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Vol XXII
No. 2

ISSN 0019-5014

APRIL-
JUNE
1967

INDIAN JOURNAL OF AGRICULTURAL ECONOMICS



INDIAN SOCIETY OF
AGRICULTURAL ECONOMICS,
BOMBAY

BOOK REVIEWS

Community Development, Panchayati Raj and Sahakari Samaj, Rajeshwar Dayal, Metropolitan Book Co., Delhi, 1965. Pp. vi + 224. Rs. 10.00.

The Community Development Programme which was inaugurated in 1952 with a view to initiating a process of socio-economic transformation of rural India has completed almost 15 years. It now covers the entire country. The subject has aroused keen interest and consequently a large volume of literature has been published on the subject.

The book under review deals with community development, panchayati raj and also the allied subject, *viz.*, co-operation. In the chapter on "Community Development," the author describes the concept and its evolution, its main characteristics and objectives, and the content of the Indian programme. The programmes of community development and national extension services formulated in India were based on early experiments in our country and the experience of other countries of similar programmes. Over the years, there has been shifts in the emphasis on the various schemes of development and welfare included in the programmes, actuated by the findings of the Evaluation Organisations, special Study Teams and U. N. Missions and the national objectives of attainment of self-sustaining economic growth and self-sufficiency in food.

The main contribution of the programme has been in developing an approach based on local initiative and community of action and in the acceptance of the principle that the implementation of the programme should be through people's representative institutions. People's participation was sought to be achieved in two ways—by the involvement of the people in its formulation and by their contribution in the form of cash and kind for its implementation. The programme no doubt represents an effort of an unprecedented magnitude. It has succeeded in breathing a new life into the village but it has not been an unqualified success. As the author points out, the programme has functioned more for the benefit of individuals and not so much for that of the community. There has been a wide disparity in the distribution of the benefits of the programme as between the different sections of the population. The weaker sections have not benefited in any significant measure and there has been definite disenchantment in their mind about the programme. A programme of community development or national extension service might benefit the land-owning class in the initial period but its main weakness is its failure to promote opportunities of employment and social progress to the under-privileged sections of the community.

The programmes were also thinly spread over the country and the far too inadequate resources applied to the programmes failed to make a noticeable impact on the economy. Agricultural production which was the core of the programmes also failed to register any significant progress. To stimulate agricultural production, the staffing pattern was changed and intensive agricultural production programmes like the Package Programme and Intensive Agricultural Areas Programme were launched. They too suffered the same fate, as the programmes were expanded without adequate preparation.

The programme was conceived as a people's programme with Government participation but in practice it worked out to be a Government programme with varying degrees of people's participation. To rectify this situation, it was considered necessary to entrust the planning and the management of the programme to representative democratic bodies, which would provide local interest, supervision and care needed to ensure that the expenditure upon local objects conforms with the needs and aspirations of the local people. Accordingly, on the recommendations of the Study Team on Community Development, a three-tier structure of Panchayati Raj institutions comprising the village panchayats at the base, the block development agency at the intermediary level and the district level body at the apex was accepted. This structure has been brought into existence so far in all but three States. Though in certain States, the intermediate level organization has been assigned the crucial role in the implementation of the programme, it has been conceded that the district which offers a wider spatial perspective should be the unit of local planning. At each level, there is linkage between the administrative organization and the elected representatives. These bodies are yet to assume the role of local planners. Hitherto, they have undertaken schemes for which funds have been placed in their hands. It is necessary to induce them in every way to exploit their sources of taxation for the creation of assets and their maintenance. In the chapter on Panchayati Raj, the author has traced the origin and development of the decentralized democratic bodies. It is too early to pronounce a verdict on Panchayati Raj. With proper understanding in all quarters, these institutions can fulfil their roles as spearheads of rural development programmes.

The third chapter is on Sahakari Samaj. Co-operation was introduced in the country at the turn of the century. With its acceptance as an instrument of socio-economic policy, its role in planned development has been widened. The progressive policies adopted for the development of the co-operative movement following the acceptance of the recommendations of the All-India Rural Credit Survey Committee and the Expert Committee on Co-operative Credit have brought about an expansion of activities in the sphere of agricultural credit, marketing, processing, etc. Notable among the developments in the last decade has been the organization of a network of marketing co-operatives, a large number of processing and consumers' stores societies. The various Study Teams appointed by the Government of India have also made recommendations for the organization and development of co-operatives for the economic upliftment of the weaker sections of the community. The community development programme had also placed adequate emphasis on the development of various types of rural co-operative societies. Even in regard to co-operative development there has been wide variation from State to State in the implementation of accepted policies. Consequently, the stage of development varies. Among the several reasons for the uneven development, the paucity of trained leaders and trained managerial personnel stand out as the major cause. When measured against the needs, the progress in every direction including agricultural credit has been slow.

