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BOOK REVIEWS

Crop Loan System—A Study in Andhra Pradesh and Punjab, T. P. S. Chawdhari and J. N. Sharma, National Institute of Community Development, Hyderabad (A. P.), 1970. Pp. vii+101. Rs. 12.00.

The National Institute of Community Development, Hyderabad, at whose instance the study of crop loan system in Andhra Pradesh and Punjab was undertaken, deserves all praise for bringing out an excellent publication on the subject of "Crop Loan System." The authors have acquitted themselves creditably in explaining lucidly the main ingredients of the crop loan system and the manner in which it is being implemented in the two States (Andhra Pradesh and Punjab) which are particularly important from the point of production of staple crops, *viz.*, rice and wheat, respectively.

Apart from bringing out the evolution of the crop loan system since the publication of the Rural Credit Survey Committee's Report, the study throws light on the inadequacy of the crop loan system, particularly in the context of socio-economic conditions in which the small farmers find themselves, especially those who are obliged to grow only cereals and pulses and not the commercial crops. The study reveals that the subsistence needs of the small farmer are not adequately taken into account under the system and that is why the expectation, *viz.*, even uneconomic farmers would be able to repay their loans out of the sale proceeds of their meagre agricultural produce is not realised.

The authors also point out that the crop loan system is, of late, tending to conform to the concept of 'supervised credit' under which credit is integrated with agricultural extension. Thus, the aim of such credit should be not merely an increase in agricultural production. It should also be ancillary to a programme of education which does not limit itself to teaching better methods of farming but tries to change the habits of farmers and their families in order to improve their social and economic position. Yet, the crop loan system cannot be considered as the be-all and the end-all of the solution to our rural problem. In this connection, it is pertinent to reproduce what Otto M. Schiller has observed in his book entitled "Co-operation and Integration in Agricultural Production." He observes: "Experience has shown that by short-term crop loans the only thing that can, as a rule, be achieved is that agricultural production continues from season to season approximately at the same level. Loans given at the beginning of the season, if things are going well, are repaid after the harvest. At the beginning of the new cropping season, the same need for credit exists as before. With the help of such credit, use of improved seeds, fertilizers, adoption of plant protection measures, etc., may certainly be promoted. But, in general, only slow progress can be achieved in this way."

The important findings of the study are: (1) In Andhra Pradesh, the crop loan system exists only in form and not in substance, unlike the position obtaining in Punjab where concerted efforts appear to have been made at introducing the system. (2) Based on the trends indicated by the data, the major demand for crop loans in the near future can be expected from the relatively small-size group of farms and it is here that the lending institutions will have to reorient their whole policy of advancing loans. (3) Cultivating tenants especially pure tenants are

not being financed by the co-operatives in Andhra Pradesh; in Punjab, financing of pure tenants is attempted at least on a small scale. (4) The percentage of overdues in both the States generally tends to increase as the size of the borrowing holding rises. This feature is more pronounced in Andhra Pradesh than in Punjab. (5) The more enterprising Punjab farmers seem to be able to earn higher returns from their farm business and their family labour and management.

The book is an excellent exposition of the crop loan system in operation in the selected districts of Andhra Pradesh and Punjab. It should be read by all those who are interested in the subject. The socio-economic consequences of some of the trends noticed in this study should be of considerable value to the policy-makers and the field workers.

B. K. BAPAT

The Strategy of Food and Agriculture in India, Edited by V. R. Mutalik Desai, Lalvani Publishing House, Bombay, 1969. Pp. xii+223. Rs. 22.50.

In this book, the author has compiled eight articles on 'Food and Agriculture in India,' five of which were first published in *Jogrta Karnataka* in 1966. In the first part on 'Food,' there are three articles, where the food problem is examined in its historical perspective and the various dimensions of the problem such as the growth of the population, the imports of foodgrains, the introduction of the Zonal System, etc., are examined. Mutalik Desai has quoted extensively from the press reports as well as from the Plan reports and has stressed the need to consider our food problem as problem No. 1 of our country. According to the author, the food problem is a multi-dimensional problem and it is due to, 'the slow growth of food production, low yields, malnutrition, under-nourishment, controlled distribution, wastages, food habits, rising prices and the most important is the absence of a national food policy.' Unfortunately, the statistical data on food production does not go beyond 1964-65 and the population data is upto the Census of 1961, so that one misses the author's comments on the 'Green Revolution' and his suggestions as to how it can be spread to a wider segment of Indian agriculture. The author does not go beyond the Mid-Term Appraisal of the Third Five-year Plan, so that the changed agricultural strategy and the increased flow of credit to the sector has remained outside the scope of the book.

