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the peasant towards socialism is not faith or love of justice but purely and simply profit." We will not succeed in improving his condition if we do not make concessions to his faults and frailties and order him about as if he were an automaton.

The Indian Society of Agricultural Economics which has organised this conference has, I am glad to note, a useful record of service. It has collected substantial funds, published books on important agricultural problems and carried on research in several directions. You have as office-bearers and members most distinguished persons and if, as Wordsworth said, "Child is the father of man," I have no doubt, whatsoever, that this Society is going to distinguish itself. I hope I am not making any invidious distinction in saying that the Society owes a great deal to the untiring zeal and able guidance of Sir Manilal Nanavati. In Sir Sonti Ramamurthy, your President, you have a distinguished administrator who possesses unrivalled practical experience of many of the problems which you are going to discuss.

I wish your conference every success. May it conduct its deliberations in the spirit of the words of the well-known philosopher Bergson, "Think like men of action and act like men of thought." May it also yield not only food for thought but also food for the hungry millions.

WELCOME ADDRESS

by

SRI L. N. GUPTA, H. C. S.

Finance Secretary, Hyderabad-Deccan.

Mr. Pradhan, Mr. President, Ladies & Gentlemen,

I consider it a great privilege to extend a very warm welcome to the delegates to the Ninth Session of the All-India Agricultural Economic Conference assembled for the first time in Hyderabad City, the meeting place of the great cultures of the Andhra, the Maharashtra and the Karnatak, the proud possessor of a heritage cherished equally by the Hindus, the Muslims and the others. The regions now comprising the Hyderabad State have passed thorough vicissitudes spread over a long range of centuries. We can look back here to the glory of the days of the Ramayana. The temple at Bhadrachellam is known to have been one of the abodes of Sri Rama during his sojourn in these forests. This memory is going to be enshrined in the shape of modern temple, to give food and prosperity to the people, in the shape of the biggest irrigation project in India; I refer to the Ramapada Sagar Project, which is under active contemplation of the Madras Govern-

ment. The famous village of Jatprole on the banks of the Krishna reminds us of the great sacrifice of Jatayu, who gave his life in trying to save Sita, symbolising in a way the flight of Lakshmi, the Goddess of wealth, to foreign countries. The world-famous masterpieces in sculpture and mural paintings are treasured in the caves of Ellora and Ajanta, the most remarkable works of excavation of the Buddhist, the Hindu and the Jain times. The Cholas, the Chalukyas, and the Rashtrakutas, who reigned here have all left great monuments in the shape of various temples and forts spread over the Dominions. The Afghans, the Moghuls and the Bahmani Kings have also left the mark of their great contribution to the culture of these Dominions in the shape of various tombs, forts and the famous Madras Mahmood Gawan in Bidar. The modern age has not lagged behind and the big irrigation project of Nizam Sagar and the beautiful architecture of the Osmania University buildings are achievements of no mean order.

It is a matter of extreme gratification to us that we welcome you brother delegates from all parts of the great Union of India to a new Hyderabad, a Hyderabad breathing the fresh air of liberation and standing on the threshold of democracy, the highest ambition of a politically conscious community. In fact the freedom of India was in itself incomplete without integration into it of the great State of Hyderabad. It is quite appropriate that the economists from all over the country representing the cream of the intellect of India are assembled here to contribute their best to the future prosperity of a free India, of which Hyderabad is an inseparable part. The most urgent and even the long range problem for the people of Hyderabad would now be to shake off the shackles of a feudal economy, which has bound them for centuries to a life of poverty and serfdom. In this context, the proverbial poverty of the agriculturist looms large, and that is the biggest economic problem for the whole of India, not of today, but coming down from the ages.

The vocation of the agriculturist has been a most neglected one. He gets less for his labour than any one else, although his is the most essential and an inescapable task. The prices of agricultural commodities have always been the lowest, in relation to the prices of other goods, and to me it appears that this has been the greatest inequity. The criticism raised at present in certain quarters about the prevailing high prices of agricultural commodities and food grains, to me, seems wholly unjustified. The agriculturist has had of late a little of his own, as a result of the rising prices of his produce during the last few years: but he has not benefited substantially owing to the corresponding rise in the prices of other commodities and in the cost of production. The cultivator now will never put up with a relapse to the low agricultural prices of old times. Any plan to reduce drastically the existing levels of prices of agricultural produce would, I feel, be a disaster and social injustice of the first magnitude. On the other hand

we have seriously to consider the problem of stabilising agricultural prices, if and when a period of depression sets in. The food procurement and control measures, which have so far been undertaken in the interest of the consumer, should, when time comes, be utilised for safeguarding the interests of the producer, by guaranteeing a fair price for his produce. The Agricultural Price Policy Committee, under the Chairmanship of Sir V. T. Krishnamachary has made valuable contribution in this direction by suggesting measures for the stabilisation of the agricultural prices. The State may have to step in and undertake purchases of large stocks of agricultural produce at floor prices to be determined on the basis of a fair return to the producer. The problem is bound to assume greater importance in future and I hope that the agricultural economists would give due attention to it.

