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THE INDIAN JOURNAL OF AGRICULTURAL ECONOMICS

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THE INDIAN SOCIETY OF AGRICULTURAL ECONOMICS

AIMS AND OBJECTS

To promote the investigation, study and improvement of the Economic and Social Conditions of Agriculture and Rural Life through:—

- (a) Periodical Conferences for the Discussion of Problems:
- (b) The publication of papers, separately or collectively; or in periodical which may be issued under the auspices of the Society;
- (c) Co-operation with other institutions having similar objects, such as the International Conference of Agricultural Economists and the Indian Economic Association, etc.

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THE INDIAN

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Esplanade Road, Fort, Bombay.

FOODGRAINS POLICY

Like several important Government Reports, the Final Report of the Foodgrains Policy Committee is published—or is it just printed?—but not available. One cannot protest too strongly against Government's publicity machinery, which does not make available to the public and even to research institutions and Universities reports and documents on which important policies are based.

The Foodgrains Policy Committee was appointed in September 1947 to "examine the present position in regards to foodgrains in India and the prospective position in the next five years in the light of considerations of production, procurement, imports, distribution and controls and advise Government on :

- (a) the measures necessary to increase production,
- (b) the extent to which reliance can be and should be placed on imports, and
- (c) in the light of the above, the modifications which may be necessary in the Foodgrains Policy so far pursued.

The Committee submitted an Interim Report to Government in December, 1947, dealing with (b) and (c). Broadly speaking, it recommended that the Central and Provincial Governments should reduce their direct commitments in respect of the food supply to the population with a view to the gradual abolition of the present system of Food Control and Rationing as soon as possible. Factors which influenced these decisions were:—

- (1) Increasing difficulty in procurement of foodgrains.
- (2) Continual reduction in the scale of rations.
- (3) Dependence on imports of foodgrains to the tune of Rs. 100/- crores a year.
- (4) Undesirable degree of dependence of the people on the administrative agencies of Governments.

Almost immediately, the Government of India introduced the policy of "gradual decontrol," which is the subject matter of much controversy today.

We give below a brief note on the effects of the policy on the prices of food-grains.

The main recommendations contained in the Final Report are :

- (1) The country should set itself the goal of increasing foodgrain production by 10 million tons annually within the shortest possible time.

According to the Committee this can be achieved by following methods:

- (1) extension of irrigation by 19 million acres within 10 to 15 years through multi-purpose projects under contemplation by the Central Waterways Commission. This is expected to produce four million tons;
- (2) implementation by the Provincial Governments of 5-year Food Production Plans under which they expect an increase in food production of about 3 million tons during the course of next five years;
- (3) reclamation by the Central Government of sufficient acreage of cultivable waste lands that will result in an additional production of 3 million tons of foodgrains.

The Committee recommend the formation of a Central and Provincial Planning Board which will review the food production plans and also assist in the reclamation of waste lands. They also recommend formation of a statutory body to be called Central Land Reclamation Organisation with a capital of Rs. 50 crores to be subscribed by the Central Government. It will be purely executive body. It will prepare reclamation projects in details for the approval of the Central Board of Planning. It will also be the responsibility of this organisation to execute those plans and to ensure, in collaboration of the Provincial Boards, that the reclaimed lands are taken up for cultivation immediately after reclamation.

Details regarding the Government's plan for the implementation of the above recommendations are not yet available.

DECONTROL

The following indices (19-8-1939=100) bring out the effects of decontrol on the prices of major foodgrains and some other articles of consumption.

	Nov. 1947 (1)	Jan. 1948 (2)	May, 1948 (3)	July, 1948 (4)	Increase of (4) over (1)
Rice	333	378	396	413	80
Wheat	373	496	539	691	318
Tea	228	245	246	247	19
Coffee	337	347	598	601	264
Sugar	212	363	373	377	165
Copra	614	621	614	675	61
All agricultural commodities	341	386	446	466	125

It is noteworthy that the upward trend of prices has not been confined to articles which were previously controlled. The general all-India index of wholesale prices rose from 314 in December 1947 to 382 in July 1948, thus registering a rise of 68 points in six months. This rate of increase is the greatest since the critical months of 1943 and it compares with a rise of only 31 points during the whole of 1947.

