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BOOK REVIEWS

Agricultural Development and Economic Growth, Edited by Herman M. Southworth and Bruce F. Johnston, Cornell University Press, Ithaca, New York, U.S.A., 1967. Pp. xv + 608. $ 10.00.

One of the major outcomes of the World War II, in so far as the economic literature is concerned, is the revival of interest in the problems of economic growth. The war-devastated economies recovered from their injuries much sooner. Underdeveloped nations found development more sluggish, more difficult. In the vast literature on growth that appeared during the post-war period, problems of less developed nations therefore claimed significant attention of economists. Agriculture which dominated the under-developed or less developed nations' economies, likewise dominated the literature on economic growth. This literature is vast and varied, it covers almost all aspects of growth, ranging from the role of non-economic factors in economic growth to empirical studies of economic behaviour of individual producers.

The problem of economic growth of the nation or of the agricultural sector is complex; it has not therefore been possible to evolve an agreed general theory—a blue print. There have been viewpoints, hypotheses and empirical evidences, which together depict the nature of issues involved. To represent all these issues and various viewpoints about them or empirical results in any one selection of representative writings is a difficult task. Instead the present publication has preferred to give a critical survey of literature on various aspects of the problem of 'Agricultural Development and Economic Growth.' This plan seems to have worked better; the publication has succeeded in giving a wide coverage of the issues with insights into their complexities.

The publication is fairly comprehensive in coverage. In over 600 pages it covers 14 different aspects of the development of agriculture. Each aspect has been dealt with by able scholars who themselves have made outstanding contributions in the respective fields. Each survey article has been commented upon by one or two other scholars of equally important standing. Both for its content and treatment the publication will command attention of students, research workers and even policy makers. The exhaustive bibliography at the end of each article will be of particular importance to research workers.

The publication covers a wide spectrum of issues ranging from social barriers, taking an inter-disciplinary vintage point to tropical agriculture, taking a technological vintage point. Other aspects include land reforms, marketing, prices, international trade, optimum farm-size, education, food and nutrition and taxation. Three other surveys are general in character and deal with agricultural development—problems, theory, and programming. Looked at from the point of contents and coverage, the title of the book would more appropriately be 'Economic Development of Agriculture.' Since most of the problems relate to the less developed nations and illustrations are more profusedly drawn from situations faced by these nations, a sub-title— 'in less developed nations' would have conveyed the contents better. There is however nothing to suggest—with a few exceptions—the inter-relationships between agricultural development and economic growth.

One is reminded of omissions of some of the aspects important from the point of agricultural development also; they are employment and capital formation. Both these get mentions no doubt. Mellor's general theory of agricultural development in fact puts 'allocation of labour' in a central position. Otherwise a valiant attempt, Mellor's general theory fails to appeal as one, for it assumes away the debate regarding under-employment. A separate treatment of employment aspect would have filled up this gap and made available to the reader a better perspective of the problem. Similarly a good deal of work has been done in regard to capital formation in traditional agriculture. It is generally believed that saving and investment capacity of farmers in traditional economies is low, though some of the studies have shown it to be otherwise. The behaviour of the traditional farmer, his outlook and approach to savings and investment have been more widely studied. Their survey would have been an appropriate addition.

In survey articles the treatment is likely to differ for different authors. Whereas some of the authors would concentrate on issues and analyse them, others may prefer to present different viewpoints. A subjective element of taking up a stand on an issue is unavoidable; nor should it be avoided. Normally, the treatment of a subject, even though given from some viewpoint, at the hands of a skilled scholar is not likely to be badly biased. What, however, is likely to happen, and what in fact has happened here is a conflict or a clash on the same issue when treated by authors of opposite viewpoints. Agricultural taxation is one instance in point. Mellor would have taxation as a tool to syphon off (almost entirely) the income effect of a rise in prices—which he would permit on ground of incentives. Tolley, on the other hand, puts forth a viewpoint according to which taxation may initiate substitution in production and destroy incentives for export crops; he advances this argument in the context of international trade. Further, Mellor would keep the labour price low through taxation. If the labour contents of different crops are different, as they would be, less labour consuming crops will find substitution working against them. Mellor's suggestion would introduce an indirect procedure to hold on to subsistence farming as much as possible. Tolley would like to avoid that to happen, as much as possible in the interest of international trade expansion. Looking at the same problem rather indirectly, Raj Krishna would like to maintain the prices at incentive levels and hence taxation to the minimum level. Again Lewis would advocate introduction of income-elastic taxes as widely as possible, to get rid of foreign aid. A reader will be torn between two powerful opposite views particularly because they are expressed separately and in different contexts.

