

Chapter 3

Economic Development (Part-I)

Learning Outcomes:

The study of this chapter will enable the students to:

- discuss economic developments in Pakistan through decades.
- describe major metallic and non-metallic mineral resources of Pakistan, their economic values and distribution in Pakistan.
- explain the role of agriculture plays in the economy of Pakistan.
- point out the agricultural potential of Pakistan along with problems and measures for maximization of yield.
- discuss the water resources of Pakistan and the existing irrigation system.
- discuss the production and distribution of major crops, livestock and fishing.
- enumerate the pattern of modernization in agriculture.
- discuss the main problems associated with our agriculture.
- discuss the importance of industries in economic development.
- discuss briefly location and production of cottage, small and large scale industries.

1. Economic Development in Pakistan

At the time of Pakistan's independence in 1947, the country's economic sector was very weak. During the British rule, no major industries were setup in these areas. Lack of expertise and resources, poor administrative infrastructure etc. were the factors due to which Pakistan faced enormous economic challenges.

After the creation of Pakistan, steps were taken to bring reforms and development in all fields. Economic policies were chalked out in accordance with the available resources, which moved Pakistan forward on the way to economic prosperity.

a. First Five Year Plan (1955-60)

In July 1953, the Planning Board was setup to prepare a comprehensive plan for progress in the national economy. The board chalked out the first five year plan, 1955-60. The plan focused on raising the standard of living. Increasing exports was identified as solution for mitigating the balance of payment. The attention was focused on the sectors of housing, education, health and social welfare. As a result of implementation of this plan, the Gross National Product (GNP) registered 15% increase. Rapid industrial development was noticed as the result of establishment of Industrial Development Corporation. Warsak Dam was founded with the cooperation of Canada.

b. Second Five Year Plan (1960-65)

This plan was launched in 1960 and completed in 1965. In this plan, agriculture sector was given priority over the industrial sector. In order to improve the irrigation system, canals and dams were constructed on priority basis. The sectors of water and power, communication, education and manpower were also given special attention. The plan achieved more success than its assigned targets. The Gross National Product (GNP) increased by 38%, agricultural production by 27%, industrial production by 61% and exports by 1,980 million rupees.

c. Third Five Year Plan (1965-70)

This plan was chalked out in the light of past experience, but at the start of its operation India waged a war against Pakistan. In this situation, the Government of Pakistan had to change the priorities of the plan. A large portion of the fiscal resources was spent on defense of the country. Despite this emergent situation, some major projects, like Tarbela and Mangla Dams, were completed.

d. Fourth Five Year Plan (1970-75)

The main objectives of this plan were to speed up the pace of economic progress by exploiting all material and human resources, raise the per capita income, and eliminate unemployment. The plan was giving beneficial results, but due to the Indo-Pak war of 1971, it could not be fully implemented. Later, it was converted into just an annual development plan.

e. Fifth Five Year Plan (1975-80)

This plan started on 1st July, 1978. The main objectives of the plan were to provide basic needs to the people, increase employment opportunities and industrial development. The implementation of the plan resulted in increase of GNP by 6% and in industrial development by 9.7%. The Steel Mills, Karachi started production. Electricity was provided to 8,833 villages. The communication sector witnessed 20.2% increase. Due to increase in the use of fertilizer and mechanized farming, the food deficit changed into food surplus. The pace of progress became faster in the less developed areas of the country.

f. Sixth Five Year Plan (1983-88)

The sixth five year plan was launched from 1st July, 1983. The objective was a rapid and equally funded countrywide development so that the benefits of prosperity should be reached to the maximum number of people. The implementation of the plan resulted in increase in the generation of electricity by 13.6% and production of oil and gas by 11.8%. Electricity was provided to 16,525 villages and 1,803 basic health units were founded. The volume of exports increased by 11%.

g. Seventh Five Year Plan (1988-93)

The objectives of this plan included providing employment to educated youth, human resource development and provision of basic amenities to the people. The plan focused on the payment of foreign loans, private sector development and stability in the prices of commodities. The plan failed to achieve its targets. The budget deficit increased, however, investment in the private sector also increased.

h. Eighth Five Year Plan (1993-98)

This plan was aimed at uplifting the social and economic welfare of the people. The targets of the plan included creation of 62 lacs new jobs opportunities, increase in national saving and preparation of special development projects for the less developed areas and communities. The implementation of the plan resulted in 5.57% increase in agriculture production. A loan of Rs.37 billion was granted to the farmers as a whole and improved seeds were also distributed among them. However, industrial growth could not be increased due to load shedding.

i. Medium Term Development Plan (2005-10)

After completion of the 8th five year plan in June 1998, the succession of five year plans was halted due to the instability of government, nuclear test in 1998 and dismissal of Nawaz Sharif Government. However, the Planning Commission of Pakistan launched another five year plan for the period of 2005-10. The objectives of this plan were to create a just and stable economic system which should reduce poverty and provide equal opportunities for development all across the country.

The targets of this plan included the increase in exports and development in the sectors of energy, communication, education and public health. The government also devised a long term National Energy Security Plan till 2030. Its important points are as follow:

- (i) To explore new reserves of oil, gas and coal, and increase in their production.
- (ii) Maximum exploitation of the existing resources to reduce dependence on oil.
- (iii) Encouragement of private sector to invest in energy sector.

