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Social sector failure

Society & Social Prob.
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IN ITS annual report released on Wednesday, the World Bank acknowledges that Pakistan has made an economic turnaround with GDP growing by an estimated 5.1 per cent in 2002-03 in comparison to the previous year and inflation remaining at a low 3.3 per cent in the same period. But while saying that Pakistan's economy has grown more than those of other low-income countries in the past year, the report also points out that social sector growth in comparison has fallen behind. The report notes that although the educated and well-off urban population in Pakistan lives not so differently from their counterparts in other countries of a similar income range, the poor and rural population comes out badly when the same comparison is made. This indicates to a widening gap in the country between the rich and the poor that is not seen in countries with a similar income level. Equally disturbing is the disclosure that poverty has continued to grow. The level of poverty reached 32.1 per cent of the total population in 2001-02 as against 30.6 per cent in the previous year. This tells us that the poor in Pakistan are getting even poorer.

Pakistan's record in the social sector is indeed dismal, and the neglect of this sector has been repeatedly pointed out. According to the United Nations Development Programme, Pakistan slipped in the Human Development Index (HDI) from 138 to 144 in 2001 as compared to the previous year. Of particular concern is the country's high child mortality rate. Overall, the social sector has suffered from years of indifference and under-funding. Human

development, particularly health and education, have never been the priority of our planners and policy makers. Pakistan's failure to realize the importance of human capital formed through education is reflected in the low allocations for education in the five-year plans. In the Eighth Plan, it has gone up to a bare eight per cent, in comparison to three per cent in the Seventh Plan and less than two per cent in the Sixth Plan.

International financial institutions have commented that Pakistan falls in the category of countries where advances are being made in some areas but resources or policy deficiencies are blocking progress towards several key goals. For its part, the government says it has committed a significant part of its foreign assistance to social sector development. In August, the government announced that half of the five-year \$3 billion aid plan from the US would be earmarked for social uplift. Similar commitments have been made about other assistance programmes. What remains to be seen is how serious the government is about implementing a long-term strategy which will help address the issue of social development in a country which does not have a good record of following through. This is the area on which the government should now concentrate so that the lot of the people of Pakistan improves with the passage of time. Otherwise, the economic achievements of the country will bear no direct relevance to the common Pakistani, no matter what government planners and spokesmen may say.

Society & social problem

Poor social growth

*R. Post
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ACCORDING to the World Bank annual report, Pakistan's economy has grown much more than other low-income countries, but the country's social progress lagged behind its economic growth. The report first eulogised Pakistan for the turnaround from deteriorating macroeconomic situation to a rapidly improving one for having achieved growth rate of 5.1 per cent. Then came the warning that despite these favourable developments, Pakistan still not favourably disposed as compared with other countries with similar per capita income in most social indicators. Access to sanitation, rate of literacy and significant gender gaps in both education and health are the areas that need improvement. Interestingly, the Asian Development Bank had indicated last year that 50 per cent of the population in Pakistan lives below the poverty line against 33 per cent as mentioned in the World Bank report. It is possible they have different benchmarks to assess poverty, as different organisations or analysts measure poverty according to their own formulae, but in general it is measured by income, literacy, health and life expectancy; some add sanitation and potable water.

It has, however, become clear from the report increase in Gross Domestic Product and impressive rate of economic growth do not necessarily result in welfare of the people or reduction in poverty. It has to be kept in mind that unless economic policies, strategies and programmes are oriented and focused towards broader distribution of growth and creation of more jobs, the objectives of poverty alleviation or social development cannot be achieved. The report says that poverty rate that had fallen in the 1980s started to rise again towards the end of the decade. And the reason of course is privatisation, downsizing and limiting the state's role in providing the basic facilities to the people. One should not forget Soviet Russia's occupation of Afghanistan in late 1970 that gave Pakistan strategic importance. In the 1980s, the US and the West pumped in financial resources, which brought certain amount of prosperity. But that ended with the end of Cold War era.

Pakistan's per capita income is stated as \$420 per annum; converted into rupees it comes to approximately Rs. 24,000 per annum. This is just an average that has been obtained by dividing the GDP with the total population, which cannot reveal the true state of condition of the masses. It is common knowledge that millions of our farmers earn less than Rs. 1500 per month, which is less than a dollar a day. In quite some cases, one has to support a family of five on the average, meaning that a lot of people are living on 1/5th dollar a day. Recently, another factor has been brought in to measure poverty, and that is calories intake. It is said that in order to live, a person (urban) needs 2250 calories and rural needs 2450 calories, and according to 2000-1 report, Rs. 550 per person was the minimum amount for the required calories intake. It is important that benefits of economic growth should reach to the people at large, because macro-economic development has benefited only a small section of the population. Majority of urban and rural poor have become economically disenfranchised because of the failure of the system to generate sufficient means of productive livelihood. Pakistan also allocates smaller percentage of the GDP for the social sector, which is why it is behind even Sri Lanka and Bangladesh. It means that Pakistan should do more to improve social growth along with economic growth to strike the balance.