The questions of marketing of agricultural produce and of the middleman's margins are also linked up with this and are of equal importance. I strongly feel that the state will have to come more into the picture and at least not recede from whatever place it has already occupied. The supplies to deficit areas, particularly to urban areas and all interprovincial exports and imports can profitably be controlled and managed by the state in a manner that these operations improve the earnings of the cultivator and do away with the middleman's profits, as far as possible. The profits, if any, due to the inescapable difference in prices, which are prevalent at present between the prices in the producing and the consuming areas, should go to the state exchequer. I am not advocating by any means the complete nationalisation of trade; but a wholesale policy of laissez-faire will not do in the present situation. The co-operative movement can also be utilised in this direction, to a large extent. An experiment on these lines has been carried on in Hyderabad in the shape of the Hyderabad Commercial Co-operative Corporation, which works as an apex organisation of the Taluqa Co-operative Unions which in their turn handle procurement and distribution of food grains on behalf of Government. The Corporation has been carrying on a business turn-over of nearly 3 million tons of food grains of the value of nearly Rs. 10 crores every year, being 15 per cent. of the total produce of the State. This is, however, just an experiment and its success will depend upon the co-operation of the non-official workers in the Co-operative Societies. So far, on the side of these Co-operative Unions, let me confess, the results in the spheres of efficiency and finance have not been very heartening; but in a new set up this is bound to improve.

The question of agricultural statistics is another most important problem that needs and has been receiving of late some serious attention. Organisation for agricultural statistics in India before the years of the present food emergency was almost nil. It is no exaggeration to say that lack of proper statistics has been the greatest handicap in formulating food plans or even a well conceived food policy. Emphasis cannot be laid too

strongly on the need for Provincial, State and Central Governments paying the most earnest attention to this problem.

I have no intention to touch upon other problems facing the agricultural economists, such as those relating to agricultural finance, agricultural indebtedness, land tenure reforms, abolition of Zamindari and Jagirdari, measures for providing warehousing, storage and transport facilities to the cultivator, attainment of self-sufficiency in food production involving the construction of large and small irrigation works, consolidation of holdings and the undertaking of co-operative, collective and state farming. If I did this, I should be exceeding the domains of a welcome address. I leave these matters safely to be dealt with comprehensively by our eminent President Sir S. V. Ramamurthy, who is not only an administrator of ripe experience, having occupied the highest position open to a civil servant, but who is also an agricultural economist in practice and has brought to bear a most realistic outlook on these problems. His contribution to the food problem has been of no mean order. To my mind the report of the Woodhead Commission with which he was actively associated tackles the immediate and the long range food problems of India in a most rational manner. The recommendations of the Commission have stood the test of time and this has been amply demonstrated by the later attempts at the policy of decontrol and of its miserable failure. I need not reiterate here that in a deficit economy like ours, any attempt on the part of the state to allow matters to drift without any planning of production, procurement and distribution is a dereliction of duty and is playing with the lives of millions of men. The Woodhead Commission, to my mind, have said the last word on this, a warning which cannot be ignored in the present context. They say: "The state should recognize its ultimate responsibility to provide enough food for all..... In India the problems of food supply and nutrition are fundamental and must at all times be one of the primary concerns of Central, Provincial and State Governments. It is abundantly clear that a policy of laissez-faire in the matter of food supply and distribution can lead nowhere and would probably end in catastrophe. All the resources of Government must be brought to bear in order to achieve this end in view."

We are fortunate in having this Conference inaugurated by Mr. D. R. Pradhan, who in the short period of his work as the Additional Chief Civil Administrator of the State, has proved his ability and conscientiousness. He is a worthy member of a Military Government that is doing its best to serve Hyderabad during the transition from a feudal set up to the great destiny that awaits its people in the new democratic order.

I cannot omit the mention here of the name Sir Manilal Nanavati, founder and the soul of the activities of the Conference, but for whose zeal

we all know the question of agricultural economics would not have assumed such wide-spread recognition.

I regret to note that Prof. Ashby could not be present at this Conference, owing to ill-health. All the same, we are thankful to him for having accepted our invitation and agreed to give us the benefit of his experience and knowledge.

Under the guidance of Sir S. V. Ramamurthy, and with the distinguished array of economists assembled here I am quite confident that the Conference this year would go a long way in giving a lead towards the solution of the various problems that face us today.

In the end I must add the sincere apologies of the Reception Committee for the deficiencies in the arrangements for the Conference, which are inevitable under the present conditions, particularly as the time at our disposal was so short. I can assure you that the will to do our best and to look after your comforts has not been lacking. We count upon your generosity, realists though you are as economists, not to judge us in this respect too harshly by the standard of material results but by our good intentions.

PRESIDENTIAL ADDRESS

by

SIR S. V. RAMAMURTY. K.C.I.E., I.C.S. (Retd.)

Let me first thank the Indian Society of Agricultural Economics for the honour it has done me in inviting me to preside over this Conference. I have been interested in the work of this Society since the president of this Society, Sir Manilal Nanavati and myself worked as colleagues in the Famine Enquiry Commission. He brought to the work of the Commission the results of his wide, careful and painstaking studies of the rural problem. My own equipment as a practical administrator in charge of agriculture and economic development generally was considerably strengthened by my contact with the scientific approach of Sir Manilal and together we were able to make a useful contribution to the work of the Commission.

We have been accustomed till recently to look on agriculture as an art and a way of life. India had a bountiful supply of food through her natural resources, a tropical climate, an intelligent and industrious peasantry and a well knit social organisation in villages. The rural civilisation of India was the stable and basic part of Indian civilisation. Indian villages were as prosperous and as cultured, as well calculated to provide