These steps of the government resulted in rapid development of Pakistan in agriculture and industrial sectors. At present, the share of agriculture is 19.2% in the country's GDP. Next to agriculture, industrial sector is important to our economy. In the period of Five Year Plans, whatever increase had been witnessed in our GDP, it is mainly by the industrial progress. Now we have been able to export many products and opportunities of employment also have been increased.

2. Sectors of Economy

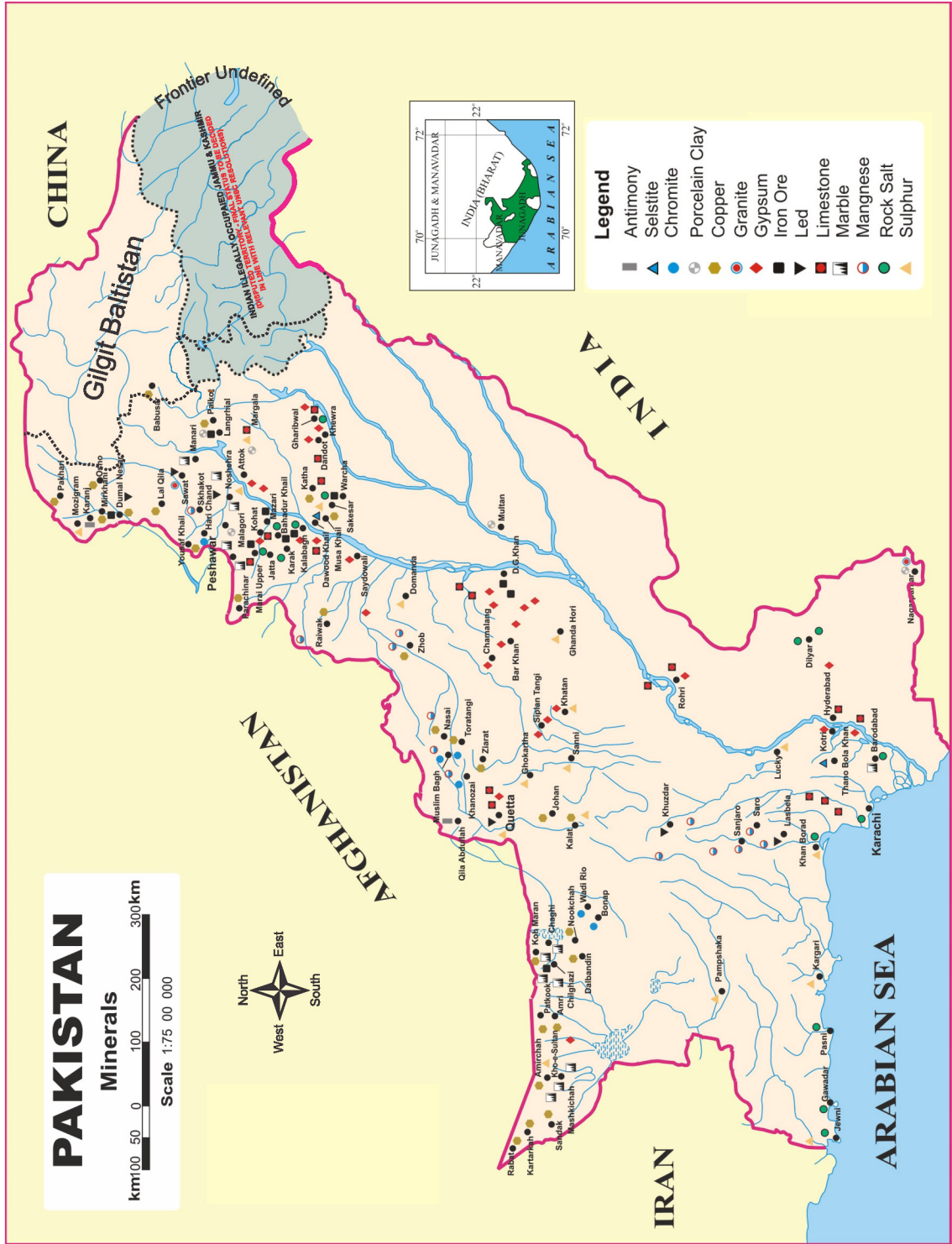
The system of producing wealth (cash, commodity, energy etc), its distribution and exchange is known as economy. There are three basic sectors of economy:

- a) Primary Sector:** In this sector, natural raw materials are obtained. For example, mining, agriculture, fisheries, etc.
- b) Secondary Sector:** Activities of this type are termed as “manufacturing”.
- c) Tertiary Sector:** This sector encompasses all activities related to the transportation and exchange of goods and services. For example, trade, transport and bank services etc.

In the following lines, some important activities from all the three sectors have been discussed:

i. Mining

Pakistan is rich in mineral resources. Upto 1947, only a few mineral deposits were explored in the country. But now by the efforts of Geological Survey of Pakistan (GSP), Pakistan Mineral Development Corporation (PMDC) and foreign companies, etc. the country's mineral resources are being fully exploited. The share of minerals in



Source: Basic map derived from the Survey of Pakistan's atlas for Islamic Republic of Pakistan.

our GDP (Gross Domestic Production) is 2.83%.

