

**Deterioration of Agricultural Economy:  
An Emic Account on the Impacts of Terrorism in Pakistan**

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**Abstract:**

*The paper analyzes the implications of terrorism on socio-economic status of the country especially on agriculture sector. A hypothesis socio-economic characteristics of the respondents are associated with the perception of respondents about economic implications of terrorism, has also been tested. This paper highlights how terrorism hit badly the country especially its agricultural economy. The research was conducted in Faisalabad, an agricultural hub of Punjab Province of Pakistan. The sample of the study was consisted of 120 journalists from Faisalabad selected randomly through snowball sampling technique. The data was collected by using well designed interview schedule. The paper shows that agriculture which is the backbone of the country's economy has been damaged due to failing interlinked institutions affected by terrorism. It can be concluded that the social and cultural implications of terrorism are blinded with the economic downfall in the agricultural sector. So, comprehensive strategies and policies must be devised for the elimination of terrorism and those facilitating the menace, for the revival of safe & sound economy through promotion of agricultural business.*

**Key Words:** Pakistan, deterioration, agriculture; socio-economic, impact, terrorism

**INTRODUCTION**

Terrorism is a multidimensional concept with various factors leading to its derivation. The complexity of the term gets further disheveled because of its manifold cultural implications and connotations. Hence, though various definitions of terrorism have been proposed by different scholars; a single meeting point is still to be reached. The concept behind terrorism varies culturally, regionally, politically, religiously and country to country. It is also considered a mental activity. Every state attempts to put forward a definition that reflects their socio-cultural, political, economic and religious norms and values. Hence, it is the utmost exertion of different social scientists to develop a unanimous definition of terrorism (Townshend, 2002; Saud, 2020). Most commonly terrorism is understood as a mean of "harassment, destruction, suicide attack and killing of innocent people for no reasons" (Chachar, Mangi, Abbasi, & Chachar, 2013). However, contrastingly it is also explained that, "in any region, a violent behavior of the society leads to terrorism, which in turn reflects in the mobility of people's economies and the political behavior of a society which can be controlled through counter terrorism strategies (Hudson, 2002; Ahmad,

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2013; Naazer, 2018; Ahmed & Galib, 2020). The war on terror in Pakistan started after September 2001, but little was known to the Western world till 2003. Pakistan being forefront ally of US in the war on terror faced the cost of it in the shape of loss of “lives of a huge population i.e. citizen 35,000 plus, security personals 3,500, and infrastructural damages and a straight financial damages of \$67.93 billion” (Government of Pakistan, 2003; Ahmad, 2013). Hence Bari’s (2010) statement can be confirmed that “terrorism has been a potential threat for the security and stability of the people.” Over the years it has been observed that the curse of terrorism only became worse. According to Yusufzai (2007), the country witnessed record number of suicide bombings in 2007. Abawi cited a CNN report stating that “in the recent year’s suicide bombing had only multiplied. It had been pointed by then that Al Qaida and Pakistani Taliban both were united in order to have Islamic system in the country” (2008).

Asfa and Ahmad (2012) pointed out that “Pakistan in 2012 had suffered a heavy loss in the war against terrorism”. Terrorism affects the overall infrastructure of a country. Pakistan that had always faced serious economic and security issues since its independence has further been disturbed by internal insecurity. Every section of the society has been adversely affected, as stated by Azam (2009) that the “social, economic and political violence has destroyed the infrastructural beauty of Pakistan and Afghanistan.” Adora (2010) supported the argument too that intensified number of militants’ attacks affected the business movement that consequently disturbed all social classes of society especially labor class and pushed down their livings and quality of life. He stated that the “economic resources are mainly targeted by the militants to fail the socio-economic setup of the region”. The terrorist attacks damaged the country, worsening the economic conditions in nearly all vital sectors. “The costs of terrorism include loss of livelihood, destruction of infrastructure, capital flight, declining of growth rates, low revenues and hence the deterioration of overall economy” (Ahmad, 2013; Naazer, 2018; Naazer, 2019; Ahmed & Galib, 2020). In the past few years, the economy of the country has severely been deteriorated. The cause behind this decline has said to be “growing militancy and extremism” (Khan, 2007; Ahmad, 2013), and in turn “terrorism which is a threat to both internal and external security that ultimately affects the socio-political structure” (Daraz, 2008). Statistics show that Pakistan has seen a massive loss of life and property. According to an estimate in 2009, 3318 people died in the terrorist attacks. While between September 11, 2001 and May 2011, a total of 35,000 Pakistani citizens were killed. The bomb explosions and suicide attacks from 2000-2010 led to a total desecrate of \$68 billion” (Hamid, 2011). According to the authentic media houses of Pakistan till 2018 at least 65000 people were killed (US War on terror, 2018) and Pakistan’s economy suffered a total loss of \$126.79 billion due to war on terror since 2001.

