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## BOOK REVIEWS

*The Peasant and Co-operative Farming—A Socio-Economic Study*, N.G. Ranga and P.R. Paruchuri, Indian Peasants' Institute, Nidubrolu, 1958. Pp. 150. Rs.3.

Little has happened since the publication of the Patil Report to bring about a change of views among either the supporters or the critics of co-operative farming as the ultimate objective of agrarian reorganisation in India. The myth of the "general agreement" claimed by the Planning Commission regarding the desirability of this objective was exploded quite some time back but there had so far been no specialised academic publication in book form to refute the suggested merits of co-operative farming as a socio-economic ideal. The Indian Co-operative Union's brochure on the subject was too patchy and too full of quotations to be an adequate answer to the Majority Report of the Patil Delegation. Among its other deficiencies was the fact that it did not analyse the possibilities alternative systems could offer to maximise marketable surplus, capital formation and employment in the agricultural sector. The study under review is a creditable essay in a comprehensive critique of co-operative farming. It analyses its severe limitations in the spheres of social justice, economies of scale, mechanisation and labour intensity. Each claim to the superiority of co-operative farming over peasant farming is taken up individually and dealt with in detail.

The authors' principal conclusion is that individual peasant farming can deliver the desired goods if helped adequately by service co-operatives and price supports. They are, however, not concerned with the problems of landless labour or even with those of uneconomic holdings, for these, in their opinion, can be solved only by general economic progress and not by agrarian reorganisation alone. To this extent, therefore, they fail to refute the claim that co-operative farming can solve the problem of rural unemployment. This is the price they appear to pay—a little too willingly—to avoid the fear they entertain from the advance of bureaucratisation and power elite in rural areas, which co-operative farming is bound to entail.

In agreement as the reviewer is with most of the authors' conclusions, he can hardly overlook at least some of the serious flaws in their work. They rely persistently on the use of census data on 'owner-cultivators' in preference to the data and definitions of the Agricultural Labour Enquiry, without an adequate explanation for this biased preference. One comes across such unequivocal—and to the reviewer, unacceptable—denials as the affirmation that there is no exploitation whatever in peasant farming. Would it not have been more realistic to say that exploitation within the family would be generally preferable to exploitation by an impersonal system? Similarly, the authors overstep the bounds of moderation in attributing the faults of the present agrarian system entirely to the shortage of land, and absolve the existing 'harmonious' system of ownership of all blame. Their conception of peasant farming is romantic rather than scientific. Witness, for instance, the following :

"Peasant is to a large degree the votary, emblem and practitioner of socialistic, free, decentralised economy. An economic evaluation alone will put

the peasant and his occupation in a grossly wrong perspective. A peasant, indeed, will have no place in any society where land is owned as a mere factor of production in a Marshallian sense with the sole criterion of maximisation of economic gain..... His personality grows and his freedom is ensured as, year after year, he bends all his energies to grow crops .... Diversity of work, opportunity to make worthwhile decisions and create in the image of his personality as contrasted with the dull, monotonous and mechanical industrial work is inherent in such natural activity. It is in the process of such work that he develops living contacts with nature and derives, therefrom an immeasurable joy from his work. The peasant's occupation becomes rich in its non-economic aspect by the fact that it provides all the necessary prerequisites for creative work" (pp. 5-6).

Any one so inclined can alter the phrases a little and impute the same quality of romanticism to any other system as well!

Such weaknesses are not alleviated by the authors' allergy towards 'western-oriented' thinkers who are accused of supporting co-operative farming (unanimously?) owing perhaps to their tainted minds. They have, however, no hesitation in quoting several western writers, who, by definition, one would have thought, would be more tainted than the mere natives! Nor is their study improved by an expression of prefatory adulation of Nehru, who, in addition to being 'western-oriented', is known to be sympathetic towards co-operative farming, to say the least. In the midst of such care-free thinking, an unnecessary resort to geometry on pp. 49, 69 and 70 strikes a rather discordant note.

Such extra-scientific tendencies perhaps go well with the hailing of Prof. Ranga in the publishers' blurb "as the father of the Indian peasant movement and as an Apostle of peasant philosophy," but could, nevertheless, have been easily avoided if the sole purpose of the authors was to compare the respective socio-economic merits of peasant and co-operative farming.

Shorn of its romantic element, nevertheless, the study is a useful piece of analysis.