Minerals are of two types:

- a) **Basic Minerals:-** These are the minerals from which new products are made after putting them through a process. Their own material existence in the industrial process is not eliminated like coal and oil.
- b) **Power Minerals:-** These are the minerals which lose their entity after being used as fuel in industries or machines. Coal, petroleum, gas and radioactive elements (e.g. uranium, plutonium) are power minerals. The power minerals will be discussed in detail in the following chapter. In this chapter, only basic minerals are being discussed.

A. **Basic Minerals:**

These have two sub types; 1) metallic minerals, and 2) non-metallic minerals.

1. **Metallic Minerals**

- i) **Chromite:** Chromium is extracted from chromite, which is used in making steel from iron and photographic equipment. It is found in Muslimbagh, Chaghi and Kharan areas of Balochistan; and in Malakand and Muhmand Agencies of Khyber Pakhtunkhwa. Pakistan is self-sufficient in chromite production, rather exports it. In Pakistan the first metallurgical industry was setup in 2006-07, in which the ores of gold, silver and copper are transformed into pure form. Likewise, Sandak and Rekodik are important sites in Balochistan, where from some precious minerals are extracted.
- ii) **Iron Ore:** Iron is found in raw form, called “iron ore”. Pakistan has huge deposits of iron ore but some of these are in inaccessible areas from where it is difficult to be obtained. Its largest deposits have been found in Sakesar and Kalabagh areas of Punjab Province. In Khyber Pakhtunkhwa, it is found at Langarhyal, Galdanin, Domal Nesar and Abbotabad areas, while in Balochistan, at Kalat, **Mangochar, Chilghazi, Nokundi, Khuzdar and Ziarat areas.**
- iii) **Copper:** Copper is a precious metal. Electric current can easily pass through it, therefore, power cables are made of it. Its large

deposits have been found at Sandak, Rekodik and Amorie areas of Balochistan Province.

- iv) Gold and Silver:** These metals are mostly used in jewellery. In the copper mines of Sandak and Rekodik areas, the minerals of gold and silver are also found.

2. Non-Metallic Minerals

- i) Rock Salt:** Salt is used in food and as a preservative in certain items. It is also used in production of various chemical products, such as baking soda and caustic soda. The Khewrha Mines of Salt Range are famous and the oldest. In Punjab Province, salt mines also exist at Warhcha (Khushab District) and Kalabagh areas. In many areas of Karak District of Khyber Pakhtunkhwa, glass like transparent salt is found, which is exposed on surface like ordinary rocks.
- ii) Limestone:** Limestone is called calcium carbonate. It is mainly used in the production of lime, bleaching powder, glass and cement. There are huge deposits of limestone in the Salt Range and Margala Hills. It is also found at Harnai in Balochistan, and at Makli, Kot Deji and Manghopir Hills in Sindh.
- iii) Gypsum:** Gypsum is used in the industry of cement, sculpturing, rubber, fertilizer and paper. Its deposits are found at Karak District of Khyber Pakhtunkhwa; Mianwali, Jhelum, Dera Ghazi Khan Districts and Khewrha area of Punjab Province; and Quetta and Sibi Districts of Balochistan.
- iv) Sulphur:** Acid is extracted from sulphur, which has great significance in chemical industry. Sulphur is used in pharmaceutical industry, and for making explosives, paints, fertilizers and matches. Its deposits are found at Koh-e-Sultan (District Chaghi) and Sanni Shoran areas of Balochistan Province.
- v) Marble:** Marble of different colours is found in Pakistan. Chaghi District of Balochistan, Nowshera, Mardan, Swat Districts and Khyber Agency of Khyber Pakhtunkhwa, Attok District

of Punjab, and Azad Kashmir contain huge deposits of marble. Marble of Malagori area in Khyber Agency is considered to be the best in the world. There are about 1200 million tonne identified deposits of marble in Pakistan. We export it in great quantity.

vi) Gemstones: Gemstones are used in jewellery. A number of gemstones are found in Pakistan, like emerald, sapphire, topaz, ruby etc.

3. Agriculture

The practice or science of growing crops is called agriculture. It is Man's oldest occupation. People associated with farming often rear some animals.

I. Importance of Agriculture

Pakistan is a developing country. Its economy is heavily dependent on agriculture. Approximately 55% of Pakistan's population is directly or indirectly associated with agriculture. Approximately 19.2% of our GDP comes from agriculture. Most of the industrial units in Pakistan use raw material coming from agricultural sector. Major crops of our country include food grains and cash crops. The food grains are wheat, rice, gram, corn, millet, sorghum, pulses, oil seeds etc. Some industrial units use the food grains as raw material. These crops fulfill the country's food requirements. The cash crops include cotton, sugarcane, tobacco, jute etc., which are used as raw material in many industrial units and are exported as well. The process of modernization of agriculture in Pakistan keeps going on. Pakistan's irrigation system is quite extensive and modern. In the areas where canal system does not exist, irrigation is done through hill torrents, springs and wells/tubewells.

