# Rural Development in Pakistan: Threats and Challenges

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# Rural Development in Pakistan: Threats and Challenges

Mirza B. Baig, Shabbir Ahmad and Nowshad Khan

#### Abstract

Pakistan is basically an agricultural country where a major portion (about 67%) of the population lives in the rural areas. Rural people directory or indirectly are dependent on agriculture for their livelihood and being practiced in rural areas, agriculture happens to be the most vital and supportive aiming at sustainable rural development among all enterprises.

The roots of the problems attached to rural development in Pakistan can be traced back to colonial policies which neglected this sector. The challenges and threats faced by this sector include: poverty, low literacy rate, lack of sanitation, poor health facilities, limited employment and income opportunities, lower quality of social services, smaller land holdings etc. Also women folks are generally viewed as unproductive and deprived in many ways, due to early marriages, lack of schooling and employment, menial tasks and social isolations.

An integrated approach in the form of a comprehensive but workable strategy that could cater the needs of rural people and address the threats and challenges identified in the article is suggested. This article is an endeavor to realize a prosperous future in the face of sustainable rural development.

# **Keywords**

Sustainable agriculture, production constraints, Improvement strategies, Holistic approach

# 1. Introduction

# Geography, agriculture and the economy of Pakistan

Pakistan covers an area of approximately 796 100 km<sup>2</sup>, with a population density of around 165 persons/km<sup>2</sup> (IFAD 2003). Its population is approximately 160 million (BOI, 2007). Pakistan is the most populated country in the World Health Organization (WHO) Eastern Mediterranean Region, accounting for 30% of the regional population (WHO, 2006). About 68% of the population is rural and is increasing by 2.6 % per annum (Economic Survey,

2006-07). The country comprises four provinces - Punjab, Sindh, North West Frontier Province and Baluchistan; one territory, the Federally Administered Tribal Areas; one capital territory, the Islamabad Capital Territory; and Azad Jammu and Kashmir (AJK) and the Northern Areas. Pakistan is situated in the western part of the Indian subcontinent. It is bounded by India to the east, Iran and Afghanistan to the west and China to the north. Its territory stretches from the Arabian Sea and the flat Indus River plains across the eastern desert and the Baluchistan Plateau to the mountain ranges of the north, home to some of the world's highest peaks. The climate is mainly hot and dry, varying from temperate in the northwest to arctic in the north.

Agriculture is the backbone of the country's economy. It has been named as a dominant driving force of livelihood for 66 percent of the country's population. It accounts for 20.9 percent of the GDP and employs 43.4 per cent of the total labour force (Economic Survey, 2006-07). According to Malik, (2003) it also accounts for 9.0 per cent of export earnings whereas cotton, wheat and rice are among the main export crops. In the last 30 years investment in agriculture has contributed to an average annual growth rate of 4 per cent. According to the Economic Survey, growth in agriculture sector registered a sharp recovery in 2006-07 and grew by 5.0 percent. A massive irrigation canal system makes it possible to farm about 26 per cent of the country's total land area. Much of Pakistan's agriculture relies on this irrigation system, yet the amount of productive farmland is declining. The continuing demand for more food crops has led to an expansion of dryland farming on fragile marginal lands. Growth in human and livestock populations has led to deforestation and heavy grazing of rangelands, putting pressure on natural resources and ecosystems.

Pakistan is primarily a rural country where agriculture is the centre of national economic policies and has been designated by the government as engine of national economic growth. Some 20.9 million ha of land (26% of the country) is cultivated, of which 76% is irrigated. In the past, agricultural policy was biased in favour of medium - to large-scale farmers. In recent years, however, the Government has come to realize the comparative advantage of smallholder agriculture and is now reorienting its policies in support of smallholders (IFAD, 2007). According to Pakistan Statistical Pocket Book (2005) the country comprises the 48, 363 rural localities (Table- 1) where the livestock and non-farm activities are the major sources of employment and income. Socioeconomic development is low, with high levels of poverty and low levels of literacy, especially among women and in rural areas (WHO, 2006).

