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Q: Examine the Role of Agri sector in the economic development of Pak. Should the country continue investing in it ~~or~~ there exists better options as alternate plans?

The Agriculture sector has played a key role in the development of Pakistans economy. It has been a key part of the country since its creation.

Historical Context of the sector

Post Independence, there have been numerous reforms in agriculture. Land reforms were introduced, aiming to give more rights to farmers.

Green Revolution:

Around the 1960s, the green revolution happened. It brought High Yield varieties of wheat and rice, new chemical fertilizers and better quality seeds. It also introduced canal irrigation system, all of which led to greater yields. The crops as a result grew by

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100%. In some cases, contributing a major chunk to the economy through its GDP in the country. Pakistan has been historically reliant on a few crops like wheat, cotton and rice. The revolution led to increased exports, bringing in foreign currency, rise in income of farmers, better quality of life in rural areas and ~~increased~~ reduced reliance on imports.

CURRENT STATUS OF THE SECTOR

Agriculture still plays a key role in the economy.

1) Contribution to GDP and employment

Agriculture contributes 24% to the country's GDP. This has slightly declined but relatively consistent.

Around 40-45% of Pakistan's labor force is employed by the sector, (according to World Bank figures, therefore providing a crucial source of income for population.

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2) Major source of Export

Pakistan is the 8^{th} largest producer of wheat globally. Similarly, it is the ~~second~~ fourth largest exporter of rice according to a UN report, with exports of around $2 Billion. Production of cotton also runs the textile industry, which is another chunk of exports, contributing to our GDP and economic growth.

3) Supply of Fodder and Food

Similarly, the sector supplies fodder to the growing livestock industry of the country. It is an essential source for the survival of the population. As the population increases, the agri sectors needs to provide to cater to all people, thus necessary for human and economic development.

4) Contribution to National Income

It helps bring foreign

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currency through trade and investments within the sector, which helps promote a positive balance of payment, and contributes to improving the GDP and thus the economy.

REASONS TO DISCONTINUE INVESTMENT

The sector, however, has not been performing as it should have, with its growth stagnating over the past few years. There are thus certain reasons why further investment should be ~~re~~ diverted towards other ventures, more profitable.

1) Impending Water Crisis

The agriculture sector takes up a major chunk of the country's already limited water resource. Around 90% of the land is cultivated. Similarly, ~~the water~~ Pak irrigates 3x more acres than Russia according to a report by FAO. This leaves little for the rising population amidst a water scarcity in many regions due to Pakistan being a low riparian state.

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2) Climate Change damage
Due to rising temperatures and erratic rainfall, the sector's growth has been greatly impeded. 2010 floods led to ~$10 billion worth of damage to agriculture. Such events are becoming more frequent, thus a return on investment is low.

3) Soil degradation - Low output
Due to excessive cultivation and use of chemical fertilisers, the soil has been damaged, leading to soil erosion and lack of fertility. Approx. 50% of land is effected by soil degradation, acc. to reports. Thus an investment might not bring suitable results.

4) Outdated systems and management
Around 80% of water used in agriculture is wasted due to inefficient systems. Such over extraction has also depleted groundwater reserves, further fuelling a crisis. Unless,

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there is a change in management, an investm bring improvement in growth in the sector.

ALTERNATE OPTIONS FOR

Instead of being a the agriculture sector, to divert its investmen more profitable & ventu following segments:

(a) Tourism Sector Investm

(b) Industrial Sector dive

(c) Export Goods indust

(d) Cryptocurrency and

(e) Renewable Energy

Conclusion

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there is a change in policies and management, an investment might not bring improvement in output or growth in the sector.

ALTERNATE OPTIONS FOR INVESTMENT

Instead of being dependent on the agriculture sector, Pakistan needs to divert its investment towards more profitable s ventures in the following segments:

(a) Tourism Sector Investment

(b) Industrial Sector divergence

(c) Export Goods industries

(d) Cryptocurrency and digitization

(e) Renewable Energy / Minerals sector

Conclusion