Annotated Bibliography on
Agricultural Credit and Rural Savings: V
NOTE

This bibliography is the fifth in a series of annotated bibliographies prepared by The Ohio State University. The first three were published and distributed by the Agency for International Development as part of their A.I.D. Bibliography Series. Citations and ordering instructions for these three bibliographies follow:

1) **Agricultural Credit and Rural Savings**, A.I.D. Bibliography Series: Agriculture No. 7, December 1, 1972, 60 p.


Copies of these three bibliographies can be ordered from the Office of Development Information and Utilization, Development Support Bureau, Agency for International Development, Washington, D.C. 20523.

The fourth bibliography was published and distributed by the Agricultural Finance Program, The Ohio State University, 2120 Fyffe Road, Columbus, Ohio 43210. Its title is as follows:


Copies of this bibliography can be ordered from the Agricultural Finance Program address given above.
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INTRODUCTION

Background

This bibliography is an outgrowth of activities sponsored by the Office of Rural Development and Development Administration, Development Support Bureau, Agency for International Development under a Cooperative Agreement with the Department of Agricultural Economics and Rural Sociology, The Ohio State University. The individuals responsible for the preparation of this bibliography are:

Dr. Dale W Adams, Professor of Agricultural Economics, Department of Agricultural Economics and Rural Sociology, The Ohio State University.

Harpal Grewal, Ohene Nyanin and Stephen Pollard, Research Associates, Department of Agricultural Economics and Rural Sociology, The Ohio State University.

Norma Bruce, Agricultural Economics Bibliographer, and Amy Bricker, Library Assistant, Agricultural Library, Ohio State University Libraries; Roberta Riddle, Administrative Assistant, Department of Agricultural Economics and Rural Sociology, The Ohio State University.

Additional Information

Persons desiring information regarding publications listed in this bibliography or some other aspect of agricultural credit or rural savings should address their inquiries to:

The Agricultural Finance Program
The Ohio State University
2120 Fyffe Road
Columbus, Ohio 43210, U.S.A.

Individuals who want to refer to general reviews of the field of agricultural finance are referred to the texts listed below:


PART I. AGRICULTURAL CREDIT


Outlines the role of small informal groups in rural change programs. Also discusses how groups can participate in credit activities. [1944]


Reviews the major problems which exist in rural financial markets in low income countries. Also critiques major techniques used to treat these problems. Concludes by suggesting policy changes which would improve financial market performance. [1945]


The author reviews historical evaluation of financial markets in low income countries. He also discusses the main assumptions and some of the techniques used to implement programs and policies in agricultural finance. Some suggestions to improve the effectiveness of these programs are also forwarded. [1966]

The conference papers covered three main headings: (1) Liquidity management at the farm household level, including the topics savings behavior, credit and risk, measuring and evaluating credit needs and loan repayment problems; (2) Lender-mobilizer level which covers both formal and informal institutions; (3) performance of rural financial markets, covering the low and high income countries, flow of funds analysis and interest rate policies. The authors have also suggested some issues for future research in rural finance. [30]


Author examines the problems of rural development in Nigeria. Analyzes some of the financial problems facing the rural people, in particular as a constraint to rural development participation. Suggests a debt-repayment credit scheme to further increase participation of the rural populace in development. [1964]


The author argues that there is a need for effective financial intermediation to mobilize the rural surpluses. He suggests that contractual saving schemes such as provident funds and life insurance, etc. could prove to be effective in this respect. Loans at concessionary rates against the collateral of financial assets and high interest rates to savers are also suggested in this paper. [2008]


Evaluates the socioeconomic impact of the Small Farmers Development Project in Nepal. The study also identifies the constraints to the further development of the project and provides recommendations. [1956]

Paper discusses the role of the nationalized commercial banks in Bangladesh agricultural credit policy. Evaluates the performance of the banks since 1974. [172]


Paper describes an experimental action/research project by a commercial bank in extending credit to groups of small farmers and landless labourers for productive efforts. Author presents the current state of affairs with the rural poor, scope of the project, and the project's performance. He concludes that groups are becoming self-reliant and that group members have shown that they are credit worthy. [347]


The author discusses the problems of financing the agricultural sector in Malaysia. The problem in Malaysia is not how to provide efficient credit facilities to the agricultural sector but the limitations and constraints which prevent such services from being carried out. He also argues that uneconomic sized farm units pose a main problem in the way of development strategies. He suggests the need to change farmers to be more business-minded or economically oriented. [380]


The paper summarizes the findings of research undertaken in 1974 on the organization and management of the integrated Agricultural Development Project in Eastern and Southern provinces of Sierra Leone. The
author suggests that greater consideration should have been given initially to the relative emphasis between credit and extension. He further suggests that instead of choosing a single point of emphasis, a suitable design should choose from a number of possible alternatives. The organizational designs should be those which are suitable to specific situations rather than rely on the traditional concepts.


The author discusses how linear programming models could be used in capital budgeting and financial management at the farm firm level. He has given a modified linear programming model to account for uncertainty in decision making. The author also discusses a hypothetical example to show how the above model can be used to account for uncertainty in farm decision-making behavior.


Author divides agricultural economics research into behavioral versus policy alternatives. He also proposes a specific model which can be used to analyze farmer behavior as well as policy alternatives. Finance is a major feature of this article.


Study compares optimum use of farm resources with lending limits set by lenders. Cobb-Douglas production function was adjusted to data from 140 cash grain farmers and 86 livestock farmers to determine optimum resource use. Forty-two agricultural lenders were shown financial information on typical farms and requested to indicate lending limits for various expenditures. Results showed lenders would overlend on asset-generated loans for feeder cattle, machinery and buildings, but would underlend for operating expense.

The authors discuss some concepts of risk management modeling of the farm firm. The first section of the paper discusses some problems and possibilities of developing a model of the firm's financial management function. The second section presents results of two empirical studies made by the authors. The results showed that the farmers should make a careful choice of financial sources. The model demonstrates that interrelations between characteristics of the farmer and the farming operation should be incorporated in the formulation of marketing strategies. [448]


The author refutes the commonly accepted assumption that low interest rates in production credit programs always lead to benefits for small farmers. He argues that in the long-run suppressed interest rates may be detrimental to the interests of small farmers. He also argues that low interest rates often lead to credit programs favoring large farmers. He suggests that the costs and benefits of these programs should be carefully assessed before fixing any level of interest rates. [1985]

17. Bangladesh Bank, *Detailed Guidelines for Implementation of Agricultural Credit Programme of Tk. 100 Crores to be Disbursed During the Calendar Year 1977*. 1977, 15 p., Bangladesh Bank, Dacca, Bangladesh, Mimeographed.