R. K. HAZARI

*Village India : Studies in the Little Community*, Edited by Mckim Marriott (Comparative Studies of Cultures and Civilizations, Editors Robert Redfield and Milton Singer), Second Impression, 1956, The University of Chicago Press, Illinois, U.S.A. Pp. xix+269. \$4.50.

This is indeed a book bold in perspective, rich in data and comprehensive in the treatment of the subject. It presents village India not as an economic aggregate but a cultural unity. It reveals an anthropologist's view point on what and how — a structure and function analysis of a village through the application of anthropological method. 'Village India' is a world by itself. It has taken for its purview eight villages in seven different linguistic areas of five provinces. In fact these papers were written for a Seminar on "Comparison of Cultures"—The Indian Village—organised by Professors Redfield and Milton Singer in April

and May of 1954. The authors of these research papers had the benefit of the long stay in the areas of their frame of reference. In addition to this, they are social anthropologists of great standing who have contributed in their own respective fields original ideas which have enriched the stock of anthropological knowledge.

Each of these papers is a methodological innovation. The research studies though obviously compartmentalized by geographical boundaries, have one common thread of anthropological method running through them. Therefore, the papers may be said to be an attempt to elucidate two significant questions raised by Professor Milton Singer at the Seminar. (1) Can the holistic method be applied to the study of Village India? (2) What relevance has this method in understanding the process of cultural change in India? Verily, a tribal society can be studied in isolation, but a village which is also a part of the greater society and culture, cannot be studied as an isolate.

In the first paper on 'The Social System of a Mysore Village' Dr. Srinivas analyses the structure and function relationship in Rampura, through the study of the different facets of village social framework as a going and a changing system. Dr. Srinivas does not go beyond the border of the village but studies it as an isolate. This particular approach helps us in understanding as to how and why existing and established behaviour pattern persists or is modified even without the impact of external influences. This paper is a brilliant interpretation of the cultural change in a village with all its traditional institutions in constant flux and with caste and village unity sustaining the position of equilibrium in the very process of transformation.

Two papers, one by E. Kathleen Gough on 'The Social Structure of a Tanjore Village' and another by Bernard Cohn on 'The Changing Status of a Depressed Caste' show how the socio-economic environment in these two areas is being modified in recent years. In the paper by Dr. Gough, we have a view of a relatively static village—where the Brahmins dominated in almost all activities—being slowly altered into an 'open' economy. Now the village is not what it was when the economic strength of the Brahmins enabled them to be active in all walks of life. Dr. Cohn in his paper records the change in status of the Madhopur Chamars, a depressed caste group. The change has its origin in minute and imperceptible variation of behaviour pattern in the relationship between the Chamars (a depressed caste) and the Thakurs (the land owing caste). The paper is a subtle exposition of the social change involving two status groups. As the Chamars aspire to rise to the rank of the Thakurs through sanskritization, the Thakurs plunge headlong into westernisation. The interesting situation becomes clear if we say that the Chamars occupy the cultural status vacated by the Thakurs. This two-way movement, one towards urban way of life and another towards ancient Hindu elements of culture, is not a characteristic of Madhopur. In Madhopur, as in other places, the struggle of a depressed caste has not ended, but it takes an unexpected turn as the Thakurs themselves pass out of the picture through their becoming a part of the urban economy, just like the Brahmins in the Tanjore village.

Dr. Alan Beals paper on 'Interplay Among Factors of Change in a Mysore Village' is a study of urbanization in a village Namhalli near Bangalore. The author has mainly concentrated on changes in successive periods of history from

1800 (for Namhalli is a recent settlement) in order to discover the effects of trade, transportation, manufacture, population, cash economy and government, on its social and economic structure. This paper is quite a contrast to Dr. Srinivas' paper, in that its main focus is on urbanization and thus on external factors that precipitate the change within the village. As the author himself remarks: 'Change was thrust upon Namhalli by the interplay of change-producing factors in the external environment of the village. (p. 100).

One can do scant justice to Mrs. Steed's paper on 'Personality Formation in a Hindu Village in Gujarat' within the limited space at the disposal. She has successfully and with marvellous insight shown the working of a social structure in a village through the study of the personality of one individual of Vaghela Rajput sub-caste living in Kasandra. The vicissitudes of individual's life history have much relevance to what is expected of an individual, how the individual adjusts to the expected behaviour pattern and what stresses and strains he has to undergo on this count. In short, the paper may be considered an invaluable guide to the study of socialization and internalization processes in personality formation. The reviewer's only comment is that if the author had chosen a less deviated personality, perhaps the conclusion would have had greater validity in understanding the social relationship in the village Kasandra.

