

Book Reviews

Poverty and Landlessness in Rural Asia. A World Employment Study.
Geneva: International Labour Office. 1977: pp. 288.

This is a remarkable volume. Not so much for what it says as much as for what it never gets around to saying.

The introduction states that this is the "first major research study to be published under the rural component" of the World Employment Programme. The volume consists of studies of various aspects of rural income distribution in: Pakistan (S.M. Naseem); Indian Punjab (Indira Rajaraman); Uttar Pradesh (Rohini Nayyor); Bihar (Rohini Nayyor); Tamil Nadu (C.T. Kurien); Bangladesh (A.R. Khan); Sri Lanka (E.L.H. Lee); West Malaysia (E.L.H. Lee); Java (Ingrid Palmer); Philippines (A.R. Khan); and China (A.R. Khan). There is also an anonymous introduction which attempts a synthesis and summary.

As one would expect the essays are uniformly solid pieces of research. Each develops the statistical bases for its analysis, judiciously weights pros and cons of interpretation but does not shy away from reaching strong conclusions. None of the essays appears to be presenting new data or theories, but rather are describing in fairly conventional terms the level, distribution and trend in rural income and welfare in the last two decades. Not too surprisingly, they uniformly conclude that the picture is rather dim: landlessness has been growing, rural laborers wages falling, and inequality in rural income distribution growing—even in those countries which have been experiencing reasonably rapid rates of increase in overall output. The essays are a new set of arguments for land redistribution and a redressing of the "urban bias" in investment policies.

In thinking about this deteriorating structure of the rural economy most popular, non-technical accounts assign an important role to population growth. Here is where the present volume wins, in my judgement, the accolade "remarkable". The introduction (p.23) does, in fact, list "demographic forces" as the third dynamic process along with investment allocation and biased technical innovation which tend to perpetrate and even intensify rural poverty. Its role is, however, then dismissed in one sentence: "However rapid population growth is certainly not the only cause of the increasing poverty of some sections of the rural population in Asia." And that is the extent of the discussion of population growth in the entire volume. The index reveals one mention of population

growth in the essay on Pakistan, one in the Philippines but not one single mention in any of the other essays. (My own reading confirms the accuracy of the index). Remarkable? Perhaps depressing is a better word.

Surely experienced, skilled economists know that if land is becoming scarce, labour redundant and farm size smaller in many parts of Asia, in the most direct and obvious sense it is "*Largely* because of population growth. To ignore this or leave it out because it is not "interesting" or because it is "messy" to handle is precisely the way that macro growth models dealt with income distribution a decade or two ago. These days and for these countries any analysis of major economic trends in the rural sector which does not begin with population change is sure to be misleading. Indeed, any policies recommended on the basis of such a partial analysis may be totally wrong. To suggest that the solution to rural poverty lies in a redistribution of land begs an underlying question: Suppose a completely equalitarian distribution has been accomplished yet population growth continues? "Shared poverty" is somehow more appealing ethically than inequality with poverty but is it really a solution?

Perhaps the authors are implicitly resting their hopes on the currently fashionable paradigm which has it that a greater degree of equality will automatically lead to fertility declines. If so, this should be stated boldly and the issue debated on its merit, for it is surely debatable. What the evidence really seems to suggest is that in rural sectors having (equally) good access to education, health, variety of other public sector services, (including perhaps also non-farm employment for females) the birth rate does indeed respond relatively quickly to rises in real income. This evidence does not suggest that redistributing land alone will have any predictable effect. Indeed, there is some evidence that some land reforms have had shortrun pro-natalist effects.

How then could an important ILO study write Hamlet but leave out the Prince? Could it be that given the rather mixed record of public sector family planning programmes in the countries being reviewed, the authors felt that discretion was better than valor? If we have nothing to suggest, no answer to that problem then let us talk about different problems—distribution of wealth, under pricing of capital, etc.—to which we do have answers. (Yet surely in a long essay on the factors affecting rural income distribution in China he vigorous public sector campaign to reduce fertility could have been mentioned once.

This reviewer concludes regretfully that this set of essays, for all their scholarship, will simply have to be redone again one day soon taking *all* the important factors into account.

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