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Vol XXV  
No. 2

ISSN 0019-5014

APRIL-  
JUNE  
1970

# INDIAN JOURNAL OF AGRICULTURAL ECONOMICS



INDIAN SOCIETY OF  
AGRICULTURAL ECONOMICS,  
BOMBAY

## BOOK REVIEWS

*Long-term Projections of Supply and Demand of Selected Agricultural Products in Pakistan, 1961-1975*, S. A. Abbas, Oxford University Press, Lahore (Pakistan), 1967. Pp. x + 236. 30s.

This book is the outcome of a study conducted by the social sciences research centre of Punjab University, Lahore (Pakistan). The different components that go to determine supply and demand of agricultural commodities have been discussed in the context of Pakistan's economy. The discussion of each component forms a chapter. After introduction Chapter II has been devoted to income projections, Chapter III to the growth of economy, Chapter IV to population projections and Chapter V to consumption trends and calorific requirements. In Chapters VI, VII and VIII projections of consumption (demand), supply and foreign trade have been worked out and discussed.

This study is an attempt to peep into the distant future, *i.e.*, a period of 24 years of 1961 through 1985 although the title of the book indicates the period 1961-75. One has to be on guard with the assumptions with regard to the different variables involved. In Chapters II and III the sectoral and the regional performance of Pakistan economy has been discussed under the five-year plans and the role of agricultural sector in economic development of Pakistan in general has been evaluated. The author seems to be pessimistic about the future development of Pakistan economy. This is evident when he assumes that per capita income differentials will continue to be the same among agricultural and non-agricultural sectors from 1961 onwards on the plea that over the past period, *i.e.*, 1950-61 this gap has been constant.

Again while projecting the supply of foodgrains, the possibilities of technological break-through in agriculture in the coming 24 years has not been visualized. Projection figures are based on linear trends in yields and areas. By simple multiplication production (supply) figures are arrived at. Factors such as changes in cropping patterns, adoption of optimum technology and other related problems have not been touched upon. This is probably why there occurs a deficit of supply over demand (consumption) in all the commodities even after fifteen years of development planning ahead.

While the demand part of the study has been dealt with a little thoroughly, the supply aspect has been almost neglected. The variables that go to project supply of foodgrains have not been given any place. One gets an impression as if the time bound project was to be completed in time and supply projection were worked out when the write-up was going on.

The elasticities of demand coefficients have been obtained by using a double logarithmic function, *i.e.*,  $\log c_i = \log A + b \log Y + U$ . But there seems to be something wrong in the interpretation of coefficients. While  $b$  represents expenditure elasticity of demand (quality elasticity), "A" does not represent quantity elasticity. To arrive at quantity and quality elasticity the variable  $c_i$  has to take values as quantity consumed and consumption expenditure of the item respectively. This is exactly what has been done and explained in Appendix B at page

190 wherein again there is misprint of sign (+) which should be in between log a and b log  $\gamma$ .

The author admits (page 192) that the choice of the functions for arriving at the elasticity coefficient, apart from other consideration, depends upon the goodness of fit of the fitted function. But he does not seem to have gone by that. The value of  $R^2$ —coefficient of multiple determination—for most of the major commodities in East Pakistan is very low, viz., for rice it is .0950 (for quantity) and .000091 (for quality elasticity); for gram it is as low as .0003, for fish it is .1111, etc. This shows that the functions used to estimate demand elasticities were not suitable particularly for those commodities for which  $R^2$  was very low. Again while projecting the supply of foodgrains it has been mentioned in the beginning that the trends and the cycles in the production of different agricultural commodities have been analysed; “for observing trend, regression analysis has been used and for observing cycles Fourier analysis was undertaken.” But the results of Fourier analysis have not been produced anywhere at any stage.

The exact estimates of the contribution of different sectors, i.e., 31 per cent and 69 per cent for agriculture and non-agriculture sector at the end of 1985 have been obtained. But how these estimates have been obtained is not clear in the book.

This book is an addition to the scarce literature available on supply and demand projections. Although there is no methodological contribution that this book can claim to have made, yet this can serve a piece of guideline for planners in Pakistan and for students interested in projection analysis.

J. L. KAUL

*Economics of Irrigation Rates—A Study in Punjab and Uttar Pradesh*, Nasim Ansari, Agricultural Economics Research Centre, University of Delhi, Delhi, Asia Publishing House, Bombay, 1968. Pp. xv + 360. Rs. 35.00.

This book is the outcome of a study undertaken by the Agricultural Economics Research Centre, University of Delhi at the instance of the Directorate of Economics and Statistics of the Ministry of Food and Agriculture, Government of India. The study was initially conducted in 1959-60 and was revised for publication during 1963-64. The regions studied covers the States of Punjab and Uttar Pradesh.

The book is divided into six chapters. The first chapter is introductory and presents the problem and its setting. Chapter II reviews the development of irrigation rate structures of Punjab and Uttar Pradesh and makes an appraisal of the methods so far used for fixation of water rates in these States. The earlier discussions on the various factors bearing on the problem of rates fixation have been carefully analysed in Chapter III. Chapter IV is devoted to an examination of the cost structures of irrigation works in the two States. In Chapter V, survey and relevant secondary data have been analysed to study the demand for irrigation

and the various factors having their bearing on this aspect of irrigation. The last chapter sums up the whole discussion and presents the conclusions.

As the contents show the study is a well contemplated and neatly executed research work. The survey and secondary data are purposefully collected and intelligently analysed. The conclusions are adequately supported by empirical data. The findings though logical are likely to be resented by the users of irrigation being unfavourable to them.

The fixation of rates for irrigation has assumed considerable importance in recent discussions and writings. The irrigation authorities and the Planning Commission emphasize the need for stepping up charges for making irrigation a self-supporting proposition in the long run. They contend that there is a large public investment in irrigation and that it is important to find ways and means for recouping costs. They point out that the irrigation rates have not risen commensurately with the rise in prices while costs of construction have gone up not only because of the price rise but also because of the need for undertaking construction of dams at increasingly more inconvenient sites and for providing more expensive network of distributories.

The users of irrigation and some others in official and non-official circles fervently plead for keeping rates at low level so that cultivators may find it economical to use irrigation in all regions and seasons. They maintain that the low rates are inevitable if under-utilization is to be avoided and irrigation facilities are to be extended further.

These conflicting claims and several other issues relevant to irrigation rates fixation have been examined empirically and the author has done it commendably.

