

B. M. Bhatia. *Indian Agriculture: A Policy Perspective.* New Delhi: Sage Publications India Pvt. Ltd., 1988. 191 pp. Rupees (Indian) 140.00 (Hardbound Edition).

India is self-sufficient in the production of foodgrains, and in good years has substantial exportable surpluses. This is no small achievement for a country which, in the late Sixties, had to import as much as 13 percent of its requirements of foodgrains. The turnaround came as a result of the distribution of high-yielding seeds, fertilizer, modern agricultural technology, and provision of extension services. But agricultural growth has remained concentrated in the north-west of the country, which is well-endowed with infrastructures like irrigation, rural electrification, roads, markets, etc. By one estimate, these areas, which account for less than 15 percent of the total area under foodgrains cultivation in the country, have contributed as much as 56 percent of the increase in foodgrain production in the post-green-revolution period. No doubt, this has led to an increase in the regional disparities as well. Another serious imbalance in Indian agriculture has arisen because of cropwise disparities in growth, between foodgrains and non-foodgrains on the one hand, and among different foodgrains on the other.

About 70 percent of the total cultivated area in the country is rain-fed, which contributes a large proportion of the total output of important crops like cereals, pulses, oilseeds, and cotton; and over 40 percent of the total foodgrains production of the country. But productivity in these areas is low and fluctuates according to the amount of rainfall. Dr Bhatia shows that stagnation in the agriculture sector has coincided not only with adverse weather conditions but also with adverse input-output price ratios, particularly between fertilizer and procurement prices of cereals.

One of the most important challenges in the agriculture sector is to ensure that productivity increases are extended to other regions to maintain the momentum of agricultural growth and to tackle the problem of poverty and regional inequalities. The dispersal of growth across regions with variations in agro-climatic conditions would tend to even out fluctuations in output, and also reduce the costs of storage and distribution of agricultural commodities. Further, productivity of irrigated agriculture in India is much lower than the feasible potential, and efficient water management, too, can be an important source of productivity increase in the agriculture sector. The effective planning of cultivable-land use and water resources are, consequently, the two key issues in Indian agriculture.

Many economists realize that even in the agriculturally dynamic areas of the country, returns to fertilizer and modern inputs are not as substantial as before and resource constraints of land and water have become serious. Dr Bhatia points out that "the incremental cost on agricultural returns has started rising disconcertingly in the green revolution areas, with the result that the continued preoccupation

with the technology in use at present has begun to be called into question in several quarters". It is argued that to maintain the growth levels achieved in the previous decade productivity must be increased in the rain-fed agricultural areas. This would help increase the output of foodgrains and achieve diversification of crops beyond foodgrains so that labour is absorbed in a variety of agro-based activities. But this requires a major breakthrough in rain-fed farming technology, which at present is the hardest end of the agricultural research spectrum. New high-yielding and drought-resistant varieties of seeds have to be evolved, extension services provided, and support services have to be effectively managed. A technological breakthrough in dryland farming would also provide the technology, which, unlike that of the high-cost green revolution, is much more relevant to the Indian setting in terms of costs, accessibility to small cultivators and labour absorption. In the drought-prone States of Karnataka and Gujarat, significant improvements in yields have been achieved, due largely to new research in dryland agriculture, extension services, and diffusion of fertilizer use under rain-fed conditions, suggesting that a major breakthrough in dryland farming is possible.

The Seventh Five Year Plan of India mentions the problems facing the agricultural sector — like concentration of agricultural growth in a few regions, inter-crop growth disparities and disequilibrium, inter-class disparities, etc. — and it proposes a strategy of agricultural development to overcome these problems which is based on "broadening the base of agricultural growth and modernization through infrastructure development", with emphasis on achieving a breakthrough in dryland farming and development of the Eastern regions. The plan envisages that a substantial part of the additional production would come from small and marginal farmers and from rain-fed/dryland areas. Its strategy is based on the exploitation of the large irrigation potential in eastern India. But given the semi-feudal rural society of these areas, the extension, credit, and input supply strategy of agricultural development would lead to the problems of inequality, concentration of growth, etc., about which Dr Bhatia talks about in great detail in the beginning chapters of the book.

Dr Bhatia is also critical of the Seventh Plan development strategy in which, as in the earlier plans, agriculture has not been given a proper deal. He would like to see a greater supply of appropriate technology, cheap credit, and modern inputs to the rain-fed/dryland areas, subsidies for small and marginal farmers, institutional measures to consolidate fragmented holdings; and ensure better tenancy laws, better water management practices and a shift towards small-scale irrigation works, etc. Dr Bhatia contends that the development strategy followed in Indian plans has led to a bimodal pattern of development, in which a modern capital-intensive sector coexists with the traditional low-productivity sector, but without many interlinkages, and to the accentuation of inequalities and income disparities between different

regions and sectors of the economy. Thus, while self-sufficiency may have been attained in the production of foodgrains, half the population of the country does not have economic access to food and is underfed. While the limitations of this development strategy are quite obvious, it continues to be followed largely because the ruling elite has a "vested interest in the development of modern large-scale industry, trade and the infrastructure required to support these sectors". According to Dr Bhatia, what is needed is a "unimodal strategy", such that the agriculture sector gets priority in the allocation of resources and provision of infrastructural facilities and becomes the principal source of employment and income.

In addition, it is important to have the right combination of policies to support agriculture and to promote its growth. An integrated approach to agricultural development policy formulation is required with a proper coordination and balance between its technological, institutional and economic and distributional aspects. This may be the only way to successfully tackle the problem of widespread and persistent poverty in rural India, which is linked to agricultural performance, prices of commodities consumed by the rural poor, and the dominance of large cultivators in the growth process, and to the consequent decreased access to cultivable land and modern inputs by small cultivators. Trickle-down mechanisms cannot bring about a reduction in poverty because agricultural policy and the conditions within which agricultural growth takes place have a critical role to play in the process.

The drought caused by poor rainfall since 1984-85 and the resulting problems in Indian agriculture bear out Dr Bhatia's conclusions about the need for a new strategy for the agriculture sector and should draw attention to the long-term measures in irrigation and land management, which have to be given priority to make Indian agriculture independent of the vagaries of weather. Dr Bhatia provides a number of suggestions, like tilting the terms of trade in favour of the agriculture sector "as a matter of policy", correcting the "urban bias" in fiscal, credit and trade policies, attaching more prestige to the Ministry of Agriculture, etc., to underscore the importance of making the agriculture sector the focus of any future development strategy. But given the present "urban bias" in Indian economic policy-making, the question is whether these policy recommendations are feasible. Dr Bhatia seems to be convinced to the contrary, and hence his tirade against the bureaucratic momentum of planners and policy-makers, to overcome which, according to him, powerful professional and public opinion has to be built up in favour of an agriculture-oriented development strategy.

The main strength of this book is in the critical evaluation of the policies followed by the government for agricultural development, and in highlighting the main weaknesses and consequences of the approach. It points to the near exhaustion of the easier possibilities of output growth in the agriculturally prosperous areas of

the country and makes a strong case for increased attention to dryland areas within an overall policy framework, which makes the agriculture sector the main focus of economic development.

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