II. Agricultural Constraints and Reforms

a) Constraints

Allah has bestowed upon Pakistan a variety of climate and fertile soil. Our country is located in that part of the world where all major seasons prevail. This is why our lands produce a large variety of crops and vegetables. The total land area of Pakistan is 47% out of which 20% is rainfed, while 80% is irrigated. Irrigation means to supply crops with water through artificial means (i.e. means other than direct natural rain). Pakistan's population has been rapidly increasing since independence. With the increase in population, demand for food also increases. In Pakistan per acre yield is very low as compare to many other countries of the world. The decreasing fertility of

soil, waterlogging and salinity, use of traditional farming methods and substandard seeds, dry climate, inadequate means of irrigation, crops diseases, lack of education and training in farmers etc. are some of the factors that are responsible for low yield.

b) Reforms

To enhance the productivity of land the following measures are being taken:

i) Use of Chemical Fertilizer

Today only those types of crops are preferred to be cultivated whose per acre yield is high. But such crops require greater feed which the chemical fertilizer only can provide. In Pakistan during 2017-18 the production of chemical fertilizers was 6 million metric tonne. 0.1 million metric tonne was imported also. Owing to the importance of chemical fertilizer, the government gives subsidy in its price to the farmers. For the purchase of fertilizer, the agricultural banks also provide loans at low rate of interest.

ii) Use of Machinery

In Pakistan farming is mostly done by using traditional methods. Ploughing, sowing and threshing by animals, harvesting with hand sickle etc. are what we call “traditional methods of farming”. These methods do not help cultivate lands on a large scale. Besides, these cause huge loss to the harvest as well. These problems can be solved by using modern machinery. Presently, the use of tractor is common. In addition to ploughing it can also help in sowing, harvesting and threshing if special machinery is attached to it. The government encourages the use of modern agricultural machinery by reducing import taxes on it.



Wheat harvesting by modern machinery

iii) Use of Agricultural Medicines

Like animals, plants also have certain diseases. It is estimated that diseases and insects cause 20% loss to crops yield. Now the farmers in Pakistan are using pesticides and insecticides despite the fact that they are poisonous and cause harm to human health. It is essential to cultivate such types of crops which

have strong resistance power against diseases.

iv) Use of Improved Seeds

Improved seeds show resistance against diseases and give high yield. To improve seeds, an organization has been established that operates laboratories at about 17 areas of different climates all over the country. Seed corporations are also active in this regard in all provinces. Moreover, international companies are also providing improved seeds.

4. Water Resources and Irrigation System

In most areas of Pakistan, the climate is dry. About 80% of rain is received in midsummer. Sometimes the rain cause floods and instead of bounty, becomes a calamity. And other times, the rain is unreliable and insufficient. That is why the rainfed agriculture in Pakistan is not successful.

Pakistan is a country which has vast mountain ranges. One of advantages of these ranges is that they keep rainwater confined in narrow river beds which can be dammed easily. Through mediation of the World Bank, Pakistan and India signed the Indus Basin Treaty in 1960. According to the treaty, India got full rights over water of the three eastern rivers, namely Bias, Sutlej and Ravi; Pakistan got rights over the water of Indus and its two tributary rivers, namely Jhelum and Chenab. Pakistan has made the world's best irrigation system by building several dams and barrages on its rivers. Tarbela, Mangla and Warsak Dams are Pakistan's largest dams. Besides, there are many small dams as well. On Indus River, from Kalabagh down to its delta, five barrages have been constructed at different points. These are Jinnah Barrage, Chashma Barrage, Taunsa Barrage, Guddu Barrage and Kotri or Sukkur Barrage. A few barrages are also constructed on Jhelum and Chenab rivers. Among the recently accomplished irrigation projects are Bhasha, Gomalzam, Mirani and Satpara dams.

It is easy to develop canal network in plain areas. In contrast, developing an extensive canal system in rough mountainous and plateau terrains is very difficult. There are four means of irrigation in Pakistan:

- | | |
|----------------------------------|-------------------|
| i) Canals | ii) Wells |
| iii) Natural springs and karezes | iv) Hill torrents |

i) Canals

Our canal irrigation system is one of the best and vast systems of the world. Canals carry the water out from dams, barrages and headworks downwards to the fields. There are three types of canals in Pakistan:

- a) Perennial Canals:-** These are the canals in which water flows throughout the year, i.e. during the seasons of both Rabi and Kharif crops. Examples of these are Upper Chenab Canal, Lower Chenab Canal, Sidhnai Canal and Badian Canal etc.
- b) Seasonal Canals:-** These canals flow only in rainy season or at the time of floods.
- c) Link Canals:-** These are not meant to irrigate fields, rather are used to link up one river with another or a canal with another canal. Examples of these are Marala-Ravi Canal, Qadirabad-Baloki Canal and Baloki-Sulemanki Canal etc.

ii) Wells

Groundwater is obtained by digging wells. They are of two types:

- a) Dugwells,** which are dug into earth in the form of broad ditches. Water from a well is lifted by a Persian Wheel or a motor-pipe system.
- b) Tubewells,** commonly called borings, which are installed in narrow bore holes deep in earth. Later, filter tubes (pipes) are inserted into the boreholes. From tubewells water can be pumped out by surface mounted or submersible pumps.

