

A minimum of several months is usually required to obtain farm loans from one of these government lending institutions. Although the official interest rate is as low as 7 percent, other payments to obtain the loan may bring the actual rate up to 15 percent or more. Loans must be secured by a clear title to the farmer's land, which means that to obtain a loan the farmer must place his basic security in jeopardy. Because of the fragmented pattern of ownership among families, the consent of a considerable number of people must be obtained before the security is valid. A large fraction of rural credit must be used to meet the farmers' expenses for weddings and other traditional and essential social needs.

The State of Agriculture and the People's Food Supply

Pakistan presents the disheartening picture of an agricultural nation that cannot feed itself. During the decade of the 1950's its food situation steadily worsened, for farm production lagged behind population growth.

The average yearly agricultural production in West Pakistan over the decade from 1949 to 1959 was sufficient to provide foods with an energy content of less than 2,000 calories a day for 36.5 million people. (Table 1.14).⁽²¹⁾ By 1960, the population had increased 16 percent, while food crop production had risen only 10 to 12 percent. A similar situation existed in East Pakistan. To make up the deficit, food grains and other agricultural products equivalent to about 10 percent of the country's agricultural production are now being imported. In 1960, the value of food imports was nearly 25 percent of the total value of all goods brought into the country (Table 1.15). But even with these imports, the energy content of the average human diet in West Pakistan is lower than it was twenty years ago.⁽²²⁾ Because of the rising need for energy-containing foods for human beings, it has probably not been possible to

(21) The estimates for various sources of animal protein in Table 1.14 are quite uncertain, because we have been unable to find satisfactory information on either meat or milk production in West Pakistan. In any case, it is almost certain that production of animal protein is not increasing, because of the need to concentrate on plant crops which yield more calories per acre, and per acre foot of water, than do animal foods.

(22) U.S. Department of Agriculture, Economic Research Service, "Indices of Agricultural Production for the Far East and South Asia", Washington, 1962.