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THE DETERMINANTS OF SUSTAINED POVERTY: A CASE STUDY DISTRICT MALAKAND

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Abstract

This study uses secondary data from BISP to trace households and individuals living below poverty line in Union Council Hero shah, Malakand Region, and Khyber Pakhtunkhwa Pakistan and then to interview them based a questionnaire developed to investigate into and find out determinants of sustained poverty. These households and individuals have been receiving BISP financial support on a quarterly basis for the last ten years. The study uses Ordinary Least Squares (OLS) technique in its analysis. These analyses include regressing a poverty index and a poverty score constructed from ten basic development indicators on respectively on a number of variables. These variables include number of HH members, female to male gender ratio, number of working-age male, female to male gender ratio in the labor force within the sample, number of never-enrolled persons, the out of school children, permanent disability and disease, costs incurred on female as well as male weddings, costs incurred on an event of death in the household and whether the household or individual has a business plan. This study utilizes the Breusch-Pagan/oak-Weisberg test for heteroscedasticity, Cameron & Trivedi's decomposition of IM-test, Variance Inflation Factor test, Shapiro Wilk test for normality and the Regression Specification-Error Test. I find significant positive relationships of the gender ratio of female to male members within a household, permanent disability and disease prevalent in a household and the number of never-enrolled persons in a household with the Poverty Index and the Poverty Score. This study also faces limitations such as non-responsiveness and misreporting of information from the respondents for reasons such as the fear of losing BISP support if accurate and honest information is provided. This study recommends extensive research into the determinants of the sustained poverty among BISP beneficiaries as well as the design, mechanism and strategy of the support program per se in poverty eradication.

Key Words: BISP, Poverty, OLS, Malakand Region (KP, Pakistan)

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INTRODUCTION

Poverty is the state of being extremely poor where a person cannot attain basic needs of life. Poverty rate is the ratio of the number of the people whose income is below poverty line. Poverty is a serious problem to the world, nearly ½ population, roughly 3 billion of the world population lives on less than 2.50$ per day, 1.3 billion lives on less than 1.25$ per day. According to United Nation Children Education Fund (UNCEF) around 805 million people do not have enough food and they are living in extremely poverty. Due to malnutrition and poverty 22000 children die every year in the world.

Pakistan is a developing country where most of the people lives a miserable life however recent statistic shows that there is a considerable fall in the poverty ratio due to effective government policies and the facilitation of international donors. Currently economic survey 2018 show that 24.3% of people lives below poverty line in Pakistan which was 50.4% during 2005-06. Family income determines the life of a child, the more the income the more successful the child will be and vice versa. Article 11 of the constitution forbid child labor in any form however, children belonging to poor families starts earning live hood from the very early age, which cause mental, moral, social and physical harm to the child. In Pakistan there are 12.5 million children are involved in child labor most of them are between the ages of 10-14 and belong to poor families. Strong institution face the challenges effectively while weak and fragile institution contribute to economic crisis, poverty and unemployment. To end poverty, we need to get better at improving institution. In Pakistan institution are getting better day by day. Government is extending its health, and educational services to the peripheries of the state which will ultimately end poverty. The areas which were consider as hot-beds for corruption are now tighten now almost we have a clear system of income tax and custom. Government is spending in the areas which are of common good. Poverty occurs in developed, developing and under developing countries, the ratio of poverty is considerably decreased in the world due to the role of various governmental institution and non-governmental institution such as World Bank, WFP and IMF. They are working on poverty alleviation and had improved the living standard of the people around the world. The household survey statistics of 1981 showed that about 44 percent of the world population were living below the poverty line, which reduced to 11 percent by 2015- 2016. Poverty is however multidimensional and includes poor living standards, violence, financial exploitation, homelessness, political exclusion, hunger, malnutrition, inaccessible education and lack of future security (Akerele et al., 2012). In addition to material deprivation, poverty has been linked to deprivation of liberty of speech, representation and powerlessness. According to the world bank (2006), poverty is defined as the inability to sustain a minimum standard of living in the sense of being able to meet some basic consumption needs or have the income necessary to fulfill those needs.

