Chapter VI

Summary and Conclusion
In this chapter we give the summary account of the work that we have discussed in detail in the preceding chapters.

In the first chapter we have discussed the first objective of our study which were to analyse on a comparative basis. The economic conditions of the two villages in the East Khasi Hills District of Meghalaya with respect to their agricultural activities, one which has been adopted by the State Bank of India for financial assistance and the other not so adopted by any financial institution, and to derive meaningful conclusion from this comparative study in regard to the place of financial assistance for an all-round development of the economy of the state. In that chapter we also give an account of the method that we have adopted in the cultivation and analyse the relevant data for our study.

In the second chapter we discuss the major aspect of the economy of the state relevant to the analysis of the agricultural economy of the two villages under study. These aspects of the economy included the physical features such as the terrain, climatic and soil conditions in the state, the population structure and the distribution of the working force. The economy of Meghalaya is primarily agricultural with that intermingling of both the traditional and modern method of cultivation. The
traditional methods of jhuming is found in most parts of the state. This form of cultivation has been atuned to the terrain, the pattern of common ownership and inheritance of land among the people of the state and the sparse population of the state. The modern method of cultivation, mainly the wet paddy cultivation with the help of modern inputs and implements is mainly found in the plain areas of the state. Both these forms of cultivation are prevalent in the villages of our study. The state also is abundant in horticulture products. The most important of them, being pine-apple, banana and oranges. In the two villages pine-apple is cultivated on an extensive scale.

In the third chapter our discussion is mainly concentrated on the economic condition obtaining in the East Khasi Hills District, of the state, where the two villages of Bhoi area namely Umsning and Sonidan villages are located. In the discussion of the economic condition of the District the emphasis is on the agricultural sector which is the primary and dominant one. It has been noted that the economy of the district is a miniature reflection of the economy of the state. Jhuming and wet paddy cultivation, horticultural cultivation, vegetables and other aspects of the agricultural economy of the state are also common in the economy of the District. In this
chapter we also look at the nature and condition of the economy of the two villages. A significant aspect of these two villages is that they are situated on the main road traversing the state and therefore are easy assessable by motorable vehicle. Umsning village is on the National High Way from Shillong to Guwahati and Sonidan village is on the road which connect the township of Umsning with the Nowgong town in Assam. This communication facility has enabled both the villages to produce a surplus of some agricultural products which are capable to be marketable outside the village. It has been noted that prior to 1980 when the State Bank of India established its branch at Umsning village, both these villages were more or less at par with each other with respect to the agricultural production, productivity and income of the households.

In the next chapter, that is, chapter four, we discussed the nature and important of institutional finance for the promotion of agricultural activities in the country. We make a summary look at the most important institution engaged in the financing of agriculture such as the Reserve Bank of India, Co-operative Society, Commercial Banks and the specialised agricultural institution of the state government. The discussion has been focussed on how the institutions have been instrumental in promoting agricultural development in many parts of the country. It is
argued that agricultural development of the Meghalaya state also would depend to a large extent on institutional financial help being made available to the agricultualist of the state. In this chapter we also discuss the role that has been traditionally played by the non-institutional source for agricultural credit mainly with the money lenders. It has been noted that wherever institutional agencies have been able to provide adequate and timely finance to the farmers, the exploitative attitude of the money lenders have been eliminated.

In the fifth chapter, we make comparative evaluation of the agricultural economy of the two villages with a view to understanding the necessity and important of financial help to the farmers for their agricultural activities. The analysis have been made on the basis of the data collected from fifty households each, from these two villages out of the total of eighty households each. The comparative study of the significant economic variables of the two villages has been shown that the village of Umsning which has been adopted by the State Bank of India as a beneficiaries of its financial assistance to agriculture has been able to improve and develop its agricultural economy very significantly over that of Sonidan which has not been adopted for any financial assistance by any institutions. The development found in Umsning is not only confined to agriculture but seem to be also found in regard
to social aspect of life such as health and education. An improvement in these aspects of social life has enabled that village to have a better quality of life.

Our study has shown that for a meaningful improvement in agriculture and thereby to enable the agriculturist to have increase income and a better life, it is imperative that they should be provided with financial assistance for agricultural operations. Traditionally, the financial requirement of the farmers have been met by the money lenders. But this source of finance had been exploitative in that the money lenders took back from the borrowers much more than they lend to them. So instead of helping to improve the condition of the farmers the money lenders have actually brought about the deterioration in the economic conditions of the farmers. This state of affairs has been rectified only when financial assistance was made available to the farmers by institutional sources. The beneficial aspect of institutional finance is clearly seen from the level and status of the economy of Umsning in 1987 as compared to what they were in 1980. We can say, therefore, that the state should formulate a viable and coordinative policy for making available timely, adequate and easily available financial assistance to the farmers if the state is seriously intending to improve the position of agriculture and agriculturist in the economy of the state.