The report presents some of the operational guidelines to be considered by the institutional agencies for implementing the agricultural credit program of 100 crores disbursement of credit during 1977. Area-wise and crop-wise allocation of credit is discussed in the report. In addition, eligibility of loan, loan application procedures, disbursement policy, security of loans, group loans, and interest rates of the loans are discussed in detail. [450]

This paper discusses the role of credit in small farmer development in Chile. Problems related to the demand and supply side of credit are described. The author concludes that credit should be extended mainly through cooperatives and other kinds of associations. [495]


Explores some of the types of considerations relating to informal financial activities that need to be taken into account in designing development efforts aimed at improving the provision of financial services to small scale rural producers. Author argues that more attention should be placed on understanding the nature and operations of the informal financial systems in LDC's. [1953]


Author describes the supply of formal agricultural credit for farmers in Chile. He goes on to argue that because of the price policies, and lack of other clearly defined agricultural policies, the farmers are unwilling to demand credit from the formal lenders. [546]


The report discusses the package form of agricultural development services extended by the Institute for Campesino Development (INVIERNO) to 283 communities in Nicaragua. The three project components are: (1) social promotion; (2) integrated agricultural development services, of which credit is an important part; and (3) integrated rural development services. [576]

Reports on credit use in three villages in one region of Niger. [1947]


The report presents the impact of the *Spring Review* on small farmer credit on the AID projects. A study of fifteen projects shows a positive response to twelve of eighteen *Spring Review* recommendations. The author also discusses the reasons for lack of impact on project design. [588]


The author formulates a model for loan default based on the prevailing rate of interest, and argues that at high rates of interest, default increases. He examines valuation of collateral by both lenders and borrowers, and discusses how this valuation of collateral will determine if borrowers will default and how interest rates charged by informal lenders are determined. He concludes that the rate of interest operates as a convenient device in the hands of rural moneylenders for accumulating assets, through the transfer of undervalued collateral deliberately brought about by large-scale default. [760]


The author discusses the role played by development banks in integrating the capital market in developing countries. The major features of savings and flow of funds in LDC's are presented in Section I. Section II discusses the logic of development banking in LDC's. The impact of
this innovation on capital market integration is analyzed in Section III. The role of a development bank as a catalyst is indicated in Section IV. The final section of the paper analyzes the role of central banks in initiating a process of capital market integration. [1993]


This study assesses the impact of rural cooperative credit upon the growth of the agricultural sector. Section I reviews the credit policy of rural cooperatives. Sections II and III discuss the adequacy of cooperative credit with respect to credit demand in the agricultural sector. Sections IV and V deal with the distribution of cooperative credit. [2013]


This paper presents a microlevel study of the impact of rural credit planning on the rural productive system in the Birbhum District of West Bengal. The author comments that the existing credit plans are developed to help the farmers change from subsistence farming to commercialized farming. He suggests that this could only be achieved if some special measures such as credit to small farmers at special rates, subsidized inputs supply, etc. are adopted. [1988]


This paper attempts to investigate the importance of finance in rural development. Section I discusses the characteristics of the existing financial structure in the rural sector. Some suggestions on future organization of the financial structure are presented in Section II. The author suggests the development of unit banks and creation of the Economic Development Bank in India. [2006]

The articles discuss the importance of agriculture in the Pakistan economy and the importance of credit for its development. The efforts and incentives of the government to extend credit to agriculture through the Agricultural Development Bank, commercial banks, and cooperatives are discussed. The author notes that none of the existing agricultural credit institutes has an institutional setup at the village level except the cooperatives. He also notes that direct government loans were not popular due to problems with repayment. [923]


Objective of study was to compare the factors associated with credit use in an advanced and a more backward region in the State of Sao Paulo. Almost 80 percent of the farmers in the advanced area used credit compared to just over 50 percent in the backward region. Linear, Cobb-Douglas, and Ulveling-Fletcher regression models were estimated. Value of land and buildings, value of agricultural production, length of time as bank customer, age of operator, value of production inputs used, and borrowing for investment purposes were found to explain the level of borrowing. [983]


This paper discusses various procedures used in the Dominican Republic for distributing agricultural credit among farmers. The author argues that the procedures used by financial institutions in distributing loans tend to cause delays and increase borrowing costs, especially for small farmers. [1017]

The author contends that no approach to an interest rate reform can be made to deliver the goods unless the lending rate is made to represent the real rate of interest. A method to determine the cut-off rate is suggested together with rates on deposit. The implication of this for more deposits, mobilization, and more loans going to small farmers is also discussed. [1104]


This paper reviews rural financial markets and agricultural credit policy in Bangladesh. Authors present nine models which will be implemented by nine different organizations in October-November 1978 throughout Bangladesh. The main feature of the project is that in all experimental areas, government regulations and restrictions related to interest rates, collateral requirements and other aspects of rural credit will be waived to permit wide experimental latitude. Discussion of issues of project implementation is also presented. [1544]


This volume contains a comparative analysis of the situation and future trends regarding agricredit in the member states of the European community. The first part analyzes and compares the development of agricredit since the early 1960's in the context of general economic development. The future trends in agricultural credit are estimated in the second part. Conclusions of the study are presented at the end of the report. [1990]

Author studies the impact of credit and extension as farm level activities in one region of the State of Paraiba in Brazil. Study is based on interviews with 105 farm households as well as secondary information collected by a regional development organization. Author concludes that farms which received credit and extension performed better economically than farms receiving only extension or those receiving neither extension nor credit. [1940]


This paper examines the contribution of financial intermediation to rural development in India. In Section I, the potential role of financial intermediation in rural development is discussed. Section II presents an analysis of commercial and cooperative bank activities in Maharashtra State (India). Conclusions of the study are also presented at the end of Section II. [2007]


This paper reviews some methodological issues involved in measuring the farm level impact of agricultural loans. Fungibility of loan funds, farm household interdependence and the attribution problem are the main issues reviewed in this article. Some suggestions to improve research and data collection are also given. [1971]

Expansion of the banks into rural areas after nationalization of the banking system is discussed. Factors retarding the flow of bank credit in the desired directions are identified, and suggestions for improvements in operational methods and procedures of rural branches are given. [1623]


Author evaluates recent performance of rural financial markets in India. Focus is on how and why rural financial markets have failed in providing adequate services to rural poor. Main reasons for this are failure to recognize the nature of demand for financial services, supply-oriented concessional interest rate policies, and viewing formal and informal parts of financial markets in isolation. [1655]


The authors discuss the problem and causes of loan default of cooperative loans in India. They observe that the default rate in cooperative credit is very high. The main causes for high loan defaults are: (1) neglect of insuring functional linkages of activity financed with other activities; (2) lack of specification of tastes, responsibilities and gains; (3) inadequate participation of other agencies in credit projects; and (4) incorrect methods of calculating repayment capacity of borrowers. The authors also suggest some remedies to prevent high defaults. [1649]


The author discusses the problems of providing adequate institutional credit to the farmers in India. The paper is divided into five sections. In section I, development and specific purposes of different financial
institutions are discussed. Section II deals with the main policy framework under which these institutions work. Sections III and IV, respectively, discuss the quantitative growth of credit supply to the agricultural sector and some of the problems which public institutions face. In the final section, some suggestions to improve credit supply to small farmers are forwarded. [1968]


The author discusses the main features of the FOSDA program and its impact on the income of small farmers. He suggests that simplification of lending procedures, credit subsidies to small farmers, flexible lending requirements, etc., could improve effectiveness and extend the domain of the program. [1975]


This report discusses some of the major sources of agricultural credit in Iraq. Loan programs are supervised by the Agricultural Bank, the Ministry of Agriculture, and cooperatives. The loans extended are operational as well as developmental for short, medium, and long terms. Some other financing institutions discussed in the report are the Iraqi Date Administration, Sugar Factories, Dairy Administration, Fruit and Vegetable Marketing Organization, and private sources. [511]

44. Food and Agriculture Organization, *Estudio Sobre Credito Agricola en el Municipio de Subachoque (Colombia).* Working Paper No. 12, Agriculture Service Department, Food and Agriculture Organization, United Nations, No Date, 46 p.