Agriculture remains the dominant source of employment in Pakistan (Malik, 2003). The share of agriculture in employment has increased from 43 percent in 2003-04 to 43.37 percent by the year 2005-06. Labour intensive livestock and dairy sectors proved to be an important strategy for employment augmentation in rural areas. Labour Force Survey in 2004 presents that the labour force participation rate was 39% in urban area, 46% in rural area and 44% in both areas. Female participation rate was extremely low in the country, which was only 16%, while the male rate reached 71%. Concerning the provincial differences on gender disparity, the female labour force participation rate in the Punjab Province was the highest of all, reaching 22% (Pakistan Economic Survey 2006-07).

Table - 1 Number of Rural Localities and Population (1998 Census)

Province / Region	Localities	Population	Percent
Pakistan	48, 363	89, 315, 875	67.50
Punjab	25,875	50,602,265	68.70
Sindh	5,871	15,600,031	51.25
NWFP	7,335	14,749,561	83.12
Baluchistan	6,554	4,997,105	76.11
Islamabad	132	276,055	34.30
FATA	2,596	3,090,858	97.30

**Source:** Pakistan Statistical Pocket Book. 2005. Government of Pakistan. Statistics Division, Federal Bureau of Statistics. Islamabad. Pakistan.

#### THREATS AND CHALLENGES IN RURAL DEVELOPMENT

Although Pakistan has been ranked as the 7th most populous country in the world (Ahmad, 2007), however, still seems to be quite capable of feeding its growing population. The country witnessed unprecedented technological and economic transformation. It was able to achieve food self-sufficiency, triple its agricultural exports, reduce poverty, increase income levels and improve quality of life for its people. Despite the impressive growth in the economy, the country in general and the rural economy in particular is still faced with the threats and challenges. Agricultural accounts for about 40 percent of rural household incomes (World Bank 2007). This sector has not been able to improve the living standards of the rural population due to several factors which include: poverty; illiteracy; poor health, education, drinking water and sanitation; land issues, water shortage and drought, post-harvest losses and poor marketing infrastructure. The rural poor face the constraints like: inadequate access to productive resources, particularly agricultural land and credit; poor skill levels; weak rural infrastructure; inefficient technical support services; and poor organization and empowerment. Some of the prime issues have been discussed briefly in the Table -2 and the following paragraphs.

# Table -2 Threats and Challenges in Rural Development in Pakistan

# Poor policy framework

- A disincentive policy framework
- Poor marketing and buying policies
- Import of food etc. (China is very rapidly encroaching the fruit market).

# **Poverty**

- Poverty is predominantly a rural phenomenon
- The poverty rate in rural area is higher than that in urban areas
- Poverty varies significantly among rural and urban areas and from province to province, from a low of 14% in urban Sindh to 41% in rural NWFP.

#### Education

- Inadequate access to basic services such as safe drinking water, primary health care, education and other social services.
- High illiteracy rate and poor skill levels particularly in rural women

#### **Agriculture**

- Flat yield and the productivity of water;
- Under performance of rural sector markets and extension services;
- Under-Investment in research and technology development;
- Unreliability of water services;
- Improved rural infrastructure and education provision; and
- Scaling up of diversification into new higher value crops and the use of new and more efficient irrigation technology.

# Land issues

- Low land holding and land fragmentation
- Land degradation, particularly in the rainfed areas and rangelands
- Salinization of many irrigated areas; almost forty percent of land in Sindh alone has turned into salt flat.
- Land productivity is declining
- Waterlogging
- Wind and water erosion
- Difficulties in expanding the cultivated areas
- Inadequate access to productive resources, particularly agricultural land

#### Sanitation

- Inadequate access to basic services such as safe drinking water
- Poor sanitation facilities in the rural areas

#### Health and nutrition

- Poor health, malnutrition, and high family growth-rates in rural areas.
- Maternal and child health involve continuing challenges.
- Maternal and child malnutrition and rates of infant, child and maternal mortality are high.
- Increased migration from rural areas to urban satellites, consequently social disruption and increased urban violence are being witnessed.
- Unequal access to healthcare, particularly in Baluchistan and the North-West Frontier Territory
- Inadequate health information systems for monitoring communicable diseases and major health risks
- Need to build capacity for policy analysis and formulation at all government levels to support a devolved health system
- Need to strengthen capacity of the Federal MOH and provincial health departments to regulate, support and build partnerships with the private sector
- Imbalanced health workforce with excess doctors and specialists; lack of nurses, paramedics, skilled birth attendants and health system managers.