In places where canal system is unavailable or their water supply is insufficient, wells serve the purpose of irrigation. Experts suggest that irrigation through wells or tubewells proves more productive than through canals because the wells or tubewells remain under control of farmers who use them right up to their needs. However, wells/tubewells are a costly means of irrigation as compare to canals.

iii) Natural Springs and Karezes

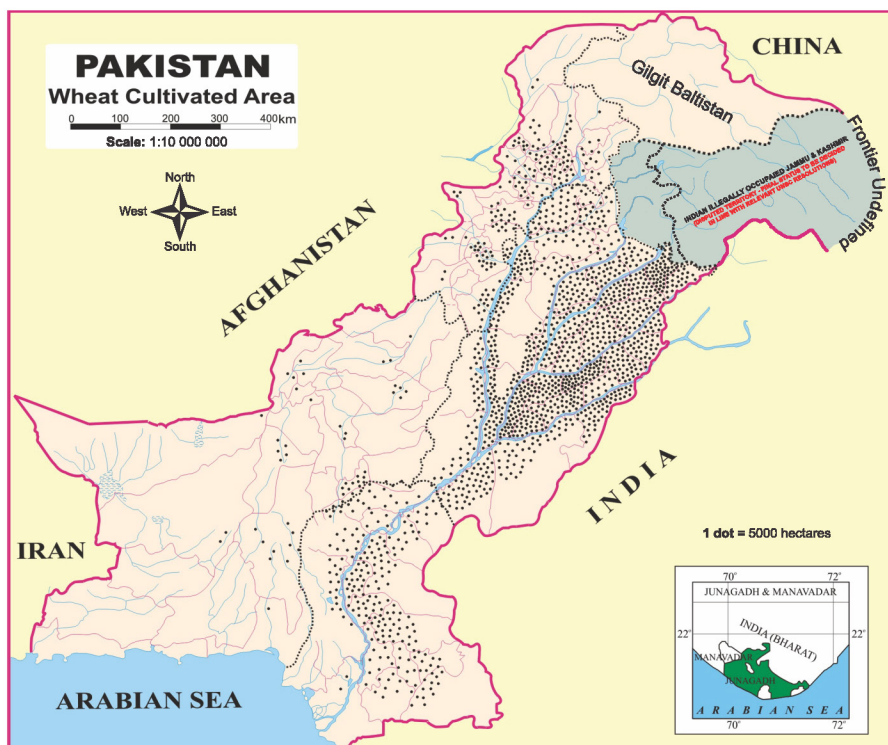
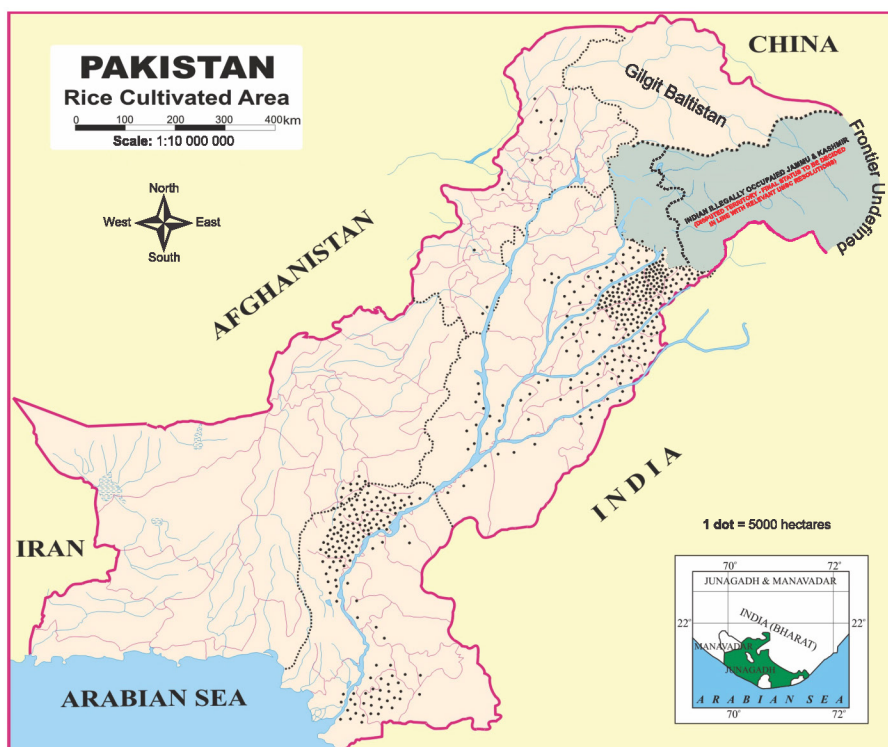
Water saturated layers of earth exist underground just like the blood vessels in a body. During the process of erosion in mountain valleys, wherever a saturated layer is



Source: Basic map derived from the Survey of Pakistan's atlas for Islamic Republic of Pakistan.

exposed the water begins to flow out like blood oozing from a body. The point from where groundwater gushes out is called “natural spring”. Springs can be artificial also, which are called “Karez” in Balochistan.

