved and evaluated. 'Pani Panchayats' and Water Users' Associations are important institutional arrangements in India, which could be studied from the perspective of institutional economics.
- Agricultural credit and insurance are of prime importance to offer confidence to adopt new technologies and risk mitigation. New products and delivery systems have come up in recent years. These innovations in design of financial products and services need attention of the researchers.
- ICT has revolutionized the information dissemination system in the Indian agriculture. A number of ICT interventions, both from public and private sectors, are now available for dissemination of information on technology, inputs, advisory services and markets. The e-

marketing is an emerging concept. Such ICT interventions may be investigated for their effectiveness in terms of content, cost, time and inclusiveness.

- The low productivity and poverty fraught with high wage rates bother the agriculture affecting food and nutritional security of the farming community. Accordingly, undernourishment and malnourishment in the small and marginal households and landless labourers are at alarming levels. Innovations in Public Distribution System (PDS) are the need of the hour to make the system more efficient and to effectively serve the cause of PDS. The role of public sector ought to be agenda-based and time-framed, and there has to be clear role of these institutions and their mix/blending with other stakeholders.
- The development of infrastructure has a wide potential for speedy development of the agricultural sector in India. Creation of good roads, custom-hiring of farm machineries, cool chains/refrigerated trucks, are helpful to address demand side and supply side constraints. Public-Private-Partnership (PPP) modes like BOOT (Build-Own-Operate-Transfer), as prevalent in the case of national highways, for example, can be thought of in agriculture also. “Pay and Use” concept is sustainable since “Free Use” is project-specific.
- Partnerships are important components of institutional innovations for agricultural growth and poverty. The benefits of partnerships include not only knowledge and risk sharing advantages, but also realization of economies of scale in resource use, exploitation of complementariness of objectives and expertise and coordination (realization synergies) advantages. Ideally, the partnerships should include all actors and stakeholders directly involved in generation, accumulation, dissemination and utilization of agricultural technologies. Public-private partnerships in agriculture have showcased several success stories. The replication of such models may contribute in a big way to the advancing of agriculture in the country. It is in this context that the role of leadership assumes greater importance as institutional performance is dependent on leadership whose sustainability is highly uncertain and lack of good leadership leads to crumbling institutions. It is largely seen that when leadership vanishes, institution fades away. Successful cases have evolved due to individual entrepreneurship and have attained sustainable institutional glory. These could be studied for their impact and replication.

All these issues will be discussed during the 22nd AERA Annual Conference to be held at University of Agricultural Sciences, Raichur, Karnataka.

Last Date and Mode of Submission of Papers: 31st July 2014

Research papers (in duplicate) typed in double space and accompanied invariably by an Abstract of the paper in not more than 200 words, may be sent to the **Secretary, AERA, F-4, A-Block, NASC Complex, DPS Marg, Pusa, New Delhi-110 012**. The soft copies should also be sent at aeraindia@gmail.com. The length of the paper should not exceed 20 pages including tables, figures, annexures, etc. in double space. A few selected papers and abstracts of the recommended papers will be published in the Conference issue of the Journal, AERR.

Dr R.T. Doshi Awards

It may be noted that **two prizes (First and Second)** instituted by Dr R.T. Doshi Foundation, Mumbai, will be awarded to the best presentations of submitted papers (papers submitted only in abstract form are not eligible) during the 22nd AERA conference. The presentations should be in power point for the duration of 10 minutes. Dr Doshi Foundation also awards **two prizes** every year to the best articles published in the *Agricultural Economics Research Review*. Members are advised to take advantage of these initiatives.

President Elect of the Conference

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