

Fertiliser subsidy had cost the Government Rs. 150 billion in seven years

Government had sold a bag of fertiliser costing Rs. 9,000 in the world market to the farmers for a mere Rs. 350

Fertiliser crisis that led to a rice issue

Despite the presence of several economic centres in close proximity to Colombo, many often opt to visit the 5th Cross Street in Pettah to purchase rice in bulk.

Last Friday I visited 5th Cross Street to inquire into the situation of rice wholesalers in the area. At the entrance of each shop was a neatly presented row of essential food samples placed on silver dishes. The majority were samples of rice.

In addition to this there were also samples of dhal, chickpea, mungbeans, cowpea, barley among many others. The most expensive out of the lot appeared to be kidney beans, aptly named as it was shaped similar to that of a human kidney. On the day, the majority of the rice stocks available were those imported from India. In one shop, the lead story of a *Dinamina* newspaper was displayed prominently.

World market

Ten years ago on August 14, 2012, the *Dinamina* had reported that the fertiliser subsidy had cost the Government Rs. 150 billion in seven years. It said that the country had become self-sufficient in rice as a result of this. The Government had sold a bag of fertiliser costing Rs. 9,000 in the world market to the farmers for a mere Rs. 350 and in the year 2000, at least 878,000 hectares of paddy had been cultivated. The report also noted that the country had over the time become self-sufficient in rice as paddy cultivation had once again commenced in the North and the East following the end of the battle against terrorism.

I observed the rice stocks in the shop. All of them were rice imported from India, Bangladesh or Pakistan. The name of its origins was brightly printed on the stacks. The rice mostly imported from Pakistan appeared to be a type of Basmati.

"Are you not selling types of local rice wholesale anymore?" I inquired from the shop owner. Right above the owner's head were a host of statues including that of the Buddha flanked by a battalion of Gods and Goddesses. Someone had lit a lamp and placed jasmynes as an offering before them early in the morning.

"These foreign types of rice do not cook as well as Sri Lankan types.

But we were forced to import these as the Government abruptly banned fertiliser and pesticides. We have now heard that the President has ordered for farmers to be given fertiliser. I don't think we will have to import rice to Sri Lanka going forward" he said in response.

These sellers claim in an attempt to create a rice mafia in the country, rice importers claimed traces of the chemical element Cadmium were found in local rice in order to boost imports. In 2013, it was found that the amount of Cadmium contained in a plant grown with both chemical and organic fertiliser is 50 percent less than the amount of Cadmium in a field that uses only chemical fertilisers.

A report during that time said the amount of Cadmium present in local rice is only second to the percentage found in rice grown in Bangladesh. But it was never specified in which type of rice Cadmium was most present. As a result of this the demand for all types of rice from abroad rose significantly.

The Government banned fertiliser in May 2021. In the following cultivation seasons farmers had no fertiliser to engage in farming activities. This was a death blow to rice and all types of crops.

