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## Book Reviews

*Dairy India 1997*, Fifth Edition, Edited by P.R. Gupta, Delhi, 1996. Pp. 905. Rs. 1,760.00.

Dairying in India occupies a prominent place in rural life and provides not only subsidiary occupation and better nutritional standards, but it is also a source of organic manure and draught power. Though the contribution of overall agriculture to the Gross Domestic Product (GDP) of the country has declined during the last decade, the contribution of livestock sector to the GDP has improved from about 6 to 8.5 per cent. It is also pertinent to note that milk is the single largest contributor in the agriculture sector to the national GDP. The growth of dairying in India with the total milk production of 74.3 million tonnes and per capita milk availability of 214 gm/day has been a commendable achievement and well recognised. The Indian dairy sector is vibrant with an exciting future and the world dairy industry is also zooming on India for its rapidly growing markets.

The volume under review deals with a large number of facts and figures on the varying aspects of milk production and processing. It is a comprehensive collection of 62 articles broadly divided into three sections, and it also includes a directory of dairy industries. Section I of the volume consists of 29 articles which are diverse in their contents. These address a wide range of issues related to Asian Dairy Scene, institutional alternatives in dairying, women in dairying, operation flood, opportunities in marketing, demand for milk and milk products, General Agreement on Tariffs and Trade (GATT) and Indian dairying, etc. Almost all the authors have tried to provide the latest available data. Though S. Bhide and S.K. Chaudhari (p. 61) in their survey covered as much as 13,682 milch animals from the 1,138 villages, the reference period of data collection was 1988-89. It would have been very interesting and useful, had it been updated. The statistical information furnished in Section I includes the planwise expenditure and investment in animal husbandry and dairying, spatio-temporal variation in milk production, classification of milk consumption, population of cattle and buffaloes, statewide number of dairy plants registered under Milk and Milk Products Order (MMPO), targets and achievements of Technology Mission on Dairy Development and various other detailed information on dairy sector. These may be of immense use to the researchers and students.

The major issues in the management aspects have been well described through 29 articles in Section II. Four articles deal mainly with the management guide, six articles are on milk and milk products, two each on breeding and traditional milk products, three each on feeding and nutrition and health care, and nine articles address the issues on dairy technology. The authors have squarely discussed various aspects including mad cow disease, ISO-9000 certification, automation in dairy plants, environmental pollution and dairy farming, advances in embryo transfer in buffaloes and so on. However, it would have been of great practical utility to the researchers, if more articles on breeding covering the aspects of semen quality, testing fertility of bulls, conception rate, abnormal calving, calf mortality, etc., were included.

Section III consists of dairy science education, the role of Food and Agriculture Organization of the United Nations (FAO) in dairy development and training, upgrading and modernising processes for a variety of milk products and formulated foods as well as

computer-based Info search. The statewide information on agricultural universities, veterinary colleges and institutions in the public, private and co-operative sectors offering graduate and post-graduate courses and training in dairy production, processing and veterinary sciences has also been included in this section which is very interesting and useful. A list of ICAR research projects, bibliography, Indian standards on livestock feed, housing, equipment, dairy products, food additives, food hygiene, testing apparatus, etc., Prevention of Food Adulteration Act rules and glossary of terms used in dairying presented in this section enhance the usefulness of the volume.

More than one-third portion of the book (Section IV) is devoted to description of - regionwise - analytical laboratories, breeding, farms for cattle and buffaloes covering indigenous, exotic and crossbred as well as bull mother farms, dairy co-operatives, cheese manufacturers, fodder seed farms, dairy plants, dairy products distributors, ice-cream manufacturers, pharmaceutical dealers, semen banks, etc. It is pertinent to note that information on the listing of cheese manufacturers in the public, co-operative and private sectors along with their installed capacities and production details is published for the first time in this volume. To survive in this age of liberalisation and post-GATT era, the dairy industries would benefit considerably from this comprehensive, updated and readily accessible directory.

Section V provides the details of "Who's Who". It is a very good compilation and may be used as ready reference. However, the criteria for including the persons in "Who's Who" are unclear, since the names of some of the reputed scientists working on the Consultancy Board of National Dairy Research Institute and also mentioned in this volume, e.g., T.K. Wali and S.N. Rai (p. 421), S.C. Sarma (p. 424), etc., have not been included in "Who's Who".

The existing span of information provided in this volume is excellent in almost all respects; however, to give still better coverage, the following may be included in the revised edition:

- (i) Central and State Government Schemes related to Animal Husbandry and Dairying.
- (ii) The information on central excise duty, sales tax and other taxes, prevailing in the country and all the states for milk and milk products.
- (iii) List of programmes related to dairy field, which are regularly held within the country and at global level, e.g., International Dairy Congress, Equipment exhibitions, Technical meets, etc.
- (iv) Sales turn over (in terms of quantity of milk/milk products and also in monetary terms) for the top ten dairy plants of the country in private, co-operative and Government sectors.
- (v) List of good academic institutions/universities in selected foreign countries offering post-graduate courses related to Dairy/Food Science.