As already mentioned, such conflicts are unavoidable. Happily such conflicts are not many, and certainly not regarding what may be considered crucial issues. There is general agreement regarding the need for an emphasis on technological change in agriculture in the early phase of development. This is supported by writers of different approaches, those taking their start from the assumption of vast pool of under-employed labour are not precluded. The need for better institutions—regarding land or marketing or for other infra-structures relating to research, extension or investment—is widely acknowledged. The need for incentive prices is emphasized at least by three authors. Regarding the behaviour of the traditional farmer, we do not find a cleavage in opinion, the authors agree that it is rational and is comparable even to that of farmers in advanced nations.

The volume, precious though in providing a broad spectrum of approaches to the problem of growth of agriculture, by its very design precludes an integrated approach. This lacuna could have been partially filled up if the publication had included at one place a survey of development experiences of different less developed nations, throwing up problems they faced and assessing the efficacy of the remedies they tried. As it is, in the volume, such experiences get mentions in different contexts. Since mentions are in the limited context of particular aspects under study by the authors of the articles, they do not give an integrated impression as to which of the problems would rank higher in the list of growth promoting factors. Wide and varied experiences of growth of agriculture in less developed nations if brought together in an integrated manner would have provided a back drop against which various issues could be framed. Ojala's excellent exercise at giving rigorous form to the development programme for instance would have acquired much greater meaning if it was accompanied by a chapter on survey of actual development experiences.

As already observed, the problem of agricultural development is complex. A few, if any, attempts have been made so far to evolve relationships, causal or otherwise, among various growth promoting factors. Much less attention has been paid to the identification of growth retarding factors. This lacuna cries out to be filled by able scholars. Till this lacuna is filled up, the present publication along with others of similar type, would occupy an important place in the literature. We welcome therefore this useful addition to the increasing literature on agricultural growth.

C. H. SHAH

Report of the Committee of Direction on Co-operative Farming, Ministry of Community Development and Co-operation (Department of Co-operation), Government of India, Delhi, 1966. Pp. 236.

In the heated co-operative farming debate of the late 'fifties, the protagonists of the idea were swayed by its tremendous theoretical utility and the opponents by a consistent practical record of failure. The latter could not carry conviction with the former who could always argue that foreign experience was irrelevant and Indian experience was meagre. It could also be contended that the earlier co-operative farming enterprises were not in the nature of properly nurtured experiments and until this was done it was no use beating arms in the air. This was the origin of the Pilot Projects in Co-operative Farming launched during the Third Five-Year Plan. A Committee of Direction was appointed in July, 1963, under the chairmanship of Prof. D.R. Gadgil for the evaluation and assessment of progress of these Pilot Projects. It submitted its report on September 23, 1965.

The Report covers 35 projects out of the 70 started in 1961-62. The number of societies covered is 165. Of these, 132 are joint and 33 are collective. The studies were made by the Agro-Economic Research Centres in various parts of the country. On the basis of the results of these studies and some supplementary information, the Committee of Direction evaluated the Pilot Projects.

The production record of the societies, barring a few instances, is generally poor. As most of the societies studied had completed only one year of existence, their performance cannot be taken as indication of the failure of the experiment. Secondly, not all societies were practising joint cultivation at the time of the survey. It is not clear from the Committee's account whether societies carrying on individual cultivation were excluded from study when assessing their production performance. The suspicion is that this was not done. In that case the picture presented must be considered gloomier than what it really is.