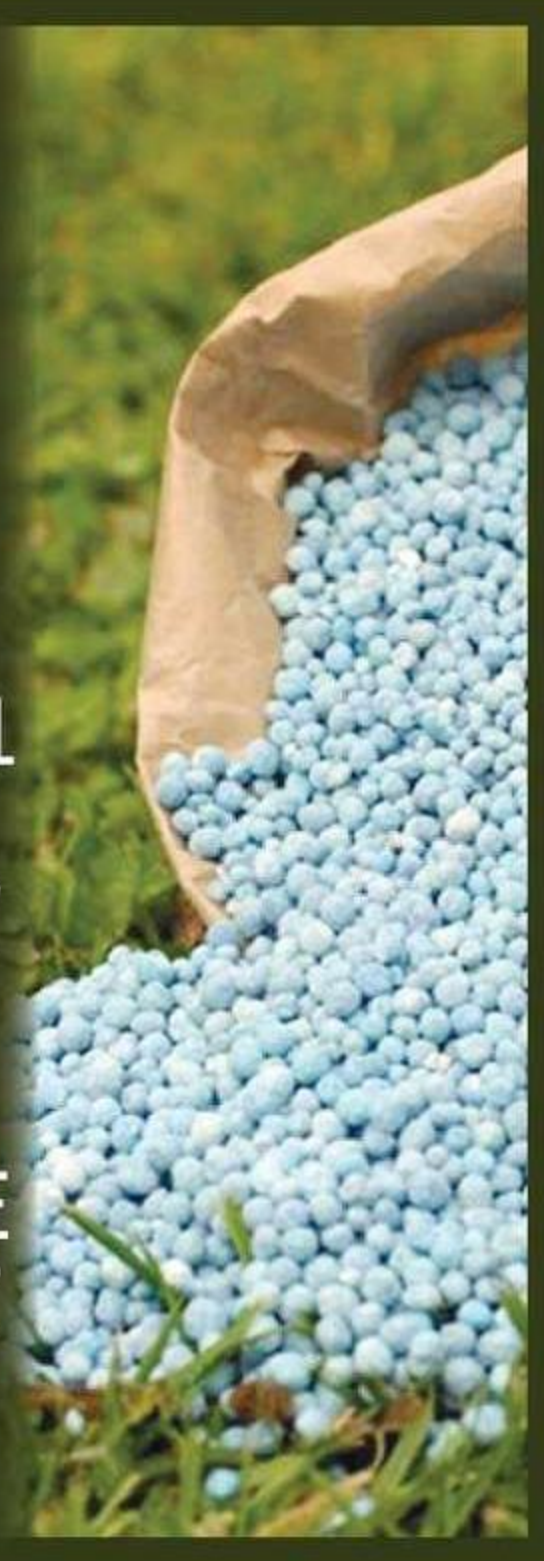
Farmers' protests

The farmers' protests began soon after. Many openly criticised the President and the Minister of Agriculture. Some said the protests appeared to be highly organised due to the similar looking placards and slogans at each event. Rumours were also rife that fertiliser companies were paying individuals whopping sums of money between Rs. 200,000 - 300,000 for a mere voice cut opposing the ban. Others claimed the farmers taking part in the protest were dead drunk. However, it must not be forgotten that there was a significant number of people affected by the ban who were left voiceless.

It is apt to look into the history of pesticides prior to considering facts of the ban. Introduced to the world in 1939, DDT saved the lives of soldiers from Malaria and mosquitoes in the Second World War.

It was only after that many other types of pesticides began to spread in the US. By 1960, more than 200 in-

DUE TO THE SHORTAGE OF MAIZE, THE PRICE OF AN EGG HAS RISEN TO RS.62 AND THE PRICE OF A KILOGRAM OF CHICKEN HAS GONE UP TO RS.1,200. AS A RESULT OF THIS THE GOVERNMENT HAS TAKEN A DECISION TO PROVIDE CHEMICAL FERTILISER TO INCREASE THE CULTIVATION OF MAIZE TO SIXTY THOUSAND HECTARES. DURING THE HARVEST SEASON OF RICE AND MAIZE, IT WILL BE POSSIBLE TO SAVE A SIGNIFICANT AMOUNT OF DOLLARS SPENT TO IMPORT RICE AND OTHER FOOD ITEMS



secticide-herbicide manufacturing companies worldwide were turning a profit. In 1962, a book titled 'Silent Spring' became the first to be published in the world against the epidemic of agrochemicals written by Rachel Carlson.

The first pesticide to be banned in Sri Lanka was Glyphosate on May 22, 2015. Banning it the President at the time said he is unable to continue allowing for people to be killed and therefore he was banning Glyphosate believed to be connected to Chronic Kidney Disease.

However, despite the ban, chemical fertilisers and pesticides made their way into the country and were sold at exorbitant prices.

Yala season

Despite the pledges to introduce organic fertiliser, it never took place. One such fertiliser imported was rejected by the people. Another ship carrying fertiliser was returned to the sender due to issues of quality

but the Government still had to pay for its cargo. In the end the rice, vegetable and fruit harvests dropped by 50 percent leading to a serious issue of food security. In the last Yala season due to the lack of any type of fertiliser, farmers decided to give up paddy farming altogether. They also failed to obtain desired results from crops including vegetables and maize.

The Department of Agriculture was established in 1912 to produce food for Sri Lanka's colonisers. The fertiliser subsidy however commenced in 1951. At the time fertilisers containing identified chemical salts as well as ammonium sulphate, rock phosphate, and even animal bone fragments were provided to the people. But this situation changed in 1967 when D. Banda became the country's Agriculture Minister.

As the Minister signed an agreement, the farmers lost the opportunity to obtain organic fertiliser. Instead the Government intervened to provide chemical fertiliser to the people. This only led to the farmers of Rajarata succumbing to the Chronic Kidney Disease.

Due to the ban, the cost of paddy and rice began to rise significantly. Meanwhile, elites of Colombo went to rural areas such as Anuradhapura, Polonnaruwa and Hambantota to buy paddy at higher prices. Many paid around Rs. 300 for a kilo of rice without a second thought. It appeared they were even prepared to purchase at a higher cost if the farmers had so demanded. In the end the market price of rice increased to Rs. 200. But due to the 40 percent drop of harvest in the Maha season the farmer's avenues for income dried up and purchasing rice at a lower cost became a mere dream to the less fortunate in the country.

Farmers protested as their only mode of income had suffered due to the Government ban on fertiliser and pesticides. A particular group that once advocated for organic fertiliser kept mum in the face of the issues experienced by farmers.

Today, many people forget that there were farmers in this country who refused the subsidy for chemical fertiliser because they can get more yield through the use of organic fertiliser.