The volume is a welcome addition to the literature on dairy sector. It is undoubtedly a significant contribution to the field of dairy industries. The contents of the volume are profusely supported by facts and figures. It is hoped that the volume will generate sufficient

interest in the scholars to probe deeper and will prove helpful to the policy makers in re-orienting their priorities regarding development of dairy industries. Though the quality and contents of the volume are excellent, its price is beyond the reach of an individual.

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*Agricultural Labour in India*, Praveen K. Jha, Vikas Publishing House Pvt. Ltd., New Delhi, 1997. Pp. xxiii+297. Rs. 395.00.

The book under review is a revised version of Ph.D. thesis of the author, submitted to Jawaharlal Nehru University, New Delhi, a research work in the right direction and in good taste for which the researcher and the supervisor deserve praise. The book is all in one. It describes the conditions of agricultural labour in the past, present and visualises the future and utilises secondary and primary sources of data. It is a study at the macro, regional and micro levels. The study analyses male and female agricultural labour; money wages and real wages; time rate and piece rate, daily, weekly, off-season, busy season scenario; income level and consumption and so on. It tries to relate the findings of all these in one direction, i.e., changes in the labour process in the changing socio-economic scenario in the process of agricultural development. The researcher has rightly searched the need for analysis of this type. However, one must be cautious in utilising them for the purpose as some of them lead us to divergent directions.

The book contains seven chapters beginning with an overview of the conditions of agricultural labour in pre-Independence period pointing out the role of caste, a much discussed topic of the day, in the formation of labour class and evolution of agrarian structure. According to the author, since the ancient period, there has been the presence of a substantial body of landless labourers, hence it is the qualitative change in the employer-employee relationship rather than quantitative change which is important. However, either in primitive, slave or feudal society, direct producers are in possession of means of production in general and land in particular (Lenin, 1974, p. 172; Huberman, 1948, p. 4). And depeasantisation of direct producers is an important factor in determining transition to capitalism. And in Marxian analysis caste is superstructure. On the basis of various sources of data on all-India basis, the author has identified some factors like increasing number of rural labour at a faster rate, rising trend of wage employment proportion, casualisation of labour, significant increase in inter-state and intra-state migration, depeasantisation, etc., of transition to capitalism. However, the author has overlooked the feudal tenets like the extent of unfree labour, indebtedness, tenancy which were necessary to correlate them in the field study done later on. Perhaps lack of large scale survey study has left him with unresolved confusion which he himself has accepted at the end of the chapter on pages 95-96.

Chapter 3 on Bihar with reference to Purnea district begins with the popular opinion that most indicators of socio-economic development put Bihar at the bottom of the ladder among states in India and one explanation is sought in the concomitant agrarian relations. However, the eighties have been a period of prosperity for Bihar agriculture. This reviewer's study

also supports it (Bhakta, 1987, p. 50). The author has rightly identified the factors responsible for this change in the marked difference in the attitude of upper castes and middle castes and the educated who have engaged themselves in agriculture. Our study in North-West Bihar also brings out the same result. "Progressive forces are at work. This is the reason why both upper and backward castes, that is, the cultivators' class are adopting modern techniques of farming. The caste system which very significantly circumscribed and buttressed the structure of developing classes is bound to lose significance with capitalist development" (Bhakta, 1979, p. 30). However, according to the author, this rise in agricultural production has not improved the conditions of agricultural labour. But the most significant change that has taken place is the disappearance of slavery. And agricultural labourers are struggling for rise in wages, seizure of surplus, vested and homestead land in the occupation of landlords, social dignity of oppressed classes and other issues. One major achievement, contrary to South and Central Bihar, of the current phase of agrarian movement is the degree of co-operation among different organisations and elements engaged in the struggle. This has helped in improving their lot whatever little.

Chapter 4 is a field survey study of a cluster of five villages chosen on the basis of personal acquaintance. In line with India and Bihar level findings, depeasantisation of marginal households is observed. In view of various attributes of determining employer-employee relation, one finds oneself confused to establish definite role of direct producers in the production process. A variety of modes of payment of wages also poses a problem. Non-mobility of labourers among villages hinders capitalist development but uniformity of wages, operation specific, gender specific and non-differentiation of busy/off season rates also put oneself confused about capitalist element. Mechanism of wage revision like leadership theory and bargaining power theory hints at capitalist element. Increasing commercialisation of rural economy is also a step towards capitalist development. However, minimum wages fixed by the government have not been yet implemented. In other words, endogenous factors have greater role to play than exogenous factors in bringing about changes in the conditions of agricultural labour.

Chapter 5 is a field survey study of two villages data collected through questionnaire/schedule. Geographically Barahari is free from flood while for Majra Kosi river is a problem. Occupational caste distribution is being diluted. But self-employment like hair cutting, carpentry, etc., are still attached to caste. Migration of labourers, use of irrigation pumps even on hire basis, use of fertiliser, pesticides, high-yielding variety seeds are widespread and the yield rate has increased significantly. Even the author has pointed out that the problems of agricultural development are lack of controlled water management, limited access to common property resources and credit facilities, malpractices in the supply of inputs overlooking feudal elements. However, the conditions of agricultural labourers have not improved meaningfully. Tenants are changed frequently. Public sector lending to agricultural labourers is negligible. Very few have been benefited under the Integrated Rural Development Programme (IRDP). Still they are victims of loans for survival. They have no regular employment. The real value of their money wages has declined. Family/traditional attachment of agricultural labourers is lacking but otherwise attachment is there which has impact on determination of wage rates. There is neither a visible organisation

