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By

SHRI MOHAN LAL SUKHADIA

Chief Minister, Rajasthan

I am grateful to the organizers of the Conference for giving me this opportunity to be present here today and speak to this distinguished gathering of economists and agronomists. It gives me great pleasure to associate myself with the chairman of the Reception Committee in extending to you all a warm welcome on my personal behalf and on behalf of the people of Rajasthan.

I am very happy indeed that this Conference is meeting in Rajasthan and at a place like Pilani which has, within a matter of years, developed into an important and national centre of education. I am sure you will agree with me that Pilani is a living symbol of our awakening and resurgence and of the faith which we have in our future. To me it also seems appropriate that the Indian Society of Agricultural Economics should hold its Annual Conference in a State which, as you all know, has recently emerged from its feudal past and has successfully initiated a bold and comprehensive scheme of land reforms, thus bringing about a radical transformation in the structure of its rural economy. All this has happened in the course of the last ten years or so. And much more! This land of ours which was frequently afflicted by famines in the past has now become marginally surplus in respect of foodgrains; and new prospects are opening up with our successful implementation of the various multi-purpose and irrigation projects. With its vast mineral resources being tapped and with the availability of water and electricity and other facilities, we are now standing on the threshold of rapid industrial development. In the sphere of education and other social services, the recent years have witnessed considerable progress. For us, this decade has indeed been of phenomenal changes.

It is common knowledge that detailed and scientific studies of our economy on a large scale began only during the thirties as a result of the incentive provided by the work and writings of Mahatma Gandhi and by the decision of the Indian National Congress to set up a National Planning Committee. Before that we did have some commissions and committees to examine various problems of agriculture, and their reports, particularly those connected with the co-operative movement, agricultural labour, rural indebtedness, famines, etc., came to be regarded as basic documents which paved the way for later works about the reorganization of our agricultural economy. Our interest in this sphere has naturally increased and has assumed a new importance with the installation of a free national government.

I have a feeling that in the beginning these problems were approached in a rather academic manner. By and large the systems formerly established, especially the structure of land relations, were taken for granted. Attention was invited to problems like the impoverishment of soils, primitive techniques and methods, pressure on land and so on, but the remedies then suggested, even by economists, did not envisage any vital change in the structure of economy or in the pattern of rural relationships. But in the course of the last 30

years, and more particularly since independence, there has been a significant change in the outlook of economists and scholars in the field. This has no doubt been conditioned by significant changes in the agrarian economy, as well as in other sectors of the national economy. Now there are visible signs of growth all round us since we have launched forth on the road of planned progress. We must continuously bear in mind that we are passing through dynamic times, and hence the old kind of static approach is not likely to help us much if we really wish to understand and guide the motivating forces and trends of growth in the agricultural sector. As I have mentioned earlier, the most revolutionary thing, especially for us in Rajasthan, has been the transformation of society through land reforms. I am extremely happy to find, therefore, that you have included a discussion on "Land Reforms" in the deliberations of this Conference.

But perhaps it is not enough to examine the various legislative measures and their implementation in different States which you propose doing at this Conference. Since these measures are meant to vitally alter the structure of rural society as also to give a fillip to rural prosperity, I am venturing to suggest that it may be worthwhile if attention is given also to the study of the social and economic implications and impacts of these measures. We, in Rajasthan, have to a limited extent sought to do this through our Land Commission, which has recently submitted its report to the Government. But even there only the fringe of the problem has been touched. In fact, unless we go in for field studies in an extensive manner, it will not be possible for us to assess in a comprehensive manner all the changes—social, economic and institutional—which have been introduced through these reforms. I earnestly hope this Conference will endeavour to give a lead in the desired direction.

Unfortunately for us, we cannot perceive the signs of change or growth in the rural sector in the same clear manner in which we can study and evaluate progress in other sectors where we have many visible symbols and indications of economic progress such as steel mills, railways and roads, dams and multi-purpose projects. It is also difficult and a rather tedious job to measure any qualitative growth in the sphere of agriculture. We are also handicapped by the problem of collecting basic data or sifting and correlating the same with the general trend of economic progress. Of course, from time to time, steps are taken to improve this position, as for example, through our National Sample Surveys and field studies undertaken by economists and various Universities; but there still remains a great paucity of data and there are obvious shortcomings in the machinery for collection and analysis of such information.

On the whole, the picture that emerges shows that there has been an appreciable increase in agricultural production. But we have not yet turned the corner. Consequently our schemes to step up agricultural production, to bring more land under cultivation, to bring about an increasing use of improved agricultural implements, manures, seeds, etc., and to build large-scale, medium and small-scale irrigation projects—all these measures have been given a place of importance in our plans. Because of the numbers involved in agricultural operations and because of the time taken in the permeation of extension methods, perhaps the results have not been commensurate with the efforts put in. You will agree with me that this aspect of the problem needs to be further investigated and examined in detail.