The United Nations Development Programme (UNDP) had its own Millennium Development Goals (MDGs) in the 1990s, with the first and third goals, which are: (a) the eradication of extreme poverty and hunger and (b) the promotion of gender equality and women empowerment, all to be achievement by 2015. Although there is an impressive improvement, there are still disproportionately large poverty levels in most regions, and empowerment remains a controversial matter. The United Nations reported that close to half of the world population lived below the poverty line in 2010 which was defined as US $ 1.25 per day. Such aspects like loss of jobs, excessive unemployment levels, and repetitive economic downturns have also increased poverty. Though the UNDP recognized

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significant milestones in the world poverty reduction since the identification of the MDGs in 1990, it also predicted that a global financial crisis in 2010 alone had driven about 64 million people even further into poverty (UNDP, 2011). The province of Punjab about 27% people are living below the poverty line which is an alarming situation for any area.

Rural poverty and landlessness are also strongly connected especially in agrarian economies like Pakistan, where land is one of the major assets. The inability to access agricultural land has been widely known to be one of the major determinants of rural poverty and the large level of concentration of ownership of land is still found to be limiting agricultural output and preventing reduction of poverty. The empirical evidence shows the rural-urban difference in poverty that 42.9% of the rural population are poor in 2001-02 as opposed to 26% of the urban population, measured on the official line of poverty (Winter et al., 2004).

This paper looks at the impacts of different policy interventions on the process of reducing poverty in rural Pakistan. The importance of such an enquiry is supported by the fact that the nation is facing political and economic challenges at the national and international scales. Pakistan is still struggling with acute law and order problem especially in Khyber Pakhtunkhwa (KPK) and Balochistan. The massive flight of more than 1.3 million conflict displaced civilians out of war-torn regions of KPK - where security forces have been undertaking missions against the Taliban - is the single biggest internal migration of the world in the last 15 years. Simultaneously, the country is facing fiscal strains and increasing current account deficits, which has forced the government to cut spending on development projects. Such fiscal policies, in conjunction with other structural issues like unemployment, energy, declining law and order, global economic downturn, and food price inflation has increased rural poverty and further marginalized vulnerable people (Asghar et al., 2012). This study holds a great importance as it contain fresh and first-hand information about the role of BISP in the poverty alleviation in the area as a case study. This study also holds importance for the policy makers when they formulate the economic policy in future. The objectives of the study are to find out the determinants of sustained poverty in the target area. To find out the unemployment rate in the study area among the people living below poverty line and find out whether the Benazir Income Support Programmed (BISP) is really reducing poverty. The recommendations given in this paper will enable them to make policies, which better suit the poor and really take them out of their state of long and miserable poverty of the researched area in particular and the country in general.

LITERATURE REVIEW

Naqvi, et al. (2014) studied that Benazir income support programmer (BISP) play important role poverty reduction, BISP offers limited assistance to the poorest households through the Benazir Income Support Programme (BISP) which provides relief in the form of the daily expenditures, especially on food, education and health. In this research, seven union councils of Tehsil Mankera, District Bhakkar were used as the primary data. The results were examined through the frequency distribution using the SPSS and the Chows test was used to measure the structural stability in the social status of the beneficiaries prior to and after the reading of the program. According to the results, it is possible to state that the beneficiaries enjoyed better structural stability after the program was initiated, as well as significant growth in household expenditure and consumption patterns. These results point to a positive course of poverty reduction. The same authors did the same study when Ahmad (2010) concluded that BISP interventions are relevant in reducing

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poverty in vulnerable households so that the beneficiaries can start small businesses and create a sizeable difference in their livelihoods.

Malik, et al. (2013) examined that the effect of Benazir income support program in poverty alleviation in Pakistan in District Peshawar for the sample of size have been used during in the study are 50 beneficiaries randomly selected the two purposively chosen villages one is Palosi and other one is Muozai. The consequences of the study suggested that Benazir income support programme has positively impact on the beneficiaries' life and playing a good role in the poverty elimination. Moreover, some females were complained about the corruption in the fund transferring system of the programed but most female satisfied not complained about programs. Overall conclusion of this study that BISP play key role in poverty minimization of the poor.

