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Book Reviews

Growth, Employment and Poverty: Change and Continuity in Rural India, Edited by G.K. Chadha and Alakh N. Sharma, Vikas Publishing House, New Delhi, 1997. Pp. x+470. Rs. 475.00.

Chadha and Sharma have done well in making available this collection of 20 essays dealing with growth, employment and poverty in rural India especially in the 1980s and the early part of the 1990s. The papers were initially presented at a national seminar held in Patna in December 1995. The purpose of the seminar was to explore the impact of the Structural Adjustment Programme initiated in 1991 on rural economy and society. Consequently, the volume also has the same orientation.

In spite of such common thematic orientation, it is difficult to review a collection of 20 essays as each of them has a specific thrust. I shall give a brief account of the structure of the volume and then comment on a few selected issues. To be sure this procedure is unfair to individual contributors, but I do not see how it can be avoided.

The editors provide an Introduction in which they have picked up the main topics contained in the 20 papers that follow. The Introduction has an excellent summary of what the volume contains without, of course, the nuances and expository details of individual contributions. The papers themselves are grouped into five sections: Section II dealing with Economic Liberalisation and Indian Agriculture, Section III with Agricultural Growth and Rural Poverty, Section IV with changing Non-farm Scenario, Section V with Regional Development Experience and Section VI with Policy Concerns for the Poor.

Viewing these different perspectives from another angle, it can be seen that there is a common theme running through many of the papers, especially the papers in Sections II to IV together consisting of 10 papers. Rural poverty declined perceptibly in the 1980s, but increased in the early years of the 1990s. How is this to be explained and what lessons are to be drawn for future poverty eradication strategies and policies from an understanding of the phenomenon? In particular what is the connection between agricultural growth and poverty. Abhijit Sen's paper, "Structural Adjustment and Rural Poverty: Variables that Really Matter" goes into these questions in some detail. If a single variable were to be identified as contributing to the reduction of poverty, it would be the increase in the availability of foodgrains, the per capita availability, to be more accurate. Consequently, agricultural output emerged as the key variable in the early discussions on poverty. Since accessibility, rather than just availability is more directly related to poverty, soon the prices of foodgrains also entered as a variable in studies on poverty.

But as the reduction of poverty in the 1980s was achieved even when agricultural output per capita did not increase, other factors for poverty reduction had to be examined. Indeed, in most parts of the country poverty declined in a context not only of stagnant agricultural output per head of rural population (though with increase in output per hectare in many parts of the country) but also one where agricultural employment had grown much slower than the growth of rural labour force, a fact that would normally have depressed agricultural wages. On the contrary, real agricultural wages increased sharply in most parts of India between the mid-seventies and the late eighties. So, there have been two puzzles, a reduction in poverty in the context of stagnant agricultural output, and an increase in agricultural wages while the increase in agricultural employment was sluggish. How are these to be explained?

Sen, Sheila Bhalla and G.K. Chadha suggest (a view shared by some of the other contributors as well) that the expansion of rural non-agricultural employment in the 1980s in practically all regions and states must be considered as the explanation for these puzzles. Non-agriculture absorbed about 70 per cent of the total increase in the rural workforce between 1977-78 and 1989-90 according to the National Sample Surveys for the period providing new employment opportunities and pushing up agricultural wages as well. The combination of the two resulted in the reduction of poverty levels as well.

If this is the case, it is important to know what led to the increase in non-agricultural employment and how sustainable it is in the future. Agricultural growth of the past itself may have contributed to the expansion of employment in the non-agricultural sector, particularly the diversification and the commercialisation of agriculture. Within well-defined areas agricultural growth prompted by irrigation may still do so as S.P. Kashyap shows in his examination of canal irrigation in parts of Gujarat. But overall it would appear that the rural dynamism of the recent past came from outside agriculture. In some places it may have resulted from urbanisation. Ashok Mathur and Sadhan Chattopadhyay show that the lowering of the land-mass ratio has an adverse impact and rural industrialisation has a positive impact on the diversification of employment in the rural areas. A major factor influencing the pattern of employment in the rural areas may have been governmental expenditure in the rural areas, especially on rural infrastructure. The influence of some of these factors has been studied, but more empirical work is needed based both on case studies and on the analysis of secondary data. It may be recalled that the experience of mainland China and Taiwan suggests that stimulating rural non-farm employment can make a major contribution towards overall growth and its diffusion among different sections of the rural population.

