

POVERTY AND IRRIGATED AGRICULTURE

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Poverty determination and its extermination is dependent not on a universal basis but a number of reasons are responsible, and although there may be a generic base, there are site-specific reasons for poverty existence. If the diagnosis is modified then the prescription will always be different for not only different countries but also within the country. The interventions, then, have to match the reasons. That is seldom done. For example, the factors responsible for poverty in Baluchistan are different from the factors causing poverty in irrigated areas. Even in the irrigated areas, the factors responsible for poverty in Sahiwal will be different from those in Sargodha. In agriculture, the variations due to specificities are important. The soils, weather, culture, crops, human management, exercise of choice, equality and equity are important factors and must be kept in contention. Thus, to determine the economic capacity of people and area is to focus narrowly at the production base.

Our society is organized along power instead of reason and respect for the fellow citizens. It must be kept in mind that power in our society is paramount and occasionally more powerful than the institutions. The individual exercising such power may have been responsible for more pervasive poverty than the natural reasons. Organized as we are, we seek assets for ourselves at below market prices. The entire green belt and vegetable belt of Lahore was acquired for less than Rs.5000 per acre. The poor vegetable farmers became paupers over night and their management and expertise were as good as anyone.

The feudal powers that served the British colonialists so well are still in existence, and to that has been added an emerging force of feudal. These new forces are those that have obtained assets without due regard to either propriety or decency. They are also the most powerful and can take care of the opposition, as they like. The general farmer and the ruralite cannot dare to confront them. The tenants of Okara are a special case but no compensation was found for the 'maurusi' tenants who were supposed to have permanent rights. These individuals were evicted without any process. Thus, there are many examples where the powerful of the society have brought various rationalizations to justify their actions.

Actions in agriculture and income generation are not dependent on how well one has done in the sector. Other factors are responsible for the well being of the farmers, and nowhere is it more apparent than in Pakistan. One has to go beyond externalities to understand the compulsions of agriculture. The word that most describes this is 'consiliency' i.e. the other areas determine the welfare of the farmers as well as the income that would go to the farmers. Agriculture complexities are many and the simple decisions of the government are unlikely to make any dent in the welfare of the farmers.

In agriculture, space and time play an important part. Time for obvious reasons is responsible for productivity. There is an essentiality about time in agriculture. This is also the case with space. Each irrigated area as well as a non-irrigated area has its own

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compulsions. The wisdom that is required is site specific as well as non-traditional. The effort is to balance the paradoxes and bring about a balance in the development of positive and negative trends. Ecological and environmental considerations do affect poverty levels. One can be in short-term or long-term interventions. Myopism as such plays a large role in the present and future outcomes that one is addressing. The issue is not only the addressing of paradoxical situations, which are based on the assessment and judgment of natural resources but also on the decision makers' lack of comprehension.

Reductionism rather than enhancement of the development process is part of this development in Pakistan, which has been exploitative rather than regenerative. Resource base has been depleted, and on the other hand, there is complete ignorance of resources. Some one said that weeds are those plants whose value is not known.

To a large extent, resource management is dependent on power distribution in society. These power groups have increased on the Pakistani scene and vested groups have made life for the ordinary citizen difficult. Pakistan has no engineering industry worth the name and all that it can boast of is an agrarian industry. For the agrarian industry to come to any benefit to the farmer, it has to be organized along efficient lines. At the moment, that is not so, and yet, it is vital to understand that demand creation and development is essential for obtaining optimum output rather than subsistent output. It is important to remember what 'output' means. It is not only a function of productivity but also what products are obtained from it. There are at least 22 products that can be obtained from corn. If we have the capability to move from primary production systems to value added, then irrigated agriculture would be booming.