Farooq, S. (2014) studied "Effectiveness of cash transfer programed for house hold welfare in Pakistan": A Case study of Benazir income support programed; concluded that 95% of the respondent said that they had spent the BISP grant to meet the household expenditure, 3%spent on Education while the remaining 0.3% on Dowries. Dawn (Jan 18 2016) Through BISP the government had initiated several vocational training centers in every tribal agency. Furthermore, under the BISP system the federal government would launch an interest-free loan scheme to the tribal women so they may be able to initiate their own business on small scale. BISP would conduct a new survey under which preference will be given to the women belonging to remote areas. Update 18 Jan 2016 08:48am

Mushtaq, et al. (2009) examine the relationship between the poor segment and poverty alleviation of Pakistan. the result of the study specify that people of southern Punjab, Baluchistan and rural Sindh having marginal representation in the civil in military jobs and no participation in policy making programs thus the poverty alleviation program can work efficiently only with the inclusion of these poor marginalized communities. Therefore, power sharing is the main factors that can help in the poverty alleviation in Pakistan. Further Akram & Afzal (2014) investigate the Islamic view on poverty, further specifically Islamic strategy for the reduction of poverty in the light of the Holy Quran and the Sunnah of the apostle of Allah (S.W.T) in Islamic literature. The study conducted that Islamic his given a comprehensive solution for the reduction of poverty. The effect of zakat not only reduces the poverty but also to increase the economic activities, decrease unemployment and improves the living standard of the people. The conclusion of the study that zakat distribution it government level is a positive role in eliminating chronic poverty in Pakistan in shot run as well as in long with other variable including GDP, Inflation and education.

Arif et al. (2006) studied national anti-poverty efforts in Pakistan (referring to microfinance and health services) through data of the 2000/01 Pakistan Socio-Economic Survey (PSES). They found that the allocation of public zakat was significantly below what was needed to actually enlighten the poor, which indicates that the problem is more of a practical than a theoretical problem. In addition, they pointed out how most microfinance initiatives fail to sufficiently reach the poorest regions of the country making them ineffective. It also presented valuable policy implications of the study, including the fact that zakat distribution systems should be reinforced, and the targeting efficiency of poverty alleviation programs should be improved to guarantee wider and more equal coverage.

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Ahmad (2017) examined that the impact of Benazir income support program on poverty reduction in Pakistan: case in swat for the sample of size have been used during this study are 200 the two randomly selected areas in swat one is Myadan and the other one is Bahrain villages. The conclusion of the study suggested that the impact of Benazir income support program is strongly and positively related to the women life. But some women complained regarding this program have been corrupt because 73.5% women believe this program is fair and 26.5% women believe this program are unfair, farther more most of the women believe that this program is beneficial for the women so we can see that in this study give the positive sign for the women and selected areas in host country.

Irz et al. (2007) examined the possibilities of using aquaculture development to enhance equity and mitigate poverty through survey of 148 randomly selected households based on five coastal communities in the Philippines. Their results are solid empirical evidence that aquaculture offers great benefits to the poor that find it as positive as the non-poor. It is noteworthy that the poor obtain a relatively higher share of their income through aquaculture than the rich households and this outcome is supported by the fact that the poverty line is moved down. A Gini decomposition analysis also shows that aquaculture is an inequality-reducing source of income as it provides unskilled laborers with employment opportunities in labor-abundant communities (Irz, Stevenson, & Tanoy, 2007). Chaudhry et al. (2006) examined urban poverty in Punjab and emphasized on moral management, financial infrastructure and service delivery as key processes of alleviating poverty in the different urban centers (Chaudhry, Malik, and Imran, 2006).

In the same vein Durrani et al. (2011) examined how microfinance is an essential element of a proper approach to poverty reduction. They analyzed social and economic elements of microfinance such as lifestyle changes, housing conditions, income, buying capacity, business growth, self-employment as well as the use of advanced technology. The results showed that microcredit access helps the poor to smooth consumption, risk management, gradual assets acquisition, micro-enterprises growth, and the overall quality of life increases. As a result, microfinance is identified as a crucial tool to sustainable reduction of poverty in Pakistan (Durrani, Usman, Malik, and Ahmad, 2011).