In 2011, the farmers of Ginigama village in Mahaweli B region submitted a letter to the then Polonnaruwa District Secretary, Nimal Abeyesiri, stating that they do not want the fertiliser subsidy. However none of these groups came to save the President and the Minister of Agriculture when things took a serious turn.

Rice imports

As the economic crisis worsened as a result of this, so did the political crisis. The people even blamed the economic crisis on the fertiliser issue as the government was forced to spend a significant amount of dollars for the import of rice. Had the rulers at least spent half of that on importing fertiliser it is evident the country would not have to spend dollars excessively on rice imports.

At the height of the economic crisis, Ranil Wickremesinghe became the Prime Minister through a political revolution. Mahinda Amara-weera was appointed as the Minister of Agriculture in his cabinet. Wickremesinghe was forced by the people to prepare for a 'cultivation war'. While paddy farming had commenced by then, the discussions to import fertiliser for the next Maha season began only thereafter.

Amaraweera later confirmed that the fertiliser for the Yala season was provided under Indian assistance. But not all farmers benefited or received fertiliser under this program.

The farmers were disgruntled. The Government had to invite them to cultivate and give them the assurance they would be provided with chemical fertiliser for the next season. The main challenge faced by the Government when distributing fertiliser was that many farmers had given up cultivating altogether. But due to Wickremesinghe stressing Sri Lanka would face a food shortage, many farmers accepted the fertiliser subsidy and reluctantly went back to their fields.

In the Yala season it was estimated that 275,000 hectares of paddy land will be cultivated. However farming activities had only commenced in 200,000 hectares. The farmers began cultivating the remainder on the assurances of the Government to provide them with chemical fertiliser. Amaraweera says on the intervention of President Wickremesinghe 550,000 hectares has been cultivated exceeding the Government's expectations.

The Government led by the current President Ranil Wickremesinghe first agreed to import 65,000 metric tons of urea from India. First, steps were taken to release 25,000 metric tons of it in the Yala season.

Maize production

The price of chicken and eggs rose sharply as an indirect effect of the fertiliser ban. This is because due to the lack of fertiliser the crops like maize did not have a good yield. Maize production was less than 17 percent compared to the previous season. Maize is a key ingredient in the poultry industry.

Now, due to the shortage of maize, the price of an egg has risen to Rs.62 and the price of a kilogram of chicken has gone up to Rs.1200. As a result of this the Government has taken a decision to provide chemical fertiliser to increase the cultivation of maize to sixty thousand hectares. During the harvest season of rice and maize, it will be possible to save a significant amount of dollars spent to import rice and other food items.

If the cultivation of maize succeeds this would lead to the reduction of costs in poultry farming leading to price drops. This will address the issues of malnutrition among the people. The success of the poultry industry will boost the organic fertiliser manufacturing process in Sri Lanka leading to more dollar savings. Therefore, poultry farmers should look into proper waste management as the waste can be used as an organic fertiliser. By using this broiler chicken waste properly as an organic fertiliser, it is possible to prevent the spread of the disease called 'Gumboro' which is often seen in poultry management.

At the beginning of this year, the stock of rice imported into Sri Lanka was four hundred and twenty thousand metric tons. The cost of this should have rightly gone to our local farmers. Amaraweera, however, now believes as fertiliser has been provided it is unlikely Sri Lanka will have to import rice after the next Maha season.

The farmers also now said they have been provided with good quality fertiliser while earlier on many occasions they accused the Government of providing them with sub-standard fertiliser from India.

Fertiliser is a commodity in high demand in the world market. Therefore, even if you have the funds it is a challenge to get a good quality fertiliser. Prime Minister Ranil Wickremesinghe first arranged to bring a stock of fertiliser from India, under an Indian loan scheme.

The actual situation was that at that time, the foreign exchange required for the import of fertiliser was in a negative state. However President Ranil Wickremesinghe had then contacted the Prime Minister of India and took steps to import fertiliser to Sri Lanka. In fact laboratory reports have certified that these fertiliser stocks are of good quality.

The main allegation of the Opposition is that fertiliser is being provided to farmers at Rs 10,000. But the Agriculture Minister Mahinda Amara-weera says it was provided at this cost when it was not possible to buy fertiliser for even Rs. 40,000. He says therefore the farmers appreciate receiving fertiliser even at Rs. 10 000 and the only party upset about it is the Opposition.

The President has now assigned the responsibility of managing the activities to purchase fertilisers for the upcoming cultivation season to his Chief of Staff, Sagala Ratnayake. Currently Sri Lanka has commenced transparent negotiations with India, the World Bank and international fertiliser supply companies to get the stock of fertiliser. Even though two cultivation seasons ended in failure, the people can now be relieved as a shortage of rice is unlikely at least till December.

(This article is an English translation of Vajira Liyanage)

