

Essay:-

Poverty: The Root Cause of All Socio-economic problems.

Outline.

I- Introduction.

II- Poverty in Pakistan.

A- Global Statistics of poverty.

1- Number of people in poverty.

2- Impacts of poverty on demographics.

III- Impacts of poverty as on socio-economic status of Pakistan

A- Health Implications.

B- Educational Barriers.

C- Crime and social unrest.

D- Economic implications.

IV- Suggestions to address the socio-economic problems caused by poverty.

A- Income redistribution and eradication of corruption.

B- Increase access to

1- Free education and skill development

2- Health care, nutrition and food security.

C- Promoting economic growth and job creation.

D- Social protection programmes.

V- Conclusion.



"Poverty is not an accident. Like slavery and apartheid, it is man made and can be removed by the actions of human beings," as stated by Nelson Mandela.

Poverty is the root cause of a complex web of socio-economic problems, including outcomes, and limited educational opportunities, which collectively threaten the well-being and prosperity of individuals, communities and society as a whole in Pakistan. Though the government has initiated a lot of productive measures to eradicate this curse but still there is a room for development in this area.

Poverty is the main catalyst behind all the socio-economic problems in Pakistan. According to the World Bank, the poverty rate in Pakistan in 2023 is 37.2% ($\$365/\text{day}$ 2017 PPP). The poverty headcount in Pakistan have reached 39.4% in FY23. Poverty rate in Pakistan has increased to 40.1% as of FY24.

The increased rate in poverty has also affected demographics as under:

The living standards have reduced, as per Pakistan Social and Living Standards Measurement Survey (PSLM) 2019-20, 25% of households in Pakistan live in one room dwellings.

The other major impacts

DATE: 24 Feb 2025

of poverty on socio-economic status is as follows;

There are serious health implications too in Pakistan. According to a report by WHO, over 40% of Pakistan's population lives below poverty line, and many of them lack access to basic health care services (WHO, 2020).

This lack of access to healthcare perpetuates poverty, as individuals suffering from it may get serious illnesses and are less likely to be productive members of society.

Poverty has a significant impact on education in Pakistan. According to Global Education Monitoring Report, Pakistan is 50 years behind in achieving its primary education goals and 10 years behind achieving secondary education goals. On national average, and because of child labour due to poverty, the drop out rate of Pakistan is 23%, which is the highest in the region.

Crime and social unrest is one of the significant impacts of poverty in Pakistan. In 2023, depreciating local currency, skyrocketing inflation, the people specially belonging to the lower class finds the urge of getting involved in malpractices

DATE: 24 Feb 2025

of earning money to meet hands to mouth. Because of which social security of the citizens is threatened i.e. mobile snatching, robberies etc is widely common now leading to an increased rate of killing and social unrest etc. For example, according to Crime Statistics Breakdown in Karachi by Domicile 2016-2023 there is 7.1% increase in crime rate specially in Karachi.

There are various economic implications caused by poverty. The misery index, which combines the rates of inflation and unemployment has risen from 15.2 to 36.8, marking the highest level in Pakistan's history. This increase reflects the severe economic pressures faced by households. The World Bank projects that the poverty rate expected to remain around 40% through FY24-26 due to weak economic growth.

Though to overcome these socio-economic problems caused by poverty, Government has taken a lot of reforms but still there is a room for more betterment in this area as under;

Income tax should be redistributed and government should implement

DATE: 24 / Feb 2025

policies to reduce income inequality by increasing minimum wage and implementing progressive taxation can help reduce income inequality and poverty.

By increasing access to education specially to matriculation and skill development in the youth by increasing fundings to promote quality education, and vocational training can help reduce poverty by promoting economic growth. Also by improving access to basic health facilities is also essential for reducing poverty in Pakistan as per report of WHO.

Promoting economic growth and job opportunities is essential for reducing poverty in Pakistan. To achieve this, the government should invest in infrastructure development, promote entrepreneurship, small business development and encourage foreign investment.

Implementing social protection programs is also essential for reducing poverty in Pakistan. The government can achieve this by implementing programs i.e cash transfers, food subsidies and unemployment insurance. According to a report by ILO, implementing social

DATE: 24 / Feb / 2025

protection programs can help reduce poverty and promote economic growth.

In conclusion, reducing poverty in Pakistan requires a multifaceted approach that addresses the root causes of poverty. This includes addressing income inequality and corruption, increasing access to free education, skill development, health care by providing adequate supply of nutrition and food security, promoting economic growth and job creation, and promoting social protection programmes. Pakistan can overcome this curse of poverty which is the root cause of all socio-economic problems leading Pakistan into the path of prosperity and harmony.