Dr. Lewis' paper is a study in contrast of Rani Khera in Delhi District and Tepoztlan in Mexico. Though economically these two villages are similar, socially they are poles apart. The former looks 'outward' (exogamy), the latter 'inward' (endogamy). Rani Khera people have inter-village bonds on the basis of affinal and consanguine ties, while Tepoztlan people give priority to trade in inter-village interactions. The personality formation also differs in these two villages. The world view of the Tepoztlans is almost verging on hostility, while that of the Rani Kheras on sociability. In this connection the author states "that separate institutions or aspects of culture develop at different rates, within limits, in accord with particular historical circumstance." (p. 169).

Professor Mandelbaum's paper on 'The World and World View of the Kota' must be viewed in the light of what he has to say about other papers. He analyses the world view of the Kota, as the Kota themselves view it, by applying Professor Redfield's categories of God, Nature and Man. This paper, apart from its being an apt summary of all the papers of the volume is a scientific delineation of the methodological procedure required of a student of social anthropology. The Kota man is much concerned about bowing to the dead and in all that he does and acts this bowing is in the forefront of his interaction with other men. The Kota is not as much concerned with his relation with either God or Nature as he is with man through bowing to the dead. What an anthropologist has to do is to understand the Kota world view and interpret this world view in terms of his own experience.

As we glance through Dr. McKim Marriott's paper we realise the vastness of the field covered and the intensity of the efforts put in by each writer. Dr. Marriott raises one fundamental question at the start: Can a village be studied as an isolate? Can the study of one village enable us to understand the greater culture and society of which the village is a part? To answer these questions he makes use of the concepts, primary civilization and secondary civilization,

'great tradition' and 'little tradition' and shows how these concepts can be utilised in fathoming cultural process in India. Dr. Marriott analyses social structure and religion of Kisan Garhi, with a view to finding out whether 'great tradition' and 'little tradition' do interact and if they do how. This he does by pointed references to 'Orthogenetic' process that characterizes such interaction. The author affirms that "given such a primary continuity of culture and society, little communities would almost seem to cease to exist as isolated, distinctive wholes." (p. 181). He thus arrives at the conclusion that the study of the 'little community' is not complete without the knowledge of the 'great community' and vice versa. It is in this way that he hits upon the double process of 'universalization' and 'parochialization.' The aptness of this approach is reflected in the author's conclusion.

So 'Village India' moves on. It is at this hour that we ought to know what motivations guide villagers' behaviour and what pattern of expectations orients their actions. When failures stare us in the face, whether under Community Projects programme or under irrigation schemes, it is but proper to penetrate beyond the obvious into the villagers' world view. People take easily to new culture traits by diffusion, but they resist any imposition on them of new culture traits by legislation. In the choice of leaders at the village level, the comprehension of the villagers' world view is not without its compensation.

The book, though not a complete account of all that is happening in India, is sufficiently broad-based to present a picture of Indian life in transition. More studies of this type may throw light on regional features of change, which may have been overlooked in the book under review. However one may hazard a statement that though the observations made in the papers are beyond the arena of controversy, at times one gets the impression that complexities of Indian social life are exaggerated in the search for the unfamiliar and unknown Indian panorama is perplexing enough to the one who is born and bred in the Indian tradition. No wonder, that it proves formidable to those who have no familiarity with it. The new and the old do persist together and the world view does not approximate to what we think it ought to be. Anyway, it cannot be gainsaid that what the impartial observers can discover from what is familiar to us, we (as social scientists brought up in Indian tradition) may not be able to do. But the advantage is on our side. We are emboldened to go ahead in spite of diversity, for we know that this diversity hides the essential oneness of the problem and that is of poverty. Indian anthropologists cannot bypass this issue in their quest of anthropological concepts. The book is a succinct picture of how others see us. We ought to know how we view ourselves.

HEMALATA ACHARYA

*A Study of Co-operative Farming Societies in the Punjab*, The Board of Economic Enquiry, Punjab (India), Publication No. 47, Chandigarh, 1958. Pp. iv+93. Rs. 3.75.

