

SWOT Analysis of Agriculture Sector of Pakistan

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Abstract

This paper aims to perform SWOT analysis of agriculture sector of Pakistan. Detail study has been carried out by qualitative questionnaires and conducting interviews with people belonging to this profession and living in different regions of Pakistan. It is found that agriculture sector is contributing a lot in GDP of Pakistan and there are many areas in which agriculture sector needs to grow and establish itself as a primary mean of development in Pakistan. By adopting the proposed solutions, agriculture sector can be developed significantly, its imports will decrease and exports will increase.

Keywords: SWOT Analysis, Farmers, Agriculture, Pakistan.

I. INTRODUCTION

Living of all human being is heavily dependent on agricultural products and its importance is going to increase day by day [1]. Pakistan is an agricultural country, so it is very much developed in this sector. It is the only mean of earning for 47% of the labor force of Pakistan. When Pakistan came into existence, it was contributing almost 50-51% in the GDP of Pakistan. But, at that time industry and service sectors were not prospered. Now these two sectors have flourished a lot but still agriculture is having a big share in the GDP of Pakistan i.e., 21% on average of last 10 years [2].

SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis is widely used technique in measuring the strategic position of any business [3], [4]. Results of SWOT analysis help in determining the future objectives and strategies on the basis of strengths and opportunities in the market. It is best way to measure the strong and weak areas and by focusing on them any business can excel in the marketplace. Aim of this paper is to perform SWOT analysis of agriculture sector of Pakistan. Questionnaires were distributed and interviews were conducted from the current farmers in Pakistan. It has been found that there are many areas in which agriculture sector needs to grow and establish itself as a primary mean of development in Pakistan.

II. METHODOLOGY

Questionnaires and Interviews were conducted from current farmers in Pakistan. A questionnaire, with 15 open ended questions, was floated and same questions were asked in the interviews. Sample size was of 60 farmers. As most of the farmer community in Pakistan is uneducated so with 45 farmers interviews were conducted and 15 farmers filled the questionnaire. Sample included both kind of farmers having less and more than 25 acres land. Moreover, sample was diversified in a way that few farmers were belonging to upper and some of them were from lower Punjab and 3 subjects were from Cholistan. Necessary measures were taken to validate the result. SPSS text analysis survey was used to measure the results.

