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INAUGURAL ADDRESS

by

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It is with a feeling of great pleasure and a sense of privilege that I rise to inaugurate this eighteenth session of the All India Agricultural Economics Conference. When my friend, Justice Mangalmurti, sent me an invitation to perform this pleasant task, I could recall to my mind the valuable experience I had when exactly three years ago I inaugurated the 15th session of this Conference at Allahabad, where it met in 1954 under the able Chairmanship of Prof. Gadgil.

It has been a great pleasure for me to note that under the able stewardship of Shri Manilal B. Nanavati, the Indian Society of Agricultural Economics has been able, in recent years, to extend the scope of the useful work it is doing to encourage research work in agricultural economics in this country. Above all, I think it is of great importance to the future of research on this subject that the economists of this country have been able to build up such a fine organisation for facilitating co-operative effort in this field of research. It was in appreciation of the importance of this co-operative effort that the Government of India decided in 1953 to extend financial assistance to your Society. An annual grant to your Society is now a normal item in the budget of the Central Ministry of Food and Agriculture. The Government of India is quite aware that in the past, research in agricultural economics did not receive the attention it should have received in a country like ours where about 70% of the population is mainly dependent on agriculture for their livelihood. And the importance of research in this subject arises not only from the fact of dependence of a vast proportion of our population on agriculture, but also from the fact that the returns to labour in agriculture in this country are very much lower when compared either with the returns to labour in other sectors in this country or with the returns even to agricultural labour in many other countries. Through our development programmes we are trying to mobilise all our resources to raise these returns. Here, the relative shortage of resources per person in the over-all economy of the country in general and in the agricultural sector in particular presents a challenge to the administrator as well as the economist. It is the agricultural economists' profession to delineate the best possible ways of allocation of the available resources so as to maximise satisfaction through a maximisation of the output of goods and services. The administrator in this country is particularly interested in the accumulation of such knowledge, for it is his responsibility to help, as far as he can, in arranging the best use of such resources. The Government of India are, therefore, very much conscious of their interest in and

responsibility towards this field of research. I can, therefore, assure you that the Government of India will continue to give sympathetic consideration to all suggestions meant to further the interests of research in agricultural economics.

While I extend this assurance about the Government's continued interest in your activities, I am sure you will bear with me if I offer some suggestions relating to the organisation of these activities. Just as the resources available for the physical development of the agricultural sector are limited, I think, we do not possess unlimited resources in money and personnel for research in agricultural economics either. This is clear to us form the fact that the Agricultural Economics Committee of the Indian Council of Agricultural Research which meets once every year to make recommendations about the grant of financial assistance from the I.C.A.R. to schemes for research in agricultural economics can find only a very few schemes placed before it to qualify for such financial assistance. The Agricultural Economics Committee claims many of the prominent economists of this country as its members and therefore, it cannot be said that it is because of any unsympathetic attitude of the Committee towards the research workers that very few schemes have so far been recommended to and sanctioned by the I.C.A.R. for financial assistance. It may be that there is lack of adequate guidance about the sectors within the vast field of agricultural economics towards which research should be directed and also about the best possible methods for conduct of research in those sectors. May I suggest that the Indian Society of Agricultural Economics give some consideration to this problem? The Society has done a lot by way of arranging discussions on the various topics of current interest in the field of agricultural economics and also through collection and dissemination of information regarding research work going on in this and some foreign countries. I would suggest that it may now take up the responsibility of guiding the research workers in this field about the items of research work on which attention should be concentrated in the near future. These subjects can be communicated to the Indian Council of Agricultural Research who, I am sure, will give the highest consideration to the suggestions coming from this Society. As a matter of fact, the Society and the Agricultural Economics Committee have a large number of eminent economists as common members. In the Agricultural Economics Committtee they meet twice a year—once to consider the schemes for research submitted to the I.C.A.R. for financial assistance and again, also to consider the technical programmes relating to the scheme finally accepted by the I.C.A.R. The Society's work, I believe, is of more continuous nature. I would suggest that the Society may arrange to prepare a list of subjects and even model schemes of research which may be suitably financed through the I.C.A.R. The Executive Committee of the Society can certainly elicit the co-operation of Departments of Economics in some Universities to help in this task. This way, probably, even the limited funds available in the I.C.A.R. can be made to go far in the furtherance of research on proper lines.

I should not venture myself to suggest any particular subjects for research. The field of agricultural economics is a very wide one and in the selection of problems of Indian agriculture requiring special attention, you will no doubt maintain a balance of emphasis on the problems arising at the three levels of co-ordination of agricultural activity, namely, the farms, the market and public policy. Really, the problems arising at the level of the farm have not so far received the

attention they should. On the other hand, knowledge about the exact nature of these problems and their solutions is very essential to strengthen our extension services.

