

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
http://ageconsearch.umn.edu
aesearch@umn.edu

Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.

Vol XVI No. 4 ISSN

0019-5014

OCTOBER-DECEMBER 1961

INDIAN JOURNAL OF AGRICULTURAL ECONOMICS





INDIAN SOCIETY OF AGRICULTURAL ECONOMICS, BOMBAY

As with the assessment of the enacted land reforms—which of course are far from perfect and poorly implemented—the author's delineation of the performance of the agricultural economy during the two Plans needs many corrections. In his chapter on Poverty and Land Hunger, the author has stated that (1) rural per capita incomes have not increased, (2) in spite of our planning, food shortage is growing—the per capita availability of cereals taking imports into account has dropped, (3) agricultural production has failed to improve, (4) area under cultivation has not increased, (5) total area irrigated has remained constant since 1951, (6) per acre yields have not registered any improvement. In short, Indian agriculture has remained stagnant; and in Table 23, basic statistics regarding agricultural stagnation in India has been provided to prove the statement. The latest year for which statistics are given is 1957-58, the worst during the Second Five-Year Plan. It is true that the research was conducted in the year 1956, but the book is published in 1961 and the author's Preface is dated October 1960. Any way, the basic statistics regarding Indian agriculture today (and derived from the same source as that of the author) are as follows. The author would of course still be entitled to characterise the situation as stagnation—primarily due to private ownership of land!

The index of foodgrains production (1949-50=100)—corrected for increase in Reporting area—in 1960-61 was 135.0 and that of overall agricultural production 139.1. In absolute terms, the production (unadjusted) has increased from 52.2 million tons in 1950-51 to 79 million tons in 1960-61. Since we know that population during this period has increased by about 2 per cent, per capita availability of foodgrain and agricultural production could not have declined—if imports are also included certainly not. Though we have no exact data of rural incomes, agriculture's contribution to national income at constant prices has gone up from Rs. 42.5 abja to Rs. 52.1 abja or at an average rate of 1.9 per cent between 1948-49 and 1959-60. During this period (1950-51 to 1960-61) net irrigated area has not remained stationary but increased from 51.5 million acres to 70 million acres. Lastly, the consumption of nitrogenous fertilizers by the stagnant Indian farmer has gone up from 55,000 to 230,000 tons or just by 318 per cent.

It is a pity that a good case for institutional change in agriculture, better conceived and efficiently implemented land reforms has been spoiled by faulty facts and interpretations by the author.

M. L. DANTWALA

Studies in Economic Development with special reference to Conditions in the Underdeveloped Areas of Western Asia and India, Alfred Bonné, Routledge & Kegan Paul, London, 1957. Pp. x + 294. Rs. 27.35.

In the ever-growing literature on the problems of growth and development, it is becoming increasingly difficult to distinguish between innovations and inventions of ideas. So often ideas in this field appear to be new. Nevertheless, on careful scrutiny it would appear that they are only familiar ones presented under newer garb and unfamiliar patterns. On reading Professor Bonné's Studies one wonders at times where he is restating the familiar, and where he is saying

what was not known before. There is, however, little doubt that the framework he adopts is novel. This has helped in his gaining new insights into the issues he is dealing with.

His basic proposition is that economic development is essentially a process of adjustment of the less developed countries to various new forces, technological and institutional, which have to be induced through series of conscious and sustained decisions. Among the under-developed countries different economies reveal varying degrees of adjustment in facing the challenge of under-development and overcoming it speedily, yet without serious breach with the historical past. The special feature of his *Studies* is that he seeks to evaluate the speeds of adjustment of different economies to the process of economic change in Western Asia, more especially in India. From the study of the adjustment process he seeks to build up the norms for appraising economic development speeds in different countries.

