

Josh Gill - AIPS Summer Research Grant Narrative Report

Agriculture holds immense importance for Pakistan as it accounts for 21.4 percent of the country's GDP and provides employment to 45 percent of its workforce (Pakistan Economic Survey, 2013). Agricultural production doubled during an approximately 20-year period, averting food crises and spurring an era of agricultural and economic growth. Partly as a result of these policies and investments, Pakistan's economy grew by 6.0 percent per annum during the 1980s, driven substantially by agriculture sector growth on the order of 4.1 percent.

Lately, however, agricultural sector growth has been characterized by a prolonged but irregular deceleration punctuated by occasional booms and busts. Growth in the agricultural sector has decelerated to just 3.1 percent per annum during the past 10 years while the share of agriculture in the overall economy has fallen from 30 percent during the 1980s to just above 20 percent. Hence it is important to resolve issues affecting agricultural productivity growth in order to achieve growth and ensure food security. Specifically, attention should be given to issues pertaining to the prioritization of public investments and the design of public policies best suited to simultaneously accelerate productivity growth and reduce poverty.

The significance of this research is due to its emphasis on agricultural productivity and growth. The research aims to apply tools of production economics to the rural household data being collected, official data from federal and provincial sources, and data from other sources such as the National Fertilizer Development Corporation. Studies topics include a literature review of advances in productivity analysis; studies of farm-level technical and allocative efficiency; comparisons against previous studies to evaluate changes in sources of efficiency in recent years; analyses of input-specific technical efficiency and risk management strategies by farmers.