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Kurosaki, Takashi

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### Long-term Agricultural Growth and Crop Shifts in India and Pakistan \*

#### Takashi Kurosaki<sup>s</sup>

Institute of Economic Research, Hitotsubashi University

#### Abstract

Based on a production dataset that corresponds to the current borders of India and Pakistan for the period c.1900-2000 and a district-level dataset from West Punjab for a similar period, this paper investigates the performance of agriculture in these regions. The growth records of agricultural production and shifts in crop mix indices show that changes in aggregate land productivity can be associated structurally with inter-crop and inter-district reallocations of land use. In the studied regions, cropping patterns of subsistence agriculture changed substantially, with a rising concentration of crop acreage in districts with higher productivity and shifts to more lucrative crops. These changes reflected comparative advantage and contributed to the improvement of aggregate land productivity. The crop concentration indices were at their highest levels in the early 2000s both in India and in Pakistan, showing the effects of agricultural liberalization policies and farmers' response to these policies.

#### 1. Introduction

Agriculture plays an important role in economic development, through the provision of food to the nation, enlargement of exports, transfer of manpower to nonagricultural sectors, contribution to capital formation, and securing of markets for industrialization (Johnston and Mellor, 1961, pp. 571-581). Improving agricultural productivity is crucial for the realization of each of these roles. Historical records show that agricultural productivity has increased thanks to the introduction of modern technologies, the commercialization of agriculture, capital deepening, factor shifts from agriculture to nonagricultural sectors, etc. This overall process can be called "agricultural transformation," and the contribution of each of the factors has been quantified in the existing literature (Timmer, 1988). The traditional approach to quantification is through growth accounting, estimating the total factor productivity (TFP) as a residual after controlling for factor inputs (Timmer, 1988; Hayami and Ruttan, 1985).

As a complement to the TFP approach, this paper focuses on the role of resource reallo-

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<sup>&</sup>lt;sup>§</sup> Institute of Economic Research, Hitotsubashi University, 2-1 Naka, Kunitachi, Tokyo 186-8603 JAPAN. Phone: 81-42-580-8363; Fax.: 81-42-580-8333. E-mail: kurosaki@ier.hit-u.ac.jp.

cation within agriculture — across crops and across regions.<sup>1</sup> Unlike in manufacturing industries, the spatial allocation of land is critically important in agriculture due to high transaction costs including transportation costs (Takayama and Judge, 1971; Baulch, 1997). Because of this, farmers may optimally choose a crop mix that *does not* maximize expected profits evaluated at market prices but *does* maximize expected profits evaluated at farm-gate prices after adjusting for transaction costs (Omamo, 1998a; 1998b). In the growth accounting framework, a similar phenomenon is more often interpreted as a disequilibrium. If all producers do not choose activities based on the principle of comparative advantage, there is room for growth by reallocating resources in a way closer to the maximization of profits. In this case, output can increase without technological or price changes, yielding a so-called "disequilibrium" effect in the literature on inter-sectoral factor reallocation (Syrquin, 1984; 1988). Subjective equilibrium models for agricultural households provide other reasons for the divergence of decision prices by farmers from market prices. In the absence of labor markets, households need to be self-sufficient in farm labor (de Janvry et al., 1991). Also, farmers may consider production and consumption risk or the domestic needs of their families if insurance markets are incomplete (Kurosaki and Fafchamps, 2002). In these cases, their production choices can be expressed as a subjective equilibrium evaluated at household-level shadow prices.

During the initial phase of agricultural transformation, therefore, it is likely that the extent of diversification will be similar at the country level and the more micro levels because, given the lack of well-developed agricultural produce markets, farmers have to grow the crops they want to consume themselves (Timmer, 1997). As rural markets develop, however, the discrepancy between the market price of a commodity and the decision price at the farm level is reduced. In other words, the development of rural markets is a process which allows farmers to adopt production choices that reflect their comparative advantages more closely, and thus contributes to productivity improvement at the aggregate level evaluated at common, market prices. Therefore, the effect of crop shifts on productivity growth is a useful indicator of market development in developing countries.

With this motivation, Kurosaki (1999) and Kurosaki (2002) investigated the performance of agriculture in India and Pakistan for the period c.1900-2000, and found that it is associated with changes in cropping patterns. Kurosaki (2003) formally presented an accounting methodology, focusing on crop shifts, and empirically applied it to the case of West Punjab, which roughly corresponds to the area of Pakistan Punjab today, over a similar period. This paper combines the empirical findings of these papers with updated estimates for India and Pakistan. Datasets are newly compiled by the author, using government statistics. These regions are ideal for the objective of this paper, since they have experienced rapid agricultural production growth during this period and extensive statistics are available, although, on a global scale, the absolute income level of farmers still remains at the level of low-income countries.

The paper is organized as follows. The data used in the analysis are explained briefly in the next section. Section 3 presents empirical results using country-level data for India and Pakistan. The use of a very long time series corresponding to the current borders of India and

<sup>&</sup>lt;sup>1</sup> Existing studies with motivations similar to this paper's include Huffman and Evenson (2001), who demonstrate the importance of crop specialization for productivity growth in U.S. agriculture, Sonobe and Otsuka (2001), who quantify the role of subsectoral resource reallocation in productivity growth in Taiwanese manufacturing industries, and Timmer and Szirmai (2000), who investigate the effects of labor shifts across the subsectors of manufacturing on labor productivity in Asia. This paper differs from those studies in that resource reallocation over space is explicitly investigated.

Pakistan distinguishes this paper from existing studies on South Asian agriculture.<sup>2</sup> The analysis in Section 4 is more disaggregated, using district-level data for West Punjab. Through these two sections, the effects of crop shifts on agricultural growth are quantified. Findings and policy implications of the investigation are summarized in Section 5.

#### 2. Data

This paper employs an updated version of the country-level dataset compiled by the author for India and Pakistan (Kurosaki, 1999; 2002), covering a period from 1901/02 to 2003/04.<sup>3</sup> The inclusion of the late 1990s and early 2000s distinguishes this paper from previous studies (Kurosaki, 1999; 2002). The country-level data cover a geographic area corresponding to the current international borders of India and Pakistan. In 1947, what had been the Indian Empire under British rule was partitioned into India and Pakistan. The data compilation procedure for the colonial period is explained by Kurosaki (1999). Data on the areas that are currently in Pakistan and Bangladesh were subtracted from the database compiled by Sivasubramonian (1960, 1997). Information included in the district-level data in *Season and Crop Reports* from Punjab, Sind (or Bombay-Sind), the North-West Frontier Province, and Bengal was utilized in this exercise.

Using the same sources of information, district-level data were also compiled by the author (Kurosaki, 2003). By combining them with post-independence data from government statistics, balanced panel data for fifteen districts covering a period from 1901/02 to 1991/92 were constructed for West Punjab (the area corresponding to the major part of Pakistan Punjab after independence and the western half of the British Province of Punjab during the colonial period).<sup>4</sup>

Because historical data on agriculture are less detailed than current ones, it is not possible to compile production statistics for several crops. Therefore, this paper focuses on the production of principal crops that are important in contemporary India and Pakistan, and for which detailed data on production and prices are available from the British period. For India, eighteen crops are included: foodgrains (rice, wheat, barley, jowar (sorghum), bajra (pearl millet), maize, ragi (finger millet), and gram (chickpea)), oilseeds (linseed, sesamum, rapeseed & mustard, and groundnut), and other crops (sugarcane, tea, coffee, tobacco, cotton, and jute & mesta). These crops currently account for more than two thirds of the total output value from the crop sector and more than half of the total output from agriculture, and their contribution was higher in the colonial period. For Pakistan and West Punjab, twelve major crops are covered: foodgrains (rice, wheat, barley, jowar, bajra, maize, and gram), rapeseed & mustard, sesamum, sugarcane, tobacco, and cotton. These crops currently account for about 70% of value-added of all crops in Pakistan and about 40% of value-added of agriculture, and their share, similarly, was higher in the colonial period.

The gross output values of these crops are aggregated using 1960 prices and shown in

<sup>&</sup>lt;sup>2</sup> See references in Kurosaki (1999) for existing works.

<sup>&</sup>lt;sup>3</sup> In this paper, "2003/04" refers to the agricultural year in India and Pakistan beginning on July 1, 2003 and ending on June 30, 2004. In figures with limited space, it is shown as "2004."

<sup>&</sup>lt;sup>4</sup> This area accounted for approximately 90% of farmland in Pakistan Punjab in 1980/81. The 15 districts are Attock, D.G. Khan, Gujranwala, Gujrat, Jhang, Jhelum, Lahore, Lyallpur, Mianwali, Montgomery, Multan, Muzaffargarh, Rawalpindi, Shahpur, and Sialkot. For details of the adjustment for changes in district boundaries to make each district time-invariant throughout the study period, see Kurosaki (2003).

