

Book Review

Agricultural Transformation in Nepal: Trends, Prospects, and Policy Options

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The 1974 Economics Nobel laureate Gunnar Myrdal stated “It is the agricultural sector that the battle for long-term economic development will be won or lost”. This assertion is still really applicable to the developing world where agriculture assists much to economic development. D.Gale Johnson, one of the world’s most eminent researchers of agricultural and development economics, viewed that agriculture contributes economic growth through (i) the release of labor for nonfarm employment ,(ii) the provision of an increased supply of food and fiber at constant or decreasing real prices,(iii) production of an export surplus as an important source of foreign exchange to pay for capital goods and technical services not available domestically, and (iv) savings to be invested in nonagricultural activities, either in rural or urban areas. These contributions can be realized only when there is increase in agricultural productivity.

Many economies of the world that have succeeded to bring green revolution in their agriculture sector have won the battle for long-term economic development; they have been able to produce sufficient agricultural output to feed their people and export. Still, there are economies in Africa, Latin America and Asia that have even now been struggling to transform their traditional subsistence and least commercialized agriculture sector to uplift the life of people living in the rural area.

Nepal, a South Asian developing economy, has been striving to transform its subsistence agriculture to a more professional and commercial farming for which it instituted organised effort through the launching of its first development plan nearly 64 years ago in 1956. Since then a number of policies have been formulated and implemented for improving the agriculture sector of the economy. Some achievements have definitely been made and many more is yet to be achieved. The editors of the book under review have done a good and timely job in bringing out several issues related to Nepal’s agriculture sector. The book provides a framework for sustainable and inclusive agricultural growth. It envelops a varied sort of issues and offers policy

options for the government and other stakeholders to deal with emerging challenges and to gain from new opportunities. It pulls lessons for Nepal from the experiences of other countries for instance India, Indonesia, Kenya, Malaysia, and South Africa.

The very first chapter contains brief introduction of the book and contributors of chapters. The rest of the book is split into five parts. Part I discusses macro-issues like structural transformation and growth, role of agriculture in poverty reduction, household food expenditure and dietary mixture, food inflation, and impact of climate change on Nepal's agriculture sector.

Part II focusses on agricultural productivity growth and its main drivers. It covers food demand system and projection, seed sector development, use of chemical fertilizers, agricultural mechanization, and agricultural research and extension system in Nepal. The third part delves into diversification in the agricultural and non-agricultural sector by farmers and other rural people for upgrading livelihood. The issues dealt with in this part are agricultural diversification, non-timber forest products and agro-forestry, and impact of migration and remittances on agriculture.

Part IV takes care of agricultural trade and marketing issues, highlighting policy implications and suggestions in the areas of urgent focus and further research. The major stuffs are trends, structure and drivers of Nepal's agricultural trade, agricultural marketing and high-value chains, agrarian relations, institutions, and land reforms in Nepal, agricultural credit and insurance in Nepal, and Nepal's changing government structure and implications for agricultural development.

Part V, the final slice of the book, addresses institutions and governance issues, which are essence for agricultural development. The editors in this chapter, summarize and synthesize the book's key findings and advance a policy outline for addressing many questions faced by Nepal's agricultural sector with the aim of making it more productive, competitive, sustainable, and inclusive.

In sum the book offers a plentiful source of analytical knowledge on diverse facets of agricultural development in Nepal. It will, undoubtedly, be of illustrious use to policymakers, development partners, civil society, academic circles, and others interested in agricultural development in Nepal and other developing countries which yet need to do a lot to win and not to lose the battle for long-term economic development.

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