

# Some Suggestions to Raise the Agricultural Productivity in Nepal

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Agriculture sector, though very crucial in the Nepalese economy is still lagging far behind in terms of productivity and even total production to cope up with the increasing population as well as the increasing imports. As such, it has yet not been able to increase the income level of the general people to fulfill the increasing basic human needs and at the same time this sector has to absorb the bulk of the increasing population due to lack of employment opportunities in other sectors. Keeping these things into consideration the following suggestions are proposed.

## APPROPRIATE PLANNING AND POLICIES

Up to now the plans and programs are formulated and designed on the basis of some regional distribution, equity and political consideration. Such considerations many time ignore the return from the programs and sometimes the return from the program becomes minimal and even the costs cannot be incurred. For example HYV seeds support and fertilizer subsidy programs in a low fertile and dry area will be of very little use, instead such programs in some fertile and appropriate areas will be more productive and it, however, can support even the unproductive areas. In other words agriculture development attempts should be made only in the areas where there is the potential for its development otherwise such efforts will be merely wastage of resources. Here what is emphasised is that regional distribution, equity and political consideration should be given least consideration rather development potential should be the prime factor for investment.

## COORDINATION BETWEEN DIFFERENT PROGRAMS

Nature of agriculture development in Nepal differs with the differences in the topography as well as climatic condition of different regions. As such the some sort of program in all the regions cannot be implemented for the growth of agriculture. This however, has been realised by the planning authorities also and consequently different form of agriculture development programs (e.g. cereal crop, horticulture and livestock) for different topographical regions are mentioned in the sixth plan. And it is also followed by the seventh plan. But the complementary programs for the success of such programs are lacking badly. For example horticulture development program in isolation in some remote area (e.g. Jumla) will be merely wastage of resources. Rather for the success of such programs some other related complementary programs are necessary. In this regard road transport development seems must for the

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success of such programs. Hence, coordination between different related programs is needed which in fact is lacking.

#### TRANSFORMATION OF SUBSISTENCE FARMING TO COMMERCIAL FARMING

Majority of the Nepalese farmers are subsistence farmers and as obvious subsistence farming is done by the traditional techniques. Growth in agriculture sector is possible only through transformation of subsistence farming to the commercial one in which the farmers grow crops even for the commercial purpose. However, for transformation of subsistence farmings into commercial farming the following measures seems necessary.

- (a) Maintenance of the size of farm to some minimum level which enables for the possibility of the use of inputs such as improved ploughs or small tractors. It, however makes it feasible for the investment in the small irrigation projects for the farm by its owners itself. And given the irrigation facility the mechanisation of the farm yields higher productivity.
- (b) Price incentive is another factor to increase the commercial farming as the Nepalese farmers are found to be price responsive (M.P. Upadhyay, 1982). But it should be kept in mind that the use of price support program by the government will be of little use as it is not a market solution and hence, the government cannot sustain such program for the long period. Moreover, sometimes it also becomes doubtful whether all the genuine farmers are benefitted by such incentive. The appropriate policy for such incentive would be export facility of agriculture products. There should not be any restriction on the export of agriculture products and only after that the farmers can get the genuine price for their products. This can be only the best price incentive to increase the agriculture products effectively.

#### INPUT SUPPLY

Since the establishment of Input Corporation in Nepal, the supply of major inputs such as High Yielding Varieties seeds and fertilizers are administered by this Corporation. Such inputs are highly subsidised as a consequence demand is excess to the supply. Due to this reason in many hill areas fertilizers are used for even minor crops by the influential people keeping it out of the reach of the genuine users. And at the sometime in Terai regions the open border and free confertibility of Indian currency many times helped for the smuggling of fertilizers to India as it becomes cheaper in Nepal due to heavy subsidies. Therefore, keeping those things into consideration input subsidy program and it's distribution by some central agency should be restudied seriously and if it is not found justifiable no hesitation should be felt to give this into the private sector.

## IRRIGATION

Nepalese agriculture is primarily depended on monsoon as all weather irrigation facility is very little. This factor is major impediment for multiple cropping. The development of irrigation facility has not increased up to the desired level and its development is also very slow. The government sets some sort of minimum target level for the provision of irrigation facilities to some extra cultivable land in each plan. But, however the achievement has been always not satisfactory. In this context in the areas where ground water irrigation is possible, the private sector can be given the right for the investment in some irrigation projects and to collect the charge for their services. For this the government can lend the fund. The private sector venture in this field can be of new experiment and once it is found to be successful more incentives can be given for such investment. Recently some incentives has been provided in this context. It should be further strengthened.

## EXPLORATION OF EXPORT MARKET FOR AGRICULTURAL PRODUCTS

Since agriculture is the backbone of Nepalese economy no one can deny for the need of agriculture products export promotion. As agriculture sector is contributing the major share in the total export till now, there should be some more exploration of its market. At present only paddy is given due importance for the export as our export region is mainly Indian sub-continent where rice is the major food. Very little importance is given for exploring the possibility of exporting other major cereal crop like wheat and cash crop like mustard and pulses. Some markets for this sort of crops should be explored and due information would be given to the potential exporters. This way give reasonable price for the farmers of such kind of products and may lead to increase in the production as well.

## INSTITUTIONAL REFORM

Tenancy is regarded as one of the important area of institutional reform undertaken by HMG/N. It can have positive impact on production, but it is not seemed satisfactory that "One of the important structural constraints on agriculture in developing countries is tenancy. ... There has been a substantial reduction in the content of tenancy over the decades. However, in the regions where this has happened, there has been no significant increase in yield and cropping intensity. This reduction has also resulted in greater inequality in the distribution of holdings without any positive impact on production. Land quality, rainfall and the ratio of economically active population to total holdings were found to be related to the content of tenancy, and especially fixed rent (Ramesh Bista, 1989). Therefore just tenancy ignoring other constraints have no positive impact on agriculture productivity.

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