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Vol XXIX  
No. 1

ISSN 0019-5014

JANUARY-  
MARCH  
1974

# INDIAN JOURNAL OF AGRICULTURAL ECONOMICS



INDIAN SOCIETY OF  
AGRICULTURAL ECONOMICS,  
BOMBAY

**SUPPLEMENT TO CONFERENCE NUMBER :  
OCTOBER-DECEMBER, 1973**

**PRESIDENTIAL ADDRESS**

**SUMMARIES OF GROUP DISCUSSION**

## PRESIDENTIAL ADDRESS\*

### AGRICULTURAL POLICY IN INDIA

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On a number of occasions in the past, I have had to explain to people the main policies and programmes of the Government of India in the sphere of agricultural development. One of the inconvenient questions often put to me was "What is the agricultural policy of the Government of India?" I must confess that I either used to avoid the question or give partial answers talking to them discursively on agricultural strategy, or approach to and objectives of agricultural development; I could talk about the specific aspects of agricultural policy, such as land policy, agricultural price policy, food policy and even forest policy but could not provide a succinct statement of agricultural policy. This is because there has been no comprehensive Statement of Agricultural Policy as such after Independence to which one could refer. We have the Industrial Policy Resolution and the Science Policy Resolution, and we are attempting to formulate a Fuel Policy and even a National Policy Resolution on Children. But, so far, no comprehensive Agricultural Policy Resolution has been issued by the Government of India. It is the need for such a Resolution which I have felt in the course of my work during the last few years that impelled me to select this as the main theme of my Address today.

Every economic and social development Plan has a set of broad objectives. For achieving these objectives there are various policy instruments which are available to the State. A policy statement would begin by indicating the objectives, then outline the approach and the strategy and finally spell out the mix of specific policy measures designed to realise the objectives.

Historically, the unspelt out agricultural policy of India in the beginning of the century had a colonial bias, exporting food and raw materials to feed the Colonial Power and its industry. During this period, irrigation facilities were extended and more lands were brought under cultivation. Following the recommendations of the Royal Commission on Agriculture, Central and Provincial agricultural research institutions were set up and agricultural education was encouraged. Thereafter, during the second half of the Second World War, the Grow-More-Food Campaign was initiated which was later modified into the Integrated Production Programme under which production of cotton and jute also received attention besides foodgrains.

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\* Presidential Address delivered on the occasion of the 33rd Annual Conference of the Indian Society of Agricultural Economics, held under the auspices of the Andhra Pradesh Agricultural University, Rajendranagar, Hyderabad (A.P.) on 26th December, 1973.

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It was only in January, 1946, that the Government of India issued, for the first time, a Statement on Agriculture and Food Policy in India. The overriding goal of the policy was "to lead the country away from the menace of famine to a new vigour and prosperity." The ten cardinal objectives of this Policy were spelt out in the Statement. These included, among others, increase in the production of foodgrains and protective foods, rise in the efficiency of methods of agricultural production and marketing, stimulating the production of raw materials of industry, securing remunerative prices for the producer and fair wages to the agricultural labourer, ensuring fair distribution of the food produced and promoting nutritional research and education. The programme of action needed to attain the objectives was then indicated and ten priority measures which required immediate attention and twenty-six other measures to be included in the programme of action were listed. The Policy Statement also laid down the respective roles of Central and Provincial Governments with regard to the responsibility for carrying out the task and set out the principles of financial assistance from the Centre to the States.

Ever since then, the policy pertaining to many segments and aspects of agriculture has got crystallized into a more specific statement of its content. But there are segments and areas where it continues to suffer from ambivalence because the issues involved have yet to be sorted out. These separate bits of policy need to be integrated into a comprehensive Statement.