The author who has earlier published a book on 'Community Development Programme in India' has given an account of recent developments in each field in simple language. The study is primarily factual and descriptive and no refined methods of analysis have been used. Thus, it would, at best, serve as a useful

publication to the general reader and under-graduate students as it tries to bring together in one volume all the significant developments in recent years. The author has appended an annexure on 'Village Volunteer Force' which was formulated when India was invaded by China in 1962. He has provided a useful bibliography and index.

INDIRA A. IYER

Economy of Scarcity Areas (Report of the Economic Survey of Scarcity Areas in Bijapur District with special reference to Bijapur Taluka), T. K. Meti, Economic Series No. 4, Karnatak University, Dharwar, 1966. Pp. vi + 113. Rs. 4.00.

Economy of scarcity areas is a vital but relatively little explored area of economic analysis. In fact the paucity of attempts in this field is almost as great as the importance of these elements in the economy. Little is known, in the absence of authentic surveys/studies even in regard to the geographical extent of the incidence of scarcity in the country. Rough estimates may indicate that nearly one-fourth of the country is affected every year by scarcity, caused mainly by floods and drought. As to the research studies of such areas there are hardly a handful. In this context, the report by Meti on the Economic Survey of Scarcity Areas in Bijapur district with special reference to Bijapur taluka is indeed welcome.

The survey was conducted in the five randomly selected scarcity villages of Bijapur taluka, in which 20 families from every village comprising 15 (*sic*, presumably it was 10) farm families, 5 (landless) labour families and 5 non-agriculturists, were studied, with the help of a suitable schedule for each group of families, covering data for three years ending 1962-63. A questionnaire was also canvassed to officials and non-officials but response was poor, only about 13 per cent replying to the questionnaire.

The report on the survey is devised in seven chapters. The first two chapters deal with the introduction to the study and the general background of the surveyed region respectively, while the following chapter discusses the causes and consequences of scarcity and the role of scarcity areas in planned economy. In chapter four the main results of field investigation of the sampled families have been set out, while the working of scarcity relief measures has been appraised in the succeeding chapter. Then follows a chapter indicating some development measures and the last chapter sets out the main conclusions and suggestions.

Scarcity generally emanates from natural hazards and artificial developments. Natural calamities which cause scarcity could be failure of rainfall, excessive rains, floods, earthquake, volcanic eruptions, crop pests, livestock diseases, etc. Artificial events resulting in scarcity could be war, political disturbance, communal riots, wrong economic policies, etc. According to the author, the Bijapur district (including Bijapur taluka) suffers from scarcity mainly due to the acute shortage of rainfall, though among secondary causes pests, livestock diseases, land reforms (?), poor communication and transport system and absence of industries could be mentioned. When a region is proclaimed by the author as scarcity affected

owing to paucity of rainfall, a discerning reader would expect him to indicate with reference to rainfall statistics, the degree of and periodicity of deficiency in rainfall in the region. There are a number of studies in agricultural meteorology which have indicated techniques for this measurement which could have been suitably adopted. Such an assessment of the susceptibility of the region to scarcity on the basis of an objective criterion like rainfall with the use of a sophisticated methodology usual in meteorological studies, would have enabled the reader to appreciate the incidence of scarcity in the region better and also enhanced the scientific value of the report. However, the author has not felt such an analysis necessary and is just content in passing a judgment of scarcity and giving data on rainfall for a dozen years or so, in the Appendix. Nor has any evidence for the secondary causes of scarcity referred to by the author has been set out in the Report.

Although the incidence of scarcity has not been assessed on the basis of rainfall data, an idea of the extent of scarcity can be had from the data given for a few years on the number of villages in which land revenue was suspended. According to these data, between 1950-51 and 1960-61, only in three out of twelve years the proportion of villages affected by scarcity in the district was less than 5 per cent, while in the remaining years, it ranged between 20 per cent and 95 per cent. In Bijapur taluka which was intensively surveyed, the spread of scarcity was even greater, inasmuch as in seven out of twelve years the proportion of villages hit by scarcity was over 50 per cent.

The study of the sampled families covers such aspects as their indebtedness, nature of cultivation, income, depletion of capital, migration, etc. In estimating indebtedness the author has not included, for reasons known to himself, the debt (of Rs. 67 per farm family) owed to Government. Further, the term debt has also been used in the sense of gross borrowings during the reference period and not the loan outstanding at a point of time which is the normal connotation of the term. In fact, the author would have done well to define in the report the concepts of various economic variables used by him so that the correct connotation of the terms used and the limitations of data would have been clearer to a meticulous reader.