Karez system is centuries old in Balochistan. For digging a karez, the first step is to dig few wells in a row at certain distance in the foothills, called “mother wells”. Then, all the mother wells are joined by digging a tunnel running through them. Finally, the cumulative water of all the mother wells is conveyed to the valley by an underground canal provided with openings to earth's surface at regular distances for light and aeration. Unless the mother wells dry out, a karez keeps flowing like a spring. The people use it for irrigation and for other needs. In most areas of Balochistan, karezes have dried out but in some parts, like Zhob, Loralai, Pishin, Quetta and Mastung Districts, a few are still functioning.



Source: Basic maps derived from the Survey of Pakistan's atlas for Islamic Republic of Pakistan.

iv) Hill Torrents

When it rains, the water from hill slopes accumulates to form rushing streams. As the rain stops, the rushing streams gradually dry out therefore, they are called hill torrents. People block the torrents coming from the nearby mountains by constructing dikes to divert the water to agricultural fields. Water floods the fields one after another as it flows downslope. The dikes are constructed collectively by stakeholders. This method of irrigation is popular in the hilly and rainfed areas of Pakistan. Whether fields are cultivated or not this method is used for the enhancement of soil moisture.

5. Crops

Pakistan has two basic cropping seasons:

i) Rabi Season and ii) Kharif Season. The crops cultivated in Rabi Season are called “Rabi Crops” and those cultivated in Kharif Season are called “Kharif Crops”.

i) Rabi Crops

These are generally cultivated in October and harvested in April. They include barley, gram, oil seeds and wheat. In wheat production, the Indus Plains have a lead over the rest of Pakistan. Wheat is cultivated on 75% of under cultivation area in Punjab. In Sindh, wheat is cultivated on a large scale. In Khyber Pakhtunkhwa and Balochistan, wheat is cultivated in small plain areas.



Wheat harvesting by traditional method

ii) Kharif Crops

Kharif crops are grown from April to October. They include cotton, millet, sorghum, corn, sugarcane and rice. Pakistani rice is considered one of the best varieties in the world. Its cultivation requires hot and humid climate. Climate of the northeast districts of Punjab Sialkot, Sheikhopura and Gujranwala is very suitable for its cultivation. Rice of this region is of high quality; hence most of its production is exported. Rice is also cultivated in Okara, Jhang, Narowal, Hafizabad, etc. Naseerabad and Jaferabad Districts of Balochistan and Dera Ismail Khan District of Khyber Pakhtunkhwa have a good share in rice cultivation. Cotton is another major crop of Pakistan. It is largely cultivated in the Indus Plains, including Dera Ghazi Khan,

Multan, Khanewal and Bahawalpur Districts of Punjab Province, and the interior districts of Sindh Province. Cotton is also grown in Dera Ismail Khan, Mardan and Peshawar Districts of Khyber Pakhtunkhwa and Loralai and Lasbela Districts of Balochistan.

6. Livestock

Most of the farmers keep few livestock but such little animal husbandry comes under the fold of agriculture. If a large number of cattle, termed as “herd”, is reared as an occupation then it is called “herding”. Herding is common in areas where modern social changes have not occurred yet. Cattle are used for freighting and farming in these areas. Estimates show that about 60% of arable land in Pakistan is used as meadows. Mostly cows, buffaloes, sheep, goats and camels are reared in Pakistan. Punjab leads the other provinces in livestock production. Cholistan Desert of Bahawalpur Division is very suitable for this occupation. It is obvious from the table given below that the number of cattle has been continuously increasing in Pakistan.



Cattle herd

Livestock population in Pakistan (in millions)					
Cattle	1976	1986	1996	2006	2018 (Estimated)
Buffalo	10.6	15.7	20.3	27.3	38.8
Cow/Ox	14.9	17.5	20.4	29.6	46.1
Goat	21.7	29.9	41.2	53.8	74.1
Sheep	18.9	23.3	23.5	26.5	30.5
Camel	0.8	1.0	0.8	0.9	1.1
Horse	0.4	0.4	0.3	0.3	0.4

Sources: (1) Livestock Census Division, Pakistan. (2) Ministry of Food Security and Research, Pakistan

7. Fishing

Although fishing adds only 0.4 percent to the GDP of Pakistan but there are lacs of people engaged in this occupation. Pakistan has two sources of fishing:

- i) Sea
- ii) Rivers

i) Sea Fishing

Sea fishing is practised in the coastal belts of Sindh and Balochistan Provinces. The coast of Sindh has a lead over Balochistan's coast in fish yield, because the River Indus carries along a lot of fish towards the sea. In open sea, fishing is done through large modern ships. The bulk of our fish catch is exported.

ii) River Fishing

This kind of fishing is carried out in rivers, dams, natural lakes, canals and ponds. The amount of fish catch in the rivers and lakes of Sindh is larger than those of Punjab Province. River Indus is the biggest source of fishing in Sindh. Besides, Lake Manchher, Lake Kinchher and Chotyari Dam (Sangarh) are also famous sites for fishing. In addition to rivers and lakes, a good amount of fish is obtained from Mangla Dam and Chashma Barrage in Punjab Province as well. In Khyber Pakhtunkhwa, fish is caught from Tarbela Dam, Warsak Dam, Tanda Dam (Kohat) and Baran Dam (Bannu). Fish farming is also in practice in Pakistan. People build their private fish farms, where better varieties are produced.