This case study attempts to measure the effect of credit use on small and medium-sized farms in Colombia. Fourteen different sized farm groups are studied. The author concludes that lack of loanable funds,
difficult loan transaction procedures, high transaction costs, and lack of financial facilities near the farmer are the most serious credit problems. [510]


Author discusses pros and cons of concessional versus high interest rate policy for the rural sector. [482]


The author discusses some of the main problems associated with agricultural credit in Bangladesh. He also discusses the major objectives and projects of the new agricultural credit program in Bangladesh. The main advantages of the program to farmers, wholesale merchants, government and the nation as a whole are also discussed in the paper. However, the author argues that the program might result in transfer of economic and political power to the private commercial/agricultural sector in farming communities and that there might be an excessive rise in the fertilizer prices and interest rates. [473]


The author discusses the importance of chemical fertilizers in increasing agricultural production and the role played by financial institutions in increasing the use of fertilizers by farmers. He comments that commercial banks in India are increasingly financing the purchase of fertilizers through short-term loans. The Agricultural Finance Corporation is providing active support to the banks and state governments in identifying and assessing the package of practices to be adopted in the area development schemes based on local needs and agro-climatic conditions. The author argues that, in spite of all the efforts, the recognized financing agencies will be able to meet only 40-50 percent of total production credit requirements in 1978-79. [475]

The author discusses the main features of the agricultural credit system in Ethiopia. He finds that use of credit for improvement of the land tenure system has been a priority in the reform programs. He also finds that use of credit and extension services by rural masses has increased productivity. [1980]


This paper is divided into three parts: (a) a review of classification of types of smallholders, financial requirements and sources of finance of smallholders; (b) a presentation and analysis of the essential features of agricultural finance and smallholder household expenditures in Kenya; and (c) a discussion of the role of credit in developing smallholder agriculture based upon empirical data. [1994]


This study provides an overview of the Mexican agricultural insurance system. It includes a description of the doctrine and philosophy of the planning of the program, the legal constraints, and the rural life insurance. The author also discusses the possibilities of this system for other Latin American countries. [478]


The author argues that credit should be priced on the basis of opportunity cost of money. [483]
52. Gonzalez-Vega, Claudio, *Credito Mas Caro Pero No Mas Escaso*. Unpublished comment. Department of Economics, University of Costa Rica, San Jose, Costa Rica, Circa 1978, 1 p.

This article explains how the new interest rate policy, recently adopted by the Costa Rican government, will assure a stabilization of the financial market. The author concludes by explaining that even though the new interest rate will cause capital acquisitions to be more expensive, the new policy will eliminate subsidized credit and enable more people to have access to the formal financial markets. [452]


In this article the author explains how a new interest rate policy adopted in Costa Rica will improve income distribution. According to the author, the big borrower will no longer be subsidized by the new interest rate policy. As a result the small borrower will have the possibility of obtaining credit from the formal financial market. [453]


This article is a short comment about the reaction of the Costa Rican people to changes in the interest rate. The author concludes that even though a number of people have reacted negatively to this measure, no one has supported his negative arguments with evidence. [454]


The article is a short comment about the new interest rate policy adopted in Costa Rica in 1978. It describes the distortions in the Costa Rican financial market caused by the interest rate. The author concludes by explaining the possible benefits of the new interest rate policy to all economic sectors in Costa Rica. [1859]
This study attempts to evaluate the performance of the Institute for Campesino Development (INVIERNO) in Nicaragua. The authors find that during 1976-77 the number of localities reached by INVIERNO increased by 88 percent, whereas the number of authorized loans increased by 151 percent. The total amount of credit authorized also increased by 185 percent. The largest proportion of the funds financed the cultivation of corn and beans. The authors conclude that INVIERNO has made a significant effort to solve problems of the Nicaraguan small farmer. [1989]

The authors discuss the aggregate performance of the agricultural credit system in Jamaica during the 1970's. In the first section economic growth in Jamaica during the 1970's is discussed. The second section deals with the impact of economic decline on the financial sector. Finally, the authors attempt to evaluate the performance and viability of some Jamaican credit institutions and credit programs. [1969]

The author focuses on the supply of formal agricultural credit for small farmers in the Dominican Republic. He argues that because of the lack of special guarantees from the Central Bank, formal lenders are unwilling to supply credit to borrowers of small amounts. The author concludes that new policies such as higher interest rates, special
rediscount rates from the Central Bank, legal protection, etc. should be implemented in order to assure the participation of formal financial institutions in the rural market. [1860]


The authors attempt to estimate the short term credit requirements at farm level and at block level in Barauli AHIR Block in Agra District of Uttar Pradesh Province of India. The sample farms were classified as small, medium, and large holding groups. The capital and credit requirements, using an optimum level of input use with existing cropping pattern, were worked out by developing input coefficients for each farm situation. The credit requirements for small, medium, and large holdings were considered as 50, 45, and 40 percent, respectively, of their total capital requirements. The analysis indicates that not only the improved technology increased capital use by the farmers, but improvements in cropping patterns and intensity of cropping may also increase the credit requirements of the farmers. [1861]


The study attempts to evaluate the role of institutional credit in agricultural production in Ghana. Using ordinary least square regression techniques for the productivity analysis, the authors conclude that commercial banks advance only a small portion of their total loans to the agricultural sector and that a major part of this goes to large-scale farming projects. They suggest that the government should initiate a reasonable reallocation policy in farm financing, allowing more of the resources to be allocated to small-scale farmers. They also emphasize the need to develop systematic methods of data collection of farm businesses. [1862]

The author discusses the main features of both formal and informal money markets in India. The discussion is mainly based upon the data collected from 200 traders in agricultural commodities in 20 village cooperatives and 200 paddy producers from southern India. The author comments that given the situation, it is not appropriate to study in isolation the role of money markets in rural development from a commodity market perspective. She concludes that, based upon the case study, both money markets and commodity markets reflect structural characteristics of effective competition. [1973]


The study describes the Dominican experience with group farming and provides analysis and recommendations. Visits were made to 25 farm groups. The report concludes that group farms in the Dominican Republic today are highly dependent on a flow of government resources and services which are costly. Improvement in the delivery system is suggested. [1863]


The effect of the inflation rate on the Peruvian economy and on its financial sector are discussed in this paper. The portfolio of the cooperatives is shown to suffer due to the detrimental effect of the inflation rate. The author concludes that the cooperative should be allowed to charge the same interest rates that have been established for other financial institutions in Peru. [1864]


The author discusses the role of the Bangkok Bank in expanding agricultural credit through their own commercial bank activities and through the Agriculture and Agricultural Cooperative Bank to reach 15 percent of their portfolio by the end of 1980. The author reports that this target was exceeded by 1977, but that the recipients of formal credit made up only 15 percent of the 4.43 million farm families in Thailand. A bank-to-farm supervised agricultural credit program initiated by Bangkok Bank is also discussed. [1865]

