



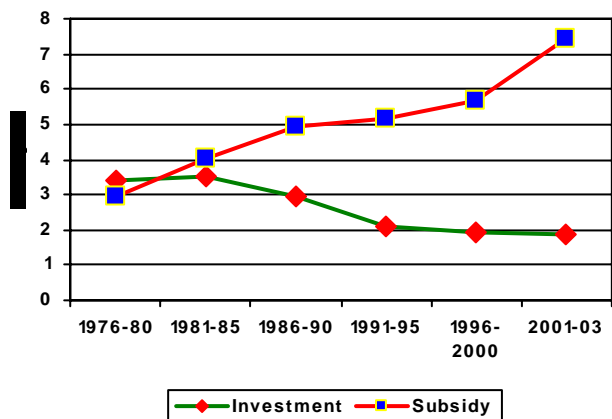
RESEARCH HIGHLIGHTS

Capital formation in Indian agriculture

The public investment in agriculture has come down to less than 2 percent of the AgGDP after mid-1990s, which used to be 3.51 percent during 1980s. This coincided with rapid increase in subsidies (Fig. 1). This has serious implications for long term agricultural growth. Often subsidies are doing more harm and leading to indiscriminate use of water resources, degradation of land, and imbalanced use of plant nutrients. Subsidies provided by Central government like fertilizer subsidies are highly skewed in favour of 'N' and their use is very low in low productivity regions and quite high in better endowed areas.

State-level analysis shows considerable variation in funds allocated for capital formation. States like Andhra Pradesh, Assam, Bihar, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, and Uttar Pradesh show sharp increase in public sector capital expenditure in agriculture during IX and X Five Year Plan. In contrast, there was a sharp decline in public expenditure in Haryana, Kerala, Orissa, Punjab, and West Bengal. Except Orissa, all states experiencing decline in capital expenditure are agriculturally advanced and rank among top states in agricultural productivity.

Fig. 1 Public investment and subsidies in agriculture



IN THIS ISSUE

- Research highlights
- Publications
- Participation in workshops/seminars/ symposia
- Meetings
- Visits abroad
- New initiatives
- Human resource development
- Personnel
- Policy advocacy
- ARIS activities
- NCAP website access
- Remembering Prof Jha
- Forthcoming events

Opportunities and challenges in wheat production in India

The decision to import wheat during 2006-07 and 2007-08 is highly debated. However, there is consensus for evolving a long-term policy to produce enough wheat in the country to maintain food security. Raising wheat yields in Bihar and Madhya Pradesh at par with national average would add over 5 million tons to total production. Farmers' access to improved production technology, balanced fertilizer application, and use of other essential inputs at right time can add to production by another 5 million tons by bridging the yield gap. If only 10 percent of yield potential is achieved, the additional production can be raised to nearly 5 million tons. Doubling the seed replacement rate to 26 percent even on 50 percent of wheat area would yield additional 10 million tons.

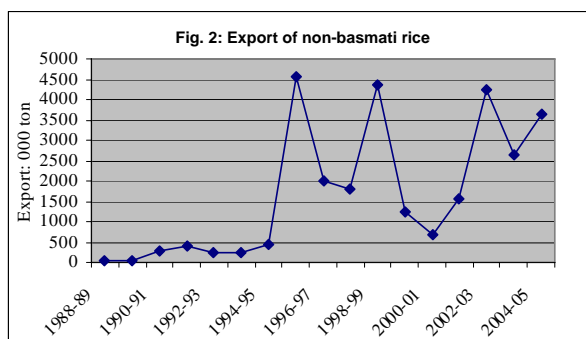
Trade competitiveness in oilseeds

India has emerged as the largest importer of edible oils in the world. More than 40 percent of the domestic demand is met through imports. Three-fourth of edible oil imports consist of palm oil, 22 percent of soyabean oil and remaining 3 percent of other oil. However, large differences in the ratios of domestic and international prices of oil vis a vis oilseeds clearly indicate that inefficiencies in the processing sector is one reason for low competitiveness. Technological breakthrough has

helped in raising productivity of oilseeds. To improve trade competitiveness, India needs to pay equal attention to improving efficiency in (a) production; (b) marketing and transport, and (c) processing. Also, India needs to aggressively promote export of niche oilseeds like castor oil, sesamum seed, groundnut and other oilseeds with specific attributes of consumer interest.