Recent studies, particularly in connection with the formulation of our current Plan, have also revealed problems of a slightly different nature. One such problem

relates to the utilization of available resources, both in terms of the available cultivable land and manpower. Frankly we have just come face to face with these problems. I think more pointed attention needs to be given to them. Allied with the question of agricultural practices are the problems of land management and utilization. These also deserve consideration. We, in this State, have had the benefit of the findings of the Land Utilisation Committee. The State Government is, at present, actively considering possible legislative and other measures to implement the recommendations of this Committee. Our rural economy, as perhaps you already know, is based both on agriculture and animal husbandry and the problem, therefore, is to work out a co-ordinated system for the planned optimum use of land both for cultivation and for the upkeep of our cattle wealth.

After the basic framework of our land reforms has been completed, or nearly completed, the next logical step seems to be to undertake studies of effective land utilization and management. In spite of India being a large country and even taking into account all the cultivable waste lands, the fact remains that our land resources are limited. They are limited in comparison to the growing trends of our population and in view of the vast cattle wealth. The problems of utilization and management of land, therefore, assume great practical significance for us.

I may also take this opportunity to suggest that so far we have not applied our minds adequately to the problem of incentives. Here I am referring to economic incentives. Generally, our approach has been that facilities and extension services, etc., have been provided by the various government agencies. We have spread out a net-work of such extension services under our Community Development Programme. But perhaps in doing so, we have not created an atmosphere of incentives such as guaranteed agricultural prices or crop insurance schemes, etc., which should encourage and prompt the agriculturists to go in for increased production. Our farmers and cultivators have not yet shaken off their inertia and I feel that unless they have the assurance of fair returns for their efforts and investments in the farms by way of technical improvements and use of scientific methods, they will not have confidence and willingness to avail of the facilities which are being placed at their disposal. It gives me pleasure, therefore, to learn that this Conference will also deliberate on "Price Policy for Agricultural Development."

Agriculture is the main-stay of our people and every 7 persons out of 10 directly or indirectly depend for their livelihood on agriculture. About half of our national income is derived from this sector. In a way agriculture forms the very basis of Indian economy both for economic and historical reasons too well known to enumerate here. Every other form of economic activity in our country is rooted in agriculture and that is why our economists and planners have all through been insisting on reorganization of agriculture as an industry on sound and scientific lines. It is heartening to note that certain conditions which form the pre-requisites of advanced agriculture have already been accomplished in India. I am referring here to the conditions which have been created by the fixity of tenures, fairness of rents and freedom to make improvements and such other measures for the protection of the cultivators. All these conditions have been assured in all the States of India as a part of a comprehensive programme of land reforms in accordance with the principles laid down in our Constitution and under the guidance of the national Planning Commission.

Besides, we in Rajasthan, have been the first in the country to introduce the programme of democratic decentralization or *Panchayati Raj*. The

Panchayati Raj organizations have opened out new possibilities for development, for stepping up production, for implementing local plans of a balanced growth of agriculture and rural industries and for rebuilding rural India on the basis of co-operative and mutually sustaining communities. I sincerely hope your Society will try to address itself to some of the agro-economic and other implications of this new venture.

Yet another problem which calls for an early solution relates to the large sections of the landless, the under-employed, the artisans and craftsmen class in the countryside. No doubt, the growth of industries, particularly decentralized and labour intensive or small-scale industries, will help reduce the prevailing pressure on land. That is why we are emphasizing the need to set up an agro-industrial economy. This calls for a comprehensive and co-ordinated approach. In other words, the economic aspects and problems of agriculture are to be studied in their all-round perspective.

Before I end, let me also mention to you a problem or challenge which stares us in the face. The dream of Rajasthan Canal is now taking concrete shape. This ambitious project holds promise for the large areas in North-Western Rajasthan. What changes and transformations it will bring about in our economy and social life and what adjustments and new techniques of planning this will require is, at present, engaging our attentions in the State. In our efforts at socio-economic planning in almost virgin lands we can perhaps benefit partially from the earlier experience in various other canal colonies and the pattern of their economic development. But we are conscious that our problems, in the changed context of historical and institutional background, are significantly different, and we have to plan our policies and programmes accordingly. As has been remarked sometimes, "Rajasthan Canal area is a planner's paradise" and I wish and suggest that some among the present distinguished audience may venture to take up this challenge and help in the "planning" of this "paradise."

The problems of our country are challenging indeed. The issues at stake are large. Vigorous thinking and healthy realism are, therefore, all the more necessary today.

With these words, I have great pleasure in inaugurating this Conference. I wish your deliberations every success.

JAI HIND