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REVIEWS IN BRIEF

Indian Economy 1961-66, National Council of Applied Economic Research, New Delhi, 1966. Pp. xi+116. Rs.15.00.

This study examines critically the progress made in the various sectors of the Indian economy during the Third Five-Year Plan period in the light of the targets set. It is based on information available from published sources. The book is divided into eight chapters. The introductory chapter sets out the scope and content of the study. The finances of the Plan are discussed in the second chapter. An attempt is made in chapter 3 to examine the policies and their implementation in the agricultural sector during the Third Plan period and also the major causes for the shortcomings. Problems relating to the industrial sector are discussed in chapter 4 and the achievements of the Plan in respect of power, transport and communications are briefly reviewed in the next chapter. The various aspects of external finance in the context of the Third Plan and the price and monetary trends are dealt with in the subsequent two chapters. A few of the major issues that the country has to face in the Fourth Plan and in the subsequent Plan efforts are posed in the last chapter. Some of the important conclusions of the study are as follows. The experience of the economy during the period under review has been one of shortfalls, stresses and strains. The compound growth rate of the economy during the period has been estimated at around 3.8 per cent per annum as against the targeted growth rate of 5 per cent. The sluggishness in the overall growth of the economy has been traced to the poor performance of the agricultural and industrial sectors. The increase in agricultural production over the Third Plan period was less than half of the 30 per cent increase envisaged. The shortfall was more serious in the case of foodgrains, the actual production in 1965-66 being only about 72.3 million tonnes as against 101.6 million tonnes planned for. The slack in agricultural production has been traced to a combination of factors, the most important being adverse weather conditions, the lack of a consistent policy towards agricultural development and faulty implementation of the Plan programmes. Of the latter, non-availability of necessary farm inputs and lack of credit facilities are some of the major factors impeding agricultural growth. The failure on the agricultural front has impeded the growth in those industrial sectors which depended on agriculture for raw materials. The major objectives of the Third Plan—self-sufficiency in foodgrains and increased agricultural production, expansion of industrial capacities, utilization of the available manpower resources to the fullest extent possible, reduction in disparities in incomes and wealth, etc.—yet remain to be fulfilled. Several suggestions have been put forward on the strategy to be adopted in the Fourth Plan.

Bibliography : Communications in Agricultural Development, Delbert T. Myren, Mexico, 1965.

This bibliography contains references on communications in agricultural development both in the developed and developing countries. The references have been divided into following eight categories which are not mutually exclusive. (1) Theory and case studies in economic and agricultural development; (2) the processes by which knowledge is produced or

organized; (3) the economic importance of communicating knowledge; (4) the transmission of and responses to knowledge; (5) experience and research with respect to specific media, channels and messages; (6) audience studies in newly developing areas; (7) rural social change : the process and consequences of diffusion and adoption of innovations; and (8) organization for information transmission. Each category is made up of two alphabetical lists—(1) a basic list assembled in 1963 and (2) a supplement made up of references reviewed during 1964-65. Each citation has been listed only once according to the dominant focus of the text. The bibliography was prepared under the auspices of the Rockefeller Foundation. It will prove useful to the social scientists who are engaged in the study of problems relating to agricultural development.

Fertilizers : An Annual Review of World Production, Consumption and Trade, 1965, Food and Agriculture Organization of the United Nations, Rome, 1966. Pp. viii+213. \$2.50.

