Rural Development in Pakistan: From Vision to Action

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Rural Development in Pakistan: From Vision to Action

Mirza B. Baig & Nowshad Khan

Abstract

Pakistan is basically an agricultural country. Its rural areas and the population continue to be the mainstay of economy. Agriculture is the largest sector in the economy contributing 25 percent of the GDP and providing 70% of the total value of exports. The sector at present employs 17 million workers, representing 44% of the country's labour force. About 67 % of population resides in rural areas. The major sources of their earnings are agriculture and other small-scale rural enterprises, which directly or indirectly depend on agriculture. Many of the rural poor live in areas where arable land is scarce, agriculture potential is low; drought, and environmental degradation are common features. Moreover access to basic human needs i.e. basic human rights such as potable water and sanitation, education and healthcare are far less available in rural areas. The problems of malnutrition, low life expectancy and high infant mortality are more prevalent in rural areas.

It is argued that sustainable agriculture is the main vehicle for rural development and the rural development will not take place unless we view rural more than farmers. We need to value them as contributor to the employment, manager of rural landscape and environmental steward in protecting and upgrading the ecosystem and setting social and cultural order and above all supplier of safe high quality products to consumers. Successful rural community development calls for an integrated and comprehensive approach. We need to make, logically, efforts to identify economic opportunities, ecological constraints and social expectations. Sustainable rural development demands a balanced and a holistic approach in devising an actionable rural sector strategy. In the article, an overview of agriculture; its role in the economy; problems faced in the in the development of rural areas and its dwellers, and vision for the future has been presented.

Keywords

Agriculture, problems and issues, Policies and institutions, Holistic Approach

1. Introduction

Agriculture is the mainstay of Pakistan' economy. Nearly one-fourth of total output (GDP) and 44 percent of total employment is generated in agriculture. It also contributes substantially to the country's exports (PES, 2005). Pakistan's agriculture sector has shown phenomenal growth of about 7.5% during 2004 -2005 as compared to 2.2% during 2003-2004. (Qureshi, 2005). However, the country, like many other developing nations of the world, is still faced with the multifarious problems like rural poverty, low literacy rate, lack of basic health facilities and poor sanitation etc. In the evolutionary period of economic development, the country tried and experienced many structural changes and

adjustments in the national economy. Whatever development paradigm(s), technological, infrastructural and/ or industrial, was followed in the country, the pattern of development generally remained lopsided. Consequently, despite fastest growth rate in South Asia averaging 6% per annum of GNP, rural masses still feel deprived and perhaps the blessings of the remarkable development have not trickled down to them. According to Bhutto et al. (2005) the disparity between economic growth and social welfare of common people suggest disproportionate development at the hands of policies pursued by different governments over the five decades with utter disregard of the need for agricultural, rural and social development. Whereas according to Agriculture Year Book, (2005) at present, the policies of the government aim at attaining self-sufficiency in food production, ensuring food security at the household level, enhancing export earnings and poverty reduction in rural areas.

On the other hand, no doubt, the economic growth registered so far seems very impressive but rural masses did not consider it beneficial for them, as poverty, inequality and degradation of natural resources were concomitant phenomena (Pirzada, 1999).

The fact of the matter is that agriculture still continues to occupy the central place in the economy and it is argued that sustainable agriculture is the only absolute and right vehicle for achieving rural development. In this article, an attempt has been made to examine the interrelationship between agriculture and rural development in order to realize the happy and healthy rural communities.

Agriculture and Economy of the Country

Agriculture remains the hub of Pakistan's economy, which consists of crops and livestock products. It directly contributes 25% to GDP and provides employment to 44 percent of the total labour force of the country (GoP, 2005) and accounts for nearly 65% of the country's export earnings (PES, 2005). Agriculture alone is responsible for about 67% of our foreign exchange earning directly or indirectly (Qureshi, 2005). Moreover, this sector provides raw material to domestic agro-based industries such as sugar, vegetable, leather, and textiles. Hence, the importance of agriculture to the economic growth of Pakistan and the well being of its people cannot be overstated.