The current food shortage in the country and the consequent rising prices of foodgrains has once again demonstrated the urgency of increasing agricultural output. Increase in output is essential not only to check the inflationary pressure on the economy, but also to provide a sound foundation to the planned progress



of the country. As Prof. Dantwala has pithily put it, "you cannot build steel mills while you ignore the paddy fields."

Several measures both long-term and short-term are suggested by eminent authorities to raise the level of output and provide a proper institutional framework for the agricultural sector of the economy. Co-operative farming is one such important measure. The Planning Commission gives pride of place to co-operative farming.

This topic, co-operative farming, has roused considerable controversy since the publication of the Report of Indian Delegation to China on Agrarian Co-operatives. Both advocates and critics have carried on an acrimonious debate and the dust and din raised by this controversy has not yet settled down. The publication under review is, therefore, timely. For, the controversy that has been going on in the country is mostly carried on, on *a priori* assumptions, not based on the facts of Indian experience.

The report which reviews the working of 48 farming societies, is divided into six chapters. The first three chapters give a sort of background to the actual report by providing information about co-operative farming societies in foreign countries and in other States of the Indian Union. Chapters IV, V and VI deal with societies in the Punjab. Co-operative farming was introduced in the state of Punjab in 1949-50 when two co-operative farming societies were organised. From then onwards the number of farming societies has been steadily increasing and in 1954-55, there were 279 such societies with a membership of 4,425. Of these, about 60% were concentrated in 3 districts of Ferozepur (24%), Karnal (24%) and Rohtak (12%). The rest of the societies were distributed in other nine districts of the State. The total area under co-operative farming societies on 30th June, 1955, was 71,686 acres of which 40,843 acres or 57% were irrigated. Area per member was 16.2 acres. While the total value of the produce of all the societies was Rs.17,45,357 in 1953-54 and production per acre and per member were Rs.30.6 and Rs.570.4 respectively, the total value of all the produce in 1954-55 increased to Rs.32,40,328 and production per acre and per member rose to Rs. 45.2 (an increase of 47.7% over 1953-54 figures) and Rs.732.3 (an increase of 28.3%) respectively.

Twenty-six of the 48 societies studied were formed by landowners. These societies took land on lease from the members for cultivation purposes for periods varying between 10 to 12 years. The landowners got a share varying from  $\frac{1}{4}$  to  $\frac{1}{2}$  of the gross farm production or rent in cash. Most of these societies were dominated by big landlords and their dependents.

The report states that "the main purpose in starting some of these co-operative farming societies was to do farming with the help of tractors." All the 26 societies used tractors for cultivation purposes and in all there were 32 tractors with them. In addition, the societies also maintained work animals. Most of these landowner's societies employed hired labour under the supervision of members. Only 103 members were classed as working members out of the total membership of 388, 52 of whom, even though classed as members, were ordinary unskilled workers, and were treated not on a par with other members.



Of the remaining 22 societies studied, 10 were land colonisation societies, seven of which were formed by ex-servicemen. The chief aim of these settlements was to settle ex-servicemen and displaced persons on land. When this venture was launched it was hoped that the ex-servicemen, trained as they were in organisation and disciplined team work, would make this experiment in co-operative farming a success. The report states that unfortunately this hope proved to be rather pious. During the earlier stages these societies did practically no work as members as a whole were not enthusiastic about joint cultivation. It is significant to note that the Ministry of Defence under whose guidance and control this scheme was launched, has decided to adopt the system of individual tenant farming wherein each ex-serviceman member would be allotted his plot by the society in his own name and he would cultivate as an individual farmer. The society would look to the provision of funds and other resources and would provide for co-operative action in respect of items like reclamation, tubewells, irrigation, etc.

Of the remaining twelve societies, some were in the process of being wound up and some have not attempted co-operative farming. The reasons for their failure were diverse. While in some cases it was due to inexperience in handling tractors and tubewells, etc., in others it was due to the fact the societies attempted too ambitious a programme to be tackled successfully. In some other cases it was due to fear among members that the society would incur losses. Disinclination of members to receive orders and instructions from fellow members was a source of conflict and trouble in the working of some other societies.