# Inadequate support services

- Ineffective support services to provide farm inputs like seeds, fertilizers, credit etc
- Provision of low-level technology;
- Inadequate access to basic farm services such extension services and technology transfer
- Poor organization and empowerment of extension services

#### Poor rural infrastructure

- weak rural infrastructure;
- Over crowding and congestion in rural households
- Katchi abadies
- Poor roads and muddy pathways

# Labour force

• Productive labour-force is vital for agriculture and it is not available because the sector can no longer gainfully employ more youth.

• Due to increased migration from rural areas, the food producers themselves have become net consumers.

# **Employment opportunities**

- Due to lack of intensification and diversification of agriculture sector, on-farm (agribusiness) and non-farm entrepreneurship/self-employment opportunities are limited and becoming scare day by day.
- Due to non-availability of safety-net, social dislocations and distortions are rampant.

#### Lack of recreational facilities

- Youth do not find ample facilities to be involved in healthy activities at leisure. They may get attracted by un-healthy hobbies to spend free time.
- Cases of drug addiction, rape, robbery and murder, etc., are not un-common to notice.

## Women farmers, children and youth

- Women in poor families and in rural areas, account for 70% of the women population
- Especially are forced to live inferior lives due to the double discrimination of poverty and
- Discrimination against women.
- Inequality based on gender is a big characteristic of the social and economic environment in Pakistan even today.
- Women-half the world-although part of active labour force in the rural areas, suffer the most because of illiteracy, poor nutrition, poor health, high birth-rates and unacknowledged labour.
- Women own fewer assets, have limited economic options and less access to social services.
- The children because of economic pressure are compelled to leave their homes for jobs and as such fall victim to child abuse and child labour.
- Unemployment in rural areas and migration of skilled workers to urban areas;
- Unrest and crimes due to unemployment

#### Natural resources environmental problems

- The rangelands on which 70% of local livestock thrives have been degraded and no rehabilitation plans are in place.
- The natural resources base is deteriorating due to burgeoning population pressure, inappropriate agricultural practices, overstocking, deforestation and consequent upon the soil erosion, destruction of habitats for wild fauna.
- Environment is under severe stress, biodiversity is vanishing

# The water shortage and drought

- Most of the land in Pakistan is arid, semi-arid or rugged
- Pakistan has been hit by drought over the last many years, resulting in a significant decrease in the production.
- Farmers have shifted to crops that require less water, such as wheat, cotton and sugar, the production of which has risen

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Source: Modified after Baig and Khan (2006)

#### STRATEGIES TO ADDRESS THE THREATS AND CHALLENGES

- Women constitute one of Pakistan's most disadvantaged groups. Innovative approaches to increasing women's economic opportunities, developing skills, literacy programmes, and organization and mobilization within socially and culturally acceptable norms need to be initiated. IFAD (2003) believes that the endemic poverty cannot be solved without focusing on women.
- Livestock farming provides 25-30 percent of the income of small farmers and landless livestock producers. Small farmers that combine livestock with crop production have income twice as high as those with crops (PRSP, 2003). This subsector of agricultural has tremendous potential to increase the rural income levels.
- To eradicate poverty, the government has to introduce measures and create opportunities for overcoming poverty. Its policy and institutional reforms must include measures to improve the access of poor rural families to land and credit; expand rural infrastructure; decentralize the institutional framework, and budgeting and financial control; and encourage participation through decentralized governance and community mobilization.
- The country badly needs an integrated, holistic and comprehensive approach supported by an effective and efficient mechanism to implement the plans and policies to achieve the real rural development. We need to enlist the problems faced by a particular area, resources available to launch developmental activities, possible solutions to address issues, and introduction of new innovations to bring economic reforms. Provision of basic rural infrastructure and delivery of basic public services such as water supply, sanitation and roads, is crucial for rural economic growth and improved welfare of the rural poor.