Part II deals with Indian agriculture, and the first article in this section on 'Historical Review of Ideas on Agriculture' extending to more than fifty pages, is a history of economic thought from Plato to Jayprakash Narayan, where the author has derived their thoughts on ownership of land. Though the article is readable by itself, one fails to understand the relevance of such an article in a book dealing with the 'Strategy of Indian Agriculture,' and which according to the author is meant to be an 'excellent guide to the students, the extension workers, the planners and the administrators.'

Particularly when the agricultural policy is undergoing a drastic change, and the book is about the strategy of agricultural development, one would vainly search the pages to find something about the integrated scheme of agricultural

credit, the role of nationalised commercial banks in agricultural credit, the problem of small farmers or the IADP or HYV Programme. One gets completely disappointed when one finds that the article on agricultural marketing, instead of discussing the role of State trading in foodgrains or the problems of co-operative marketing contains charts and statistics from the report of 'Marketing of Wheat in India,' published in 1937. The only two articles in the second section that would make refreshing reading are one on 'Sprinkler Irrigation,' and the other on 'Research and Training Facilities in Agriculture in India.'

A number of suggestions are to be found throughout the book to solve our food and agricultural problems. They include suggestions like production of vegetables in home compounds, changing dietary habits, controlling human and animal population, fasting, rationing, poultry farming, improved agricultural practices, organizing agricultural fairs, etc. On the problem of how exactly this is to be done, and what organizational effort is necessary and the economic and motivational aspects of each of these measures, the book has very little to say.

Agricultural development has suffered because of the incomplete planning particularly at the village level. Agricultural progress is a result of what 66 million families of farmers spread over 5.6 lakh villages decide and do about the actual production process. The role of Government and other institutions is to help them with knowledge and money to enable them to take right decisions and implement them. The job of writers on agriculture is to find out where the shoe pinches and how to accelerate the pace of agricultural development in the coming years.

To a reader who desires to familiarise with the basic issues of Indian agriculture, the book can serve a useful purpose.

M. M. SHETE

Principles and Philosophy of Co-operation, P. R. Dubhashi, Vaikunth Mehta National Institute of Co-operative Management, Poona, 1970. Pp. ix+256. Rs. 15.00.

Dubhashi's book is a clear and lucid, though at places prolix, exposition of the principles of co-operation, mainly in the light of the 1966 International Co-operative Alliance (I.C.A.) Commission's reformulation. One may grant that the treatment is almost as 'analytical' as the author's own hints regarding the nature of his handiwork would suggest, but it moves mostly on an elementary level. It eschews economic analysis and thereby ignores possible conflicts between economic and co-operative objectives. For instance, there is not even so much as a reference to the celebrated 'size' controversy in which the incompatibility between co-operative behaviour rooted in the mutuality of a face-to-face village community and the need for economic viability was sharply highlighted. Secondly Dubhashi, certainly not alone among co-operators, is quite fond of the concept of 'Co-operative Commonwealth' but shies away from working out its implications. (However, he would still accuse Bertrand Russell for not being 'fully aware' of them.)