Most importantly, 67.5 percent of country's population living in rural areas is directly or indirectly dependent on agriculture for their livelihood (Agri Year Book, 2005). Agro-based industries accounted for 64% of the total industrial production of Pakistan (PES, 2001-2002). The agriculture sector is, thus a major determinant of the overall economic growth and well-being in Pakistan. In addition to the direct impact of agriculture growth on poverty reduction, there is also a much larger indirect effect through the linkages between agriculture and non-farm growth in rural areas. Non-farm growth is closely linked with agricultural growth since peasant farmers spend a large portion of their incremental income on locally produced non-agricultural goods thus generating employment and incomes in the adjoining areas. The increased demand for non-farm goods leads to a much larger increase in employment, which could be a key vehicle for poverty reduction.

Picture of Rural Pakistan

Access to the basic social services, such as education, health, potable drinking water and shelter to poor strata of society are not easily available. An overview of the issues in rural development has been presented in Table-1. According to an estimate 70-80 million people do not have required level of access to education and health services. Similarly, 30-50 million people are malnourished. This gloomy picture of rural Pakistan is further accentuated when we witness that the agriculture sector, because of declining, productivity has failed to employ rural masses any more. The employment capacity of agriculture sector has also been reduced. With poor health, inadequate food-resources, illiteracy, unemployment and many other prevailing constraints, coupled with degrading natural resource-base, thinking of productivity gains in agricultural sector, in general, and that of rural human and social capital, in particular, would be impossible (Pirzada, 1999).

Table 1: Summary Implications for Rural Development in Pakistan

| SHORTAGE OF: | | |
|--|------------------|--|
| o Educational facilities | o Living space | |
| o Health services | o Arable land | |
| o Housing units | o Clean water | |
| o Food | | |
| INCREASE IN: | | |
| o Unemployment | o Over crowding | |
| Land fragmentation | o Katchi abadies | |
| o Import of food etc. | o Poverty | |
| o Environmental problems | o Unrest | |
| o Congestion in households | o Crime | |

NIPS. 2005. Population Growth and its Implications. National Institute of Population Studies, Islamabad. September 2005.

Some major issues faced by the Rural Masses

The rural Pakistan is faced with the many issues and problems, yet the sketch of prime ones is as under:

Health and Nutrition

- Poor health, malnutrition, and high family growth-rates are observed in rural areas.
- Increased migration from rural areas to urban satellites, consequently social disruption and increased urban violence are being witnessed.

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 scarce day by day. Unemployment is increasing.
- 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. Unhealthy hobbies to spend free time may attract them.
- Cases of drug addiction, rape, robbery and murder, etc., are not un-common to notice.

Women Farmers and Youth

- Although the Women are the part of active labour force in the rural areas, yet they suffer the most because of illiteracy, poor nutrition, poor health, high birthrates and unacknowledged labour.
- 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.

Natural Resources

- 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 and land productivity is declining. Almost forty percent of land in Sindh alone has turned into salt flat.
- The rangelands on which 70% of local livestock thrives have been degraded and no rehabilitation plans are in place.

High Illiteracy Rate

• In rural areas literacy rate is low and illiterate farmers cannot realize the benefits of modern, scientific and technical know-how in farming business.

A Review of the Past Efforts

In the past, the government attempted to integrate social development in the overall national development plan through Social Action Programme (SAP). Apparently the program could not deliver the required results in Phase- I. The major factors, which contributed inefficient delivery under SAP-I include: lack of direction, and of integration of

programme with other sub-sectors of economy in which poor community was a major stakeholder, e.g., agro livestock and rural development. Pirzada (1999) reviewed the report of Pakistan's Integrated Household Survey (PIHS), and indicated that SAP-I could not meet the cherished goals, as achievements made were not in proportional to the level of investment. Similarly another amount of US\$ 550 million was committed for the launching of 2nd phase of Social Action Program (SAP-II) and that also could not make any significant impact as well. In the situation, it seems appropriate that Pakistan adopts the development strategy and follows a policy of social development, integrating it with agriculture and rural development (Pirzada, 1999).

Poverty Reduction Strategy

During 2003, government adopted a Poverty Reduction Strategy (PRSP), which defined a key role for agriculture in attaining an accelerated and broad-based economic growth to reduce poverty in Pakistan. As poverty in Pakistan is mainly prevalent in rural areas, agricultural growth is key to curtailing poverty since poor heavily rely on agricultural goods and services for the livelihood (Agriculture Year Book, 2005).

