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**Punjab School of Economics  
Guru Nanak Dev University  
AMRITSAR**

**RURAL DEVELOPMENT IN PUNJAB: A Success Story Going Astray** by Autar S Dhesi and Gurmail Singh (eds). Routledge, Taylor & Francis Group, New Delhi. 2008.

The book aims at encapsulating the rural development experience of Punjab. Although agriculture is the most predominant sub-sector in the rural economy, and even invariably referred to as the rural sector, the rural development implies much more than the transformation and development of the agriculture sector. The rural development also includes the promotion of non-farm activities, investment in social and physical infrastructure and social development. The book highlights that the development is a continuous process of change economic, technical and institutional that creates new opportunities as well as opens up new constraints and challenges. These ensuing issues, if unattended, may assume alarming proportions, gradually culminating in a serious crisis. This is exactly what Punjab is confronted with at present. The high growth of the agriculture sector in the 1970s and 1980s slowed down in the 1990s and even dipped further in the early years of this decade when even the farmer suicides in Punjab had become the frequent news. The book is an outcome of an international seminar organized by the Punjab Development Society in collaboration with the Indian Council of Social Science Research (ICSSR) in March 2004. This was the precise time when the agrarian crisis in Punjab was hovering around the peak. There are 28 articles grouped in 6 sections. The paper's writers are the brilliant 'who is who' in the development milieu of Punjab.

Section I deals with the process of Rural Development in general. Punjab has an exceptional success story of rural development in general and agricultural development in particular. The accelerated development of agriculture was the result of government policies, which affected the required institutional changes, infrastructure development, support for technology development and its adoption. The state was the first to complete the consolidation of the fragmented holdings, which provided the needed impetus for private capital

investment, particularly in irrigation and mechanization which helped in more intensive land use, increasing demand for labour and increasing wage rates. It is highlighted that the rapid development of Punjab's agriculture contributed to industrial activity mainly outside the state, by making cheap food, raw materials, savings and a growing market available to India's modern industrial sector. However, this linkage remained little attended to in Punjab itself where even the agro-based industries did not develop to the available potential. The rural development in Punjab, therefore, has come to facing a serious crisis mainly due to the states' over dependence on agriculture and further triggered by the shrinking holdings followed by the stagnating productivity. It is concluded that there is need for rationalizing agrarian structure, developing agriculture-industry linkages, focusing on knowledge based activities and promoting human and physical capital formation.

The other paper in this section dwells on six major issues in Punjab's rural economy conservation of water, soil and environment, viability of small farmers, improving productivity in lagging areas, neglect of rural education and sanitation and rural indebtedness. There is overinvestment in machinery and the farmers incomes are declining. The excessive dominance of the rice wheat system, which had been so vital to the national food security accrediting Punjab as the food basket of India, wherein the farm-yields have reached close to the technology potentials and thus have little further growth prospects along with the rising input costs with stagnating procurement prices when the food stocks were aplenty and the lack of off-farm employment opportunities became the hall-marks of the rural crisis. Besides exploring the technology potentials of agriculture for improving the rural incomes, it is concluded, that the policies need to facilitate the training of unviable farmers and rural labour in modern skills for absorption in the non-farm sectors.

Section II has seven papers dealing with various aspects of 'Agricultural Development and Challenges'. The agricultural growth rates have slowed down in the reform period (1990-91 to 1999-2000). To place it again on a high-growth projector on a sustainable

basis is a serious challenge; and there are too many issues discussed threadbare in the papers. The papers emphasize that there is need to prepare a long-term agricultural policy stipulating a vision and strategy for a long-term growth. The research and development efforts need to be enhanced through public-private partnership and focus on breaking the stagnation in productivity, conserving the natural resources, improving the farmers incomes and producing the globally competitive and quality products. There is also need to improve the feedback from the farmers to ensure better outcomes. The public research system itself also requires an internal paradigm shift that links funding to the performance of research providers, improves relevancy of research through participatory approaches and institutes a performance-based incentives and reward system. Another paper concludes that the Plan allocation for agriculture betray a serious neglect of the prime sector in Punjab. The supply-side policies like regulation of markets for some products such as wood to promote agro-forestry interventions to check collusive buyer's markets and opening the private markets especially for perishables like fruits and vegetables under the existing 'mandi board laws' need to be given due considerations. The efficiency of the contract farming system for providing the small farmers access to wider markets needs to be improved and credible regulatory mechanism needs to be put in place.

The depletion of groundwater has become a serious issue in Punjab agriculture. This has been extensively highlighted in some papers in Section II. There are 4 papers in Section III that exclusively deal with these issues in more detail. It is brought out that there is a substantial water deficit in the state; the demand far exceeding the annually available / renewable supply with the deficit being met by withdrawing the groundwater reserves, which have been built over the centuries. There is 34 % area in Central Punjab with water depth of more than 70 ft and it is projected that at the current rates of exploitation, it would reach 64 % in 2013 and 100 % in 2023; alarming indeed, some drama in exaggeration notwithstanding though, which basically arise from projecting the demand with the static parameters. But there is no exaggeration in that in order to maintain agricultural productivity on a long-term basis, there is need to reduce

groundwater withdrawal through crop diversification and improving the water use efficiency at a field scale as well as augmenting the recharging of groundwater. A water-policy document including the corrective actions to be initiated before the situation turns insoluble is suggested to be worked out. The integrated watershed development on the sub-mountainous region of the state involving the multidisciplinary approach including the programmes for the direct non-beneficiary families are suggested in another two papers