of labourers nor visible conflicts between the employer and the employee. However, physical abuse/assault, i.e., symbolic confrontation is there. Formally, they are socially and politically free. But their income is abysmally low. Food calorie intake is inadequate. They live in mud thatched house, are poorly clothed and very few of them have charpoy, watch, transistor. School attendance of their children is negligible and of girls nil. Thus in spite of increase in the productivity of agricultural yield, the conditions of agricultural labourers have not improved and they are not free in a sense to compete in the capitalist race. Actually, "In general people cannot be liberated as long as they are unable to obtain food and drink, housing and clothing in adequate quality and quantity" (Marx *et al.* 1976, p. 24).

Chapter 6 conceptualises the findings in explaining transition to capitalism. There is stability in standardised contracts and the hegemony of the dominant classes (and the sustainability of an exploitative system) cannot be divorced from the question of social legitimacy. And there is near absence of exchange of various key factors of production like land, labour and capital even among adjacent villages. The author fails to reach any conclusive theory of wage formation. And in spite of moderate growth of agriculture, casualisation of agricultural labour and decline in tenancy, social hegemony keeps the labourers in place. Brahminical discourse maintains certain kinds of segmentation. Additional methods of coercion like eviction of labourers from homestead land, withdrawal of traditional facilities such as access to grazing land or fishing pond are employed. Self-employment opportunities have narrowed down. Employment opportunities outside agriculture are negligible. The size of surplus labour is still too big to strengthen the bargaining power of labourers. Besides, they have not been formed as a class, because of diversity in caste, migration, as owners of means of production whatever little they have, and personal affinity. Under the circumstances one cannot think of freedom of workers for capitalist development which the author has tried to search in various ways.

In the concluding note exogenous factors, i.e., the strategy of direct attack on poverty like IRDP, Jawahar Rozgar Yojana, and public distribution system has been mentioned. In view of the shortcomings and limitations of these programmes, the author has suggested to explore the potential of rural industrialisation and non-farm employment opportunities, provision for consumption loan, basic health and elementary education, the unfinished business of land reforms, entitlement of homestead land, effective rights of cultivation to actual tillers, access to inputs and sources of irrigation and so on. All these measures are, by and large, accepted ones. And the author has not suggested any new measure related to his findings. Even the organisation and participation of agricultural labourers have also been emphasised time and again to gain the benefits of such programmes and change the system in their interests. The examples of Kerala and West Bengal are cited.

The postscript seems to be a step-in in which the author has tried to relate his findings with the economic policy of the Government of India during 1991-96. And issues like liberalisation, globalisation, price rise, various kinds of subsidies have been raised. There is nothing new to particularise here. In view of individual limitations of data collection, the questionnaire/schedule is very exhaustive and the author's hard work is praiseworthy. There is no question of an organisational aspect of agricultural labourers. There is no reference to findings anywhere in the study of question nos. 26 to 30 of cultivators' questionnaire. It

seems that the findings are over-shadowed on information collected from secondary sources and personal acquaintance rather than from information gathered through questionnaire/schedule. References are very exhaustive and up-to-date.

Thus the exercise is in the nature of an analytical study done in the past. Though the author has attempted to make his study more analytical, it remains descriptive. It is a very good collection of material on the subject and it would be better to view the book in the light of raising more issues than solving them. The book will necessarily serve a very useful purpose for further study on the consequences of technological change characteristic of capitalist development and their effects on conditions of agricultural labour in India, particularly in Bihar.

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*Weather and Supply Behaviour in Agriculture: An Econometric Approach*, G.S. Kainth, Regency Publications, New Delhi, 1996. Pp. xiv+232. Rs. 250.00.

There are a large number of studies in the literature both on crop-weather relationship and supply response of crops. Weather factors have always eluded the statisticians and agricultural economists in their attempts to build a predictable model for crop yields. Uptil now it has been possible to indicate only a normal weather a few months in advance but abnormality in the fluctuations could not be predicted easily. Thus the thrust of the policy is always directed towards meeting abnormalities like flood or drought. Time tested coping mechanisms in the case of calamities have been devised but still the loss to the economy is enormous. Crop-weather relationship thus forms an important pursuit in agricultural economics literature. Similarly, in the context of liberalisation policy, supply response of agricultural crops assumes importance especially in a commercialised economy. It is expected that the process of commercialisation will reset the price response and supply behaviour of farmers in a new perspective. The book under review is an attempt to understand weather and supply behaviour of Punjab farmers.

The author uses a cook-book type of approach by taking some of the earlier researches and only plugging in the new data in it. This reviewer could find enormous similarity between some of the researches carried out earlier and the work reported by the author except that he has used the district level data of Punjab. Even the results are also not very different from those studies which are carried out earlier on the state. The author subtitles the book as an econometric approach. This reviewer failed to convince himself about the econometric content except for the use of regressions. Moreover, the author has committed several errors

while using even the simple techniques. The book has a foreword from Dr. Jayant Patil, Member, Planning Commission, New Delhi.