It must be pointed out here that religion is not the only cause behind terrorism in Pakistan but other motivational factors like socio cultural, economic and political are also involved and the effects are similarly not unilateral (Iqbal, 2010; Saud, 2020; Iqbal, 2010; Saud, 2020; Ahmad, 2013; Naazer, 2018; Naazer, 2019; Ahmed & Galib, 2020). The effects of the war on terrorism have serious implications for the country. The brains of the country plus the civilians tried to make sense of this new reality by understanding meaning of it within their “own broader understanding of politics at the global, national and local level” (Bari, 2010; Saud, 2020). Pakistan being an agrarian economy depends highly on its agricultural communities for an economic stability. However, as discussed

thoroughly above through various studies, the economy of the country is in shambles due to the constant state of insurgency. Hence, it can be deduced that agriculture which is one of the primary sectors of our economy is severely affected by the current state of instability (Khan, 2013). It is established that agriculture is the major sector for provision of employment, encapsulating 38.5 percent of the total labour force, and contributing 18.5 percent to the overall GDP (Government of Pakistan, 2020).

Agriculture is not merely an economic activity but also a motion for subsistence resulting out of the social framework in which the individual dwells. There is a “negative effect of conflict on the level of investments on long-term agricultural technology.” Hence, the farmers substituted expensive technology with low expenditure technology. Additionally, “the richer farmers and those who were living in Pakistan-bordering districts were observed to have been affected more. This led to the deduction that long-term agricultural technology investment on account of the insurgency results in a farmer losing close to 4 percent of his annual income” (Singh, 2013).

National statistics also strengthen this argument. The agriculture growth was 6.5 percent in 2004-05 that declined to 6.3 percent in 2005-06, and again to 4.1 percent in 2006-07. In 2007-08, it dropped sharply to 1.0 percent before rising up to 4.0 percent in 2008-09. In 2009-10 and 2010-11, it showed marginal growth of just 0.6 percent and 1.2 percent, respectively. In 2011-12, it grew slightly, by i.e. 0.7 percent and again declined in the next year (2012-13) by 0.4 percent. There was positive increase of 0.4 percent in 2013-14 and again negative growth of 0.2 percent in 2014-15. According to the Economic Survey of Pakistan 2019-20, “The average annual growth rate in agriculture and in its allied sectors during the last six years (2014-15 to 2018-19) was static and impacting the income of farmers” (GOP, 2020). The current study was conducted in Faisalabad (which is an agricultural hub of Pakistan). The major objective of the study was to know the implications of terrorism on socio-economic status of the country especially agriculture sector as perceived by journalists’ community along with the testing of main hypothesis:

H<sub>1</sub>: Socio-economic characteristics of the respondents are associated with the better perception about economic impact of terrorism.

## **MATERIALS AND METHOD**

This research was conducted in Faisalabad, the 2<sup>nd</sup> most populous metropolitan city of Punjab and 3<sup>rd</sup> most populous town of Pakistan. The rural areas of the district Faisalabad are highly well-known for agriculture especially for vegetables, fruits and major crops i.e. wheat, cotton, sugarcane etc. The urban areas are known for cotton, and textile industries as well as sugar and ghee mills etc. It is normally considered a manufacturing municipal city. According to the available statistics in the office of the Deputy Commissioner, “The urban-rural population ratio is 42.7 and 57.3 percent respectively While the gender-wise the literacy rate is 70.1 percent for men and 64.1 percent for women. Administratively, the Faisalabad district is divided into 8 towns which are additional sectioned into 289 UCs. The objective of the paper is to highlight the impact of terrorism on the economy of the country; specifically, the agricultural sector of the locale. The journalists are in reasonable numbers whom are working in electronic as well as print media in addition to the freelance journalists and bloggers etc. Sample of 120 journalists were elected randomly from the journalistic community of Faisalabad. The data was collected by using well designed interview

schedule. The used research tool included a combination of both closed and open-ended questions. The tool was appropriately pretested in order to maximize its validity and reliability.

## RESULTS AND DISCUSSION

**Table 1: Perception of Respondents on the Economic Impact of Terrorism**

The economy of Pakistan has been deteriorated because of terrorism.	Yes		No	
	Frequency	Percentage	Frequency	Percentage
	114	95	06	05

The results in (Table 1) shows that the individuals involved in the research were initially asked if they agreed with the statement that, "The economy of Pakistan has been deteriorated because of terrorism". Ninety-five percent respondents of the total sample, i.e. 114 out of 120 agreed with the statement and replied "yes". They were further interviewed regarding the impact of terrorism on the economic and social conditions of the inhabitants of the country. This helped to understand how terrorism affected the livelihoods of the individuals in agricultural sector.