But the fact that only 54 out of the 87 joint farming societies case-studied actually practised common cultivation is sufficiently eloquent. Eight societies were 'joint' only on paper; 25 were either defunct, had disintegrated or had not begun common cultivation. Out of the 31 collective farming societies, 4 had divided the land for individual cultivation. True, the Committee's Report is 'not a broad-based statistical inquiry.' Yet this heavy proportion of casualties ought to be held quite a significant indicator of the feasibility of the programme. The Committee, however, does not feel discouraged.

Both from the point of view of cohesiveness and general performance, the societies of medium and big farmers appear to be more successful. This is apparent from a number of indicators such as investments, improved practices, etc. On the whole, therefore, the conclusion seems warranted that there are greater difficulties in respect of co-operativization of the small farmers, for whom it is specifically meant, rather than medium and big farmers who are not much in need of it. The Committee should have underscored this aspect of the problem.

Just as the Report is a comment on the co-operative farming societies, it is also, and in fact more so, a comment on the organizers of the Pilot Projects in various States. The principal point which emerges from the Report is that the experiment was, once again, not conducted with necessary care after all. Many of the basic requirements of the programme were not satisfied and there was a flouting of many a guiding principle. Societies lacked finance, technical guidance or arrangements for ancillary occupations. The lands of the societies were not consolidated. All these difficulties were experienced most acutely by the small farmers. The projects, which according to the Committee were supposed to be 'planned experiments and catalytic agents' hardly deserve that description. From the account given by the Committee, the reluctance of many State Governments to take the programme seriously becomes clearly visible. The Committee also says, 'Co-operative Farming has yet to receive the priority that it requires in the attention of most of the States.' (p. 17.) The unwillingness of the States must really be treated as an important fact of the situation. Does it not mean that they do not feel convinced about its utility or ease of adoption ? Is it not in some way a reflection of the general apathy of the populace towards the programme? The Committee does not raise these questions.

Considering the way in which the programme has been handled by the various agencies responsible for its execution, the most logical thing for the Committee would have been to recommend steps to improve the handling and stop there. The few cases of successfully functioning societies, 'clusters' and 'areas' of 'potential development' which the Committee found hardly justify its recommendation

of a fresh programme of 10,000 new co-operative farming societies in the Fourth Five-Year Plan.

S. H. DESHPANDE

Economic Survey of Africa, United Nations, New York, U.S.A., 1967. Pp. xi+230. $3.50.

This Economic Survey covers 14 West African countries—Nigeria, Ghana, Upper Volta, Mali, Ivory Coast, Guinea, Senegal, Niger, Sierra Leone, Dahomey, Togo, Liberia, Mauritania and Gambia—and South Africa. The first section of this publication is divided into two parts. Part I, composed of 7 chapters, deals with the economic growth of the countries in West Africa during the period 1950 to 1963 and Part II, divided into 6 chapters, discusses the planned development and structural change in the countries of the sub-region. The second section consisting of 5 chapters deals with the socio-economic structure of South Africa, recent economic trends in this country and its development problems and policies and contains an analysis of the South African economic development programme.

The sub-region of West Africa covers a wide variety of populations, natural conditions and levels of development. The period of study, 1950-1963, is divided into two contrasting halves. The first half of the period was characterized by generally favourable commodity markets in the countries of the sub-region; and the second half was marked by the deterioration of most commodity markets and the accession to Independence of almost all countries in the sub-region. West Africa covers an area of about 6 million kilometres and has a population of about 93 million. Among the countries in West Africa, Gambia is the smallest in terms of area (10,000 kilometres) and population (2,67,000) with a density of 27 persons per kilometre. At the other extreme are Niger and Mali with the largest area (1.2 million kilometres each) and Nigeria with the largest population at around 56 million having a density of 60 persons per kilometre. All the African countries in the sub-region still retain characteristics of a dual economy in varying degrees. The most conspicuous of these are a traditional African sector, largely concentrated in rural areas but also covering small-scale trade and various services and marked by limited specialization and an old technology; the lack of substantial regular marketable surpluses; and a modern sector concentrated in urban centres and the few more developed areas, consisting essentially of large expatriate-owned export-import firms, mining and manufacturing enterprises, large-scale plantations and modern tertiary activities including governmental service. Agriculture is the main source of livelihood of the West African populations. It is estimated that in no country of the sub-region does the percentage of the population engaged in agriculture amount to less than 60; and in some countries this proportion exceeds 80 per cent. Agriculture's contribution to gross domestic product is as high as 69 per cent in Upper Volta, 67 per cent in Niger, 66 per cent in Nigeria, 65 per cent in Togo and it is as low as 35 per cent in Senegal. The secondary sector is the least developed in West Africa. In 1960, its contribution to gross domestic product did not exceed 15 per cent in any of the countries of the sub-region.