International price volatility and India's rice export

A striking aspect of rice export in post-WTO period was violent temporal fluctuations in exports with implications for domestic supply and prices (Fig. 2). The fluctuations in export were not caused by domestic production. Export of rice during post- WTO period was significantly affected by differences in international and domestic prices and position of rice stock with public agencies in the beginning of the year. Government intervention of various kinds helped to maintain some stability in domestic prices and to guard against complete and full transmission of international price volatility into domestic market. However, there was a significant change in integration of domestic market with international market after 1995. It was also found that there is significant though not full transmission of variation in international prices on domestic prices. It is therefore suggested that besides dealing with issues of subsidies and market access in WTO negotiations, suitable mechanisms need to be put in place to reduce level of volatility in international prices.



PUBLICATIONS

Research Papers

Adhiguru P, Mruthyunjaya and P S Birthal. 2007. "Drawing lessons and mainstreaming ICT in Indian agriculture", In: Information and Communication Technology: Opportunities and Challenges for Revitalizing Extension System. Indian Society of Extension Education, New Delhi, pp 95-99.

Arora, A, S Upadhyaya and Rajni Jain. 2007. "Characterizing mushroom clusters using rough sets".

In: M N Hoda, ed. *Computing for Nation Development, IndiaCom-2007*. Bharti Vidyapeeth's Institute of Computer Applications and Management, New Delhi, pp 597-600.

Barah, B C 2007. "Strategies for agricultural development of Northeast India". *Indian Journal of Agricultural Economics* 62 (1):13-31.

Birthal, P S and P K Joshi. 2007. "Institutional innovations for improving smallholder participation in high-value agriculture: a case of fruits and vegetable growers' association in India." *Quarterly Journal of International Agriculture* 46 (1): 49-68.

Jain, Rajni and S Minz. 2007. "Dynamic rough set based decision tree model for supervised learning". In: M N Hoda, ed. *Computing for National Development, IndiaCom-2007*. Bharti Vidyapeeth's Institute of Computer Applications and Management, New Delhi, pp. 439-443.

Sharma, A, Rajni Jain and K Asawa. 2007. "Ontology for knowledge development in agriculture". In: M N Hoda, ed. *Computing for National Development, IndiaCom-2007*. Bharti Vidyapeeth's Institute of Computer Applications and Management, New Delhi, pp. 611-614.

Book

Joshi, P K, Ashok Gulati and Ralph Cummings. Jr., eds. 2007. *Agricultural diversification and smallholders in South Asia*. Academic Foundation, New Delhi.

Popular articles

Joshi, P K 2007. "Import food only as a last resort". *The Financial Express (Debate Page)*, 2 January 2007.

Joshi, P K 2007. "Does export bans help?" *The Economics Times (Face-Off)*. 9 February 2007.

Joshi, P K 2007. "Indian agriculture: problems and remedies". *Agriculture Today* 10(3): 36-37.