The Vision

The present scenario requires the agriculture sector, and all the stakeholders to understand the declining economic growth-rates. The relatively better growth-rates in the agriculture sector reported couples of years back are also illusive, as we did not have an environmental accounting system. As such, if we take into account the land/natural resource depreciation e.g., land degradation, salinity, water-logging deforestation, etc., the actual growth in agricultural sector and economic sector may be following a negative trend.

In the situation, we need to develop our vision for sustainable rural development. The essential ingredients of vision for rural development must also include: a well-organized plan, sharp and strictly focused strategy, doable activities and clearly defined short-tem and long term goals.

Moving From Vision to Action

The vision, however, demands to be translated into doable actions in order to realize the sustainable rural economies and must focus on to:

- Adopt measures to promote rural and agric-based industries.
- Create and promote public health, food-hygiene and integrated family planning through communication and advocacy initiatives.
- **D**evelop community human resources for both on-farm/non-farm employments.
- Integrate the gender and children in the development process.
- Mobilize social capital for creating and utilizing community-resources including physical, capital and social by adopting community-based participatory approach in order to realize development.
- Plan and develop **a** policy that focuses on social development of impoverished communities the poorest of the poor.

- Promote savings in the community and its investment in social/livelihood sectors.
- Strengthen the livelihood of peripheral communities who eke out their subsistence, rather existence, through impoverished natural-resource base, by helping them bring robustness in indigenous production-systems through appropriate technologies suiting socio-economic milieu of the communities.
- Undertake conservation and development of natural resources, focusing on protection of environment and biodiversity.

These actions may help to improve rural economy of the country and restore it. Consequently the urban fringes too shall harvest the fruit of development, in terms of enhanced food availability, and decreased urban violence and healthier and cleaner suburbs, besides the net economic gains with trickle-down effect on the common masses.

In Closing

Agriculture is the backbone of Pakistan's economy. In order to improve the economy, incremental investments would have to be made in the basic infrastructure of Agriculture (Agri Year Book, 2005). During 2004-2005, the country achieved a record growth rate in agriculture i.e. 7.5% due to high performance in major crops. Sustaining this growth and further reducing poverty in rural areas is a major challenge for the government.

It is re-emphasized that agriculture is very important to our economy. If we want to have any impact on poverty levels in rural areas, agriculture has to be the main vehicle for accessing the poor. Agriculture also has the potential for addressing the unemployment issue as it has higher employment elasticity than industry. A vibrant agriculture in Pakistan will ensure the well being of the population living in approximately 48,363 rural villages.

Rising population, shrinking agricultural lands, increasing demand on limited water resources, from the expanding industrial and urban sectors, widespread land degradation and inadequacy of governing infrastructure appear to be major concerns now than ever before (Baig, 2005). It is therefore, imperative that agriculture and rural development should receive top priority.

The agricultural production in the country is substantially low and needs to be improved for the well being of the poor, through the use of appropriate technologies. Increased agricultural productivity will have significant effect on alleviating poverty. Therefore, the government is trying hard to enhance the productivity of the agricultural sector through the provision of the required capital inputs, which can speed up the transformation process. These inputs range from efficient provision of easy credit to the small farmer, availability of unadulterated fertilizer and pesticides, tractor and harvester services, improvement in the effectiveness of the vast irrigation system, utilization of cultivable wastes and finally farmer education through decentralized Agricultural Extension System. Furthermore, the high rate of population growth in the rural communities needs to be checked. Pakistan needs better institutions with enhanced delivery capability, which can creatively respond to the diversifying needs of the farming community. With the introduction of institutional reforms, combined with greater reliance on market forces, agriculture sector would result higher economic growth, an enhanced food security and reduction in poverty level and all this indirectly means - Rural Development.

No doubt, agriculture sector still faces many challenges. However, to meet these challenges, measures are needed to narrow yield gaps, strengthen research agenda on priority issues, improve knowledge system, and undertake market reforms. To be effective, an integrated response from the government and the private sector would be most appropriate. For the sustainable rural development, the country needs to devise and implement policies that ensure the adequate provision of inputs like water, fertilizer, seeds, pesticides, credit, and farm machinery to the rural communities. In addition, rural people need adequate infrastructure and more employment opportunities by promoting rural cottage industries.

Once again, it is emphasized that agricultural development is the prerequisite for rural development and both are inseparable from each other rather they go hand in hand. Therefore, we need to attach more importance to agriculture, at least, in accordance with its voluminous size in the economy.

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