Some contributions in the volume use these insights to evaluate the performance of the rural economy in the early years of the 1990s following the launching of the 'economic reforms'. That there have been a decline in rural non-agricultural employment and an increase in rural poverty in the first few years of the decade are generally accepted as facts. Their interpretations have shown great divergence. The contributors to this volume take the view that these phenomena are directly related to the stabilisation measures, especially the drastic reduction in public investment in the rural areas and the adverse impact of industrial policies on rural industrialisation. G.S. Bhalla claims that the deceleration of public investment in irrigation, power and other rural infrastructure including agricultural research, and the withdrawal of input subsidies have been detrimental to agricultural growth and rural development.

Biplab Dasgupta makes a detailed analysis of the impact of the reforms and the opening up process on Indian agriculture when the global market for agricultural goods is far from competitive. The opposite point of view outlining the potential positive impact of the reforms on agriculture and rural non-agricultural activities does not find a place in the volume. It is possible that the editors were not attempting to make a 'balanced' presentation. However, it is important to have the issue debated, not in terms of the logic of the market or of state action, but in terms of the manner in which policy measures are in fact influencing agricultural production, rural diversification and the lives of the people. One aspect that Chadha points out, however, is important. Entry into most non-agricultural employment calls for a minimum level of educational attainment on the part of the workers. But the figures available

for 1993-94 show that 63 per cent of male and 83 per cent of female wage workers in agriculture are not even literate.

I turn now briefly to the last two sections of the volume. Section V consists of studies of the agricultural and rural scenes in five States - Punjab, Rajasthan, Maharashtra, Uttar Pradesh and Bihar which bring out the regional diversities. It is well known that conditions in Punjab have led to very good performance of agriculture organised largely along capitalist lines. There has been a substantial reduction in the levels of poverty in the state also. Indeed, Punjab is a case of poverty eradication via agricultural growth. But that even in Rajasthan reduction in poverty has been achieved largely through the performance of agriculture is not widely known, though it was the diversification of agriculture, the shift to oilseeds cultivation (and not the growth of foodgrains production) that would appear to be responsible for a favourable trickle down effect. In contrast to these experiences, Maharashtra's case has been one of low agricultural growth, decline in non-farm employment for females and continuing high rural poverty. In Uttar Pradesh there was rapid growth of agriculture in the 1970s and 1980s, but a decline in the first half of the 1990s. There was also a definite, but slow, shift of the workforce in favour of the non-agricultural sectors. The poverty profile in the state has been similar to the all-India pattern, a decline of persons below the poverty line in the rural areas from 56.5 per cent in 1973-74 to 30.8 per cent in 1989-90 and then a sharp increase to 48.1 per cent in 1992. In Bihar, the performance of agriculture which was rather dismal in the 1970s picked up in the 1980s. There was hardly any sectoral shift of the workforce and the level of poverty remained high though there was a moderate fall from 1977-78 to 1987-88 and then an increase according to the figures for 1993-94.

The concluding section deals with land reforms, people's participation in rural development, common property issues, social forestry and social security. What they have in common is that they all focus on the people in the rural areas and show the need for a variety of institutional structures to ensure people's participation in development and to protect the rights and claims of the poor. This is an area of significant social action by the state and other social agencies.

The volume is a major contribution for an in-depth understanding of the changes taking place in rural India and I hope that the ideas contained in it will be further developed and carefully scrutinised.

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Food Security and Panchayati Raj, Edited by Pradeep Chaturvedi, Concept Publishing Company, New Delhi, 1997. Pp. xv+304. Rs. 400.00.

The Eleventh Schedule of the 73rd Amendment to the Constitution enlists 29 important functions to be carried out by the Panchayats. These functions have a significant bearing for promoting development of rural infrastructure in terms of both social and economic, and more importantly, for alleviating living conditions of the rural people, particularly of the rural poor. Of these 29 items, functions like promotion of agriculture, poverty alleviation programmes and public distribution have a direct impact on ensuring food security and nutrition for the poor. The onus of providing such security has fallen now on panchayats, on which the book under review takes a dig at. It assesses important reasons for lack of

food security and the potential of village panchayats as important mechanisms for ensuring food security at the village level.

