

Short Communication

Investigation into Various Forms and Causes of Poverty: A Case Study of Pakistani Punjab

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ABSTRACT

The paper focuses on the state of affair in the one of the most populous province of Pakistan—Punjab, where more than one third of the population lives below the poverty line and only 45% of them are termed as literate. These people lack the basic amenities of life such as proper education, drinking water, health and hygiene facilities. The forms and causes of poverty have been identified in this paper.

Key Words: Poverty; Investigation; Deprivation; Predicted

INTRODUCTION

Poverty is multi-dimensional concept covering lack of income or non-accessibility to food, basic amenities of life which occurs due to exclusion from social, economic and political opportunities that enhance people's capabilities. People living in poverty have income less than a dollar per day or getting 2450 and 2150 calories for adults in rural and urban areas, respectively; which is a dangerous development (Ashfaq & Hussain, 2002; Junaid, 2002).

In Punjab, over one third of the population lives below the poverty line and only 45% of them are termed as literate. 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). Poverty is concentrated in rural areas, where a feudal social structure, illiteracy and an over reliance on agriculture are the main culprits.

Aslam (2002) reported that according to the caloric-based poverty (head count), the incidences of poverty declined sharply from 46.5% in 1969-70 to 17.3% in 1987-88. However, poverty 1990's rising from 17.3% in 1987-88 to 22.4% in 1992-93 and further 31% in 1996-97. The recent estimates suggest that poverty has further increased from 32.6% in 1998-99 to 33.5% in 1999-2000. In fact the incidences of poverty in rural areas have remained higher than urban areas since 1966-67.

Poverty is a legacy of the colonial past (Qazi, 2002). Pakistan, a third-world country, has been facing the demon of poverty for the last 56 years. According to the recent State Bank's Economic Report, almost 34% of Pakistani population now lives below poverty line which means almost 49 million people are living on mere one US dollar a day. This has not happened over night rather poverty and deprivation has assumed alarming proportion gradually. In

1960, about 19 million people lived below poverty line. This number increased to 34 million by 1998-99, i.e., 32.6% rise. Every effect has a cause, so it would be worthwhile to analyze major causes of this rapid increase in poverty (Tirmizi, 2002).

No society can progress unless women become an equal part in almost all of the national activities. As families grow in size their cash needs increase, hence burden of family's survival falls on women. Major activities that women have adopted till now are related with agriculture and small enterprises development.

In developing countries like Pakistan, social and cultural norms are generally considered to hinder the participation of women in activities outside home. But the changing social and economic conditions throughout the world require an appraisal for the role which women can play in their environment. So, there is dire need to break tradition and customs and also to overcome the hurdles in the participation of females in non-traditional income generating activities and contribute to the economy of the country (Sultana & Nazali, 1994).

The economy of Pakistan is a heavily debt-infected one in the world. It has been bearing with inflation, regional disparity, massive unemployment, declining industrial productivity, crashing of stock exchanges, and ever-increasing poverty for many years. In order to make Pakistan economically sound and socially equitable, the government has to take many concrete steps to reduce massive poverty and economic stagnation. For the first time in the history of Pakistan, poverty alleviation has become the focus of strategy for economic growth. Many policies at national and grass root levels are being implemented in order to eradicate poverty from Pakistan and ultimately boost the entire economy. Poverty in Pakistan is widespread. The percentage of population below the poverty

line has increased from 17% in 1987-88 to over 35% in 2001-02 (Khan, 2002).

The poverty studies in Pakistan discuss the economic, demographic and physical causes of poverty and very casually make observations on the socioeconomic conditions of poverty. Khan (2002) reported that the incidence of poverty in rural areas has almost always been higher than in the urban areas of Pakistan and three quarters of the country's poor live in rural areas. It is also a fact that the severity of poverty is greater in rural than urban areas.

Perhaps the most important body of evidence on rural poverty is that nearly two-third of the rural poor are working in agriculture as small owner-operators, share cropping tenants, and labourers.

Historically, Pakistan has relied almost exclusively on achieving rural poverty reduction through increased agricultural productivity and policy interventions, ranging from price supports, input subsidies, and preferential access to low cost credit, to public investments in infrastructure. Keeping the above mentioned facts, the current study was designed to investigate the various forms and causes of poverty.

