

Poverty alleviation

Poverty, of course, is a relative term. Poverty as perceived by the general public in the year 2002, needs to be defined before plans to help the poor can be made. The concept of poverty and who is poor has changed over time- education and opportunity are considered as essential as



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the bare necessities of life. Poverty and malnutrition is now as evident amongst the literate, lower middle classes in urban areas and subsistence farmers in rural areas as in the labouring classes and the downright poor. This is a dangerous development. Given their intellectual resources individuals from such groups have the capacity to seek relief through organised anti-social channels and related activities. It is notable that the war on poverty has taken a backseat since the war on terror was launched. This is a shortsighted approach and highlights the selective nature of strategies that are being used to combat extremism and militancy that are often a by-product of desperation and deprivation. Government estimates that the number of those considered downright poor, unable to afford the basics to support life, has increased to 40 percent of the total population of the country. The difference in the incomes of the wealthiest economic groups and the least privileged has increased. This is also a dangerous development.

Private sector research of consumer spending patterns tells us that over eighty percent of the average Pakistani's income is spent on food, housing and utilities. In urban areas, where electricity and gas are available, utility bills account for a substantial percentage of this amount. In the year 2002, due to inflation, an even larger portion of the income of middle class, and downright poor households is being spent on procuring foodstuff and other essentials. According estimates put forward by a market research outfit, about Rs.180 billion per month are being spent on food, clothing and utilities alone. At the same time, access to information has improved public understanding of decision-making processes. This has politicised economic decision-making and brought government policies under the scrutiny of not just economists, businessmen, traders and agriculturists but the general public as well. As a result here is intense discussion on what should be, what is, and what used to be, in the bazaar.

Ad hoc management of food policies and half-baked ideas to provide relief to the poor have never been successful. As far back as December 25, 1996, the then President of Pakistan, now the leader of his own political party, announced the allocation of Rs.3.25 billion to eliminate poverty. A Pakistan Poverty Alleviation Fund was established with an endowment of Rs.2 billion. A special non-governmental organisation (NGO) was created to receive and administer this allocation. The demise of the organisation was not even announced and no one knows where the funds allocated to the NGO eventually went. Some years ago a food security scheme was announced: an account of Rs.5 was to be opened for each deserving person identified, by some unknown entity, in

a post office. During one year the grand sum of Rs.2000 (US\$ 35) was to be deposited annually in that account by the authorities, in two equal instalments. The amount was expected to be used for the purchase of foodstuff by the registered person. The amount is enough to purchase food for the basic needs of one person for two weeks.

In the year 2000 there were reports that all nationalised and foreign banks in the country had been told to contribute 20 percent of their equity to a micro-finance bank to be set up by government. The Asian Development Bank was reported to have committed US\$ 150 million to the scheme. On this amount interest was to be paid by government to ADB. It was reported that this micro credit bank would not deal with the public directly- it would lend money to NGOs at 8 percent interest. These NGOs would then lend it to their clients at 20 percent interest. As intermediaries NGOs would make money without doing any work and the most disadvantaged sections of society would make it possible for them to do so. Shoals of Pakistani NGOs who swim with the tide of such innovations are known to be some of the most corrupt vehicles of public service in the country. Investigations into their activities are launched after programmes are wrapped up and local, as well as overseas staff, has disappeared from the scene- this is what has happened with the Social Action Program designed to alleviate poverty over a period of ten years.

Now that malnutrition is as evident amongst the literate, lower middle classes and subsistence farmers in rural areas as well as in the labouring classes and among the downright poor, education is no longer an attribute of prosperity, or the harbinger of prosperity. The presence of education does not automatically ensure prosperity, particularly in countries where opportunities to utilise education are not just limited in number, but access to available opportunities may be denied to the general public for any number of social and political reasons.

The lack of opportunities to utilise even basic education puts a low premium on acquiring it. It also puts a low

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premium on all those connected with the provision of education, including teachers. As a result there is little incentive for teachers to improve the quality of education imparted. Those in the teaching profession at the critical primary and secondary level are in an exceptionally difficult position: there is no likelihood of moving high up in the economic scale except through promotion to administrative positions, through the use of political clout, or by establishing expensive arrangements to take regular students outside school hours.

These circumstances create intellectual deprivation and inertia, or lead to unethical behaviour, in a broad cross section of people who are classified as educated, but are bitterly aware of the limits within which they can expect to spend their lives. In Lahore members of teachers' associations were severely brutalised when they gathered to discuss changes in official education policy that are likely to affect the general public adversely. It is noteworthy that the incident did not appear to attract the attention of the Ministry of Education and the University Grants Commission, both of which are supposed to be overseeing the development of education policy one way or another.

To bring people out of a state of inertia leadership is needed. Perhaps it is the paucity of realistic, effective and concerned leadership in various fields of national activity that is the root cause of poverty. Far too many individuals who are successful assume they possess leadership qualities. But personal success and leadership are poles apart. The ability to galvanise others, to allow others to become successful, and to tolerate their success, requires totally different abilities, a totally different mind-set, attitude and value system from that needed for commercial or political success. Mature men, with achievements under their belt, at the peak of their careers, can fall apart when faced with ability in others. An insecure leadership will see to it that poverty is not eliminated while claiming to do the job. To be resource poor as a nation, a community, or an individual is one thing. The possibility of acquiring capital, equipment, information through various means, over a period of time, is always there. To be emotionally and intellectually greedy is another, more serious matter.

Each year thousands of young adults join the ranks of the unemployed or the underemployed. Public works that provide temporary employment play a very minor role in national poverty alleviation because they have to be completed within a specific period of time and within a given budget. Up-gradation of basic infrastructure, creation of various types of opportunities for work at different levels within the economy, as well as access to opportunities, is bound to help.

The execution of poverty alleviation programmes is a special responsibility. It is the duty of government to transfer stock of its poverty alleviation activities periodically and it is the duty of the public to ask for an accounting. For instance, large quantities of goods and substantial funds were donated in the year 2000 for relief work in drought and famine stricken areas of Sind and Balochistan. This should have been enough to kick start development there. An account of what has been accomplished so far is awaited.

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