

# The Dream of Poverty Alleviation in Pakistan

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Due to industrialization taking place throughout the world in the last couple of centuries, two opposite trends have taken place. With the rapid productivity and increased industrial activity, the means of production have gone to few hands. The process of bringing improvement in the life style of the people around the world also gave birth to modern day phenomenon of unemployment, Inflation, and various other economic disparities, thus giving rise to social inequalities causing drastic drawback effects in various societies. Despite the differences, we cannot simply write off the notion by Karl Marx that economy provides the basis of the formation of a society. For example, currently, we associate extremist trends to poverty; because of the fact that the poor segment of the society is vulnerable to such powers.

Throughout the history, people have shifted their means of living from agricultural base towards the industrial sources of income. It created an imbalance in the resource allocation by giving rise to urbanization of major cities throughout the world. Thus increased burden on the sources of income gave birth to immense poverty. Poverty is the state of a person who lacks a certain amount of material possessions or money. Absolute poverty or destitution refers to being unable to afford basic human needs, which commonly include clean and fresh water, nutrition, health care, education, clothing and shelter. About 1.7 billion people are estimated to live in absolute poverty today. Relative poverty refers to lacking a usual or socially acceptable level of resources or income as compared with others within a society or country.

Poverty in Pakistan is a growing concern. Although the middle-class has grown in Pakistan to 35 million, nearly one-quarter of the population is classified as “poor” as of October 2006. The poverty has risen over the years causing more and more people to strive for basic needs.

Poverty and the lack of a modern curriculum have proved destabilizing factors for Pakistani society that has been exploited by militant organizations, banned by the government, to run orthodox schools and produce militant literature.

There have been certain measures taken by various governments in Pakistan in the past but they generally proved to be a failure if the overall results are examined.

The current government launched Benazir Income Support Programme in the year 2008 to tackle the catastrophic impacts of inflation and price hike on the poor caused by recession in the world markets and highly increased food and fuel prices.

The Programme was launched initially for providing a fixed monthly cash grant to around 3 million beneficiary families. This monthly cash assistance was provided to the families who were most vulnerable to abject poverty; thus, this grant was a subsistence allowance to make their survival possible by adding between 20-50 % to their income or more.

This step was quite remarkable in the context of the fact that people had been committing suicides due to their inability to buy basic commodities such as flour, rice on other edibles. Such support to the families helped make their survival possible.

Soon after, the usual criticism emerged against the provision of monthly cash grants. The critics were of the view that the grant is not enough and instead it is making poor families more dependent.

Well, if we look at the rehabilitation, poverty alleviation, or social welfare programmes throughout the world, there are certain phases that are being implemented and carried out throughout the life cycle. The first phase is rescue, relief and recovery followed by complete rehabilitation by introducing certain livelihood enhancement measures or “graduation” strategies enabling the chronic poor to stand on their feet.

Same goes with the BISP and alongwith providing cash grants to its beneficiaries, BISP has now introduced Waseela-e-Haq, Waseela-e-Rozgar and Waseela-Sehet initiatives, thus helping 4 million beneficiary families earn their bread and butter in a respectable manner.

Waseela-e-Haq is basically designed to promote self-employment up to women beneficiaries or their nominees to improve their livelihood. It offers Rs.300,000 long term interest-free financial assistance to randomly selected beneficiary families, to be recovered in 15 years. It is based on personal trust instead of any collateral and is a completely interest free financial assistance. In this regard 22 Waseela-e-Haq draws have taken place and installments have been disbursed to the beneficiaries. Lots of families have initiated their businesses and successfully earning a decent income.

Waseela-e-Rozgar, another initiative of BISP, aims to empower a female beneficiary or her nominee to become economically independent through acquiring demand-driven vocational skills and technical education. It offers recognized training courses leading to certificate-based skill as well as non-recognized training such as in-house or product-based training under the BISP. Under the initiative, trainees are offered vocational trainings of 4 weeks, 3-6 months and one year while an advanced diploma programs of two or more years will also be initiated. BISP has planned to provide a complete economic rehabilitation mechanism to these families through vocational training. The programme is pursued through training facilities of recognized and reputed training institutions. International support for BISP’s Vocational and Technical Training is

tremendous as this is being considered as an exit/graduation strategy enabling beneficiary families to earn their livelihood with respect and dignity.

There are two further sub-components of Waseela-e-Sehet. The first is, a comprehensive Group Life Insurance Scheme that has been offered to the bread earners of BISP beneficiary families. Group Life Insurance Scheme has been launched with effect from 1<sup>st</sup> January 2011 and around 2.2 million families are being insured in the current year. In case of death of the bread earner of the beneficiary's family, the family will receive an amount of Rs. 100,000 within 90 days of the death. Secondly, to empower the underserved segments of the society BISP is all set to launch Health Insurance initially in the pilot phase in four districts which will be later extended to all over the country.

If we look beyond politics and observe ground realities, we will be able to acknowledge that BISP is a revolutionary step in a country where the poor have always been kept marginalized in a vicious circle of poverty. Poverty alleviation is a long term process, it takes time, and it needs our support as a nation. We should look at the changes this programme is bringing in the lives of millions of our fellow Pakistanis. We should appreciate the targets it is achieving and help make it a success to bring a social revolution aimed at improving the life of millions of poor Pakistanis.