The book is spread over six chapters and has a thirty-page bibliography. The author has posed the problem of supply response in agriculture in the opening chapter. It is not clear why it is termed as a 'problem'. The chapter gives a mediocre review of literature depending mostly on second stage information. There are quite a few instances which clearly show that the author has not consulted the original sources or material but depended upon the secondary sources. The chapter ends up with research gaps indicated by the review. Among the important gaps located by the author is the assumption that non-land resources are allocated under the influence of relative prices and that the output response has more policy relevance than area response. This chapter is followed by a small chapter discussing research material which describes the data sources.

Rainfall behaviour in Punjab is analysed in Chapter 3, following the methodology and pattern of analysis for Karnataka done earlier (Nadkarni and Deshpande, 1982).<sup>1</sup> It is quite strange that the author does not mention the study even under references at the end of the chapter though it finds place in bibliography. For example, the Seasonal Negative Deviation Index (SNDI) of rainfall used by the author was an exclusively devised formula for the 1982 study. These small problems apart, rainfall behaviour is certainly not an extremely sensitive factor across districts in the case of agricultural sector in Punjab. Hence, the work is more mechanical than based on any strong issue. The results obtained by the author thus are not surprising. Weather can not be held responsible for the growth performance in Punjab agriculture where the area under irrigation is among the highest across states. It is quite intriguing however that the author uses crop-weather functions without incorporating irrigation in it. But while interpreting the results the author brings in irrigation in the form of an explanation when the results are uneasy. It is essential to remember that using minimum and maximum temperature in a crop-weather relationship also has serious limitation due to the fact that these measurements do not reflect the time span of temperature during the day/month but only indicate the two extremes. It is quite possible that during the day time the temperature may cluster around the maxima and reach the lowest point for a short duration. Such behaviour can have serious implications for the crop-weather function. Moreover, the author uses the temperature data possibly over a time-series of agricultural years which should not have been done.

Growth and fluctuations in crop production in Punjab are analysed in the fourth chapter. The author uses different growth functions for obtaining a function with best results. It is argued that due to the existence of an upper/lower asymptotic boundaries, the semi-logarithmic growth curve is not a good fit. But at the same time a majority of graphs presented in the chapter show a simple linear trend. This goes against the arguments. An important implication of the fact is the possible deceleration in some of the crops in some districts of Punjab. This is also indicated by the author and it has serious implications for the agricultural sector in Punjab.

Supply behaviour of agriculture (of selected crops) is attempted in the sixth chapter. The author uses modified Nerlovian supply function to estimate supply elasticities for major crops in Punjab. Though the earlier chapters have district as a unit of analysis, the supply response equations are estimated for the state as a whole. In the context of changing market situations, supply response in a highly advanced agricultural economy like Punjab evinces



greater interest and an in-depth analysis. This need is not catered to by the book. The book does not have a chapter which brings together the findings at one place.

In the process of liberalisation the agricultural sector in Punjab is expected to respond positively and significantly. It is expected that the cropping pattern will also undergo a substantial change. Right from the pioneering article of Raj Krishna analysing the supply response in a commercialised economy, the agricultural sector in Punjab evinced greater interest for analysts. The book under review could not cover the large canvass of the issues involved in weather and supply response of a predominantly irrigated commercial economy like Punjab. It is quite fragmentary in approach, mechanical in analysis and has left a number of issues untouched. It can be used as a bad example of research.

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*Contours of Social and Economic Development: Policy Issues*, ISEC Silver Jubilee Commemoration Volume - 1972-97, Edited by P.V. Shenoi, Concept Publishing Company, New Delhi, 1997. Pp. 292. Rs. 350.00.

The book under review is a fitting tribute to India's Fifty Years of Independence. This book takes stock of a quarter of a century in the sphere of social and economic change which has occurred in free India. It is more concerned with the developments witnessed in Karnataka prior to the policy of new economic reforms in the fields of planning, population, education, health, urbanisation, rural India and environment, etc. and the impact of policy decisions on the social and economic life of the people of India. In his Preface, the editor has rightly remarked: "Twenty-five years is a short period in the life of science, but a long one in the lives of people" (p. 24). According to this reviewer, it is imperative on our part to understand the social and economic changes that have occurred in our society since the policy thrust all along has been since Indian independence on increasing the welfare of the masses and the quality of life, especially in rural India.

Divided into three parts, Part I of the book discusses the major policy issues at macro level on India's economic development and the contours that the Institute for Social and Economic Change (ISEC) has traversed. In this section the economic development through the process of planning at the Centre as well as at the state level has been analytically presented. The basic issues which the planning process aimed at converged towards placing the human being at the centre and in the context of Karnataka economy, the authors (Abdul Aziz and Madhushree Sekher) have pointed out that the role of ISEC has been in terms of "(a) preparation of a perspective plan and assisting the planning department by giving some such crucial planning inputs; (b) commenting on the State level planning efforts, particularly on the plan approach, priorities and project implementation; and (c) directly participating in the plan formulation efforts of the State Planning Department" (p. 79). The authors have

rightly remarked that "people's participation in the development process had by 1970s catapulted decentralised planning into a very important position as far as the planning strategy was concerned" (p. 81).