#### AGRICULTURAL POLICY IN THE FIVE-YEAR PLANS

After pointing to the absence of a comprehensive statement of Agricultural Policy in the post-Independence period, we proceed naturally to examine briefly what the successive Five-Year Plan Reports have to say on the various aspects of agricultural policy. It has been explicitly stated in the First Plan Report that for the immediate five-year period, agriculture including irrigation and power must have the top-most priority. It was felt that without a substantial increase in the production of food and raw materials needed for industry it would be impossible to sustain a higher tempo of investment. Diversification of agriculture and bringing it to a higher level of efficiency were also emphasized. Specific statements of policy regarding the structure of prices and levels of foodgrain prices were made in the Plan. The land policy was designed to reduce disparities in wealth and income, eliminate exploitation, provide security for tenants and equality of status and opportunity to different sections of the rural population.

As rightly observed by Mellor, the First Five-Year Plan's approach to agriculture was based on a three-fold understanding: firstly, the agriculturists were exploited by landowners, moneylenders and traders; secondly, the lower productivity in agriculture was due to the illiteracy and ignorance of the majority of the farm population; and thirdly, increased agricultural production

could be obtained through increased use of inputs, mainly water. Inadequate attention was given to the improvement in technology which, it was perhaps assumed, was adequate. Thus, apart from extending the irrigation facilities, the First Plan focussed attention on removing the institutional impediments to agricultural development through land reforms, promotion of credit and marketing co-operatives and launching of the community development programmes and extension services.

The Second Five-Year Plan did not even mention agriculture among the basic objectives of development enunciated in Chapter II of the Report. The agricultural programmes were envisaged as a mere carrying forward of the development started in the First Plan. In the sphere of land policy, the two-fold objectives of land reform were clarified as : removal of impediments to agricultural production that arise from the character of the agrarian situation and creation of conditions for evolving a highly efficient and productive agrarian economy.

Towards the end of the Second Plan, a Ford Foundation Team looked at the food situation and gave its recommendations in the Report "India's Food Crisis and Steps to Meet It." In pursuance of these recommendations, the Intensive Agricultural District Programme (IADP), also known as the Package Programme, was initiated in seven districts and was later extended to 16 districts, generally at the rate of one district in each State. The Package Programme was characterized by four major innovations : (i) it emphasized measures for immediate increase in agricultural production; (ii) only those districts were to be chosen which were likely to respond most to these measures; (iii) emphasis was directed towards profitability at the farm level; and (iv) stress was laid on supplying the physical inputs of production. Subsequently, the principle of intensification of agriculture through the application of package of practices in areas with assured rainfall or irrigation was extended to the Intensive Agricultural Area Programme (IAAP) which covered about 1,200 Community Development Blocks, in addition to the 300 blocks already covered under the IADP.

Achievement of self-sufficiency in foodgrains and increases in agricultural production to meet the requirements of industry and export were stated as the principal aims of the Third Plan. While the land policy enunciated in the Second Plan was reiterated, the two main objectives of price policy were indicated as : (a) ensuring that the movements of relative prices accord with the priorities and targets that have been set in the Plan, and (b) preventing any considerable rise in prices of essential goods that enter into the consumption of low income groups.

It is only in the Fourth Five-Year Plan that the issues connected with agricultural policy receive a more explicit and elaborate mention although this reference too cannot be construed as a comprehensive statement on the



subject. Growth with stability had been explicitly stated as the objective of the Fourth Plan as well as the Perspective Plan. More specifically, the first objective was to provide the conditions necessary for a sustained increase in agricultural production of about 5 per cent per annum over the next decade; and the second objective was to enable as large a section of the rural population as possible including the small cultivator, the farmer in dry areas and the agricultural labourer, to participate in development and share its benefits.

With regard to the strategy of development, the Plan traced the evolution of the strategy and listed the main elements which would support intensive agriculture. The role of technology as a major input in agriculture was recognized. Commercialization of agricultural production of even small units with a view to making them viable in intensive agriculture was favoured in irrigated areas. As these conditions would not be applicable over a major portion of the country, the strategy was to increase the supplementary or ancillary activities of the small farmers and provide them fuller employment and thereby achieve social justice.

There were also detailed references to the price policy and the land policy and their implications. With regard to mechanization, it was contemplated that a selective process of farm mechanization would help to shift labour to more labour intensive agricultural activities and hence seek to avoid large-scale displacement of labour while adding to its productivity. The credit policy in the Plan was designed to institutionalise the agricultural credit to the maximum extent possible and to reduce direct loaning by Government to the minimum.