RESEARCH METHODOLGY

This study aims to find out the determinants of sustained poverty as it targets individuals who have been receiving financial support from Benazir Income Support Program (BISP) for approximately ten years. The study will also utilize descriptive statistics if the regression analyses do not find any significant results to attribute reasons of this sustained poverty.

Data: Both primary and secondary data is used. The questionnaire has been used to interview people who receive BISP in Malakand region of the Khyber Pakhtunkhwa Province of Pakistan. For this reason the primary data were collected from Union Council Hero shah. This area has been chosen because there are many people poor. The Population and beneficiaries' data were collect from Tehsil Malakand Dargai Office of BISP. The Total population of UC Hero shah is 19,423 and the beneficiary of BISP is 1,772.

Empirical Framework

The study analyzes the problem by adopting the following steps as empirical methodology: In its first step, the study uses basic descriptive statistics such as frequency distributions, mean and so on. This part includes the overall descriptive statistics and the descriptive statistics for the employed and unemployed in the research area. SPSS program has been used to analyze the data. In the second step, I make an index of ten basic indicators which

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enquires into the poverty's effect on the beneficiary's basic development indicators such as poverty's effect on basic health (PEBH), poverty's effect on education (PEE), poverty's effect on shelter (PES), poverty's effect on household environment (PEHHE), poverty's effect on child psychology (PECP), poverty's effect on gender differences (PEGD), poverty's effect on social status (PESS), poverty's effect on utilities (PEU), poverty's effect on hygiene (PEHyg) and poverty's effect on food security (PEFS). This index in then the Poverty Index (PI).

In the third step, I regress this Poverty Index (PI) on certain characteristics of the beneficiaries; the data on which is collected through interviews based on the developed questionnaire. These variables are:

NHHM: Number of household members
HHHG: Household head gender
GRFM: Gender ratio female to male
NWAM: Number of working age male members of the household
GRFMLF: Gender ratio female to male in the working age (labor force)
Nenrolled: Number of never enrolled persons in the household
OOS: Number of out of school children in the household
PDD: Permanent disability and disease prevalent in the household
Mwed: The approximate cost incurred on a male household member's wedding
Fwed: The approximate cost incurred on a female household member's wedding
D: The approximate cost incurred on event of death of a household member
BP: Whether the person receiving the support or any of the working age person in the household has a business plan

Hence, the regression in this part is as follows:

$$PI=\alpha+\beta 1NHHM+\beta 2HHHG+\beta 3GRFM+\beta 4NWAM+\beta 5GRFMLF+\beta 6Nenrolled+\beta 7OOS+\beta 8PDD+\beta 9Mwed+\beta 10Fwed+\beta 11D+\beta 12BP+\mu$$

Where μ is the error term.

In the fourth step, I generate another variable from data collected on the ten indicators named Pov, which is the poverty score made up of the addition of responses collected from the beneficiaries. This is to look further into any significant relationships among certain characteristic behavior of the beneficiaries by regressing it on other variables of interest. Hence, the regression of this analysis is given as under:

$$Pov=\delta+\gamma 1NHHM+\gamma 2HHHG+\gamma 3GRFM+\gamma 4NWAM+\gamma 5GRFMLF+\gamma 6Nenrolled+\gamma 7OOS+\gamma 8PDD+\gamma 9Mwed+\gamma 10Fwed+\gamma 11D+\gamma 12BP+\varepsilon$$

Where ε is the error term.

In the fifth step, I run correlation analysis on all variables mentioned above to see if there is any correlation between the data collected from the beneficiaries, in case, if there are no prominent significant results.

Finally, I run different tests such as Breusch-Pagan/ook-Weisberg test for heteroscedasticity, Cameron & Trivedi's decomposition of IM-test, Variance Inflation Factor test, Shapiro Wilk test for normality and the Regression Specification-Error Test (RESET)

Estimation Techniques

In this study we use Ordinary Least Squares (OLS). Because OLS is one of the simplest methods of linear regression. The goal of OLS is to closely "fit" a function with the data. It is minimizing the sum of squared errors from the data. OLS is also use in that time when

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there is no trend in the data. The statistical properties of OLS are based on the assumptions of CLRM (classical linear regression model).

