

~~Trend~~ in Agricultural Prices in Madhya Pradesh  
and their Impact on Acreage, Production  
and Market Arrivals ( 1951-52 to 1966-67 )

**THESIS**

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## P R E F A C E

Any policy to improve price milieu of developing agriculture should take into account (i) the change in allocation of land between various uses due to changes in price, (ii) the variability of the agricultural prices over the period of years which determine the riskiness of farming, (iii) the variability of the prices with in the period of a year which determines the profitability of the timings of the sale, (iv) the price formation in agriculture and integration of markets, (v) the ratio of general level of agricultural prices to the general level of non-agricultural prices. In the present study attempt has been made to analyse agricultural prices in the State of Madhya Pradesh. The studies on behaviour of agricultural prices are of great importance to the economies, specially for those which are in the developmental stages.

The region chosen for the study is the State of Madhya Pradesh - a backward and tribal State situated in the very heart of the country. Due to historical circumstances, economic data for the period prior to integration of princely states into unions is sketchy and meagre. In the fifties, a beginning was made to collect data on agriculture and examine its problems.

(ii)

Systematic collection of data starts only with the formation of the present State of Madhya Pradesh in October 1956.

The study comprises of eight chapters. Chapter I deals with the general economic background of agriculture in Madhya Pradesh. It throws light on the economics of agriculture in this State. Chapter II presents marketing environment for agricultural products. It throws light on the deficiency of the agricultural marketing. Chapter III deals with the problem of supply response to prices in agriculture in the underdeveloped countries. It analyses the conditions in the underdeveloped countries which influence the supply-response in agriculture.

Chapter IV deals with the supply-response to prices in agriculture in Madhya Pradesh. It examines supply response in food as well as non-food crops. Supply response coefficients have been calculated at State as well as district level (subject to the availability of the data). Chapter V deals with the seasonal variations in the agricultural prices in the State. The problem of integration in agricultural marketing has been studied in the Chapter VI. It deals with the degree of association in the prices in various wholesale markets and intra-regional price differentials. In the Chapter VII, the problem of marketable surplus and the timings of market arrivals has been studied. Chapter VIII is the concluding assessment of the findings of this study and policy implications of the same.

(iii)

This study thus attempts to handle a mass of data relating to agricultural prices, acreage, market arrivals etc. It covers a span of nearly 16 - 17 years and tries to draw some useful inferences on the basis of analysis undertaken.

In this major task I have received help and encouragement from many. I have frequently made use of Vikram University Library, the Library of Indian Society of Agricultural Economics and the Library of Gokhale Institute of Politics and Economics, Poona. I have received unreserved cooperation at all these libraries and mere thanks do not express my sense of gratitude to them.

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