Three circumstances favoured the formulation of the new strategy for agricultural production. First, the experience of the implementation of the Package Programme showed that the farmers were receptive to the adoption of the new technology provided the new methods were demonstrated and the benefits were properly explained to them; secondly, about the same time, new high-yielding exotic strains of wheat and paddy, which responded well under irrigated conditions and heavy doses of fertilizers were evolved and introduced in India after extensive field trials; and thirdly, the Government of India had adopted a policy of assured remunerative prices so that the farmer's efforts to increase production might not be inhibited by the fear of an undue depression in prices. The main elements of the new strategy were therefore: (i) introduction of high-yielding varieties; (ii) acceptance of the policy of irrigation for optimum production; (iii) increased availability and use of scientific inputs; (iv) arrangements for availability of credit; (v) assurance of minimum prices, and (vi) emphasis on the need for diversification.

While this new strategy had paid immediate dividends in the form of higher average and total yields of wheat, it was soon realised that there were other difficulties which were to be overcome before the new technology could

be extended to paddy and millets and the Green Revolution could be an accomplished fact covering the entire rural scene. Firstly, over large areas where rice is grown under monsoon conditions there are the twin problems of inadequate drainage (floods and cyclones taking a heavy toll) and pests and diseases, and appropriate crop varieties suited to each specific situation are to be evolved. Secondly, even the so-called irrigated area does not necessarily imply adequate and timely irrigation and several measures are necessary in the command areas of irrigation projects to ensure these. Thirdly, though the new technology is neutral to scale, the small farmers suffer from many disabilities such as the non-availability of credit and other resources for raising the yields. These difficulties were sought to be resolved through specific measures and programmes initiated during the Fourth Plan.

According to the Approach to the Fifth Five-Year Plan, removal of poverty and attainment of economic self-reliance are the two major tasks which the country has set out to accomplish. Growth with social justice has been postulated as its objective and employment-oriented development in agriculture has been emphasized. This leads to greater stress on dry farming areas, diversification of agricultural activities so as to highlight animal husbandry, dairying, fisheries, public rural works schemes and integrated rural development programmes. Thus, it is sought to ensure that, consistent with the demands of agricultural growth, the employment aspect should receive proper attention.

This completes my review, though very briefly, of the historical setting and various policy measures adopted from time to time.

#### MAIN ELEMENTS OF AN AGRICULTURAL POLICY

Let us now proceed to consider the main elements of an agricultural policy. The very first issue that arises in the consideration of the future policy is that of the agrarian structure in the setting of which it is to be viewed particularly in the long run. The structure that is envisaged should keep in view the main goals of policy, namely, the transformation of traditional agriculture into a technologically progressive and modern agriculture leading to higher productivity and equitable distribution of opportunities for growth and the benefits therefrom. The planning of agricultural services and supplies, mechanization, manpower, marketing and distribution will have to fit in to this system. A view has to be taken on the basis of careful analysis whether the present dependence of nearly 70 per cent of the population on agriculture will continue till the end of the century or whether it is possible to reduce this dependence through planned policies and programmes and foreseeable developments. In case the analysis shows that despite the best efforts the extent of this dependence is not likely to undergo any considerable change, it would follow that the rapidly increasing labour force in the rural areas would have to be provided employment within agriculture. If this is so, a decision



will have to be taken fairly early whether the agrarian structure of the coming years should be based on peasant proprietors or on some form of co-operatives. If it is peasant proprietorship, then it is also necessary to see whether, and if so, at what levels ceilings or floors will have to be imposed on the holdings of the farmers. Co-operativisation of land has been tried in several areas, but successful examples of co-operative farming societies are very rare.

It is widely recognized that ceiling legislation is scarcely an answer to the problem of land hunger. The number of families without land is so large and their land hunger is so insatiable that the land likely to become surplus will not be enough to solve even a fringe of the problem. Yet ceilings are justified on the ground of reduction of inequalities. On the other hand, the question whether there should be a floor limit below which the holding size cannot be allowed to fall needs early attention. There are, however, doubts whether such a policy of floors can be implemented effectively, in the absence of alternative employment opportunities in the rural areas.

