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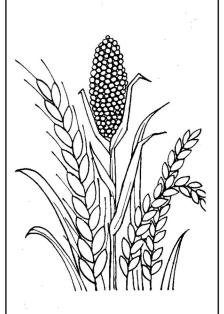
Vol XVI No. 3

1961

JULY-SEPTEMBER ISSN

0019-5014

INDIAN JOURNAL OF AGRICULTURAL ECONOMICS





INDIAN SOCIETY OF AGRICULTURAL ECONOMICS, BOMBAY

would search in vain for the author's own views on agricultural policy and the measures which will meet the needs of the situation. In her anxiety to emphasize her thesis, she almost repeats the arguments made in the earlier chapters of the book in the summary at the end without providing conclusions which would emerge from the study. Some indication of appropriate policy measures would have greatly enhanced the value of the publication.

The book has its own lessons for under-developed countries like ours with backward and structurally weak agriculture. The author emphasises certain inevitable developments in an expanding economy. A progressive agriculture tends to occupy a smaller and smaller place in the national economy in terms of employment and contribution to national income. In this process alone it would add to its unit productivity through a rapid technological advance and basic structural changes. The author usefully points out that some measures designed to protect tenants and small farmers, for instance, would harm precisely the groups designed to be helped or protected, if this basic truth is not appreciated. The illustrations for these have been drawn from British conditions, but like truth they are universal and, therefore, valid under our conditions also. This has been illustrated by the effects of measures of land taxation, land prices and transfer regulations and rent restrictions adopted in Great Britain. On one aspect of the agrarian laws designed to protect the weaker sections the author succinctly remarks: "No form of land tenure, however perfect in theory, can prevent extreme poverty among occupiers whose numbers are increasing faster than the area of land or the volume of alternative employments."

The critical comments on some aspects of the book ought not to detract from its value and the place it should occupy in the literature on the subject. The students of Agricultural Economics in India will benefit from the useful ideas contained in the book.

M. B. DESAI

India's Food Problem, M. L. Dantwala, Indian Council of World Affairs, New Delhi, Asia Publishing House, Bombay, 1961. Pp. 40. Rs. 1.50.

The brochure embodies the three lectures Prof. Dantwala delivered in Delhi in April, 1960 under the auspices of the Indian Council of World Affairs. The title of the brochure is modest as, besides the Food Problem, it also deals with some of the basic issues of the country's rural economy. This small publication, in effect, succinctly puts the main agrarian problems so forthrightly, and yet so objectively, that it gives a reader an extremely clear perception of certain issues about which controversies have been raging for long. The reviewer particularly feels greatly rewarded to find support in Prof. Dantwala to a number of ideas to which he has veered round through years of study of the subject and observations of the Indian rural scene.

Hardly would anyone differ from the author's analysis of the trends in food production, prices, yields and demand. The ideas which Prof. Dantwala enunciates on the structural problems and their solution would also find much support.

His incisive comments on the scope and place for co-operative farming, ceilings on landholdings, the full utilisation of potentials created in agriculture, the efficacy of the conventional inputs in agriculture without the necessary organisational and structural background should similarly be non-controversial. Equally significant are his comments on the atmosphere of uncertainty and suspicion created by the land reforms. They signify both a quick change in grounds excessively and frequently. Prof. Dantwala's comments on the capital-output ratio as applied to agriculture and particularly to Indian farming deserve careful attention by students of research methodology. The input-output ratios in agriculture which he has worked out from the additional investments and production under the first two plans bring out in marked relief both the dangers of reliance on the concept as well as of its total disregard both in the choice of techniques as well as in working out the dimensions of the conventional inputs in agriculture. Above all, he has put his finger on the most important missing link in our development effort: "What is most essential at present is a change in the mood and responses of the people." "Economic development..... must become an inconspicuous habit, a quiet routine which..... takes in its stride along with living joyfully, but with purpose."