**Table 2: Operationalization of the Economic Impact through Perception of the Respondents**

Economic impact	To a great extent		To some extent		Not at all	
	F.	%	F.	%	F.	%
Loss of jobs	72	60.0	44	36.7	04	3.3
Loss of income	101	81.2	15	12.5	12	3.3
Loss of property	55	45.5	56	46.7	09	7.5
Loss of crops/ orchards	32	26.7	77	64.1	11	9.2
Loss of business	72	60.0	44	36.3	04	3.3
Loss of livelihood	75	62.5	40	33.3	05	4.2
Devaluation of property	35	29.2	76	63.3	09	7.5
Isolation of Pakistan at a global level	109	90.8	07	05.8	04	3.3
Economic dependency of the country increased.	101	84.2	19	15.8	00	0.0
Developmental projects have adversely been affected	102	85.0	12	10.0	06	5.0

Table-2 depicts the respondents' perceptions regarding the effects of terrorism on the local and global economy. Almost 60 % of the respondents agreed to a great extent that terrorism affected jobs, 36.7% agreed to the statement to some extent, while 3.3 % completely disagreed with it. More than four-fifths (81.2%) of the respondents to a great extent agreed with the fact that their income decreased since the war on terror. Some (12.5%) respondents agreed to some extent. Both the loss of income and property are directly related to the loss of crops and orchards. In response to this statement 26.7% respondents greatly agreed, 64.1% respondents agreed to some extent while 9.2% respondents disagreed. Hence, the majority of the respondents asserted that agricultural economy has been affected adversely by terrorism. Most of the respondents (60 % and 36.7%) were agreed to greater and to some extent, respectively regarding business deterioration

due to loss of property and crops, while only 3.3% stood unaffected. The property devaluation was also observed to be an issue by the respondents, as 29.2 % agreed strongly and 63.3% agreed to some extent with the statement. Resultantly, lack of jobs, basic income, and loss of property all contributed to the deterioration of agricultural economy. Pakistan, according to the perception of the most (90.8%) respondents, has to a greater extent been isolated globally. With the above-mentioned local grassroots level issues plus the global scenario inevitably increased the economic dependency of the country. This is also due to the fact that development projects that used to be internationally funded have backed off. With 85% people agreeing strongly and 10% agreeing to some extent, there seems to be a lot of truth in the statement. The whole scenario can be explained and the argument can be strengthened by the reference which stated that in case there was a presence of some major conflict in a particular area at a particular point of time then there was a stark reduction in the overall fixed- investments by 17%, after controlling various farm based trends (Singh, 2013).

**Table 3: Social Impact of Terrorism and Agricultural Degradation**

Social impact	To a great extent		To some extent		Not at all	
	F.	%	F.	%	F.	%
Loss of lives	107	89.2	08	06.7	05	09.2
Disabilities	79	65.8	24	20.0	17	14.2
Restrictions over mobility	57	47.5	50	41.7	13	10.8
Lack of recreation	57	47.5	50	41.7	13	10.8
Destruction of Local culture	80	66.7	30	25.0	10	08.3
Negative effects on daily routine life	81	67.5	30	25.0	09	07.5
Collective activities are decreasing in the society	55	45.9	52	43.3	13	10.8
Relationships and social gatherings have badly affected	84	70.0	19	15.8	17	14.2
There is a general sense of insecurity prevailing	86	71.7	17	14.2	17	14.2

Table 3, highlights the major social issues faced by the people due to terrorism which are the cause of hindrance in the agricultural development. Respondents firstly shared that there has been a major loss of lives since the war on terror started. People have lost their families, bread earners because of terrorism. Majority (89.2%) of the individuals agreed strongly with the statement, 6.7 % to some extent, while only 4.2% disagreed. The second major issue faced was disabilities caused by terrorist attacks. The individuals, who survived the heinous attacks, were mostly injured to the extent of permanent injuries and disabilities. Thus, they became incapable of performing daily activities related to agricultural or earning a decent livelihood. Furthermore, it was shared that since the advent of Al-Qaeda, the mobility of people both male and female became highly restricted. The entire fabric of social security has been severely tarnished due to which people of both genders could not roam outside their houses with ease and mental peace. People restricted their mobility themselves due to the intense fear inculcated into their minds after various terrorist attacks across the country, which consequently halted the agricultural activities. A huge proportion of sample approved the statement that “restrictions in mobility” was observed, 47.5%

agreed to a greater extent, 41.7% to some extent while only 10.8% disagreed. This shows that the Pakistani society has been stripped of one of the most crucial requirements to make a living at the most basic level and helping the economy grow at a national level. People of the community mainly agreed to the fact that recreational activities have been stunted due to terrorism. Mental health and peace have been affected and people lack places to go to for their leisure time, 47.5% of the individuals agreed strongly to the statement, 41.7% to some extent, while only 10.8% disagreed. Respondents shared that they had to spend their free time indoors watching television which only increased depression since the media was full of reports about terrorist attacks. Most of the respondents (67.7%) to some extent approved the statement. They also shared that their daily life routine had completely changed and collective activities within the community that were quiet common are decreasing day by day. Social relationships have weakened, and general sense of trust has disappeared that led to constant insecurity. Thus, it is concluded that the Al Qaeda has crippled Pakistan's the social, economic, and political structure (Gregory, 2007).