The other aspect of land reforms pertains to tenancy. Cultivation by tenants acts as a dis-incentive to production under certain situations. What these situations are and what measures should be taken to modify the tenancy system need careful consideration. For example, a view is expressed that a marginal farmer who obviously is an inefficient cultivator should be allowed to lease out his land to another who could operate it more efficiently. The approach to share-cropping also needs elaboration. If it is to be regulated, the terms of regulation are to be spelt out. Further, the extent to which absentee landlordism can be allowed and under what conditions also need consideration.

Even if peasant proprietorship is accepted as the general policy, there will still be place for State farms and mechanized farms for dealing with special situations such as seed production, production of specialised crops, horticulture and plantation crops, etc. It will be desirable to lay down in unequivocal terms under what conditions and for what purposes these would be permitted. The question also arises whether an important programme like the consolidation of holdings should not be made compulsory in view of the economic gains arising from it.

Having considered the land policy, it will be useful to lay down the land use policy. The land and water resources of the country are not unlimited and a primary concern of the land use policy will be to ensure that the lands are used in an optimum manner which would minimize the chances of their deterioration. For improving the environment and for meeting man's economic needs, it is essential that land use planning is based on a resource survey and production potentiality of the land. Which land should go for industrial, urban and civic use should be determined on a scientific basis and not on non-technical considerations. For this purpose, it is necessary to assess the

land use capacity of the soils and to determine the best use of land for each soil-climate zone. What is essential is to find out the land use adjustment to get the maximum output under each soil-climate region. Moreover, exploitative use of land leads to rapid deterioration, and this should be avoided.

The cropping pattern arrived at on this basis has to be checked up from two angles: firstly, from the economic profitability point of view at the micro level, that is, from the point of view of the farmer and, secondly, from the standpoint of its compatibility at the macro level with the estimates of demand to meet the domestic requirements as well as for exports. It is, however, true that if the macro considerations require that certain crops should be grown, economic profitability from the individual point of view can be adjusted through the mechanism of pricing or subsidies provided, from the technical angle, the crops can be grown in a particular area.

Similarly, a firm view should be taken regarding self-sufficiency in agricultural commodities. The need for achieving self-sufficiency in foodgrains which are basic to the consumption requirements of the people is accepted and is no longer in dispute; but with regard to other agricultural commodities, there is a difference of opinion whether each country should aim at self-sufficiency, particularly when viewed in the regional context or whether the country should grow crops for which it has comparative advantage and with the foreign exchange earned through exports of such crops, it should import the crops which are needed for meeting the domestic requirements. Past experience has, however, shown that it will be on the whole desirable to be self-reliant with regard to essential raw materials for basic agro-industries also.

Another important aspect of policy deals with diversification of agriculture. When a break-through occurs in the production of other cereals as has been the case with wheat, surpluses in foodgrains, specially coarse grains, are bound to emerge which could be used as livestock feed. Some land could also be diverted from cereals to pulses, oilseeds and other commercial crops leading to more diversified cropping pattern. Extension of irrigation also permits double-cropping over larger areas and new and diversified cropping patterns will emerge on the newly irrigated areas. Diversification of agriculture in the wider sense of the term, extending to animal husbandry, fisheries and growing of trees is also justified as it is the only means of providing to the small and marginal farmers and agricultural labourers the means of livelihood, employment and income. It will also enable a more rapid growth in agriculture in the rural areas, and demand for these products will not be a constraint if marketing can be organized.

With regard to Food Policy, there have been several and comprehensive statements on the subject from time to time. The statement on Agriculture and Food Policy of 1946 to which a reference has been made earlier, had



advocated the provision of enough food for all, sufficient in quantity and of requisite quality. The First Plan also reiterated this as the basic aim of Government policy. The policy as well as the measures needed to give effect to it have been looked into by several Committees, notably the Foodgrains Policy Committees of 1943, 1947 and 1966, Foodgrains Enquiry Committee (1957) and also by the Foodgrains Procurement Committee (1950).

