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CONFERENCE NUMBER

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X PROCEEDINGS
of the
TWELFTH CONFERENCE
held at Gwalior, November 1951

SUBJECTS

1. Problems in Calculating Cost of Cultivation.
2. Objects and Methods of Crop Planning.
3. India's Foreign Trade in Agricultural Commodities.

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This issue of the Journal is a record of the proceedings of the Twelfth Annual Conference of the Society held in November 1951, at Gwalior, Madhya Bharat. In addition to the delegates from the Universities, the Central and State Governments sent their representatives to the Conference. The papers read at the Conference were of a high quality and the presence in the gathering of educationists, research students and persons who had a live contact with the problems of our agricultural economy, either as administrators or policy makers, contributed much to the level of discussions.

I had observed in my preface to the Lucknow Conference Number (1950) that the reason for the growing interest in our Annual Conference is mainly the selection of subjects for discussion, which have not merely theoretical and academic value but also have a practical bearing on some of the vital problems that affect our present agricultural economy. Our Papers are usually based on field studies. The subjects discussed viz. "Calculation of Costs of Cultivation", "Crop Planning" and "Foreign Trade in Agricultural Commodities" have all an immediate relevance in their practical application to any plan of integrated agricultural development in the country.

We are endeavouring to prepare a comprehensive note on the problem of calculating cost of cultivation in Agriculture based on the Papers submitted at the Conference and the discussion which followed. This note is expected to be ready within a month and we shall circulate the same to members.

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We wish to take this opportunity of thanking the Government of Madhya Bharat, who acted as the hosts of the Conference and who by their excellent arrangements made it a complete success. We must particularly express our grateful thanks to H. H. the Maharaja of Gwalior, the Raj Pramukh, Shri Takhtamal Jain, the Chief Minister of Madhya Bharat, Shri K. B. Lall, the Chief Secretary of the State, Dr. L. C. Jain, the Economic Adviser and Development Commissioner, Madhya Bharat, and the members of the Reception Committee for their generous hospitality.

MANILAL B. NANAVATI
President.

Bombay, 15th February 1952.

THE PROBLEMS OF CROP PLANNING

by

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Crop planning is glibly talked of as a panacea for India's malaise in the agricultural sector but there is no such short cut remedy to cure the disease. Crop planning involves many fundamental issues on which decisions have to be taken for it to be a success.

Crop planning can be a success only as part of an overall plan for the economy of the whole country. Since planning has become a fashionable expression, instead of a taboo, the cyclical fluctuations-secular and seasonal-of an unregulated economy have been attempted to be smoothened by planning in all democratic states. Especially the Keynesian theory of full employment as an insurance against the downswings of the trade cycle has contributed to the popularity of planning in the postwar period. An overall planning should assign priorities and crop planning will be a part of such a plan to be successful. Isolated and piecemeal planning is bound to fail and only the various pieces fitted together into a grand whole can bear fruit. A central plan will naturally be interested in the assignment of labour resources as between the various industries and agriculture. Similarly the investment plan has to provide for a mechanised agricultre—import of tractors, quantity produced at home etc. Thus crop planning is not such a simple concept as many seem fondly to imagine but involves decisions touching many aspects of the whole plan.

Even taken by itself crop planning involves dilemmas which have to be resolved by bold decisions. Firstly a crop plan has to provide for the food requirements of the people at present living in the country. Whether the austerity formula or the nutritional formula or the Gregory formula should be adopted is a moot point. The decisions regarding the choice of any of these formulae will affect the size of the food budget.

Besides the growth of population over the long period has to be worked out. Whether the geometric or the arithmetic rate of increase is to be taken will affect the sum total. Besides the net reproduction rate is the result of several imponderable factors. One such is whether "family planning" is going to be seriously adopted in India to stem the tide of babies which seems to overwhelm us and render negatory any attempt to solve the food problem. This is India's No. 1, priority problem and on its solution depends the raising of the standard of living of the people. A crop plan has necessarily to grope in the dark as regards family limitation and its successful implementation.

The improvement of the people's dietary is an objective of state policy. Nutritional advancement betokens a change in the composition of the diet in the shape of more fruits, vegetables, milk and eggs and less of cereals. No nutritional magnitudes have been precisely worked out so far with the result that no one knows how much of the leafy vegetables, dairy products, fruits, fish, etc., should be produced in the country and how the excessive dependence on cereals is to be reduced. Connected with this problem is that of catering to an increased standard of living of the people in the country. What is exactly meant by this euphemistic expression and the increased quantities which should be produced in the country to cater to it have nowhere been stated.

The uncertainty of the atmosphere in which crop planning has to work is aggravated by the various multipurpose projects nearing completion. The exact date when they will be effective, the increased acreage and yield to be expected and their 'multiplier' effect are all shrouded in vagueness. Nevertheless they have to be taken into consideration along with the increased yields due to the improved techniques, availability of tractors and spare parts, etc., for crop planning.

There is also the eternal conflict between the dairy and meat products and the cereals as regards land use which has to be resolved. Whether the piece of land should be utilised for grazing by cattle or should be devoted to cereal production depends on the calorific and energy values of the products obtained thereby. In the western countries the conflict has been resolved in favour of animal production and it remains to be seen how the authorities in India would decide.

A crop plan of such complexity and embracing diverse problems depends for its exactitude on statistics which should be reliable. Estimates of crops, acreage and yields, figures of animal population, the intake of various products, etc., should be worked out in detail. Unfortunately there is a statistical blackout in our country and figures at our disposal are mere guesstimates of very little value depending on information vouchsafed by mostly illiterate patwaris. Hence the statistical agency has to be strengthened and streamlined from top to bottom before any crop plan can be a success. Unless the foundation is sound the superstructure will be precarious.

Secondly, the balance has to be struck between acreage devoted to food and commercial crops. This dilemma which has to be resolved is whether it is cheaper to grow food in the country and import the raw materials of the industry and the capital requirements or whether the existing and reclaimed lands should be devoted to the production of commercial crops as jute, oilseeds and raw cotton which should be exported for foreign currencies which should be used to import capital goods and food. Safety requirements apart it is a very hard choice to make especially in view of the boom following the Korean War in raw material prices. There is a controversy about this and no decision can be taken unless one knows exactly the foreign exchange needed to import food and capital goods assuming an expanding economy and if the country is made self-sufficient in food the foreign exchange needed to import raw materials and capital goods. It is impossible to evaluate the pros and cons of this question since it involves considerations of safety, prestige, etc.

Thirdly, assuming that greater attention is devoted to raw materials and less to food production the question again will be whether the raw materials should be sent abroad, in order to earn foreign currency or whether they should be devoted to the needs of the expanding industry or processed further and exported in a semi manufactured form. This however, does not strictly pertain to crop planning.

Hence crop planning bristles with difficulties and involves decisions on points embracing many imponderables. Unless these complex issues are appreciated and the idea that a crop plan merely involves assigning targets for the production of various crops eschewed, crop planning will not turn out to be the success which its proponents hope it would be.