In rates fixation, the central issue is whether or not the State should subsidize irrigation. The need for subsidy, on theoretical score, is suggested on two grounds. Firstly, irrigation being a decreasing cost industry, deficits are inevitable for equating price with marginal cost. Secondly, irrigation has many indirect and diffused benefits, all of which may not be chargeable. The author has examined these arguments little closely and shows that neither of them is valid. His finding indicates that ultimately rates must cover costs.

The study thus is revealing and stimulating but all the same two shortcomings of this study may be noted. Its findings have limited application because they are based on data collected from only two States and mostly from new irrigation works. The other limitation is as regards the usefulness of the statistical information. The study was initially conducted in 1959-60 and was later on revised in 1963-64.

Despite these limitations, research scholars and students of agricultural economics will find this book useful and very stimulating.

*Community Development: An Analysis of the Programme in India*, S. N. Bhattacharya, Academic Publishers, Calcutta, 1970. Pp. x + 171. Rs. 20.00.

The book is a manual on community development rather than an analysis of the programme in India as it claims to be. It gives a chronological account of the success and failure of the programme but hardly makes an attempt to analyse the factors which made for its success or failure. One of the greatest confusions about community development has been the lack of a precise definition as to what constitutes community development. It has variously been defined as a process in which people unite and pool their resources in an effort to improve economic, social and cultural conditions of the community, a programme of developing human and material resources, a movement designed to promote better living for the whole community, an approach to attain certain social objectives, and so on. The author has not been able to resolve this confusion. In Chapter I, he has given the various definitions and at long last says that community development can at best be considered a programme. But, later on in the same chapter he says that community development is now accepted as a technique which governments have adopted to reach the village people. In Chapter V he further says that community development is a method to achieve certain targets within the national plan. So, the confusion continues.

A good account has been given in Chapter III of the book of the various rural development projects undertaken in the country from time to time and this information relating to different parts of the country and different periods has been carefully pieced together. It gives a historical background to the community development programme, but does not explain in what significant manner the latter programme differed from the former except in wider area coverage. With the Government entering the field in a rather big way this was bound to happen as against the private or isolated attempts made earlier. In what particular aspects the new community development programme was an improvement over the earlier rural development projects has not been brought out in the book. This lacuna has made the otherwise well-written chapter "Rural Reconstruction—A Peep in the Past" only a study in retrospect. If specific object lessons had been drawn from this study for future improvement or modification of the programme, it would have made the chapter more useful.

One of the major drawbacks from which community development suffered was that it attempted to do too many things at a time. As many as 43 items of work have been listed in Chapter IV of the book which were assigned to community projects for execution. While it was claimed by the proponents of the movement that community development was essentially a programme of social change, not a single item in the list indicates how community spirit or community consciousness was sought to be built up without which social change could not be brought about. The author has meticulously refrained from making any comments on, much less any analysis of, the malaise of gigantism with which community development was afflicted.

In its hey-day community development had evolved a jargon of its own. What was often put forth as the philosophy of the programme was nothing more than vague generalizations, pious resolutions and political rhetoric. Bhatta-

charyya has provided good examples of this exercise in Chapter V of the book titled "Search for a Philosophical Base." The author quotes no less a person than Shri S.K. Dey as saying that the three tenets of faith: "Muscles can do it," "Muscles can be trained to do it," "Conditions can be created to do it" were enshrined to inspire the joint effort known as community project. The ultimate aim of the scheme was spelt out as "Destination Man." Bhattacharyya states on his own that the basic principles on which the movement laid stress were (a) the motive force for improvement should come from the people themselves. The vast unutilized energy lying dormant in the countryside should be harnessed for constructive work, every family devoting its time not only for carrying out its own programmes but also for the credit of the community. (b) The co-operative principle should be applied in infinitely varying forms for solving all problems of rural life. A philosophy is a well reasoned out thesis of a programme or movement and not a mere statement of its aims and methods. The author has neither been able to give a good exposition of the philosophy as visualized by the authors of the programme nor propound a convincing one of his own.

The chapter on *Panchayati Raj* is again a mere description of how *Panchayati Raj* came into being, without any attempt on the part of the author to establish an organic link between community development and *Panchayati Raj*. A history of traditional village panchayats in India has been traced from the Vedic period to medieval times, but what has obviously been forgotten or ignored is that these institutions were units of local self-government, including administration of justice, and not instruments of community development or social change. How the advent of *Panchayati Raj* ensured better form of community development than before or, in other words, the *raison d'etre* of *Panchayati Raj* for community development has not been expounded in the book. The mere repetition of the rationale from the Balvantrai Mehta Committee report is not enough for the purpose. At least, the later-day developments should have made the author wiser.

Community development has been in the doldrums for about eight years now. Its decline started from about the time of Chinese aggression on India. The author puts the blame only on one factor—excessive attention to increasing agricultural production. He moans: "The Community Development Ministry missed the bus when they agreed that the village level worker should spend 75 per cent of his time on agriculture and later they even succumbed to his giving 100 per cent of his time to that." This is too naive an explanation for the decline of the programme. It is known even to a man casually associated with community development that there were many other and varied reasons for this. The author's posture of injured innocence is hardly convincing. A more thorough and intimate account of the failure of community development was expected of him than what he has given in the chapter "At the Cross-Roads."

R. N. BISHNOI

*Economic Problems of the Jhumias of Tripura*, J. B. Ganguly, Bookland Private Ltd., Calcutta, 1969. Pp. viii + 129. Rs. 16.00.

This book is a revised version of Ganguly's dissertation submitted for the degree of Doctor of Philosophy (Arts) to the University of Calcutta in 1962. The

field work was carried out in Amarpur and Kailashahar sub-divisions of Tripura, during late 'fifties. The book comprises five parts consisting of 16 small chapters. The arrangement of chapters seems to lack a well defined sequence. For instance, the first three chapters relating to general description of *jhum* (shifting cultivation), scope and methodology of the study, and history and general particulars of Tripura, its people and vegetation, all form an introductory section of the book. Relating to the same theme, Chapters 10, 11 and 12 could also be consolidated in one chapter and could be placed just after the chapter on introduction. These chapters present informative description of the changes in the historical background of shifting cultivation. Problems involving change from the traditional pattern of *jhum* to modified *Taungya* system or plough cultivation have been discussed. Thus arranging all these chapters in one sequence would have given undisrupted reading. Also Chapter 15 on Karamchhera Jhumia Colony could have been listed as Chapter 3.