I am, however, glad to find that this importance of the problems of the farm gets ample recognition in the list of subjects you have selected for discussion at this Conference inasmuch as two of the three subjects are directly related to the problems of the farm. The subject of input-output relations has now assumed importance not merely because in a developing economy, we must search for ways to increase agricultural production and lower agricultural costs, but also because some of the relationships between different inputs like land-labour ratios under existing techniques have an important bearing on many questions of public policy specially in the sphere of land reforms. It is in appreciation of the importance of this subject that the Government of India have included in the Second Five-Year Plan itself a scheme for a second series of investigations into the economics of farm management, the first series sponsored jointly by the Research Programmes Committee and the Ministry of Food and Agriculture having been concluded last year. Recently, the methodological problems relating to research in farm management were also discussed at an India-FAO Development Centre held at New Delhi in which delegates from ten Asian countries took part. I am sure that those engaged in research on this subject would greatly benefit from a study of the record of these discussions.

Again, the subject of co-operative farming which you are discussing in this Conference has been engaging the attention of the economists as well as the administrators of this country for a good many years and particularly since the First Five-Year Plan recommended that small and middle farmers should be encouraged and assisted to group themselves voluntarily into co-operative farming societies. However, as we all know, inspite of the interest shown in this subject by the Government, the progress in the establishment of co-operative farming societies has been meagre and slow. Really, there is still a lack of practical experience and carefully ascertained data. The practical task which the Government would like to accomplish during the next three or four years is to carry out a series of planned experiments in co-operative farming. The character of these experiments and the solutions derived from them will largely determine the subsequent development. As a matter of fact, the Standing Committee of the National Development Council recently recommended that about 3,000 such co-operative farming experiments be carried out during the rest of the Second Plan period. I am very sure that your discussions on this subject will make a contribution to a clearer understanding of the problems relating to the implementation of this practical programme.

I understand that the third subject you are discussing at this Conference would be the principal theme at the International Conference of Agricultural Economists which is going to be held for the first time in India in August next year. Really, it is a great tribute to the prestige of the Indian agricultural economists among foreign scholars on the subject that this Conference has accepted the joint invitation extended by the Government of India and your Society to hold its next three-yearly session in India. In the economic situation facing the under-developed countries of this region, most economic problems assume a complexion vitally different from that they have in relatively developed countries of the West. I am sure that

the fact that the International Conference is meeting in India next year would be fully utilised to focus attention on the problems and policies of the countries of this region. The principal theme selected for the Conference has special importance for these countries because the terms of exchange of agriculture directly influence the tempo of development of the agricultural sector in their economies as well as their foreign exchange earnings and budgetary positions.

While your Society has put in fine work which deserves an appreciation, I believe, one of your principal handicaps has been the illiteracy of the farmers of India and lack of any proper and sustained organisation of their own through which they could bring to bear their points of view on the agricultural development in the country. As you may have probably known that about three years ago we set up an All India Farmers' Organisation under the name of the Farmers' Forum, India or the Bharat Krishak Samaj.

I am glad to say that this organisation is receiving very considerable sympathy and support from all concerned. We have designedly made it a non-political professional organisation. We permit even Government officers and experts not only to take part in the deliberations and to advise us but even to join it as members. Our essential and principal aim is to forge a link between the Government and farming and to afford to farmers a forum to voice their own views and opinions on all issues confronting them.

The Forum has so far held three All India Conventions in Delhi. The proceedings of these Conventions, the meetings of the Governing Body and the All India Farmers' Council can, I think, safely carry the assurance that the organisation is acting consistently with its aims and ideals and no ulterior motives or objectives have so far interfered in its working. Apart from the territorial branches in each one of the States of India we have decided upon a crop-wise and subject-wise approach and have constituted Committees for considering special problems of each of the particular crops grown all over India.

We have also constituted a Committee for studying the various research schemes carried on in India with the object of constituting a link between the farmers on the one hand and the I.C.A.R. on the other. A third but very important activity which we have just initiated is the Bureau of Agricultural Economics, Statistics and Information. I am about to constitute this Bureau and I hope your Society would be good enough not only to guide this Bureau of ours, but to help it a little more actively so that it may make good the keenly felt deficiency of the farmer's point of view being presented in a scientific and studied manner to the people and Government of the country. I am sure your sympathetic co-operation would be highly beneficial and useful to the Forum.

I would like to thank you once again for this opportunity of addressing this Conference and placing some of my stray thoughts on the subject of research in agricultural economics before you. I should no longer stand between you and your President whom you all must be so anxious to hear. Your President of this Session, Dr. B. K. Madan, has enjoyed the reputation of an erudite economist for a number of years now and as a member of the Foodgrains Enquiry Committee recently made a special study of the various problems of Indian agriculture. Under his able guidance, I am sure, your discussions will be of the usually high level. I wish the Conference every success.