* * * * *

THE AGRARIAN REFORMS COMMITTEE

As a result of the deliberations of the Provincial Revenue Ministers' Conference held in New Delhi in December, 1947, the Congress President Dr. Rajendra Prasad, has appointed an Agrarian Reforms Committee. The Congress is pledged to the abolition of zamindari but ideas about the picture of the agrarian economy which should take its place have not yet crystallised. It was feared that in the absence of a well thought out and a positive direction from the parent organisation, un-co-ordinated and hastily conceived measures might be adopted by Congress Ministries in different Provinces. When the slate is being cleaned, opportunity must be taken to give some thought to the basic features of the new picture that we may draw. The appointment of the Committee is therefore very opportune. A heavy responsibility rests on the Committee, for, if they misdirect the very first step towards agrarian reconstruction it may cause a grievous damage to the country's economy. The Committee has been asked to "examine and make recommendations about agrarian reforms arising out of the abolition of zamindari system, in the light of the conditions prevailing in the different Provinces. The Committee has been specifically asked to "consider and report on co-operative farming and methods of improving agricultural production, the position of the small holdings, sub-tenants, landless agricultural labourers and generally on improving the condition of agricultural rural population."

The Committee has issued a lengthy questionnaire and is touring all the Provinces to acquire an insight into local conditions and problems. Though it has been decided that the Committee should be both a fact-finding and a policy-recommending body, its report, we presume, will, rather than give us more facts on our agricultural situation, formulate uniform and concrete policies on agrarian questions in the light of the recommendations of the Economic Programme Committee of the Congress.

* * * * *

ENQUIRY ON AGRICULTURAL LABOUR

The Provincial Labour Ministers' Conference held in October, 1946, unanimously approved the necessity for an enquiry into the condition of agricultural labourers. In accordance with this decision, the Labour Ministry of the Government of India have now drawn up a scheme for a fact-finding organisation to collect statistics about landless agricultural workers in the country.

This investigational work will be conducted by a batch of seventy graduates recruited and trained for this purpose. They will survey a hundred typical villages in each of the Province and a few in the States and the Centrally administered areas. Statistical and other information on rural incomes, conditions of work, the problem of forced labour and other allied matters which have a close bearing on the life of the landless workers will be collected by these investigations and it is expected that the survey will be completed within a year.

The extension of social security benefits to industrial workers during the war and after and the re-enforcement of regulations with regard to wages, hours of work etc., have widened the gulf between the condition of these workers on the one hand and that of agricultural labourers on the other. We hope that the inquiry which has now been decided upon will be completed within the specified time and that it will soon be followed by legislation to secure for the agricultural labourer a fair measure of the social security now enjoyed by his compeer in industry.

* * * * *

THE HALIS

The Halis are agricultural serfs in the Surat district in Bombay Province. The Hali labourer binds himself, and to some extent the members of his family to serve a farmer, practically for life in lieu of debt which he incurs mostly for marriage. In May 1947, the Government of Bombay appointed a Committee to enquire into "the social and economic conditions of the Halis," who constitute the bulk of the agricultural labourers in the district, and "to examine the relationship between the employers and the Halis regarding terms of employment, methods of wage payment, etc., with a view to suggesting measures necessary for rehabilitating this class of agricultural labourers and for enabling them to live a life consistent with human dignity and self respect." The enquiry was entrusted to the Agricultural Economics Section of the Bombay University School of Economics and Sociology. The Committee submitted the Report in June, 1948.