Publication of the field data relating to 1958, with the lapse of 11 years is unduly delayed. This has a bearing on the time horizon of the book. Ganguly reported 16 lakh acres of land (*i.e.*, 60 per cent of the total area of Tripura) under shifting cultivation in 1958 but the Tenth Report of the Commissioner for Scheduled Castes and Scheduled Tribes of the Government of India for 1960-61 showed the area under shifting cultivation to be 11.69 lakh acres. How could this difference in area under shifting cultivation be possible within a couple of years, more so when the *jhumia* colonisation schemes could not be successful during the period under reference? The period of survey as reported by Ganguly on page 11 differs from what is stated on page 56. Also, the reviewer could not understand the reason for making a separate survey of five villages in 1963 to find out the land carrying capacity under *jhuming*. He could have better confined his study to the ten selected villages and to the earlier period to avoid such ambiguities. Ganguly refers to the statistical survey which he conducted in 1958 and mentions repeatedly on pages 11 and 79 that he has given the schedules and questionnaires in the Appendix to Chapter 13. But these are not traceable anywhere and not even on page 98-A as given in the contents. One has, however, to believe that Ganguly made a census survey of the 114 families residing in the ten selected villages. The author admits of having placed complete reliance on verbal interrogations in spite of some limitations of this method of enquiry. He also contacted the special informants who were tribal chiefs of villages and school teachers. He thus mainly relied on anthropological methodology to thresh out the economic problems. This appears to mar the authenticity of the economic results.

Chapter 4 gives details of the *modus operandi* of *jhuming* and the names of crops grown under it. The economic organization of the *jhumias* followed by the description of their social organization is discussed in Chapters 5, 6 and 7. The system of *dadan* (crop advance) controlled by the *Mahajans* has many evils as Ganguly puts it. He is critical of the change in crop pattern because it has included more of cash crops such as cotton, sesamum, mesta, jute, etc., by displacing the food crops such as paddy. He would perhaps call these *jhumias* as progressive cultivators who have taken up profit maximizing cash crops. Since the cash crops alone are acceptable for loan repayment by the *Mahajans*, the *jhumias* grow mainly these crops. It would have been more interesting to find out the extent of 'pro-



cured deficit' of the *jhumias* in respect of food crops.<sup>1</sup> Chapters 8 and 9 are very small and run into 6 pages. They contain estimated figures of total area under *jhum*, and agricultural produce (1957-58), worked on guesswork? (p. 52.) Land carrying capacity under *jhuming* has been discussed in some detail with the help of field data collected from five selected villages. The author concludes that an approximate area of 20,235 hectares under *jhum* can support about 2,200 persons only.<sup>2</sup> Earlier it is mentioned that the *jhumia* possesses no ownership of land.

Chapter 10 reveals that the former native rulers of Tripura did not pay any attention to foster economic development among the *jhumias*. Permanent taluka rights were conferred in large areas on the middle class Bengalis who again leased out the land to *rayats*, the actual tenants. The territory received a large number of refugees. The new deal for a big change ahead is discussed in Chapter 12. The area fit for *jhuming* declined further. Various *jhumia* colony schemes and modified *Taungya* systems have been adopted in Tripura. Karamchhera Jhumia Colony was evaluated by Ganguly as a case study and the results are given in Chapter 15. It is reported that 30 out of 95 families of Tripura and Riang tribe had deserted the colony in 1959 for various reasons. Although it is stated that most of the settlers have leased out their land to the *bargadars* (i.e., the refugees of the Machhlichhera Refugee Camp) the author has not examined the factors responsible for this. Most of the observations made by Ganguly reflect his deep insight into the socio-economic problems of *jhumia* settlers. Hence his recommendations are worth consideration at the policy level. The main economic results of the survey of 114 families of the ten selected villages are given in Chapter 13. It is noted that 66.7 per cent of the income of the *jhumia* is derived from *jhum*. The per capita income of the *jhumia* as compared with that of *Baigas* of Madhya Pradesh is three times higher. *Jhumias* are better off as compared to agricultural labourers of Tripura. Ganguly's contention that hill-dwellers habitually lead a simple and inexpensive life (p. 85) is contradicted by his own finding (p. 86) when he says that next to food, the most important item of expenditure is intoxicant. On the whole, the book will be useful to research workers in tribal areas.

M. L. PATEL

*Farm Credit and Co-operatives in India*, V. Tirupati Naidu, Vora & Co., Publishers Pvt. Ltd., Bombay, 1968. Pp. xii + 231. Rs. 15.00.

This is a critical study of the Integrated Scheme of Rural Credit during its formative crucial period from 1956 to 1961. It examines the problem of agricultural credit from both the demand and supply sides. The demand for credit is a derived demand—derived from the increasing tempo of development in agriculture. But during most part of the Second Plan period, there was agricultural stagnation. Basic weaknesses such as subsistence farming and small farmers acted as serious constraints on the expansion of co-operative activities. The combined effect of various measures taken under the integrated scheme on the

1. See M. L. Patel, "Marketed Surplus and Procured Deficit of Agricultural Commodities in a Tribal Village," *Agricultural Situation in India*, Vol. XXI, No. 8, November, 1966.

2. See "Carrying Capacity of Land under Shifting Cultivation," Saradindu Bose for detail treatment.

supply side was on the whole satisfactory. The acceptance of new ideas such as State partnership, economic viability of primary co-operatives and vertical as well as horizontal integration of business had changed the basis of the co-operative movement and brought about far-reaching organizational and functional changes.

The study makes out a case for according high priority to agriculture. Permanently higher and more efficient agricultural production cannot be achieved without a substantial investment in agriculture. Over the period of planning large investments have in fact been made by the State on various programmes of agricultural development. These investments to be really effective should be matched by corresponding private investments by millions of scattered cultivators. As the levels of income and savings are low for the bulk of cultivators, one of the important factors determining the level of investment is the provision of a satisfactory credit supply organization.

With the help of data collected from various official and non-official studies the author makes an attempt to indicate the level of private investment in agriculture and the way it is financed. Self-finance constitutes the most important source of capital formation in Indian agriculture. This is especially true of medium and long-term capital needs. Programmes to promote capital formation in agriculture must be built on the foundation of high pay-off capital items and new inputs. In other words, only technological improvements can create new profitable investment opportunities.