The Fourth Five-Year Plan sets out the objectives of Food Policy in the following terms :

- (i) to ensure that consumer prices are stabilised and, in particular, that the interests of the low income consumers are safeguarded;
- (ii) to ensure that the producers get reasonable prices and continue to have an adequate incentive for increasing production; and
- (iii) to build up an adequate buffer stock of foodgrains with a view to covering both the objectives mentioned above.

Recently, a new dimension has been added to the Food Policy wherein the policy of State Takeover of Wholesale Trade in Foodgrains has been accepted and implemented in respect of wheat.

The production policy and the food policy are to be linked with a nutrition policy which should aim at improving the nutrition of all the people in the country in the foreseeable future, while taking care of the special needs of the vulnerable sections of the population in the immediate future. Backward areas also need special attention.

The pronouncements with regard to Agricultural Price Policy are also quite numerous and familiar, that is, the maintenance of a structure of prices which brings about an allocation of resources in conformity with the targets defined in the Plan. It is also necessary to guarantee to the producers such prices for their products as will provide incentives for the growth in production and at the same time offer protection to the consumers against unduly high prices of such products. The Price Policy has also to fit in with the Incomes Policy that may be adopted by the Government. I do not propose to go into the details of this much discussed question of Price Policy for fear of repeating the obvious.

The concept of irrigation for drought protection has been changed to irrigation for optimum production under the new agricultural strategy introduced in 1966. However, the goals of Irrigation Policy have been more concretely re-defined by the Irrigation Commission recently in the following words :

- (i) maximum production per unit of area as in the Brahmaputra Valley, Kerala and Indo-Gangetic plains;

- (ii) maximum production per unit of water as in the regions of minimum and low rainfall in which about 70 per cent of the cultivated area lies; and
- (iii) maximum area covered as in drought-affected areas.

The Commission has also laid down the policy for the formulation of the River Basin Plans on the basis of the feasibility studies of individual projects. The broad approach to water conservation and its use according to needs and the respective roles of lift and surface irrigation schemes have also been laid down. The Report of the Commission also deals with several other aspects of irrigation policy such as irrigation rates, etc. All these could be consolidated into a single statement of Irrigation Policy, as part of overall Agricultural Policy.

The policy regarding rain-fed dry areas also needs to be spelt out. To the extent that some of the rain-fed areas are amongst the relatively backward regions of the country, one comes to the conclusion that development efforts in these areas should be directed towards improvement of agricultural production; but if irrigated areas could produce all the food required for the people, and also considerable portion of the commercial crop requirements, then there is a possibility that a large part of the rain-fed areas could be better used for fodder cultivation and livestock and sheep development. This aspect needs closer study and attention. When this materialises, much of the research and development efforts now being devoted to the cultivation of field crops, etc., in dry areas would need to be diverted to fodder crops.

Similarly, the policies and programmes for arid and desert regions as well as drought-prone areas need to be clearly laid down. For example, rural works in the drought-prone areas should be taken up as an employment generating programme aiming at the creation of durable assets which may have the effect of providing continued employment opportunities.

The programmes for development of agriculture have been promoted hitherto in several ways. One of these is through offer of financial subsidies. Various forms of subsidies have been designed to serve various purposes. They are either promotional, *i.e.*, designed to induce the farmer to use the input, or cost-reducing in nature. Where the initial cost is too high, the reduced rate will provide the necessary incentive. The subsidy has taken the form of sale of input at a cheaper rate, reduced interest rates or meeting a share of the cost of staff employed in implementing a scheme, or meeting part of the cost of transport to a hilly or inaccessible area. However, the policy has been to reduce the subsidies gradually and altogether eliminate them, particularly for the more affluent sections. At present subsidies are mainly designed to benefit the weaker sections of the population as in the Programmes for Small Farmers Development Agency and Marginal Farmers



and Agricultural Labourers. There is need for preparing a consolidated statement of policy on subsidies.

