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PRESIDENTIAL ADDRESS

By

MR. LEONARD K. ELMHIRST

President

International Conference of Agricultural Economists

After thirty years of happy labour on behalf of the International Conference of Agricultural Economists, nothing gives me more pleasure in this, my last year of office as President, than the fact that, for the first time, we are holding our meeting in Asia, and that this, our tenth Conference, is being held here in India.

It was some 43 years ago that I first arrived in India, straight from Cambridge University, and was immediately struck by the problems and possibilities of her village communities. Two years later, convalescent from the war in Iraq, I offered my services as secretary to Dr. Higginbotham, at his Agricultural Institute at Naini, Allahabad and received under him my first introduction to Indian agricultural economics. I left India in 1918, and on release from the British Army, I went to America to study agriculture. My first attempt to put into practice something of what I then learnt at the New York State College of Agriculture at Cornell was in 1922, when, at the invitation of Rabindranath Tagore, I went to help him to found his Institute of Rural Reconstruction in West Bengal, today known as Sriniketan.

I well remember, in 1938, visiting Mr. Nehru in Almora and asking him whether, once India were free, specialists would still be welcome from abroad. He answered that, although India must train and produce her own civil servants, there would be openings for foreign specialists for some years to come. It has been my happy experience to be summoned back to India from time to time, since she won her freedom in 1947, as a specialist but, I can truthfully say, always to learn more than ever I managed to impart. No one could enjoy the privilege of direct contact with men like Gandhi, Tagore or your Prime Minister here, without radically altering many of those fixed attitudes of mind that are still too customary in the West.

In 1922, while travelling with Rabindranath Tagore to this State of Mysore, we attended the Durbar of His Highness's uncle. We were then trying to arouse interest in, and to raise funds for, Tagore's school and university at Santiniketan. I am glad to say we had some success. What impressed me most deeply at that time was the progress that this Indian State, under its own princely house and its own Indian Chief Ministers, had made in the realm of agricultural development and general welfare. This was progress of a kind that I was not accustomed to find in what was then called British India. For Tagore, both Mysore and Baroda, under their Indian Princes, symbolized, in the days of British Rule, the struggle he was himself making to prove that Indians could and must preserve and develop the essential qualities of an Indian culture, in spite of foreign domination.

When I first met Tagore in New York, early in 1921, I had only heard of him as the poet-author of *Gitanjali*, as the philosopher, in his publications *Sadhana*

and Poems of Kabir, and as a teacher with some revolutionary ideas on education. On my arrival at his school at Santiniketan in West Bengal, I found that he was a man of many other gifts, a singer, a composer of songs, an actor, a playwright and a novelist. But behind all this wealth of capacities, I soon realised, lay his deep and abiding concern for the humble people of the Indian village, for the Indian cultivator and his family, for the village craftsman and the landless labourer. From his early years, when sent by his father to manage the family estate in East Bengal, he had dreamt that a revival was possible of some of the essential elements of that ancient village culture, described so often in India's literature and art as flourishing much more than two thousand years ago in clearings in the forest or in the ashrams of saints and scholars. Tagore had complained to me in New York that so many of the villages immediately around his own institution seemed to be dying. Culturally, economically and socially, he said, they were in a state of decay. Could I help him to discover why? I make no apology for quoting here from his own words: "We must so endeavour that a power from within the villages may be working alongside of us, albeit undiscernible by us. . . If I can free only one or two villages from the bonds of ignorance and weakness, there will be built, on a tiny scale, an ideal for the whole of India. . . Our aim must be to give these villagers complete freedom, education for all, the winds of joy blowing across the village, music and recitation going on, as in the old days. Fulfil this ideal in a few villages only, and I will say that these few villages are my India. And only if that is done will India be truly ours." By the end of four years' collaboration with Tagore, the last spent in our travelling together in China, Japan, Argentina and Italy, I came to know him as a man with a profound mind; with a power of vision far beyond the immediate horizon; and yet with a unique sense of humour and a most fertile imagination. My debt to India for that friendship and experience I can never hope to repay.

But assembled here I see many other of my Indian friends and colleagues, men whom I have come to know in the intimacy of collaboration over a wide variety of enterprises. I shall only mention two here: Sir Manilal Nanavati, President and godfather from its earliest days of the Indian Society of Agricultural Economics, and Dr. S. R. Sen of the Ministry of Food and Agriculture in Delhi. Had it not been for their considerable effort and labour, and for the material support from the Government of India, we should never have overcome the many obstacles we met in trying to bring together in Mysore such a gathering as we see here today. You come from the four corners of the world. Every continent is represented.