The study underlines the pressing need for promoting operational efficiency of farm co-operatives. It shows that the failure to resolve the controversy on the business vs. social aspects of co-operation has led to vacillation in co-operative policy. The question of State partnership was wrongly mixed up with the issue of State interference and the large size societies were given up in favour of service co-operatives notwithstanding the fact that on the ground of economic and efficient service, there was no objection to large size societies. Undue emphasis on the moral aspect of co-operatives to the exclusion of the business aspect has cost India very much in the past. Ignoring the lessons of history at the present juncture would be harmful both for the movement and for the nation. The spirit of co-operation can best be preserved by more effective and efficient network of co-operatives.

The review of the State and Central co-operative banks highlights the need for strengthening their owned resources. Their increasing dependence on borrowings from the Reserve Bank will make it difficult for these banks to perform efficiently the pivotal role assigned to them. Land mortgage banking is still in a transitional stage. In many States land mortgage banks have no organization at all at the primary level. It is necessary to give attention to the establishment of primary land mortgage banks at the taluka level. What is more, it is not enough to provide development finance. Such loans require better and more efficient supervision accompanied wherever possible by technical guidance. The banks should endeavour to obviate the traditional cumbersome and time-consuming procedures. The Government should also provide protection to these banks in respect of title deeds. The loan policy of these banks should be integrated

with appropriate schemes for land improvements. The Agricultural Refinance Corporation can play a vital role in land improvement schemes.

A reduction in the lending rate of co-operatives is often suggested in the hope that it will lead to a general reduction in local rates. Towards the same end the abolition of the second tier of the co-operative institutions is also advocated. The suggestion to eliminate the middle stage, namely, the district central bank, is presumably born of the idea to save expenditure on it. But advocates of this idea seem to lose sight of the fact that the apex bank at the State level cannot directly deal with primary societies without the help of branches in districts which means that the expenditure of the district central bank will be substituted by that of branches. The question therefore is not one of changing the pattern of co-operative credit machinery but of finding out whether the margin between the interest rate at which funds are available from the Reserve Bank and the rate charged to the ultimate borrower is unduly wide. As far as possible, a higher margin may be allowed at the primary level as compared with the other two levels of the structure to enable credit societies to acquire greater financial strength.

The author rightly believes that providing adequate credit from a single institutional source is more important than the rate of interest. In the past over-emphasis on getting loans to the cultivator at the lowest possible interest rate has retarded the capital growth of co-operatives and restricted their ability to serve the borrower. The pattern of interest rates of co-operative institutions should be adjusted to meet the changing conditions in the money market. Even a veteran co-operator like the late V. L. Mehta was in favour of some increase in the lending rate of co-operatives.

By following an appropriate lending policy it is possible for co-operatives to reduce the burden of interest rates on their loans. With most societies it is usual to issue every loan on the same day and make repayable similarly on a single day towards the end of the year. Instalments are very rarely ordered though they are often possible. At the most, borrowers are given to understand that they may pay by instalments if they please. The result is that interest is charged on all the loan for the entire period. In the U.S.A. many local banks and production credit associations have been able to get over this difficulty by making 'budgeted loans' which are disbursed in instalments as needed by the farmer and repaid when the products financed are sold. The crop loan system recommended by the Rural Credit Survey Committee has many features of the budgeted loan and therefore it should be adopted by all co-operatives in the country.

Improvements in credit co-operation alone can hardly meet the problems of small and tenant farmers. Only an integrated rural rehabilitation programme can really help them. The American Rural Rehabilitation Programme has many lessons to offer. We can give a trial to the plan recommended on these lines in a few community development blocks where there are well developed co-operative institutions.

While discussing the role of the Reserve Bank of India, the author draws attention to certain difficulties arising out of the growing dependence of the co-operative movement on the central bank resources. This creates problems in the

field of monetary policy. The author also reiterates the suggestion made by Edward Maclagan in the early 'twenties to have Co-operative Adviser with the Government of India. He would also like the Reserve Bank to set up the National Agricultural Credit (Relief and Guarantee) Fund as recommended by the Rural Credit Survey Committee in 1954.

Although the book was published in 1968, data regarding the co-operative movement do not extend beyond 1960-61. The author could have profitably covered the Third Plan period. While going through the book, one feels that the grip shown by the author in the earlier part of the study gradually gets diffused in the latter part. However, the author does succeed in provoking serious thinking on the problem of rural credit. He has a testimony to this effect from no less a person than Margaret Digby, world renowned authority on Co-operation.

A. C. SHAH

*The Lonely Furrow—Farming in the United States, Japan and India*, Kusum Nair, The University of Michigan Press, Ann Arbor, U.S.A., 1969. Pp. xi + 314. \$ 7.95.

Kusum Nair in her journalistic style of writing has approached the problem of differentials in response of the farmers to different physical, economic, social and political situations and stimuli in contrasting locational and geographical conditions represented by U.S.A., Japan and India. The book composed of short chapters with catching titles keeps the reader's interest mounting and expectations rising on the probable unconventional conclusions the author would arrive at. For a student of comparative social and cultural values and behavioural patterns the book is a praiseworthy attempt, but economists, planners and policy makers would probably be disappointed on the imprecise and unworkable policy suggestions made in the last chapter captioned 'Wheat and Tares.'

Although Kusum Nair started with a search for an answer to 'a question in her bag' as to 'why the farmers work and produce as they do,' yet she has intended the book also to be of help to the planners and policy makers in their effort to induce rapid growth in agriculture. Her primary focus in this book is on the producers as they influence the development and growth of agriculture. She has not attached a matching weightage to the off-farm resources and organization of service and facilities internal to agriculture. She feels the farmer is the most crucial and least predictable factor; he plows a lonely furrow; it can be deep or shallow; soil can yield poorly and vice versa depending upon the will and skill of the cultivator. In her inferences she has, therefore, emphasized squeezing the farmer to follow only one given course of action, by deliberately cutting out all the other choices. This lesson she seems to have derived from the tight position the farmer was put to in Meiji regime in Japan where, in distress, he had to put in frantic efforts to produce 'that one extra *koku* of rice.' She has been heavily influenced by the statement of Kamio Haruhide, "Peasants are like sesame seed. The more you squeeze them, the more oil you get;" and, like Marx, has considered the farmers, 'a bag of potatoes,' deserving no human considerations. One would

wonder at the feasibility and desirability of such a policy in democratic human society.