The principal findings of the Studies can be briefly stated. As the process of the economic development gets under way, the economy as a whole becomes increasingly more productive so that the ratio of earners to dependants keeps on rising gradually as well as the levels of earnings. These levels rise as a result of greater plough-back of incomes saved into a growingly diversified range of industries, rural and urban. The increase in the level of earnings is deliberately sought to be distributed equitably in such a manner that the ratio of earned to un-earned incomes advances. Equally, there is conscious urge to maintain a balance between population growth and economic growth so as to see that the per capita level rises at least as fast as the overall level of the national product. A new climate of conscious control over the forces of nature is sought to be developed by encouraging scientific and technical research and the use of its results by different industries-private or public. In consequence, the process of 'creative destruction' gets started, a process which has no place under economic stagnation. Obsolescence becomes more important than depreciation and in fact more enterprising under-developed economies jump the queue of growth and come as far near its head as possible by adopting the most modern of industrial techniques.

Professor Bonné's discussion on the mechanism of economic development is indeed pellucid, something that is not often seen in not more austere and rigorous exposition of the growth theory. In his view, the most important role of economic development is to liberate forces of economic change by means of various political and institutional policies. Once the potential for change is so liberated the challenge to economic development is readily taken up by the people and development process becomes self-propelling.

Judged by the norms he sets up, his analysis of the development effort in India over the last ten years reveals interesting conclusions. He reserves his judgment on the efficacy of land reform for increasing the productivity of agriculture. He is more enthusiastic about the process of industrialization in this country and one gets the impression that he is more optimistic about the prospects of growth of industries in the country. The picture that emerges is that the agricultural sector in this country does not appear to have taken up the challenge of economic development in the same measure as the industrial sector. Consequently, the

overall process of growth is likely to be somewhat prejudiced, at any rate, limited by the slackness of the growth of the agricultural sector. Planners in this country have already become aware of the problems of imbalance between the two sectors. What is interesting is the route by which Professor Bonné infers this imbalance and the analytical technique he employs for arriving at the inference.

S. B. RANGNEKAR

Agrarian Unrest in Southeast Asia, Second Edition, Erich H. Jacoby, Asia Publishing House, Bombay, 1961. Pp. x + 279. Rs. 17.00.

This is a fully revised and enlarged edition of Dr. Jacoby's well-known work on the agrarian problems of the Southeast Asian countries, originally published in 1949. Since then, Dr. Jacoby has been the Chief of the Land Tenure and Settlement Branch of the Food and Agriculture Organization of the United Nations. As such he has had ample opportunity to visit the several countries personally and to examine their agrarian problem closely and at first hand. The knowledge and understanding thus gained has all gone into the revision of this important work. In spite of the many changes that have taken place in these countries during the last decade and the much progress that is evident, the one dominant impression which Dr. Jacoby has apparently gathered is that political independence, though a necessary condition for economic development and emancipation of poverty-stricken masses, is in itself not sufficient. That is the theme which runs through this book and is amply illustrated by the variety of developments that have occurred in the several countries.

As in the earlier edition, a chapter each is devoted to the description and discussion of the agrarian situation in Indonesia, Burma, Malaya, Indo-China, Philippines and Thailand. In the first edition these country reviews were prefaced by a General Survey and were followed by a concluding chapter entitled Agrarian Unrest and National Movements. In the revised edition, both these are taken at the beginning and are followed by the country reviews. The book is concluded with a brief Epilogue.

The book provides excellent up-to-date material on the agrarian problems of the countries of the Southeast Asia. Its utility as a handbook is enhanced by an exhaustive 17-page Index at the end.

V. M. DANDEKAR

Agricultural Economics in India—A Bibliography, Second Edition, Directorate of Economics and Statistics, Ministry of Food & Agriculture, Government of India, New Delhi, 1960. Pp. 342.

With the growing interest in social research, several agencies have now undertaken preparation of Bibliographies on literature published from time to time. The UNFSCO Research Centre on Social Implications of Industrialization in Southern Asia have been issuing Abstracts of Social Science Periodicals with detailed annotations regarding their content. The Inter-University Board has been