8. Modern Agriculture

About 43.7% of Pakistan's labour force is engaged in agriculture. Despite this, the actual problem with Pakistan's agriculture is its low productivity. That is, because of various constraints, the productivity potential of Pakistan's agriculture is lower than the developed countries. The Government of Pakistan has taken many steps to increase the agricultural productivity. For increasing mechanized farming, it has granted incentives for indigenously manufacturing the agricultural machinery. Presently, there are three tractor manufacturing factories in the country. The Agricultural Development Bank is granting soft loans to farmers for purchase of fertilizer and tractors. The use of good quality seeds is imperative for increasing productivity. The responsibility of production and distribution of seeds is entrusted upon the Agricultural Development Corporation. There are four government organizations working for supply of seeds. Besides, there are many private companies preparing quality seeds. For testing the quality of seeds, government has established laboratories in different parts of the country.

A number of dam and canal construction projects are underway in various localities in order to increase the water supply for irrigation purposes. There are two departments in the country which purchase crops directly from farmers on the fixed rates. These departments are: Agricultural Marketing and Storage Limited, and Pakistan Agricultural Storage and Services Corporation. Apart from these, the Utility Stores Corporation also purchases crops directly from the farmers.

The Government has been paying due attention to agricultural research. For that purpose, Agriculture Research Farms, Agriculture Universities and Colleges and Agriculture Research Councils have been established, where research projects are conducted on seeds culturing and crop diseases.

9. Agricultural Problems

A large segment of Pakistan's population is associated with agriculture, yet we are not self-sufficient in many staple crops. The following problems are responsible for this deficiency:

- ◆ Majority of our farmers are illiterate, whereas education is very significant in this profession. An educated farmer can better understand the right time of cultivation, the right amount of irrigation, the use of suitable fertilizer and pesticides and the use of modern agricultural machinery.
- ◆ Most of the farmers are poor. They can spare little from their crops income of one season to invest in the crops of next season, hence the chances of getting good yield are minimal.
- ◆ The use of modern technology is rare. Neither the farmers know how to use it nor can they afford to buy.
- ◆ Agricultural land ratio per farmer has reduced due to its fragmentation under inheritance rules. This scenario puts big hurdle in the application of modern agricultural techniques.
- ◆ The political instability is also one of the major reasons. The powerful countries can export easily to international markets whatever surplus they produce, whereas our farmers find it impossible to have access to international markets. They feel worried for access to markets, especially in the case of fast perishing products.

10. Industries

Next to agriculture, industry is the other most important sector of our economy. The economic progress of our country depends upon the progress in this sector. It shall help to:

- i. increase the job opportunities
- ii. increase the volume of exports
- iii. increase the reserves of foreign exchange
- iv. stabilize and broaden the bases of economy
- v. export the agricultural production in value added (manufactured) form instead of raw form

Agricultural development is linked to industrial development, because this is industry which provides the agricultural equipments, fertilizers, pesticides / insecticides, transportation vehicles and the machinery for value addition in the raw agricultural products. Therefore, taking steps for industrial development is necessary.

The industry of Pakistan may be classified into three types:

a) Cottage Industry

This is set up in homes and markets in small simple buildings and is mostly run with muscle power. The workers buy raw material from the local markets and sell finished goods to the same. Tailoring, embroidery, black smithy, carpentry and shoe making etc. fall in the category of cottage industry. A flour mill or a bakery also comes under this fold.

There may be hardly any village or

city in Pakistan where there is no cottage industry compatible to the local culture. Wood work, iron work, jewellery work, carpet weaving, furniture making, cane work in baskets, furniture and cradles etc. are the examples of cottage industry. Moreover, clay pots, glass, bangles, firework, toys, decoration pieces etc. are the products of this type of industry. Advancement in the means of communication has helped introduce our cottage products to the international



Cloth weaving by hand loom

market. Now, foreign tourists take keen interest in these. The government has established expo centers in several cities from where the tourists purchase items of their interest.

b) Small Industry

There are several parameters to differentiate between small and large industry, e.g. the amount of capital invested, the number of employees, and the nature of energy being used etc. The latest definition of small industry on the basis of investment is: “an industry where capital investment ranges from 10 million to 100 million”. In such industries the number of employees is small. The factories of sports goods, surgical equipments, medicines and carpets etc. fall in the category of small industry. Most of the private sector industry in Pakistan is small industry. They are the major employers of the country's workforce.