In her description of agricultural conditions and the responses and reactions of the farmers in the U.S.A., she has shattered many myths about the philosophy and work habits of the American farmers. She however missed the obvious reason why the farmers worked and produced as they did. The simple concepts of 'maximizing returns to fixed factors' and in adverse situations of 'minimizing losses' should have, to a great extent, explained to Kusum Nair the abnormal behaviour of most of the farmer-characters she has laboured to detail in her book. No one would disagree with the author that the management factor is the main contributor to the differences in productivity and incomes. Also that the physical, social and economic situation in which the human beings develop through the ages, influences their behavioural pattern and moulds their whole personality and approach to work and life. In spite of these differences, however, the economic considerations and stimuli from outside and within the agricultural organization do influence the decision of the farmer, although the author has not attached the importance these aspects deserve in the framework of her analysis. The most confusing aspect of the argumentation is that on one hand the author has, throughout, tried to underline the universality and inevitability of the 'lonely furrow' of each and every cultivator even under identical economic, physical and social environment and on the other hand she recommends an authoritarian approach to 'make it impossible for anyone to farm and not produce at least as much as he knows he can and how.'

Although the book contains quite a few inconsistent and even infeasible statements, yet the write-up as a whole is interesting, unique in style and educative in many respects. The reader would not repent spending his time on reading this book and Kusum Nair deserves to be congratulated on her bold and frank expression of all what she saw, thought and experienced on farmers' behavioural pattern in three societies, India, Japan and U.S.A.

S. S. JOHL

*Land Reforms in Vidarbha*, K. R. Nanekar, Research Programmes Committee, Planning Commission, Government of India, Oxford & IBH Publishing Co., Calcutta, 1968. Pp. xxv + 334. Rs. 20.00.

This research project on land reforms in the Vidarbha region of Maharashtra State was sponsored in 1961 by the Research Programmes Committee of the Planning Commission. The report which embodies the findings of this project begins with the account of the land tenure systems that prevailed in the eight districts of Vidarbha during the British period. The study leads to the obvious conclusions that "the land relations and land rights during the British Rule, supported, sustained and strengthened a feudal structure in the rural environment."

With the solemn resolve of the people of India to constitute India into a "Democratic Republic" and with the ruling party's declaration of the ideal of socialistic pattern of society for the country, the need to reorganize production

relations (the pattern of land ownership and the owner-tenant relationship) in agriculture became quite urgent. It was soon realized that the land reforms now occupy a place of prime importance in our strategy for economic development in general and agricultural development in particular. The era of land reforms began in the country with the very dawn of Independence. General guidelines for the programme were provided by the Central Government (or the Planning Commission) and as the subject belongs to the State Legislative List, the task of enacting suitable legislation to achieve the desired objectives was left to the State Governments.

Accordingly, in the first decade of economic planning, the eight districts of Vidarbha came under the influence of four different pieces of legislation, the first two being enacted by the old Madhya Pradesh Government and the third and fourth, after the reorganization of States, by the Government of Bombay and the Maharashtra State respectively, as follows: (i) the Berar Regulation of Agricultural Leases Act of 1951, (ii) the Madhya Pradesh Land Revenue Code of 1954, (iii) the Bombay Tenancy and Agricultural Lands Act of 1958 and (iv) the Maharashtra Agricultural Lands (Ceiling and Holdings) Act of 1961.

The book under review attempts to assess the effects of the above legislations in the eight districts of Vidarbha, on the basis of a study of a small sample of plots in a few selected villages only. If the conclusions based on such a restricted survey are to have wider and general applicability, the selected sample, though small in size, must be sufficiently representative in character. It should be said to the credit of the present survey that adequate care has been taken here to give proper representation to different districts and to different tenure systems in the region.

The validity of the conclusions depends further on the relevance, adequacy and reliability of the collected statistics. For this, the schedules and questionnaire to be used for purposes of investigation need to be carefully prepared. The close scrutiny of the concerned schedules—reproduced in the Appendix A—convinces one of their relevant and comprehensive character.

The investigators had to depend heavily on Government records for the necessary information and the experience in this respect is not much different from usual. The records were often inadequate and incomplete and there was considerable delay on the part of the officials concerned in supplying whatever little information was available with them. However, it must be noted that in the present case the conclusions of the survey would not have been any different, had more information become available. The reliability of the data is ensured through checks and cross-checks.

High hopes were held by all concerned when the four laws were enacted. It was expected that the successful implementation of this legislation would make the rural environment sufficiently favourable for efficient organization of agriculture. The concentration of land holdings in the hands of a few would be considerably reduced. Large portion of land would go into the hands of small holders,

tenants and the landless. Though all tenants would not become owners, they would be protected against insecurity and rack-renting. The stage would be set for bringing various interests in land in the co-operative fold on an equal footing. The goal of high productivity would be firmly established on the base of democratic stability which the rural community had never experienced before.

As the survey report proceeds from chapter to chapter it unfolds the story of the utter ineffectiveness of land reform legislation in Vidarbha. "Feudal interests have been legally abolished. But the matter seems to have stopped there." The big landed interests visualizing the possibility of more radical measures took all precautions through partitions and other devices to save them from loss of land. So, after the enactment of the ceiling legislation, "though the size of the land holdings of the big landlords appears to be reduced, very little land has become available to the small holders, tenants, and the landless." The survey brings to light an interesting fact when it examines the sale and purchase transactions in land during the period, namely, that "the ex-proprietors took full advantage of the market and sold very little land to the tenants in possession."

The fate of the tenancy Act is found to be no different. "Though the data collected show a continuous fall in the tenanted land during the reference period it is not because tenants have become owners, but because more and more land is taken away from them through surrenders and terminations." In more than 40 per cent of the cases surrenders were reported to be 'forced' surrenders. But it is pitiable that "there was no verification of such surrenders by Government officials," except in few cases, and most of those cases were decided in favour of the landlords. In the rest of the cases the tenants could not gather enough courage to approach the officials against the pressure of the mighty landlords.

Full advantage was found to be taken by landlords of the provision enabling them to terminate tenancy and take over land for personal cultivation. But 'in most of the cases of such termination, land is not at all personally cultivated by the owner.'

In spite of the enabling provisions of the Tenancy Act of 1958 large majority of the tenants were still found to be holding the inferior *Bhumidhari* right and not the superior *Bhumiswami* right. The percentage of cases with only one year lease continued to be as high as before, viz., 86 per cent indicating the insecurity suffered by the tenants. The crop sharing mode of payment of rent still continues to predominate. "In all the crop sharing tenancies the rentals were far above the maximum rent prescribed by the Act." The same was found to be true in case of cash rent tenancy. "In none of the cases did the tenants approach the Government authorities for the fixation of reasonable rents." Nor have the officials themselves taken any initiative in setting the things right in this respect. The Act also provides for the passing of rent receipt. But the provision is hardly ever implemented.