This annual volume reviews the changes in world production of commercial fertilizers as a whole and then examines separately the changes in production of nitrogenous, phosphate and potash fertilizers as well as the forms in which each type of fertilizer is produced, consumed and traded. Consumption, trade and prices of each type of fertilizer are reviewed on a world basis and by continent. This volume is based on data received from governments up to 31st May, 1966 and covers a period of six years from 1959-60 to 1964-65. For the first time, information on the world nitrogen industry and on crop responses to fertilizers is included in this volume. The results of fertilizer trials on maize, rice and wheat laid out in cultivators' fields in Turkey, Nigeria, Ghana, Guatemala, Costa Rica, Ecuador and Colombia during 1962-64 are given in this volume. World production of all fertilizers (nitrogen, phosphate and potash) increased by 49 per cent from 28.4 million to 42.4 million metric tons during the period 1959-60 to 1964-65. Fertilizer production in Asia and in India amounted to 3 million and 0.61 million tons in 1964-65, constituting nearly 7 and 1.4 per cent respectively of the world's total. The output of nitrogenous fertilizers over the period has increased much more rapidly (by 67 per cent from 9.9 million to 16.6 million tons) than that of either phosphate or potash fertilizers. Fertilizer consumption in the world increased by about 48 per cent from 27 million to 40 million tons during the same period. Its consumption is concentrated in Europe, North and Central America and Oceania (with 76 per cent of the world's supply of all kinds of fertilizers and only 30 per cent of the world's total population). Asia, U.S.S.R., Africa and South America with 67 per cent of the world's arable land accounted for only 24 per cent of the world's total supply. Fertilizer consumption in India was estimated at 0.72 million tons in 1964-65. The rate of fertilizer application has been found to be heaviest in Europe with a consumption of 104 kg. of all commercial fertilizers per hectare of arable land, as compared with 42 kg. in North and Central America, 31 kg. in Oceania, 14 kg. in U.S.S.R., 11 kg. in Asia, 10 kg. in South America and only 3.4 kg. in Africa. The intensity of application of fertilizers was greatest in the Netherlands with the consumption of 564 kg. per hectare, as compared with 312 kg. in the German Federal Republic and 137 kg. in France. The intensity of fertilizer consumption varied widely between the countries of Asia. In 1963-64, fertilizer consumption per hectare of arable land in Japan, Israel and India was 304, 85 and 3.8 kg. respectively. It

is estimated that out of the 3 million tons of nitrogen which crops in India absorb annually, only one-third is being replaced in the form of both organic and synthetic fertilizers.

The volume of world trade in commercial fertilizers increased by 41 per cent to 10.3 million tons during the period. Europe, U.S.S.R., North and Central America were the world's leading exporters of all kinds of commercial fertilizers in 1964-65. The other countries were net importers, Asia being the largest with 1.1 million tons, followed by Africa, Oceania and South America. Of the total of 345 thousand tons of fertilizer imported into India in 1964-65, nitrogenous fertilizers constituted about 77 per cent. Detailed data on production, consumption, trade and prices of fertilizers are given in 28 appendix tables.

Economic Survey of Europe 1965—Part I. The European Economy in 1965, prepared by the Secretariat of the Economic Commission for Europe, Geneva, United Nations, New York, 1966. Pp. viii+177. \$3.00 or Rs. 18.00.

The first part of this Survey which is the nineteenth in a series of reports prepared by the Secretariat of the Economic Commission for Europe, deals with the economic developments in Europe during 1965. Divided into two chapters, the first chapter of the Survey deals with developments in the different sectors of the economy of countries in eastern Europe and the Soviet Union. It highlights the achievement of relatively high rates of economic growth in the majority of the countries in this area except eastern Germany and Czechoslovakia. The average rate of growth of national income varied from as low as 1.9 per cent in Czechoslovakia to as high as 9 per cent per annum in Rumania and 6.7 per cent in the Soviet Union. The performance of individual sectors of the economy varied from country to country but the main contribution to the rise of national income invariably came from an expansion of industrial output. In contrast to this, the contribution of agriculture to the rise of national income was either insignificant or negative in all countries except Poland and eastern Germany. Agricultural production was rather erratic largely as a result of the impact of variable weather conditions on crop culture. Among the countries in this area, Hungary and Czechoslovakia recorded a decline in agricultural production of the order of 3-4 per cent in 1965. On the other hand, Poland reported an impressive increase of 7.4 per cent in agricultural output in the same year; while agricultural market production in eastern Germany increased by 8.5 per cent in 1965. Irrespective of the variation in the size of the agricultural output, the livestock sector performed well in most of the countries. The introduction of advanced methods of breeding and feeding at the farm level has contributed to a rise in productivity in the livestock sector. The growing awareness that technical measures alone, even if supported by large investment outlays, are not likely to transform agriculture into a truly dynamic sector has led up to important government decisions in most of the countries in the area. In the Soviet Union, some important structural changes in the direction of a more rational crop rotation appear to have taken place in 1965. Numerous decrees for the implementation of a programme of action which spans a field ranging from planning to the question of individual material incentives were promulgated. Two other developments in the Soviet Union relate to the introduction of the system of guaranteed minimum remuneration for farmers and the inclusion of payments to the labour in the cost accounting of farms.