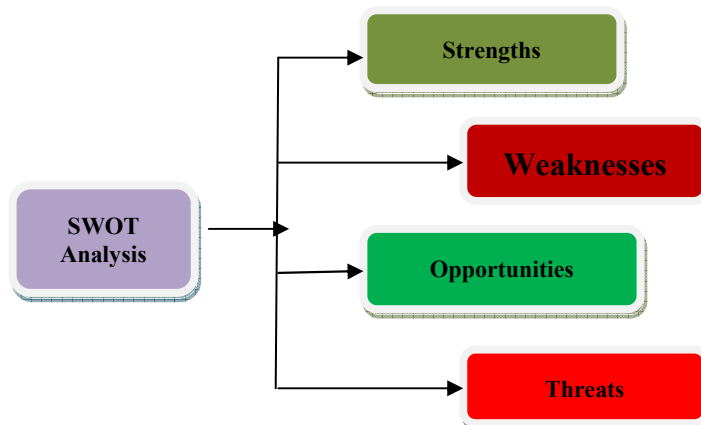


Figure.1 Theoretical framework of SWOT analysis

III. Findings

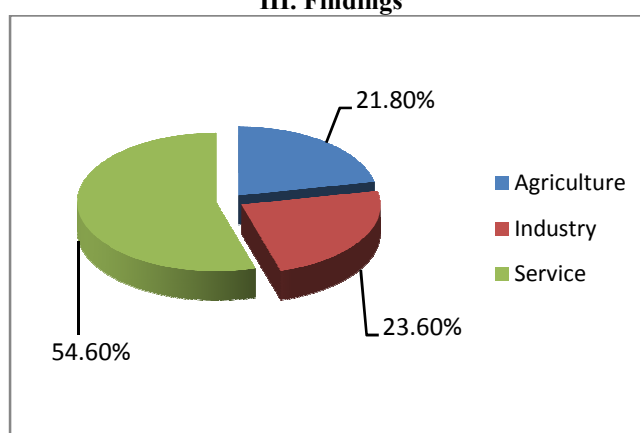


Figure. 2 Agricultural contribution in GDP of Pakistan in year 2013

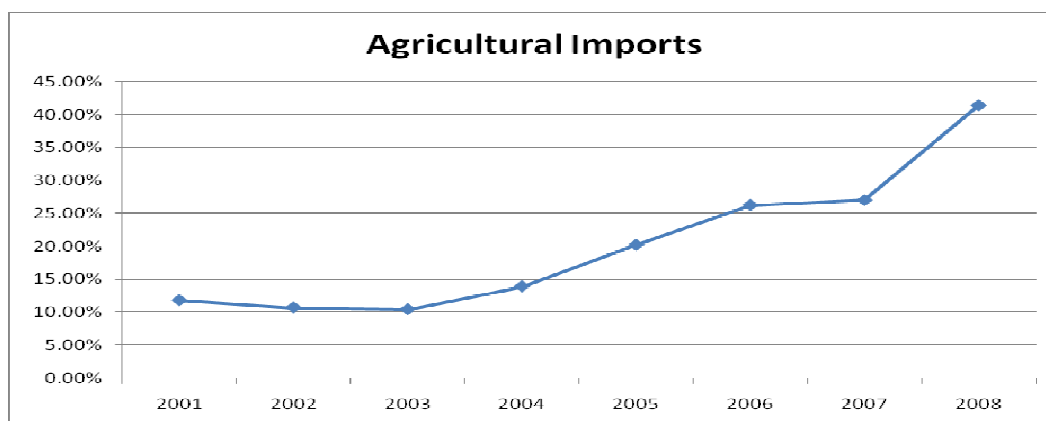


Figure. 3 Agricultural imports in Pakistan. (Source SBP)