In short, the survey report has brought to light the grim truth that the land reforms legislation has failed to make any significant impact upon the structure of agrarian relations in Vidarbha.

After presenting the main findings of the survey in detail, the author analyses the causes of this failure and makes certain suggestions and recommendations.

But this is perhaps the much less satisfactory part of the report—not because of its short length but because of its insufficient depth. When the author points to (i) ignorance of the tenants, (ii) indifference of the administrative staff in charge of implementation, and (iii) piecemeal nature of the legislation, as causes of ineffectiveness he is merely exposing the obvious. No reference whatsoever is made to the role of the leadership in the matter. As a result, what is vital has remained totally concealed.

The men who envisaged, introduced, piloted and got enacted this legislation were the leaders of the people and were the men in power. They knew very well that the masses who vote them to power are illiterate and ignorant and suffer from great inferiority complex and fear complex. The task of the rulers *qua* reformers and of the party machine under their exclusive control was to educate and enlighten the mass of poor tenants and the landless, to help them overcome their complexes and assert their rights by mobilizing and organizing them into a strong force.

Is it not then relevant to inquire how far successfully did the political leadership in power fulfil its role? Is it not necessary to find out what interests they represented? Perhaps it may be that they were shrewd enough for self-preservation—unlike the monkey in the story who cut out the very branch on which it was resting.

The loopholes in the piecemeal legislation exposed in this analysis are too obvious to go unnoticed. The feudal interests of the rural areas have taken full advantage of the same. As a result, the author observes, “Changes that should have been prevented have already occurred. Things now seem to be coming to a point of stabilization, but not according to the objectives of land reform legislation. Undoing all this would mean reopening of the entire issue with retrospective effect.”

The remedy to the problem of rural reconstruction, therefore, seems to lie in organizing a strong tenant force (small holders and the landless included) that would (through the ballot box) secure power to its true representatives and benefactors, possessing the courage and the skill to undertake and perform successfully the difficult reopening operation.

C. T. YEVLEKAR

*Personnel Administration Practices in India*, M. N. Rudrabasavaraj, Vaikunth Mehta National Institute of Co-operative Management, Poona, 1969. Pp.v +467. Rs. 30.00.

This book seeks to present a systematic study of the personnel management practices followed by co-operative, public and private enterprises in India in respect of their non-supervisory personnel, such as production workers and office staff. It is a comprehensive study as the author has covered the whole range of personnel management functions; manpower selection; manpower training, promotion, transfer, performance appraisal; communications; employee morale; wage and salary administration; employee welfare and services; employer-



employee relations and personnel organization. The book is divided into four parts, besides the introductory section dealing with methodology. Part I, II and III deals respectively with personnel administration practices in the co-operative sector, public sector and private sector and Part IV with General Trends, Patterns and Principles.

The universe of the study is confined to 40 organizations of which 32 organizations, in the co-operative (12), public (6) and private (14) sectors, co-operated with the author. The private sector organizations had within their fold 5 to 100 companies and each of them had one to ten plants. The public sector organizations operated anywhere from one to five plants, some of which were distributed all over the country. The employment provided by the organizations covered by the survey ranged from 500 to 1,500 workers in the co-operative sector, 5,000 to 35,000 workers in the private sector and from 6,000 to 1,20,000 workers in the public sector. The sample was drawn from an appropriate mix of industries: fertilizer, oil, airline, heavy engineering aeronautics, coal, steel, textiles, tobacco, rubber, automobiles, aluminium, oil engines, dairy, sugar, vanaspati, consumer co-operatives, super bazars, cement, light engineering, co-operative marketing and processing, and co-operative banking. Questionnaire and interview techniques were used to collect data and gather information. These were supplemented by information available in published material, most of which were provided by the organizations themselves. The author has brought out clearly the limitations of the study. According to him, the study only attempts to find out which kind of personnel practices and programmes are obtaining in Indian business and industry. Accordingly, it has answered these questions: What is being done? and how is it being done?

The study relating to the organizations in the co-operative sector is the briefest of all. Out of 15 co-operative organizations which were approached, 12 organizations—covering apex co-operative bank, marketing societies, big departmental stores and wholesale stores, sugar factories, oil processing organization and dairy processing organization responded. We shall briefly review the findings of the study in the co-operative sector.

Though the co-operative organizations use applications, screening, interviews and tests, their selection procedure tends to be informal and non-institutionalized. While giving preference to local people, providing employment opportunities to them and recruiting them through friends and relatives and employment exchanges, no specific attempt seems to have been made to attract high talent persons. As the Chairman of a co-operative organization put it, the whole approach is centred round providing employment “to people living in the area of our members.” Selection is not done on the basis of job specifications and job descriptions except in the case of one organization which had engaged a management consultant to undertake this task. In the selection of personnel, the chief executive had the final say only in one organization; in the rest it was done by a selection committee. The need for induction has not been recognized as such. The top executive of one organization had observed that “formal induction programme is not going to create any interest in them and it is not worthwhile to spend any time on this kind of a programme.” Next to selection, training is of great importance. Most of the organizations do not provide any internal manpower

training arrangement, and even those which offer some training programme, do not have training officers or experts on their staff. In the context of the small size of operations of co-operative business organizations, it is difficult to have own training arrangements. Unfortunately, these organizations have also not developed long-range programmes for availing themselves of the external training facilities provided by the State Co-operative Unions and national institutions fully.

Performance appraisal is not systematized in the co-operative organizations, except the confidential reports written by superiors. These reports play a major role in giving promotions, increments and effecting transfers. The usual criteria for promotions are merit and seniority. In a dairy processing organization, merit is given more weightage than seniority. Proper appraisal system and planned promotion routes alone can help in having people trained to occupy higher jobs when a position becomes vacant or a position is created to meet expansion needs.

Clearly worked out wage and salary administration policies and programmes are the *sine qua non* for attracting talented persons to the organization. Job evaluation is the basis for laying down wage and salary structure and only one organization had undertaken it by engaging the services of a consultancy firm. The co-operative organizations take into account the requirements of government legislations and wage boards in determining the wage and salary structure but the predominant factor seems to be the capacity of the organization to pay. The sampled societies were, however, found to be paying a compensation more than either the subsistence wage going in the country in many industries or the need-based minimum towards which workers in other industries in India are striving, so far, in vain. An effort to increase productivity, efficiency and employee earnings and to share productivity increases through proper incentive schemes has not been made in the co-operative sector so far.