The first part also includes a detailed analysis of the growth pattern of national income and its distribution over a period of years, along with the effects of inflation which has brought down the rate of growth in the country's real capital formation. The authors have raised many important issues such as vertical fiscal imbalances, the kind of environment which has affected the quality of life of the bulk of our people and the failure of the developmental planning process for generation of employment at the household and village levels to adequately share the benefits by the poorer sections of the community. All these aspects have been forthrightly discussed. The ISEC research studies have been focused on the various issues referred to earlier. The contributors need to be congratulated on their efforts to conduct such studies to assess the social impact.

Part II of the book covers the sectoral development of Indian economy. Though the emphasis has been given on policy issues relating to Karnataka's agricultural development, one also finds coverage of other states and at the all-India level as well. The studies have focused on issues such as dryland agricultural development of small and marginal farmers, agro-climatic regional planning and importance of irrigation for agricultural development. In his article M. Venkata Reddy has succinctly remarked that "Augmentation of agricultural production has been the ultimate objective of irrigation development all through the ages: be it an individual, community or nation". He has further observed: "A blend of social systems and technical options would accelerate and sustain the role of irrigation in economic development" (p. 176). Similarly, Ramesh Kanbargi in his article on 'Health and Development in India: Trends and Progress' while analysing the trends has pointed out that "At the State level also health care services are not given the priority they deserve in resource allocation." He has further hinted that "A major challenge to the health sector in the coming decades will be of managing the health problems of the growing number of elderly persons" (p. 149). The most indifferently treated in the Indian economy is the education sector. A.S. Seetharamu in his article on 'Education Policy and Development Research' has discussed the issues and problems of education policy in Karnataka, and has remarked that "Karnataka State has no specific or special educational policy." According to him, 'It falls in line with the rest of India in adopting the National Policy on Education' (p. 122).

In Part III of this book the general issues such as urbanisation, rural development, economic modelling, voluntary organisations and social science research aspects, including research on employment and labour have been discussed. All these topics have no direct relationship with each other and therefore, the heterogeneity has been reflected in the selection of articles in this part of the book. The important theme, discerned here is that ISEC's involvement in the applied area of social concern and conduct of studies by the Institute in the diverse areas can be interpreted as healthy blend of field-oriented empirical research with theoretically well-conceived research design.

Finally, it may be remarked that there is often an observable lag between economic policy and socio-economic change. Analysts dealing with the public policy have a more complex

task. It may be opined that economists who have undertaken studies at ISEC in evaluating the public policy have done the job remarkably well and most professionally. We, therefore, hope that this book will be useful to all those who are concerned with the evaluation of public policies, academicians, researchers and students of economics.

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*Urbanization and Economic Growth*, Vibhooti Shukla, Oxford University Press, New Delhi, 1996. Pp. xvi+483. Rs. 595.00.

This is a review of Vibhooti Shukla's book, but it is more than a routine review. I try to place her scholarship in context and add my personal tribute to this versatile economist. I commend this volume enthusiastically to those with an interest in rigorous research on India's urban development and the associated rural and urban labour markets. It is not easy reading, but it is worth reading.... every page of it. It is an economist's perspective, and it is integrated with the approaches of related disciplines like regional development and essential 'institutional detail' as the economist's parlance tends to term such knowledge.

This collection of essays by Shukla handles the issues of theory and applied research raised by the topic in a remarkably craftsman-like manner. The empirical work ranges over the United States, Africa and India, but substantially the last. A posthumous collection, it is a loving tribute from her surviving husband, Satchit Srinivasan and mother, Tara Shukla. Tara Shukla is an accomplished economist in her own right and inspired, as some of Vibhooti's essays show, a major and innovative turn in her daughter's work. Vibhooti's essays, and the notes to herself on a research agenda, constitute a rich legacy to Indian economists and scholars, for she was meticulous in detailing the leads and hypotheses governing her effort, the informational and data requirements, and the steps she took to meet them. It is economic inquiry and empiricism at their best. Her untimely death at age 33 poignantly highlights the loss to economic research for she had planned on returning to India to continue the work she had embarked on. This could not easily have been done from abroad.

I will briefly run through the major themes in the collected essays before selecting a few for detailed comment. All discuss the implications of her findings for economic policy. About half the essays are in collaboration with others, but there is no doubt about her independent contribution, or her talent and discipline which made for fruitful collaboration. Her earliest focus and findings bring out the positive relationship between the size of urban areas and factor productivity. The second theme is concerned with urban agglomeration and migration, including the critical issue posed by simplistic assumptions of dual labour markets. The theme which follows, namely, the links and interactions between overall and sectoral or spatial growth, be it urban and rural or farm and non-farm, is in some ways the most significant with pregnant possibilities. Later themes deal with intra-city size and employment dynamics, environmental and energy consequences of urban growth, and her own thoughts on the broader issues raised by development. A final, "unfinished statement" states her personal agenda for further research.