On the whole, co-operative farming in the Punjab is still in its early stages. The experience so far gained does not provide us with sufficient proof to enable us to decide whether this type of farming would fit in Indian conditions and, what is more, whether it would help us to overcome the stubborn problems of Indian agriculture. As the Report of the co-operative department of the Punjab for the year 1953-54 points out, at present co-operative farming societies are functioning among big landlords, displaced persons or political sufferers who were granted land by the Government. The organisation of such societies among small land-owners on a large scale has still to be undertaken.

A word or two may be said regarding the report under review itself. As one goes through the pages one feels that the report has been drawn up rather hastily and even the enquiry itself was not conducted with sufficient thought and care. For instance, while the report gives many details regarding audit fees charged, loans disbursed, etc., it is silent about wages paid to the hired labourers, whether these wages were higher than those paid by other agriculturists. The report also does not give relative figures of production to judge whether co-operative farming has resulted in an increase in output in comparison with individual farming. It does not give any information whether this type of farming has led to displacement of labour in view of the fact that as many as 26 societies used tractors and mechanical aids. There are also some printing errors which could have been avoided.

K. S. KARANTH

*Second Five-Year Plan Progress Report for 1956-57, Government of Rajasthan, Directorate of Economics and Statistics, Rajasthan, Jaipur, 1957. Pp. 86+ lxxxiii. Rs.3.00*

The state of Rajasthan which did not come out well during the first five-year plan period, embarked on the Second Five-Year Plan just to lay down the basic foundations of a planned economic order—which it should have done during the First Plan period. The Report therefore rightly points out that “a Second Five-Year Plan of Rajasthan should therefore in fact be treated as the First Five-Year Plan for the State.” (Page 8).

Out of the overall outlay of Rs.105.27 crores for the State, including Ajmer, outlay for 1956-57 was kept at Rs.20.45 crores that is to say, about 1/5 of the total outlay. The quantum of allotment in the Second Plan period varied from sector to sector, the proportion ranging between 26.7 per cent for irrigation to 5.7 per cent for industries and mines. The pattern of priorities has, however, been more or less the same and the task set out continued to be a sort of spill-over of the last year of the Five-Year Plan. Some new items such as schemes for consolidation of holdings and fisheries, publicity, mandies, and statistics have been added for the first time.

As data regarding actual progress of the plan and achievements thereunder are not available the report is merely an analysis of financial outlays and expenditures. Therefore, this review can at best be a critical survey of the expenditure in the context of the allocation for the year. It is found that the annual expenditure for the year 1956-57 was at its peak under Co-operation, Forest, Community Development and National Extension Services, Power, Industries, Housing and Labour Welfare. It was in the neighbourhood of 65 to 80 per cent of the allocations and compared favourably with the corresponding figures of the previous years. Progress in the utilisation of actual outlays in 1956-57 has also been recorded; the increases in expenditure in 1956-57 under Industries being 47.15 per cent, Power 54.37 per cent, Irrigation 10 per cent, Labour Welfare 150 per cent, over the corresponding figures for 1955-56. The progress under the other heads has been lower than the peak reached under the First Five-Year Plan, thereby giving the general average of utilisation of allocation for 1956-57 to be 44.93 per cent only. Not only these allocations could not be properly utilised, but the undesirable practice of diverting funds allotted to one head and remaining unutilised under other heads and thereby exceeding the targets continued. Thus whereas under Social Welfare, Public Health and Medical Education and Roads, the performance in financial terms was between 56 to 80 per cent of the allocations, it exceeded the allotment by 83.9 per cent in case of Lower Income Group Housing Scheme, and by 7.13 in case of Forests. Politics, it seems, has crept somewhere in the economic planning and programmes of development.

The Report lists General Elections which engrossed the entire administrative set up and the consequent dislocation of the normal functioning of the Government for a period of 2 to 3 months, lack of tempo in the main spending departments, difficult and uncertain foreign exchanges, shortage of building and construction materials as factors responsible for the considerable shortfall in expenditure.

The detailed estimates for financing the Plan by the State have not been worked out. The analysis of available data reveals that the planned allotment of Rs.20.45 crores has been split as follows: Rs.5 crores on Revenue account, Rs.4.4 crores on Capital account and Rs.12.3 crores on Central assistance. How far have the resources been mobilised is anybody's guess. The budget for the year under review shows that the State Government succeeded in floating a loan of Rs.3 crores and getting it subscribed, yet it could not go beyond the additional taxation for the year estimated at Rs.0.18 crores as against the estimate of Rs.11 crores for the entire Plan period. It appears much leeway has to be made to mobilise resources to meet the planned expenditures.