The average per capita income in West Africa is estimated at $75 in the 1960's. It was as high as $196 in Ghana, $186 in Ivory Coast (1960) and $164 in Senegal (1961) and as low as $48 in Upper Volta (1959) and $56 in Nigeria (1961). The factors which have accounted for a relatively high average income seem to vary from one country to another. In Ghana, the early emergence of cocoa, together with the exploitation of rich forest and mineral resources, stimulated the development of good infra-structure. The result was a vigorous primary sector which in turn sustained dynamic tertiary activities, and gave the country one of the highest per capita incomes early in the century. In Senegal, the relatively high per capita income is largely due to the tertiary sector. In the Ivory Coast, high farming standards and relatively good infra-structure, coupled with a sheltered market for export products in the main importing country (France) have contributed towards a high per capita income. The land-locked countries with low per capita incomes present one of the most disturbing cases of under-development in Africa. Large areas of these vast but sparsely populated countries lie in the arid or semi-arid zones where economic activity is chiefly confined to nomadic and semi-nomadic grazing. The lack of adequate access to the sea and poor internal transport facilities have hindered economic growth in the hinterland. Inequalities in income distribution as between the rural and urban areas or subsistence and monetary wage employment in West Africa are significant.

Crop production in West Africa is clearly divided between export crops and those for domestic consumption. Among tree crops virtually all the cocoa, coffee, rubber, bananas and much of the palm produce and, among annual crops, cotton and groundnuts are for export. Agricultural exports account for more than three quarters of the export earnings from West Africa; nearly one-fifth of the total and one-half of the commercial agricultural output is destined for exports. In the sphere of domestic consumption subsistence production assumes a very important role. The share of non-marketed production in total domestic consumption varies from less than 10 per cent in Senegal to over 80 per cent in Upper Volta, while the typical range for most countries is estimated at about one-half of total agricultural production and about 70 per cent of total food production. The agricultural picture is fairly uniform in the inland countries where traditional agriculture constitutes the basis of the whole economy. In the coastal countries such as Nigeria, Ghana and Senegal, small farmers produce large quantities of export crops while in Liberia and the Ivory Coast, plantation agriculture plays an important role. Though traditional systems of land ownership still persist in all parts of the sub-region, in many areas they have been greatly modified as a result of social and economic pressures. Customary systems of land tenure are in a transitional stage in areas where cash crop production has reached a certain intensity and the pressure on land is developing. The spread of tree crop production has also caused extensive changes in tenure systems. The trend of individualization of land tenure has brought in its wake some disquieting tendencies such as risks of speculative commercial transactions in land ending in the creation of a landless class, on the one hand, and moneylenders, speculators and absentee landlords, on the other; emergence of a chronic state of indebtedness; and difficulties in acquisition of land for public and more productive purposes. One of the most challenging tasks facing the governments of the sub-region is to co-ordinate the various forms of land tenure and, more particularly, to adjust the emerging ones to the needs of West African agriculture.