## CONCLUSIONS AND RECOMMENDATIONS

Agricultural is the hub of Pakistan economy which consists of crops and livestock products. The government has identified agriculture as a priority area for addressing problems of unemployment, poverty alleviation and for fostering economic development. The planners

and policy makers have concluded that rural development primarily depends upon sound and sustainable agriculture in the country. However agriculture sector faces many constraints and issues. Crops yields and productivity levels are low and are realized with big yield gaps than their potential and are discouragingly low (Hanif et al., 2004). Various strategic options to improve performance of the agriculture sector have been suggested by various scientists. Also, to move in the right direction, there is need to realize higher growth rate in agriculture than the population growth rate. In order to achieve food security and self-reliance in food crops, it is important to enhancing productivity of wheat, rice, oilseeds, cotton and sugarcane in the country.

Land degradation and fragmentation is on the increase and country and water deficit is becoming a prominent feature. To overcome the land and water issues sustainable strategies have been outlined and water development for a sustained agricultural growth. The need for more emphasis on agricultural research to generate innovative technology including biotechnology for raising productivity per unit of land, water and livestock deserves due attention. The hard work of the farmers cannot be of any use unless agricultural inputs and supplies and appropriate production technology is made available timely to the farmers and at the users' end. Better and higher prices for agricultural commodities means prosperity and improving their marketing can obviously uplift and elevate the rural livelihood. Efforts should be made to improving the productivity of small farmers while encouraging the large farmers for utilization of modern technology. Mahmood and Malik (2001) believe that self-supporting agriculture is the key for realizing sustainable rural development.

Although poverty is a rural phenomenon, yet the poverty rate in rural area is higher than that in urban area but the rates in rural area have been reduced to a large extent (JBIC, 2007) However, to reduce poverty further in rural Pakistan, a comprehensive strategy needs to be launched. It is hoped, if implemented with true sprit and sense, of course, will improve the living standards of the rural population.

In order to reduce the relatively high wage level in the country, it is necessary to mobilize more people, particularly the poor, as labour forces. It is also extremely important to enhance educational enrolment at all levels, including the education for the poor. It is also essential to upgrade the level of female education, and utilize more poor female workers. If poor people, particularly poor women, are sufficiently educated, and then mobilized as labour forces in agricultural sector, economic growth of the country should be much accelerated. This type of economic growth would be considered as 'pro-poor', because a greater number of poor people participate in the process.

In achieving pro-poor growth through agriculture, Government is aiming to improve rural and agricultural infrastructure and supporting agricultural programs that generate sustainable growth. It includes development of high yielding varieties of improved and hybrid seed, balanced application of fertilizer, integrated pest management and improved agronomic management, and agriculture extension system, Commodity Boards, and Integrated Pest Management Project. The government is freeing up agricultural prices by removing market imperfections to safeguard farmers' interests (IMF, 2004).

Small and medium enterprises (SMEs) sector has a great potential for generating employment especially for the low income groups. Thus creating a business environment

that is supportive of SMEs is an important avenue of the poverty reduction strategy. In addition, the development of agro processing sector primarily consisting of fruits, vegetables, dairy and livestock is quite promising. However, the initiatives for fair markets, transportation and handling of agricultural produce presents wide range of opportunities for private sector growth in the agro-based rural economy. Rural based agribusiness SMEs are a natural source for exploiting these opportunities that will provide new avenues for employment and income generation for rural population (PRSP 2004).

Since rural development in Pakistan is strongly linked with the sustainable agriculture, therefore, these strategies, if adopted with letter and spirit, the rural landscape can not only improve the rural livelihood but also can boost up the economy at the national level while restoring the ecosystem and bringing prosperity - that is the true rural development.

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