The author discusses some problems of development banking institutions in developing countries and their importance. He comments that development banks should consider national development as their primary objective whereas financial success and viability should be taken as a second objective. He also suggests that use of experience of other developed and developing countries, by the development banks could help them to achieve their objectives more easily and efficiently. [1997]


The paper analyzes a new 100-crore credit program. Section I of the paper discusses the problems of rural financing and the economic implications of providing large scale agricultural credit. Section II reviews the general results of the credit program. In Section III some suggestions are put forth to make the program more effective and to make use of the experience in other fields. [1866]


The authors attempt to establish criteria to promote financial services in small farmer development programs. Section A deals with different objectives of small farmer credit programs and their political and administrative implications. Section B examines different criteria which are to be considered from the perspective of government agencies and project authorities. Some alternative local level structures which can be set up by a credit providing agency are discussed in Section C. [1979]

Author describes the recent revolution of formal agricultural credit in Chile. He notes that the real amount of credit going to agriculture dropped sharply after 1974, and that the proportion of money loaned to agriculture in comparison with total loans in the country also declined. In addition, real rates of interest were increased substantially after 1973. [1868]


Article presents a description of credit institutions in Asia and Latin America and also discusses the extent to which these institutions service small farm units. [1869]


The author attempts to evaluate the performance of the credit programs in Cameroon. He also discusses the major characteristics of the cooperative credit program started in the mid-1950's. He argues that technical deficiencies such as lack of coordination between administrative services and ignoring the social factors in execution of agricultural credit programs have been the main reasons which contributed to the poor performance of these programs. [1995]


This paper outlines a broad range of agricultural practices, problems, programs and policies in Colombia. Several sections of the paper report on credit use, costs of credit, and sources of credit in the rural areas of Colombia. [1870]

Presents a description and evaluation of the different agricultural credit programs in Venezuela from 1959 to 1973. Experiences with supervised credit, ordinary credit services, and directed credit programs for small farmers are the central topics of this paper. The author concludes by recommending that small farmers should be the target of any of these types of programs. [1871]


Study analyzes how borrowing limits set by lenders may affect profitable changes in farm organization. Lending limits were determined by interviewing major farm lenders (technique reported in Bulletin 671). Linear programming models were constructed of cash grain and livestock farms. Borrowing activities were included to finance cash flow needs during four quarters. Lender decisions on borrowing limits and loan repayment were simulated and the effect on farm organization studied. It was assumed that funds borrowed for a purpose must be used for that purpose, but funds for one purpose could release operating capital for other purposes. [1872]


The author argues that credit advanced to the agricultural sector by financing institutions is not sufficient to meet the requirements of the farmers. He relates agricultural loans advanced by commercial banks to a number of variables such as number of cultivators in the area, area under irrigation, and the ratio of total number of holdings of more than five acres to total number of holdings under five acres, and so on. He finds that commercial banks concentrate their services in well-developed agricultural districts; hence, they do not reach the needy
farmers. He suggests that the government should adopt a country-
wide policy to open more banks in rural areas, link cooperatives
with commercial banks, direct private commercial banks to advance
more credit to agricultural sectors, and start integrated area develop-
ment schemes throughout the country. [1873]

75. Khan, A. Aziz, Serving the Rural Poor: Facts from Experiments. Paper
presented at the International Workshop on Providing Financial Services
to the Rural Poor, Dacca, Bangladesh, October 23-25, 1978, 36 p.

The paper begins with an examination of the category of village people
who have been considered as rural poor under the various experiments
conducted by the Bangladesh Academy for Rural Development in Comilla.
Additional experiments are also reported. Data presented is tentative
and can only be used as a rough indicator of results. [1874]

76. Kim, Young-Chul, "Factors Affecting Repayment Performance on Small
Farms: A South Korean Case," Journal of Rural Development, Vol. 1,
No. 1, 1978, pp. 80-95.

Examines factors which affect loan repayment performance among 207
farm households in South Korea in 1975-76. Sample farms are classified
into three groups by size of farm and degree of commercialization.
Author finds that small farmers have better repayment performance than
larger farmers. He also reports that factors explaining loan repayment
vary in importance among the three groups of farmers studied. [1875]

77. Kim, Young-Chul, A Study of Credit-Use and Resource Allocation on
Small Farms: A Korean Case. Synopsis of unpublished Ph. D. Disserta-
tion. Department of Cooperation and Applied Economics, Andhra
University, Waltair, India, 1978, 15 p.

The author attempts to examine the role of credit in the process of
transforming small farm businesses from the traditional subsistence
type to modern commercialization. The sample farmers were divided
into two groups--farms less than one hectare and farms more than one
hectare. Using Cobb-Douglas production functions to arrive at the
results, he concludes that modernization of traditional small farms
requires a substantial amount of capital inflow into the farm business.
He also observes that advanced farms which use credit heavily show
better exploitation of investment opportunities on the farm. The author argues that available institutional credit is not sufficient to meet the credit requirements of small farms. [1876]


The paper deals with some of the cultural conceptions held by the British in Malaya and how they are related to rural indebtedness. The author presents a core study that pertains mainly to the State of Perak and particularly to the Krian District. The study describes the loan system by which the borrowers end up giving land or crops (rice) to the Indian or Chinese moneylenders in repayment for the loan. The unsuccessful effort of the government to abolish this practice is also discussed. [1877]


Reports on credit use among 50 small farm households in Western Uttar Pradesh in India. Authors use a profit function to estimate elasticity of demand for crop loans with respect to interest rates and prices of output and input. The authors conclude that credit demand is elastic for product and input prices but inelastic for interest rates. [1878]


Evaluates how variations in product and input prices affect credit needs of dairy farmers in the United States. Author concludes that increased price instability and other uncertainties require more careful financial management. [1880]

The objective of the study was to investigate the profitability of agricultural loans by commercial banks. The study was made in two parts. A survey was mailed to 101 New York commercial banks of which 69 questionnaires were completed and returned. The second part involved a case study of eight banks known to be committed to serving agriculture. The study concluded that farm loans have a lower level of loss and a higher rate of recovery than nonfarm loans, and that farm loans will be at least as profitable as commercial loans if the interest rate charged on farm loans is .75 percent below the commercial rate which was 8.5 percent. [1881]


The paper provides several estimates of agricultural credit needs in Northeastern United States for 1990. The author discusses the problems faced by new farmers and farmers who are about to retire. He goes on to point out that the declining number of farmers in the Northeast will make it increasingly difficult for lenders to provide adequate service to farmers. [1885]


Proceedings of the First General Assembly are presented. A description of 14 Latin American countries' agricultural credit programs (both private and governmental) are included as well. [1963]


The authors attempt to evaluate the impact of bank credit on adoption of improved technology, yield of major crops and net income of the farmers. The data from 55 borrowers and 65 nonborrowers were collected for 1971-72. The comparison of borrowers and nonborrowers showed that the farmers who have obtained credit from commercial banks have a higher rate of adoption of improved technology. Similarly, it was found that there has been higher yields of major crops and higher
net incomes in the case of borrower farmers. The study concludes that bank credit plays a significant role in increasing the income of the farmer. [1882]