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the Appendix Table. Ideally, the sum of the value-added evaluated at current prices and then deflated using a price index would be a better measure, but the sum of gross output values at constant prices is used as a proxy due to the absence of reliable data on input prices and quantities before independence. The results reported in this paper are insensitive to the choice of base year (1938/39 and 1980/81)<sup>5</sup>. The gross output value thus compiled is denoted by Q. As measures for partial productivity, Q is divided by L (the official population estimates of India and Pakistan) or by A (the sum of the acreage under the twelve or eighteen crops).

#### 3. Agricultural Productivity and Crop Mix in India and Pakistan: Update

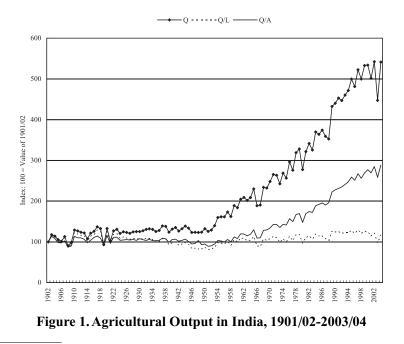
Using the dataset described above, the tables and figures reported in Kurosaki (1999, 2002) are updated. Since the data revisions for the earlier periods are minor, the discussion in this section focuses on the latest decade. Specifically, we investigate whether trends in agricultural productivity and the crop mix have changed during the 1990s and early 2000s.

#### 3.1 Productivity

Growth performance in Indian agriculture is plotted in Figure 1. Table 1 shows statistical results quantifying the level of the growth rate, its significance, and its variability. To smooth out short-term fluctuations, a time series model for  $Y_t$  is estimated as

(1) 
$$\ln Y_t = a_0 + a_1 t + u_t$$
,

where t is measured in years and  $u_t$  is an i.i.d. error term. Equation (1) is estimated for the logarithm of Q, Q/L, and Q/A, by the ordinary least squares (OLS) method for each decade and



<sup>&</sup>lt;sup>5</sup> Misra and Rao (2003) reported that the agricultural growth rate in the 1990s was comparable to that in the 1980s if based on 1993/94 prices but lower than that in the 1980s if based on 1980/81 prices. Investigation using relative prices in the 1990s is left for further study.

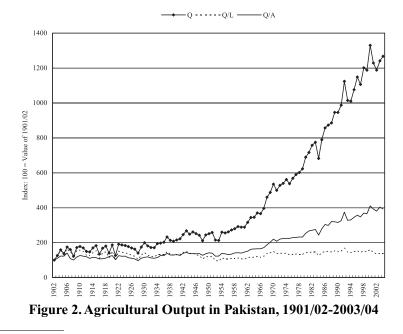
	Q (Total outp	out value)	Q/L (Output pe	er capita)	Q/A (Output p	er acre)	
Period	Growth rate	Coeff.var.	Growth rate	Coeff.var.	Growth rate	Coeff.var.	
1901/02 - 1910/11	1.04%	11.8%	0.39%	11.8%	-0.26%	9.8%	
1911/12 - 1920/21	-0.88%	13.0%	-0.97%	13.0%	-0.40%	8.0%	
1921/22 - 1930/31	-0.08%	2.6%	-1.09% ***	2.6%	-0.41%	2.4%	
1931/32 - 1940/41	0.24%	4.0%	-1.16% **	4.0%	0.10%	3.0%	
1941/42 - 1950/51	-0.53%	4.2%	-1.78% ***	4.2%	-1.45% **	4.0%	
1951/52 - 1960/61	4.24% ***	5.1%	2.28% ***	5.1%	2.34% ***	4.2%	
1961/62 - 1970/71	2.53% **	8.8%	0.32%	8.8%	1.89% **	7.2%	
1971/72 - 1980/81	2.62% **	7.1%	0.41%	7.1%	2.12% ***	5.6%	
1981/82 - 1990/91	3.21% ***	6.2%	1.07%	6.2%	3.23% ***	3.7%	
1991/92 - 2000/01	1.68% ***	3.5%	-0.27%	3.5%	1.62% ***	2.4%	
1901/02 - 1946/47	0.48% ***	8.5%	-0.34% ***	9.6%	-0.01%	6.3%	
1947/48 - 2003/04	2.72% ***	7.5%	0.60% ***	7.6%	2.19% ***	6.3%	

**Table 1: Growth Performance of Indian Agriculture** 

Source: Kurosaki (1999) and update estimates by the author.

Note: "Growth rate" provides a parameter estimate for the slope of the log of Q (or Q/L or Q/A) on a time trend, estimated by OLS (see equation (1)). The parameter estimate is statistically significant at 1% \*\*\*, 5% \*\*, or 10% \* (two sided t-test). "Coeff.var" shows the coefficient of variation approximated by the standard error of the OLS regression.

then for the periods before and after independence. The first column of Table 1 gives coefficient estimates for  $a_1$  (the exponential growth rate). The total output value (Q) grew very little in the period before independence in 1947 and then grew steadily afterward. The growth rate in the 1990s was 1.7%, a rate lower than the post-independence average of 2.7%<sup>6</sup>. The column for "Variability" shows the level of variability of the output around the fitted values in terms



<sup>&</sup>lt;sup>6</sup> Our measure of output growth in the 1990s is an underestimate for the total crop sector because growth in non-traditional crops such as vegetables or horticultural crops was one of the main factors of growth in this period (Chand, 1999; 2004).

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	Q (Total outp	out value)	Q/L (Output pe	er capita)	Q/A (Output p	ber acre)
Period	Growth rate	Coeff.var.	Growth rate	Coeff.var.	Growth rate	Coeff.var.
1901/02 - 1910/11	4.32% **	15.1%	2.75%	15.1%	0.99%	10.9%
1911/12 - 1920/21	-0.33%	14.6%	-1.18%	14.6%	-0.19%	6.6%
1921/22 - 1930/31	-0.64%	10.3%	-1.73%	10.3%	-1.15%	7.4%
1931/32 - 1940/41	2.81% ***	5.8%	0.97%	5.8%	1.86% **	5.1%
1941/42 - 1950/51	0.05%	6.7%	-2.92% ***	6.7%	-0.19%	3.4%
1951/52 - 1960/61	3.44% ***	5.2%	1.00%	5.2%	1.66% ***	3.3%
1961/62 - 1970/71	5.85% ***	5.2%	2.99% ***	5.2%	3.93% ***	4.5%
1971/72 - 1980/81	3.24% ***	3.7%	0.09%	3.7%	1.75% ***	3.3%
1981/82 - 1990/91	3.50% ***	5.2%	0.85%	5.2%	2.65% ***	5.3%
1991/92 - 2000/01	2.30% ***	5.3%	-0.35%	5.3%	1.61% **	5.5%
1901/02 - 1946/47	1.30% ***	12.8%	-0.03%	11.9%	0.38% ***	8.6%
1947/48 - 2003/04	3.48% ***	8.2%	0.68% ***	7.7%	2.30% ***	6.4%

Table 2: Growth Performance of Pakistan Agriculture

Source and notes: See Table 1.

of the coefficient of variation. The 1990s were associated with less variability. In the 1990s, output per capita (Q/L) did not grow while output per acre (Q/A) grew at a rate similar to that of Q. In other words, the source of growth in the 1990s in India was exclusively an improvement in aggregate land productivity.

Similar changes were observed in Pakistan but with higher growth rates throughout the period (Figure 2, Table 2). The growth rate of Q before independence in 1947 was smaller than the post-independence period but was still statistically significant at 1.3%. In the 1990s, the growth rate declined to 2.3% against the post-independence average of 3.5%, but its level was still higher than that of India. Unlike in India, the variability of Q was similar to the previous periods and the source of growth was not only an improvement in aggregate land productivity but also an expansion of total farmed acreage. The growth rate of output per acre (Q/A) in the 1990s was positive and significant but smaller than that of Q.

#### 3.2 Crop Mix

An important aspect of agricultural transformation is changes in crop composition and specialization (Timmer, 1997). Even when there is no change in the land productivity of individual crops in each location, aggregate land productivity can grow through spatial shifts of crops reflecting the development of more efficient rural markets (Kurosaki, 2003). The spatial shifts are the result of farmers' attempts to diversify their farming activities towards non-traditional, high value-added crops such as fruits and vegetables and towards livestock activities (Chand, 1999).

