

in the figures because it involves the spatial distribution of these crops. The first—and still the most intensive—users of the new varieties were in Punjab, one of the northwest states which has traditionally been an area of large and relatively prosperous farms. The state which ranks second, however, in terms of area under HYV, is Tamil Nadu at the southern tip of India, with almost 40%. The benefits which have come from the “miracle grains” of HYV, both to particular regions and to the country as a whole, would not have been possible without the participation of areas such as Tamil Nadu.

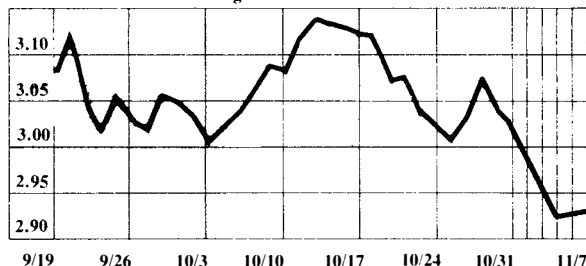
The specific effect of the introduction and adoption of HYV crops on the Indian economy is portrayed in **Figure 4**. The categories used here require a brief explanation. The measure of productivity and overhead cost are defined in terms of the tangible cost of labor. This represents the value, in producer prices, of the tangible goods consumed by the productive work force, that is, all those operatives actually involved in the production and transportation of tangible goods. Productivity is measured as the ratio of surplus production to this labor cost, where surplus is defined as the value added by a particular economic sector, less the cost of maintaining both the physical plant and the operatives. The overhead ratio is defined as the ratio of the total tangible cost of all non-productive activity in the economy to the labor cost of productive activity, as defined above. Thus, if the productivity of a sector falls below the average overhead ratio for the total economy, the sector is not producing sufficient value, over and above that needed to continue its own physical production process, to support its share of the total economic overhead. The problem of most Third World countries over the past decade has been that their agriculture has remained in this condition, absorbing whatever surplus value their economies might generate elsewhere. As **Figure 4** shows, this pattern was also true of India, and would have continued to be true in the absence of the HYV crops. The relatively enormous productivity of the labor employed in growing these crops has broken the trap, and has allowed the overall productivity of Indian agriculture to remain, on the average, just above the critical level defined by the overhead ratio.

The adoption of the HYV varieties was not easy for India. Concentration of scarce resources in a few areas, reliance on crops which require relatively high levels of inputs, the altering of accepted, “safe” methods of farming, all took leadership with a commitment to the future of the country, and the kind of love which would not allow the future to be merely a continuing, losing struggle against the ‘overwhelming problems’ of imperialism past and present. The political implications of the agricultural revolution were well recognized by India’s enemies. The major areas of destabilization were the Punjab in the north, and the southern areas adjacent to Sri Lanka, the area of Tamil Nadu. Now the question is, will India’s friends have as clear an appreciation of the importance of this aspect of India’s development, either to foster or to imitate it?

Currency Rates

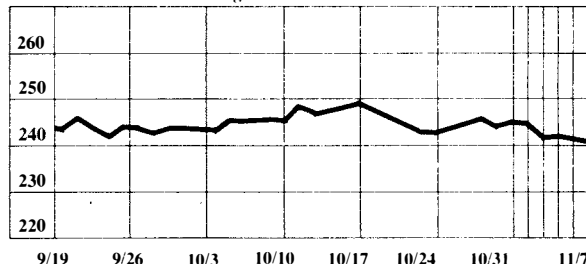
The dollar in deutschemarks

New York late afternoon fixing



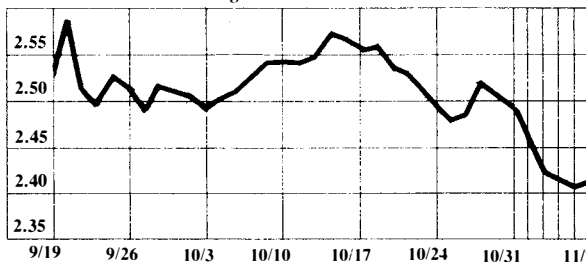
The dollar in yen

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing

