

Abstract

Agricultural Production, Access to Land and Rural Poverty in Pakistan: A Quantitative Analysis

The agricultural sector of Pakistan has continued to perform satisfactorily with exceptions of certain bad years. Nonetheless, it has not benefited the large majority of the rural masses in order to improve their well-being because of extremely skewed distribution of productive assets and lack of access to financial and other supporting institutions. The linkages between rural poverty and agriculture production have not been explored so far.

The major objectives of this study would be the analysis of the link between poverty and agricultural production. The specific objectives are as follows:

- Undertaking the exploratory analysis of rural poverty and agriculture;
- Examining the poverty situation in different ecological zones of Pakistan and exploring the factors responsible for human deprivation;
- Estimating the production response functions at different levels of poverty scale as well as at the non-poor farmers' farms; and
- Based on the results of the study, policy prescriptions will be provided.

The main data source to be used in this study is the household level survey. This data was generated by the MIMAP project of the PIDE in two rounds of 'Pakistan Socio-economic Survey' (PSES). The round first was carried out in 1998-99, while the second round was completed in 2000-2001 after a gap of two years. This is the panel data set since household covered in the first round were revisited during the second round.

Rural poverty for different ecological zones will be estimated by applying the calorific approach based on household expenditure. Then the probit model will be used to analyze the determinants of poverty. The factors determining the poverty situation in various ecological zones have not been quantified so far.

For the analysis of objective four only farm households will be analyzed. To quantify the determinants of agricultural productivity at different poverty levels in Pakistan, we will use the primal production frontier technique.