### Factors and reasons responsible for extremism as perceived by the respondents

Although enemies of Pakistan are behind the menace of terrorism in the country, however, the question arises, why local people were being trapped in the hands of the masters of extremism/terrorism? In this regard respondents' pointed out that poverty, inequality in the society, corruption, and failure of governance, are the major factors responsible for terrorism in Pakistan. According to the respondents the other reasons for this issue are poor justice system, illiteracy, lack of exposure and jihadi culture, however, majority of the respondent's main reason of the terrorism in Pakistan was international conspiracies. According to Azam (2009), all aspects of human life i.e. socio-economic & political were badly affected due to terrorism and this enhanced the violence in society and severely destroyed the infrastructural beauty of many states i.e. Pakistan and Afghanistan. According to him, political conflict, poverty, joblessness, and peculiar benefits of individuals are forcing factors behind this insurgency, extremism, and terrorism.

**Table 4: Association between socio-economic characteristics of the respondents and economic impact of terrorism**

Variables	Pearson Correlation Coefficient	P-value
Education	0.611	0.000**
Age	0.748	0.000**
Income	0.636	0.000**
Family type	-0.046	0.618 <sup>NS</sup>

Dependent variable: Economic impact

H<sub>1</sub>: Socio-economic characteristics of the respondents are associated with perception about economic impact of terrorism.

H<sub>a</sub>: More the age of the respondents, more will be observation about economic impact of terrorism.

Association between the Age of the respondents and Economic Impact of terrorism Gamma value ( $r = .748$ ) shows a highly significant and positive relationship between age of the selected respondents and their perception about economic impact of terrorism. It means higher the age of

the respondents higher will be the perception about economic impact of terrorism. It means young respondents have more perception about the economic impact of terrorism. So, the hypothesis “Young people will observe more economic impact of terrorism” is accepted. In a study, Ali (2017) mentioned that Pakistani population comprised young and almost 60% of its’ total population that is an advantage of this country. So, sensible youth very keenly observe the impact of terrorism on economic situation of a country.

H<sub>b</sub>: Higher the education of the respondents; more will be observation about economic impact of terrorism.

Association between the education of the respondents and economic impact of terrorism Gamma value ( $r = .611$ ) shows a highly significant and positive relationship between education of the respondents and their perception about economic impact of terrorism. It indicates that educated people have more perception about the economic impact of terrorism. So, the hypothesis “educated people will observe more economic impact of terrorism” is accepted.

H<sub>c</sub>: Higher the economic status of the respondents better will be the b perception about economic impact of terrorism.

Association between the economic status of the respondents and economic impact of terrorism Gamma Value ( $r = .636$ ) shows a highly significant relationship between income of the selected respondents and their perception about economic impact of terrorism which indicates an optimistic direction. It means sub-hypothesis “economic status of the respondents is associated with their perception about economic impact of terrorism” is accepted.

H<sub>d</sub>: Family structure is associated with the people’s perception about economic impact of terrorism.

Association between the family structure of the respondents and economic impact of terrorism Gamma value ( $r = -.046$ ) shows a non-significant relationship reflecting that there is no association in family type and economic impact of terrorism. It means family structure of the respondents have no impact on their perception about the economic impact of terrorism. So, hypothesis “Family structure is associated with people’s perception about economic impact of terrorism” is rejected. The hypothesis “Socio-economic characteristics of the respondents are associated with the perception about economic impact of terrorism” is partially accepted.

## CONCLUSION

The socio-cultural fabric of a society undeniably is linked with the economic sphere. This paper highlights how the local culture and social activities are drastically altered to lead to an extensive impact upon the economy of the society. Terrorism that has become a reality of our society is that sudden cause of change which has altered every aspect of our local and national culture leading to devastating effects on the backbone of the Pakistan’s economy i.e. our agriculture. Terrorism has affected agricultural sector of Pakistan in all aspects. It not only increases loss of income, property, crops, orchards, agro-business, devaluation of property, loss of livelihood, increases economic dependency on foreign, global isolation but adversely affects development projects as well as the job opportunities. Lack of jobs increases unemployment, poverty and severely affects the livelihood of community. Youth is the hope of every society and an active proportion of national

development. Pakistan is rich in young population and most of them are engaged in agriculture related activities or serving agro-based industry. There is dire need to control terrorism, develop peace and promote agricultural market to generate economic opportunities for young people and help to strengthen the agricultural sector and agricultural based economy.

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