Misuse of water can be eliminated along with inefficient use of this highly prized resource. The institutional process has broken down, the policy levels are unimproved, the software is not available except what IWMI has provided. IWMI cannot provide the necessary manpower; it can provide public goods that are based on knowledge and the fact that it is a living laboratory for the rest of the world. No one, and I repeat no one, in Pakistan has read the IWMI documents and obtained lessons from it. David Seckler and Professor Skogerboe (the former DG and the Director of IWMI, respectively) did a marvelous job in irrigation management.

Time will come, if it has not already come, for water to be allocated for different uses. Pakistan is no longer able to use this resource wastefully. There is a dire need of organization in agriculture sector. It is meaningless to expect that supply side of agriculture, which is meant for subsistence agriculture, will deliver. The produce of the farmer has to be tuned to the demand and then this demand is to be converted in to products. The product line is given to us. We never create our own. Hemp [Bhang] gives 27 products. It is not such a bad crop as it is labeled just because we have it in natural form. All tranquilizers use this crop as sedative but there are other products that can be made from it. Four crops in Pakistan take away 93 percent of resources, almost all of the resources. So where will you have pro-poor policies attacking the income issues? Only 40 percent of the farmers use any kind of fertilizer in unknown quantities. The requirement, for Pakistan then, is to revisit the objectives restate the priorities. Yet, it has to be decided that who will carry out this task and who will implement it. Also important is to reset our priorities: is income distribution our requirement or food security; is it well being or quality living?

The first and foremost requirement is to network the economy. Name a single product that is integrated in the national economy, disgraceful actions aside. Can we and are we capable of creating economic circles besides rejuvenating obsolete economic circles? What does it require to understand the mixing of the old and the new and how best to do it? Take the example of the Dairy industry and the Sugar industry where the investors want to earn on the basis of old concepts and at the expense of the producers. The income of the farmer would have been exceedingly better if vested groups had been fair minded. There is no dogma in policy and no doctrinaire in implementation. The fair and exceedingly important matter is to be as flexible as possible so that the outcome is beneficial for the producers. But if this is done the vested interest groups would play havoc with the system. They have the money and they have the will to keep their soft options intact.

The policy makers have a set of problems. The NGOs as the alternate to public intervention are not to scale. They lack resources and the eminence that is required. The enabling environment concept with the government will no longer work; it has never worked. Centuries of exploitation can not resolved by mere words. They require much more effort than lip service.

Growth for bare to be of prime quality has to be valued and not just quantified. But does Pakistan have the ability to say no to donor driven programs? These programs militate against the farmers and make matters more lopsided than before. In other words, there is no universality of options and interventions. The farmer has to be supported in a number of ways, and then, if he is given the requisite support he will produce optimally.

There are some success stories and some unsuccessful ones. It is always a mixed bag when it comes to agriculture. It becomes worse when the successor does not understand the basis for intervention, for that is the time when the vested interests attack to seek favors. Hala milk, which is a women's cooperative, has been at the forefront of indicating that marketing cooperatives can work. The women cooperative has 40 percent landless and 60 percent small farmers. The local police station is not required in that area. Economy has done wonders on the social side. Floriculture again has had a field day and what was started in the drawing room of the rest house in Lahore is now progressing satisfactorily. Similar success stories in the wheat and cotton growing areas have been known to be the function of good local leadership in the sector. But this leadership was disturbed by parochial interests and the inevitable debacle took place. Again olives and top lopping has increased the incomes of the range and tree owner-farmers.

All these interventions had specific knowledge-based interventions. Yet, the lessons from failures are more important. Some of these failures have been in Canola, Salicornia and Hippophae [Seabuckthorn]. These were the result of vested and parochial groups getting together in the name of benefit the farmer.

The reason for the failure boils down to the leadership at a particular time, for leadership is never constant, and since we are person-oriented nation, the variability is quite startling. The ability to change horses midstream also did not help. In the case of Salicornia, it was about an understanding of how seawater could be used for irrigation. In the case of Hippophae, there was a need to understand how pharmaceutical agriculture was important for the producer. Unfortunately, it is often forgotten that the organized structure of the institutions is a necessary condition for success.