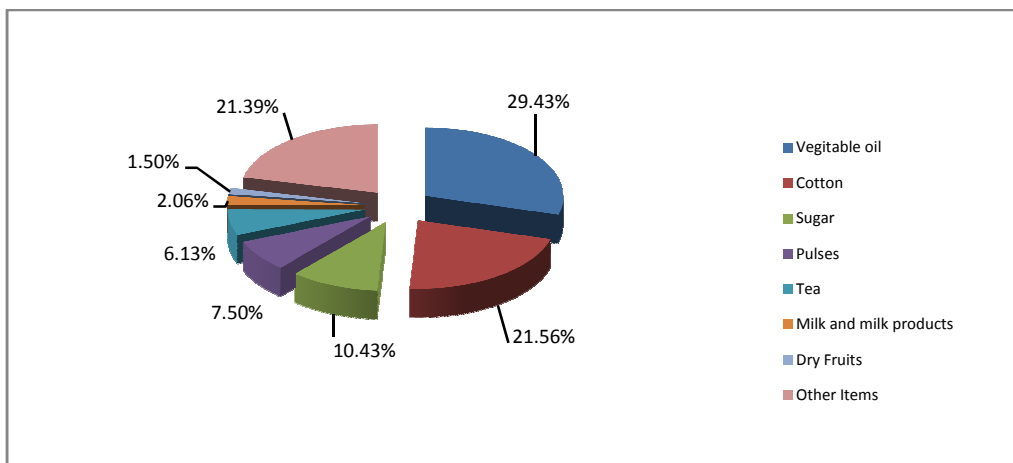


Figure. 4 Imports of agricultural items in Pakistan

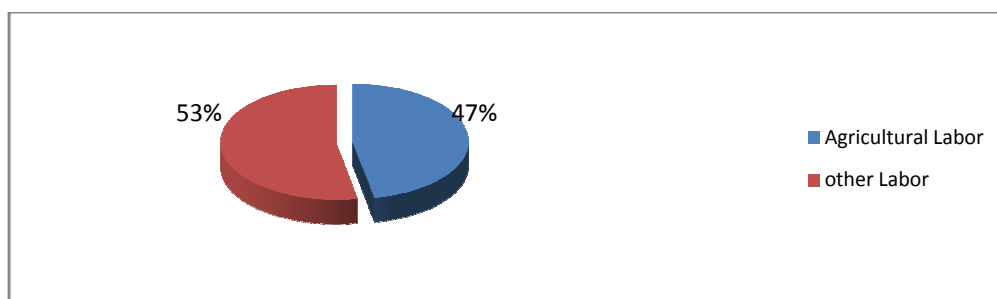


Figure. 5 Agricultural contribution in Labor Force

Category	Bar	Selection %
Cultivate whole land	<div style="width: 63.3%;"></div>	63.3
Lack of water	<div style="width: 20.0%;"></div>	20.0
Due to net loss	<div style="width: 13.3%;"></div>	13.3
Prices of inputs	<div style="width: 3.3%;"></div>	3.3

Figure. 6 Reasons for not cultivating land in Pakistan

Category	Bar	Selection %
Not educated	<div style="width: 60.0%;"></div>	60.0
Matric	<div style="width: 23.3%;"></div>	23.3
B.A	<div style="width: 6.7%;"></div>	6.7
B.Sc Agriculture	<div style="width: 6.7%;"></div>	6.7
MSc. Engineering	<div style="width: 3.3%;"></div>	3.3

Figure. 7 Education level of Farmers

60% farmers are not educated and only 40% are educated out of which 23.3% are having just qualification of Matric.

Category	Bar	Selection %
Satisfied with facilities		50.0
Political issues		6.7
Unfairness in Bank loans		40.0
Miss management		3.3
No Facility		36.7

Figure. 8 Problems in availing Govt. facilities

50% of farmers are satisfied with facilities provided by govt. like loans and 50% are not satisfied because there is unfairness and political influence in issuing the loans.

Category	Bar	Selection %
Availability is extensive		50.0
Not easily available		23.3
Price of Inputs		63.3

Figure. 9 Availability of Fertilizers & Pesticides and problems while purchasing

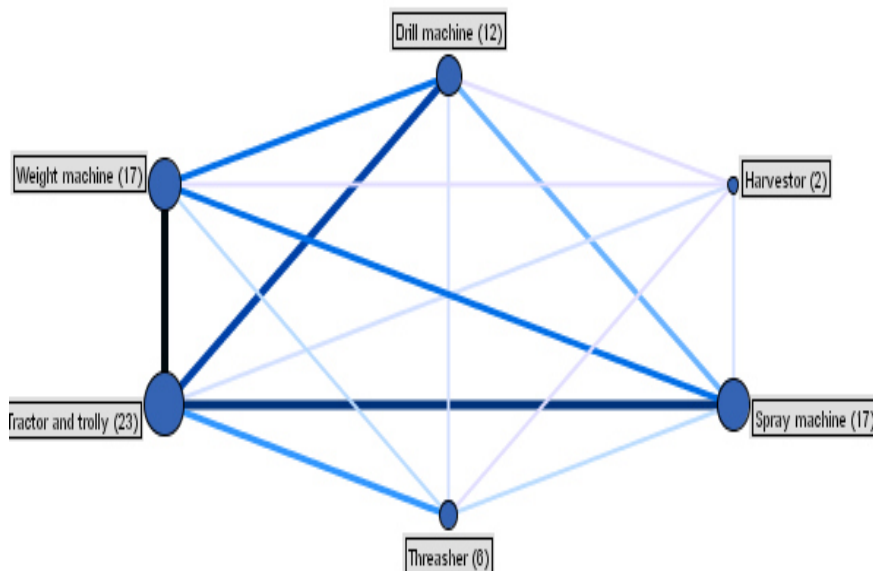


Figure. 10 Technologies that farmers are using

This web is showing the relationship between different technologies e.g., most of the farmers having tractor and trolley are also having spray machine and weight machines.