One would, however, like to join the author in reflecting on a few ideas presented in the booklet. The levels of agricultural prices should be examined not only from the rate of increase in them in recent years but the levels at which they stood in normal times, in order to judge whether they are excessive and the extent of the contribution to them by the inflationary pressure. No one would deny that the pre-war normal food prices were unduly low. About State trading in foodgrains the expert inquiries in their working in various States bring out the difficulties in working it and the competence of the State apparatus to handle it, apart from such other questions as the difficulties of operating the idea under conditions of wide fluctuations in supplies and prices, the trading risks involved and the financial wherewithal and storage. The problems of effective price control, successful rationing and movement regulations have similarly to be viewed in the light of these basic features. The country's economic mechanism is capable of response to fiscal, monetary and direct control measures in a limited way and, therefore, would tend to become an important limitation. The co-operative society is to be the vital link in the machinery of State trading. Everyone is aware of its equipment and resources. The co-operative has as yet to acquit itself creditably in such conventionally assigned spheres as credit and marketing. The multipurpose concept is still largely on paper and has yet to be successfully translated into practice. Similarly, an elaboration of whether "for purpose of aggregate production, resources in short supply yield better results when applied extensively or intensively" would have been fruitful, though it would be conceded that "our effort should be steady and persuasive" upto a point. On the question of demand for food and therefore the production target by 1966, Prof. Dantwala would agree that with an excess of 10 millions of population as revealed by the preliminary estimates of the 1961 census over the projections of the Planning Commission and likely higher growth rate than presumed a production target of 100-102 million tons would not be too much on the high side, though one would certainly agree with Prof. Dantwala about the feasibility of achieving it in the light of our past experience. Likewise, in evaluating the magnitude of the demand, one wonders whether foodgrains and protective foods are substitutable even under given levels of incomes and limited supplies of the one or the other. Would, therefore, a

presumption of this nature not lead to an over-estimation of needs and thus an exaggerated picture of our food problem in 1966?

Some of these ideas are spelt out in a manner of loud thinking. Perhaps, they are also the result of the common academic contagion of discussions, where none need exist. There is no doubt that Prof. Dantwala's brochure provides a refreshing analysis not only of food problem, but also of the major Indian agrarian questions. He also very ably brings out that the former is closely linked with the latter and that there is a need for a simultaneous approach to both to solve the rood problem, which is only one of the many problems of the economy.

M. B. DESAL

An Enquiry into the Problems of Agricultural Price Stabilization and Support Policies, Food and Agriculture Organization of the United Nations, Rome, 1960. Pp. xi + 234. \$2.50.

The problem of agricultural price stabilization and support policies is one of the few most intricate ones about which experts, policy-makers and people all are worried alike. It is a problem which inevitably arouses human emotions which cloud the issues involved. Barring a few outstanding attempts, the large amount of literature devoted to the study of this problem have failed to contribute in thrashing out properly the issues and suggesting adequate remedies to solve the problem. Often the remedies suggested have not taken roots in the real issues or if at all they seem to do so the remedies at once lead exactly to the point from where the problem starts. The attempt of the two groups of experts (1. Working Party and 2. Panel) whose reports comprise the F. A. O. publication under review is one more such failure.

In Economics, two major roles of prices are (i) optimal distribution of products and (ii) efficient allocation of productive resources to various competing uses. These two roles are best fulfilled when the movements of prices are free and unfettered. In case of agriculture, the trouble starts exactly at this stage; the weather a variable exogenous input varies so much and in turn makes production fluctuate so widely that output is most of the time out of pace with the demand for its consumption. This is between years. Within one year point, output and continuous demand create another sort of disparity. Both lead to wide amplitudes of price variations. The producer then tries to play a safe game (and so also the financing agencies); as a consequence, productive resources are so conservatively used that on an average, production tends to be low, prices high, and resource allocation between agriculture and the rest, sub-optimal. There is a side story rather many stories—varying incomes make peasants' life oscillate between privation and plenty, the international trade a gamble and often restricted, and the mobility of resources—human and non-human—in and out of agriculture, low.

There is another more general phenomenon in the economy, the technology, the tastes and relative demands for different products and also the composition of resources made available to the economy which change through time. The