The urban productive environment, she point out, contains externalities which can sustain a larger total employment than the one which would result from private actions alone. The favourable effects will be general to the urban area rather than industry-specific. Public

action aimed at capturing the externalities has thus great promise in developing economies, particularly since human skills are also not likely to be industry-specific. She comes up with useful numbers, too. A two-fold increase in the population of an average Indian city will raise total factor productivity of the average firm by 9 per cent, that is output will go up without any increase in a firm's capital or labour. These are a far cry from the general feeling of doom and gloom that greets the news of city growth. Of course intelligent public action is needed not only to take advantage of the positive externalities but to curb the negative, such as pollution, traffic congestion, etc. Her favourable views about the productivity gains from the growth of cities echo current economic thinking, and are relevant for India. Thus follow the emphasis on effective steps in the public sector, in particular the development of the woefully weak infrastructure. This will require increased recourse and attention to the untapped and undeveloped capital markets.

A related essay on the regional productivity implications of investment in city infrastructure breaks new ground. Such gains go far beyond the immediate urban or metropolitan area. Research on this question is in its infancy in India. As such she could not go far, for as scientists we cannot normally see much beyond the perch offered by the shoulders of those who preceded us. But the model she outlines and even the first foray which follows emphasise the promise from further effort. The empirical focus is on Maharashtra with its 26 districts and two-digit breakdowns of industry groups. The findings, the elasticity estimates of the pay-off from different key infrastructural items, are both surprising and significant. There is also a good theoretical discussion of the results, rather than *ad hoc* rationalisations. We are thus treated to an informed discussion of the role and relative importance of the cost, quality and range of government and public services, the direct effect of various physical services, the complex and offsetting impact of networks with the rural hinterland, the importance of health and educational services, the substitutability of private and public infrastructure, and so on and so forth. A finding that merits emphasis is the high substitutability of capital between infrastructure and business investment, and of labour and capital in infrastructure. This holds promise for a strategy of infrastructure development which would promote employment, ease capital constraints, and maximise entrepreneurial productivity. This essay underscores the aptness of efforts underway to establish a Chair in her honour at Mumbai University on Urban and Regional Development for she remains a pioneer in this field.

I now move to the next theme on agglomeration and migration which consists of four essays. The first two aim to bridge the gap between urban and migration economics by exploring the issue of the optimum level of agglomeration and urbanisation. This can be read with an earlier essay on optimal population redistribution policies for Africa. I will skip these because the intricacy, nebulousness, and indeterminateness associated with defining or realising an optimum do not yield much promise [for a further discussion, see Becker *et al.* (1994)]. However, the third and fourth essays on the role of high urban wages, the institutional factors which sustain them, and resulting unemployment go into issues which have been debated for some three decades and deserve comment.

In the first of these she rightly dismisses as far fetched dualist theory and its contention that institutionalist villains - governments, unions, and corporations - are responsible for the high and disequilibrating urban wage, and resulting urban unemployment. But she advances an alternative candidate for the high, but not inherently disequilibrating, urban

wage. This is related to the agglomeration productivity gains from urbanisation *per se*, and the efficiency provided in the hiring process by a larger labour force than is actually employed. This is not the same as an efficiency wage case for public intervention which would be cumbersome and unworkable. But it is an explanation of the efficiency reasons for the emergence of the larger pool for segments of urban employment where this threshold of productivity is crucial. This is persuasive reasoning. It captures the urban economy which has gone beyond the search for firm-specific efficiency. This helps us place as a special case the efficiency embodied in the jobber recruitment system and equilibrium wage, which Dipak Mazumdar brilliantly demonstrated in his account of the growth of the Bombay textile industry's labour force (see Mazumdar, 1973). It provides also a theoretical underpinning for the rationality of the *badli* system which I advanced some time ago (Kannappan, 1968). At the same time one must be wary of sweeping policy prescriptions for minimum urban productivity or for stabilisation of the urban labour force which the Rege Committee advanced in 1946, for the requirements of and economies from commitment vary substantially across the urban labour market (see also Squire, 1981; World Bank, 1979 for a further discussion of issues I raised concerning the diversity of employer demand for stable labour).

The last essay in this grouping is a lengthy review of Biswajit Banerjee's land-mark study (1986) of migration to the Delhi metropolitan labour market from contiguous areas. Both Vibhooti and I reviewed this study, which is regrettably not yet well-known, one year apart in quite appreciative terms (Kannappan, 1987). I am thus able to bring to the fore her distinctive perspective. Banerjee's study was unusual in important respects in the migration literature. It was based on original economic and sociological data bearing on rural-urban migration, including benchmark information on rural stratification and urban results and analysis of after migration conjugal lives, rural links, remittances, etc. The Harris-Todaro dual labour market model dominated the thinking of the time, and lent support to policies which viewed urbanisation in negative terms. The labour market was viewed as inefficient due to dualism's rigidity, which in turn led to an overcrowded informal sector. Shukla sharply delineates the premises of the dual model before contrasting its scenario with the more complex picture presented by Banerjee. It is one of the best analytical statements I have seen of the issues raised by dual models. It goes beyond *ad hoc* contrasts and gives us a rigorous treatment of the imperatives of theory the model must satisfy as well as of data and econometrics. She endorses as critical to the validity of dualism, and as important for research, the reservations I had earlier voiced because of the complexity of the underlying urban economy and the spectrum of labour market transactions (Kannappan, 1985). In my later review of Banerjee (1986) (which she had apparently not seen when she wrote hers) I had also stressed the importance of the social structure. There is no question but that, had she lived, she would have set the pace on all of these aspects for her approach was systematic and disciplined, to clear the ground and move forward on research without the pre-conceived boundaries that limit economics today.