A study of agricultural growth during the period 1952-53 to 1963-64 in 12 countries of the sub-region revealed extreme unevenness among countries in the extent of agricultural growth. Only 4 out of the 12 countries—Ivory Coast, Niger, Ghana and Senegal—registered satisfactory growth in food and total agricultural production, ranging from 58 per cent in Senegal to 100 per cent in the Ivory Coast. Despite a rapid increase in population in these countries, there was a marked improvement in the level of the available per capita agricultural output, ranging from 22 to 47 per cent. Agricultural growth in Nigeria and Mali, on the other hand, has been far from satisfactory. The relative stagnation of agriculture in Guinea, Togo, Dahomey, Upper Volta, Sierra Leone and Liberia is a problem of serious concern and has led to major increases in food imports. The lagging response of agriculture, particularly domestic food production, is likely to act as a brake on the impetus to development, unless more attention and funds are devoted to transforming traditional cultivation systems. The failure of food production to increase sufficiently reflects primarily the difficulty in raising output and productivity in the cultivation of annual crops in tropical African conditions. Possibilities of increasing agricultural output with a relatively limited volume of investment in this sector are great. From the study of data on agriculture in the development plans of six countries of West Africa, it is observed that planned agricultural investment is devoted primarily to a limited range of technical inputs, such as improved seeds, fertilizers, irrigation, machinery, pesticides, etc. There is an increasing recognition of the importance of fertilizers as a major element in rapid agricultural growth. Such general farm improvement schemes as farm buildings and fencing and drainage appear to receive less than their due share of investment resources. In addition to the provision of these modern technical inputs, transformation of traditional agriculture in West Africa depends on substantial public activity by way of research, widespread dissemination of the fruits of such research, aid to the adoption of improved practices, and basic to all, the devising and operating appropriate agricultural organizations, as well as the most rapid growth of modern industries.

This publication makes an important contribution to the understanding of economic development problems in West Africa and South Africa.

T. R. SUNDARAM

Co-operation, Land Reform and Land Settlement, Edith H. Whetham, The Plunkett Foundation for Co-operative Studies, London, 1968. Pp. xi+79. 12s. 6d.

This publication is the Report on a Survey on Co-operation, Land Reform and Land Settlements in Kenya, Uganda, Sudan, Ghana, Nigeria and Iran. Miss Whetham was asked by the Plunkett Foundation for Co-operative Studies under the sponsorship of the Ministry of Overseas Development to carry out an inquiry into the relation between Co-operative Societies and the Land problems. The author has carried out her inquiry as an impartial observer of the various schemes. She has well understood the magnitude of the problems arising from the need to increase output and to improve the efficiency of agriculture.

Each country visited by the author had its own assortment of objectives with its own order of priority among them. The situation in Kenya and Iran was in some ways similar, since farms previously run by large landlords were broken up into small holdings. In Sudan though the pattern of the Gezirah Scheme was well documented, it was known that co-operative development had taken place within the scheme in later years. In the Western and Eastern Regions of Nigeria, land settlement schemes of various types had been organised since Independence. In Uganda much progress was made in respect of the working of the co-operative credit scheme and of the Group Farms.

The report consists of ten chapters. In the first chapter detailed information about the objectives of land reform, mechanized farming in tropical Africa and about the co-operative structure in the various countries is given. In chapters II to IX a summary of the information collected about land reform, land settlement and co-operation for each of the countries that were visited by the author is given. Chapter X compares the experiences of these different countries and some tentative conclusions are offered on the main topics. An important conclusion relates to the use of credit. The author appreciates the need of seasonal credit and the supply of agricultural requisites through co-operatives. She has further concluded that the security for loans has to be the crop and unless suitable arrangements are made for marketing by the organisation which gives out the loans, the likelihood of recovery is greatly reduced and it is therefore necessary that thrift and credit, marketing and supply should go together in any form of rural co-operatives.

The main problems of the co-operative movement in India practically resemble the conclusions that are arrived at by the author; but there exists a need for making a detailed inquiry into these problems in different parts of the country.

M. G. BHAGAT

REVIEWS IN BRIEF

Fertiliser Statistics 1966-67, The Fertiliser Association of India, New Delhi, 1967. Pp. xvi + 489. Rs. 15.00.