With increasing reliance being placed on the improvement of farm incomes as a method for achieving higher accumulation rates and improving material production incentive, direct state support in the countries of this area is being scaled down and gradually replaced by higher producer prices that are more closely aligned to costs, including those of labour. The various measures implemented in 1965 or adopted for 1966 were in accordance with this policy. Thus, profit margins were widened and relative prices adjusted to production costs and priorities; in some countries, certain farm purchasing prices were corrected. The payment of bonuses and premia for above-plan and above-contract deliveries is becoming a common practice. The approach towards the planning of agricultural production is being changed in order to establish a close relationship between the central plan targets and the material incentives of the farms and the farmers. The move towards economic reform, which had originated in Poland and Hungary in 1956-57, has since spread to all countries of the region with the exception of Rumania and Albania. The general nature of the changes in the systems of economic planning and management tends to be similar, irrespective of the levels of development and economic size, but the detailed measures adopted in particular fields vary considerably from one country to another. The Survey lists the major developments of 1965 and discusses the general features of the reform as also reviews the changes carried out or contemplated in individual countries.

The second chapter of the Survey deals with the major events in 1965 and expectations for 1966 in the market economies of Europe. The discussion centres on developments in the industrial countries of western Europe as well as in southern Europe and Yugoslavia. It describes the growth of output, the associated changes in the components of final demand, the employment situation, wages, productivity and labour costs in industry and consumer prices. It contains a summary of the prospects for 1966 and a review of developments in central economic policy in the major countries. Significant among recent developments in economic policy reported are the following: (1) There has been a more determined effort in France, United Kingdom, Italy, Sweden, Norway and Finland to link short-term economic policies more effectively to medium-term programmes for development and structural change. (2) There has been an increased realization in several countries of this region of the need to use budgetary policy in addition to monetary and credit policy, as a major instrument for short-term management of the economy. (3) Prices and incomes policies have been developed with a view to improving the pricing practices of enterprises and the wage and salary policies of both trade unions and enterprises and adapting them to the pursuit of economic efficiency as well as to social needs.

World Population Prospects as Assessed in 1963, Population Studies, No. 41, Department of Economic and Social Affairs, United Nations, New York, 1966. Pp. vii+149. \$2.00 or Rs. 12.00.

This report presents retrospective population estimates for the period 1920 to 1960 and future population estimates for the world, major areas and regions and for each country in the period 1960 to 2000. These estimates supersede the estimates given in previous United Nations publications and take into account more recent data, including the results of censuses taken in many countries in 1960

and 1961. The report is divided into 4 parts and 17 chapters. The introductory part outlines the major features of the world demographic situation pertinent to the future outlook, defines and interprets the variants of the future population estimates and defines the major areas and regions. Part II entitled 'Summary of results' presents the estimates of population growth in the world, classified into eight major areas and 24 regions for the period 1920 to 2000 and of crude birth and death rates and age structure according to the medium projection. The sources and the nature of basic demographic data and the methods of population projections are discussed in Part III. The last part contains the basis and results of estimates for regions and countries. During the forty years from 1920 to 1960, it is estimated that the world population increased by about 61 per cent from 1860 million to 2998 million. The areas of greatest growth during the period included Latin America with an estimated increase of 137 per cent, Africa with 91 per cent (figures are highly uncertain), South Asia with 84 per cent, and Oceania with about 85 per cent. The increases in population were moderate in Northern America (72 per cent), the Soviet Union (38 per cent), and Europe (31 per cent.) According to the low, medium and high projections, the world population would increase to 5,448 million, 6,130 million and 7,000 million respectively by 2000. For the Middle South Asia region as a whole, it is estimated that the regional population increased by almost 75 per cent and that of India by 73 per cent during the 40-year period. The population estimates based on medium projections for the period 1961-1981 indicate that India's population would increase by 57.6 per cent to 682 million by the end of the period, assuming fertility to decline from 1970. The rate of increase of decennial population would be 25.5 per cent in the 1960's and 1970's, 21.8 per cent in the 1980's and 18 per cent in the last decade of the century. The projection implies an expectation of life of about 43 years for both sexes in 1960, rising to 49 years by 1970 and 52 years by 1980. The longer-range projections suggest that India's population is likely to increase to 981 million by the end of the century.