This is very much in evidence in the first essay of the next theme on Indian urbanisation. An econometric test of the Tolley model finds it is not adequate given the great diversity of the determinants of urbanisation in India. Tolley argues that in 'conventional' models urban productivity growth would retard urbanisation because of domestic demand constraints. The opposite would result if one factors in the world economy and the urban economy's

competitive edge arising from greater specialisation and mobility of the relevant technologies. Shukla's analysis is more complex and complete and goes beyond demand factors. It includes effects of variations in government policy, rural-urban relations, and levels of development. Her econometrics includes data at the all-India level and breakdowns for the major states. She finds no simple or dominant association, and uncovers many puzzles. Her conclusions are significant for the current changed political economy of India with a diminished Centre: ".... the uniform application of national sectoral policy to the states can be inefficient due to its differential incidence, given their existing structures.... [which may themselves be outcomes] of past intervention. Any government policy applied indiscriminately results in an inability to benefit from comparative advantages" (p. 205). She also reminds us that there are difficult inter-state and intra-state distributional issues. The Government of India and its elite administrative service(s), with their penchant for uniform "all-India" solutions, not to forget donor agencies like the World Bank, are poorly equipped to lead here.

Shukla's essay into new frontiers is nowhere more apparent than in the next two essays on Indian urbanisation, particularly the growth of the rural non-farm sector, the *piece de resistance* of the entire volume. It is a model of theory construction and empirical application. It gives us the interaction of the farm, non-farm and more urbanised economies, details of data search and sources, disaggregations, econometric specification, and discussion of policy implications. The first (1991) is a regional model with an intensive application to the State of Maharashtra and the second (1992) discusses the empirical results for the 26 districts of the state. Her discussion, and comparative observations, have generalisable value going beyond Maharashtra and provide a road map for researchers for years to come. Virtually every page of my copy is dotted with my marginal notes and scribbles, and I can only urge readers to go through the two essays in detail and save myself for some general observations. We have a detailed specification of the determinants of rural non-farm employment, including a formal, if tenuous, separation of demand and supply variables. Data sources (mainly 1971 and 1981) are meticulously tracked down and described. The information covers consumption, production, labour (including net changes in requirements and supply), migration (emphasising the unexpected importance of in-migration in the growth of non-farm employment), urbanisation, agglomeration, infrastructure, physical capital, credit and the fuzzy but critically important factor of government policy. Applications give us industry-wise regressions which are supplemented by dynamic extensions which cover rural labour markets, urbanisation and public expenditures. An elaborate follow-up, which appeared a year later, presents empirical results and elasticities in detail. I found of particular interest the disaggregation of results, in terms of time periods, alternative hypotheses, patterns of labour migration and credit arrangements. She extracts all she can from the data, but avoids the temptation to draw facile conclusions, and spells out issues for further research. In her own words the need is for further 'behaviorally based micro-economic studies' along a trail she has clearly laid out. Before I leave this theme I should like to point out that this pioneering effort first appeared in 1991 and 1992 in the *Economic and Political Weekly* emphasising the unique role of this journal as a vehicle of development research and communication.

By now I have exhausted my space and energy and will skip over the six, jointly authored essays which follow and comment on the next two. The first is an introspective piece entitled

"Rethinking Development" which is a review of a book by Charles Wilber and Kenneth Jameson (1992). It shows her to be a scholar of broad parts, not at all to be pigeon-holed as a number-cruncher, but quite equipped to foray into the deeper, even philosophical, issues of development. The final, "Unfinished Statement" consists of notes to herself, serious jottings of what she would like to do. A curious, inventive, and disciplined mind, there is no doubt that she would have stayed the course, but for the untimely stroke of fate. I referred earlier to the proposed Chair in her honor. I hope professional societies like the Indian Society of Agricultural Economics and the Indian Society of Labour Economics will also find ways to keep her research agenda active.

I would like to conclude on a personal note of reminiscence. She called me, a stranger, some nine years ago to ask me to participate in a panel on labour markets she was organising. When I later met her I found she was friendly and outgoing with a charm that was natural. She was not weighed down by her technical virtuosity and skills which she wore with ease. Just two or three weeks before her untimely death she again called me to explore an idea I had casually tossed out on India's development. As a scholar she was anything but casual. I and the research community will miss her deeply.

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*Decentralised Multilevel Planning: Principles and Practice (Asian and African Experiences)*, K.V. Sundaram, Concept Publishing Company, New Delhi, 1997. Pp. 514. Rs. 600.00.

Development through planning has been the principal strategy for many Afro-Asian countries since their political independence. A good number of plan methodologies have been tried during the fifties and sixties to usher in growth with social justice. In such a process the central or national governments in countries like India, Nepal and African countries were adhered to centrally directed planning for the country as a whole. However, no concrete results could be achieved through such a process. Since national planning was unable to bring about desired changes there was a paradigm shift especially in the seventies

from one of centrally administered planning to decentralised multilevel planning. Since then a lot has been discussed, written about this new plan-strategy of which the book under review is one such input ably penned by well known planning specialist.