Very useful data regarding the economic and social conditions of the Halis were brought to light during the course of the enquiry. These related to their population, period of employment, wages and hours of work, assets, indebtedness, housing, education, etc. It is not possible to reproduce all the information here. A few facts, however, would prove of considerable interest. In the whole of the district there are 26,923 Halis, while the total Hali population is 1,29,231 bringing the average size of a Hali family approximately to 5. They have few assets in the form of metal utensils, much less in gold and silver ornaments. Some of them possess a cow or a few sheep or goats. Most of the families, however, keep poultry to earn a paltry extra. As the hours of work and the level of wages and the methods of their payment vary not only from village to village but also from farmer to

farmer it is not possible to give them here. But it may be said without being inaccurate that even if the Hali labourer is termed inefficient, for which his environments are largely to be blamed, the wage is meagre and the hours of work unregulated. Indebtedness is universal. Housing conditions leave much to be desired. The Hali lives in a badly ventilated and dilapidated thatched roof which does not afford enough protection against rain and sun. In most cases the material for building the hut is supplied by the employer. The hut is constructed on the land of the farmer of which the Hali is not even recognised as a tenant. The Hali population is steeped in ignorance and superstition. The percentage of literates, which includes school-going children after the introduction of compulsory primary education, has been estimated at 9 only. Thus the task of economic and social uplift of the Halis is both stupendous and urgent.

* * * * *

THE BOMBAY TENANCY AND AGRICULTURAL LANDS ACT, 1948

The Government of Bombay have brought out a new Bill which, when passed, would replace the tenancy legislation in force at present. The Bombay Tenancy Act, 1939, as amended in 1946, was intended mainly to bring about a better contractual relationship between the tenant and the landlord. But it was felt by the Government that the change in the political status of the country necessitated the shaping of a definite policy of agrarian reforms to achieve improved production and agricultural efficiency, at the same time safeguarding the interests of the ryots. In order to implement this ideal, it was considered necessary to assume management of estates held by landholders, to impose restrictions on transfer of agricultural lands, to prevent uneconomic cultivation, and to create and encourage peasant proprietorship in respect of holdings of suitable sizes.

It is proposed in the Bill to statutorily fix the maximum rate of rent at 1/3rd and 1/4th of the total produce in the case of irrigated and non-irrigated lands respectively. Government can, however, fix a lower rate of rent or a maximum rate of rent in multiple of assessment. Provision is made for refund of rent recovered in excess by landlord and also for compensation to the tenant. A protected tenant cannot be evicted by the landlord who holds 50 acres or more, even if he intends to cultivate the land personally. Agricultural labourers and artisans are to have a right of first refusal in respect of sites under their dwelling houses. The rights of tenants to the produce and wood of trees planted by them and to the produce of trees naturally grown on the land during the currency of the tenancy is safeguarded. Tenants are allowed to create a charge on their interest in land in favour of co-operative societies for better farming, so as to enable them to join such societies. A protected tenant can purchase his holding at a reasonable price which will be determined by a Tribunal, if his

holding is not more than 50 acres or if, by his purchasing the holding, the land belonging to the landlord is not reduced to less than 50 acres.

An important provision in the Bill is that which authorises the Government to assume management of landholders' estates where it is found necessary to do so for ensuring efficient cultivation or for improving the economic and social conditions of peasants. To discourage absentee landlordism, restrictions have been imposed on transfer of agricultural lands which, under the provisions of the Bill, can be made firstly to the tenant cultivating the land, secondly to the cultivator of contiguous or neighbouring land, thirdly to co-operative societies, and fourthly, to any other agriculturist. Provision has also been made to enable non-agriculturists to become agriculturists with the permission of the Collector of the District concerned.

To ensure efficient cultivation, a landlord is authorised to terminate the tenancy in case the tenant fails to produce a minimum yield. It is also provided in the Bill that Government may acquire, permanently if necessary, any land lying uncultivated for two cultivating seasons due to either a dispute between the landlord and the tenant, or any other cause.

* * * * *

LAND IMPROVEMENT IN BOMBAY

The Land Improvement Committee appointed by the Government of Bombay in August 1946 submitted its final Report in April 1947 which was published in January 1948.