But to arrive is only the first step. Your officers share this opening platform with the Prime Minister of India, Pandit Nehru, and, alongside him, His Highness the Governor of Mysore State, who is also her hereditary Prince. Thus we are given a send-off of a most heartening kind. We shall, I am sure, soon accustom ourselves to our new surroundings, to new foods, new customs, new plants, new trees, birds and animals, and more than that, to a very ancient culture and to a people free at last to carve out their own destiny. This will be an exciting and challenging experience in itself, but we have also come here for a specific purpose, and as your President my duty is to restate it.

The object of this Conference is, I quote from our Constitution, "that of fostering development of the science of agricultural economics and of furthering

the application of the results of economic investigation of agricultural processes and agricultural organization in the improvement of economic and social conditions relating to agriculture and rural life.”

That is a bit of a mouthful. At any rate, you will realize that this task is neither an easy nor a simple one, but that the aim is broadly conceived. In the minds of those who agreed it, (and there are people here who will vividly recall as the result of our First Gathering at Dartington Hall in 1929, the drafting of this Constitution at our second Conference, at Cornell in 1930) there was both an inspiration and a conviction. This remains true today. Our conviction is that, in the balancing of rural with urban culture, and in the study of rural economics, there shall be no secrets, that as social scientists we shall always attempt to keep in proper perspective both social and economic problems, and that we shall continually share the findings of our experience and research, until we are able to draw upon information, experience and wisdom from the whole world for the benefit of its people everywhere.

As agricultural economists, our first and chief concern is with the individual farm and with the farmer earning his living from it. Is a farmer efficient? Has he the land, the equipment, the money and credit, the marketing techniques and the energy he needs, to do a good job? We try to measure his efficiency in every way we can with the help of costings, of surveys and of statistics. Of recent years, however, we have come to appreciate that unless we look more deeply into his whole environment, we may blind ourselves and mislead him. The farmer is a family man, his wife and children are also farmers. Without defining quite what they mean, people often talk of farming ‘as a way of life.’ A farm home can, without doubt, be an ideal place for the raising of a family. But the farmer and his wife are also citizens of their nation and of the wide world. They market their products today on a world market. In this way they serve, and are served by, humanity at large.

We must therefore take a wider view of the farm in its relation to the world, as well as to the national economy in which it operates. We have already begun to ask why the farmer does not respond more readily, and more rapidly, in a whole number of directions, to new ideas, new techniques, new markets, new facilities, and to new education and extension services, held out to him everywhere by an expanding variety of agencies. What are the motives, conscious or unconscious, which lie behind a farmer’s decisions to do or not to do, to accept or to refuse advice? Here the economist is brought into direct association with the sociologist and the psychologist. A whole new field, and an important one opens before us, since public expenditure on education for farmers is always, and must always be, on the increase even though there may still seem to be a disappointing return for the money spent.

The theme of this Conference faces this very problem. The farmer offers a service to the community. He needs in return a full range of services, from his market town, from industry, from his University and his Government. Does he yet receive a fair reward for all his labour and foresight? Society, too, in granting this reward, will in turn demand from the farmer new and always changing kinds of response if the terms of trade for agriculture are to be in fair balance.

What is a fair exchange between the farmer and those he serves ? What sort of man do we expect him to be ? Solely an economic factor, plus or minus, in our statistical appreciation and measurement, and no more ? Or do we want him to develop into a whole person, alive and sensitive in every part and faculty of his nature, in every aspect of his being ? The individual personality can only achieve the fullest flowering of which it is capable in harmony with society. The responsibility is mutual, of the individual to contribute his utmost, and of society to offer him in return ample scope to develop. The whole purpose of a society is nothing less than to liberate the individual. To this end we need societies everywhere, large and small, that will welcome the challenge of new ideas, that will prove ever more humane, more sensitive, more flexible and more courageous and so more free.

Today, thanks in no small measure to the efforts of economists, we are liberating peasant communities and farm families, slowly but steadily from a whole range of fears, terrors, catastrophes, drudgeries and disasters that plagued their grandfathers. In so many ancient cultures and religions you find these once uncontrollable forces personified in demons or deities, and carved in wood or stone, so that they may be placated, one way or another.

Today, the world can offer to the farmer, with the help of science and machines, new material freedoms of all kinds, but not always that broader background and educational experience without which man's spiritual aspiration is not fired and his creative imagination not released.

The farmer's wife down history has also shared with her husband the work on the farm, making the butter, or the ghee, and the cheese, and caring for the livestock and the crops as well as the household. In so-called advanced countries she no longer performs many of these ancient arts. Does she always put her new freedoms to the most creative use, for herself, for her family, for her community ? The problem is an ever-widening one, not only on the farm and in the home, but for every citizen and for every State. In preparation for or in pursuit of war, peoples used to be given the choice between "butter" and guns. All too often the choice made was for guns, not "butter." We all hope for the day of fewer guns. But what shall we do with the extra "butter" ? How spread it fairly between rural and urban folk ? Are we to measure these new forms of wealth, that humorously we term "butter," solely in material terms ? Or can we explore with their help a new range of spiritual values ? Our investment in education always seems to lag far behind human needs. For true education means the discovery of creative uses for all the new resources and kinds of leisure being showered upon us.