The content of the book has been nicely and effectively integrated between the parts and between the various issues relating to decentralised multilevel planning process. In Part I which sketches different facets of decentralisation, the author argues for integration of both government and non-government functionaries. It is not just enough if the system has devolved powers within the government, but it is equally necessary to motivate participatory non-governmental organisations (NGOs) to support, complement and supplement government activities and also to promote a measure of self-reliant development within the community. However, it would be a bit disturbing if NGOs have to supplement the role of government institutions. Instead it will be better if they evolve 'network' which would facilitate only supportive and complementary roles.

One of the important aspects for the successful application of methodologies pertaining to multilevel planning is the feasibility and extent of 'right to information'. How good is the information system that is available in terms of accessibility and authenticity, especially at the micro level? In fact this has become a major constraint for evolving a meaningful decentralised multilevel planning. For making this as a reality the author suggests for an 'integrated organisational network' comprising traditional statistical system, computerised information systems and networks and new planning structures together with people's organisations. All this would ensure, the author says, an effective interface and interact among the organisations leading to a narrowing of the gap between user's needs and suppliers and ultimately to an improved decentralised planning.

With the introduction of new economic policy and liberalisation policy, there has been a growing necessity to think in terms of changing hitherto followed strategies and methodologies in the arena of decentralised planning. In order to meet the challenges posed by the new development thrusts like 'self-reliant strategy', an effort at the local level development, the author suggests for harnessing new strategies such as a 'negotiatory or convergent planning approach' at district level, 'selective development', 'step-by-step' approach, and more focus on 'development from within', environmental and gender analysis. A sincere application of these, coupled with devolving more powers and resources, would make grassroot level institutions independent of State control and intervention. However, much of it depends on the 'political will' of the respective State Governments to initiate such innovative changes.

The survival, growth and sustainability of decentralised planning could be perceived not only in the context of changed economic situation brought out by new economic policy and policy of liberalisation but also due to the changes brought out by recent Constitutional Amendments (73rd and 74th) and 'Environmental Crisis' which is calling for systematic environmental management and 'sustainable development' at the local level. These imperatives have called for an alternative model of development that is more decentralised, more democratic and in better tune with the resource potentials, problems and needs of the regional and local communities. Such an alternative mechanism is seen in the backdrop of revival and reinvigoration of panchayat institutions and because of this there is, the author strongly contends, a resurgence of interest in district planning. He regards this new phase as 'renaissance' marking the beginning of a new watershed in our progress towards a more democratic order, thereby giving rise to the emergence of the vision of a 'New Society'. However, the author sees this as 'Utopian' and raises doubts as far its feasibility, continuity



and sustainability, especially seen in the background of past failures of Panchayati Raj Institutions.

While listing out a good number of success and failure stories of decentralised governance and planning, as seen from the experiences, which are appeared to be universal in nature of Afro-Asian countries including India, the author values two or three aspects of decentralised planning, which need serious attention at present. They are capacitation, empowering participatory groups at the grassroots and role of non-governmental development organisations. Of the three, the most important one is *capacity building* because decentralised planning in almost all developing countries is facing the major challenge of 'capability constraints' of the personnel for manning the planning and development tasks at the critical sub-national levels. Realising this imperativeness the author calls for the development of human resources through training and retraining as the 'core' strategy. This, indeed, has become necessary especially after the introduction of reservation, seen in Indian context, to both general seats and executive positions like President and Vice-President to the weaker sections. It has been the experience that wherever members drawn from these groups are in position, who are, by and large, illiterate and economically backward, there is a near collapse of administration. The respective governments have to take serious note of this and arrange for continuous training programmes and refresher courses for the elected representatives. Such programmes are equally important for the officials who are expected to have technical 'know-how' to assist non-officials in formulating decentralised plans.

Notwithstanding the importance of the above, the very pursuance of training and its efficacy, by and large, depends, as the author observes, on the extent of political and bureaucratic commitment to decentralisation, the nature and degree of available planning process and the extent to which personnel management procedures are conducive to the appropriate utilisation of trained manpower which are in a way very much connected with policy environment, operational environment and career development environment. Achieving these, the author suspects, in ideal manner will often be difficult, if not impossible. In fact, this is the challenge of decentralisation.

On the whole, the book carries a rich account of experiences relating to decentralisation experiment as practised in many developing countries and thereby making a case for comparative understanding and application of decentralised planning. What followed from this that in spite of having a best alternative like decentralised planning it is rather disappointing to note that the theory and practice of decentralised multilevel planning is yet to take firm roots in the still persisting centralised process of planning. Despite this the micro level institutions with their decentralised planning as a main strategy have come to stay and thus have become instrumental for not only developing the socio-economic infrastructures in their respective boundaries but also in improving the living conditions of the people, especially the poor. Seen in this context, the book should be read with great interest by all those who have committed to the ethos of decentralised planning and governance and is a welcome addition to the persistently growing literature on decentralisation. More importantly, it will serve as a 'white paper' to policy makers to undertake corrective measures and for introducing innovative aspects like evolving National policy on strengthening 'Information Techniques' and Training Methods. It will be handy for the academia and practitioners to assimilate more about theory and practice of decentralised multilevel planning and thereby to sharpen their viewpoints and thoughts relating to decentralisation.

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