RESULT AND DISCUSSIONS

Regression analysis is the main statistical tool used in this study. In order to conduct a data analysis of certain variables (NHHM, HHHG, GRFM, NWAM, GRFMLF, Nenrolled, OSS, PDD, Mwed, Fwed, D, BP) trying to influence their poverty's effect on the beneficiary's. Multiple variable analyses were conducted using the software "EVIEWS". Basically, the regression plots, the line of best fit, or, the least square line, where the relationship between the independent variables and the dependent variable is the strongest. The main values from the regression which will be focused upon in our analysis are R-Squared, P-Value & Z-Statistic.

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Table 1: Regression Results with Pov and PI as Dependent Variable:

Variables	POV as Dependent				PI as Dependent			
	coeff	stnd.error	t-stat	Prop.	coeff	stnd.error	t-stat	Prop.
NHHM	.1590	.4708	0.34	0.73	.031551	.0445139	0.71	0.482
HHHG	1.596	6.45	0.24	0.809	.3773	.5828	0.65	0.52
GRFM	-.030	.374	-0.08	0.936	.0642	.0353	1.82	0.074
NWAM	-.234	1.632	-0.14	0.88	.1116	.1530	0.73	0.469
GRFMLF	4.545	7.444	0.64	0.54	.1424	.6230	0.23	0.820
Nenrolled	2.256	2.241	1.01	0.31	-.1722	.1954	0.88	0.382
OOS	2.052	2.075	0.99	0.32	-.1590	.1934	-0.82	0.415
PDD	1.118	.628	1.80	0.07	-.0722	.0568	-1.27	0.209
Mwed	-0.000	.0000	0.62	0.54	2.01	2.71	0.74	0.463
Fwed	-.000	.000	-0.40	0.69	-1.77	3.62	-0.49	0.627
D	-0.000	0.000	-0.54	0.59	0.0000	0.0000	1.06	0.293
BP	-2.422	3.09	-0.78	0.437	-0.1095	0.2815	-0.39	0.699
Cons	46.43	11.54	4.02	0.00	-1.081	0.9843	-1.10	0.277
Source	**SS**	**df**	**MS**		**Source**	**SS**	**df**	**MS**
Model	2394.1	17	440.82		Model	9.951	14	0.710
Residual	6260.3	51	122.7		Residual	56.04	52	1.07
Total	8654.4	68	427.27		Total	66.00	66	1.00
No. of Obst.	69				No. of Obst.	67		
F(14, 52)	1.15				F (14, 52)	0.66		
Prob > F	0.339				Prob > F	0.801		
R-squared	0.276				R-squared	0.150		
Adj.R Sq.	0.276				Adj. R-Sq.	-0.077		
Root MSE	11.079				Root MSE	1.038		

Source: Eviews output

Source: Eviews output

Regression Results: The Poverty Score (Pov) is dependent variable which results show that no significant relationships of the Poverty Score (Pov) with all variables of interest except Nenrolled and PDD. The relationship of Pov and Nenrolled is significant at 99% confidence interval however; the coefficient of PDD is significant at 10% confidence interval.

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The positive relationship between Nenrolled and Pov is obvious i.e. as the number of never-enrolled persons increases in a household that receives BISP support, the poverty score also increases. This is because the productivity and efficiency in regards to the contribution made by that very person is lower as compared to the enrolled persons. However, the relationship as shown by the coefficient, which is negative, makes no considerable sense. This is in line with other results, which are almost insignificant for all other variables.

The relationship between the coefficient of PDD and the Pov is positive. This is obvious because with the increase in incidence of permanent disability and disease, the poverty score rises. This is because the household which receives BISP support implying that it lives below the poverty line already, cannot afford to bear the burden of persistent costs incurred on the members having either permanent disability or disease.