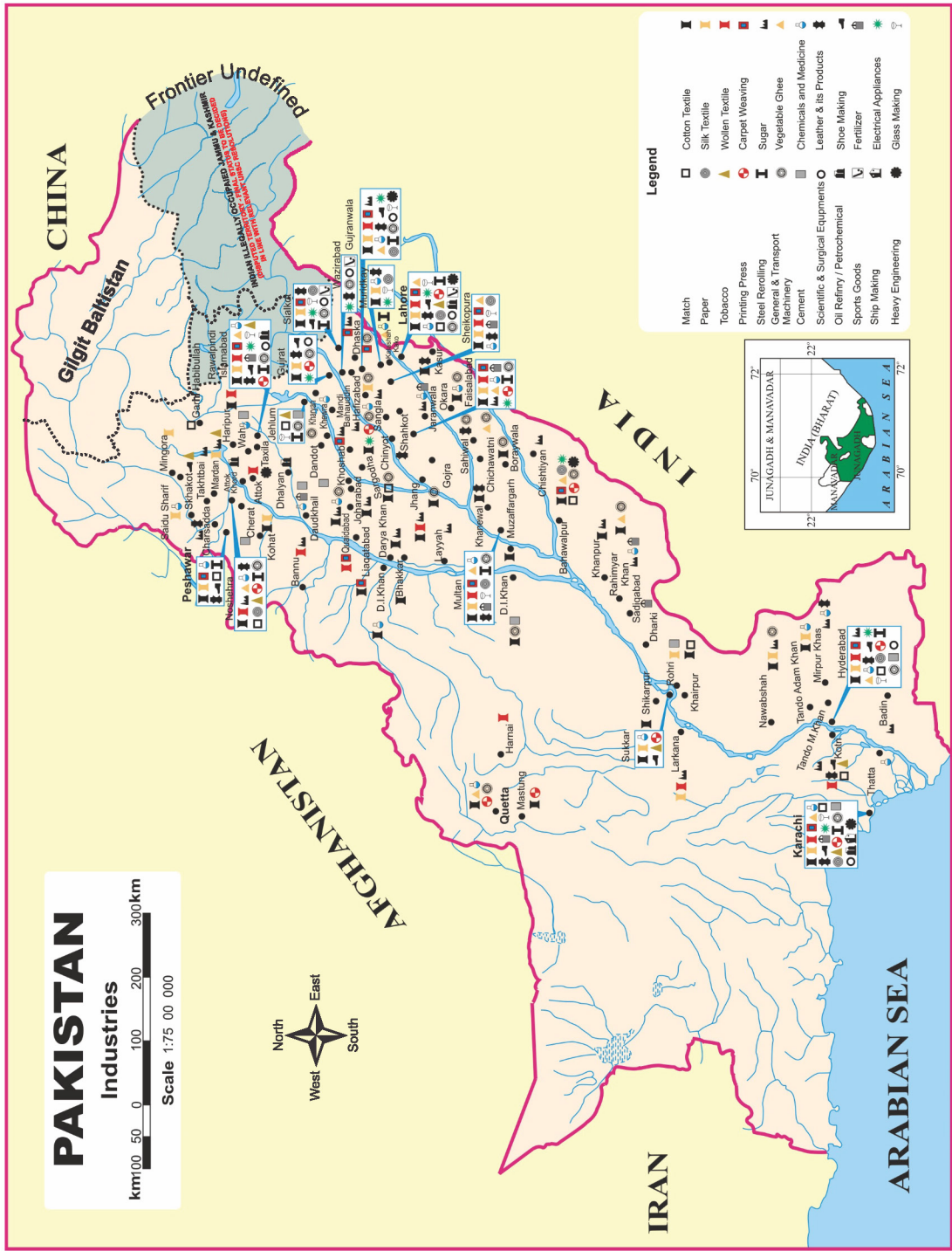
This type of industry is very common in Lahore, Gujranwala, Faisalabad and Sialkot etc. In the suburbs of almost every big city of the country, industrial zones have been delimited where small industry is the most common. This type of industry faces many hurdles in our country. The government must pay attention to this issue so that employment opportunities could be enhanced and our raw material could be turned into finished products and thus bring in reasonable income.

c) Large Industry

It is the industry in which capital investment exceeds the limit of Rs. 100 million. In any such industry the number of employment is quite large. This type of industry is rapidly growing in our country. The big textile mills, mechanical complexes, sugar mills, fertilizer factories, cement factories, iron and steel mills, oil refineries, etc. fall in this category of industries. Karachi, Lahore, Faisalabad, Multan and Sialkot etc. are famous for having large industrial units.



Inside view of Pakistan Steel Mills, Karachi



Source: Basic map derived from the Survey of Pakistan's atlas for Islamic Republic of Pakistan.

Exercise

Q.1. Fill in the blanks.

- i. In 1947, when Pakistan was created, the country's base was very weak.
- ii. Mining is one of the activities of economy.
- iii. Food, clothing and shelter are of a human being.
- iv. In Salt Range, the salt mines of are well known and the oldest in Pakistan.
- v. Pakistan has the vast system in the world.

Q.2. Give short answers to the following questions.

- i. Where are the largest and famous copper mines of Pakistan located?
- ii. Differentiate between the basic minerals and power minerals.
- iii. What is a karez?
- iv. Which crops are called the Rabi and the Kharif crops?
- v. Give examples of cottage industry.

Q.3. Give detailed answers to the following questions.

- i. Describe the agricultural problems of Pakistan and the measures taken for their prevention.
- ii. Highlight the types and regional distribution of industries of Pakistan.

ACTIVITIES

- i) Arrange a study tour for the students to some small and large industrial units in the nearby city.
- ii) Take the students on a field trip to the nearest mining area for observation.