According to the results of the survey, the indebtedness of a farm family was Rs. 343. As against a debt of Rs. 343, a farm family repaid per annum Rs. 70, thus resulting, according to the author, in 'evils of accumulated debt.' The author has not, however, analysed the repayment of debt according to the period when it was due but compared repayment with total debt. Nor has the burden of debt with reference to, say, size of holding or level of produce, been measured. In absolute terms, the size of debt at Rs. 343 per family compared to Rs. 823 for Mysore State from which the district surveyed has been selected, or to Rs. 473 for All-India, as revealed by the All-India Debt and Investment Survey 1961-62, could not really be regarded as high for a scarcity hit area. Moreover, according to the author, 43 per cent of the debt owed by a family was for land improvement purposes and as much as 55 per cent of debt was owed to co-operatives. In the light of these facts, one may not be fully convinced of the author's observation on evils of accumulated debt of a farm family.

Some other findings of interest are that a large portion of the cultivable area remains in a scarcity year unsown; in 1962-63 it was 60 per cent; the depletion of capital due to scarcity conditions was of the order of Rs. 171 per farm family mostly in the form of sale of land, livestock, etc.; the incomes of non-agricultural families were reduced, by more than half in a sizable number of cases, etc.

The author has appropriately studied the position of landless labourers and non-agriculturists separately, inasmuch as the impact of scarcity on them was expected to be different. Similarly, if the author had also attempted an analysis of the impact of scarcity on farm families according to their economic status (say, as indicated by size of holding) the results would have been more rewarding.

In reviewing the measures adopted at present for providing relief to scarcity areas, like suspension or remission of land revenue, giving of *takavi* loans, undertaking construction and conservation measures, etc., the author feels that these measures are palliatives and inadequate. He, therefore, advocates preventive measures and growth-conducive projects with a high priority for scarcity areas in the allocation of plan outlay. Further, he has proposed a co-ordinated and integrated three-phased programme of development for the solution of scarcity-problems. On the organizational side, he has suggested the setting up of a separate Section of Scarcity Area Development in the Ministry of Food and Agriculture at the Centre with corresponding cells at the State level, organizing of Scarcity Area Development Committees at the Taluka and District levels federated with the State Scarcity Area Development Cells.

One may or may not agree with this set of suggestions. There may also be other deficiencies in the Report, as pointed out earlier. But it must be said to the credit of the author that the report is an interesting and useful publication, in that it focuses attention on one of the urgent and unexplored problems.

One, however, regrets that printing of the report has not been properly seen through. There are many errors of spelling (pages 25, 40, 41, 46, 56, 62, 63, etc.), use of incorrect words (pages 29, 38, 54, 68, etc.) and use of wrong articles (pages 8, 12, 44, 46 etc.). At times, construction of sentences is also not (pages 20, 22, etc.) quite happy.

M. G. GAITONDE

The Planning of Agriculture in India, Prafulla C. Sarkar, Rotterdam University Press, Rotterdam, 1966. Pp. ix + 107. Rs. 24.00 (cloth bound), (Sole distributors in India : Current Book House, Bombay-1), N. Gld. 17.50 or Sh. 35 (paper back).

One has simply to read the hundred and odd pages of Sarkar's book to realise how little of agricultural planning and economics is understood by any of the Indian or foreign economists. ["Professor (W. Arthur) Lewis' acquaintance with the problem of India's surplus labour is superficial..... In a way, the ignorance of the city-bred Indian intellectuals about their own rural life is responsible for this and has continued to contribute to the poor basic knowledge of the master theoreticians of rich nations."] About his own contribution the

author says, "This work is a result of my stay in Rotterdam during 1964-65." For the benefit of the city-bred Indian intellectual, I may mention that Rotterdam is not an Indian village.

As for the planners, they of course know much less. They even do not know how to measure the income elasticity of demand. Further, "If Indians have faith in planning, this problem—fear of inflation and fall in agricultural prices—has to be solved by appropriate design of the plan." And which is that grand design which has eluded the Indian planners? Here is the answer. "It is only a matter of appropriate combination of quick-yielding and slow-yielding projects and outlays." What a pity, it did not strike us all these years!

Professor Schultz, however, will be glad for the endorsement of his view that "India's neglect of agriculture was also due to the availability of American surplus." What is more, "Quite a large proportion of it (surplus) is going into the mouths of those whose gain in calorie intake is not fructifying into additional output, and therefore into a lessening of the pressure on monetary demand for a (*sic*) food."

The Indian Economists' Schemes of Farm Organization—four in number, optimum holdings, equal holdings, small holdings and commercial holdings—are misconceived. "It is found conclusively that none of them can be recommended." As "all excess funds of farmers are being utilised for speculation in land," the author recommends that "the market of cultivable land be closed altogether".

The author has opined on several other aspects of planning of agriculture—irrigation, fertilizer, farm finance—rejecting all past and current thinking as biased or simply as ignorance. For example, on the question of farm finance "the authors of the All-India Rural Credit Survey realised little that even the state partnership, without any provision for the exclusion of the money-lender, really meant a virtual strengthening of the money-lender rather than of the cultivator." "The co-operative societies at the bottom are now without exception influenced or controlled by the money-lenders."