This edited book is divided into six parts with 30 papers written on different facets of food security and Panchayati Raj. Part I has nine papers and much of its content is devoted to examine the salient features of panchayats, particularly after they attained the constitutional status effected through the 73rd Amendment. The essence of this new feature of Panchayati Raj has been to promote greater decentralisation of governance to ensure participation of people in the management of affairs affecting them not only in the process of decision-making but also in planning and management of programmes of development. Some of the papers clearly make a case for panchayat's intervention in ensuring food security. While making this, some papers point out that the panchayats should not engage themselves in commercial activity. Instead, they should be able to encourage and provide support systems to co-operative, private and voluntary initiatives so as to meet the needs of their villages in the matter of food security. In addition to this, the panchayats should encourage food production, prevent pre-harvest and post-harvest losses, check losses in storage, estimate the gap between demand and local production and ensure that the deficit would be met through normal trading channels, particularly the public distribution system (PDS). Here, the panchayats have a specific role to play to inspect, supervise and also to see that the items are available in the required quantity and that they satisfy the quality standards.

Part II of the book discusses in detail the role of panchayats in ensuring food security to the poor. As a strategy it is suggested that, keeping in view seasonal variations, there is need to prepare a 'food calendar' to assess the 'food procurement' and 'food availability'. For instance, the panchayats can arrange for off-season employment opportunities by implementing vigorously wage employment generation schemes so that the poor people have greater access to pulses and rice, particularly during critical periods. A model has been suggested to integrate food security and good governance so as to provide food security and low cost guidance. The model emphasises on promoting value addition technology, upgradation of traditional methods of storage, cultivation, communication in local language, to reduce dependency on outside market and continuous monitoring system.

In order to translate the above into reality, some of the papers strongly favour intervention of women, who should be given prime place, strengthening capabilities and capacities of panchayats, improving work culture in panchayats, enhancing technical inputs for food production, arranging facilities for marketing food products, motivating non-governmental organisations (NGOs) to participate in panchayats' activities, applying modern technical know-how like use of NICNET, training to panchayats officials and people's representatives and for integrating disaster management with food security to meet the challenges posed by natural and man-made disasters. A serious consideration of these issues and matters would go a long way in realising local access and local ownership of food security through panchayats. What we need is the 'political will' to carry out the above responsibilities.

Part III, which discusses agricultural growth and poverty alleviation, covers very important issues relating to nutrition, horticulture intervention, restructuring Indian agriculture, promotion of farm-based activities, use of high protein food and, more importantly, need for a co-operative movement to improve agricultural production. All these have a significant bearing on ensuring food security, especially through panchayats. Efforts have to be made: to improve the nutritional status of people, particularly the children, who are

malnourished and undernourished; to encourage to maintain kitchen garden to get micro nutrients from vegetables and fruits; to create awareness about high protein food like soybean and the improved family practices; to provide necessary training to panchayat members; and to promote agro-input supply and management of seeds, fertilisers, irrigation, credit, pest control measures, which are very essential for promoting farm-based agricultural and horticulture-based activities. A fall out from these interventions is sure to ensure 'foodgrains for all'.

Networking between panchayats, voluntary organisations, NGOs and people's organisations has become a pre-requisite not only for ensuring food security in particular but also for overall development of rural areas in general. Part IV of the book takes a look at the experiences of some NGOs in such networking process. The experiences reveal a positive trend as such networking is concerned with promoting food security. Through a collaborative efforts with NGOs, people's organisation, co-operative societies, village schools, Sanghas (Women Sanghas), the panchayats would be able to play a very useful and supportive role to ensure food security.

For promoting integration among the local organisations and thereby ensuring food security, the panchayats stand face to face and hold the key to progress towards food-livelihood security for its community members on a sustainable basis. To realise this, the panchayats have to evolve a 'participatory framework' to involve local organisations and people. A cumulative effect of this would result in facilitating panchayats to prepare a decentralised micro-level planning (as discussed in Part V) to influence development from the bottom and also generate waves of development from within. With regard to ensuring food security, the panchayats can plan a system of 'grain banks', encourage formation of self-help groups amongst local community members, and expand minor irrigation projects for promoting multiple cropping. In order to make micro-plan meaningful and result-oriented, it is essential to raise the awareness levels of the beneficiaries and their abilities and more importantly, to use the mass media to disseminate useful information to them. All locally based organisations have an extremely important role in fructifying the above. As inputs for making panchayats to ensure food security, in Part VI, it is suggested to impart training to panchayat officials and non-officials on micro-planning and more particularly to develop information systems through NICNET.