Category	Bar	Selection %
Yes		90.0
No		10.0

Figure. 11 Acceptance of new technology by farmers if provided

Category	Bar	Selection %
System of godowns		60.0
Govt. Purchasing system		50.0
No proper roads		23.3
Political Influence		6.7

Figure. 12 Problems faced by farmers while selling crops







Category	Bar	Selection %
Cotton		100.0
Wheat		100.0
Sugercane		33.3
Rice		20.0
Mango		3.3
Sunflower		3.3

Figure. 13 Agricultural items are being produced.





Category	Bar	Selection %
No hospital		56.7
No standard School		53.3
No good market		23.3
No post office		16.7

Figure. 14 Lack of facilities in Villages

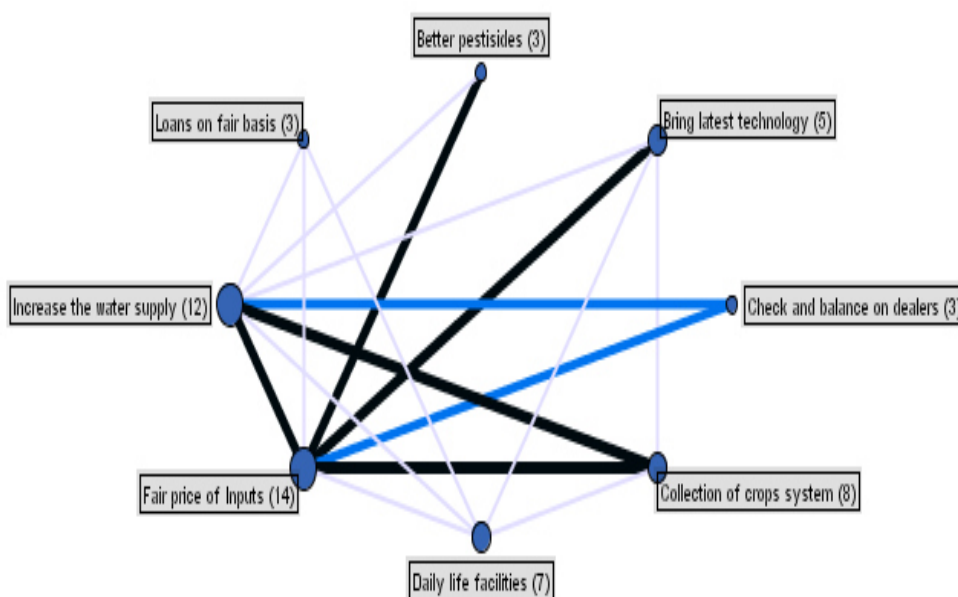


Figure. 15 Actions required from Govt. to promote Agriculture

IV. SWOT ANALYSIS

A. STRENGTHS:

- Agricultural land of Pakistan is 35% of the total land, which is its key strength [5]. Agricultural items can be produced in excess not only to meet the domestic need but also to increase the exports.
- Agriculture is contributing 21.8% in Pakistan's total GDP "Fig.2". Contribution of Punjab Province is very high in agriculture sector [6].
- Agriculture is the only source of income for huge population of Pakistan. 47% of the total labor force is attached to agriculture sector "Fig.5". People also like this profession and they are very loyal to it.
- Irrigation system of Pakistan is best irrigation system in the world, which is very much supportive to agriculture sector.
- Pakistan is blessed with all four weathers. So its weather is very helpful in increasing productivity of agricultural land.
- Pakistan is fourth largest producer of cotton, dates, mangoes and ninth largest producer of wheat in the world [7], [8].

B. WEAKNESSES:

- Pakistan is not providing required water supply to its farmers. Because of this, productivity of agricultural items is being reduced "Fig. 6".
- Pakistan is using old methods of cultivation and harvesting. Due to this, Pakistan is having low productivity per acre as compared to the other countries using new methods of cultivation. Average production per acre in Pakistan is 1/4th of the advanced states [9].