Neither the 1936 nor the 1966 I.C.A. Commission recognizes 'self-help' (and the associated 'thrift') as a fundamental principle of co-operation. This reflects the realization that the weak, for whom co-operation is primarily meant, really have no chance of uplifting themselves exclusively through their combined strength. This realization is no doubt very realistic but then if 'self-help' goes one must appreciate that there goes one of the most hallowed moral principles of co-operation. *Modern* co-operatives with which we deal become qualitatively different and assume significance primarily as channels of State help to the poor. If co-operatives have to be instruments of planned development voluntarism has to be compromised in the interests of targets. Political neutrality vanishes in fact if not in theory. Planned expansion in coverage and the lure of outside funds affect the quality of membership in an undesirable manner. What then remains of co-operation? A certain kind of democracy and certain special economic practices such as limited interest on capital. The latter do not do much to alter radically the distribution of income and whatever it does it does so among the relatively poor. The former is a valuable principle but then are co-operative democracies the best instruments for making effective the State's programmes for the economically weak? Again, does the democratic spirit remain alive with deterioration in the quality of members?

A number of questions of this type arise. Dubhashi is quite obviously torn between his faith in pristine co-operativism and his appreciation of the needs of the contemporary under-developed world. This is understandable. But this should goad him to address himself to the task of defining the nature and role of co-operation in a more critical manner.

Within its limited compass, however, the book is useful and would be found helpful as a basis for class-room teaching. Dubhashi takes care to relate the principles to Indian practice and judiciously varies the emphasis on them in a manner appropriate to Indian conditions. His discussion of the various topics is usually thorough and illuminating.

S. H. DESHPANDE

Local Government Institutions in Rural India—Some Aspects, Proceedings of the Seminar on Panchayati Raj held at NICD, 13—16 October, 1969, Edited by R. N. Haldipur and V. R. K. Paramahansa, National Institute of Community Development, Hyderabad (A.P.), 1970. Pp. xvi+346. Rs. 30.00.

Panchayati Raj in India, Rajeshwar Dayal, Metropolitan Book Co. Pvt. Ltd., Delhi, 1970. Pp. xi+315. Rs. 20.00.

About 60 people concerned with public life in the country—ministers, academicians, administrators and public leaders—met in Hyderabad in October, 1969 and discussed various important issues of *Panchayati Raj*. Each of the six groups in which the participants held their deliberations, was provided with a background paper prepared by the NICD staff and also papers provided by others knowledgeable on the subject. The background papers gave factual information about the legal and other aspects, summary of research findings and then suggested

issues for discussion by the groups. The proceedings as given in the book are more valuable as they give background papers, recommendations of the groups as well as those of the plenary sessions. There is a list of reading material at the end of every background paper and a comprehensive bibliography at the end. The book has thus become a comprehensive, analytical and very useful reference work on important issues in *Panchayati Raj*.

Taking into consideration the experience of working of various schemes of *Panchayati Raj* in the country, the Seminar came to the conclusion, apparently on the basis of experience of Gujarat and Maharashtra, that *Zilla Parishad* should be strengthened, as they have greater potentiality to be viable—financially and administratively. Balwantray Mehta Study Team had given greater importance to the middle body of *Panchayat Samiti* and had recommended only advisory role for *Zilla Parishad*.

Though the Seminar showed awareness of the inadequacy of the present financial resources of *Panchayati Raj* bodies and the increased agricultural incomes as the rich potential source, it has not made any useful new recommendations.

It is interesting to note that after full consideration of the socio-economic consequences of the political situation of rural India through *Panchayati Raj* elections, the overwhelming view of the Seminar is that the political parties served an important purpose of political socialisation of rural masses and this contributed to national integration, clearer ideologies, sharper perception of national goals, and in the long run helped in the formulation of meaningful policies.

The treatment of the subject of "*Panchayati Raj* and Co-operation" is unsatisfactory which is usual when it is considered by community development people, who have their vision coloured by overall importance in their mind of *Panchayati Raj*, their continuing preoccupation with village production plans (now forgotten in the field) and their almost naive faith in the constitutional remedies for the problems of the weaker sections. Equally disappointing is the set of recommendations on the vexing problem of bureaucracy and elected representatives, which is somewhat surprising when one reads the excellent background paper of V. R. Gaikwad and the research findings of Y. B. Damle about "Bureaucracy and Non-officials." Despite the knowledge of misuse of powers and malpractices by the office-bearers of *Panchayati Raj*, the Seminar has recommended, amongst other things, greater autonomy and full powers for *Panchayati* bodies, association of elected representatives in appointment, transfer and disciplinary matters of staff and strangely enough provision of question hour in meetings and quarterly review of *Panchayat* activities in their meetings as remedies for better relationships.

