

P. R. Dubhashi. *Policy and Performance, Agricultural and Rural Development in Post-Independence India.* New Delhi: Sage Publications. 1986. 320 pp. List of References; Index. Price (hardbound edition) Rupees (Indian) 185.00.

This book is a fine and straightforward account of the socioeconomic dynamics of the formulation of agricultural and rural development policies in post-independence India. It makes a critical appraisal of the process of policy formulation at various levels of government, of the circumstances in which these policies evolved, and of the impact of those policies on the process of rural transformation. It outlines the case for an integrated agricultural policy in the future, which pays equal attention to distributional and production aspects of the development process so that the imbalances that have plagued Indian agricultural and rural development policy in the past are avoided. The author has had a long experience of agricultural and rural development administration, which provides a rich background for this book and enables the author to have a systemic outlook on agricultural policies. In addition, the author has made use of an impressive array of reports of various committees and commissions on agricultural and rural development, relevant Parliamentary proceedings and other Government documents as well as related published work to paint a compelling picture of agricultural and rural development policy and performance in India.

The process of transformation in Indian agriculture, which began in earnest in 1951, brought about significant institutional, organizational, economic and administrative changes in the rural areas as well as changes in the practice of cultivation. In this process of transformation, government agricultural and rural development policies have played an important role. These policies relate to a 'cluster of sub-systems', consisting of agricultural research, credit, marketing and processing and supply and regulation. Given the complex and multidimensional nature of these policies and their formulation involving an intricate socio-political process of interaction between policy-makers, administrators, specialists, etc., it is not surprising that these policies have not always been synchronous even though their ultimate objective may have been the same.

The book is divided into nine chapters. The first three chapters trace the evolution of agricultural and rural development policies till the beginning of the first five-year plan and discuss briefly the relative importance of these policies to the planning process. During pre-independence times it was only from the latter half of the nineteenth century that the colonial government began to show concern for positive action in response to famine. In previous famines there had been no relief action by the government, which led to the death of many millions of people. Here the author does not establish a link between famines and the colonial policy of high land taxes, the revenues from which were not used constructively within India but

were largely repatriated to Britain. Recurrence of famine during the later years of the century led eventually to government efforts for famine relief operations and to a positive approach for agricultural and rural development. But despite some institutional arrangements for agricultural and rural development, the agriculture sector did not show any improvement. During the period from 1893-94 to 1945-46 the per capita output of foodgrains declined by 32 percent and by 1919-20 India had been converted into a net importer of foodgrains. The decline of Indian agriculture and the dire consequences that this had for the welfare of the population are recorded in the book.

On the eve of independence, the situation in the rural areas was extremely difficult and the new government faced the daunting task of breaking through the vicious circle of poverty, low savings, low investment and stagnation. This required an integrated approach, which covered the institutional, technological and economic aspects in "one go". A breakthrough in the agriculture sector was necessary for the attainment of self-sufficiency in food, which required the introduction of better farming practices, intensive cultivation and use of modern inputs. However, till the Fifties, government efforts in this regard did not bring about any significant improvement in agricultural production, and the availability of cheap credit for import of foodgrains pushed the goal of foodgrain self-sufficiency into the background.

Chapter three on the "Place of Rural Development and Agriculture in Planning" points out that at the time of the beginning of the first five-year plan the "shortage of food and raw material constituted the weakest point in the country's economy". The first plan, naturally, accorded the highest priority to the development of the agriculture sector, for which almost 37 percent of total plan expenditure was made. A systems approach was adopted, which aimed at the all-round development of the rural areas. During the plan period there was a distinct improvement in agricultural output as overall production increased by 17 percent and foodgrain production by 20 percent, reducing foodgrain imports to only 0.59 million in 1955.

In the subsequent two plan periods the emphasis was on industrial development and the percentage share of the agricultural sector in total plan allocations declined to a little over 20 percent. During this time agricultural production fell far short of plan targets and only famine conditions in Bihar in the mid-Sixties forced the government to approach, in a serious way, the problem of increasing agricultural production rapidly and also to build sizeable buffer stocks of foodgrains.

Since the early Seventies, a rapid diffusion of agricultural technology became the cornerstone of agricultural policy. It is noted that even during this period plan expenditure on the agriculture sector was inadequate. Despite this, however — and this is not mentioned in the book — the achievements in the agriculture sector were quite substantial. The growth of foodgrain production has been as fast as in China

though there have been differences in the sources of growth. In India the growth in the yield per acre has remained around 1.8 percent per annum as compared with that in China, where yield increases have constituted the major source of growth. As a result, India has accumulated substantial stocks of foodgrains.

Chapters 4–6 analyse in detail the institutional, technological and economic aspects of agricultural and rural development policy. The most important objective of policies concerned with bringing about institutional changes through land reforms and community development was to establish a ceiling on land holdings and to reduce rural exploitation by providing security of tenure and fairness of rent to the tenants. Underlying this policy was the realization that rural development could not take place unless all aspects of rural life were improved. However, land reform measures were not successful to the extent of weakening the hold of the dominant interests in the rural economy. During the early Sixties, less than 25 percent of the rural households continued to control as much as 70 percent of the land while 40 percent of the households remained landless. In this regard an interesting issue raised by the author relates to the dichotomy between land reforms and agricultural development policy. This is an important point as it brings into sharp focus the fact that for land reforms to be successful the distribution of land has to be accompanied by a vigorous agricultural development policy, which establishes a strong link between development institutions and land holdings to encourage the adoption of new technologies and use of modern agricultural inputs.

The community approach in agricultural and rural development policy emphasized agrarian reorganization and cooperative management of land, resources, credit and marketing, mobilization of surplus manpower and state trading in foodgrains. But in Indian rural society, with its deep-rooted traditions of private ownership, the co-operative movement did not gain much momentum. The agriculture sector continued to stagnate. And, as the situation became worse during the late Fifties, agricultural policy emphasized production increases by encouraging farmers directly and through economic incentives to shift to progressive techniques of production. Investment increased in modern agricultural inputs, which favoured rich farmers and benefited areas of assured water supply. This had serious consequences for income distribution and poverty and, during the Seventies, forced the government to adopt policies that addressed these problems directly.

The policies followed for agricultural and rural development have not remained consistent over time and have not been conceived in a coherent macro framework. Nevertheless, some impressive achievements have been made in the agricultural sector. The author concludes that for a full realization of the potential for growth in Indian agriculture a balanced and integrated policy for rural development is imperative so that "lopsided approaches" and the fragmentation and imbalance of the past may be avoided.

This, in short, is a fairly successful attempt to capture on paper the complex and varied aspects of agricultural and rural development policy in India.

Pakistan Institute
of Development Economics,
Islamabad

Khwaja Sarmad