

Demand for Food Grains

— Its Statistical Measurement

IN his article "Consumer Goods and disposable Income--Do they balance in the Second Plan" in your Second Five Year Plan number (p 735) Shri A Rudra, you say in the introduction, "attempts a statistical estimate of the demand for foodgrains likely to arise in the Plan period. The results suggest that the target has been fixed rather on the high side and this leads him to the conclusion that the disposable income in the last plan year may be made larger without any fear of foodgrains prices rising in consequence".

The burden of the proof of the conclusion is in the following two paras:

"The target of foodgrains is to increase production by 15 per cent over the 1955-56 level. As the national consumption is targetted to rise only by 20 per cent, it implies that elasticity (with respect to total consumption) of foodgrains consumption has got to be 0.75 if production is assumed to equal consumption both in 1955-56 and 1960-61. For the population goes up by 6.5 per cent during the five years, so that the increase in the per capita total consumption of foodgrains is S per cent. This of course means that the elasticity is about 0.75. But this is a fantastically high figure for foodgrains.

"Experience suggests that the elasticity of the foodgrains cannot be so high. It cannot exceed 0.3 or 0.4 for the whole of India" (p 738).

The author, has not given any data showing that such elasticity is less than 0.4. The data collected by

Economic level of living	Total Expenditure per consumption unit	Food Expenditure per consumption unit
Rs.	Rs.	Rs
0 - 50	44.7	37.3
51 - 100	79.8	68.1
101 - 150	122.2	104.4
151 - 200	170.3	144.5
201 - 250	216.3	184.1
251 - 300	261.7	220.4
301 - 350	306.6	256.6
351 and above	411.8	347.6

Elasticity of food consumption with respect to total consumption = 0.996

Agricultural labour Enquiry, however, leads one to expect a much higher value as will be seen from the food expenditure data. according to the economic level of living (expenditure per consumption unit), given in Agricultural Labour Enquiry. Report on Intensive Survey Vol I All India, Table No 10, p 230.

It will be seen from the table that the food elasticity with respect to total expenditure for agricultural labour WAS about. 1.00 in the year 1950-51. The elasticity at the present time and for total population may be slightly different; nevertheless, in view of the above the estimate 0.75 for the elasticity does not seem to be a "fantastically high figure". If the increased national income goes largely to raise the economic level of living of the poorest sections, the above estimate may well prove to be too low.

In the conclusion of his article Shri A Rudra. has made an appeal for the collection of very detailed data about consumption habits of different classes of consumers." In fact such data are being collected on a sufficiently large scale by the National Sample Survey in its various rounds. But the findings are not being presented in a form in which they can be readily used for the above purpose.

A Statistician

Poona

August 4, 1956.

Profile of a Southern State

W I L L you permit me to offer sonic comments (though belated) by way of a footnote to the discerning article, "Profile of a Southern State Mysore," published in your issue of July 21?

Sometime ago I met a prosperous Mysore businessman, He was the old type, obviously traditionalist and conservative with a healthy respect for the Ruling house, wealth, position, authority, titles and decorations. He was the type who considered it a privilege to attend the Dassarah durbar decked in a lace turban, cummerband and all.

There were others concerned with business in the company and the econ-

versatton was generally about banking, insurance and allied subjects in which it was difficult for me even to pretend to take an interest. But I sat up and began to take notice when I found the businessman exploding with vehemence and declaring. "He is a fool, he is a fool," In relation to the Rajpramukh of Mysore.

I gathered from the conversation that there was an election for a directorship of the Mysore Bank. There was a. Lingayat and a non-Lingayat in the running. It seems that the Murghee Muth of Chithalilurg, one of the important religious seats of the Lingayats, held a big-gish block of shares in the bank-So did the Rajpramukh. Between them they helped to get the Lingayat elected instead of someone else, whose caste J did not inquire, but from the context, he may have been an OKkaliga.

I do not personally vouch for these facts. As facts they are not relevant in this context. What is important is that it was accepted as a norm of correct social conduct that voting for a bank directorship must go by caste. The unwritten rule was apparently so rigid and so universally accepted that it was assumed that even the Maharaja was bound by it. And apparently because he behaved differently, his conduct was felt to justify severe condemnation, without, provoking even faint dissent, let alone a protest from a group of business-minded people.

That is an illustration of the new and fearful extension of the caste spirit in Mysore and maybe in other parts of India too.

G N Acharya

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Flibbertigibbet

A K(VS letter in your issue of July 28 was welcome recognition of the emergence of "Flibbertigibbet" in the Econmic Weekly. That the welcome is not uncritical, although not all the criticism is characterised by clarity, is a tribute to AKG's intellectual alertness; perhaps it is also a measure of the provocative quality of your new columnist.

Preoccupation with civilizations of 3.000 years ago has, however, prevented AKG from getting some more recent facts right. What Kingsley Martin wrote in the New Statesman and Nation of May 12, 1956, was;