Agrarian economies need to develop right type of agro-industries for generating strong impulses for broad-based sustained growth. But the right type of agro-industries remains a big question for the investors and policy makers. Agro-industrial development is the theme of the Section IV and has 3 papers. Although Punjab had strong agro-processing base but like the agriculture sector, it also suffered sharp reverses during the 1990s. Food processing and textile industries are seen as the emerging core of the export sector in the post-2005 period. However, Punjab has failed to mobilize foreign direct investment (FDI) as only 0.7 per cent of FDI in India were invested in Punjab. There is need to create a proper investment climate in the state. The sugar industry in the State, particularly in the co-operative sector, suffers from too many ills. The time is ripe for a big leap for the dairy industry in Punjab. It is argued that the integrated development of agro-forestry and wood-based industries is a win-win situation for all sectors of the society and it requires too many policy initiatives and incentives. And above all the scope of bio-fuel industry needs to be exploited. Punjab produces surplus raw material for the agro-based industry but lags far behind in exploiting the available scope of value addition to its agricultural produce, be it in fruits, vegetables, food items, textiles and even the wood based industry.

Six papers in Section V deal with Human Resource Development. The adequate access to education, healthcare and livelihood opportunities for all sections of the society are necessary to ensure inclusive development. The human resource development should receive added emphasis to enable the people to avail the new opportunities and openings. However, the agricultural/ rural segments

of the society have remained at a disadvantage, which can be tilted only when the school level education improves in the government schools in the rural areas, where the children of the poor and rural populations get their education. The biases in the policies against the rural areas need to be corrected. Not only the public expenditure on education has been inadequate but it has also been unbalanced, and even more so in the rural areas, and this speaks of the lack of public commitment for improving the basic education in general in the rural sector.

The public expenditure on healthcare in rural areas has declined during the post-reform period. The rural healthcare in general is in a bad shape due to lack of funds, faulty planning and poor governance. The rural population in general and the poor in particular are at the mercy of unmonitored, unregulated private health services, dominated by quacks. The state must have its own health policy which should (i) raise the demand for 'improved health'; (ii) improve the quality of public health services; and (iii) control/monitor the ever-growing reliance on the private health sector in the rural areas.

The track record of Punjab, in respect of the population dynamics, compared with Kerala, shows its poor track record. Punjab has higher per capita income as compared with Kerala, but it lags behind in population control, gender equity and human resource development. The health indicators of child mortality, malnutrition of children and women, sex ratio and female literacy and access to public health services are way poorer than Kerala; and the rural-urban differentials are significantly in discrimination for the rural population. There is a need to initiate programmes to rejuvenate serious deceleration in the Punjab economy in general and agriculture rural economy in particular. The rural areas should be given top priority in various policies and programmes to provide equitable justice. The special programmes for the vulnerable poor in rural areas do help but there is lot scope for improvement in their implementation through institutional and procedural corrections. The individual - oriented beneficiary programmes were found to be more successful than the Self Help Groups (SHG) based schemes in

improving the well-being of the rural poor in Punjab. However, the study is based on one block only and thus the conclusion is overstretched; there are many parts of the state where the promotion of SHGs has also achieved significant improvements of the participants.

There are millions of Overseas Punjabis, mainly rooted in villages. They have the potential of infusing financial resources, technical know-how and modern attitudes. There is need to encourage to utilize this potential which can make a significant contribution to the development of Punjab's hinterland. Five papers in Section 6 dwell on these opportunities with practical examples and personal experiences. The contribution of Overseas Punjabis so far has been rather patchy, sporadic and episodic due to lack of: (i) appreciation of their potential to contribute -to development and (ii) requisite institutional mechanisms for channelising their contributions into planned social and economic investments. It is suggested that there is need for a policy initiative to encourage their interest in development abased on economic elements rather than purely cultural and emotional considerations. The current approach to harnessing social energy for development is to create long-term synergies between the overseas Punjabis and the formal and informal local institutions.

There is no doubt that the Punjabi diaspora has acted as an agent of modernization and has also facilitated the impact of globalization on the Punjabi society. Many social and economic institutions like educational institutions, hospitals and charities have benefited from the overseas remittances. The import of ideas, transfer of goods and new prospects of modern life has modified many a social norms and values. A study of two villages which adopted the modern technology of wastewater management with the support of the government and the NGOs showed that there was marked improvement in sanitation, public health and personal hygiene and had a positive impact on the perceptions of many surrounding villages communities. It is suggested that the social scientists need to prepare a comprehensive balance sheet of such impacts on the rural society. Equally important is the question of sustainability of the flow of the

financial resources for development and its maintenance. It is highlighted that the durable linkages built on network of social capital and trust is an important factor for this. It needs to be further rather entwined with the dynamism of social, economic and political factors and their interactions for the continuous flow of the resources in successfully mobilizing the diaspora built on transparency and accountability. It is also important to address the constraints of the non-residents in effectively meeting their aspirations towards contributions to the local residentialia.

The introductory chapter by the authors is a brief encapsulation of the Punjab's Development Exceptionalism and provides the abstracts of the articles in the book. The seminar was organized in 2004; as such the papers generally close at 2000, obviously limited by the availability of the facts and figures then. The book is published in 2008. Although a lot of initiatives and changes have taken place since then in the rural economy of the state, yet the issues remain the same to date and some having gone even in more deplorable shape, particularly in respect of education, health and human development indicators, and even more specifically for the rural population. The rural-urban gap is daunting; it does require immediate corrective actions for the long-term in a well planned and articulated fashion for which some hard decision will have to be taken with strong wills at the top level down to the masses level.

Although the papers might have been revised in the light of discussions at the seminar and included the emerging recommendations in the relevant papers; the salient recommendations should have been included as a brief chapter in the end. The book does provide a thorough probing of the major issues of the Punjab's agrarian rural economy and suggests policy responses and possible options for the next stage of development. The book is an interesting read.

Karam Singh