

Poverty Distribution in Islamic Republic Pakistan

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ABSTRACT:

Pakistan's poverty rate decreased from 64.3% in 2001 to 24.3% in 2015, according to the World Bank. Additionally, Pakistan's newborn mortality rate (88 per 1000) is higher than the regional average for South Asia (83 per 1000). Pakistan's current administration has stated that it is committed to reforms in this sector. Feudal System (Feudalism) A significant portion of Pakistan's property is held by feudal landowner families, who together manage thousands of acres of land with little personal labour. Since land is one of the primary sources of livelihood in Pakistan's rural agricultural areas and feudalism is prevalent there, people are unable to obtain and hold land. Distribution of Wealth in Pakistan has a moderately unequal distribution of wealth, with the wealthiest 10% of the population earning 27.6% of the national income and the bottom 10% only receiving 4.1 percent. A further estimate places the number of street children in Pakistan's major cities and urban areas at 1.2 million. Unequal Opportunities and Disasters The disparities between Pakistan's rich and poor were highlighted by the floods that occurred there in 2010. Geographic Distribution of Poverty in Pakistan Many of the impoverished were assisted in participating and rising up throughout the previous ten years by efforts to eradicate poverty. One of South Asia's most underdeveloped regions was Pakistan's Khyber Pakhtunkhwa. Growth and social development are well-balanced by the government's development goal. In the 1990s, rural poverty increased significantly, and the income disparity between rural and urban sections of the nation widened. Pakistan now has the second-lowest headcount poverty rate in South Asia because to significant reductions in poverty. In Pakistan, historically speaking, poverty has been higher in rural areas and lower in urban ones. The stark disparities between the rich and the poor in Pakistan have been highlighted by the floods.

Keywords: Poverty, Wealth, Pakistan, Distribution

INTRODUCTION:

The World Bank estimates that for the fiscal year 2020–21^[9], poverty in Pakistan will be at 39.3 percent using the lower middle-income poverty rate of US\$3.2 per day and 78.4 percent using the upper middle-income poverty rate of US\$5.5 per day. The government reported in September 2021 that 22% of the population is living below the national poverty level, which is set at Rs3030 (US\$19) per month. When it was predicted that 17.2 percent of the entire population lived below the poverty line in the 2007–2008 fiscal year, independent agencies backed estimates of a significant decline in the statistic. The 1990s saw a reversal of the falling trend in poverty that had been observed in the nation during the 1970s and 1980s due to subpar federal policies and widespread corruption. This phenomenon is known as the "poverty

bomb." The International Monetary Fund provided assistance to the government in 2001 as it was creating the Interim Poverty Reduction Strategy Paper, which offers recommendations for how to lessen poverty in the nation. 55 million Pakistanis, or around 24.3% of the population, were estimated to live below the poverty line, according to a study presented to the National Assembly of Pakistan by the Ministry of Planning and Development.^[1]

DISTRIBUTION OF WEALTH IN PAKISTAN:

Pakistan has a moderately unequal distribution of wealth, with the wealthiest 10% of the population earning 27.6% of the national income and the bottom

10% only receiving 4.1 percent. Pakistan often has a low Gini coefficient, which results in a respectable income distribution (relatively lower inequality). In 2015, 24.3% of Pakistanis were considered to be poor by Pakistani standards. The concept of poverty causes statistics to differ. Pakistan's poverty rate decreased from 64.3% in 2001 to 24.3% in 2015, according to the World Bank.^[5] The percentage of the people living in poverty at \$1.90 per day (2011 PPP) decreased from 6.2 percent in 2013 to 4 percent in 2015. Pakistan now has the second-lowest headcount poverty rate in South Asia because to significant reductions in poverty.^[2]

GEOGRAPHIC DISTRIBUTION OF POVERTY IN PAKISTAN:

