

## **Accounting for Breaks in Agriculture: A Study of Andhra Pradesh and Orissa**

**R Vijay and Itishree Pattnaik**

*Is the performance of the agricultural sector in Andhra Pradesh and Orissa smooth and continuous or any structural breaks are there? A shift in the growth regime would imply that at least one of the growth inducing factors (area, yield and cropping pattern) should also witness a regime change. The present paper attempts to identify the break points in the growth profile of the two states and also aims at accounting for the breaks in the performance of agricultural sector. Both the economies had two structural breaks in their performance during the post 1960's period. Andhra Pradesh witnessed acceleration in growth of its agrarian economy over the phases while Orissa faced deceleration over the three phases. In Orissa, turning points in the Index number of area is an important factor for explaining turning points in agrarian performance. In case of Andhra Pradesh, the turning points in index number of yield and crop diversification play an important role in explaining turning points in overall growth performance and index number of land has limited role in explaining the turning points in the growth performance. Orissa's agrarian economy continues to be in the 'extensive' phase with the importance of land under cultivation while Andhra Pradesh witnessed a shift to the phase of intensive cultivation with an increased dependence on yield.*

### **Introduction**

Performance of an Indian agriculture has witnessed acceleration in the rate of growth of output and income in the post-independence period as compared to the pre-independence period. However, the growth, in the post-independence period, was not continuous and smooth, which witnessed acceleration as well as deceleration over the period. This formed the basis for the identification of break points (and phases) in the performance of agrarian sector. The rate of growth of agricultural output/income depends on area expansion, yield expansion and the change in cropping pattern. A break generated in the aggregate income or output level can be a reflection of break in all the three causal variables or at least one of the variables. In this respect, the present paper has two-fold objectives: firstly, it attempts to identify turning point(s) in the performance of the agrarian economy

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R Vijay, Reader in Economics, University of Hyderabad, Central University (P.O.), Hyderabad 500046, India, email: regvijay@yahoo.com

Itishree Pattnaik, Research Scholar in Economics, University of Hyderabad, Central University (P.O.), Hyderabad 500046, India, email: itipattnaik7@gmail.com