Similarly, there has been a gradual shift in the investment policy of the Government in agriculture. Lending by institutional agencies has increased particularly for the individual projects of farmers which are remunerative. The Government has naturally to take care of the investment needs of the small and marginal farmers in an increasing way. A categorical statement of policy to the effect that the medium and bigger farmers should increasingly get their investment funds from the commercial banks and co-operatives leaving the Government sources to meet the requirements of small and marginal farmers would seem desirable.

It has been recognized in the Approach Paper on the Fifth Five-Year Plan that expansion of productive employment opportunities is crucial to accelerated growth and reduction of income inequalities. As about 70 per cent of the population are engaged in agriculture, about the same proportion of the additional labour force will be generated from this section of the population. As at the present pace of industrialisation any mass scale transfer of the labour force from agriculture to non-agricultural sectors is ruled out, the growing labour force in agriculture has to be provided with fuller employment opportunities within agriculture itself. Thus, the scope for additional employment in agriculture will have to be studied carefully both in irrigated and rain-fed areas and in activities allied to agriculture. Appropriate employment policies need to be spelt out in detail.

I have already referred to the role of mechanization and have stated that the policy is to encourage selective mechanization. While it is very easy to enunciate this policy of selective mechanization, when it has to be translated into do's and don'ts, lots of difficulties are encountered. If in any year, unexpected rainfall at the harvesting time threatens to spoil the bumper wheat crop ready for harvest, a sudden hue and cry is raised for the import and use of combine-harvesters, disregarding their adverse effects on rural employment and the selective mechanization ideals are forgotten. Again if a proposal to have a large scale programme of tractorisation to get the benefits of favourable rainfall for quick sowings in rain-fed areas is made, eye-brows are raised as to its possible effects in respect of the displacement of labour which even when not available in the immediate vicinity could be imported from outside, at a price. Further, with the successful implementation of ceilings on land holdings, the scope for individual ownership of tractors goes down; and unless some sort of custom-hiring of tractors develops, tractor-ploughing cannot be adopted on a large-scale. Thus, a clearer policy statement regarding mechanization is also called for.

In the sphere of animal husbandry, the Fourth Five-Year Plan lays down the Cattle Breeding Policy in the following terms.

- (i) selective breeding in the breeding tracts of established milch, dual purpose or other draught breeds of cattle;
- (ii) laying more emphasis on milk production in the breeding tracts and replacing the other existing draught breeds or types with dual purpose breeds;
- (iii) grading up with recognized dual purpose or dairy breeds in other areas ;
- (iv) cross breeding with exotic breeds in hill areas and other places where facilities for rearing high-yielding milch cattle exist and in urban areas and around industrial townships; and
- (v) improvement of buffaloes by selective breeding in breeding tracts and grading up with recognized breeds in other areas.

A similar policy has to be laid down with regard to sheep, goats and other bovines. The approach to animal husbandry is based on three major considerations, *viz.*, importance of animal husbandry in the national income, its role in nutritional situation and the scope it offers for diversifying the economy of the small farmers and landless labourers. An integrated policy covering both agriculture and animal husbandry has to be drawn up in areas where they are complementary. For instance, in irrigated areas, dairying can be introduced as a mixed farming operation where a portion of the land can be devoted to fodder production as part of the irrigated cropping pattern. In rain-fed areas which are suited to pastures, there is every advantage in encouraging animal husbandry.

In the fisheries sector also, several issues of policy are coming up. The first is with regard to ownership and lease rights of small inland fishing tanks and waters. It may be argued that the fisherman who actually catches the fish should have the right to ownership of the water area. However, unlike land surface, water is not divisible and therefore, some community form of ownership of the water resources may be desirable. The second issue is regarding the allocation of spheres of fishing for country boats and smaller and larger mechanized boats in the coastal marine areas. Some sort of assurance may also be necessary to ensure that no fisherman is forced to dispose of the catch at throw away prices because of the absence of storage facilities. Further, in releasing water from reservoirs of irrigation projects, the interests of fishing also should be kept in view. If these principles are stated in the form of a policy statement, appropriate measures could be devised.