This publication, being twelfth in the series published every year since 1956, attempts to provide basic information on fertilizer production and consumption in India. Divided into two parts, Part I deals with fertilizer statistics and Part II with related statistics. The data generally relate to the year 1966-67. The first part contains data on the industries concerned with the manufacture of complex, potassic and mixed fertilizers, locations, installed capacity, production, consumption, imports, prices, subsidy, targets of production and consumption of nitrogenous, phosphatic and potassic fertilizers in the Fourth Five-Year Plan and statistics relating to world production and consumption of chemical fertilizers, fertilizer consumption per capita and per hectare of arable and agricultural land, fertilizer prices paid by farmers, world trade in fertilizers and relative position of prices of wheat, rice and fertilizers in different countries. It also includes useful information relating to districtwise fertilizer recommendations for different crops in various States, statistics of urban and rural compost production and area green manured, plant nutrients removed by crops, soil testing laboratories, etc. Part II gives data regarding land use, index numbers of area, agricultural production and productivity, area and production of crops, imports of cereals and cotton, availability of cereals and pulses, storage capacity, targets of agricultural production in the Third and Fourth Five-Year Plans, area expected to be covered under the High Yielding Varieties Programme and requirements of fertilizers under the programme, and statistics relating to land use, area, yield and production of some of the principal foodgrain and commercial crops in the world. On the whole, this publication brings together all these data, both published and unpublished, with a view to giving an objective presentation of available information.

Farming Guidance in the Co-operative Movement in Japan, Seiichi Miyakawa, Co-operative Series No. 3, International Co-operative Alliance, Regional Office and Educational Centre for South-East Asia, New Delhi, 1967. Pp. 36. Rs. 2.50.

This brochure discusses the importance and role of farm management guidance in improving agricultural production and the part played by agricultural co-operatives in Japan in providing guidance and instruction in improved farming to their members. It deals with the necessity of farming guidance in the co-operative movement in Japan, provides an outline of farming guidance mechanism and discusses the recent changes in farming technique and management and the policy of agricultural co-operatives concerning farming guidance. It explains how this guidance is provided and how the personnel for the purpose is recruited and trained.

The State of Food and Agriculture 1967, Food and Agriculture Organization of the United Nations, Rome, Italy, 1967. Pp. viii + 202. $5.50.

This annual report which reviews in the usual pattern the world food and agricultural situation and policies during 1966-67 has devoted two special chapters

to the study of (1) incentives and disincentives for farmers in developing countries and (2) the management of fishery resources. Reviewing the food and agricultural situation and outlook, the report observes that following the setback of 1965, there was some recovery in world agricultural production in 1966. According to FAO's preliminary estimates, the combined production of crops, livestock, fishery and forest products increased by about 3 per cent from an index of 132 in 1965 to 136 in 1966 while the index of per capita production increased only fractionally from an index of 107 to 108 during the same period. The recovery has, however, been very largely confined to the developed regions where there was an expansion in total food production of 6 per cent. In Eastern Europe and the U.S.S.R., the unprecedentedly large grain harvest brought an expansion of more than 10 per cent in food production in 1966. In Oceania, food production increased by 13 per cent in 1966 as compared to a decline of 6 per cent in 1965. In both Western Europe and North America, food production rose by 2 to 3 per cent. Among the developing regions, food production increased only in the Far East and Near East in 1966, the rate of increase being 3 and 2 per cent respectively over the level of production in 1965. In both Africa and Latin America, where there was no increase in 1965, food production declined by about 1 per cent in 1966. In the 33 developing countries for which production indices are now calculated by FAO, the increase in agricultural production between 1952-56 and 1963-65 exceeded or kept pace with the growth of population in 24 countries and fell behind it in nine. As regards changes in foodgrain stocks, a further reduction in wheat stocks is reported in North America in 1966-67. Stocks of a number of other products including cotton, dairy products and vegetable oils and oilseeds increased in 1966-67. The combined gross national product of the industrial countries is estimated to have risen slightly less in 1966 than in the previous year, when there was an increase of 5 per cent. Recent information for developing countries is still very limited, but in general the growth of gross national product was less in 1966 than in earlier years. The total demand for food in the developing countries appears to have been little affected by their slower rate of economic expansion in 1966, since population growth is responsible for the increase in demand. Consumer food prices have continued to rise in almost all countries and have risen distinctly faster than farm prices during the last five years in about half of the 27 countries for which data are available. This is caused mainly by a more rapid increase in processing and marketing costs than in farm prices.