To capture long-term changes in the crop mix, the Herfindahl Index of crop acreage was calculated. Let  $S_i$  be the share of crop *i* in the sum of the principal crops covered in this paper, in terms of acreage. Then the Herfindahl Index is defined as

$$(2) H \equiv \Sigma_i S_i^2,$$

which can be intuitively understood as the probability of hitting the same crop when two points are randomly chosen from all the land under consideration. Therefore, a higher H implies a greater concentration of acreage into a smaller number of crops.

As shown in Figure 3, the post-independence period was associated with increasing H

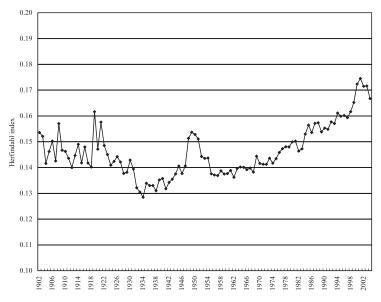


Figure 3. Crop Concentration in India, 1901/02-2003/04

over time in India. In the 1990s, this trend was accelerated. The level of concentration seems to have reached a plateau in the early 2000s.

To investigate whether these changes in crop mix were consistent with those indicated by comparative advantage and market development, changes in aggregate land productivity were decomposed into crop yield effects, static inter-crop shift effects, and dynamic inter-crop shift effects (Kurosaki, 2003). Let  $Y_t$  denote per-acre output in year t, i.e., Q/A plotted in Figures 1 and 2. Its growth rate from period 0 to period t can be decomposed as

(3) 
$$(Y_t - Y_0)/Y_0 = \left[\sum_{i} S_{i0}(Y_{it} - Y_{i0}) + \sum_{i} (S_{it} - S_{i0})Y_{i0} + \sum_{i} (S_{it} - S_{i0})(Y_{it} - Y_{i0})\right]/Y_0,$$

Table 3: Contribution of	<b>Crops Shifts to</b>	Land Productivity	Growth in India

	Annural	growth rates of	land productivity	Coi	Contribution share (%)			
Period	Pure yield effects	Static shift effects	Dynamic shift effects	Total	Pure yield effects	Static shift effects	Dynamic shift effects	
1901/02 - 1911/12	0.90	0.00	-0.04	0.85	105.1	-0.1	-5.1	
1911/12 - 1921/22	-0.35	-0.07	0.26	-0.17	209.5	43.8	-153.3	
1921/22 - 1931/32	-0.34	0.14	0.05	-0.14	234.6	-97.2	-37.4	
1931/32 - 1941/42	-0.36	0.30	-0.06	-0.12	290.9	-239.7	48.8	
1941/42 - 1951/52	-1.48	0.30	-0.01	-1.20	124.0	-25.1	1.1	
1951/52 - 1961/62	2.76	0.14	-0.01	2.89	95.3	5.0	-0.3	
1961/62 - 1971/72	1.55	0.15	0.20	1.90	81.6	8.0	10.3	
1971/72 - 1981/82	1.83	0.35	0.09	2.28	80.6	15.4	4.0	
1981/82 - 1991/92	3.10	0.44	0.14	3.68	84.2	12.1	3.7	
1991/92 - 2001/02	0.87	0.59	0.06	1.51	57.5	38.7	3.7	
1901/02 - 1947/48	-0.24	-0.05	0.23	-0.06	423.5	82.2	-405.7	
1947/48 - 2003/04	2.79	0.21	0.63	3.63	76.8	5.8	17.4	

Source: Kurosaki (2002) and update estimates by the author.

Note: Annual growth rates were estimated using the method explained in the text (see equation (3)). Since both the estimate model and the data treatment for smoothing are different, the total growth rates of land productivity in this table are slightly different from those shown in Table 1.

where the subscript *i* denotes each crop so that  $Y_{ii}$  stands for per-acre output of crop *i* in year *t*. The first term of equation (3) captures the contribution from the productivity growth of individual crops. The second term shows "static" crop shift effects, as it becomes more positive when the area under crops whose yields were initially high increases in relative terms. The third term shows "dynamic" crop shift effects, as it becomes more positive when the area under dynamic crops (i.e., crops whose yields are improving) increases relative to the area under non-dynamic crops.

The results of the decomposition for India are reported in Table 3. Throughout the postindependence period, there were substantial contributions from both static and dynamic crop shift effects. More interestingly, during the 1990s, the growth due to improvements in crop yields was reduced compared to the 1980s while the growth due to static crop shifts was higher. As a result, the relative contribution of static shift effects was as high as 39% in the 1990s. This is the highest figure among the post-independence decades. Therefore, it can be concluded that the changes in crop mix in the 1990s (the decade of economic liberalization in India) were indeed consistent with the comparative advantages of Indian agriculture so that the aggregate land productivity was improved.

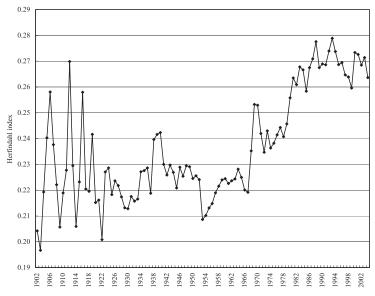


Figure 4. Crop Concentration in Pakistan, 1901/02-2003/04

In contrast, the crop concentration index in Pakistan did not accelerate in the 1990s (Figure 4). Rather it remained at the high level that had already been reached during the late 1980s or early 1990s. This seems to indicate that shifts in acreage toward crops with comparative advantages occurred earlier in Pakistan than in India, possibly reflecting Pakistan's attempt to liberalize agricultural marketing during the early 1980s. The results of the decomposition for Pakistan in Table 4 show that there were substantial contributions by both static and dynamic crop shift effects, and that their shares were larger than in India throughout the post-independence period. This indicates that crop shift effects are more important in a smaller economy. During the 1990s, the growth due to improvements in crop yields declined substantially while the growth due to static crop shifts recovered. As a result, the relative contribution of static shift effects was 16% in the 1990s, a level higher than the post-independence

	Annural	growth rates of	land productivity	Contribution share (%)			
Period	Pure yield effects	Static shift effects	Dynamic shift effects	Total	Pure yield effects	Static shift effects	Dynamic shift effects
1901/02 - 1911/12	1.84	-0.19	0.09	1.74	105.4	-10.8	5.4
1911/12 - 1921/22	0.06	-0.05	0.02	0.02	254.3	-226.2	71.9
1921/22 - 1931/32	-0.35	0.03	0.02	-0.31	113.4	-8.5	-4.9
1931/32 - 1941/42	1.51	0.16	0.32	1.99	75.8	8.2	16.0
1941/42 - 1951/52	-0.80	0.18	0.03	-0.58	136.6	-30.6	-6.0
1951/52 - 1961/62	1.03	0.85	0.03	1.92	53.8	44.4	1.8
1961/62 - 1971/72	3.37	0.52	0.28	4.16	80.8	12.5	6.7
1971/72 - 1981/82	1.72	0.63	0.13	2.49	69.2	25.4	5.4
1981/82 - 1991/92	2.35	0.07	0.21	2.63	89.3	2.5	8.2
1991/92 - 2001/02	1.19	0.23	0.02	1.43	82.8	16.1	1.1
1901/02 - 1947/48	0.55	-0.03	0.22	0.74	74.5	-4.0	29.6
1947/48 - 2003/04	2.50	0.48	0.61	3.59	69.7	13.3	17.0

Table 4: Contribution of Crops Shifts to Land Productivity Growth in Pakistan

Source and notes: See Table 3.

average (13%). Here we find a similarity between India and Pakistan: in both economies, the crop shifts were an important source of land productivity growth in the post-independence period, and especially in the 1990s.

#### 4. Agricultural Transformation and Crop Shifts in West Punjab: District-Level Analysis

The contribution of crop shifts to productivity growth can be analyzed in more detail using more geographically disaggregated data. Therefore, district-level panel data on agricultural production were compiled for fifteen districts in West Punjab. They are analyzed in this section.<sup>7</sup>

#### 4.1 Productivity and Crop Mix

Aggregate farm output in West Punjab (Q) was about 7.5 times larger in the 1990s than in the early twentieth century (Figure 5). Partial productivity with respect to labor (Q/L) and land (Q/A) improved substantially as well, with levels in the 1990s more than double those in the early twentieth century. All three indices in Figure 5 show that the average annual growth rate was significantly higher after the mid 1950s. It should be noted that the acceleration of growth occurred *before* the introduction of Green Revolution technology, which enhanced the land productivity of wheat and rice dramatically beginning in the late 1960s. Before independence in 1947 as well, all three indices increased gradually, although the growth rates were lower than those after independence. The pattern shown in Figure 5 is very similar to that in Figure 2.