On the whole, the book makes a strong case for panchayats to take the responsibility of ensuring food security. However, there are some grey areas which need to be taken care of if at all the panchayats have to shoulder the above responsibility. The question of how autonomous are our panchayats, in terms of political and financial autonomy, needs to be addressed. This is mainly because of the fact that the panchayats, particularly, Village or Grama Panchayats, institutions expected to take the major responsibility, do not have with them sufficient decision-making powers and resources to execute the functions as listed in the respective State Panchayati Raj Acts. It is to be noted in this context that many a state are yet to entrust the function of PDS, as enshrined in the Eleventh Schedule, to the panchayats. In states like Karnataka, the village panchayats have not been able to formulate any of the programmes related to agriculture, minor irrigation, horticulture, although they are expected to do so in accordance with the provisions of the Panchayati Raj Acts. If this is the field reality, how do we expect the panchayats to undertake the responsibility such as ensuring food security to the people in general and vulnerable sections of the society in

particular? Notwithstanding these operational problems, one can see a positive role from the panchayats in providing food security. There is need for a nation-wide debate, discussion, seminar and more importantly, to create awareness about the importance of entrusting panchayats with the onus of ensuring food security. Seen in this context, the book is a timely one and the papers included therein have raised substantial issues relating to Panchayati Raj and food security, which are of considerable scope for policy implications, research and experimentation.

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Studies in Minor Irrigation: With Special Reference to Ground Water, B.D. Dhawan, Second Enlarged Edition, Commonwealth Publishers, New Delhi, 1997. Pp. xvii+272. Rs. 450.00.

Second edition of any work expects the reader to look for additions, deletions from the point of view of changes within the area of concern. The expectation is high, if the author is the pioneering person and master analyst in the field of study. The present work is one such work from a person who steered successfully the debate on major versus minor irrigation in the 1980s. The collection of various papers published as a book in 1990 to prove that minor irrigation is fallible and cannot either in terms of economics or operationability stand upto major irrigation was helpful not only to identify the place of minor irrigation especially groundwater utilisation in the irrigation scenario of the country, but also to understand the weakness within. The first edition of the book initiated a spate of studies to examine the economics of groundwater and ultimately, into a discipline on its own. However, the analytical skill by which Dhawan had examined the groundwater in the eighties failed to be carried through by other scholars. Many are still struggling to estimate the economics of failed wells and also the economics of decline in groundwater. The release of the second edition of the same work with the same title raises expectations of the scholars in the area. Unfortunately, for reasons not explicit, the author holds back all the chapters without any addition or deletion and adds a fresh chapter on Census of Minor Irrigation. Inclusion of Methodology for census on minor irrigation as an appendix note is highly helpful to the youngsters planning to join their gurus in the field.

With environmentalists taking an upper hand globally, conservation through participatory approach for both vertical and horizontal expansion of groundwater is high. Conservation measures such as watershed development is posing more challenges to an economist. Development of certain technologies both in delivery and in crop management has resulted in vertical expansion of the sector. An analysis of these from an economist's point of view would have been helpful both for the planners and also for researchers.

Within the limited option available, the major objective of the author is to compare two sets of data: census on minor irrigation and that of Plan statistics to "ascertain the magnitude and direction of difference between the two data sources". Such a comparison is in terms of capacity differences, difference in number of structures, works not in use, smallness of a minor irrigation work, availability of power as one of the constraints and utilisation of the

potential across the states and categories.

After making known the problems in the collection of data at various levels, the author shows that the Plan statistics in terms of capacity is lower by 3 million hectares than of census. Probing further, the difference between the Plan statistics and census is also identified in the case of surface irrigational potential where the plan estimate is higher by 6 per cent. Such higher estimates of the Plan statistics are in 12 states. However, the estimates of capacity and the differences between the two sets of data are due to local level constraints. The emphasis on the type of irrigation seems to be the cause for the difference between the two estimates.

