**Agriculture: need to fix it?**

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What to do with agriculture? Where are we heading? What is our preparation? These are the questions which strike our mind while we talk about agriculture. We are used to slogans such as agriculture is back bone of our economy, agriculture is back stay of economy, and agriculture is linchpin of economy etc. Despite these beautiful descriptions agriculture is still struggling to get attention from the government and policymakers. All governments remained consistent to ignore the sector with one or two exceptions. First concrete intervention, “Green Revolution”, was introduced by the well of international partners and brought mixed results. It improved the productivity of sector but it was skewed towards a very few cities and big farmers while small farmers all across country could not benefit much from it.

Along the time line governments kept on putting forth ambitious aims about agriculture but used to divert meagre resources towards the sector. It is interesting to note that Dictators focused more on agriculture as compared to democratic governments. However, the most critical area is still unaddressed, the area of land reforms. In 1947 or during the government of Mr. Bhutto, governments tried to introduce the land reforms but with limited success. In this back drop PTI has raised slogan of fixing agriculture for the welfare of farmers.

PTI government will have to remain cautious and learn from the past for any meaningful reform or intervention in the sector. In past almost all of the interventions were introduced at universal scale rather than targeted interventions. Subsidy was given without any homework and to all. It led to exploitation by big framers and land lords. Subsidy provided on inputs like fertilizers etc. could not provide the required relief to small farmers as they did not have sufficient resources to buy it. Availability of these inputs was another issue for small farmers. Big farmers or land lords exploited situation for their own benefit and enjoyed the maximum benefits of subsides.

Agriculture credit is another area which always impacts small farmers. Small farmers face two specific problems in this regard. Interest on credit is biggest hurdle for farmers. Interest is prohibited in Islam and most of rural people strictly follow the religious teaching. Government has to take care of this concern of majority of people because it will always be a stumbling block for meaningful results. Moreover, documents required and terms of conditions of loan or credit are very complicated and time consuming. Farmers cannot afford the wastage of time because they have to perform their daily chores at fields and at home. On the top of that credit line is available to all farmers without any limit on holding. Big farmers and landlords enjoy this due to their influence and availability of man power. Government also has to revise the policy for targeted interventions. There should be a limit like 5 acres or 12 acres to avail, to make the opportunity of any use for the poor farmers.

Another area of concern is input and output market regulation. Although Pakistan has a market structure, rule and regulations but enforcement is big hurdle. Market committees are not functioning well and small farmers have to face multiple challenges to sell their products. As we know most of the agriculture products are perishable and have very short shelf life, therefore, it requires proper handling, transport and storage. Unfortunately, Pakistan does not have sophisticated system of transport and storage. Farmers are compelled to sell their products at lower rates. In this situation role of middle man become very critical and interesting.

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Middle man becomes the lynchpin for farmer to take care of farmers’ needs. He purchases the products from the farmer and brings it to market. Most of the time, the prices, which are offered to farmer, are below the market prices. However, farmers are compelled their products to middle due to two main reasons e.g. lack of infrastructure and financial arrangements with middle man. Middleman provides the farmer required financial resources for inputs when farmers needed it most. Most of time terms and condition are not very favourable for farmers but the process is easy to access the credit. Paper work is very less and farmer does not have to waste time. Moreover, middleman also provides credit for non-productive or non-agriculture activities like marriage, child education, health etc. It also act ATM machine for farmer. Farmer can access the middleman any time for any type of credit.

Therefore, despite all its efforts government was never able to minimize the role of middleman. Government needs to come up with an alternative to reduce this role of a middleman or institutionalize its role. Credit system has to be revamped and overhauled according to need of the farmers. Starting point would be to look for interest free credit according to the teaching of Islam. Process of credit disbursement needs to be simple and according to understanding and education levels of farmers. There should not be over documentation. Simultaneously government should also provide insurance on the credit in case of the failure of the crops. It becomes more important in the context of climate change.