One of the great opportunities we have at this meeting, through the vision of Sir Manilal and the hospitality of his Government in bringing us here, is the chance to study what is happening to rural development in India. For in India, as in China and South-East Asia and the Middle East, it is the ancient rural community and not just the farm family which is the vital unit. From time immemorial this has been true in India. Great urban conglomerations—Bombay, Calcutta and Delhi—tend as they grow to become impersonal in their operation and costly to operate. In them the creative use of leisure declines. Cities absorb so much

time and energy in the competitive rush from home to work, or just in keeping clean. People are driven to buy entertainment and not to make it, as in the past, for themselves. Cities confer great benefits, but they also cut people off from nature and from daily acquaintance with natural beauty.

If we are to welcome the services that cities perform as centres for government, for the exchange of goods and of ideas, if we are to build, as we must, sizable towns around the great industrial centres we need, we must see that in their own turn rural areas receive the roads, the water supplies, the transport and marketing facilities, and the services of education, health and communication that they also need. In less fully developed countries the ambition to improve and service the rural areas immediately is a natural one, but a full range of improvements and services cannot be provided until the first, the second, and, perhaps, the third five-year plans for industrial and urban development are completed. In rural areas something practical but limited can be done immediately. Meanwhile the research, survey and organization that are needed, before any great sums of capital are invested can and must go on. That is why, at this moment of time, we should take such a sympathetic look at the progress of India's Second Five-Year Plan for industrial development, and at the more gradual progress in the development programme for her rural communities. It is vital in every country that these two plans, the urban and the rural, should bear a proper relation to one another. Here in India is our first chance, as a Conference, to take a look, at first hand, at the attempt of a Government to keep the two programmes in some definite relation and partnership.

The problem of rural India is the under-employment of seventy-five per cent of her manpower. Can the new industries, and the services that go with them, syphon off some of this unused potential? Can all rural areas be so linked with their appropriate urban centres that a new and two-way service may develop between them, so that a wider range of opportunity for agriculture and for the village community can emerge? We have come here to discuss such questions. As scientists, we need a detached assessment of the problems and of the results from all sources, whether positive or negative. The whole world awaits the answers.

How are the half million rural communities in India, housing approximately 325 millions of people, to develop? Often they still lack services of even the most primitive kind. With the right kind of help, they can gain these services and find for themselves the road to an abundant life, based on sound economics, a life that could yield far more than merely a material return. In the West we have still to put on a sensible basis this idea of mutual service between an urban centre and the farms or rural settlements which depend upon it and which it serves. We have hardly begun.

In trying to work out the right balance between urban and rural development, there is one further problem that social scientists must face boldly and examine with care. This is the problem of relating a nation's population to its land resource and to land-use in a world that, at the present rate, will about double its total numbers of people by the end of this century.

It would, I believe, be wise for every nation or State to begin to work out for itself today a sound strategy of multiple land use, before too much land is gobbled up for limited or unsuitable purposes, or lost to use altogether by wind, fire, flood or overgrazing. Humanity must hold and husband the land surface of the globe in trust for future generations. Unless we accept this trust in our own day, whole areas may so deteriorate that they will be spoiled for all time from rendering the wide variety of service that will be needed by successive generations and expanding populations. How men will curse us if we fail to take conservation and preventive measures in time! There is a duty of trusteeship here that we cannot disregard.

For those of you who can spare the time, I would recommend a visit to the area of India serviced by the Damodar Valley Corporation, where an attempt has been made to apply the principles of multiple land-use, and where whole villages have pooled their lands in a common interest of soil conservation, fertility improvement, controlled grazing, and water storage protection. This Corporation was set up by your Prime Minister, Mr. Nehru, within a few months of India's achievement of her freedom. It is still one of the more comprehensive attempts anywhere to achieve a wise strategy of multiple land use.

We know that, with an ever higher investment of capital in good land, whether by irrigation, by drainage or by the application of appropriate machines and fertilizers, we can enormously step up the yield from the soil of foods and fibres. We know, too, that as standards of living rise, food habits slowly change. Diets formerly composed mainly of starch and grains in some form or another gradually come to include more of the so-called protective foods, more vegetables, more fruits and finally more protein—more eggs and milk, more fish and more meat—and all in greater variety and produced at greater capital expense. But as the good land becomes more productive a variety of new demands is also being made upon the poorer lands. By wisdom and forethought and by limited capital investment, they too can offer an ever-widening range of services, whether of timber, of fuel, of water-gathering and storage, of nature conservation, of holiday-making or of easier contact for city folk with areas of great natural beauty. The ultimate interest of soil, of community and of individual is one. I suspect that experiment is needed until we find a variety of ways whereby the State can delegate its responsibilities to appropriate local boards, bodies or trusts, companies, co-operatives, collectives, corporations or individuals, so that proper land-use whether of field, woodland or hillside is guaranteed, without stifling individual initiative and enterprise.