Taking Gujarat and Uttar Pradesh, as examples, the defect in the methodology of Plan statistics is brought out. The methodological fallacy is in assuming "norms for assessing the unit capacity used for assessing total irrigation capacity from a given number of wells of various types". Similarly, the source of variation is "partly due to differences in well characteristics on the one hand and aquifer parameters on the other, and partly, due to subjective or judgmental biases of the assessors of the irrigable area potential of wells, both at the intra-state and inter-state levels". According to Dhawan, the basic reason for the differences is the handiwork of officials in the case of Plan statistics and the farmer in the case of census. Consequently, a note of caution from the author is ".... both the census and the Plan numbers in respect of irrigational potential are deficient in realism as the very concept of irrigation potential is not that well defined or definable".

The way to surmount the problem is: "If we wish to improve our data base on minor irrigation potential, we better not take seriously farmers' response as to what amount of irrigation capacity (in crop area terms) they possess. Instead, average crop area irrigated per well, as reported by them, may be used as a realistic measure of capacity." However, he suggests that in the drought year, farmer's own assessment of capacity be taken.

The above suggestion may be contested by many of the developmental activities and agricultural scientists for the reason that the cropping pattern especially in the case of dug wells and shallow tubewells is in accordance with the level of water available for irrigation in each season. Many a time the low yield may be compensated by low water consuming crops. In many backward districts, the low yield is also compensated by adopting water saving techniques for a crop. For example, in Karnataka, farmers growing mulberry prune the plants in a part of the holding to avoid irrigation in the summer. Such a crop receives protective irrigation in summer. Such measures are amply found in the cultivation of rice crop in Tamil Nadu. Thus the cropped area and the irrigated area may not be the same in times of low yield. Thus to achieve realism the crop area in terms of season is highly required and the participation of farmer is essential.

In the next part of the paper, once again the problem of assessing the works not in use arises. Taking the example of Gujarat, the author points out that drought years have an impact on the works not in use. Considering that non-use is transitory in nature, to firm up the statistics, Dhawan suggests: "First, the exercise should be done at state level - it cannot be done at district level because the Plan data on created irrigation potential is compiled at state level. Second, attempt should be made to do the exercise for each of the five categories of minor irrigation." With the experience that Dhawan has at the planning level, the validity of his suggestions cannot be doubted, but with the changing times, especially in terms of administration, the Panchayats or Mandals are assuming as the centres for planning and

administration. The feasibility of such bodies in collection of data has to be examined. For resources such as water, realistic programmes have to be drawn up for bottom's up planning and administration. Probably, greater emphasis on such an approach can level off the differences between any two sets of data.

The study does refer to the utilisation capacity of minor irrigation systems. After a detailed examination of various systems, the paper says that "it is in the case of shallow tubewells that one discerns signs of full utilisation capacity" and that too, "is valid for private tubewells only." The idle capacity of various systems ranges from 23 to 29 per cent in the case of dug wells to 14 to 26 per cent in the case of surface lift irrigation.

The examination of rate of utilisation has taken into consideration not only the drought but also the local specific characters and also the status of the systems; however, for assessing the capacity of a system or utilisation of a system, one of the doubts that can be expressed is the time scale. Can data collected for an year sufficient enough to draw conclusions over a natural resource which is highly sensitive to variations in ecological conditions?

Barring such questions stemming from ecological and developmental field, Dhawan in his usual analytical way has shown the fallacies in the data systems pertaining to groundwater and the need for re-examining the method of collection. The book as a whole and the new addition can be a good source material to develop methodologies for data collection not only in groundwater sector but also in other sectors.

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Gandhi's Vision and Values: The Moral Quest for Change in Indian Agriculture, Vivek Pinto, Sage Publications, New Delhi, 1998. Pp.176. Rs. 295.00.

Mahatma Gandhi's vast writings spread over a prolonged period, and his towering presence in the 20th century India is a boon to the thousands of scholars and analysts who have sought to find a clear pattern in his life and thought. Despite the Biblical brevity and sheer pointedness that characterises Gandhiji's writings, it is not easy to get at the full purport of his writings. Generations of scholars have made the attempt, and there is no doubt that the last definitive interpretive work is yet to be written. The reason is not far to seek, as the American interpreter of Gandhiji, E. Stanley Jones wrote: "A French philosopher once said 'no man is strong unless he bears within his character antitheses strongly marked'. One of the secrets of Mahatma Gandhi's strength was just this holding in a living blend and balance, strongly marked antitheses." This does not deter analysts probing into Gandhiji's life, times and ideas to get at its inner meaning as well as extract lessons for posterity. In this volume which had its origin in a Ph.D. dissertation, Vivek Pinto has made an attempt to examine the relevance and utility of Gandhiji's ideas for rejuvenating Indian agriculture.