On the other hand, Poverty Index (PI) dependent variable which result are not quite promising as the coefficients of all independent variables except GRFM show insignificant results. Furthermore, even the coefficient for the independent variable GRFM is not significant at 5% confidence interval, although it is significant at 10% confidence interval. For each unit of increase in GRFM, there is a 6% increase in poverty's effect on the index. This is because of certain social norms as the number of female members increase as compared to male in a household that receives BISP support, there is increased burden on the household because of reasons such as female's contribution to household's economy is relatively smaller than male as opposed to the associated costs incurred on a female member.

Correlation between the Indicators that are affected by Poverty

The results as shown in Table 1 clearly points at considerable flaws either in the response given by the respondents or model specification because otherwise, it doesn't make any rational sense to think of no significant relationships between these important independent variables with the dependent variable. Hence, I conduct correlation analysis between the ten indicators in order to look into possible reasons to know whether there is something wrong with the information provided to the queries made in the questionnaire during interviews.

This correlation analysis takes all the ten indicators, which are clearly-significantly-correlated presumably. If there is no considerable correlation found among these indicators, it will point out at problems in responses made to these questions asked during the interview. Table 2 shows these results.

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Table 2: Correlation between the Indicators that are affected by Poverty

	PEBH	PEE	PES	PEHHE	PECP	PEGD	PESS	PEU	PEHyg	PEFS
PEBH	1.00									
PEE	-0.01	1.00								
PES	-0.03	0.149	1.00							
PEHHE	0.007	0.125	0.009	1.00						
PECP	0.008	-0.03	-0.02	-0.12	1.00					
PEGD	-.008	0.228	0.008	-0.32	0.215	1.00				
PESS	0.180	-0.02	0.17	0.03	-0.04	-0.05	1.00			
PEU	0.208	0.075	-0.12	-0.05	-0.00	-0.18	0.076	1.00		
PEHyg	-0.03	-0.01	-0.85	-0.08	0.08	-0.06	-0.37	0.05	1.00	
PEFS	-0.14	0.04	-0.16	0.00	0.17	-0.03	-0.03	0.089	0.210	1.00

Given there is no considerable and significant correlation between any of the ten indicators that presumably are affected due to poverty, it is obvious that either the interviewer has not been able to communicate properly or the respondent has either misunderstood or mis-reported on the questions asked. This is interesting because poverty must have an overall effect on all of the indicators somehow similar, if not completely correlated, but Table 2 shown not even one significant correlating relationship.

The null hypothesis of the Breusch-Pagan/Cook-Weisberg Test for Heteroscedasticity is that there is no heteroscedasticity i.e. there is constant variance among the fitted values of the PI. In this case, the chi-squared value is 0.96 and the Probability > chi squared is 0.3263, which means that the null cannot be rejected and hence all the fitted value of the PI are homoscedastic.

The IM test results in the same way as the Breusch-Pagan/Cook-Weisberg Test for Heteroscedasticity. The Cameron and Trivedi's decomposition of the IM test shows that the chi-squared vale in this case is 67.00 and the p-value is 0.4425, which means that there is no heteroscedasticity among the components of the PI.

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Table 3: VIF Results

Variable	VIF	1/VIF
Fwed	2.40	0.416667
Mwed	2.28	0.438596
NWAM	2.28	0.438596
NHHM	1.88	0.531915
GRFMLF	1.70	0.588235
HHHG	1.59	0.628931
D	1.59	0.628931
PDD	1.53	0.653595
OOS	1.44	0.694444
BP	1.35	0.740741
Nenrolled	1.28	0.781250
GRFM	1.22	0.819672
Mean VIF	1.71	

It is evident from Table 5 that none of the VIF values are greater than 10 or 2.5, hence, I conclude that there is no multi-collinearity among the variables of interest.

However, an interesting feature in Table 5 is that the VIF values for Fwed, Mwed and NWAM are higher and closer to each other. This might be because of the fact that household that spend more on Fwed also spend on Mwed and both these variables then have close relationship with the NWAM which obviously makes sense.

