Taking the right call on tobacco

By: Kaushik Dutta | Published: December 24, 2018

An equitable solution is possible only if industry & activists argue from the point of view of facts



Many countries, including the world's largest producers, are taking steps to find alternatives to tobacco growing.

For centuries, tobacco has been a part of Indian culture and ethos, having permeated into our social, cultural and even some religious sanctums. It is the largest non-food crop and is more remunerative than food crops such as grains and cereals. Tobacco grows on soil of poor fertility and is known to withstand variations in weather conditions better than other alternative crops, thus providing farmers with a sustained source of livelihood.

However, any discussion on livelihood and economic benefits of the crop gets intricately linked with the health effects of tobacco that cloud/overpower such discussions. Researchers and authors have argued that the health and medical costs of tobacco far outweigh economic value and benefits from the crop. The key to any meaningful debate regarding livelihood is to effectively determine the population that is impacted, especially in rural areas, because it depends on the crop for survival. In this article, we limit ourselves to the livelihood debate.

While the estimates of people dependent upon tobacco varies, combining government, industry and national statistical office sources, it is likely that livelihood to 45.7 million people in the country, including 6 million farmers and 20 million farm workers, are linked to tobacco farming. The Tobacco Institute of India estimates that additionally nearly 13 million are estimated to be engaged in bidi making and tendu leaf plucking while 7.2 million are traders and retailers.

Government and social interventions for any change in livelihood equations have political and human dimensions, and start with estimation of the number of persons who get affected by the change. The genesis of the debate from the perspective of health activists is to estimate the number of people who derive livelihood from tobacco, and if the number is not significant, then they build the rationale to argue that since the number of affected persons is low, then financial and other outlays for weaning people away from the trade of tobacco will not be huge. On the other hand, the industry is accused of inflating numbers of dependent people to bolster their argument favouring continuity.

Researchers in recent studies published in EPW on the other hand have estimated that the total employment in tobacco based activities are about 7.25 million, substantially lower than the number that government and other Parliamentary committees are referring to, as also the employment base the industry alludes to. In India, meaningful labour statistics are extremely difficult to obtain and, often, such forecasts are based on significant approximations, assumptions and generic estimations.

Estimating workers or labourers based on total production of output is fallacious since number of workers and the output does not have a linear relationship. One needs to temper into the equation factors like benchmark of expected output, efficiency gains of repeated use, use of machine based technology, regional productivity ethos and other factors. Hence, basing results purely on arithmetic gives erroneous conclusions. Based on arithmetic extrapolation of data between fiscal 2011 to 2015, the EPW study estimates the above number of 7.25 million as the total number of persons who derive their livelihood from tobacco.

The National Sample Survey Office–NSS 73rd Round report on economic characteristics of unincorporated non-agricultural enterprises (2017) states that 6.5 million persons are involved in informal enterprises in manufacturing, bidi rolling etc, that relate to the tobacco industry. The Central Tobacco Research Institute, a body of the ministry of commerce, and the Parliamentary Committee of subordinate legislation estimate that 6 million people are involved in growing of tobacco and employ about 20 million workers.

The Madhya Pradesh government says that there are 1.5 million tendu leaf collectors in the country. In any case, all these numbers add up multiples of the estimate made by researchers, and extrapolations and attributions rarely depict any comprehensive perspective. The key for any debate is to realistically and diligently determine the key stakeholders and assess the dimensions of the challenge to livelihood of people in the supply-chain. We will have flawed results if health and anti-tobacco activists put up numbers for public debate that are not

evidence-based and have no independent basis of assertion. Similarly, industry and agricultural estimates of the human capital also needs to be grounded in facts and realism.

The debate on alternative livelihoods for workers in the tobacco sector also requires that the equitability of such alternatives be evaluated. Economist Amartya Sen says that the theory of capabilities requires that, for development to take place, it is necessary to make people use their livelihoods to produce the living conditions they aspire for. The quality or conditions of life are not measured solely by the property of a set of goods or money; instead, they are measured by the capacity individuals have to make use of these goods, resources and money to obtain satisfaction or happiness. Hence, mere substitution of one's livelihood with another economic activity does not necessarily fulfil the capability of persons.

Many countries, including the world's largest producers, are taking steps to find alternatives to tobacco growing. A number of proposed interventions for economically sustainable alternatives to tobacco have been identified in studies in various regions of the world. These studies show that there is direct correlation between profitability of alternative crops and willingness of farmers to stop growing tobacco, provided that there are sustained economic opportunities and that the necessary market support from the government is there. Economic and social support are the main arguments which are under debate in major tobacco-growing countries, including India, and the solutions need to go beyond economic returns and consider social dimensions as an equally important parameter.

Moreover, the right to livelihood is a fundamental right of every individual and any infringement of such rights by passage of law or due to commitment given by the state to outside agencies needs to be restituted based on the capability of the affected person. Hence, all solutions to alternative livelihood need to be holistic, and no individual groups or persons should be sacrificed for what some may determine as the common good.

Diversification should include both agricultural and non-agricultural opportunities, including transformation of one agricultural product to another. Substitution of one economic activity by another does not, however, fully address the problem of the poverty and vulnerability of tobacco farmers and growers The answer to an alternate sustainable livelihood for tobacco growers lies in all stakeholders working towards an implementable solution based on research, data and a deep understanding of economic, social and development ramifications of such change.

The author is Director, Thought Arbitrage Research Institute

Source: https://www.financialexpress.com/opinion/taking-the-right-call-on-tobacco/1423109/