Regarding international trade in agricultural products, it is reported that the value of world trade in agricultural, fishery and forest products increased by about 4 per cent in 1966. There were further large increases in earnings from fishery and forest products. For agricultural products proper, export earnings are estimated to have increased by about 2 per cent in 1966. The gain in export earnings was also very unevenly distributed among the different regions of the world. Much of the benefit accrued to North America where, mainly because of increased grain exports, earnings from agricultural exports increased by 13 per cent in 1966. For the developing regions as a whole, agricultural export earnings declined by about 2 per cent at current prices, which would amount to a fall of as much as 3 per cent in their purchasing power for manufactures. In spite of this setback, the developing regions have still retained much of the gain in export earnings that has resulted from the increase in international prices for agricultural products in 1963 and 1964. On the other hand, the gravity of

the decline in the purchasing power of their agricultural exports, which accounted for about three quarters of their total foreign exchange earnings, was accentuated by the need to divert still more of these earnings to pay for imports of food rather than the capital goods required for development. The food imports of the developing regions are estimated to have increased by 4 per cent in 1966, valued at $4,500 million. The most important event in the field of international trade policies in 1966-67 was the conclusion of the Kennedy Round trade negotiations, under the General Agreement on Tariffs and Trade. Tariff cuts amounting to about $40,000 million were decided upon, mostly between the industrialized nations. Although the major part of the tariff reductions concerned industrial products, agricultural products were included in trade negotiations for the first time. In general, these reductions will be spread over several years, but for developing countries, an acceleration is being considered in an attempt to increase the benefits accruing to them. An important recent tendency relating to food aid policies has been for the provision of increasing amounts of aid for the supply of agricultural production requisites, such as fertilizers, machinery and pesticides, and for the establishment of local industries producing such requisites. Food aid is increasingly being linked with measures for the agricultural development of the recipient countries.

Reviewing the agricultural policies and development plans, the report observes few major changes in agricultural policies. A noteworthy tendency in some developing countries is an increased emphasis on the intensive use of modern production requisites, in particular high yielding varieties of seeds and fertilizers. There is also some evidence of a wider recognition by the governments of developing countries and also in Eastern Europe and U.S.S.R., to give farmers adequate economic incentives to step up production. Progress in the improvement of agricultural institutions has remained low in the developing countries, especially as regards land reform. Numerous measures have been adopted to improve agricultural marketing facilities, although progress generally remains more rapid for export crops than for those mainly sold on the domestic market. In the developed countries, a major aim is to assist the declining agricultural population to obtain incomes commensurate with those in other sectors of the economy. Agricultural support measures in Western Europe have tended increasingly to be designed to promote structural improvements and the modernization of the less progressive sectors of the industry.

A special chapter in the report examines the incentives and disincentives for farmers in developing countries, and brings out that it is not enough to give these farmers the opportunity to use improved methods of production. Many obstacles have to be removed before they have any incentive to use them. Among the many causes of lagging food production in relation to demand in developing countries are stated to be (*i*) the absence of any real economic incentive for the average farmer to step up his production for the market by making greater effort, or by adopting improved methods as they become available to him, (*ii*) no assured outlet for his produce, (*iii*) low and excessively unstable prices which make the additional effort and outlay too risky to be worth undertaking, (*iv*) unfavourable and outdated rural institutions, especially in respect of land tenure, credit and marketing. This chapter attempts to set out how governments can, without excessive cost, improve the economic and social climate in which farmers live and work with a view to harnessing their initiative and enterprise for the achieve-

ment of national agricultural objectives. It suggests the need for adoption of several complementary measures in such spheres as price policy, marketing, land tenure, credit and the supply of farm requisites and the consequent need for action on a broad front. Much stress is laid on the importance of effective price stabilization measures at the farm level. It recommends that the governments of countries where production is lagging should study at the farm level the problems which their farmers have to face and the factors which make them cautious about adopting new methods and expanding their output. Such studies would have to be undertaken from the point of view of the farmers rather than of the Government or officials, which would provide a basis for policy decisions incomparably more useful than any that now exists except in a few countries.

The management of fishery resources is the subject matter of the second special chapter. It underlines the urgency of proper international management of fishery resources and the need for enforcing regulations aimed at controlling the size of total catch or total effort. A wealth of statistical information relating to various aspects covered in the report is provided in 16 annex tables.