Suggests that most farm mortgage loans in Canada carry a fixed interest rate and call for a fixed level payment that amortizes the loan over a specified term. Author argues that this type of loan is not ideal in all situations and suggests four alternatives. [1952]


Describes the sources in the Dominican Republic which provide loans to the agricultural sector. Also describes some of the problems which lenders have in serving the rural poor. [1948]


The author attempts to develop an integrated farm-household credit model at the village level. The model includes three components to reduce lending to two response components: seasonality, risk and trend. Three family enterprise types are considered in the model: deficit farms, small to middle surplus farms, and surplus-cum-lending enterprises. [1970]

The author describes the activities of the Banco Agricola of the Dominican Republic. The objectives, the functions and the organization of this institution are treated in the paper. The mechanism employed by the Bank to grant loans, the role played by this institution through the years, and the impact of its loans on the agricultural gross national product also are described in this study. The author concludes with a brief analysis of the possible future activities of this institution. [1883]


Reports on the results of PIDAGRO's credit program from 1976-1978. This includes a summary of the first part of the program. About 45,000 people are estimated to have been serviced by the program. A major limitation of the program is its expense, which results in government subsidization. [1884]


The report reflects the authors' observations about Cameroon's credit system and their recommendations regarding assistance to rural financial markets in that country. The authors observed that the additional credit facilities available to small farmers will help in income distribution. However, the existing credit system was found inadequate to help small farmers. The credit system does not provide enough timely credit to small farmers. The authors recommend that any small farmer credit project should have a village level loan approval and recovery system, that the loan approval criteria should be based upon debt repayment capacity of the farmers and that the long run program should aim at mobilization of local savings to raise funds. [1884]


The author discusses some major institutional sources which advance credit to the agricultural sector. He observes that only 29 percent of whole farm households in the country had been financed through institutional financing agencies. He suggests that the government and
other financial institutions should cooperate in financing agricultural credit to achieve the agricultural development goals. He also suggests improving lending procedures in order to ensure best use of loans advanced and to increase loan repayment capacity of the borrowers. [1886]


Author describes present credit institutions in Bangladesh and evaluates their performance on delivering credit to the rural sector. He compares these institutions' performances both before and after Bangladesh's liberation. Institutions under study are the Agricultural Development Bank, Cooperative Banks/Associations, the government and commercial banks. No conclusions are drawn but the author stresses that rural credit must be made more accessible, profitability of lenders improved and loan defaulting minimized in order for effective credit delivery to take place. [1894]


Author attempts to delineate the steps necessary for designing the operational strategy for growth with equity and target group oriented microlevel development with peoples participation, particularly the poorest, on a self-reliant basis. The author outlines the commonly accepted objectives of development and criteria to be used in evaluation of the appropriateness of a development strategy. Author's strategy is based on use or investment of unemployed and under-employed abundant labor resources on a self-sustaining basis. He proposes the use of labor certificates which would provide their owners with access to public service, but through proper utilization of labor these certificates would not have to be subsidized. [1888]

This volume of the report discusses costs and profitability of commercial banking. The report is divided into five chapters. Chapter one discusses a macro analysis of cost and profitability of Indian commercial banking. Determinants of costs and profitability of banking services are discussed in Chapters 2 and 3. The final two chapters deal mainly with profitability of branch banking and also some of the emerging issues concerning costs and profitability in the banking industry in India. [1889]


Paper discusses the strengths, weaknesses, and objectives of crop insurance. The author outlines the major problems of setting up crop insurance programs in low income countries. He offers an analysis of the importance of the agricultural insurance for guaranteeing the success of the cooperative and other private groups. The author concludes by making a number of suggestions which may aid in setting up crop insurance programs. [1890]


This study reports updated statistics on the distribution of commercial bank services across regions in Thailand. Annual data for 1975-1977 is given for amount of deposits and loans, number of depositors, and number of offices. Of particular interest are the results from measures taken by the Bank of Thailand to open branches in outer districts and to advance credit to the agricultural sector. The conclusion is that the policy to disperse commercial banking activities and increase credit to the rural sector has been successful. [1891]

The author discusses the position of Baniyas (private moneylenders) and their relationship with the clients in an agrarian economy in India. He finds that Baniyas are generally hated by the people but they help the peasants by extending loans for purposes other than investment for which banks do not extend credit. Although Baniyas charge high interest rates, their loan extending as well as loan repayment terms are relatively flexible compared to banks. To stop exploitation of peasants by Baniyas, the author suggests that the banks should also extend credit for consumption purposes. Increase in agricultural taxes has also been suggested as a means of inducing cultivators to realize potential productivity of their resources and hence reorganize their production and investment patterns. [1893]


The author intends to investigate the impact of new technical inputs upon output and income of peasant farmers and also how financial capital constrains the use of these inputs by the farmers. He hypothesizes that the speed of information transfer to the farmers is an important determinant of the rate of adoption of new technology by the farmers. He also hypothesizes that the adoption of new technology tends to increase the demand for credit. The review of literature and methodology to be used are also presented in the proposal. [1999]


Reports on credit use among dairy farmers in one area of the State of Minas Gerais, Brazil. The study was based on 120 farm interviews. [1946]

The author attempts to evaluate the beneficio system as a mechanism for extending credit to smallholder coffee farmers and to compare it with alternative systems of credit delivery which serve the smallholders. She argues that any program to improve credit availability for smallholders may be difficult and costly to implement because of the large number of borrowers and high administrative costs involved. The author suggests that the Costa Rican model of channeling credit through private firms might be a possible alternative for credit delivery to smallholders in less developed countries. [1895]


This paper is divided into three sections. Section I discusses some of the necessary conditions for rural development and the role played by financial institutions in general. Section II deals with the workings of financial institutions for the development of the rural economy in India. Some suggestions for improving the system are given in Section III. [2003]


Paper is an assessment of crop loan requirements in the Bangalore District of India. Authors estimate financial requirements of 250 farmers in 130 villages for the year 1974-75. Authors also study procedures followed by the bank for granting loans, costs to borrowers, utilization of such loans, and effects of loans on production and income. [1896]

Author investigates the effect of financial capital inflows on portfolio behavior of Thai commercial banks. A survey of developments in portfolio accounts of Thai commercial banks from 1962 to 1973 are presented. Author presents a theoretical framework to study these inflows, and reports empirical results from applying such a framework to data on foreign borrowing and portfolio accounts of Thai commercial banks. The conclusion is that the low interest rate credit policy of Thai commercial banks has made credit available to only a select privileged group of credit worthy borrowers. [1897]


The author attempts to describe the efforts made by the government of Ghana to meet the credit needs of the people and suggests ways to improve the effectiveness of these efforts. He concludes that the government of Ghana has made significant attempts to provide agricultural production credit to all groups of farmers during 1960-75. The author suggests that the program could be even more effective if it were focused mainly on export and industrial crop producers. More resources should be mobilized to improve food crop marketing infrastructure before credit is actually extended to small farmers and food crop producers. [1898]