Many of the impoverished were assisted in participating and rising up throughout the previous ten years by efforts to eradicate poverty. However, the progress of Pakistan has been hampered by the global financial crisis and other circumstances, such as the occupation of Afghanistan. In Pakistan, historically speaking, poverty has been higher in rural areas and lower in urban ones. Thirty million of the 40 million people living below the poverty line are in rural areas. In the 1990s, rural poverty increased significantly, and the income disparity between rural and urban sections of the nation widened.^[11] The disparate effects of economic events in rural and urban areas have been blamed for this trend. Punjab also has large disparities in terms of poverty between its various regions. One of South Asia's most underdeveloped regions was Pakistan's Khyber Pakhtunkhwa. Despite this, there has been a lot of development accomplished. The Ghulam Ishaq Khan University of Science and Technology is one of many universities that now exist in the NWFP. Peshawar is a contemporary, global city that was once a slumber

cantonment for British towns. The social and economic structures can benefit from much more investment. NWFP is still heavily influenced by tribal culture, despite the fact that the largest Pathan city is where the Soviet invasion of neighboring Afghanistan began and where the Taliban government was reportedly supported by Western media. Law and order have broken down in numerous areas of the region as a result of these and other actions.^[7]

POVER AND GENDER DISCRIMINATORY PRACTICES:

The practices of gender discrimination in Pakistani society also influence how poverty is distributed throughout the nation. In Pakistan, traditional gender norms designate the man as the provider and position the woman in the house rather than the workplace. As a result, society spends much less in women than it does in men. In Pakistan, women experience a lack of possibilities throughout their life. In Pakistan, male literacy is 82.5 percent, while female literacy is 71.8 percent. Before 2002, women made up less than 3% of the legislature in bodies with general election seats. Parliaments that were elected after this provision expired in 1993 did not have reserved seats for women. Following the 2002 election, reserved seats for women have been reinstated. In the current Parliament, 20% of the seats are reserved for women. The measures of Pakistan's human development, particularly those for women, are much lower than those of nations with equivalent levels of per-capita income, according to the United Nations Human Development Report.^[16] Additionally, Pakistan's newborn mortality rate (88 per 1000) is higher than the regional average for South Asia (83 per 1000).

SOCIAL AND FINANCIAL VULNERABILITY:

Administrative Units	1998 Census			1981 Census
	Both Genders	Males	Females	
Pakistan	19.68	20.19	5.05	3.1
Rural	19.98	20.40	5.50	2.3
Urban	19.13	19.77	4.49	5.2
Pakhtunkhwa (KPK)	26.83	27.51	2.58	2.2
Rural	28.16	28.64	4.00	2.0
Urban	21.00	22.34	0.74	3.7
Punjab	19.10	19.60	5.50	3.2
Rural	18.60	19.00	6.00	2.5
Urban	20.10	20.7	4.70	5.0
Sindh	14.43	14.86	4.69	3.3

Rural	11.95	12.26	3.70	1.6
Urban	16.75	17.31	5.40	5.8
Balochistan	33.48	34.14	8.67	3.1
Rural	35.26	35.92	9.81	3.0
Urban	27.67	28.33	5.35	4.0
Islamabad	15.70	16.80	1.70	10.7
Rural	28.70	29.40	8.20	13.5
Urban	10.10	11.00	0.80	9.0
Unemployment Rate: The ratio of the number of unemployed people (those looking for work and those who have been temporarily laid off) to the total number of people who are economically active.(10yearsandabove).Source:				
http://www.statpak.gov.pk/depts/pco/statistics/other_tables/unemployment_rates.pdf				

In this context, "vulnerability" refers to the inherent propensity for economically disadvantaged persons to become impoverished as a result of exogenous random shocks. Typically, vulnerable households are reported to have low levels of spending. If a household lacks the tools to adjust its spending in response to changes in income, it is deemed susceptible. In general, homes grouped close to the poverty line are considered to be more vulnerable. Exogenous shocks might make vulnerable households more dependent on non-agricultural earnings because their coping mechanisms largely depend on their sources of income. Many regions of Pakistan have not seen this diversification, which has increased reliance on loans. Although economic vulnerability is a significant contributor to the rise in poverty in Pakistan, other types of vulnerability, such as those brought on by social powerlessness, political disenfranchisement, and poorly functioning institutions, are also significant contributors to the persistence of vulnerability among the poor.^[4] Other factors that make Pakistan vulnerable include the regular harassment perpetrated by dishonest government employees, as well as their poor performance, exclusion, and denial of fundamental rights to many Pakistanis. Additionally, because the government does not provide appropriate health care, the poor are forced to turn to private providers, even though these are more expensive and carry a higher risk of malpractice and expired medication than state-run medical facilities. Another reason for the growth in the vulnerable of the poor is the state's failure to establish proper law and order in many areas of the nation.^[3]