Co-operative organizations provide several welfare measures and services to their employees such as co-operative stores, co-operative credit service, educational facilities, housing, medical facilities, canteen, library, etc. Recreational facilities are also provided by some of them; in fact one apex co-operative bank had spent more than Rs. 30,000 on sports activities. Though the co-operatives provide various services and facilities to create a contented labour force and thus seem to have largely succeeded in this aspect, their services are not based on definite policies duly enunciated by the organizations.

Employee-employer relationship seems to be on good footing, since the organizations have a harmonious and strike-free industrial situation. This itself is the product of complete informality and the mutual give and take atmosphere. Though this situation is commendable, it needs to be cultivated and nurtured by adopting sound and progressive labour policies, systematic disciplinary procedure and joint consultation machinery.

In the modern industrial world, the success of an organization depends upon employee morale and good communications system. If the morale of the organization is measured, it will be possible to influence the morale of the employees in such a way that it can contribute to the maximum effectiveness, growth and progress of the organization. Though two organizations have co-operated with outside professional and academic institutions in conducting such surveys and most

of them are in a vague sort of way aware of the state of morale of their employees, there has been no attempt either to measure their morale or to influence it. The executives of two organizations had expressed to the author their wish to conduct such studies in order to assess the morale of their non-supervisory employees.

Three-way flow of communications is essential to help establish understanding, which is complete and effective in promoting production, efficiency and industrial harmony. The flow of communication is mostly top-down in most of the co-operative organizations. There are no suggestion schemes in most of the organizations which are a good medium for upward communication. The employees are thus not encouraged to think and participate in improving the operations of the co-operatives. Generally, the co-operative organizations are yet to utilize all the modes of communications that modern science and technology have made available to contemporary business and industry with a view to winning and influencing employees.

There is no personnel administration unit in all but one organization. The practice seems to be for the chief executives to take upon themselves the functions of personnel administration and assume these responsibilities. Though the top management's active involvement in personnel administration is thus secured, the lack of expertise and awareness of the developing concepts, tools and techniques of personnel administration on the part of the chief executives pose serious limitations for the adoption of well thought-out policies, programmes and practices. Such expertise as is necessary for sound personnel administration practices can be provided only by professionally trained personnel, who are assured of access to top management.

The survey has revealed that co-operative enterprises which have achieved recognizable size of business operations in the last decade or so, are aware of one or the other modern concepts of personnel administration though not the whole range of them. The survey covers the personnel management practices in the public and private sectors also and shows that personnel management executives, where they have received some measure of recognition at the hands of the top management, have been able to use many modern scientific tools and techniques in evolving their personnel policies, programmes and practices.

The author has made a painstaking survey of personnel administration practices followed by business and industrial organizations in the three sectors of the economy. The survey will not only stimulate thinking among line managers and practising personnel managers but will also promote better understanding of the personnel administration practices followed in the different sectors of the economy. The book would also serve as a good reference source on personnel administration to all medium and large-size co-operative institutions.

T. N. A. IYER

*Economic Growth and Agriculture*, Theodore W. Schultz, McGraw-Hill Book Company, New York, U.S.A., 1968. Pp. x+ 306. \$ 9.95.

The book contains a number of papers "bearing on economic opportunities in agriculture" presented by the author to various conferences and meetings. The main thesis developed in the book is that most of the less developed countries

have given undue priority to industrialization in their planned economic growth and have failed to recognize the potential contribution of agriculture. The poor performance of agriculture in these countries is greatly due to the defective policies followed by their governments with respect to prices, supply of high pay-off inputs and development of sources of high pay-off inputs. The developed countries have not done much to build up productive agriculture in the less developed countries. Both in the developed and less developed countries, for development of agriculture, more importance is being attached to natural resources and non-human conventional capital. The important role of the human agent and improved productive art due to development of scientific knowledge, is not being recognized. The author advocates that skills and knowledge are important forms of capital. Return to investment in these items are very high both in the developed and less developed countries. For development of agriculture, high priority should be given to investment in farm people and organization of research for finding new knowledge. This thesis runs through all the chapters of the book and in many chapters the same points have been repeated though the author has made efforts to eliminate repetition of thought. The main points of view have however been established with skill and evidence as would be expected in the work of an author of the eminence of Prof. Schultz. There would also be general agreement with the views of the author that human capital is one of the most important factors in economic growth. The economic growth of Western Europe and Japan after the Second World War furnishes bright illustrations.

The book is divided into four parts. In the first part the author discusses the reasons for the poor performance of agriculture in the less developed countries and the economic possibilities open to them for producing increased amounts of food and other agricultural products. Secondly, in this part he makes an assessment of the investment policy of the U.S.A. in aiding agriculture in the less developed countries. According to him, the main reasons for the poor performance of agriculture in less developed countries are not the "adversity of nature, or the perversity of the farmers or the fecundity of man" but the lack of opportunities that are rewarding to the farmers. The imbalance between agriculture and industry in these countries can be corrected by removing under-pricing of farm products and over-pricing of farm inputs. It is also necessary to reduce emphasis on import substitution. Foreign aid from rich countries should be tied less to export surpluses and there should be more aid in the form of agricultural imports. The stock of scientific and technical knowledge now located in Western countries should be made available to poor countries. The poor countries should give priority to agricultural production in their national development plans and bring the population explosion under control. The author is optimistic that the corrective processes are beginning to work and the imbalance between agriculture and the rest of the economy in poor countries and that between agricultural production between developed and less developed countries will not continue long.

The author criticises severely the policy of the U.S.A. Government with regard to aiding agriculture in the less developed countries. He states that the population projections for the less developed countries are unwarranted. The U.S.A. has wrongly favoured industrialization in the less developed countries. Food deficiencies in parts of Asia cannot be permanently satisfied without large increases

of agricultural production in those countries. Instead of building up agricultural production in those countries, the U.S.A. Government has put emphasis on food exports to them. An important motive of the legislation of the P.L. 480 is the disposal of surplus farm products of the U.S.A. The Commodity Credit Corporation (CCC) costs of the P.L. 480 products are about twice the value of these products had they been sold freely in the world market. The receiving countries would not take the present volume even at half of the CCC costs if they could receive from the U.S.A. the equivalent in dollars instead of grants in kind. Eventually by far the larger part of the P. L. 480 farm products will represent a grant from the U.S.A. The long run effects of these products upon the agriculture of the receiving countries are adverse. The U.S.A. has not developed a meaningful public programme for investing in research and technology and in family planning programmes in the poor countries. A suitable policy for the disposal of surplus farm products of the U.S.A. would be by changing the pattern of agricultural production in the U.S.A. itself. We in India have two opinions about the effects of the P.L. 480 products on our economy. But the author's analysis and arguments are convincing.