It can be said that looking to the past performance and the State's backwardness—administrative and otherwise—the Report makes an impressive reading. But viewed in the context of the requirements of the community's achievements of the targets and a proper and full utilisation of the allocations, the progress has been, on the whole, far from satisfactory.

P. R. MRIDUL

*Review of the Co-operative Movement in India 1954-56*, Reserve Bank of India, Bombay, 1958. Pp. v + 238. Rs.3.00.

This is the seventh issue of the 'Review of the Co-operative Movement in India' published by the Agricultural Credit Department of the Reserve Bank of India. Like the previous issues, it contains detailed information on the progress and working of the various types of co-operative institutions during the two years 1954-55 and 1955-56. The information is presented in a systematic and logical order in 15 chapters which are followed by a statistical section giving State-wise details. Besides the usual chapters, three more chapters have been added in this issue—one on the detailed provisions of the schemes of co-operative development under the Second Plan, another on the Role of the Reserve Bank in the sphere of rural credit and the third on co-operation as an aid to industrial production. In the statistical appendix, among the new tables given, mention may be made of the following: Statewise details of the (physical and financial) targets of the Second Plan; additional statements about primary agricultural credit societies giving the number of villages covered by them, their average working capital and advances and period and purpose-wise classification of loans advanced by them; details of debentures issued by central land mortgage banks; grants and loans made by the Handloom Board, etc.

After a brief introductory chapter describing the salient features of the progress of the co-operative movement in the country during the two years, the Review gives details of the various schemes of co-operative development under the Second Plan. It then goes on to describe, chapter by chapter, the developments in the various co-operative spheres, such as short-term and long-term credit, agricultural production, industrial production, marketing, consumption, housing, etc. After this follows the new chapter on the role of the Reserve Bank in the sphere of rural credit before and since Independence. Then come the chapters on State Aid and State Control and Administration, Audit and Supervision, which are followed by the Conclusion and the statistical tables.

The programme of co-operative development in the Second Five-Year Plan is based on the recommendations of the Rural Credit Survey Committee, with the following three main underlying principles : (i) State-partnered co-operative credit, (ii) promotion of co-operative marketing and processing as well as storage and warehousing and (iii) provision of trained personnel. The Second Plan target for co-operative credit has been placed at Rs.225 crores. Similarly, it is planned to organise 10,372 large-sized credit societies, 1,800 marketing societies, 35 sugar factories, 48 cotton gins and 118 other processing societies and to construct 5,569 godowns for large-sized credit and primary and other marketing societies and 350 warehouses. The total financial provision for co-operation under the Plan will be of the order of Rs.42.46 crores and Government contribution to the share capital of credit institutions will be Rs.25.19 crores.

During the period under review, the number of societies rose by 21 per cent to 2.4 lakhs, their membership by about 15 per cent to 1.76 crores and working capital by 33 per cent to Rs. 469 crores. Agricultural credit societies continued to dominate the movement, accounting for 71.2 per cent of the total number of societies in the country. Their number increased from 1.35 lakhs to 1.68 lakhs, their membership from 58 to 78 lakhs, their working capital from Rs. 54.41 crores to Rs.79.10 crores and fresh loans advanced by them from Rs.29.64 crores to Rs. 49.62 crores. The bulk of this finance consisted of short-term loans granted for the purposes of cultivation. Rates of interest charged to the ultimate borrower continued to be high owing to the inadequacy of owned funds and high cost of borrowing, except in the co-operatively well-developed States. Though the number of societies and their total working capital showed a rise, the proportion of owned funds to the total working capital showed a decline. Deposits constituted only 8 per cent of their working funds, which shows that the movement has not achieved much success in mobilising the savings of the rural population.

As a result of the process of amalgamation and reorganisation, the number of Central Banks fell from 499 to 478 during the period. The number of their individual members increased from 1,22,000 to 1,44,000 and of banks and societies from 1,26,000 to 1,56,000. The importance of individuals remained high in Bombay and Madhya Pradesh. Working capital of Central banks increased from Rs.66.11 crores to Rs.92.67 crores but the percentage of owned funds and deposits to the working capital showed a slight fall. Owned funds of many banks in most States, continued to be lower than the minimum level of Rs. 3 lakhs recommended by the Standing Advisory Committee on Agricultural Credit. Their advances to societies increased from Rs. 52.21 crores to Rs. 70.40 crores and those to individuals declined from Rs. 12.49 crores to Rs. 9.44 crores. The position in respect of overdues showed an improvement, but was still far from satisfactory.