But on all accounts, the book is a 'must' reading for all connected with policy making as well as running of *Panchayati Raj*.

Rajeshwar Dayal's book seems to be primarily intended as textbook as it traces the origin and growth of *Panchayati Raj* in India and considers its various aspects such as organization, finance, staff, role in agricultural production, etc. Its usefulness as a textbook would have been greater had the author not indicated his almost complete identity with the thinking of Government of India and his

complete agreement with the recommendations of various committees appointed by Government. For instance, he is against the Maharashtra pattern of strong *Zilla Parishad* because it is "out of tune with democratic decentralisation"—which according to the author—"the basic principle of taking power to the people in villages." Similarly, in spite of the fact that the *Gram Sabhas* have proved a flop, the author commends the recommendations of Diwakar Committee for strengthening *Gram Sabhas*. Evaluation of *Nyaya Panchayats* also falls in the same category.

The ardent faith of the author in *Panchayati Raj* is seen best in the chapter on "Leadership and Party Politics." All the complaints and allegations are recounted, the aloofness of political parties from *Panchayat* elections is ruled out and then the author comes out suddenly with a strange suggestion: "If the resources of *Panchayati Raj* are matched with their functions, *Panchayati Raj* bodies can be freed from this virus disease."

Little more interest in presentation of facts and more objectivity would have made this good attempt a more useful textbook.

ANIL C. SHAH

Structure and Behaviour of Prices of Foodgrains, National Council of Applied Economic Research, New Delhi, 1969. Pp. xiv+299. Rs. 32.00.

Although this book was written two years ago and most of the data pertain to the period prior to the year 1966-67, the discussions are not without topical significance. In fact it reflects the growing interest of national planners in the relationship between price policy on the one hand and production and resource use on the other.

In all, there are seven chapters in this book. It deals with the structure of agricultural prices and its role on production and marketed surplus. The first two chapters cover introduction and discussion of the general characteristics of the four selected crops, viz., wheat, paddy, jowar and gram. A historical account of the price policies pursued by the Government from time to time and the zonal restrictions on the movement of these foodgrains are also given.

The next four chapters deal with the following aspects of the problem of prices and resource use: (i) General structure and behaviour of prices, (ii) the role of prices in the production of foodgrains, (iii) the role of prices in marketed supply (arrivals) of foodgrains and (iv) the use of resource inputs such as labour, irrigation, fertilizer, seeds and pesticides, in the production of foodgrains. Chapter 7 gives the summary and the rest of the book contains 221 tables including appendix.

The four objectives mentioned in the study (p. 71) evoke much enthusiasm; however, the subsequent analysis and observations have failed to wet the appetite of the reader. For instance, the fourth objective mentioned, namely, the role of prices on the use of resource inputs, has nowhere been covered in this study. All that is presented in Chapter 6 is an analysis of the variations in the use of re-

source inputs in the selected areas. But no attempt has been made to relate them to the prices of inputs or output. In this chapter the authors conclude that (1) for all crops there existed considerable variation in the use of inputs as between different regions. (2) Commercial farms used more purchased inputs and their cost of cultivation per hectare was higher as compared to that of the subsistence farms. However, the cost of production per quintal was lower on commercial farms indicating their efficiency. By virtue of the vast coverage and the large number of samples included in this study the analysis could have given a good estimate of the cost of cultivation of the selected crops. However, its usefulness in this regard has been much reduced as the data pertain to a single year (1966-67) when several parts of India had experienced drought conditions.

In Chapter 3, the trend and seasonal index of prices for the four selected foodgrains have been worked out for the period 1950-65. It showed a downward trend of prices from 1951-56, more or less stable prices during 1957-62 and upward trend in prices after 1963.

