

Official Papers**Spices Enquiry**

EARLY in 1951, the Planning Commission were seized of the situation that sufficient attention was not being paid to the development of important dollar earning crops of the South and drew the attention of the Ministry of Food and Agriculture to it. The result was the appointment of a high level committee, with the Secretary to the Ministry as the Chairman, to "examine the whole position regarding the production and marketing of the six agricultural commodities, viz, pepper, cardamom, ginger, turmeric, cashewnut and lemon-grass oil and make recommendations as to how the production and marketing of these commodities could be improved". The committee was also asked to see whether centralised direction was necessary and feasible and, if so, in what form to bring about the desired improvements. By no stretch of imagination, however, can cashewnuts and lemon-grass be considered as spices nor all the six commodities listed above can be rated as dollar earners. Only pepper, cashewnuts and lemon-grass oil belong to that category. How did the committee, then, come to be called the Spices Enquiry Committee, and its report this deceptive title?*

The committee had an arduous task before it. Except for exports, information available was scanty. Still it is doubtful whether the two years spent by the committee on it could be justified. The report may be useful as a preliminary survey; beyond that its value is limited. Only the case of pepper, the most important of the commodities examined by the committee is discussed below; others are held over for a future occasion.

Pepper is grown largely in the submontane tracts in and below the Western Ghats and covers the State of Travancore-Cochin and Malabar and South Kanara districts of Madras. Malabar used to attract people from across the distant seas from times immemorial for its pepper and there used to be a flou-

rishing export trade in pepper at one time. But that was long ago. Before World War II, pepper exports had dwindled to just 870 tons valued at Rs 3.7 lakhs. The domestic consumption was estimated at about 10,000 tons. The annual production must have been about 11,000 tons then, though the pre-war estimate of the crop put it at 18,500 tons which was obviously an over-estimate. The post-war period brought a boom to the pepper trade. The average exports since 1947-48 have been of the order of 15,000 tons and the value of exports increased from Rs 372 lakhs in 1947-48 to Rs 2,317 lakhs in 1951-52, which however, declined to Rs 1,794 lakhs in 1952-53. The price per candy of six cwt rose from Rs 570 in 1947 to Rs 4,158 in 1951; the present price runs a little above Rs 1,000 per candy (ten times the pre-war price). The estimated annual production is now 21,300 tons. No other commodity seems to have enjoyed such prosperity in the post-war period. This prosperity was mainly due to the revival of the export trade, the boom in prices being due to a world shortage in supply and American stock-piling at the outbreak of the Korean war. Before the war, Indonesia used to be one of the principal producers of pepper and her production was estimated at 65,000 tons. Indonesian pepper used to monopolise the American market. Indonesia was virtually out of the pepper trade after its plantations were destroyed during the war. It was for India to establish herself firmly in the world market before Indonesia revived her production and trade.

Viewed from this angle, some of the points that ought to have been examined are:

- (a) what were the natural and technical advantages Indonesia had over India that she could monopolise the world market in pepper before the war?
- (b) at the current level of cost of production, what should be the reasonable price to induce the producer to repant and to increase the area; under pepper, if necessary?., and
- (c) to what extent the demand for pepper is responsive to price variations? are there effective substitutes for pepper, espe-

cially in America? The question naturally arises as US consumption has fallen by about 10,000 tons from what it was before the war.

The committee, have not examined any of these points. They have satisfied themselves with the usual recommendations, eg, selection of crops, control of pests and diseases, improved methods of storage, maintenance of statistics, special agency for export promotion, uniform weights and measures, co-operative marketing and the like, common to all agricultural commodities.

To crown all, the committee have recommended a ten-year plan for



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* Report of the Spices Enquiry Committee, Indian Council of Agricultural Research, New Delhi. Oct 1953, PP 142 and Appendices I to XXXVI. Price not mentioned.