Studies on Selected Development Problems in Various Countries in the Middle East, United Nations Economic and Social Office in Beirut, United Nations, New York, 1967. pp. vi + 87. $2.00.

This publication contains four studies relating to the development problems in the countries of the Middle East. The first of these studies attempts to identify the development constraints and strategies adopted in Iraq, Jordan, Kuwait and Syria which have development plans, through an analysis of the salient features of the plans. Occasional reference has also been made to Lebanon and Saudi Arabia. After dealing with the main structural imbalances and growth problems, the study analyses the levels of saving and investment, compares the respective roles of the private and public sectors, examines the problems of the foreign sector and gives some indications regarding the planning of the development of manpower resources in these countries. The development plans of the first four countries mentioned above stress the need for diversification of the economy. While this diversification is sought in the direction of industrialization, agricultural development is also emphasized, either because of its potentialities or because prior to the initiation of planning a relative stagnation was recorded in agricultural production. A decisive role is given to the governments of these countries in the modernization of agriculture and the development of industry with joint ventures being envisaged to spearhead the effort where oil wealth can provide momentum for industrialization.

The second study is drawn up in the light of the recommendations and requirements of the United Nations Conference on Trade and Development. It attempts, in a preliminary way, to survey trade patterns, to identify inter-regional trade flows, to discern the limitations to and the possibilities of expansion of such trade and to analyse the existing instruments intended to promote it in the countries covered in the first study and in the United Arab Republic. It is observed that the existing level of inter-regional trade among these countries was and remains very low, being less than 7 per cent of their total trade, owing to such factors as narrow domestic bases and low stages of industrial development, and also to such different factors as political difficulties and lack of diversity in natural resources. Taken alone, however, the expansion of intra-regional trade, in the

Middle East as elsewhere, can make only a limited contribution to the solution of development problems. Efforts to achieve an expansion of intra-regional trade will have to be pursued through international co-operation at both the bilateral and the multilateral levels. In a region where such an expansion depends less on freeing the existing trade than on creating new trade, policies designed to improve domestic economic structures assume an importance.

The third study surveys the situation created and the governmental measures inspired by the rapid growth of population in the countries of the Middle East and its drift from the countryside to large cities with a view to focussing attention on the social aspects of industrialisation. It reviews briefly the settlement patterns, the problems posed by them and the plans being formulated to deal with them in Iraq, Jordan, Kuwait, Lebanon, Saudi Arabia and Syria. As in other developing countries of the world, the flow of rural population to the cities has received its main impetus from the 'push' factors of pressure of population on cultivable land, extensive under-employment and the inadequacy of services and facilities in the countryside; and from the 'pull' of the real and supposed advantages of urban life. The relatively slow rate of progress in governmental efforts at rural development has failed to halt or curtail the rural 'push.' None of the countries reviewed has yet developed a long-term policy covering all aspects of urbanization. Such policies as have been developed do not necessarily stem from concern with the overall problem of population distribution, nor do they necessarily aim at a more rational pattern of settlement.

The fourth study deals with development planning and social objectives in Iraq, Jordan, Kuwait and Syria with respect to such major sectors as education, health, housing and social welfare. It is noted that over the past two decades, the governments of these countries have taken increasing responsibility for improving living standards. The scope of government programmes in the social field has increased significantly over the past decade and there has been an upward trend in government expenditures to finance these programmes. Considerable progress has been made in the quantification of national needs, particularly in education and health and in the expansion of the scope of sectoral programming to encompass issues of national development. The study points out that in spite of this progress, the social chapters of development plans in these countries lack depth, breadth and inter-relation with the other parts of the plans. It emphasizes the need for taking bolder and faster action to arrive at even a minimum level of effective co-ordination and inter-relation of different objectives, considerations and opinions, during the entire planning process in the social field. Annexes I and II of the publication provide background material on the different sectors of the economy and the development indicators for the period 1960 to 1965 and relevant statistical data related to the analysis of development plans in the six countries of the region respectively. Annexe III contains the work programme of the United Nations Economic and Social Office at Beirut.