Another aspect of agricultural transformation in West Punjab is a change in the crop mix. As a counterpart to Figures 3 and 4, the Herfindahl Index for crop concentration was calculated for each district. Figure 6 plots the median, top quartile, and bottom quartile of H in each year for the fifteen districts, together with the same index at the province level for comparison. The exact districts ranked in each position are not the same throughout the period, but

<sup>&</sup>lt;sup>7</sup> This section is subtracted from Kurosaki (2003).

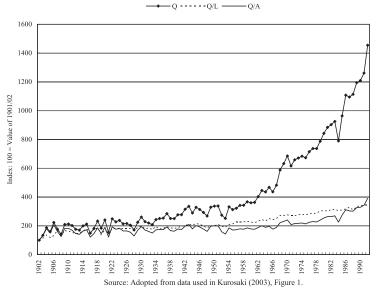
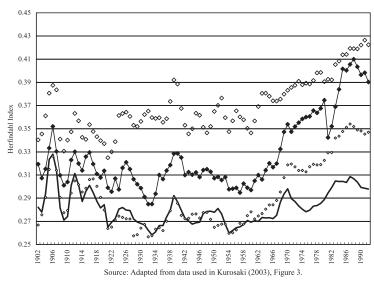


Figure 5. Agricultual Output in West Punjab, 1901/02-1991/92



Bottom 25% → Median of 15 districts ♦ Top 25% → West Punjab total

Figure 6. District-and Province-Level Crop Concentration in West Punjab, 1901/02-1991/92

there is no major churning among districts. The figure shows first that the crop mix is more diversified at the more aggregate level than at the district level throughout the period. Second, the concentration indices show an increase in the latter half of the study period. Thus, the acceleration of aggregate land productivity growth in Figure 5 since the mid-1950s is associated with an increasing concentration index in each district. Third, the difference between provincial and district-median indices widens in the latter half. Fourth, as shown by the top and bottom quartile plots, the dynamic paths differ widely from district to district.

Based on these records, Kurosaki (2003) hypothesized that the shift of cultivated areas from less lucrative to more lucrative crops and from less productive to more productive dis-

		Average Annual Growth Rates (%)									
		Land Productivity Effects									
	Area effects	Subtotal	Aggregate crop yield effects	Inter-crop shift effects (static)	Inter-crop shift effects (dynamic)						
1902/03 - 1951/52	1.43	0.58	0.33	0.06	0.19						
	(71.2)	(28.8)									
		(100.0)	(56.5)	(10.1)	(33.5)						
1951/52 - 1991/92	1.81	3.83	3.01	0.41	0.42						
	(32.1)	(67.9)									
		(100.0)	(78.4)	(10.7)	(10.9)						

 Table 5: Decomposition of Agricultural Growth in West Punjab, 1902/03-1991/92

Source: Kurosaki (2003), Table 2.

Notes: (1) Numbers in parentheses show relative contribution to growth (%).

(2) Average annual growth rates are calculated using simple interest.

tricts was an important source of agricultural growth in West Punjab. As evidence for this hypothesis, Kurosaki (2003) applied the decomposition of equation (3) to the district-level data in order to quantify the inter-crop shift effects on land productivity. The results are reproduced in Table 5.

In West Punjab, production increased at 2.0% per year in the first period until 1951/52<sup>8</sup> and accelerated to 5.6% in the second period. Area effects explain 71% of the first period growth, whereas land productivity effects account for 68% of the second period growth. Of this improvement in aggregate land productivity, growth in aggregate crop yield explains 57 and 78% respectively. The rest is explained by both static and dynamic shift effects. The absolute level of shift effects, both static and dynamic, is lower in the first period than in the second. In the first period, dynamic shift effects are more important than static shift effects, whereas in the second period, the relative contribution of dynamic shift effects is similar to that of static shift effects. These results show that inter-crop land reallocation was an important source of land productivity growth in West Punjab.

#### 4.2 Effects of Inter-Spatial Crop Shifts on Productivity

To quantify the effect of inter-spatial crop shifts on land productivity, Kurosaki (2003) proposed a further decomposition of the aggregate crop yield effect for crop i in equation (3) as

(4) 
$$Y_{it} - Y_{i0} = \sum_{h} S_{hi0}(Y_{hit} - Y_{hi0}) + \sum_{h} (S_{hit} - S_{hi0}) Y_{hi0} + \sum_{h} (S_{hit} - S_{hi0})(Y_{hit} - Y_{hi0}),$$

where  $S_{hii}$  is the share of district *h* in the cultivated area of crop *i* in year *t*. The three terms on the right hand side of equation (4) are interpreted similarly to the terms in equation (3): the first term shows the effects of the average crop yields in the district ("District crop yield effects" in Table 6), the second term indicates "*Inter-district* crop shift effects (static)" and the third term shows "*Inter-district* crop shift effects (dynamic)." An important aspect of equation (4) is that the effects of factor reallocation over space are incorporated explicitly into the decomposition. In other words, so-called "yield effects" in the existing literature based on

<sup>&</sup>lt;sup>8</sup> Kurosaki (2003) estimated the timing of a breakdate in Figure 5 using a time-series model and chose the year 1951/52 as the breakdate.

		Average Annual	Growth Rates (%)	
	District crop yield effects	Inter-district crop shift effects (static)	Inter-district crop shift effects (dynamic)	Total
A. Wheat				
1911/12 - 1951/52	-0.03	0.02	0.06	0.04
	(-76.8)	(40.2)	(136.7)	(100.0)
1951/52 - 1991/92	2.69	0.08	0.10	2.86
	(93.9)	(2.8)	(3.3)	(100.0)
B. Rice				
1911/12 - 1951/52	-0.08	0.18	0.17	0.27
	(-27.4)	(64.0)	(63.4)	(100.0)
1951/52 - 1991/92	0.70	-0.03	-0.04	0.63
	(110.2)	(-4.2)	(-6.0)	(100.0)
C. Sugarcane				
1911/12 - 1951/52	2.44	0.13	-0.04	2.53
	(96.4)	(5.0)	(-1.5)	(100.0)
1951/52 - 1991/92	0.52	0.01	0.00	0.53
	(98.2)	(2.0)	(-0.2)	(100.0)
D. Cotton				
1911/12 - 1951/52	1.26	-0.04	0.44	1.66
	(75.9)	(-2.5)	(26.7)	(100.0)
1951/52 - 1991/92	4.22	0.01	1.72	5.96
	(70.8)	(0.2)	(28.9)	(100.0)

<b>Table 6: Contribution of Inter-Distric</b>	t Crop Shifts to Growth	in Aggregate Crop Yields
Tuble of Contribution of Intel Distric		in iggiegate crop inclus

Source: Kurosaki (2003), Table 3.

Note: Numbers in parenthesis show relative contribution to growth (%).

macro data are often a mixture of pure yield effects (e.g., due to shifts in TFP in producing individual crops) and spatial crop shift effects.

Table 6, reproduced from Kurosaki (2003), shows the decomposition results for four major crops in West Punjab. For wheat and sugarcane, the aggregate yields improved mainly through improvements in crop yields at the district level. In contrast, inter-district crops shift effects were the major source of improvement in the aggregate yields for rice and cotton. In the first period, when aggregate rice yields grew at 0.27% (statistically significant at the 1% level), the major source of yield growth was crop shifts across districts — more than 60% of yield growth was attributable to static and dynamic crop shift effects in each case (the effects of rice yield growth at the district level are negative). In the case of cotton, dynamic crop shift effects were important in both periods. They explain more than one fourth of the aggregate yield growth for cotton. On the other hand, static crop shift effects were nil. This implies that the improvement of cotton yields in the province was facilitated by the shifting of cotton areas from districts with stagnating or decreasing productivity to districts with increasing productivity. Because the districts with more rapid growth in cotton yields were those with low yields in the initial years, the static effects did not contribute to yield growth at the aggregate level. The expansion of cotton production for both domestic and foreign markets was the most important development in Punjab's agriculture during the colonial period. Still today, Pakistan's economy remains heavily dependent on cotton production in Punjab. The analysis here shows that the land productivity of cotton improved not only through improvements of crop yields at the district level but also through a reallocation of cultivated land to districts experiencing rapid improvements in cotton yields.

The evidence presented in Table 6 shows the importance of inter-district crop shifts for cash crops such as rice and cotton in facilitating yield growth at the province level. Combining this finding with those in the previous subsection, it can be concluded that the historical change in West Punjab in the study period is consistent with crop shifts reflecting static and dynamic comparative advantage, a finding consistent with the country-level analysis for India and Pakistan presented in Section 3.