In the second part, the author discusses what he calls some unsettled questions in the world food and agricultural problems. He states that the role of land and natural resources in economic growth is no longer as important as it appeared in the past. It is wrongly believed that the marginal returns to labour in agriculture is near about zero. Better forms of reproducible capital are not restricted to industry. The line between capital and natural resources in agriculture has been blurred. Human capital is an important form of capital. Poverty in most countries is mainly due to inadequate investment in particular classes of people who are therefore poor. Income from property is declining and the income from labour is increasing. Poverty is greatly due to inadequate knowledge and lack of opportunity to invest in acquiring the more valuable skills. Education and organized agricultural research form capital. They should be given high priority in investment programmes. In the low income countries there is underinvestment in human capital. Kinds of schools and institutions according to the requirements of the countries should be developed. Free movement of persons with know-how will improve production. In the author's opinion, investment in schooling, particularly for primary and secondary education even in the U.S.A. has been very inadequate. The rate of return to such investments both in rich and poor countries is very high. Regional differences in earning per working adult are due to differences in schooling.

There is general agreement with the author's view that the current rate of investment in schooling in our country and all other less developed countries is inadequate.

In the third part, the author examines the applications of the theories stated in the first two parts to the Latin American countries. He shows that low prospects of agriculture in the poorer Latin American countries are not due to lack of natural resources or transport and market facilities but due to inadequate investment policies. For want of efficiency prices, investment opportunities are concealed. Prices of farm products and inputs and consumers goods are distorted. Investment in schooling of farm children and in agricultural research and extension

centres have been neglected. Countries like Mexico and Puerto Rico which have given attention to agriculture and development of human skills have been paid handsomely while countries like Argentina which have tried industrialization and neglected the development of the qualities of the people and the productive arts have impaired their economies.

In the fourth part of the book, an appraisal of the economic policy issues confronting the U.S.A. has been made. The author feels that in the U.S.A. agricultural research establishment is being impaired by inadequacies of national economic policies. The schooling opportunities available to farm people are far below par for the nation. The imbalance between agriculture and the rest of the economy can only be corrected by national policies outside agriculture. More comprehensive control over agricultural production and non-disposal of farm products under P.L. 480 will correct the economic imbalance. Agricultural programmes assist only the owners of farm land. Large migration from agriculture to industry is taking place. Farm programmes do not assist the people involved in it. A larger percentage of the farm people are under the poverty line. Elimination of discrimination, provision of skills and assistance for migration of farm people will improve the lot of the poor people. The author analyses the inadequacies in the organization of agricultural research and makes suggestions for reform. Lastly, he thinks that with regard to prices, international trade and inflation, the existing theories are relevant. But with regard to treatment of human capital and analysis of costs and returns associated with agricultural research and extension activities and transfer of funds from agriculture to industries, a modification of the theories is necessary.

The book makes very useful suggestions to policy makers both in the developed and the less developed countries for a re-orientation of their plans for economic development and for recognizing the opportunities of investment in agriculture. Development of the capabilities of labour as a produced means of production in all countries is the central theme of the book.

BIDYADHAR MISRA

*A Bunch of Field Studies*, Vaikunth Mehta National Institute of Co-operative Management, Poona, 1969. Pp. vii. + 164, Rs. 10.00.

The book is a collection of six papers by the Institute staff members and covers different aspects of co-operative institutions. V. S. Patvardhan's study on the impact of co-operative training examines the reactions of past trainees. In spite of the limited response to the questionnaire (29-37 per cent), the study showed that congenial condition, adequate time for reading, incorporation of agricultural husbandry programme, etc., can further broaden the horizon of the trainees. One should, however, be cautious in the interpretation, because even from a limited number of replies received, the response to many questions was very poor, or given as, 'the question was not understood,' 'reply was vague' and 'the respondent did not take it with much seriousness.' In spite of these limitations, the remarks made by trainees at various places need attention.

The study on 'Loans of Land Development Banks in Andhra Pradesh' by H. G. Hanumappa examines the working of the Central and primary land mortgage banks and the impact of loans on borrowers and points out the directions in which loans are disbursed. The study explains only the policies and procedure of getting loans in the historical perspective without examining their economic implications. The emphasis again is on recovery of loans rather than on their right utilization. In fact, more emphasis is laid on administrative procedure as it exists, in advancing and recovering loans but little emphasis is laid on as to how it could be made more effective.

Two studies of M. B. Patil are on the working of wholesale stores. These studies review the membership, financial structure, management, nature of business, sources and procedure of purchases and factors affecting purchase policies and point out that the dictatorial attitude, non-availability of supply needed, high charges, cash rather than credit transactions, were the few reasons for non-patronisation of State Consumer Federation and agricultural producers' marketing societies by the wholesale stores. Further, it brings out that purchases by the stores are not made on the basis of established needs, which often results in accumulation of unwanted stocks. Although the business committee is there to make purchases, yet most of the purchases are made by the general manager. The two studies have pointed out many lacunae which need special attention specially of the co-operative policy makers.

G.S. Kamat's case study on the Janata Sahakari Bank Ltd., Poona, examines the overall growth and performance of this urban bank and throws light on the background of the society, its membership, board of directors, resources and deposits, etc. The study points out that small industrial units do not receive due attention and loan for consumer goods continue to occupy a prominent place. Special emphasis is laid on the mobilization of savings through popularisation of home savings safe deposits scheme, safe deposit vaults, night safe deposit system, etc., for strengthening the bank's resources and business.

P. G. Karanne's study on some aspects of medium-term loans for purchase of milch cattle, covers briefly the Reserve Bank of India's policy governing issue of such loans, the progress of loan operations over time, assessment of repaying capacity and security, performance of the bank in respect of recovery with emphasis on loan seasonality, its size, period and verification of its utilization, the role of the co-operative milk federation and the staff of the bank for efficient and better business. The study points out that loan should be preceded by a more critical appraisal of repaying capacity, security of the loan and should be linked with the size of cultivated holding rather than the prospective milk yield because the supply of feedstuffs and the capacity to purchase concentrates indirectly depends upon the size of the holding. Further, such loan schemes should be implemented in compact blocks and purposewise record of loan issued and demanded be maintained to follow up recovery.

The publication, on the whole, provides a good material for the policy makers, co-operators and management committees of co-operative organizations for rationalizing their working procedure.

GURMINDER SINGH