The seasonal movement of price of complementary commodities was found to be uni-directional. Further, the seasonal variations in the prices of foodgrains corresponded with the variable costs of storage. This seems to suggest that there is no exploitation by the middlemen due to their storage operations, as is often assumed. However, this conclusion is unwarranted unless detailed data on the cost of storage could be collected on a comparable basis during the period under study. In fact, detailed studies on cost of storage by A. S. Kahlon and others have shown that the traders' margins of profit after storage, were substantial, although these varied from year to year. After analysing the data on regional variations in wholesale prices, it is concluded that restrictions on internal trade through the zonal system had the effect of widening the regional disparities in prices.

The study of the factors influencing changes in the prices of the four foodgrains indicated that prices were relatively more elastic with respect to demand (per capita income and money supply) as compared to the supply factor (per capita availability).

Supply response to price changes was estimated using the Nerlovian 'adjustment' model and it was found that the area of the four selected crops responded little to price variation although the coefficients were positive for all crops. Thus the prevalent notion that farmers growing subsistence crops do not respond to price changes seem to be established. However, this is contrary to the findings of the empirical studies by Raj Krishna, Behrman and others. Had the authors used production, instead of acreage, as the dependent variable the results would have been different as farmers are found responding to prices by more intensive use of inputs on the same acreage, rather than by extending the area under cultivation.

Analysis of the data on market arrivals and prices in Chapter 5 showed that the two variables were negatively correlated, although the statistical relationship was not significant. This seems to support the Mathur-Ezekiel thesis that marketed supply does not respond to prices within the Indian context. On the contrary, it may be seen from the data that the prices in the market vary with changes in the quantity supplied. This hypothesis seems to be more valid; because, given

the average demand (daily off-take from the market) during a given season, it is the supply which affects the price and they tend to be negatively correlated. Further it may also be added that the role of expectations of price movements on the quantity marketed by the farmers become relevant only when they have the withholding power and storage facilities and not otherwise.

These minor blemishes apart, the book has many merits to commend itself not only to those in the profession but to several others. It brings together in one place a wealth of information regarding production, market arrivals, prices and resource utilization for the four major crops for different parts of the country. The immense volume of data thrown up by this study would be useful in several ways to academicians and the analysis and conclusions would be useful for policy makers to devise suitable price policies for providing necessary incentives to the farmers to increase production and marketable surplus.

M. V. GEORGE

Report of the National Seminar on Land Reform, October 23 to 27, Department of Land Reforms, Ministry of Land Reforms, His Majesty's Government, Kathmandu, Nepal, 1970. Pp. 181.

Land Reforms in Nepal, Vol VI, 1971, Edited by K. P. Rizal, Planning, Budget, Analysis and Publicity Division, Land Reforms Department, Ministry of Land Reforms, His Majesty's Government, Kathmandu, Nepal, 1971. Pp. 36+55.

The above-mentioned two publications under review deal with more or less the same subject, *i.e.*, land reform policy and its implementation in Nepal. The first publication contains 13 papers in addition to, *inter alia*, the report on the Seminar, whereas the second publication is a collection of 13 articles, 4 of which are in the local language, *i.e.*, Nepali.

Nepal is one of the predominantly agricultural countries, agriculture occupying the pride of place, inasmuch as it accounts for 65 per cent of the gross national product and contributes more than four-fifths of the country's foreign exchange earnings. It employs, directly or indirectly, more than nine-tenths of its total population. Agriculture, however, is backward, characterized by subsistence nature, traditional techniques of cultivation, lack of irrigation facilities, inadequate means of transport and communication, rural indebtedness and the resultant exploitation of the cultivator. Planned efforts made for an intensive development of agriculture, however, failed to bring forth the expected results.

The prevailing tenure system proved congenial to neither the agriculturist nor agriculture, inasmuch as this was characterized by 'defective ownership, uneconomic size of holding, insecurity of tenure, exorbitant rents, prohibitive interest rates, etc.' Thus, it worked as a disincentive for investment on land. Such a land policy was required to be adopted as would reconcile the interests of both the landlord and the actual tiller of soil, as also would improve agricultural efficiency in Nepal. The policy of 'land-to-the-tiller,' it was felt, would achieve

these ends and would prove congenial to both, agriculture and the agriculturist. Measures, including legislative, were taken to implement this policy but they failed to achieve a rapid and satisfactory success, owing to various factors like incomplete land records, vested interests working to the disadvantage of the scheme and a continued political and financial domination of the upper strata of the agriculturist class.