#### 5. Conclusion

Based on a production dataset that corresponds to the current borders of India and Pakistan for the period c.1900-2000 and a district-level dataset from West Punjab for a similar period, this paper investigated the performance of agriculture in these regions and associated it with crop shifts. The empirical results showed a discontinuity between the pre- and the post-independence periods, both in India and in Pakistan, and in West Punjab and its districts. Total output growth rates rose from zero or very low figures to significantly positive levels, which were sustained throughout the post-independence period; the crop mix changed with increasing concentration beginning in the mid 1950s. This paper quantified the effects of inter-crop and inter-district crop shifts, a previously unnoticed source of productivity growth, on land productivity. We found that the crop shifts contributed substantially to the productivity growth, especially during the periods with limited technological breakthroughs.

Underlying these effects were the responses of farmers to changes in market conditions and agricultural policies. Agriculture in these regions has experienced a consistent concentration of crops since the mid 1950s, when agricultural transformation in terms of output per agricultural worker was proceeding. These trends continued until the early 1990s in Pakistan and West Punjab and until the early 2000s in India. The performance in the latest periods suggests that agriculture in these regions seems to have entered a new phase of diversified production and consumption at the country level (Timmer, 1997). Although whether the trends will reverse remains to be investigated when more recent data become available, it is of interest to note that the concentration trended to reach a plateau earlier in Pakistan than in India. This contrast can be attributed to the earlier adoption of economic liberalization policies in Pakistan in the early 1980s. Pakistani farmers were exposed to international prices relatively earlier than their Indian counterparts.

The comparison of our results with those reported by Misra and Rao (2003) is also interesting. They showed that agricultural exports were the main source of growth for Indian agriculture in the 1990s, and that they were facilitated by trade liberalization policies and the devaluation of the Indian rupee. Their finding is reinforced by this paper, which shows that crop shifts were an important source of productivity growth in the 1990s, since our results are consistent with a shift to export crops.

Although this paper has shown the importance of crop shifts in improving aggregate land productivity, the overall impact is underestimated, because only major crops were covered. Incorporating non-traditional crops (Chand, 1999; 2004) into the framework of this paper would be highly desirable. To quantify the structural determinants of these changes and their net effects on the welfare of rural population, further research is needed, such as an analysis of production costs, investigation of minor crops and livestock activities, etc. These are left for future study. Instead, implications for agricultural policies in the 21st century are explored as the conclusion of this paper.

First, it appears likely that institutional and policy changes have significant effects on agricultural production in India and Pakistan. This is confirmed by the fact that the sustained growth in the total output began just after independence in 1947, well before the introduction of the Green Revolution technology, and also by changes in these trends in the 1990s. The current controversies in India and Pakistan on contract farming, corporate farming, and land ceiling legislation should be viewed from this historical perspective.

Second, farmers in India and Pakistan have responded to the changes in market conditions, not only by adopting new technology with high-yield potential but also by adjusting their land allocation toward high value crops. The importance of the effects of land re-allocation should not be ignored. For example, the effects of reforms of the price support system for major crops cannot be isolated from their interactions with crops whose prices are not under the support price system.

Third, although not discussed fully in this paper, existing evidence suggests that public investment in agriculture and in rural areas has been cut back since the 1980s. This occurred both in India and Pakistan under the banner of "Economic Reforms" or "Structural Adjustment." It should be emphasized that the sustained growth during the post-independence period was achieved at a time when substantial public investment was being implemented.<sup>9</sup> With reduced public investment, in the absence of a simultaneous improvement in investment efficiency, the boom experienced during the 1990s in response to newly opened opportunities will not be sustained. The importance of production-oriented infrastructure in increasing productivity of agriculture and in reducing rural poverty cannot be overemphasized (Hayami, 2003). Considering the public-good nature of such investment, it becomes more important in the context of globalization and trade liberalization.

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<sup>&</sup>lt;sup>9</sup> For instance, Kurosaki (2003) showed that shifts to high value-added crops in West Punjab were facilitated by investment into public irrigation.