Reviews history of the supervised credit scheme. Evaluates present scheme in order to understand farm settlement finances and to provide the framework for improvement of such programs. Author states that incorrect government policy has caused poor economic performance, high dropout rates and underutilization of resources for farmers involved in this credit scheme. Policy recommendations to correct these faults are put forth. [1965]

The author attempts to analyze farm level credit use of some cooperative farmers in Oyo, Ondo and Ogun States in Nigeria. He finds out that less than 40 percent of the total funds borrowed were used for farming. Land clearing was found to be a main use of borrowed funds spent on farming. The bulk of the loans used by farmers were provided by the cooperatives. The author has also suggested some ways of encouraging farmers to invest more in agriculture and how to make cooperative societies work more efficiently. [1976]


The study attempts to analyze whether satisfaction of farmers, repayment of loans, and net return of farmers could be increased if technical services, sources of credit, and legal sanction are provided to farmers through the single organization. The findings of the study conclude that the scheme could be a tool to improve repayment behavior of farmers, but the author argues that this is only possible if the scheme could enhance net returns and satisfaction levels of farmers. [1982]


Author tests the impact of alternative government policies to improve farm income in impoverished areas of Northeast Brazil. Linear programming models were developed of representative farms in three counties. Policy simulation included changes in interest rate for formal credit. Interest rate had little effect, especially for small farmers. [1981]

The workshop was divided into three groups. Group A discussed some perspectives on agricultural credit delivery systems, policies on agrarian reform, credit and assessment of the current financing program in the context of government agricultural development policy goals. The topic for Group B was development of a scheme for a closer tie-up between small farmers' financing and agricultural marketing programs. The topic for Group C was the development of an efficient monitoring system for agricultural credit information.


This paper attempts to discuss some aspects of farm credit with particular reference to the credit operation system of the Integrated Rural Development Program (IRDP) of Bangladesh. The author describes present agricultural credit problems and suggests solutions.


This part of the report discusses the impact of innovations in banking business on deposits and credit. The four chapters discuss the impact of branch expansion, extension services, rate of interest, new schemes of deposit mobilization, the impact of innovations on credit, credit guarantees, and some of the new approaches to lending.

Author discusses nationalization of commercial banks and its effect on the agricultural sector, particularly small farmers. He cites scale of finance, lack of credit, immediate repayment after harvest, and lack of postcredit supervision as pitfalls in which banks have been operating. Suggestions are offered to resolve some of the problems. Some suggestions are uniform loan procedures, revision of scales of finance, and a flexible repayment schedule. [1908]


The authors report results of a study of 50 crop loan borrowers in three villages of Parchuru Block. [1906]


This study analyzes the impact of bank finances on scale of farming in Parchuru Block of Andhra Pradesh (India). The information collected from 50 borrowers showed that the cropping intensity of borrower farmers increased as compared to nonborrowers. The net income of the borrowers was also increased during the period of the study. The authors conclude that the smaller the scale of farming the larger the impact of bank finance. [2010]


A case study of the Union Bank of India, Parchuru Branch in Parchuru Block of Prakasam District, Andhra Pradesh in 1976. Examines loan operations and scales of finance. [1907]

The authors argue that commercial banks in India have been historically urban oriented. The nationalization of banks, along with other policies, has resulted in an expanding role played by these banks in agricultural finance. The need for more effective policies to prohibit the siphoning of rural savings to urban areas and to ensure wider spread of credit to rural population is stressed. [2004]


The author discusses government policy to increase agricultural production and farmers' incomes in Indonesia. BIMAS (the government body) has supervised agricultural credit schemes in which the government, the agricultural extension service, Bank Rakyat Indonesia, and other services work together to improve agricultural production. Bank Rakyat Indonesia is responsible for advancing credit to the agricultural sector. The Bank provides credit to farmers directly through its branches. Credit is advanced for both production and consumption purposes. In addition there are other bodies and private agencies which also advance credit to the agricultural sector. The author discusses credit repayment problems in the agricultural sector. [1879]


The authors attempt to show that econometric specifications derived from pure economic theory can be estimated without loss of generality. This is done by applying the concept of quality between profit functions and transformation functions to a subset of the banking systems in the Philippines consisting of private development banks and rural banks. In addition, the authors show that the impact of the regulatory environment on bank efficiency may also be assessed using the above method. [1983]

The author discusses the uses and capability of conducting applied research for an agricultural bank. He also presents a scheme for organization of training and outlines a method by which research and training can work together in the bank to achieve performance objectives more effectively and efficiently. [1978]


This paper is a summary report of a rural credit seminar held in the Dominican Republic in December 1978. Seven topics were covered in this seminar. They are as follows: an evaluation of the financial rural markets in low income countries, tendencies and limitations of the supply of credit for small farmers in the Dominican Republic, interest rates, agricultural insurance, agricultural credit demand, credit transactions, and group lending. [1909]


Author argues for a differential interest rate scheme in which small farmers could acquire credit at a concessional rate and large farmers pay a higher rate. Presently large farmers receive most of the credit at a preferential interest rate. Author believes that this will eventually lead to a social and economic imbalance with small farmers becoming worse off. This situation could be corrected through concessional interest rates. Author concludes that differential interest rates will stimulate investment by small farmers and reduce socioeconomic disparity without affecting financial viability of credit institutions. [1910]

The study attempts to determine if there is any relationship between population size of central places and utilization of credit by firms located in them. Data for the period of 1960-75 were collected through personal interviews from 571 retail business firms in 138 central places. The results of the study show that firms in rural areas were relatively less dependent on credit as compared to the firms located in urban areas. [1911]


This study presents estimates of the transaction costs of lending to small-scale borrowers by different financial institutions in the Philippines. The different cost information was derived from accounts of the Development Bank of the Philippines. The findings of the study showed that the transaction costs of lending to the small-scale sector varied from 5 to 7 percent of outstanding loans. The transaction costs of rural banks were found to be the lowest compared to the Development Bank of the Philippines and private development banks. [1912]


The study examines the socioeconomic status of delinquent and nondelinquent borrowers. The author reveals that there is no significant difference in delinquent and nondelinquent borrowers with respect to farm size, age, dependency, and estimated monthly income. The main reason for nonpayment is found to be the attitude of the farmers toward credit. The author suggests that extension activities should be aimed at making the farmers more aware of priorities in their enterprises. [1913]

The author discusses some features of the new agricultural insurance program in Sri Lanka which began in 1975. This program is a replacement for the old insurance program which dated to 1958. Under the new scheme, paddy crop insurance will be compulsory but does not imply the payment of indemnity where the premium is not paid in advance. The premium rate varies from area to area and time to time. Premium defaulters will not be entitled to indemnity payments, which range from 300 to 500 Rupees per acre. Claims for crop losses must be made within seven days of the loss. The author observes a greater response from farmers to the new scheme, particularly in high risk areas. He expects that the premium revenue of the scheme will be enough to balance the indemnities paid. [1914]


The author discusses the phases of implementation and features of the crop insurance scheme in Ceylon. He suggests that the scheme should be integrated with other agricultural programs such as marketing and agricultural credit. The lack of adequately trained staff to make crop loss adjustments at field level is recognized as one of the problems faced in the successful implementation of the scheme. The author comments that in spite of many difficulties the scheme has provided good experience for future planning. [1916]