The first publication contains, *inter alia*, a report of the review of working of the land reform programme, as also the conclusions reached at the Seminar, covering various issues, particularly the land tenure and tenancy reform, programme of compulsory savings and their utilization, provision of supporting services to the tenants and other farmers, involvement of the cultivator in the implementation of the land reform programme and the land administration and settlement programme. Various recommendations made on almost all the issues discussed, are also included in the report. Many of the recommendations were received favourably. However, the Chairman of the Seminar, in his concluding remarks, expressed certain difficulties in the adoption of some of the recommendations. For instance, it was recommended in the Seminar that the payment of rent should be made in cash by the tenant. But there was a lack of rural markets in parts of the country and, again, there were low prices during the harvest season, due to which the tenant could not sell his produce profitably and, hence, could not pay the rent in cash. The Chairman, therefore, felt the need to proceed gradually in the adoption of this recommendation, as also to advance loan to the tenant, to help him pay rent in cash in time. Again, collection of savings at progressive rates from different farmers, as recommended in the Seminar, was both socially and economically desirable but its actual adoption was likely to create administrative and other difficulties. The Chairman, therefore, favoured the adoption of different rates for different districts on the basis of productivity rather than for different cultivators, which appeared to be more practical than just.

The Indian reader may be particularly interested in two subjects of discussion in the publications, *viz.*, the scheme of compulsory savings and the policy of land reform. The compulsory savings scheme, which includes certain striking features like utilization of savings in the same area where these were collected, direct association of the people of the area with the operation of the scheme and the inclusion of the provision for medical requirements and even for marriage and funeral purposes in the incentives given to the participants, makes an interesting reading. The study of this scheme assumes additional importance in view of the fact that it provides clues to an effective mobilization of rural savings, most urgently required in the countries that have taken up planned development of their economies.

As for the second subject, the articles, especially those in the Seminar report, bring into sharp focus the nature and working of the land reform policy in an under-developed country. In a comparative reference in his article 'Our Land Reform Policy—The Middle Course,' Y. P. Pant has highlighted the supremacy of the land policy in Nepal over that in India and Pakistan, inasmuch as the former has a better machinery to implement the policy in Nepal and it avoids the disharmony in the ideology vis-a-vis the implementation of the policy. In the latter countries, the author witnesses a 'clear inconsistency' between the two since "the objective (of the land reform policy) was 'land-to-the-tillers' while the programme

provided land rights only for the upper sections of the peasantry.” In contrast to this view, K. B. Rajbhandary, concluding his article on ‘Land Reform and Agricultural Extension in Nepal,’ has remarked that “our whole system is biased in favour of big farmers and landlords.” In the Seminar also, it was concluded that “though in principle it is recognized that tillers should become the owners of land, generally the approach adopted in the Lands Act is one of regulation of tenancies with an element of selective abolition, so far as the Act provides for acquisition of lands above the prescribed ceiling and their transfer to the actual tillers.”

Some articles in the publications provide certain interesting observations about agriculture in the under-developed countries. For instance, K. B. Rajbhandary, in the concluding remarks in his paper, has opined that “in under-developed countries, education always seems to be regarded as an escape from agriculture rather than means for making it more efficient and rewarding.”

The outlines of an interesting research study, proposed to be conducted by M. M. Sainju, and presented in the second publication, with a view to identifying and explicating the factors that hindered or helped an active, free and meaningful participation of the farmer in the affairs of the community, and the role of co-operatives therein, draw the reader’s special attention. The study, on its successful completion, should provide interesting and useful results.

Some articles in the two publications, especially in the ‘Report of National Seminar,’ present detailed information about agriculture and land reforms in an under-developed country. H.W. West’s paper on ‘Land Registration: Some Current Policies and Problems’ is illuminating and deserves specific mention. A student of land reform would find some papers published in this report informative and the discussion on different aspects of the land tenure problems and working of the land reform policy is lucid.