Forest is one subject in which there has been a specific Forest Policy Resolution since as early as 1894, and this policy has been revised from time to time. The National Policy Resolution issued in 1952 spells out the six paramount needs of the country in the sphere of forestry, namely, (i) evolving a system of balanced and complementary land use; (ii) checking denudation,



erosion and the invasion of sea sands on coastal tracts; (iii) establishment of tree lands wherever possible; (iv) ensuring progressively increasing supply of grazing, small wood for agricultural implements and firewood; (v) sustained supply of timber and other forest produce; and (vi) realisation of maximum annual revenue in perpetuity. These six needs are to be taken into account in the functions that forestry is designed to perform. The Forest Policy Resolution spells out the measures needed for development in each of the functional types of forests and enunciates the land use policy in which each type of land is allotted to that form of use under which it would produce the most and would deteriorate the least. It is stipulated that, for India as a whole, about one-third of the total land area should be maintained under forests. This proportion would vary from 20 per cent in the plains to 60 per cent in the Himalayas, the Deccan and other mountainous tracts as protection against erosion. The Forest Policy Resolution also deals with wild life, grazing, shifting cultivation, forest administration, legislation, research, extension and training. This policy requires to be re-examined in the new context with more emphasis on man-made forests; and further this policy has to be integrated with the other elements of the national agricultural policy.

Under the Constitution, agriculture and allied subjects fall in the State List while economic and social planning, trade and commerce and the production, supply and distribution of specified commodities such as foodstuffs, edible oilseeds, raw cotton, raw jute and fodder and Price Control are in the Concurrent List. By convention, the Central Government has been taking the leadership in formulating the policies and programmes of agricultural development and also co-ordinating their implementation. It also renders financial assistance to States by way of loans and grants as part of the Plan assistance. It has also assumed responsibility for the import of foodgrains, edible oils, etc., on its own account and for their distribution to the States. Any Statement of Agricultural Policy should, therefore, contain an explicit mention of the respective roles of the Central and State Governments with regard to the implementation of the policy.

The policy regarding legislative compulsion also needs attention. To ensure that beneficial measures are not held up by the opposition of a minority to such matters as control of pests and diseases, measures of soil conservation and land development, consolidation of holdings, legislative powers, enabling compulsory action if the vast majority agree, will also be necessary and should be assumed by the Central and State Governments.

There are several other aspects on which clear statements of policy need to be spelt out. For example, the policy regarding agricultural research, education, extension and training requires to be laid down. Input and output-marketing, storage, transport, processing, manpower, fair wages for agricultural labour, agricultural administration, and agricultural taxation are among the other subjects which also need to be specifically dealt with.

One of the objectives in formulating and issuing a Comprehensive Policy Statement on Agriculture is to avoid conflicts and internal inconsistencies among the different objectives and priorities. For immediate increase in food production, efforts may need to be concentrated in more favourable areas with assured irrigation. But this would result in a widening of the disparities between the favourable and not so richly endowed areas. Further, for purposes of extension, the medium and bigger farmers would be found to be more innovative and resourceful and for quick increase in production it would be easier to propagate the new technology through them. This is not to say that the smaller cultivator cannot adopt the new technology but he does not have the resources. Of course, the resources could be provided but this takes time. Thus, the programme for securing quick increases in production may result in short run imbalances between irrigated and un-irrigated areas and between big and small farmers; this results in a conflict between the objectives of growth and social justice. In dealing with such matters, it is necessary to state the objectives of policy and lay down the priorities.

Another possible conflict is between the need for increasing the marketable surplus to meet the urban demands which would warrant increases in the production of bigger farmers and the need for seeing that the small farmers who are below the poverty line increase their production and consumption in order to reach at least upto the level of the poverty line, if not cross it. Often it is not a choice of either this or that but how much of this and how much of that, since there is a constraint on resources.

If we adopt a labour-intensive small farming agrarian system, we ought to have supporting institutions which are geared to meet the needs of the small farms. We could also co-operativise the various agricultural processes from buying of things to the selling of the produce. In either case the building up of infra-structure takes time. The advantage of a pattern of large farms with capitalist farming where economies of scale can be utilized is that we can have large marketable surpluses and can also have a very high plough-back. In terms of extension also there will be a clear advantage in the large farming pattern. This again provides an instance of conflict.