What, then, are the lessons from all this? First, intangibles are important. Understanding and knowledge, if not accompanied with sensitivities, will not deliver. Second, there are no limits to getting things done. The limitations are of our mind. Again, there is no universality in marketing. What the channels are for one product may not be same for the other products. There has to be product appreciation, and then, a demand creation. The farmer responds to fair and equitable prices as we saw in Canola. Productivity enhancement routes are different, and again, different for different crops. This also varies by areas.

Lack of grass root realities is to be compensated by taking care of all that is mean and rapacious in the social and economic system. Besides, how could the social responsibilities of the powerful be reactivated? Once we have taken care of the intangibles, the tangibles shall take care of the problems by themselves. Poverty is related to factor markets and macro-markets. This implies a re-look at the factor markets. Unless the factor markets are reined, the farmers income will keep on taking knocks. Are Pakistan's input markets efficient or do they operate under monopoly conditions? Fertilizer, pesticide, energy and other utility markets are all in disarray. Water market suffers from lack of equity, efficiency and efficacy. Water quality has to be worked out and linked with water quantity in order to ensure a peaceful and harmonious rural sector. *Waderas* (landlords) of Sindh and feudals of Punjab take way the major chunk of water resources.

In the micro markets, there is a need for taking into consideration the factors that constitute growth and how these could be made meaningful for the farmers. Agriculture markets are inelastic, and if the produce is much, the farmer loses out on the high produce. These market failures are different for different crops, and if we go into the products, it indicates the lack of resiliency that we have. The perception of productive factors is difficult; perception, because the farmer is a low risk taker. In any case, the variables are mind-boggling.

The institutional changes, that are required, is a different matter altogether. The current institutions will not deliver. Present reforms are thoughtless, as they have added chaos to confusion. Difficulties cannot be resolved, what to speak of resolving conflicts. The human fallacies of the public servant now abound. Every thing that he does is questioned and ulterior motives attached to his actions result in his not doing anything. Leadership positions are to be developed, and yet, it is the area where not much can be done except to pray to God that one does not get a crank in the system. As a matter of fact, the leader has the right to disobey the current rules and regulations on two counts; first on facts, and the second on outcomes. The independent thought process is vital for the leader instead of subservience. Modern management concepts are alien to this sector as well as to the decision makers. The double jeopardy is that if the leader is not along these lines he has an unmatched ego.

Of recent times, the policy makers have been advocating the concept of free markets. But what do they understand by it? It is like the proverbial elephant and any one that has caught hold of something defines it as such. Most of the free marketers are tail holders and followers. They think that the free market is likely to deliver. They are not aware of the rule of Adam Smith that anything that is mean and rapacious should be done away with. Who are mean and rapacious? Ask the local cotton farmer and he will say it is the textile mill owner, ask the canola farmer and he will say it is the Ghee mill owners and

the importers of palm oil, ask the poultry farmer and he will say it is the feed mill owners and the chick producers and it is a world worst confounded as both are the same. Mafias abound and they have perverted perfectly sane concepts of capitalism. Look for over invoicing, look for sharp practices and look for things that do not seem quite right.

How will the competitive markets and structures develop? it is not a matter of competition. It is a matter of how assets to be used, what are the dead assets, and who is responsible for them? How can comparative advantage be worked in to the economy? Does Pakistan have any natural advantages? The questions are many and the actions sometimes are laid in determining more relevant questions. Development cannot take place in a neutral environment, and so it may be necessary to keep the big sharks away and take it to the poorer elements of irrigated agriculture. There has to be a duty of care towards them.

In short, what are we looking for are designed interventions that target relevant populations. We have to try and work out new challenges in water use as well as all resource use. The requirement is for new policies and programs determined by the interactive process that are designed for the many rather than the few. A duty of care and discipline is required for those who have ensured our food security at considerable cost to them and now seek a fair deal. There is no need for magic, just home grown knowledge and wisdom. Irrigation has been central to them and has managed to get them through.