Central to Mahatma Gandhi's social and economic thought is the slim book *Hind-Swaraj* he wrote during a sea journey in 1909. The ideas contained in the book flatly contradicted the modernist agenda for Indian economy envisaged by the early nationalist leaders like Dadabhai Naoroji, Mahady Govinda Ranade and Surendra Nath Banerjee. Whether Indian nationalist leaders accepted in their heart of hearts the ideas contained in *Hind-Swaraj* or not, they followed his leadership because they knew that he alone could bring them political

power. But Gandhiji himself never wavered in his strong belief, as he declared emphatically 34 years after writing this book and just three years before he was assassinated: "I fully stand by (what) I have described in *Hind-Swaraj*." Eventually India won its freedom and predictably his disciples who took control of the country flouted all his teachings. This only resulted in Gandhiji's prophesy made in 1909 in a letter to H.S.L. Polak coming true: "If British rule was replaced tomorrow by Indian rule based on modern methods, India would be no better, except that she would be able to retain some of the money that is drained away to England; but, then Indians would only become a second or fifth edition of Europe or America." We must remember that the Mahatma considered western civilisation to be totally evil and immoral, and should never be a model for a civilised future.

With the grim comprehension that India is in a far worse state than what Gandhiji predicted and suffering from several kinds of *crises* with one of them "located in the agricultural and rural areas of the country", the question is how to retrieve the situation. Pinto's answer is that we should go back to Gandhiji's teachings and understand how he practised what he preached. This is elaborated in the four chapters that comprise the book.

Pinto's starting point is the text of *Hind-Swaraj* itself and the circumstances that led to its writing. It was a time when there was much revolutionary fervour among Indian youth yearning for freeing India through armed struggle. This and the materialist civilisation Gandhiji saw in Europe made him feel the unsuitability of both for India's salvation. He realised that he could not make any headway simply by denouncing violence and materialism, but had to provide a clear cut alternative that will be totally different from the ideas and institutions that evolved in Europe since the beginnings of Enlightenment thought. As he said clearly, the only way to serve his motherland was to find out the truth and follow it. He discovered this in the Hindu religion, morality and tradition. The way Gandhiji interpreted all these is somewhat complex and Pinto has managed to summarise it in the first chapter. Ultimately Gandhiji laid emphasis on spiritual growth and freedom of the individual within the bounds of a clearly defined moral order. Simplicity, honesty, non-violence, reciprocity, and spiritual values are among the constituents of the Hindu moral universe, and Gandhiji found all of them in the traditional village which has not yet been conquered by "immoral and rapacious forces of the market". As Gandhiji thought, *Swaraj* meant not only a political struggle with an external enemy, but also a moral struggle with internal enemies such as proneness to violence, selfishness and greed for material possessions. The crucial message of *Hind-Swaraj*, according to Pinto, is that agriculture is essentially a moral activity "shaped by conduct and duty, both to oneself and the community". In the next chapter, Pinto analyses Gandhiji's most famous community living experiment. The Phoenix Settlement (1904-14) Farm near Durban provided Gandhiji an opportunity to apply his own moral and ethical theories in a concrete situation. People there were engaged half the time in the printing press and the other in agriculture. Pinto describes it as a "a means to realize simple, self-sustaining, and spiritual life in community". There is very little organisational information about the Farm given except that every householder had two acres of land, and a simple house but with no proprietary rights. There is also description of Dr. J.C. Kuma-rappa's survey of Gujarat villages based on Gandhian ideas. For the regular readers of this journal, there is nothing original in the third chapter which is an impressionistic summary of what happened in Indian agricultural scene during the last five decades. The last chapter pulls together a variety of topics including Gandhiji's advocacy of prohibition, *Khadi* and

vegetarianism, in addition to drawing attention to some of the experiments conducted by various non-governmental organisations (NGOs) to improve the lot of the poor in the villages. The few examples that the author has described give some hope that Gandhiji's idea of "organising village republics, at the very base of the decentralized democratic pyramid" is "feasible and effective solution to address ecological catastrophes facing rural India". But can they be replicated all over India? Yes, feels Pinto, provided the Indian citizen gives up "selfish worldly pursuits" and pursues "ethical livelihood".