The Report shows that the experimental bunding undertaken in Bijapur and Dharwar was done in great hurry, more with a view to employ its famine labour than to do sound, stable work of bunding. Unfortunately the officer in charge reduced the section of the bund and did away with waste weirs to reduce the cost of bunding. This proved a false economy. The bunds were also aligned on strict contour lines. It seems the new system disregarded all the past experience gained by the bunding officers working in the tract. Nor was it realised that defective bunding was worse than no bunding as it would cause greater erosion by breaches. Moreover the fact that bunding was meant to conserve soil and moisture for improving crop production was altogether ignored and the landowner was saddled with the responsibilities of repairing and maintaining the bunds once constructed in this defective manner. As a result of the poor work there were many breaches, which were also neglected in spite of repeated complaints by the landowners of the tract.

With the advent of the Popular Ministry, the complaints of the people received attention and the Land Improvement Inquiry Committee was appointed. The bunding work was suspended pending the inquiry and the report.

The Committee have thoroughly examined the methods followed in contour bunding with its serious limitations and defects and have gone into the grievances of the landowners and have suggested measures for righting the wrongs done to the landowners through indiscriminate methods of bunding followed in mad haste to cover the largest area at the reduced cost.

The Government have accepted many of the recommendations of the Committee.

Projects in Light and Medium soils: The Government have decided that the work already done in light and medium soils should be consolidated by re-examining and executing the modifications required in each individual case, such as provision of waste weirs or surplus channels, construction of ramps over the bunds to facilitate access to fields, strengthening of bund sections and readjustment in the alignment of bunds, spacing vertical drop between the bunds.

Projects in Deep Black Soils: The Government have decided that the investigations should continue with a view to evolving a suitable technique for the carrying out of bunding in the deep black soil areas. Until such technique has been evolved no new bunding work should be undertaken in the deep black soil.

Cost of Bunding and Its Recovery: Recovery of the landowners' share of the cost of the bunding work already done should be effected as originally intended i.e., at the rate of Rs. 9/- per acre in 12 equal annual instalments, commencing one year after the date of completion of the consolidation of work.

Applications for waiving the recovery, on the ground that the bunding work carried out in a particular area has been a failure, should be considered on the merits of each case.

The future policy in regard to bunding and land improvement in light and medium soils should be to induce the people, by means of suitable propaganda and training classes to undertake such work themselves. The work may however be undertaken departmentally, if the owners of the 75% of the land affected agree to it.

In either case whether the work is done departmentally or by the cultivators themselves, 50 per cent of the estimated cost may be given as subsidy subject to a maximum of Rs. 10/- per acre. If the work is done departmentally, the remaining amount of the cost should be recovered in 15 equal instalments, commencing one year after the completion of the work. The subsidy should be paid after the completion of the work and after the soil conservation section has certified that the work has been carried out on the approved lines.

In deep black soils, no new work should be undertaken for the present. The possibility of effecting adequate soil moisture conservation by purely

agronomical measures such as contour ploughing and strip cropping should be carefully investigated and tested on a field scale by the soil section.

Amendment of Act: The Government have decided that the Land Improvement Schemes Act should be retained. In view, however, of the modifications, in the future policy of bunding and soil conservation work, the Act will have to be suitably amended. The provision in it for the execution of improvement works by the cultivators themselves should be retained. The amendment of the act should be taken up as soon as possible.

Dry Farming: The Government have ordered that there should be no separate dry farming section. Dry farming works in areas where such work is necessary should be the duty of the agricultural department under the district agricultural officers.

Research and investigations relating to soil conservation, dry farming and soil conservation generally should continue to be carried out in the existing soil section in the directorate of agricultural engineering. The scope of the work should be expanded and such special items of work as land utilisation surveys, contour cultivation and strip cropping etc. should be treated as special schemes carried out in the soil section by the soil physicist to Government. As regards soil conservation work, the whole province should be divided into three divisions corresponding to the revenue divisions except that the East Khandesh and West Khandesh Districts should be included in the Northern division of the section for the present. The Deputy Director of Agriculture (Land Improvement) should be called soil conservation officer. The Government have ordered that the new soil conservation section should work in the closest co-operation with the irrigation department. All projects for irrigation, water supply or hydro-electric power storage reservoirs and for the control of river floods should be worked out by the Department or the Departments concerned in consultation with the soil conversation section as far as the control of the reservoirs or rivers and of the silt carried by the water is concerned. The public works department has been asked to take the necessary action on this suggestion.