Thus a Brave New World of Indian scholars is being born and bred in foreign universities to replace the traditional indigenous variety. The best chapter in Sarkar's book is the one which starting with the excellence of the 18th century Indian *muslin*, summarises the three Five-Year Plans and their achievements in 23 pages and 45 bibliographical references.

M. L. D.

Benefit-Cost Analysis of the Sarda Canal System, Baljit Singh and Shridhar Misra, Asia Publishing House, Bombay, 1965. Pp. xv + 275. Rs. 25.00.

"Are River Valley Projects worth their Large Investments?" was the theme of an article written by Mr. Kanwar Sain, Chairman of the Rajasthan Canal

Board in 1960. It was in the light of such typical posers that the Planning Commission sponsored a set of five studies in 1958 to gain a fuller understanding of the working of irrigation projects in the country. One of these studies pertaining to the Sarda Canal in Uttar Pradesh was carried out by the Department of Economics of the Lucknow University.

The report consists of 19 chapters and is presented in three parts. In the first part, the authors outline the methodology followed in conducting the research project. This part also touches up on the various procedural problems involved in calculating the benefit-cost ratio, indicating the limitations of the present study. The second part contains a detailed account of the major developments that have taken place in the system since the canal was inaugurated in 1928. This also forms the context in which the authors have worked out the benefit-cost ratio for the Sarda Canal in the final part of their report.

Though primarily designed to be a benefit-cost study of the Sarda Canal, the authors have worked on a wider canvas by including a detailed treatment of the various aspects of the project such as the irrigation potential progressively created and the extent of its utilization, financial soundness of the system, all of which have a direct bearing on the successful performance of the canal. In fact, it is in the treatment of these aspects that the efforts of the authors have been more rewarding in so far as they provide valuable insights for future irrigation planning.

Part II, thus, provides a connected account of what is likely to go 'wrong' in actual practice in the functioning of any irrigation system as compared to the expectations entertained at the time of installing the project. If the experience of the Sarda Canal is any pointer, the chances of the various estimates going awry appear to be higher where similar projects are carried out on *ad hoc* decisions than in conformity with certain well-defined project feasibility norms.

For instance, the Sarda Canal area, prior to its inception, was served by a wide network of minor irrigation sources. One significant finding of the study is that these sources have continued to exist "side by side with the canal irrigation over the same area in the same villages and on the same fields." (p. 65.) This 'dualism' in irrigation sources has imparted to the Canal the characteristics of a 'border-line' system, with the inevitable under-utilization of existing irrigation potential and recurring financial losses year after year. Perhaps if the project authorities had done their home-work in the form of an economic appraisal, the Sarda Canal might have taken a shape quite different from what it is today, a point to which the authors allude in their suggestions for evolving a yardstick for undertaking future irrigation projects.

One major weakness of the Report, on the methodological plane, pertains to the calculation of the benefit-cost ratio for the Canal. Instead of calculating the ratio for the estimated irrigable area of the Canal, which is the legitimate basis, the authors have calculated the ratio for the total area commanded by the Canal. In a review of the same book appearing in the Jan.-March 1966 issue of the *Indian Economic Journal*, Professor N. V. Sovani after pointing out this lapse has worked out a more realistic benefit-cost ratio for the Canal. (See his review on pp. 568-571.) Apparently, Professor Sovani is at a loss to account for this lapse

in the Report. It appears to the present reviewer that, ironically enough, this lapse may have been a result of the authors misreading of Professor Sovani's own report on the Hirakud Dam on which they claim to have relied for their methodological guidance ! (p. 4.) The fact of the matter is that in the case of the Hirakud Dam the intensity of irrigation was cent per cent meaning thereby that the total culturable commanded area and the irrigable area for the project were identical. Inasmuch as the intensity of irrigation is far less for the Sarda Canal, the legitimate basis for calculating the ratio would be the estimated irrigable area of the Canal. (See Economics of a Multiple-Purpose River Dam, N. V. Sovani and N. Rath, pp. 133-134 and 142).

Another inconsistency in the analysis, perhaps more glaring than the above lapse, is noticed when the authors conclude chapter XVI on the note : "It is obvious that with a larger utilization of its potential its benefit-cost ratio would increase further." (p. 132.) The benefit-cost ratio, as conceded by the authors themselves, pertains to the overall benefits and costs of the project on its maturity, and as such the authors' above observation does not appear to be valid.

These minor blemishes apart, the authors deserve to be congratulated for bringing out a painstaking and an extremely well-documented report on the working of a typical irrigation system in the country. It is a valuable addition to the literature on the subject.

BASHIR A. DESAI