- Farmers in Pakistan are not educated enough, so they are not aware of new methods of cultivation emerging in the world “Fig. 7”.
- Govt. facilities like loans and subsidies are not being provided to the small farmers. There is mismanagement and also unfairness in this system. By using political influence only few farmers get these facilities and others do suffer because they don’t have source to get loans. So they have shortage of money to purchase inputs for cultivating their land “Fig. 8”.
- Farmers are also facing problems when they want to sell their crops. Govt. of Pakistan doesn’t purchase the crops on time. Roads are not proper to move the crops to godowns and market. System of godowns is also not good. Farmers have to stay many days outside the godowns to sell their crops specially wheat “Fig.12”.
- Prices of inputs for cultivation are very high in Pakistan and these are not available extensively “Fig. 9”.
- Villages in Pakistan are not having much daily life facilities like hospitals, standard schools, markets, post office “Fig. 14”. Due to lack of these facilities, farmers are not much educated and they have to move to the cities with their families for better future of their children, even they are very much loyal to their profession.

C. OPPORTUNITIES:

- Pakistan can introduce new technologies for agriculture sector to increase its productivity. Farmers are also willing to adopt if any new technology emerges and govt. train them for how to use that technology “Fig 11”.
- Water wastage in our country is very high because we use flood irrigation system. By introducing the drip irrigation, 50 to 60% of water wastage can be controlled [10]. Water deficiency faced by farmers will also be overcome “Fig. 6”.
- Rural areas are having only T.V and radio as a mean of communication. So, awareness among farmers can be created by increasing the programs related to new agricultural techniques through T.V and radio. These programs should be telecasted in regional languages [9].
- Govt. of Pakistan can promote the agriculture sector by providing daily life facilities like hospitals, schools and markets in the villages.
- Pakistan can produce edible oil locally. As it is a major portion of food items imported by Pakistan. Imports can be reduced by producing major imported food items locally according to the demand “Fig. 4”, [10].

D. THREATS:

- Currently no process is being used for soil erosion after harvesting. This is reducing the fertility of land which will lower the productivity in future [9].
- Due to urbanization people are moving towards cities. Sizes of cities are increasing and agricultural land is being reduced.
- New technology is emerging day by day in the world, but Pakistan is not taking any action to introduce agriculture related technology. By this, productivity per acre of agriculture sector in Pakistan will decrease as compared to other counties [9].
- In Pakistan, foreign companies of pesticides are having monopoly. These companies are having their own interests but not in Pakistani economy. So, they can set their prices as they want which are not affordable by farmers mostly [9].
- Pakistan is a good producer but still it is importing many agricultural items. It is due to the mismanagement and bad policies of govt. This is having bad impact on economy and discouraging the farmers.

V. CONCLUSION & RECOMMENDATIONS

Pakistan is an agricultural county and it is blessed with all four weathers. Agriculture sector is contributing 21.8% in the total GDP of Pakistan. A major portion of its labor force is also attached with this sector. But still Pakistan is importing some agricultural items from other countries. Major reasons are that farmers are facing problems like shortage of water supply, high input prices, their products are also not purchased on time even sometimes they have to store their crops to sell them in the next season. Farmers are also not educated enough to understand and adopt new methods of cultivation. Pakistan is also not taking serious actions to introduce new technology that can increase the productivity. Facilities are also not being provided to the small farmers.

- Govt. should introduce new technology to increase the productivity and should also train the farmers for that. Drip irrigation should be introduced to control the water wastage.
- New dams should be constructed to increase the water supply.
- Govt. should provide facilities like loans on fair bases and small farmers should also be focused. Govt. should also have check and balance on dealers of fertilizers and pesticides.
- Govt. should provide facilities like hospitals, schools, markets, to the villages. Standard education should be available in those schools to promote the education in farmers. By this farmers will be able to easily adopt new methods of cultivation.

- Govt. should improve its collection system of crops e.g., crops should be purchased on time specially wheat.
- Input prices should also be controlled and subsidies should be provided to the small farmers as well.
- Govt. should promote the production of those items which Pakistan is currently importing to meet the local demand of these items like edible oil, sugar etc. By this imports of Pakistan will be reduced.
- Govt. should create awareness among farmers by telecasting the programs related to agricultural techniques on T.V and radio.
- Govt. should develop good policies to promote agriculture sector and increase the exports of agricultural items.

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