The author has tried to master the enormous literature on Gandhian thought and has made a brave attempt to bring order to explain a theme so dear to the Mahatma. Agreeing that Indian agriculture is vastly different from what it was during the early years of this century, nevertheless, the author is bold enough to say that Gandhiji's "ethical and moral principles" are not only relevant but also necessary for Indian agriculture. No sane person can find any fault with Pinto's strong advocacy of the six Gandhian propositions, i.e., *Swadeshi*, *aparigraha* (non-possession), bread labour, trusteeship, non-exploitation, and equality. When the author recommends this Gandhian remedy for India's agricultural ills, it would appear to be more of a wishful thinking than the result of any scientific inference on the basis of a study of the ground realities. There is no question about the earnestness and sincerity of purpose of Pinto. But does this book make a significant and original contribution to the Gandhi literature? Though one cannot give an affirmative answer, nevertheless, I am certain that it is not a wasted effort as it presents certain insights from the Gandhian perspective to approach problems that seems so daunting to the present generation.

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Village Economies: The Design, Estimation, and Use of Villagewide Economic Models.

Edward J. Taylor and Irma Adelman, with contributions from Elise H. Golan, Blane D. Lewis, Katherine Ralston, Shankar Subramanian and Erik Thorbecke. Cambridge University Press, New York, U.S.A., 1996. Pp. ix+264. \$ 54.95.

Analysis of villagewide economies helps not only in understanding the rural economic scenario but also the overall development dynamics in the context of outside linkages. The beginning of the village studies in India can be traced back to Charles Metcalfe's report on village India as a sequel to the discussion in the British House of Commons about the functioning of East India Company in 1812-13. Metcalfe recognised the necessity to understand traditional institutional equilibrium in an Indian village. Attempts to trace the traditional equilibrium in village economies continued thereafter. Harold Mann's study of a Deccan village (Pimple Saudagar) during 1917 and 1921 focused to understand the ecology, cropping pattern, agrarian capital, farming practices, social systems, etc., of the village. Down South, Gilbert Slater, then Professor of Economics at Madras University, felt it necessary to incorporate understanding of villages as a part of the curriculum at the university. In the process he came out with a few authoritative studies on South Indian villages during the 1930s. Similar attempts were also made elsewhere in the country. Some of the excellent village level studies were conducted at Gokhale Institute of Politics and Economics and Bombay University. A few of these villages were resurveyed (P.D. Diskalkar resurveyed Pimple Saudagar village) and the results have indicated perceptive changes in the agrarian society over the years but more than that these have enriched the learning

process. However, over the years these studies fell into the trap of monotonous descriptive work with little analytical content.

The study under review by Taylor and Adelman incorporates a detailed collective analysis of village economies from a perspective of a neo-classical general equilibrium theory. The authors utilised the framework of Social Accounting Matrix (SAM), keeping in view the activities covering the village economy and the components of such activities and finally pooled the results in a general equilibrium framework. SAM for a village provides for an opportunity to look into intra-village economic transactions across the activities and the linkage of the village economy with the complement set. The authors have tried to develop a Computable General Equilibrium Model (CGEM) that combines the strength of the Household Micro Level Village Models with that of intra-activity Social Transaction Matrix. The book serves as an important contribution to our understanding of the village economies across different environmental situations across the world, apart from scoring a methodological advance in terms of applying SAM and CGEM framework to the village economy. The book is spread over ten chapters contributed by different authors. The first chapter gives a brief idea about the book, which is followed by a detailed chapter on modelling a village economy. Here the authors have presented the framework of SAM and CGEM for the village economy. It is interesting that the results of the SAM model are not in full agreement with those of the CGEM. This brings under bold relief the caution regarding the use of neo-classical methodology. It would have been an added advantage had the authors simulated varied production technologies and extended to propensities to arrive at the impact scenarios.

