Poverty Alleviation in Pakistan: A Crisis of Governance
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Abstract

Poverty is a pervasive social problem that is confronting developing nations in the Third World. Today, approximately 1.2 billion people in the world survive on less than $1 a day, comprising 28% of the developing world. Another 2.8 billion people live on less than $2 a day. South Asia is the poorest region of the world, as it accounts for 43.5% of the world population that lives on less than $1 a day. Pakistan is a fascinating study as it has enjoyed relatively high rates of economic growth while simultaneously witnessing dismal human development indicators. The primary causes of poverty in Pakistan are poor governance, corruption, deterioration of law and order, crisis of confidence, inadequate expenditure on development and excessive spending on defense. The incidence of poverty is greater in the rural areas because of the entrenched system of landownership that has greatly increased the vulnerability of the poor. Recent ethnic and religious violence, increased terrorist activities, accommodation of Afghan refugees and political uncertainty have all contributed to the increased insecurity of the Pakistani populace.

Efforts to alleviate poverty have been hampered by inefficient and weak systems of governance. The Social Action Program (SAP) of the 1990s was a failure and was eventually discontinued due to lack of progress in its main focus, primary education. Recognizing the urgent need to curb increasing levels of poverty, the government has implemented a comprehensive Interim Poverty Reduction Strategy Paper (I-PRSP) along with extensive education, health, judicial and civil service reforms. The continued implementation of the policy depends on the commitment of the new government that was elected in October 2002. Despite the progress that has been made in terms of devising poverty alleviation strategies, much work still remains to be done. The Pakistani government must increasingly cooperate with the private sector to deliver public goods and aim towards greater decentralization of power. Future poverty reduction strategies must address the redistribution of land, advocating the abolition of the feudal system of landownership, reduction of corruption and gender differentials in poverty. However, financial constraints of governments such as Pakistan should be recognized and hence poverty reduction targets must remain realistic.