The author assesses the performance of crop insurance schemes in Ceylon. He suggests that the program should be extended to cover all paddy growing areas. He mentions that a uniform premium rate policy would discourage the low risk farmers from participating in the scheme. He suggests that premium rates should be revised to reflect crop loss possibilities, and that the coverages should reflect production costs and productivity levels. The author argues that the linking of the credit scheme to insurance would provide an automatic device for collection of insurance premiums from the farmers. [1915]

The author attempts to recognize and discuss some of the important reasons responsible for loan defaults among small farmers. He argues that the basic reason for poor repayment capacity of small farmers is that due to low productivity, the income from farm households is inadequate to meet even subsistence needs. The author recognizes that defects in agrarian structure, seasonal fluctuations in farm income, defects in the credit organizational structure, attitude conditions not favoring repayment, misuse of funds, and some other minor problems are the main reasons for loan default by small farmers. [1986]


This paper is a review of the system of coordination of agricultural financing in the Philippines. It focuses on the Presidential Committee on Agricultural Credit (PCAC), the Technical Board for Agricultural Credit (TBAC), the rationale for its creation, its composition, and functions. The research, program formulation, and evaluation activities are spelled out with major emphasis on the main accomplishments of the agency. Strengths and weaknesses of the agency are also reviewed. [1918]


This paper presents a historical review and evaluation of the agricultural credit program in Colombia from 1923 to 1973. [1919]

This paper is divided into four sections. Section I discusses the role of credit in agricultural transformation in India. Section II presents the empirical findings based upon a survey of Bhagalpur District (India). Section III enumerates the problems, as revealed by survey data, faced by farmers. The conclusions and some suggestions are presented in Section V. [2005]


The author discusses the investment pattern of LIC's funds during 1955-1977. The investment in the agricultural sector showed an increase from 8.23 crores of rupees in 1961 to 154.53 crores of rupees in 1976-77. Changes in the investment pattern in electricity, housing, water supply, sewage and some other socially-oriented projects is also discussed in the paper. [2002]


Authors attempt to examine the extent to which additional funds are needed to augment the owned funds for obtaining the maximum net profits. A linear programming technique was used to arrive at optimum resource use plans for different farm situations. The study shows that there was a significant change in cropping pattern in the optimum resource use plans for all the farm situations. The availability of credit was shown to have a significant impact on the returns to fixed farm resources for all the farm situations. [1921]


This paper assesses the contributions of institutional agencies to finance the agricultural sector and rural development. The authors reveal that in spite of continuous efforts there exists a gap between credit supply and credit requirements of the rural sector. They also find that there is an inter as well as intra-regional skewed distribution of credit in favor of rich areas and creditworthy peasants whereas small and marginal farmers and landless laborers have benefited little from institutional credit. [2015]

This paper is divided in four sections. In Section I some essential ingredients of rural development are discussed. Section II deals with an assessment of the credit needs in rural areas and also evaluates the contribution of the financing institutions in this respect. A case study of the impact of bank financing to agriculture is made in Section III. In Section IV the author discusses the policy implications emerging out of Sections II and III. [2014]


Discusses lending targets for the years 1976-1979 set by commercial banks in Thailand. [1923]


Author constructs a model of rural bank lending in Australia for the period 1950-1973. The model is used to measure the effects of various rural credit policies on bank rural advance. The author found that interest rate concessions were an important factor in explaining declines in the rural share of overall credit. [1942]


The authors attempt to estimate the effect of variations in Indonesian Rural Bank credit policies on incomes, rice production and willingness of farmers to use substitutes for Indonesian Rural Bank (BRI) credit. They suggest that to satisfy income distribution and production criteria BRI should increase interest rates for those farmers who receive and can repay BRI credit and the increased revenue
should be used to finance an input distribution system among small farmers. The authors also argue that increasing BRI interest rates up to 4 percent per month would not greatly reduce the amount of BRI credit used by large and medium farmers whereas the increased revenue could cover a considerable portion of the costs of providing production credit to small farmers. [1867]


Based upon an empirical survey, the authors attempt to locate some of the main causes of loan delinquency among the farmers. They found that 37 percent of the cases of delinquency studied were fault of borrowers, 37 percent were due to fault of lending institutions, and 26 percent due to natural hazards. They argue that improvement in lending services could eliminate loan delinquency significantly. [1974]


This paper evaluates the postnationalization (1969) performance of commercial banks in financing the agricultural sector. The authors conclude that commercial banks have made significant progress in agricultural financing during 1969-1976. They also reveal that the banking industry in India has successfully transformed to the phase of mass banking from the phase of elite banking. [2012]


This paper provides a description of the FIDE program in the Dominican Republic. FIDE is a special program carried out by the Central Bank with the main purpose of providing credit for investment to the industrial sector, the agricultural sector, and the tourist sector. [1925]

Authors analyze formal agricultural credit and crop insurance as factors affecting liquidity management. The theoretical expected relation between value and quantity of reserves underlies the analysis. A linear programming model was developed for a representative small farm under 7.5 acres studied in Uttar Pradesh, India. Alternative credit and crop insurance assumptions are studied for their impact on farm production and income. [1926]


This paper discusses the various kinds of analyses which might be done on agricultural credit demand in developing countries. The author argues that four methods can be used: (1) farm budgeting, (2) the ratios on trend lines, (3) linear programming, and (4) the flow of funds analysis. He also discusses some advantages and disadvantages of these four methods and the system where they can be applied. The author concludes that the first two methods produce only crude estimates of credit needs while the latter two methods require more human and financial resources and time to obtain satisfactory results. [1927]


This article summarizes the different experiences of various Latin American countries with supervised credit programs. The main conclusions are: (1) a huge amount of international agricultural credit in Latin America has been channeled through the supervised credit programs, and (2) this kind of program should be accompanied by necessary inputs, secure markets and good prices in order to be successful. [1928]

Describes proposed project for Jordan Valley farmers. Project provides a 1.5 million dollar loan to the Jordanian government which will be used to make supervised seasonal loans to the Jordan Valley Farmers Association in order to increase crop production on members' farms. [266]

146. Valdeci Biserra, Jose, Uso e Impacto do Credito na Produtividade dos Insumos e a Alocacao dos Fatores de Producao na Agricultura. Serie Pesquisa No. 3, Departamento de Economia Agricola, Universidade Federal de Ceara, Fortaleza, Brazil, April 1976, 90 p.