INSUFFICIENT GOVERNANCE:

The way in which power is used to govern a nation's social and economic resources for development has become Pakistan's main developmental issue by the end

of the 1990s. Corruption and political unrest, such as the insurgency in Balochistan and the ten-year war with the Taliban in the Waziristan region, have lowered corporate confidence, slowed economic growth, cut governmental spending, provided subpar public services, and undermined the rule of law.^[14] The military's dominance in politics, excessive spending on defence at the expense of social sectors, the deterioration of law and order, as well as several declarations of martial law and roughly four coup d'états in the past fifty years,^[13] have all been influenced by the perceived security threat on Pakistan's border with India. Long eras of military rule have alternated with brief periods of democracy in Pakistan. Government transparency and accountability decreased as a result of the quick changes in governments, which also sped up policy reversals and revisions. Resource distribution is not transparent in part because of the rise of military governments^[12]. Politicians and the government cannot be forced to respond to public demands or fulfil pledges by those who do not belong to the political class. The political elite and the bureaucracy, who may or may not be aware of the needs of the populace, set the priorities for development rather than potential beneficiaries. Even when compared to other nations with similar income levels, political instability and macroeconomic imbalances are reflected in negative creditworthiness ratings, which has led to capital flight and a decline in foreign direct investment inflows. Pakistan's current administration has stated that it is committed to reforms in this sector. A further estimate places the number of street children in Pakistan's major cities and urban areas at 1.2 million. This includes scavengers and beggars, many of whom are quite young. Their situation is made worse by the law-and-order issue because boys and girls are fair prey for those who would make them resort to stealing, scavenging, and smuggling in order to exist. To

ward off hunger, loneliness, and dread, a significant portion consumes readily available solvents. Children are susceptible to STDs like HIV/AIDS as well as other illnesses.^[6]

FEUDAL SYSTEM (FEUDALISM):

A significant portion of Pakistan's property is held by feudal landowner families, who together manage thousands of acres of land with little personal labour. Since land is one of the primary sources of livelihood in Pakistan's rural agricultural areas and feudalism is prevalent there, people are unable to obtain and hold land. To work the land, they hire their serfs as labourers. Of the impoverished tenants, 51% are in debt to their landlords. Because of their position of authority, the landlords are able to take advantage of the one resource the impoverished may possibly contribute: their own labour.^[10]

ISSUE WITH THE ENVIRONMENT:

The usage of agrochemicals, deforestation, erosion, and other environmental issues in Pakistan, among others, are factors in the country's expanding poverty. Growing toxicity risks are correlated with increased pollution, which is also a result of the nation's lax industrial norms.

UNEQUAL OPPORTUNITIES AND DISASTERS:

The disparities between Pakistan's rich and poor were highlighted by the floods that occurred there in 2010.^[15] According to Abdullah Hussain Haroon, Pakistan's ambassador to the UN, affluent feudal warlords and landowners in Pakistan have been putting money and resources into their own personal relief efforts instead of helping the needy. Haroon also made reference to evidence showing that landowners had permitted embankments to collapse, causing water to flow away from their property. Additionally, it has been claimed that regional leaders conspired with warlords to steal money. The stark disparities between the rich and the poor in Pakistan have been highlighted by the floods. The wealthiest in Pakistan have suffered significantly less than the country's destitute because they have better access to transportation and other amenities.

CONCLUSION:

In addition to increasing vulnerability, poor governance also contributes to low business confidence, which results in lower investment levels, decreased service delivery efficiency, which has serious implications for human development, and deterioration in the law and

order situation, which has an impact on both economic activity and quality of life. The cornerstone of the government's approach for restoring growth, eradicating poverty, and boosting social progress is its ambitious agenda for governance change. Others, like the civil service, justice system, police, and tax administration reform, are still in the early stages of the process, despite having already begun. Consolidating the reforms in the first category and accelerating the process in the second, however, will be essential for the suggested development strategy to succeed. Growth and social development are well-balanced by the government's development goal. It is also realistic in that it acknowledges that macroeconomic stabilization must take precedence in the medium term, and that during this time, success in reducing poverty and fostering social development must largely depend on more efficient use of available resources.

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