While reading the second publication ‘Land Reforms in Nepal,’ one feels that the local units of quantity, viz., *Pathis* and *Manas* (on p. 17), should have been expressed in the international equivalents such as quintals, kgs., etc. The publication is replete with spelling errors and editorial shortcomings and the reader cannot help noticing, at places, even ambiguous language (on p. 18). Some careful editing of the articles in this publication would have made its reading more palatable.

I. P. SINGH

Agricultural Policy in an Affluent Society, Edited by Vernon W. Ruttan, Arley D. Waldo and James P. Houck, W. W. Norton & Company, Inc., New York, U.S.A., 1969. Pp. xvii+321. \$7.50 (cloth bound), \$2.50 (paper bound).

This book is a collection of twenty-seven articles grouped in six parts dealing with (1) economic development, political power and agricultural policy, (2) price and income policy for commercial agriculture, (3) food marketing policy, (4) bargaining power for farmers and farm workers, (5) overcoming rural poverty, and

(6) agricultural trade, aid and development policy. In Part I, Vernon W. Ruttan elaborates the role of 'product,' 'input,' 'labour,' 'land' and 'consumer goods' markets in linking agriculture with the non-agricultural sector. He believes that it is the failure of these markets in effectively allocating resources and distribution of incomes that provides the rationale for public intervention in agricultural commodity markets. His conclusions on rural poverty and changing relationships between commercial agriculture and rural community deserve consideration even in relatively high growth areas in the developing countries. Harold F. Breimyer believes that as the economies develop from 'primitive' to 'industrial' stage, the traditional demand and supply relationships get rotated, the former becoming more inelastic and the latter more elastic. As products undergo more transformation, the consumer performance conveys a more blurred message to farm level demand. Under the situation, he questions if non-farm inputs as tools of supply control can, without government help, be utilized effectively enough by four million independent production units in U.S.A., under the handicap of the horizontal demand curve each faces, to attain a satisfactory degree of equilibrium.

James T. Bormen reviews the conflicts and contradictions in the interactions between agricultural organizations, U.S.D.A. and colleges of agriculture in their policy, extension service and research goals. He believes that deterioration in quality and relevance of research and isolation have led to the low esteem with which agricultural scientists are held in general scientific community. Dale E. Hathaway examines the changing political power of agriculture and sees the possibilities of increasingly disorganized rural society with a power to influence prices and markets but not their roads, schools and social institutions.

In Part Two, Wayne D. Rasmussen and Gladys L. Baker have concisely, but very precisely, traced the history of agricultural support programmes in U.S.A. from 1933 through 1965. The concepts of parity price are described in the next two articles. Luther G. Tweeten discusses the details, advantages and disadvantages of the commodity programmes and their implications on free market, income transfers, income stabilization and responsiveness of the system to changing conditions.

George E. Brandon describes the objectives of farm policy in a dynamic aspect so that farm resources are used productively, incomes are distributed equitably, there remains consistency in different elements of policy and the individuals have a freedom of thought and action. Kermit Gordon emphasizes economy over parsimony and profligacy. He quotes examples of commodity programmes and pricing of water for irrigation and urban use as policy being out of step and based on premises overrun by the events in U.S.A. This part of the book also carries a summary of the majority and minority views of the National Advisory Commission on Food and Fiber appointed in 1965.

In Part Three, George E. Brandon summarizes the recommendations of the National Commission on Food Marketing during 1965 and 1966. He specifically discusses the developments in the food industry, market structure, market power, its performance and influences on consumers and producers. He commends the idea of an ideologically and politically non-committed commission for making comprehensive analyses and presenting a wide range of ideas meriting public discussions.

J. W. Hammond, W. E. Anthony and M. K. Christiansen hold that increases in the prices of non-farm inputs, wage rates and advertising media prices, additional food processing and packaging, increased emphasis on merchandizing and overhead costs lead to increased farm-retail price spreads. Contrary to the view held by the National Commission on Food Marketing, they believe that more stringent restrictions on structural change in the food marketing industries would have had little or no impact on this spread. But Willard F. Mueller feels, "There are no 'natural' forces built into our system which guarantee the preservation of competition if business firms are left entirely alone to set their own rules or, worse still, to change them at will."