Chapter III, contributed by Elise Golan, deals with a village economy and tenurial security of a Senegalese village (West Africa). The village is situated in the Peanut Basin and has quite a complex land tenurial system. It becomes an interesting case due to land insecurity, population pressure, multiplicity of activities and the environmental problems in terms of soil degradation. The results of SAM are varied across villages in terms of income receipts and response to the constraints. In theory, the individualisation of land tenure can be an effective tool to internalise the benefits of cultivation. However, the Peanut Basin tenants confront environment, market and infrastructure as major constraints, rather than tenancy. Interestingly, the author has incorporated certain institutional factors while arriving at the accounting procedure.

Production and distribution in dry land (rainfed) village economy of India forms the content of the fourth chapter by Shankar Subramanian. Using the panel data of Kanzara village in the rainfed area of Central India collected under ICRISAT programme, the author tried to estimate the SAM model in a highly commercialised economy, exporting out of the village 64 per cent of its agricultural output and importing 52 per cent of its food requirements. It is interesting that this village is called as 'dry land' economy (unfortunately, dry farming as a concept has remained a misnomer in agricultural economics literature for too long and now it must be substituted by a proper word, namely, 'rainfed' agriculture). In conclusion, the commercialised agriculture also does not seem to have gained in the process of development. However, the author could have made some remarks about the specificities of the rainfed economy, the institutional linkages across activities as well as the continued caste hegemony and its impact on economic dynamics. In the Indian context, this chapter contributes substantially to our understanding of semi-arid agriculture.

The chapter on migration and the changing structure of village economy is contributed by the editors of the volume where they share a specific case of linking village economy with the outmigrants sending money to the village and contributing to income generation activities. The social accounting framework in the Mexican village economy revealed a more obvious but interesting linkage between consumption and investments. An interesting

part of this exercise is the comparison of SAM models at two points of time, wherein one can note the dynamics of change. Blane Lewis and Erik Thorbecke analysed a village in close proximity of a town economy in Kenya. Kutus town is in the central province of Kenya and lies at the junction of three economically differentiated regions. Naturally, it is a hub point of a large number of activities spreading over three regions. It is surprising that even being an under-developed town, the institutional linkages do not feature in SAM. The market economy seems to have taken a stronger hold unlike the Cibagwai village of Western Jawa analysed by Katherine Ralston. The analysis of Cibagwai village is more perceptive if read in contrast with the Kutus town. Unlike the earlier analysis of Kutus, Katherine Ralston has focused on identifying the prospects for growth like poultry, aquaculture and migrant remittances. The proximity of Jakarta to this village also gives access to market as well as new technological trends; however, market participation as revealed from SAM does not seem to be of second order of importance.

After the analysis of these varied typologies of villages in the SAM framework, the editors of the book tried to bring together the development dynamics in a CGE framework for the economies of the four villages and Kutus town. The CGEM compares the production sectors, production factors, value added, distribution of income and savings across activities. The village economywide model in a micro-economic household modelling framework suggested a distinct pattern of development path across these typologies. The authors brought out conclusions, some of which are paradoxes and others can serve as guidelines for policy formulations. It clearly comes out of the analysis of the comparative methodologies that there are trade-offs between villagewide modelling and micro-economic firm level modelling. An obvious reason for this probably lies in the institutional interventions which are usually discernible in a micro-framework but not incorporated there and get blurred in a macro-CGEM and hence not easily discernible.

Any analysis of agricultural sector and rural economy must consider the fact that the response of village societies to the economic stimuli cannot be exactly the same across regions. During the 1980s, V.M. Rao had strongly advocated the analysis of villages on the basis of village typologies and enriched our understanding about the development dynamics of villages. The cases included in this book have two inherent factors dictating the classification. Firstly, it is the historical emergence under the agro-climatic pattern of the village which helps in deciding the growth stimuli or the quality of growth. Secondly, it is the institutional structure of the village in terms of formal economic/social and informal social institutions which dictate the pattern of growth as well as equity considerations. The early advantage of village studies to understand the development dynamics was lost due to the diverted attention of analysts to macro-level issues. In this context, the book under review serves to understand the village economy in a broader and interdependent activity framework using SAM and CGEM, and highlights the methodological convenience in employing SAM and CGEM for the purpose of policy analysis. The only shortcoming in some of the chapters included in the book is the neglect of institutional factors and non-quantifiable strong linkages operating in the village economies at the micro level. Although this is an important constraint, the book will be certainly useful for all those who are involved in understanding the micro-level perspective of village economies and brings out specifically the policy framework based on cross activity linkages.

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