PARTICIPATION IN WORKSHOPS/ SEMINARS/SYMPOSIA

National Seminar on "Information and Communication Technology: Opportunities and Challenges for Revitalizing Extension System", Navsari, 27-29 December 2007. (P Adhiguru)

National Seminar on "Changing Global Vegetable Oils Scenario: Issues and Challenges before India." Indian Society of Oilseeds Research, Directorate of Oilseeds Research, Hyderabad, 29-31 January 2007. (P K Joshi, Ramesh Chand)

Seminar on "Look East Policy: A reality check" via-a-vis North East India" organized by North East Media Forum and North Eastern Development Finance Corporation (NEDFC), New Delhi, 31 January 2007. (B C Barah)

Workshop on "Indian Agricultural Market Reforms", organized by NCAER and University of Melbourne at Melbourne, Australia, 8-9 February 2007. (Ramesh Chand)

6th IWMI-Tata Annual Partners' Meet, Anand, 8-10 March 2007. (Harbir Singh)

3rd International Conference on "Linking farmers and markets: Exploring leading practices to foster economic growth in rural India", Taj Palace Hotel, New Delhi, 11-15 March 2007. (Harbir Singh, P Adhiguru and Rajni Jain)

International Seminar on "Saving Doha and Delivering on Development", Ministry of Commerce, National Council of Applied Economic Research, Maurya Hotel, New Delhi, 12-13 March 2007. (Ramesh Chand)

Expert group on Agricultural Indebtedness, Indira Gandhi Institute for Development Research (IGIDR), Mumbai, 16 March 2007. (B C Barah)

Policy Workshop on "Asian Economic Renaissance: Challenges and Consequences on Agriculture, Food Security, and Poverty". Organized by Southeast Asia Regional Centre for Graduate Study and Research in Agriculture, Manila and FAO RAP, Bangkok, at Chiangmai, Thailand, 19-20 March 2007. (Ramesh Chand)

Seminar on "Building Trade Safety Nets in Agricultural Systems in South Asia" organized by CESS and CENTAD at Hyderabad, 26 March 2007. (Ramesh Chand)

MEETINGS

NCAP Evaluation Team (Dr Kanchan Chopra, Dr M Deb and Dr R S Deshpande) visited the Centre on 12 January 2007 and interacted with the scientists to review the X plan activities.

Institute Management Committee of the Centre met on 11 January 2007 to review the management and financial issues. Centre's Perspective Plan 2025 was also shared with the members.

Quinquennial Review Team (Dr S S Johl, Dr G K Chadha, Dr P V Shenoi and Dr V N Mishra) visited the Centre on 7 February 2007 and interacted with the staff to finalize the Quinquennial report of NCAP.

VISITS ABROAD

Dr P K Joshi visited Bogor, Indonesia to attend the meetings of 3rd Technical Committee and 3rd Governing Council Meeting of UN-CAPSA (Centre for Alleviation of Poverty through Secondary Crops' Development in Asia and the Pacific) 16-19 January 2007. He also attended the Regional Workshop on "Pro-poor Agricultural Technology Choices, Coalition of the Rural Poor and Strategic Thrusts in Asia and the Pacific", at Seoul, South Korea (13-15 March 2007).

Dr Ramesh Chand attended the workshop on 'Indian Agricultural Market Reforms' at the University of Melbourne, Australia (8-9 February 2007). He also attended the policy workshop on 'Asian Economic Renaissance: Challenges and Consequences on Agriculture, Food Security, and Poverty' at Chiangmai, Thailand (19-20 March 2007).

NEW INITIATIVES

Three new research projects were approved in the Institute Research Council (IRC)

Economics of agricultural biotechnology – the case of Bt cotton.

The upcoming of supermarkets in India: implications for smallholders.

Spatial and temporal productivity changes in Indian agriculture.

HUMAN RESOURCE DEVELOPMENT

Dr Harbir Singh attended a training programme on "Seed Industry" at ICRISAT, Patancheru, Andhra Pradesh from 21-24 March 2007.

PERSONNEL

Recognition

Dr P K Joshi was elected as Fellow of the National Academy of Agricultural Sciences, New Delhi; re-elected as Member of the Research Program Committee, Indian Society of Agricultural Economics, Mumbai; elected as Secretary, Agricultural Economics Research Association (India), New Delhi; elected as Chairman, Governing Board, United Nation's Centre for Alleviating Poverty through Secondary Crops in Asia and Pacific (UN-CAPSA), Bogor, Indonesia.

