

## Short Communication

# Poverty in Pakistan: A Socio-Economic Survey of Punjab

SAMINA KAUSAR AND REHANA QURESHI†

*Social organizer Punjab Rural Support Program, Sahiwal–Pakistan*

†*Department of Social Sciences and Humanities, University of Agriculture, Faisalabad–38040, Pakistan*

### ABSTRACT

The present study focuses on the state of affair in one of the most popular province Pakistan, Punjab. The specific objectives of the study was to study the socio-economic conditions of rural women in Punjab Rural Support Program (PRSP) Project area, various forms and causes of poverty and to suggest appropriate measures for poverty. For this purpose, two villages namely 39 GB and 74 GB of one Union Council (PRSP working area) in Satiana were selected randomly by using simple random sampling technique. 150 respondents of rural female were selected for data collection through purposive sampling technique. The results revealed that 63% of respondents have one earning hand in their families. As far as socio-economic status is concerned, data collected from 80 poor respondents indicated that 5, 30, 23, 17.5 and 23.8% of the respondents were economically poor; both economically and socially poor; economically, socially and physically poor; economically, socially, physically and politically poor; normally poor, respectively. The results also show that there is positive and strong relationship between credit facilities and poverty reduction. Moreover there is positive and strong relationship between training and poverty reduction. It was suggested that besides Government and PRSP more NGOs should play an effective role in this sphere and motivate the rural housewives to change their life style.

**Key Words:** Poverty; Pakistan; Socio-economic; Punjab

### INTRODUCTION

Poverty is one of the main social problems that Pakistan and other developing countries are facing today. Poverty is multi-dimensional concept. People living in poverty have income less than a dollar per day or 2250 calories/person (2450 for adults in rural areas and 2150 for adults in urban areas) (Ashfaq & Hussain, 2002). The concept of poverty and being poor has changed over time. Education and opportunity are considered as essential as the bare necessities of life (Junaid, 2002).

In Punjab over one third of the population lives below the poverty line and only 45% of them are termed as literate. There is only one doctor for every 1590 persons, 90% of the villages lack basic health facilities and the state of roads, canals, schools, building and other infrastructure is rapidly deteriorating. The cost of cultivating land has spiraled while the growth in the agriculture sector registered a meager rate of 0.35% in 1998, as compared to the population growth rate of 2.4% (PRSP, 1998-99).

Keeping the above mentioned facts, the study in hand was designed to investigate the various forms and causes of poverty. The specific objectives of the study were, (i) to study socio-economic conditions of rural women in PRSP project area, (ii) to study various forms and causes of poverty, and (iii) to suggest appropriate measures for poverty alleviation.

### METHODOLOGY

**The universe.** This study aimed to find out the factors which are responsible for the poverty and its effect on the socio-economic conditions of rural house wives in PRSP Project Area.

At first stage among schedule areas of PRSP of Faisalabad city Jumarah, Sumantri, Satiana, Stiana was selected through simple random sample technique. Then for this study, two villages namely 39 GB and 74 GB of one Union Council (PRSP, working areas) in Satiana area were selected randomly by using simple random technique. A list of 377 women who got credit from Punjab Rural Support Program Satiana area during 1998-2002 for different kinds of enterprises was prepared which serves the purpose of population of this study.

**The sample.** There are two basic requirements for a good sampling procedure. Firstly it must be representative and secondly it must be adequate.

A list of female members of PRSP Satiana was obtained, and a sample of 150 respondents (all rural females) was selected for data collection through purposive sampling technique from PRSP project areas of Faisalabad. All the respondents were interviewed personally with their voluntary participation.

#### Statistical Techniques

**Percentage.** Percentage has been unutilized for making comparison of various responses. Percentages were worked out by using the following formula:

$$P = \frac{F}{N} \times 100$$

Where, P = Percentage, F = Frequency for the desired class, N = Total number of frequencies

Chi-square

$$\chi^2 = \frac{\sum(O-E)^2}{E}$$

Where, O = Observed value, E = Expected value,  $\Sigma$  = Total sum

## RESULTS AND DISCUSSION

In order to gauge the incidence of poverty in the study areas, the important variables those relate to the subject matter are considered for discussion. One of the important variables in this regard is earning hands on which a family mainly depends. Distribution of respondents as far as earning hands, nature and sources of income, occupation, income, socio-economic status, and reasons of poverty; and their association have been presented in Tables I to IV.