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$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$	Agric.	Are	as curren	tly in Ind	ia	Area	Areas currently in Pakistan			15 V	Vest Pun	ab Distri	cts
1903         117.5         116.8         113.8         0.152         126.5         124.1         123.4         0.219         186.9         137.0         179.7         0.294           19045         105.3         105.2         98.1         0.142         159.0         154.1         123.4         0.240         158.5         117.7         149.5         0.323           1906         101.3         98.7         97.6         0.150         175.0         164.4         140.5         0.258         223.4         133.4         0.666         0.328           1907         112.8         102.4         0.143         159.8         147.7         10.60         0.222         141.4         133.2         0.78           1910         128.9         122.4         113.4         0.146         178.1         177.2         122.8         136.0         137.1         137.4         126.5         0.101         0.219         127.2         163.3         181.9         0.74           1911         126.9         119.7         109.7         0.144         149.3         128.6         117.1         140.1         140.0         140.0         140.0         140.0         140.0         140.0         140.0         129.9<	Year	Q	Q/L	Q/A	Н								
104         114.0         112.5         107.7         0.142         159.0         154.1         122.4         0.240         158.5         117.7         149.5         0.323           1906         101.3         98.7         97.6         0.150         175.0         164.4         140.5         0.258         223.4         133.4         206.6         0.328           1907         112.8         109.2         102.4         0.143         159.8         147.7         108.3         0.228         114.4         133.2         125.7         0.282           1909         98.4         94.0         89.8         0.147         171.9         154.1         117.4         0.206         201.9         112.7         163.8         182.6         0.219         112.7         163.8         182.6         0.219         112.4         144.6         102.7         175.9         146.0         140.7         0.301           1911         126.9         119.7         109.7         0.144         169.3         125.7         10.228         120.7         149.4         140.7         0.301           1911         127.7         103.3         75.8         0.149         163.5         137.3         15.8         0.220 <td>1902</td> <td>100.0</td> <td>100.0</td> <td>100.0</td> <td>0.154</td> <td>100.0</td> <td>100.0</td> <td>100.0</td> <td>0.204</td> <td>100.0</td> <td>100.0</td> <td>100.0</td> <td>0.282</td>	1902	100.0	100.0	100.0	0.154	100.0	100.0	100.0	0.204	100.0	100.0	100.0	0.282
1905         105.3         103.2         98.1         0.146         137.1         130.8         122.8         0.240         158.5         117.7         149.5         0.328           1906         101.3         98.7         97.6         0.150         155.0         164.4         140.5         0.238         176.9         167.5         160.4         .314           1909         98.4         94.0         98.8         0.147         171.9         154.1         117.4         0.026         20.94         166.8         182.6         0.271           1910         128.9         122.4         113.4         0.146         178.1         157.2         126.5         0.219         212.7         163.3         181.9         0.301           1911         126.5         116.4         106.2         127.7         10.3         181.9         0.301           1913         121.8         114.6         106.2         144.7         115.8         0.270         175.9         144.0         0.20         170.1         149.4         170.3         0.26           1914         107.7         101.3         97.5         0.149         116.3         116.3         0.220         116.3         16.4	1903	117.5	116.8	113.8	0.152	126.5	124.5	111.2	0.197	134.1	113.9	131.5	0.278
1906         101.3         98.7         97.6         0.150         175.0         164.4         140.5         0.258         223.4         133.4         20.6.6         0.314           1908         90.5         87.0         86.7         0.157         122.4         111.4         100.6         0.222         141.4         133.2         125.7         0.282           1909         98.4         94.0         89.8         0.147         171.9         154.1         117.4         0.206         20.21         156.0         169.5         0.301           1910         128.9         122.4         113.4         0.146         175.1         175.2         0.219         212.7         163.3         181.9         0.730           1911         126.9         119.7         109.7         0.144         169.9         147.6         122.7         0.228         202.2         155.0         169.5         0.301           1913         121.8         114.4         104.2         0.142         183.0         137.7         113.8         0.220         123.2         184.0         138.8         0.220         134.7         114.9         114.0         12.2         0.301           1916         155.0	1904	114.0	112.5	107.7	0.142	159.0	154.1	123.4	0.219	186.9	137.0	179.7	0.294
1907         112.8         102.4         0.143         159.8         147.7         108.3         0.238         176.9         167.5         160.4         0.31           1909         98.4         94.0         88.8         0.147         171.9         151.4         100.6         0.222         141.4         133.2         125.7         0.282           1910         128.9         122.4         113.4         0.140         178.1         157.2         126.5         0.219         117.5         160.6         182.6         0.271           1911         126.8         116.4         109.7         0.140         149.3         128.6         119.3         0.220         175.9         146.0         146.5         0.311           1913         121.8         114.6         106.2         147.4         113.8         0.220         116.3         168.0         128.7           1915         121.4         114.1         104.2         183.0         153.7         113.8         0.220         181.6         175.6         140.0         113.8         0.221         174.4         118.0         0.220         181.6         175.0         129.0         0.30           1916         122.5         114.1	1905	105.3	103.2	98.1	0.146	137.1	130.8	122.8	0.240	158.5	117.7	149.5	0.323
1908         90.5         87.0         86.7         0.157         122.4         111.4         100.6         0.222         141.4         133.2         125.7         0.282           1900         98.4         91.0         128.9         122.4         113.4         0.146         178.1         177.2         126.5         0.219         165.8         182.0         0.271           1911         126.9         119.7         109.7         0.144         169.9         147.6         122.7         0.228         202.2         155.0         164.5         0.311           1912         123.6         116.4         106.7         0.149         169.8         123.7         113.8         0.229         170.1         149.4         140.7         0.301           1914         107.7         101.3         97.5         0.149         169.8         133.7         113.8         0.221         114.1         140.2         0.224         183.4         140.7         121.2         0.201           1916         125.5         114.2         0.142         183.1         184.7         111.8         0.224         183.4         184.5         0.284           1919         93.2         87.3         91.7	1906	101.3	98.7	97.6	0.150	175.0	164.4	140.5	0.258	223.4	133.4	206.6	0.328
1909         98.4         94.0         89.8         0.147         171.9         154.1         117.4         0.206         209.4         166.8         182.6         0.271           1910         126.9         112.7         103.7         0.144         169.9         121.7         163.3         181.9         0.274           1911         126.5         116.4         109.7         0.144         169.9         147.6         122.7         0.228         120.7         1144.0         146.5         0.301           1913         121.8         114.6         106.2         0.145         146.5         125.2         110.1         0.229         170.1         149.4         140.7         0.301           1914         107.7         10.3         97.5         0.149         168.1         138.8         0.220         181.6         175.6         146.0         0.295           1916         122.5         114.2         0.142         168.1         138.8         107.6         0.220         183.4         138.4         145.4         0.282           1919         32.2         87.3         91.7         0.162         140.1         113.6         120.2         0.216         151.1         125.6	1907	112.8	109.2	102.4	0.143	159.8	147.7	108.3	0.238	176.9	167.5	160.4	0.314
1909         98.4         94.0         89.8         0.147         171.9         154.1         117.4         0.206         209.4         168.8         182.6         0.271           1910         126.9         112.7         103.7         0.140         149.3         126.5         0.210         212.7         163.3         181.9         0.274           1911         126.6         116.4         109.7         0.140         149.3         128.6         119.3         0.222         155.0         169.5         0.311           1913         121.8         114.6         106.2         0.145         146.5         125.2         110.1         0.220         175.9         146.0         165.5         0.287           1915         121.4         114.1         104.2         0.142         183.0         153.7         113.8         0.220         181.6         175.6         146.0         0.295           1918         32.5         124.1         109.1         0.162         140.1         113.6         102.0         0.242         183.4         138.4         145.4         0.282           1920         132.8         124.2         115.5         0.147         187.1         150.6         122.0	1908	90.5	87.0	86.7	0.157	122.4	111.4	100.6	0.222	141.4	133.2	125.7	0.282
1911         126.9         119.7         109.7         0.144         169.9         147.6         122.7         0.228         202.2         155.0         169.5         0.301           1913         121.8         114.6         106.2         0.144         146.5         125.2         110.1         0.227         175.9         146.0         146.5         0.301           1914         107.7         101.3         97.5         0.149         169.8         143.7         115.8         0.223         212.1         179.4         172.9         0.296           1916         125.9         118.2         101.0         0.148         134.9         112.3         106.8         0.258         144.7         141.1         0.220         181.6         175.6         146.0         0.252           1918         132.5         124.1         109.1         113.6         120.2         0.242         183.4         188.8         0.287           1919         93.2         87.3         91.7         0.162         147.1         113.6         120.2         0.242         183.4         188.4         0.282           1921         103.6         116.1         113.6         120.2         0.217         171.6	1909	98.4	94.0	89.8	0.147	171.9	154.1	117.4		209.4	166.8	182.6	0.271
1912         123.6         116.4         109.7         0.140         149.3         128.6         119.3         0.270         175.9         146.0         146.5         0.311           1913         121.8         114.6         106.2         0.145         146.5         125.2         110.1         0.229         170.1         149.4         140.7         0.033           1915         121.4         114.1         104.2         0.142         183.0         153.7         113.8         0.223         212.1         179.4         172.9         0.296           1916         125.5         114.2         0.142         168.1         188.8         107.6         0.220         181.6         175.6         146.0         0.295           1918         132.5         124.1         109.1         0.140         180.2         147.4         111.8         0.220         232.8         184.6         185.8         0.287           1920         132.8         124.2         115.5         0.147         187.1         150.6         120.1         23.8         184.6         185.8         0.287           1921         102.5         95.8         96.9         0.145         157.0         112.5         0.217	1910	128.9	122.4	113.4	0.146	178.1	157.2	126.5	0.219	212.7	163.3	181.9	0.274
1913         121.8         114.6         106.2         0.145         146.5         125.2         110.1         0.229         170.1         149.4         140.7         0.301           1914         107.7         101.3         97.5         0.149         169.8         143.7         115.8         0.226         199.1         163.7         163.5         0.287           1915         121.4         114.1         104.2         0.142         183.8         107.6         0.220         181.6         175.6         146.0         0.295           1918         132.5         124.1         109.1         0.140         180.2         147.4         111.8         0.220         181.6         175.6         146.0         0.282           1920         132.8         124.2         115.5         0.147         187.1         150.6         125.7         0.215         240.6         171.9         189.4         0.284           1921         102.5         95.8         96.9         0.158         126.9         101.2         102.3         0.217         217.9         178.5         183.3         0.281           1921         102.6         109.4         103.7         0.141         183.9         142.0	1911	126.9	119.7	109.7	0.144	169.9	147.6	122.7	0.228	202.2	155.0	169.5	0.301
1914         107.7         101.3         97.5         0.149         169.8         143.7         115.8         0.206         199.1         163.7         163.5         0.287           1915         121.4         114.1         104.2         0.142         183.0         153.7         113.8         0.223         212.1         179.4         172.9         0.296           1917         137.0         128.5         114.2         0.142         168.1         138.8         107.6         0.220         181.6         175.6         146.0         0.295           1918         32.2         124.1         109.1         0.140         180.2         147.4         111.8         0.220         181.6         175.6         146.0         0.282           1920         132.8         124.2         115.5         0.147         187.1         150.6         125.6         0.211         240.6         171.9         189.4         0.284           1921         102.5         95.8         96.9         0.158         126.9         122.3         0.227         240.6         171.9         189.4         0.282           1923         130.8         119.7         10.41         157.7         162.6         0.212		123.6		109.7	0.140	149.3			0.270	175.9	146.0	146.5	