Dr Ramesh Chand was nominated as a member of Steering Committee on Agriculture and Allied Sectors for Formulation of the XI Plan; nominated as a

member of Working Group on Crop Husbandry, Agricultural Inputs, Demand and Supply Projections and Agricultural Statistics for the XI Plan (2007-12); and elected as a member of the editorial board of the Indian Journal of Agricultural Economics.

Dr Suresh Pal, Principal Scientist, was nominated as Member of a high-level committee for Developing Guidelines for Project-based Budgeting in ICAR Institutes.

Promotion

Dr Anjani Kumar (on deputation) and Dr S K Pandey were promoted as Senior Scientists.

New Joining

Dr K K Datta, Principal Scientist joined the Centre on transfer from ICAR Complex for NEH Region, Umiam on 2 January 2007.

POLICY ADVOCACY



A seminar was organized on "System of Rice Intensification and Beyond" on Feb 23, 2007. Prof. Norman Uphoff, CIIFAD, Cornell University, New York, USA was the Chief Guest, who presented a paper on SRI and post-modern agriculture. Dr. A K Singh Director, WTC, IARI, New Delhi and Dr. B C Barah, NCAP presented their papers. Dr. S P Tiwari, DDG (Education & Crops) presided-over the function. The seminar was attended by about 50 scientists from IARI, Delhi University, NCAER, CG Centres and IASRI besides NCAP scientists. The seminar emphasized the need for a network for intense interaction and share the recent developments.

A meeting of the Committee on Project Based Budgeting in ICAR was held on 8 January 2007, under the Chairmanship of Dr J C Katiyal, Vice Chancellor, Chaudhary Charan Singh Haryana

Agricultural University (CCSHAU), Hissar. Dr Suresh Pal, Principal Scientist is the Member Secretary of the Committee on Project Based Budgeting.

ARIS ACTIVITIES

E-diary, an online version of daily diary, has been installed on the intranet of the Centre to share information related to important meetings, seminars, training, travel, visitors and any other events.

NCAP WEBSITE ACCESS

NCAP website was accessed by 17,641 users from 112 countries during the quarter ending 31 March 2007. Of these 35 per cent visitors were from outside India with US share of approximately 21 percent. On an average, there were about 2354 hits per day during the quarter.

REMEMBERING Prof Jha

Late Prof Dayanatha Jha, former Director, NCAP was remembered and paid homage on his 67th birthday (9 March 2007). On this day, trees were planted in his memory by NCAP staff. An in-house badminton tournament was also organized.

A seminar was organized on "System of Rice Intensification (SRI) and Beyond" on 23 February 2007. Prof Norman Uphoff, CIIFAD, Cornell University, New York, USA was the Chief Guest, who presented a paper on SRI and post-modern agriculture. Dr A K Singh Director, WTC, IARI, New Delhi and Dr B C Barah, NCAP presented their papers. Dr S P Tiwari, DDG (Education & Crops) presided-over the function.

FORTHCOMING EVENTS

- NCAP Annual Day on 1 May 2007
- Indo-US AKI workshop on 'Contract Farming', 5-6 May 2007
- Project launching workshop on 'Visioning, Policy Analysis and Gender (V-PAGe) on 26-27 June 2007.
- Brainstorming Workshop on 'Mainstreaming Gender in Agricultural Research and Education', 10 July, 2007.
- National Seminar on 'Agrarian Crisis: Causes and Remedies', 1-2 August 2007

Editors: Dr P Adhiguru, Dr Rajni Jain and Dr Harbir Singh

E Published by Dr P K Joshi, Director, National Centre for Agricultural Economics and Policy Research

P. Box No.-11305, Library Avenue, Pusa, New Delhi-110 012 Ph: 011-25847628, 25848731

Website : www.ncap.res.in; E- mail : director@ncap.res.in