The total number of State Apex Banks increased from 22 to 24. The number of their individual members remained unchanged at about 12,000 but that of banks and societies rose from 21,000 to 25,000. Owned funds increased from Rs. 5.61 crores to Rs. 7.65 crores (out of which Government contribution amounted to Rs.1.88 crores) and working capital rose from Rs. 40.84 crores to Rs. 63.34 crores. Advances to banks and societies increased from Rs. 42.57 crores to

Rs. 58.10 crores. The undesirable practice of giving loans to individuals continued in Assam and Madhya Pradesh and has been rightly deprecated by the Review. Recoveries were fairly satisfactory and the percentage of overdues to outstandings fell from 13.1 to 10.6. The number of apex banks availing themselves of the concessional finance from the Reserve Bank increased from 13 to 19, the amount of finance rising from Rs. 16.32 crores to Rs. 29.64 crores.

The position in regard to long-term finance continued to be unsatisfactory. Nor did co-operatives make much headway in agricultural production, housing or consumption. The Movement has, however, made a fairly good start in the development of cottage and small industries, particularly in the case of weaving societies.

Marketing co-operatives recorded a fairly good progress during the period. Not only did the number of societies and unions and their business increase but they also started devoting greater attention to their legitimate function of marketing of agricultural products. A beginning has also been made with grading, processing, pooling and export of agricultural products by marketing societies. But the most significant development of the period was in respect of co-operative sugar factories. At the end of the period, 3 factories had already started production and 24 others had been organised and licensed.

State aid to co-operatives assumed during the period a new importance with the acceptance of the principle of State-partnership. The finance supplied by Government as a percentage of working capital increased from 4.0 in 1953-54 to 5.2 during 1955-56. State Government's contribution to the share capital of various types of co-operatives increased considerably. The Bombay Government's contribution to the share capital of co-operative sugar factories, for example, increased from Rs. 6 lakhs to Rs. 1.34 crores between 1953-54 and 1955-56. In addition, State Government also extended guarantees, grants and subsidies.

The co-operative movement made on the whole a fairly good progress during the two years under review. Progress in some fields has been rather slow ; but with the completion of the integrated programme under the Second Plan, this leeway is likely to be made up. With the establishment of the State Bank of India and the National Co-operative Development and Warehousing Board, with the creation of special funds such as the National Agricultural Credit (Long-Term Operations) Fund and the National Agricultural Credit (Stabilization) Fund at the Reserve Bank of India and with the completion of the arrangements for training co-operative personnel on a large scale, a stage has been set for the co-operative movement to advance at a more rapid rate. One can, therefore, share the subdued optimism of the Review that 'in the foreseeable future, the co-operative movement will so expand and diversify its activities as to account for a large and powerful sector of the country's economic and social framework.'

The Review is indeed a very useful publication. The reviewer, however, feels that the order of the statistical tables could have been slightly improved, e.g., the statement regarding the average working capital and deposits of Central Banks should logically follow that regarding their operations. Another factor which continues to detract from the usefulness of the publication is the fact that

the data given are over two years old. The utility of the Review will be greatly enhanced if it is published every year, which should not now be difficult.

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*The Economic Development of Andhra Pradesh : 1766-1957*, A. V. Raman Rao, Popular Book Depot, Bombay, 1958. Pp.x+ 384. Rs.18.75.

The book under review may be said to be the first regional study which gives a chronological account of the economic evolution of Andhra Pradesh from 1766 to 1957. The book is divided into four parts, consisting of 25 chapters in all. Part I covers the period 1766 to 1802 ; Part II, 1802 to 1865 ; Part III, 1865 to 1947 ; and Part IV, 1947 to 1957. The first two parts of the book, dealing with the economic development of Andhra during the early British period (1766-1865), represent a revised version of the author's doctoral dissertation completed in 1945.

Each part gives a detailed account of the different aspects of the economy of Andhra Pradesh during the period covered such as the political and economic conditions, life and living in village communities, the fluctuating fortunes of handicrafts and indigenous industries, state of agriculture, irrigation and revenue policy, fiscal and monetary policies, commerce and trade, transport and communications and natural resources. The scope of the book is very comprehensive and it is scarcely possible to do full justice to this volume within the available space. Therefore, only the dominant trends in the economic system of the Andhra Pradesh are briefly touched upon here over the period covered.