1915         121.4         114.1         104.2         0.142         183.0         153.7         113.8         0.223         212.1         179.4         172.9         0.296           1916         125.9         118.2         110.7         0.148         134.9         112.3         106.8         0.258         149.7         149.1         121.2         0.301           1917         137.0         128.5         114.2         109.1         0.140         180.2         147.4         111.8         0.220         232.8         184.6         185.8         0.287           1919         93.2         87.3         91.7         0.162         140.1         113.6         120.2         0.242         183.4         138.8         145.4         0.284           1921         102.5         95.8         96.9         0.158         126.9         101.2         102.3         0.216         156.1         145.0         122.0         0.265           1923         130.8         115.8         11.5         0.141         183.9         142.0         122.3         0.227         227.2         181.6         175.9         0.281           1924         126.6         109.4         103.7         0.141	1913	121.8		106.2	0.145	146.5	125.2	110.1	0.229	170.1	149.4	140.7	0.301
1915         121.4         114.1         104.2         0.142         183.0         153.7         113.8         0.223         212.1         179.4         172.9         0.296           1916         125.9         118.2         110.7         0.148         134.9         112.3         106.8         0.258         149.7         149.1         121.2         0.301           1917         137.0         128.5         114.2         109.1         0.140         180.2         147.4         111.8         0.220         232.8         184.6         185.8         0.287           1919         93.2         87.3         91.7         0.162         140.1         113.6         120.2         0.242         183.4         138.8         145.4         0.284           1921         102.5         95.8         96.9         0.158         126.9         101.2         102.3         0.216         156.1         145.0         122.0         0.265           1923         130.8         115.8         11.5         0.141         183.9         142.0         122.3         0.227         227.2         181.6         175.9         0.281           1924         126.6         109.4         103.7         0.141	1914	107.7	101.3	97.5	0.149	169.8	143.7	115.8	0.206	199.1	163.7	163.5	0.287
1917         137.0         128.5         114.2         0.142         168.1         138.8         107.6         0.220         181.6         175.6         146.0         0.295           1918         132.5         124.1         109.1         0.140         180.2         147.4         111.8         0.220         132.8         184.6         185.8         0.287           1920         132.8         124.2         115.5         0.147         187.1         150.6         125.7         0.215         240.6         171.9         189.4         0.284           1921         102.5         95.8         96.9         0.158         126.9         101.2         102.3         0.216         145.0         145.0         0.227         247.2         18.0         165.0         0.269           1923         130.8         119.8         111.5         0.142         167.6         135.6         114.0         0.218         213.8         182.0         165.0         0.280           1924         120.3         106.4         105.7         0.144         169.6         128.1         110.4         0.213         24.4         180.7         155.2         0.279           1928         124.4         108.4		121.4	114.1		0.142	183.0	153.7	113.8	0.223	212.1	179.4	172.9	
1917         137.0         128.5         114.2         0.142         168.1         138.8         107.6         0.220         181.6         175.6         146.0         0.295           1918         132.5         124.1         109.1         0.140         118.6         120.2         0.222         183.4         184.6         185.8         0.287           1920         132.8         124.2         115.5         0.147         187.1         150.6         125.7         0.215         240.6         171.9         189.4         0.284           1921         102.5         95.8         96.9         0.158         126.9         101.2         102.3         0.216         145.0         145.0         127.0         175.5         10.37         0.145         187.0         146.0         122.3         0.217         247.2         188.1         182.0         165.0         0.282           1925         124.7         110.0         103.7         0.142         177.6         135.6         114.0         0.218         213.8         182.0         165.0         0.282           1926         124.1         105.7         0.142         162.9         121.7         106.9         0.222         204.4         180.	1916	125.9	118.2	110.7	0.148	134.9	112.3	106.8	0.258	149.7	149.1	121.2	0.301
1919         93.2         87.3         91.7         0.162         140.1         113.6         120.2         0.242         183.4         138.8         145.4         0.282           1920         132.8         124.2         115.5         0.147         187.1         150.6         125.7         0.215         145.6         171.9         189.4         0.284           1921         102.5         95.8         96.9         0.158         126.9         101.2         102.3         0.216         156.1         145.0         122.0         0.265           1922         130.8         119.8         111.5         0.144         183.9         142.0         122.4         0.229         237.9         178.5         183.3         0.281           1925         124.7         112.0         104.7         0.142         162.9         121.7         106.9         0.222         216.3         182.7         165.0         0.282           1926         125.1         107.9         103.7         0.138         174.6         127.7         110.8         0.213         224.9         190.2         169.1         0.269           1930         125.2         105.9         107.7         0.143         199.4	1917												
1919         93.2         87.3         91.7         0.162         140.1         113.6         120.2         0.242         183.4         138.8         145.4         0.282           1920         132.8         124.2         115.5         0.147         187.1         150.6         125.7         0.215         158.1         120.2         0.216         156.1         145.0         122.0         0.265           1922         127.0         117.5         110.9         0.149         191.6         151.1         125.6         0.201         248.9         178.9         193.7         0.269           1923         130.8         119.8         111.5         0.141         183.9         142.0         122.4         0.229         237.9         178.5         183.3         0.281           1925         124.7         112.0         104.7         0.142         162.6         128.1         110.4         0.224         216.3         182.7         165.9         0.227           1928         125.1         107.9         103.7         0.138         140.4         103.8         96.7         0.217         171.6         169.7         179.7         0.757         0.244         180.7         10.57         0.216<													
1920         132.8         124.2         115.5         0.147         187.1         150.6         125.7         0.215         240.6         171.9         189.4         0.284           1921         102.5         95.8         96.9         0.188         126.9         101.2         102.3         0.216         156.1         145.0         122.0         0.266           1923         130.8         119.8         111.5         0.145         187.0         146.0         122.4         0.227         237.9         178.5         183.3         0.281           1925         124.7         112.0         104.7         0.142         167.6         122.1         0.224         216.3         182.7         163.9         0.280           1927         120.9         106.3         104.5         0.142         162.9         121.7         106.9         0.222         204.4         180.7         155.2         0.279           1928         124.4         108.4         105.9         0.138         140.4         103.8         96.7         0.217         171.6         169.7         129.7         0.272           1929         125.1         107.9         0.133         127.7         107.5         0.526	1919	93.2	87.3	91.7	0.162	140.1	113.6	120.2			138.8	145.4	0.282
1921         102.5         95.8         96.9         0.158         126.9         101.2         102.3         0.216         156.1         145.0         122.0         0.265           1922         127.0         117.5         110.9         0.145         187.0         146.0         122.3         0.227         227.2         181.6         175.9         0.272           1924         120.6         109.4         103.7         0.141         183.9         142.0         122.4         0.229         237.9         178.5         183.3         0.281           1925         124.7         112.0         104.7         0.142         177.6         135.6         114.0         0.218         213.8         182.7         163.9         0.282           1926         123.1         106.3         104.5         0.142         162.9         121.7         106.9         0.222         204.4         180.7         155.2         0.279           1928         124.4         108.4         105.9         0.138         174.6         127.7         110.8         0.217         126.7         197.9         195.1         0.268           1931         127.2         107.5         0.138         177.1         120.9 <td>1920</td> <td></td> <td></td> <td>115.5</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	1920			115.5									
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$	1921			96.9	0.158	126.9	101.2	102.3			145.0	122.0	
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$				110.9	0.149								
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$													
$\begin{array}{ c c c c c c c c c c c c c c c c c c c$							142.0						
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$													
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$													
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$		120.9							0.222				
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$						140.4						129.7	
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$			107.9					110.8					
$\begin{array}{ c c c c c c c c c c c c c c c c c c c$													
$\begin{array}{ c c c c c c c c c c c c c c c c c c c$	1931	127.2	107.5	105.4	0.139	181.3	129.6	118.8			179.9	170.5	0.267
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	1932	130.5	108.8	103.6	0.132		120.9	112.6		219.4	185.3	160.6	0.262
$\begin{array}{ c c c c c c c c c c c c c c c c c c c$	1933		108.5	106.5			118.0					150.0	
$\begin{array}{cccccccccccccccccccccccccccccccccccc$													
$\begin{array}{cccccccccccccccccccccccccccccccccccc$						197.5							
$\begin{array}{cccccccccccccccccccccccccccccccccccc$			100.9										
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	1937	139.1	108.1	108.8	0.133	232.4	148.9	138.5	0.219		193.8	192.0	0.274
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$													
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$									0.242				
$\begin{array}{ c c c c c c c c c c c c c c c c c c c$	1940	131.4											
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$									0.230				
1943132.294.7103.60.135268.0151.9144.10.230335.3211.5208.50.2701944138.798.2106.90.138248.3137.3137.00.227289.3204.1178.80.2681945133.693.4100.70.141261.3141.0137.10.221328.8215.5201.90.2691946122.984.994.70.138251.7132.5136.30.229313.6211.7191.40.2691947123.484.196.10.141242.5124.6137.20.225292.9198.9177.70.2771948123.082.8103.60.151211.2105.9127.50.229268.1184.6161.60.2781949123.782.393.10.154243.9119.3136.40.229329.6201.4197.40.2791950132.286.894.80.153251.3119.9141.80.225336.8198.7200.40.2781951125.681.589.00.151258.6120.4139.40.226338.1210.7199.90.2811952128.982.090.40.144215.197.7122.80.224273.9197.2158.80.276	1942	126.5		101.5	0.134						201.6	197.4	0.273
1944138.798.2106.90.138248.3137.3137.00.227289.3204.1178.80.2681945133.693.4100.70.141261.3141.0137.10.221328.8215.5201.90.2691946122.984.994.70.138251.7132.5136.30.229313.6211.7191.40.2691947123.484.196.10.141242.5124.6137.20.225292.9198.9177.70.2771948123.082.8103.60.151211.2105.9127.50.229268.1184.6161.60.2781949123.782.393.10.154243.9119.3136.40.229329.6201.4197.40.2791950132.286.894.80.153251.3119.9141.80.225336.8198.7200.40.2781951125.681.589.00.151258.6120.4139.40.226338.1210.7199.90.2811952128.982.090.40.144215.197.7122.80.224273.9197.2158.80.276													
1945133.693.4100.70.141261.3141.0137.10.221328.8215.5201.90.2691946122.984.994.70.138251.7132.5136.30.229313.6211.7191.40.2691947123.484.196.10.141242.5124.6137.20.225292.9198.9177.70.2771948123.082.8103.60.151211.2105.9127.50.229268.1184.6161.60.2781949123.782.393.10.154243.9119.3136.40.229329.6201.4197.40.2791950132.286.894.80.153251.3119.9141.80.225336.8198.7200.40.2781951125.681.589.00.151258.6120.4139.40.226338.1210.7199.90.2811952128.982.090.40.144215.197.7122.80.224273.9197.2158.80.276	1944							137.0	0.227				
1946122.984.994.70.138251.7132.5136.30.229313.6211.7191.40.2691947123.484.196.10.141242.5124.6137.20.225292.9198.9177.70.2771948123.082.8103.60.151211.2105.9127.50.229268.1184.6161.60.2781949123.782.393.10.154243.9119.3136.40.229329.6201.4197.40.2791950132.286.894.80.153251.3119.9141.80.225336.8198.7200.40.2781951125.681.589.00.151258.6120.4139.40.226338.1210.7199.90.2811952128.982.090.40.144215.197.7122.80.224273.9197.2158.80.276													
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1948123.082.8103.60.151211.2105.9127.50.229268.1184.6161.60.2781949123.782.393.10.154243.9119.3136.40.229329.6201.4197.40.2791950132.286.894.80.153251.3119.9141.80.225336.8198.7200.40.2781951125.681.589.00.151258.6120.4139.40.226338.1210.7199.90.2811952128.982.090.40.144215.197.7122.80.224273.9197.2158.80.276													
1949123.782.393.10.154243.9119.3136.40.229329.6201.4197.40.2791950132.286.894.80.153251.3119.9141.80.225336.8198.7200.40.2781951125.681.589.00.151258.6120.4139.40.226338.1210.7199.90.2811952128.982.090.40.144215.197.7122.80.224273.9197.2158.80.276													
1950132.286.894.80.153251.3119.9141.80.225336.8198.7200.40.2781951125.681.589.00.151258.6120.4139.40.226338.1210.7199.90.2811952128.982.090.40.144215.197.7122.80.224273.9197.2158.80.276													
1951125.681.589.00.151258.6120.4139.40.226338.1210.7199.90.2811952128.982.090.40.144215.197.7122.80.224273.9197.2158.80.276													
1952 128.9 82.0 90.4 0.144 215.1 97.7 122.8 0.224 273.9 197.2 158.8 0.276													

