KP @85 Festschrift Conference - Session 8

Date: 23rd January, 2021 (Saturday)
Time: 18:00 - 20:20 (IST)

Dr. Jyoti K Parikh
Executive Director, Integrated Research and Action for Development (IRADe)

Dr. *S. Mahendra Dev*
Director, Indira Gandhi Institute of Development Research (IGIDR)

Dr. Vijay Laxmi Pandey
Professor, Institute of Development Research (IGIDR)

Dr. Manoj Panda
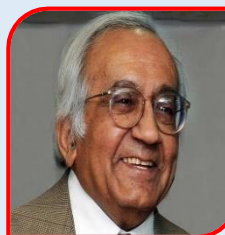*Professor, Institute of Economic Growth (IEG)*

Dr. Alakh Sharma
Director, Institute for Human Development (IHD)

Mr. Siraj Hussain
Senior Visiting Fellow, Indian Council for Research on International Economic Relations (ICRIER)

Dr. Kirit Parikh
Chairman, Integrated Research and Action for Development (IRADe)

Dr. Parkash Chander
Executive Director, Center for Environmental Economics and Climate Change, Jindal School of Government and Public Policy

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18:00 - 18:40	**Presentation on** "Production Diversity and Household Dietary Diversity: An Evidence from Bihar and Odisha "	• **Dr. S. Mahendra Dev,** *Director*, *IGIDR, Mumbai* • **Dr. Vijay Laxmi Pandey,** *Professor*, *IGIDR, Mumbai* • **Dr. Suganthi Dhanapal,** *IGIDR, Mumbai*
18:40 - 19:20	**Presentation on** "Growth Matters? Revisiting the Enigma of Child Undernutrition in India"	• **Dr. William Joe**, *Assistant Professor, IEG New Delhi* • **Mr. Abhishek Kumar,** *IEG New Delhi* • **Dr. Manoj Panda**, *Professor, IEG, New Delhi*
19:20 - 20:00	**Presentation on "**Minimum Support Price (MSP): a good idea gone bad and too far"	• **Dr. Parkash Chander**, *Executive Director, Center for Environmental Economics and Climate Change, Jindal School of Government and Public Policy*
20:00 - 20:15	**Q& A Session**	**Discussants-** • **Mr. Siraj Hussain,** *Senior Visiting Fellow, ICRIER* • **Dr. Alakh Sharma,** *Director, IHD* • **Dr. Kirit Parikh**, *Chairman, Integrated Research and Action for Development (IRADe)* • **Dr. Jyoti K Parikh**, *Executive Director, Integrated Research and Action for Development (IRADe)*
20:15 – 20:20	**Closing Address** & *Vote of Thanks*	**Dr. Jyoti K Parikh**, *Executive Director, Integrated Research and Action for Development (IRADe)*

Abstracts

Presentation 1 - **"Production Diversity and Household Dietary Diversity: An Evidence from Bihar and Odisha"**
Presenter – Dr. S. Mahendra Dev, Dr. Vijay Laxmi Pandey, Dr. Suganthi Dhanapal, IGIDR, Mumbai

Agriculture is a major occupation in rural India and is dominated by small and marginal farmers who generally consume a sizeable portion of their farm production. Therefore, agricultural production for self-consumption can be the direct route for improving household food security and nutritional outcome in rural areas. This study aims to understand the impact of production diversity (crop group diversity and animal husbandry diversity, and number of crops in kitchen garden) on household dietary diversity in the rural areas of Bihar and Odisha. The primary data used for the analysis was collected under the SPANDAN initiative of the Bill and Melinda Gates Foundation. The survey covered a total of 2047 households from Bihar and 2053 households from Odisha. The ordinary least square model was employed to understand the association between production diversity and dietary diversity.

The results indicate that an increase in crop group diversity and the number of crops in the kitchen garden positively influence household dietary diversity. However, the production of animal products need not necessarily lead to higher consumption at the household level. Households with less than one acre of farmland have lower dietary diversity compared to landless households. Household income plays a vital role in increasing household dietary diversity. The education of adult women and the head of the household positively influences household dietary diversity. PDS helps in improving the dietary diversity of households. Therefore, there is a need to focus on improving the inclusion of households with less than one acre in different social safety net programmes for improving dietary diversity. Initiatives to improve literacy, especially among women, such as the Right to Education Act, Beti Bachao Beti Padhao, and Samagra Shiksha Scheme, will help tackle malnutrition. These findings have implications for developmental policy for promoting kitchen gardens and crop diversification, considering the states' requirements and local agro-climatic conditions to address food and nutritional insecurity.

