**Poverty alleviation**

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Any development or change that occurs in global economic variables has a direct effect on almost all countries, mostly due to their connectivity and interdependence. Developing countries, which largely depend on imports to propel their development and keep the economy running, have to bear the brunt of rising prices of commodities that they have to import. This is a phenomenon which is beyond the control of managers of the economy in those countries.

Pakistan also faces a similar situation at the moment. Runaway inflation triggered by the increase in global prices of oil, wheat, sugar and other commodities has badly affected the people, a reality which was also acknowledged by Prime Minister Imran Khan during the inauguration ceremony of the Kamyab Pakistan Programme (KPP) on October 4. He said, “The government is aware of the difficulties faced by the people. Prices of commodities have increased primarily because of imported inflation. The government has been importing essential commodities, including wheat. The government has imported four million tonnes of wheat. There was 100 percent increase in the price of petroleum products but the government has increased the prices by only 22 percent. The price of wheat price increased by 33 percent and sugar by 40 percent in the international market but the government increased their prices by 12 and 21 percent, respectively. The government has not passed on the entire burden of increase in prices of commodities and petroleum products and will face Rs400 billion revenue losses for lowering sales tax and the petroleum levy.”

He added that petroleum prices in Pakistan were still lower than in other countries and that the government would provide targeted direct cash subsidies on ghee, sugar, and flour to 40 percent households. The rationale given by the prime minister to explain the current economic situation in the country is beyond reproach as are the steps that the government has taken and contemplates to take for mitigating the suffering of the people, keeping in view the state of the economy. The prime minister’s passion for poverty alleviation is amply reflected by the initiatives that the government has already put in place under the umbrella of the Ehsaas programme in line with his vision to empower people, generate employment, and provide affordable housing for poor segments of society. He has taken other steps for poverty alleviation as well.

The launch of the KPP under which the government plans to disburse Rs1.4 trillion micro loans among 3.7 million households is yet another big stride towards that objective. The programme is designed to transform the lives of the marginalised segment of society by providing them with much-needed financial support to improve their livelihood. This is a first programme of its nature in Pakistan’s history where the lowest income segments will be linked with banks through micro-finance institutions. The concept is based on the philosophy of raising the level of earnings of the people to free them from the shackles of poverty.

The programme has five components: Kamyab Kissan, Kamyab Karobar, Sasta Ghar scheme, Kamyab Hunarmand, and Sehatmand Pakistan. Under the first three components, micro loans shall be disbursed among eligible persons registered with Ehsaas data, collected through the National Socio-economic Registry (NSER). The last two components will be integrated with the government’s existing initiatives. The Kamyab Hunarmand scheme is designed to integrate with the government’s ongoing skill development programme for imparting educational and vocational training to talented people. The KPP also includes a user-friendly portal called the Kamyab Pakistan Information System (KPIS) which will be integrated with Ehsaas and NADRA databases for the verification of beneficiaries’ eligibility to facilitate institutions for finalising the financing modalities in the most efficient and transparent manner.

This bottom-up approach for achieving inclusive and sustainable economic growth represents the sincerity and commitment of the government to uplift the poor and vulnerable segments of society. It is rightly said that islands of affluence cannot exist in the oceans of poverty. It has unpalatable economic, social and political ramifications. For any nation aspiring peaceful society embarked on the path of sustainable development, it is imperative to focus on poverty alleviation which undoubtedly is the biggest propellant of economic progress. China has shown the world how it works by achieving phenomenal economic progress premised on its philosophy of poverty alleviation.

Poverty alleviation is also a pillar on which the edifice of a welfare state is built. While talking about the challenges that confronted the then new country, the founding father, in his speech to the Constituent Assembly on August 11, 1947, said, “Now, if we want to make this great state of Pakistan happy and prosperous, we should wholly and solely concentrate on the wellbeing of the people, and especially of the masses and the poor.” The model of the state of Medina which the prime minister desires to emulate was also the perfect embodiment of a welfare state. It undoubtedly implied that promoting the wellbeing of the poor was also a religious duty of the state and the government.

Prime Minister Imran Khan’s unruffled focus on putting in place the measures and mechanisms that effectively contribute to poverty alleviation is a step in the right direction, provided they can be implemented earnestly the way they are perceived to produce desired results.

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