What is required is a clear enunciation of the policy as well as the policy measures which would minimize these conflicts. Since the elements of such a policy-mix belong to credit policy, policy in respect of technology, the institutional arrangements and the like, their enunciation would help to remove or at least reduce the ambivalence that still continues in the several bits of existing agricultural policy. At the same time, it will help to ensure the binding of these several bits into a comprehensive and harmonious whole. Such a policy statement will also facilitate the course of action of the implementing agencies and will make implementation more efficient and effective.



To illustrate, if the policy of growth with social justice is to be implemented in all seriousness, we may have to pre-empt the groundwater resources in favour of the small and marginal farmers. For, in any given area, the available groundwater is limited; and if the existing policy of giving loans to private individuals through institutional agencies is pursued, then by the time the small and marginal farmers organize themselves to make use of these resources, with Government assistance, the major share of the available water resources would have been used up by the bigger and medium farmers. There may, however, be practical difficulties in blocking further groundwater development in anticipation of the requirements of the smaller and marginal farmers.

To take another example, if growth in the animal husbandry sector is the only aim without consideration of enlarging the employment opportunities, this could be achieved through the encouragement of bigger and medium sized dairy farms, poultry farms, etc. But this policy will not help the rural poor. A production policy designed to increase the output through the small and marginal farmers and landless labourers will subserve the needs of growth of employment as well as output.

Further, between the policy of remunerative prices and assuring cheaper food to the vulnerable sections of the population, apparent conflicts often arise. Important and weighty decisions are to be taken whether to increase the procurement prices and keep the issue price low through a subsidy or whether to subsidise the investments of the farmers to compensate him for the rising cost of cultivation. In all these issues also, a clear statement of policy would provide a better guide for action.

I am not suggesting that once the policy is formulated it should be rigid and valid for ever. There should be enough flexibility for its review and reconsideration. At the same time, changes should not be too frequent. In fact, very few policy changes in the past have been dramatic.

To sum up, there is need for a comprehensive Statement of Agricultural Policy which, after enunciating the general objectives of social and economic development of the people will proceed to state the agrarian structure envisaged for the future whether it is peasant proprietorship or other forms of agricultural organization. It will then indicate the land policy with particular reference to tenurial and tenancy relationships and state the general considerations such as those relating to ceilings and floors on holdings and the policy regarding the consolidation of holdings, etc. Next in importance is the land use policy and the need for diversification of agriculture. Here comes the question of self-sufficiency or self-reliance and the need for producing for the export markets.

When considering the agricultural production strategy the issues that arise for consideration include the strategy for production for irrigated, rain-fed and

desert and arid areas. Policies with regard to irrigation and water use, input supplies, marketing and processing need to be clarified. Credit is an important input and one must be clear about the programmes and priorities which are consistent with the policies with regard to the pattern and organization of agricultural production. The related problems of investments, and subsidies and other incentives need to be discussed. Price policy is basic to agricultural development and has to be enunciated. Food policy is an important element of overall agricultural policy. Besides assuring to the people quantities and qualities of nutritious diet, the means of achieving this objective also need to be specified whether with or without State intervention and participation. Agricultural labour and employment policies are relevant both to increased production and incomes. It is in this context that mechanization policy needs clarification. Many other aspects of agricultural development such as institutions to support agriculture, policies in the sphere of agricultural research, education and extension also need specific mention.

Taking agriculture in the wider context, policies regarding animal husbandry, fisheries and forestry also need to be spelt out and their inter-relationships within agriculture has to be specified.

Having reached the end of this exercise in thinking or rather feeling aloud, I must confess to you my uneasiness at having traversed so much of known ground before such an august and knowledgeable audience. I am even prepared for you to tell me that, what I am asking for is over-ambitious or even unreasonable. But even if that be your verdict, I would feel rewarded if my advocacy of a Comprehensive Resolution on agricultural policy helps accelerate the process of sorting out the issues involved so as to contribute to more cohesive thought as a guide to more effective action.