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Cotton vision redux?

Back in the heady days of mid 2000s when GDP growth rate surged close to eight percent, Pakistan set itself a “Cotton Vision 2015”. Domestic cotton production was projected to grow at six percent per annum, increasing to 20.7 million bales, servicing rising domestic demand and producing an exportable surplus.

Instead, by the end of FY16, annual cotton production had declined to under 10 million bales, levels not seen since the turn of the century. At the same time, cotton’s value added to agriculture eroded by three percentage points.

What happened? Year after year Pakistan Economic Survey reports have blamed poor performance of cotton crop on a variety of factors. Spread of leave curl virus; mealy bug infestation; shift of sowing area to sugarcane, rice, and/or maize; heavy rainfall; poor rainfall; use of generation old cottonseeds; late sowings; higher price of wheat; decline in international cotton prices; flare up of sucking pest, white fly, and thrips; poor application of pesticides and DAP; lack of interest in Bt. Cotton varieties followed by use of unsuitable Bt. Cotton hybrids!

If cotton were a mental health patient, it would appear that it suffers from an ‘external locus of control’ problem. Cotton’s fate during the last decade has been a comedy of errors; yet, if yesterday’s headline news in this newspaper is any guide, the country is once again pinning its hopes on the crop to stage a revival of textile value chain.

Analysis of cotton’s performance against primary kharif season substitute crops over the last three decades suggests that by and large, decline in cotton output has been led by decline in area under cultivation. Would reversing this trend stage a cotton-led coup? Not necessarily, as during the same period, periods of increasing output have closely mirrored the trend in yield improvement, and not necessarily increases in area under cultivation.

Yet, it will be a long time before improvements in yield becoming the saving grace for the sector. Far from closing in on 1,500 kg/hectare, the average yield of top ten producers, domestic yield has averaged at 740 kg/hectare during the last decade, one-third lower than the target yield set in the Cotton Vision 2015 document.

Should the government then simply stop trying? Maybe, because beyond offering an enabling environment for growers to subsidized cottonseeds and fertilizer, there is precious little that can be done to leapfrog the abysmal yield.

Even if the target output is achieved in subsequent years, challenges abound. From poor quality of cottonseed; presence of moisture during ginning; inadequate storage conditions; mixing of various grades into seed cotton sold for next seasons; all present intractable issues that cannot be solved by heavy handed bureaucratic meddling.

Instead, it may simply be easier to open up the synthetic/man-made fibre market, which accounts for 65 percent of fibre demanded by textile sector globally. While it is true that tariffs on man-made staple fibre was lowered last year to seven percent from its peak of 25 percent in 1998, two decades of protection set the country on a very different course from rest of the world, with no respite for domestic cotton production.