Presentation 2 - **"Growth Matters? Revisiting the Enigma of Child Undernutrition in India"**
Presenter – Dr. William Joe, Abhishek Kumar and Dr. Manoj Panda, IEG, New Delhi

Professor Kirit Parikh was always interested in analysis of welfare implications of growth. In the simulation exercises of his AGRIM model, for example, he used to present calorie intake along with GDP growth. This presentation provides some evidence for changing association of growth and child undernutrition in India.

Higher economic growth in the post-liberalization phase since the 1990s was expected to translate into rapid all around improvements in wellbeing of the people. In fact, economic growth was viewed as a panacea for several developmental concerns, including nutrition, and such optimism was further fueled by the empirics of economic growth and nutrition across countries. For instance, Smith and Haddad (2002) using a panel data from 63 developing countries over the period 1970–96 find a strong relationship between economic growth and reductions in child undernutrition.

A notable exception in defiance of this association is apparent in the form of a persistently high level of child undernutrition in the face of rapid economic growth in India (Subramanyam et al 2011, Vollmer et al 2014). While the then Prime Minister Manmohan Singh declared this persistency as a matter of national shame, the phenomenon is now widely referred to as the Indian enigma (Headey et al 2012). The Asian enigma, coined during 1990s, was initially used to contrast the undernutrition experience of Africa and South Asia but subsequently, and with rapid health and nutrition improvements in neighboring countries of Bangladesh and Nepal, the enigma increasingly alludes to the Indian experience of persistent undernutrition (Ramalinga swami et al 1997, Coffey 2015).

The discordant association, nevertheless, needs to be revisited for several important reasons. First, economic growth, as we demonstrate, continues to be a formidable force to rely upon in the fight against undernutrition. Second, following Svedberg (2000), it is revealed that the metric of child undernutrition is wrapped in several layers of deprivations and disadvantages whereby certain layers are found to be more responsive to economic growth than others. Third, economic growth, presumably, leads to greater nutritional gains when accompanied with direct investments in health policies and programmes. Finally, economic growth sans distributional improvements in basic standard of living can be a major deterrent in improving child undernutrition.

Our findings in this presentation are based on the analysis of four waves of the National Family Health Survey (NFHS 1992-93, 1998-99, 2005-06 and 2015-16) data on child undernutrition, their demographic and household socioeconomic characteristics. Descriptive statistical analysis as well as econometric methods including multilevel logistic models and panel data techniques are used to understand the association between key indicators. Sensitivity analysis is conducted to comprehend the robustness of the association across alternative specifications and adjustments. In particular, effect of growth on child undernutrition are found to be changing in analysis of NFHS third and fourth waves data compared to data in combined data in all the four waves. The indicators are associated with the data on state level per capita incomes for the analysis period. Additionally, we analyze cross-country panel data from the world development indicators database to examine the association between economic growth and child undernutrition.

In concluding, we argue that both the tempo as well as the quantum of growth are equally important factors influencing child undernutrition. The insights are further corroborated by the recent slowdown in growth and child undernutrition in NFHS-5 data available partially. Apart from relying on growth, direct investment in health and nutrition sector is recommended as an important priority for policymaking.

Presentation 3 - "Minimum Support Price (MSP): a good idea gone bad and too far"
Presenter - Dr. Parkash Chander, Center for Environmental Economics and Climate Change, Jindal School of Government and Public Policy

In this paper I examine welfare implications of the MSP policy instrument. I note that the current formula for fixing the MSP for food grains is problematic as it completely ignores the market forces, i.e. demand and supply for food grains. Using a simple supply-demand analysis, I argue that the current MSP policy may actually make small and marginal farmers worse-off and make only a select group of farmers better-off. In other words, the MSP policy in its present form may increase income inequality in the agriculture sector and aggravate farm distress rather than address it. Finally, I propose two alternative policies and discuss their political implications.