METHODOLOGY

The Universe. This study aimed to find out the factors which are responsible for the poverty and its affect on the socio-economic conditions of rural house wives in Punjab Rural Support Programme (PRSP) Project Area.

At first stage, among schedule areas of PRSP of Faisalabad, Jhumrah, Samundri and Satiana were selected through simple random sample technique. For this study, two villages namely 39GB and 74GB of one Union Council (PRSP, working areas) in Satiana area were selected randomly by using simple random sampling technique.

A list of 377 women who got credit for PRSP Satiana area during 1998-2002 for different kinds of enterprises was prepared which served the purpose of population of this study.

The sample. Time and cost are usually limiting factors in social research. It is, therefore, economical to base studies on samples rather than to study the entire universe. A sample refers to smaller representation of larger whole (Goode & Hatt, 1952).

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:

$$X^2 = \frac{\sum (O \dots E)^2}{E}$$

Where,

O = Observed value

E = Expected value

Σ = Total sum

Conceptualization. Conceptualization is the application of certain scientific terminologies with a view to clearly communicate the interest and out comes to the study. It enables the researchers to link the study with the existing studies. Almost in every study strength and weakness depend necessarily on the nature of definition. Therefore, the relevant concepts are operationalized.

Socio-economic factors. Socioeconomic characteristics includes the information by which individuals can be classified such as sex, age, marital status, income, education, standard of living, basic needs. Such classification in turn may aid in explaining differences in behavior and attitudes.

RESULTS AND DISCUSSION

In order to gauge the incidence of poverty in the study area, the important variables those relate to the subject matter are considered for discussion. One of the important variables in this regard, therefore, is earning hands on which a family mainly depends. It was found that 66.33, 19.3, 13 and 4% respondents had 1, 2, 3 and 4 earning hands in their families, respectively. Only one respondent had five earning hands in his family. The results revealed that 64, 34 and 2% of the respondents had permanent, semi-permanent and occasional income, respectively. As far as the sources of income are concerned, 62.6 and 37.3% respondents had single and multiple sources of income, respectively. It was found that 30% of the respondent's husband occupation was agriculture, while 70% husbands had non-agriculture profession. The data revealed that 54, 31.3, 11, 2 and 1.3% of the respondents had a total family income up to Rs. 5000, 6000 to 10000, 11000 to 15000, 16000 to 20000 and 21000 or above, respectively. The results indicated that 8.6, 38, 41, 12 and 0.6% of the respondents were well to do, better off, poor, very poor and destitute, respectively.

As far as the socio-economic status is concerned, data collected from 80 poor respondents indicated that 5, 30,

Table I. Association between credit and poverty reduction

Credit	To a great extent	To some extent	Not at all	Total
	40.0	46.0	13.0	99.0
Yes	40.4	46.5	13.1	66.0
	9.0	20.0	22.0	51.0
No	17.6	39.2	43.1	34.0
Total	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 II. Association between training and poverty reduction

Training	Poverty reduction			Total
	To a great extent	To some extent	Not at all	
	15.0	6.0	3.0	24.0
Yes	62.5	25.0	12.5	16.0
	34.0	60.0	32.0	126.0
No	27.0	47.6	25.4	84.0
Total	49.0	66.0	35.0	150
	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

23.7, 17.5 and 23.8% of the respondents were economically poor; both economically and socially poor; economically, socially and physically poor; economically, socially, physical and politically poor; and economically, socially, physically, politically and morally poor, respectively.

The data on reasons of poverty revealed that majority of the respondents (73.7%) were fallen in inter-generational poverty, which was according to their point of view due to their poor forefathers; whereas, 11.3 and 15.1% of the

respondents fell in casual poverty and transitional poverty, respectively.

The causes of poverty identified were more number of dependents, less resources, unemployment, less education, high inflation, high population growth and miscellaneous (high taxes, no provision of hospital, no water supply etc.) by 11.3, 14.6, 16.6, 7.3, 24.6, 15.3 and 6% respondents, respectively.

The value of chi-square (18.72655) shows that there is significant association between credit and their poverty reduction. The value of gamma (0.54579) shows that there is positive and strong relationship between credit facilities and poverty reduction (Table I).

The value of chi-square (11.56573) shows that there is significant association between training and their poverty reduction. The value of gamma (0.52770) shows that there is positive and strong relationship between training and poverty reduction (Table II).

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(Received 05 November 2003; Accepted 13 December 2003)