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P.N. (Raja) Junankar, *Development Economics: The Role of Agriculture in Development*, Palgrave Macmillan, 2016, 233 pp. \$120 Hardcover.

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Abstract. *Development Economics: The Role of Agriculture in Development* is a compilation of academic writings from P.N. Junankar and coauthors on the topic of agriculture in India. These writings include analyses of government policies regarding the agricultural sector, farmer behavior, inequality, informal labor markets and female labor force participation. This book is a valuable contribution to the literature addressing growth within the agricultural sector in lesser developed economies.

Keywords. India, Agriculture, Economic Development.

JEL. O13, O53, J43, J46.

1. Introduction

Past growth theories from economists such as Karl Marx and David Ricardo were developed in a time much different than today. Today developing countries face a very different environment than those countries that developed centuries or even decades ago. Countries today must face globalization, multinational corporations, and, for many, a history of colonization. These older theories maintained that the agricultural sector of an economy existed as a means only to sustain the industrial sector, which was the main source of economic growth. It seems, however, that the industrial and agricultural sector are much more intertwined than that and growth in the agricultural sector is autonomously vital to overall growth. As such, it is important to take a closer look at the agricultural sector, particularly in developing economies. This book is a compilation of articles, notes and book reviews written by Raja Junankar and coauthors that investigate various aspects of the agricultural sector, from peasant farmer behavior to public land policies, with an emphasis on the experience of India.

2. About the Author

Born and raised in India, Pramod Nagorao (Raja) Junankar received both his Bachelor of Science degree and Master of Science degree in Economics from the London School of Economics and Political Science, University of London. He subsequently received his Ph.D. in Economics from the University of Essex. Junankar has over 50 years of experience as an academic instructor, researcher and consultant, and has published countless discussion papers, articles and books. His research interests include the economic conditions in India and Australia,

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immigration, unemployment, ageing populations and informal labor markets in developing countries. Junankar is currently an Emeritus Professor of Economics at the University of Western Sydney and an Honorary Professor in the Industrial Relations Research Centre at the University of New South Wales.

3. Contents

The book is divided into an introduction followed by five chapters, each of which covers a topic uniquely related to agriculture and development. Chapter 2 contains four sections that address efficiency of farmers in India. The first is an article in which Junankar investigates empirically how productivity in farming is affected by farm size and by farm tenancy in Punjab, India. He finds that farm size had an ambiguous effect on efficiency, but that farm owners are significantly more productive than tenant farmers. The second section contains a brief note in which Junankar argues that land ceilings may increase agricultural efficiency by acting as a wealth tax on agriculture. The third section is a review of a book written by two economists (Bliss & Stern, 1982) regarding farmers in Uttar Pradesh, India. The authors hand collect data to test economic behavior; they conclude that neo-classical economics cannot explain the behavior of farmers in the region. The last paper in the chapter uses a theoretical model to contend that inefficiency taxes could be used to decrease the amount of money spent by wealthy farmers on non-productive activities, such as lending. This would increase the amount of resources devoted to production, thereby increasing output.

Chapter 3 includes three sections regarding inequality in India. The first section is a comment in which Junankar argues that a large public works program to alleviate some poverty in India, as suggested by economists Dandekar & Rath (1971), would not be feasible logistically and would not be economically efficient. The second section contains a paper that investigates empirically whether the Green Revolution increased inequality in Punjab, India. Junankar finds that income inequality is greater than wealth (farm size) inequality, but that, over two periods, income inequality decreased while wealth inequality increased. In the final section, Junankar explores the relationship between mobility and inequality; he finds that mobility causes inequality.

Chapter 4 is comprised of four papers that consider whether farmers maximize profits, particularly in India. In the first paper, Junankar tests whether particular production and profit functions are appropriate to study the behavior of farmers of Punjab, India. Indeed he finds numerous problems with the standard neoclassical models used. The second paper a similar test - that of the assumption profit-maximizing behavior of farmers in South India. Again, Junankar rejects the appropriateness of the neoclassical model, and encourages development of an alternative model to determine peasant farmer behavior. As a sort of response to his previous article, Junankar in his fourth paper of the chapter evaluates the shortcomings of existing theories and argues that many more factors, such as the role of class and institutions, should be included when attempting to explain peasant farmer behavior.

The final two chapters contain one article each addressing different topics within development economics. Chapter 5's article surveys the characteristics of those employed in informal labor markets in the non-agricultural sector in India and asks whether any mobility exists from the informal to the formal labor market. The article in Chapter 6 uses data from Bangladesh to conclude that women are more empowered when granted access to funds from local financial institutions.

4. Discussion

Development Economics: The Role of Agriculture in Development serves as a reminder of how significant Junankar's contribution to development literature was and still is. Junankar initially wrote the contents of the book at a time when little empirical evidence regarding the effects of the Green Revolution on the Indian agricultural sector existed yet was badly needed. In addition, Junankar successfully utilized econometric techniques to investigate numerous aspects of and factors affecting the agricultural sector in ways that had not been previously employed. The topics covered in the book vary greatly, giving the reader deep insight into the dynamics of agriculture in a developing country.

The shortcomings of this book are minor, but are logistical and contextual in nature. The title of the book and the introduction lead the reader to believe that this book explains how agriculture plays a role in economic development of lesser developed countries. However, the writings in the book relate more to the economics *within* the agricultural sector and not necessarily to agriculture's influence on macroeconomic growth or development. While the introduction does address a purpose for the book in a sense, it does not present the contents of the book in the most befitting context. Junankar does not successfully convey an overall message, other than that the book is a compilation of his analyses of the agricultural sector. The result is a somewhat disjointed compilation of literature. Perhaps a more comprehensive introduction would have better prepared the reader for the chapters that followed. Along those lines, an introduction in every chapter might also help contextualize the content of the book and increase its overall cohesiveness.

5. Conclusion

Unlike conclusions made by economists in the past, today's literature reveals that advancement within the agricultural sector is a vital part of growth, especially in lesser developed economies. Thus, development of the agricultural sector and factors affecting it deserve distinct consideration. Junankar's collection of literature included in this book examines many aspects of growth within the agricultural sector, and in doing so helps address the need for further research in this area.

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