**Table I. Distribution of the respondents regarding different variables**

Variables	Frequency	Percentage
<b>Total earning hands</b>		
1	95	63.33
2	29	19.33
3	19	12.67
4	6	4.0
5	1	0.67
<b>Type of income</b>		
Permanent	96	64.0
Semi Permanent	51	34.0
Occasionally	3	2.0
<b>Source of income</b>		
Single	94	62.67
Multiple	56	37.33
<b>Occupation</b>		
Agriculturist	45	30.0
Non-Agriculturist	105	70.0
<b>Family income (monthly in Rs.)</b>		
Upto 5,000	81	54.0
6,000-10,000	47	31.33
11,000-15,000	17	11.33
16,000-20,000	3	2.0
21,000+	2	1.33
<b>Rank of poverty</b>		
Well to do	13	8.67
Better off	57	38.0
Poor	61	40.67
Very poor	18	12.0
Destitute	1	0.67
<b>Type of poverty</b>		
Economic + Social + Physical	4	5.0
Economic + Social + Physical + Political	24	30.0
Economic + Social + Physical	19	23.73
Political + Moral	14	17.5
Destitute	19	23.75
<b>Reasons of poverty</b>		
Inter-generational	59	73.75
Casual	9	11.39
Transitional	12	15.19

## CONCLUSION

The results of the study indicate that the percentage of population below the poverty line has increase from 17% in 1987-88 to over 35 to 40% in 2001-02. Majority of the people surveyed (i.e. 63.3%) had only one earning hand. 64% respondents husband have permanent jobs. Moreover, 70.0% of the respondents belonged to agriculture. The finding shows that majority of the respondents total family income was upto Rs. 5000. About 40% of the females were termed as poor. The results show that 30% of females were both economically and socially poor. Majority of the females (73.3%) were fallen in intergenerational poverty. To 24.6%, high inflation was cause of poverty. The value of gamma (0.54579) shows that there is positive and strong

**Table II. Distribution of the respondents regarding their opinions about the factors which cause of poverty**

Reason of Poverty	Frequency	Percentage
More dependents	17	11.33
Less resources	22	14.67
Unemployment	25	16.67
Less education	11	7.33
Money problem	6	4.0
Inflation	37	24.67
High population	23	15.33
Any other	9	6.0
Total	80	100.0

**Table III. Association between credit and poverty reduction**

Credit	Poverty reduction			Total
	To a great extent	To some extent	Not at all	
Yes	40.0	46.0	13.0	99.0
No	40.4	46.5	13.1	66.0
Total	9.0	20.0	22.0	51.0
	17.6	39.2	43.1	34.0
	49.0	66.0	35.0	150.0
	32.7	44.0	23.3	100.0

$X^2 = 18.72655$  d.f. = 2 Significance = 0.001

Gamma value = 0.54579 Significance = 0.001

**Table IV. Association between training and poverty reduction**

Training	Poverty reduction			Total
	To a great extent	To some extent	Not at all	
Yes	15.0	6.0	3.0	24.0
No	62.5	25.0	12.5	16.0
Total	34.0	60.0	32.0	126.0
	27.0	47.6	25.4	84.0
	49.0	66.0	35.0	150.0
	32.7	44.0	23.3	100.0

$X^2 = 11.56573$  d.f. = 2 Significance = 0.0031

Gamma value = 0.52770 Significance = 0.0031

relationship between credit facilities and poverty reduction. The values of gamma (0.52770) show that there is positive and strong relationship between training and poverty reduction.

## RECOMMENDATIONS

1. Pakistan should renew its commitment to fair trade, international justice, and alleviating poverty through agriculture by employing more people and providing cheaper food. Rural house wives should be motivated.
2. Poverty reduction programs should increase their interventions by increasing its credit amount from Rs. 20000 to Rs. 30000 for all members, because most of the women want to expand their business and they need more money for this purpose.

## REFERENCES

- Ashfaq, M., and M. Hussain, 2002. *The Poverty Problem* published. by "The Nation", Sunday, August 11, 2002
- Junaid, S., 2002. *Poverty Alleviation*. "The Nation", Thursday, August 8, 2002
- Punjab Rural Support Program, 1998. Published by "Punjab Rural Support Program", Lahore-Pakistan

(Received 20 January 2005; Accepted 01 March 2005)