Studies the relationship between credit use and changes in factor use among farmers in Northeast Brazil. Author uses production functions in his analysis. Reports that few tenants and small farm owners have access to formal credit. Finds that formal credit users may be using too much credit when social criteria were applied. [1949]


This paper discusses how people's participation can be achieved through the formation of local action-oriented organizations. The author presents some basic guidelines which could be used by a development agency to promote local group action. He emphasizes the need of promoting agencies and their strategies in promoting people's participation. [1981]

Argues that low interest rates have caused nationalized banks to ration credit in Costa Rica. Evaluates how successful credit rationing devices have been in promoting economic development and a more equitable distribution of income. Concludes that improving the return to agriculture through price and marketing policies will better serve the government objectives than subsidized, low interest rates. [1930]


Paper reports the problem faced by commercial banks in Chile while trying to service the agricultural sector. Author concludes that agricultural loans, at least to large farms, pose very few problems for commercial banks. He has more reservations about the ability of these banks to make loans to small farms. [1931]


A paradigm incorporating financial logic and political economy is developed to explain the performance problems of specialized farm credit institutions in developing countries. The paradigm indicates that welfare biases and assumptions often used in institutional design paradoxically lead to results which depart widely from the initial objectives. It identifies policies and critical decisions leading to perverse development, and the types of costs imposed by the poor performance of these public sector financial intermediaries. The mechanics of the paradigm also explain that the basis for superior institutional achievement improves when the inconsistencies are reduced or removed by changing policies and decisions. [1967]

Author argues that special credit facilities must be established to service the rural poor. He goes on to argue that the credit needs of the farmer must be established by detailed farm level studies. [1941]


Discusses the use of crop and loan insurance schemes as substitutes for loan collateral in agriculture. Also discusses other programs such as loan supervision and price guarantees which can be used to reinforce loan guarantee programs. [1943]


This paper concentrates on the review of different ways in which commercial banks in different countries have adjusted their operations to effectively service the rural credit needs. The first section discusses the changing role of commercial banks in financing rural credit needs during the last few years. The second section deals with some implications of this changing role on bankers as well as on rural policymakers. [1977]


Discusses agricultural credit theory in general. Argues that there does not exist an articulate theory of nonmarket failure to organize and exemplify already existing knowledge. Author outlines such a theory to facilitate comparisons between the shortcomings of the market and that of the nonmarket efforts to remedy them. [1954]

Presents an overview of the financial system in Papua, New Guinea. Also provides details on lending to agriculture during the period 1968 to 1976. The report points out that some group loans are made by banks. The World Bank and the Asian Development Bank have provided a significant part of the loanable funds for agriculture. [1933]


The report presents the recommendations of consultants in Bangladesh in 1977. The consultant committee was set up to review the agricultural credit situation in Bangladesh in three phases: to examine the agricultural credit system, to make recommendations for reorganization, and to assist the government of Bangladesh in implementing the recommendations. The report discusses the recommendations, the government's response, and implications of the recommendations. The final section contains annexes dealing with some of the agricultural credit issues in Bangladesh. [1935]


The author discusses some of the key reasons why the cooperative credit system in India fails. He argues that low-cost agricultural credit businesses, if not supported, will be a failure. He suggests that a system of direct grants and input subsidizations to small farmers could be a better alternative than subsidized credit. [1972]

Based upon his observations, the author has made some recommendations on the following issues: (a) the capital project, (b) the capital and managerial problems of the Botswana Cooperative union, (c) agricultural credit and (d) the staffing, salary levels and training of the cooperative development center. He recommends capital aids, technical aid and upgrading of the posts as well as expansion of the cooperative staff. [1996]


Describes the group lending program for landless laborers and women. Discusses terms of loans and operational procedures of the project. Appendix includes statistical information about the project. [1936]
PART II. RURAL SAVINGS


The authors attempt to find out the main factors which have affected saving-consumption decisions in rural Korea during 1962-76. Both time series and cross-section data are used in the study. They conclude that Korean rural households in general had substantial saving capacities during the sample period. Current income and farm size were found to be the most important determinants of saving. [2016]


The author investigates the effect of sources of income and investment opportunities on savings behavior of farm households in India. The analysis of data from 1968-1969 and 1970-1971 showed that income variability can account for observed differences in propensity to save out of different sources. The test of the effect of investment opportunities on savings showed that capital market conditions have an important effect on savings behavior of households. [780]


This paper describes the efforts to accumulate capital by a group of women working in the Cameroon Development Corporation in South Cameroon. The main objective is to analyze how the wage-earning women spend their relatively stable income. The study reveals that nearly every wage-employed woman interviewed had some savings. The main reason for savings is found to be for investment or development purposes particularly for improvements of human capital. [2019]

Authors review the financial manifestations of income generation, spending and saving, investment, and the accumulation of wealth. They also look at the role of financial institutions in transmitting loanable funds between spending units. Authors suggest that conventional theories of income, interest, and money have given insufficient attention to the important reciprocal relationships between real development and financial development, and propose some theoretical adoptions. [1955]


Author outlines the urban evolution of the rotating credit associations, and analyzes the extent to which these associations can substitute for chartered banks. He also discusses policy implications of the savings society evolution, and concludes that Cameroon savings societies provide an excellent base for mobilizing local sources of capital. [1962]


This study attempts to analyze the extent of savings in representative rural households in South Korea during 1962-76. Using cross-section data, the authors conclude that rural households in South Korea saved a large part of their incomes. The extent of savings during the 1960's was found to be one-fifth of the permanent incomes and about four-fifths of the transitory incomes. [2017]

Author investigates conditions under which the Fisher hypothesis, that the real rate of interest is invariant with respect to changes in the anticipated rate of inflation, may be contradicted in an open economy setting. He examines the possibility that real balance effects on imports may cancel real balance effects on savings within a statement of overall equilibrium conditions in the market for commodities. [1887]


This paper discusses the findings regarding savings mobilization efforts by rural people in Nigeria. The study finds a widespread interest in savings and in savings institutions among the majority of Nigeria's rural population. Suggestions have been made for the cooperation of indigenous institutions and the use of interest rate policies for mobilizing savings. [2018]


The report presents policies and techniques for mobilizing personal savings in developing countries which were considered at a workshop sponsored by the United Nations and three credit institutions of Sweden and Colombia. Six principal topics were covered: (1) the concepts and policies of mobilizing personal savings for development, (2) the institutional framework required, (3) the role of domestic capital markets, (4) incentive techniques for encouraging personal savings, (5) reaching potential savers in rural areas, and (6) improving access to credit by farmers, craftsmen and small businesses. The report summarizes the discussions and recommendations of the workshop. [1929]


Author critically examines the extent to which the banking system in India has been able to achieve the objectives set before it by the scheme of "social control" introduced early in 1968 and subsequently by the nationalization of 14 major Indian banks. [1920]

The authors report on the pattern of rural savings in the state of Haryana, India. The household data cover the years 1966-67 and 1969-70. The study reports on 108 farms in 12 villages grouped into five categories based on the size of their operational holdings. Savings were regressed on the net household income; linear and double log functional forms were used in the analysis. The study concludes that there exists a large potential for voluntary rural savings irrespective of the farm size. There is a need for providing incentives and for facilitating the mobilization of rural savings. [1922]


The changing pattern of funds (sources and uses) in the New Zealand farm sector is summarized using a flow of funds model. Technical problems and definition are discussed. The close relationship between cash farm income and investment is noted, and some indication is given of the extent of aggregate cash withdrawals from the sector. Published and unpublished data since World War II are used for the analysis. [1924]


Authors examine alternative private investment functions in developing countries and discuss implications for policies. Empirical results, using alternative investment functions are presented from selected countries. Significant variables affecting private investment are government investment, net capital inflow to the private sector, and the banking system's claims on the private sector. The conclusion discusses the effects of monetary, fiscal and balance of payments policies on private investment. [1961]
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