The political upheavals in Andhra from the beginning of the 18th century are briefly traced in the first part. By 1802, the East India Company which started as a trading Company acquired despotic power over the Northern Circars and the Ceded Districts. The economic conditions of the people in Andhra at the time of the Company's rule and later under the British, have been described in detail by the author. The handloom industry which was humming with activity in the coastal villages of the Northern Circars, the flourishing handicrafts of the east coast, textile industry at Ingeram, Vizag and Madapollam, once world famous chintzes and palempores of Masulipatam, all gradually declined in importance by the end of the last century. The village communities also disintegrated owing to the impact of new economic and political forces. In the later part of British rule (1865-1947), a transition from rural to urban life was noticed. People, especially agricultural labourers from the Eastern Coastal districts migrated to the towns and to nearby overseas British colonies in search of employment. The causes leading to this state of affairs have been brought out by the author and are only too well known.

The author has presented a realistic description of the state of agriculture in the Andhra districts during the Company's administration and later under the British rule. The causes for the depressed state of agriculture have been

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\* This review is contributed by the reviewer in his personal capacity and, therefore, the responsibility for the views expressed is that of the reviewer himself.



analysed in greater detail. The series of famines that ravaged the different parts of the Andhra from 1805 to 1900 cost too many lives and were a drag on agricultural efficiency and production. Although the Ceded Districts were a constant famine tract, exposed to frequent failures of monsoons, the ryots in the Districts enjoyed a certain amount of prosperity owing to opening of new irrigation works during the sixties of the 19th century. By the opening of the 20th century there was a gradual increase in the earnings of the major irrigation works and the area under cultivation as also agricultural production.

An interesting account of the land revenue administration in the Northern Circars and the Ceded Districts is found in the chapter on 'Land Tenures' in part II and chapters IV, VI and IX in part III. The pernicious effects of the Permanent Settlement in the Northern Circars and the Ryotwari System in the Ceded Districts on the ryots have been examined by the author. There was no change in the land revenue policy of the Government till the end of the last century. Assessments were oppressive to the large majority of peasants. After 1900, land revenue assessments were revised in accordance with the policy of raising revenue assessments at the end of every 30 years. The author points out that every resettlement meant an almost invariable increase in the assessments for one reason or the other and the commutation rates had no realistic basis to support them. The fixation of heavy assessments even in ryotwari areas destroyed all incentives for effecting improvements in agriculture. There was no improvement in irrigation or technical advances or schools or provision of agricultural credit and marketing. The ryot lived a most impoverished life. The subsequent land legislations of 1908 and 1909 which were enacted in the composite Madras Province, of which Andhra was a part, did not improve the economic condition of the Andhra peasants. However, in 1947 Acts were passed to reduce rents in zamindari areas and for the abolition of the zamindari system by payment of compensation.

In respect of the other features of the economic system in the Andhra districts, *viz.*, trade and commerce and transport and communications, the levy of various customs duties and lack of safe and regular means of communication, political unrest and economic insecurity as well as heavy taxation at every stage hindered their development until the beginning of the 20th century.

Since Independence and with the constitution of the Andhra Pradesh on 1st October, 1953, great fillip was given to the development of the economy of the State in all spheres. With the re-organisation of States on 1st November, 1956, the Telengana region of the former Hyderabad State was added to the Andhra Pradesh. The new State covered an area of 1,06,041 sq. miles with a population of 31.2 million. The significant features of the newly formed State since Independence are succinctly portrayed in the last chapter.

On the whole, the book gives a detailed account of the salient aspects of the economic development of the Andhra Pradesh with a profuse illustration of facts and figures. The author deserves praise for his painstaking efforts to present authentic information on every aspect of the economy by delving deep into the blue books. But for his efforts much valuable information would not have been readily available to the student of economic history from Government records.



However, the book is not without drawbacks. One of its shortcomings is that the author has not given a full account of the special features and developments of all the sub-regions. "A cogent and connected picture of the dominant trends over the whole region consistently over any large part of the period" covered would have enhanced the value of the publication. Secondly, the author has not attempted to give a detailed analysis of the developments since Independence. There are also a few printing errors. Apart from these, the book is a good regional study of the economic development in the Andhra Pradesh.

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