* * * * *

'CORRESPONDENTS' FOR THE SOCIETY

One of the main objects of the Society is to function as a Bureau of Information on Rural Life Problems for the whole of the country. Of late, there has been a repeated demand from several of our members that we should begin working towards this objective. Accordingly, we have approached some of our members with a request to keep us in touch with the developments with regard to rural life in general and agriculture in particular in their respective Provinces or States. We have requested them to keep us informed, regarding such matters as: (i) legislative action taken or proposed to be taken regarding rural debts, land tenures, tenancy, co-opera-

tion and such other problems; (ii) publication of Government Reports or of important non-official literature on these problems; (iii) any development bearing on the agrarian situation in their Province. We have also suggested to them that they may send us important press-cuttings and draw our attention to articles in leading periodicals which will be helpful for our purpose.

We have solicited this co-operation from our Members as we intend to publish these "Monthly Letters" in the Society's Journal for the benefit of the reading public.

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TEACHING AND RESEARCH IN AGRICULTURAL ECONOMICS

The response to our enquiry has been encouraging. So far, we have received replies from twelve colleges and research institutions. We propose to make use of the information for the preparation of a note on "The Scope and Method of Teaching and Research in Agricultural Economics in India," as this is one of the subjects set for discussion at the forthcoming Conference of the Society.

1. Name of your Institution. Is it a Teaching or Research Institute, or both? To which University is it affiliated? Please send us a copy of your Syllabus.
2. In what year was your Institution started? When was Agricultural Economics introduced in the Curriculum?
3. For which course or courses is Agricultural Economics taught in your Institution? Please give full particulars relating to the text-books prescribed, the number of papers set on the subject, the total number of papers and the total number of marks assigned.
4. Please give particulars regarding the members of the teaching staff, their qualifications, the branches of the subject they have specialised etc.
5. What is the number of students in Agricultural Economics for (i) Degree Examination and (ii) Research?
6. How many students have so far taken a Degree by Research in Agricultural Economics? What are the problems taken by the students, past and present, for research under this subject?
7. How many Theses have been published so far? Please give their titles, names of publishers etc.
8. Has your Institution brought out publications on Agricultural Economics? If so, state their titles, names of publishers etc.
9. What is the type of field or extension work done so far and being done at present by the students and/or by your Institution? Please give full details about the nature and scope of the work, the period for which the work is in operation, difficulties experienced, results achieved and other experiences.
10. Please send us a copy of each of the questionnaire issued by the students and your Institution in connection with field or extension work.

To get some idea of the existing methods of teaching and research in agricultural economics, we recently issued the following questionnaire to

various colleges as also to institutions which conduct research in rural economy.

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OUR NEXT CONFERENCE

The General Body of the Society at its last meeting at Sriniketan selected the following subjects for discussion at the forthcoming Conference.

1. Price Spreads in Marketing of Agricultural Produce
2. Scope and Method of Teaching and Research in Agricultural Economics in India
3. Economics of Mechanisation of Agriculture.

Papers on any of these subjects are invited. They may be sent to the Hon. Secretary of the Society so as to reach him before the end of October, 1948. The length of the paper should not exceed 8 printed pages (about 3,500 words).

It is desired that the papers should have, as far as possible, a close bearing on conditions actually prevailing in your region. Members who are in a position to do research are, therefore, requested to supplement their papers with facts and figures based on personal investigation and thus make a genuine and useful contribution to the study of the subject concerned.

The venue of the conference is not yet certain. Members will be informed as soon as a decision in this regard is taken.