The Shapiro-Wilk Test

This test is commonly used to check for normality of the data. In this case, the W value is 0.96101 and the p > z value is 0.03425. These results are interesting as higher W values are normally interpreted such as the data is normally distributed i.e. it has bell shaped distribution however, since the null hypothesis of this test is that the data is normally distributed, I reject the null, which means that the data is not normally distributed which is contradictory. On the one hand, the test results show normality but on the other hand, it implies rejection of the null of normality. Hence, to avoid this confusion, I use qnorm res1 test for normality. This test has no p-values however; the plots show that the data is normally distributed.

The Regression Specification-Error Test

The Ramsey RESET while using the powers of the fitted values of the Poverty Index (PI), cannot reject the null hypothesis i.e. the model has no omitted variables. The results of this test indicate an F(3, 46) value equal to 0.47 and the Probability > F value is 0.7068, which means that the null cannot be rejected and that the model has no specification error i.e. the model has no omitted variables.

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CONCLUSION AND POLICY RECOMMENDATIONS

This study aims to investigate into the dynamics of households that live below the poverty line as marked by the Benazir Income Support Program (BISP). The study takes a random sample from the population of Union Council Hero shah, Malakand Region of the Khyber Pakhtunkhwa Province of Pakistan who receive quarterly financial support from BISP for a decade now. The main interest in doing this research arises from the inevitable analysis about the efficiency and effectiveness of the BISP in eradicating poverty through financial support on the one hand, as it spends huge and increasing allocations of budget each fiscal year, and the attributes of the households that receive this support on the other. The major point of interest lies in the fact that these households have been receiving support for a decade. This is significant because of certain logical implications such as, how well is the BISP designed and organized to plan for eradicating poverty? Is it on a right path towards achieving its ultimate goals? And so on. Given the sharp, hard and disastrous fiscal and development indicators for the past many years now in case of Pakistan, is it really a good idea to continue allocations of enormous sums of money to BISP or these funds could be better re-allocated in other areas of concern where either some other strategy, such as developing and maintaining productivity boosts through enhancing technical education and entrepreneurial skills which would have the spill-over effects in the way forward for promising and sustainable development.

How well has the BISP done in supporting households now for approximately a decade now, to help promote the poor out of their miserable poverty is the question that this research study aims to investigate. Hence, this study gathers data on a range of issues and characteristics borne by households in the research area to see whether this support is really making any difference to their life or merely passes on funds to the poor and making them even more reliant on support rather than making them able to break out of their poverty. This study finds that there is yet a lot to be done than merely to provide meagre funds to the poverty-stricken people. This study finds that there is a significant role of female to male gender ratio in the effects of poverty on the life of these people living below the poverty line. Further, there is a strong effect of permanent disability and disease on the lives of these people which hinders their way forward out of poverty. Also, the study finds that there is a significant role of enrollment into schools on the status of these people. However, there are lots of shortcomings and limitations that this study has found in its analysis because of either misreporting of questions that are significant or the inability of these poor to understand and respond to questions that are most relevant to their status of poverty. This point at the dependency behavior that is prevalent throughout the sample that this study targeted. This is from the fact that these people have intentionally ignored, misreported or avoided honest response to the queries put forward to them in order to keep receiving support. They have adapted to the continuous support made to them without any real mobilization, organization and sound planning in the way towards getting rid of the support by being able to walk on their own feet.

This study recommends further extensive and intensive research into the life of these people living below the poverty line and the support mechanisms and designs that they have been receiving. This is important because there is no considerable way forward unless and until there is extensive research in order to find the weaknesses in the design and mechanism of the support programed.

The study finally recommends a revisit on the part of the government and the BISP policy makers to make it effective to help these people get rid of their poverty rather than keep

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supporting them forever. There must be some mechanism to track record all possible aspects of their endowments, potentials, education & health and the patterns that they spend this financial support on. Instead of giving away huge sums of money to millions of people with no end at hand, the BISP in particular and the government in general must come forward to revisit its plan and devise a sound strategy to equip them with the right blend of skills, education and opportunities so that they could sustain without any support. Apart from just surveying and making poverty scorecards to identify people for support, the programed must have other strategies of keeping a time series survey to trace progress and estimate a well-grounded plan to make a difference.

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