New discoveries and inventions force upon us the need for continuous observation and research, for more flexibility in the use of land and for finding changing means for the meeting of ever-changing human ends. For example, in the three short years since our last meeting, in Helsinki, automation has been sprung upon us, atomic energy is ready to serve us, if still just around the corner. In the realm of social science too psychologists have penetrated still further into the hidden recesses of the human mind. Agricultural economists from early in this century have been pioneers in the social sciences. For years they have set up their listening posts in field, farm and village, often far away from the academic enclosures of universities. There is still for them no shortage of field work. As problems

emerge, sometimes foreseen ten or fifteen years ahead, they set to work to collect relevant material, to measure, to record, to survey and then to digest in writing and in discussion, and finally to serve up their findings in usable form to farmers, to university students and even, if they will listen, to the Ministers of Governments.

The problem of how to bring into some happier balance than at present the capacity to produce on the farm and the need to control an over-production of population is one that we again might use as a proper subject for a subsequent conference. The need to relate people and their changing needs to the available land and resources is one to which we dare not shut our eyes.

It is our established practice to start thinking about the next meeting of this Conference before the current one ends. It was at Helsinki, three years ago, that the first step was taken in building the programme for the present Conference. The Executive Vice-President and I came away from Finland in 1955 knowing that our task was to devise a programme which would continue from there our study of the impact of technical development on the economies of agriculture and on the general and social welfare of rural peoples.

It took us some months after wide consultation to crystallize our ideas into a preliminary outline programme. This outline was sent to all Conference Correspondents in April, 1956, with the request that they should ask their Council Groups to discuss it carefully and pass on to Professor Thomas their considered suggestions for amendment. Again, it took many months for all these criticisms to come in. But, as on previous occasions, the waiting was well worthwhile, for the criticisms received from all parts of the world were invariably constructive. By June, 1957, an agreed outline programme was in existence and invitations to possible readers of the main papers were then sent out.

Our theme, as you know is "*Agriculture and ITS Terms of Trade.*" That is to say that our concern is with the role of agriculture in national economies as well as in a world economy. It is with the problems which arise, and which will always continue to arise because of the ever-changing nature of that role. Our sub-title—"A consideration of the problems of balance between agriculture and other activities in the process of the economic growth of States and in the development of a sound world economy"—makes this connotation clear.

The relevance of the theme to so much that is vital in current world policy needs no emphasis. It concerns every country at each successive stage in its economic evolution. That is why the theme is so appropriate to the first Conference we have ever held in Asia.

Different factors influence the parity position of agriculture. Some of these factors are local, some are world-wide ; some act within agriculture itself and some act from outside; some arise from political or governmental decisions and developments; some from technical innovation or change; some come as a result of sociological or biological disturbance such as the growth or shift of populations, and others from the ever-changing preferences of human beings.

As a result of the operation of these various factors, agriculture is subject to continuous variation in both the long and the short run, in its terms of trade

with other industries and other groups. This variation may, in particular regions, exhibit considerable differences from the overall or world-wide trends. The significance of such variation may be brought home to a particular country or region in either or both of two ways. It may be by changes in the general international trading position of the region concerned, or it may be by new internal problems of an economic, social or administrative character.

The subjects to be discussed therefore fall roughly into one of these two main groups, though, by intent, the papers are not arranged in any special order in the programme. The first group examines some of the more important of the factors which determine the changes which are forever occurring in agriculture's terms of trade. The second deals with the scope for national and international action if we are to deal with the actual or impending shifts in the fortunes of agriculture.

Arising out of our experience and in order to make ample time for discussion, we have tried this year to reduce still further the reading of papers. Our struggles to avoid being smothered under an avalanche of paper readings have meant that invitations have gone out to many here, not to read papers, but to make their contributions in discussion.

Our Members this time come from not less than 56 countries. This should help us to draw new wisdom from almost every corner of the earth. Now that we have grown larger, it is sometimes difficult for new members easily to make contact and fully to contribute or to partake in discussion. We defined this problem in Finland, and have welcomed a new plan and an experiment for this meeting, drawn up by Harry Trelogan from Washington and Joe Ackerman from Chicago, to establish and operate a series of discussion groups, by what is called the Workshop Method. I beg each of you to welcome and to support this experiment to the full.

Many of us have come more than half-way around the world to get here, and we have been assisted in countless ways by countless friends and institutions. May we set to work to make the fullest use of the unique opportunity this gathering offers to us ?