#### Appendix Table: Time-Series Data of Agricultural Production in India and Pakistan

Agric.	Are	as curren	tly in Ind	lia	Areas currently in Pakistan				15 V	Vest Punj	ab Distri	cts
Year	Q	Q/L	Q/A	Н	Q	Q/L	Q/A	Н	Q	Q/L	Q/A	Н
1954	159.9	97.8	103.3	0.144	260.3	112.6	138.9	0.210	332.3	210.1	185.1	0.260
1955	161.4	96.8	102.3	0.138	255.8	108.0	135.7	0.213	312.7	212.9	170.8	0.262
1956	161.4	94.9	99.7	0.137	261.5	107.8	131.2	0.215	322.3	225.9	172.6	0.264
1957	173.2	99.9	105.7	0.137	272.6	109.6	134.1	0.219	341.9	226.8	179.5	0.265
1958	162.2	91.7	100.0	0.139	280.0	109.9	141.2	0.222	342.7	226.9	176.3	0.267
1959	188.9	104.8	112.1	0.137	291.9	111.8	142.6	0.224	367.0	232.2	185.1	0.271
1960	183.9	100.0	108.1	0.138	288.8	107.9	140.1	0.224	360.0	226.0	178.0	0.269
1961	204.7	109.1	119.8	0.139	288.9	105.3	146.3	0.223	362.8	222.0	175.8	0.271
1962	208.9	109.0	119.1	0.136	316.1	112.0	151.2	0.224	402.6	231.5	188.3	0.270
1963	201.7	102.9	114.7	0.140	344.4	118.6	162.3	0.224	445.4	244.3	201.0	0.273
1964	208.8	104.2	118.8	0.140	345.5	115.6	164.1	0.228	435.5	232.8	189.7	0.273
1965	230.1	112.3	129.6	0.140	370.1	120.4	164.7	0.225	467.8	251.4	196.6	0.273
1966	188.8	90.1	109.3	0.139	366.4	115.8	165.2	0.220	436.4	242.0	177.0	0.272
1967	190.5	88.9	109.7	0.140	396.3	121.7	171.6	0.219	482.1	250.2	188.7	0.275
1968	233.8	106.8	128.2	0.138	460.2	137.3	187.8	0.235	587.7	270.8	221.9	0.287
1969	232.1	103.7	129.4	0.144	487.9	141.5	202.9	0.253	632.5	272.2	230.5	0.294
1970	248.1	108.4	134.1	0.142	535.0	150.7	219.8	0.253	685.3	277.0	241.0	0.298
1971	265.3	113.4	142.7	0.141	499.6	136.8	208.1	0.242	616.2	270.9	209.1	0.290
1972	263.4	110.1	142.5	0.141	528.6	140.2	220.5	0.235	657.9	270.9	215.4	0.287
1973	242.5	99.2	135.2	0.144	539.7	138.8	223.4	0.243	671.0	276.5	217.5	0.283
1974	268.7	107.5	142.8	0.142	561.6	139.9	224.9	0.236	683.7	279.6	219.4	0.280
1975	256.4	100.3	141.2	0.143	538.0	129.9	224.3	0.238	672.9	275.5	213.7	0.278
1976	296.2	113.4	156.9	0.146	568.8	133.0	229.5	0.241	714.8	283.1	224.8	0.280
1977	275.7	103.2	149.8	0.147	589.8	133.7	229.9	0.244	737.1	285.5	229.5	0.283
1978	318.9	116.8	167.0	0.148	601.7	132.2	232.5	0.241	736.8	288.6	227.1	0.284
1979	328.2	117.6	169.5	0.148	623.3	132.7	231.9	0.246	787.5	302.8	240.3	0.285
1980	277.4	97.2	147.7	0.150	689.4	142.2	253.6	0.256	842.4	305.6	254.4	0.289
1981	321.4	110.2	169.6	0.150	716.7	143.2	267.3	0.264	883.6	303.5	264.2	0.294
1982	341.4	114.5	174.5	0.146	757.7	147.4	271.3	0.261	902.9	311.5	264.4	0.299
1983	325.4	106.9	172.3	0.147	775.0	146.9	275.5	0.268	925.1	313.1	269.2	0.305
1984	369.8	118.9	188.8	0.153	682.3	125.9	243.6	0.267	789.4	306.0	225.7	0.304
1985	363.9	114.5	191.8	0.156	789.7	141.9	279.3	0.258	964.0	310.1	274.6	0.304
1986	374.3	115.3	195.7	0.154	857.0	150.0	304.0	0.267	1108.0	317.9	311.5	0.304
1987	359.3	108.3	190.2	0.157	873.2	148.8	298.3	0.271	1094.1	328.8	303.7	0.309
1988	352.6	104.0	196.1	0.157	885.7	147.0	321.3	0.278	1113.7	310.9	301.7	0.307
1989	432.3	124.9	222.2	0.154	946.4	152.9	319.3	0.267	1194.4	333.8	326.6	0.304
1990	440.1	124.4	227.6	0.155	946.0	148.8	315.7	0.269	1209.2	339.7	328.5	0.299
1991	452.9	125.3	231.2	0.155	987.7	151.3	326.2	0.269	1261.5	343.3	342.6	0.299
1992	446.8	121.2	234.7	0.158	1123.8	167.7	374.8	0.274	1454.5	343.4	390.8	0.298
1993	460.3	122.5	240.9	0.157	1014.8	147.4	327.9	0.279				
1994	471.6	123.1	247.4	0.161	1010.6	143.0	330.7	0.274				
1995	499.6	127.9	258.9	0.160	1075.9	148.2	345.6	0.269				
1996	481.3	120.8	251.2	0.160	1148.9	154.1	357.6	0.269				
1997	522.5	128.6	267.3	0.159	1106.3	144.5	347.8	0.265				
1998	499.6	120.6	255.9	0.162	1201.4	152.8	369.5	0.264				
1999	532.7	126.1	269.2	0.165	1187.9	147.2	365.6	0.260				
2000	533.7	123.9	277.2	0.172	1330.1	160.4	410.6	0.273				
2001	501.6	114.2	269.3	0.175	1229.0	144.4	392.1	0.273				
2002	542.2	121.1	284.9	0.171	1188.4	135.9	380.5	0.268				
2003	447.4	98.0	258.2	0.172	1241.0	138.2	403.5	0.271				
2004	541.3	116.2	288.5	0.167	1267.3	137.5	393.2	0.264				

#### Appendix Table (continued)

Notes: "Agric.Year 1902" corresponds to the agricultural year 1901/02. Q: total output value, L: population, A: total acreage, H: Herfindahl Index. Q, Q/L, and Q/A show indices with the average of 1901/02 set at 100. See Section 2 for data sources.