In Part Four, Donald F. Turner discusses the applicability of anti-trust laws to the farmer's co-operatives and holds that as co-operatives grow in size and importance and as they assume more of the characteristics of large corporate businesses, it becomes even more important that the essentials of our competitive policy be applied to private businesses and to co-operative businesses without discrimination. Don Paarlberg believes that market power can be achieved through restricting entry; higher prices can be achieved through bargaining power and additional services; and constructive bargaining power can be developed through converting the parities into price-negotiators. Varden Fuller compares the bargaining power and approach of labour unions and farmer's organizations and considers the collateral non-price functions very essential for the success of these unions and organizations. He believes that a price target alone will not suffice for either. The last section of this part contains a summary of the report of the National Advisory Commission on Food and Fiber for the Future in respect of hired farm labour. It deals with the seasonal and regional distribution of farm employment and earnings and the extent and role of the foreign labour. The report suggests equal protection for rural and urban workers in respect of wages, work conditions, terms of employment and social security, etc.

In Part Five, W. Keith Bryant summarizes the findings and recommendations of the President's National Advisory Commission on Rural Poverty. The next section briefly describes six reasons given by the Commission for taking immediate action on rural poverty. Age, sex, race, education and geographic location contribute to the poverty. Poverty is heavy among Negro Americans, Mexican Americans and Indian Americans living in rural areas, especially in the south and north central regions. The problems of rural America and city America are closely linked through migration. Anti-poverty programmes have by-passed rural people. Economic growth and technical change, through increasing productivity, are changing the old community structure and are leaving the rural people poor. The rural communities are unable to prepare the people to participate in the modern economy. The Commission's recommendations are far-reaching but the cost of implementation will be high. "Over a long pull," the Commission feels, "the gains to the society from wiping out poverty will far exceed the costs."

C. E. Bishop examines the extent and patterns of mobility of labour between the farm and non-farm sectors and functioning of the labour market in response to this mobility. He emphasizes the need for public assistance in mobility efforts and a system of relocation payments. Varden Fuller, in the last section of this part, brings out that the farm organization, off-farm interests and politics have

maintained an undifferentiated image of disadvantage to agriculture and there generally prevailed a pro-investor anti-labour psychology among American farmers. The political commitments, therefore, benefit mainly the land and mortgage owners and the administrative agency most directly afflicted by such a commitment is not in a good position to lead a campaign on rural poverty or to be the champion of rural renaissance.

In Part Six, D. Gale Johnson argues against the protectionist policies in the industrial countries. To him, "trade, not aid" is attractive. He pleads for a basis for international trade in which less developed countries will have a real opportunity to compete effectively for markets.

Orville L. Freeman reviews the world food situation and believes that the influence of Marx and the forces identified by Malthus are causing food shortages in the communist countries. Family farms and careful delineation of the governments' role in U.S.A. have made this country the bread-basket of the world. He believes "security is food" and U.S.A. must devise more effective ways of linking its skills in producing food with the needs of the less fortunate multitudes abroad. T. W. Schultz gives some very crisp views on U.S. policy and policy of the developing countries on agriculture. He emphasizes the need for investment in the human capital, agricultural research and technology in poor countries and some meaningful public programmes on family planning and birth controls. In his view, the adversity of nature, the perversity of farmers and the fecundity of man should be no excuse for the mistakes in economic policy that count for failures in modernizing agriculture. The real culprit, he thinks, is the lack of economic opportunities in agriculture. He disfavours policies of protections and import substitutions, export taxes and undue emphasis on industrialization, neglecting agricultural growth. He believes in efficiency prices. "The theory of perfectly competitive capitalism," he thinks, "is in many respects the theory of a planned or socialist economy." But, 'output prices,' 'input prices' and 'consumer goods and services prices' for the farmers are, as a rule, badly distorted. The book ends with a satirical peace of poetry by Kenneth Boulding.

It should be a good reading for students of U. S. agricultural policy at home and abroad.

S. S. JOHL