



### POVERTY ALLEVIATION IN PAKISTAN: A REVIEW OF “EHSAA S” PROGRAM

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*(Views expressed in the brief are those of the author, and do  
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Pakistan Tehreek-e-Insaf government in its election manifesto and 100 Days Agenda envisioned formation of a welfare state. Following up on the agenda, Prime Minister Imran Khan, on March 27, 2019 announced his vision for development and poverty alleviation under a program called “Ehsaas” (percipiency or consciousness).

Prime Minister Imran Khan in the launching ceremony of “Ehsaas” said that it was one of the first and boldest poverty alleviation programs in the history of Pakistan. According to United Nations Development Program (UNDP), Pakistan’s Human Development Index (HDI) has remained dormant at low levels, ranking 150 out of 189 countries.<sup>1</sup> This positions the country in the medium human development category. According to the World Bank, the country’s Multidimensional Poverty Index (MPI) is 0.228 with 80 per cent of Pakistan’s poor continuing to live in rural areas.<sup>2</sup>

In the given context of poverty figures, Pakistan has a history of poverty alleviation programs. Starting from early 1950s till present, several development models have been tried and tested in Pakistan, which have resulted in partial success in terms of reducing poverty headcount. These programs fall under the broad category of rural development programs, programs for human development, social security and welfare programs, and macroeconomic and economic growth programs to name a few.

<sup>1</sup> <http://www.pk.undp.org/content/pakistan/en/home/blog/2018/human-development-in-pakistan.html>

<sup>2</sup> <https://www.dawn.com/news/1444874>

Outlining the essential elements of the program and contours of his policy design, the Prime Minister emphasized social protection as the main pillar of his strategy. Ehsaas poverty reduction strategy is based on four pillars and embodies 115 policy actions, which may be expanded during the process of further consultations on the program. According to Prime Minister’s Ehsaas Policy Statement, the four pillars include: addressing elite capture and making the government system work to create equality; safety nets for disadvantaged segments of the population; human capital development; and jobs and livelihoods.<sup>3</sup>

The Ehsaas program envisions to make constitutional amendments especially in Article 38 which caters to the promotion of social and economic welfare of the people, and Article 37 which elaborates on how the state has to ensure the above mentioned responsibility.<sup>4</sup> Therefore, Ehsaas is not only a policy initiative, but also a visionary document which lays the foundations for a welfare state that provides basic necessities as fundamental rights for its citizens.

The first pillar on “*Addressing elite capture and making the government system work for equality*” is targeted against injustices in taxation, water management, and labor laws among other things. Under this objective, Ehsaas provides for increased government spending on social protection, with a specialized ministry for this purpose and a one window operation for poor to access these services. Also, pro-poor policies and incentives will be encouraged under National and Provincial Finance Commissions and innovative ways of development funding shall be formulated that will increase the impact of public sector development programs.

The second pillar on “*Safety nets*” envisions sub-programs including the “Tahafuz” (protecting) program which caters to downtrodden and marginalized segments of the society. It will provide legal aid, educational grants and medical insurance for the poor. The “Kifalat” (guarantees) program which provides cash stipends, shelter for orphans, health coverage, livelihood recovery initiatives and other elements required for the overall well-being of the society.<sup>5</sup> The Prime Minister envisions to create laws and initiatives for the welfare of the poor, elderly, orphans, widows, laborers and Pakistani workers abroad.

The third pillar on “*Human Capital Development*” invests in human resource from early stage as it will cater tackling malnutrition, preschool or early education, protecting children from harm;

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<sup>3</sup> <http://pmo.gov.pk/documents/Ehsaas-Prime-Ministers-Policy-Statement.pdf>

<sup>4</sup> <https://pakistanconstitutionlaw.com/article-38-promotion-of-social-and-economic-well-being-of-the-people/>

<sup>5</sup> <https://www.insaf.pk/public/insafpk/news/pm-imran-khan-speech-poverty-alleviation-program-ehsas>

ensuring access to quality education, skills and jobs; long-term commitment to Universal Health Coverage, and measures for empowering women and girls.

The fourth pillar on “*Jobs and livelihoods*” will formulate a new policy of Solutions Innovation Challenge, Prize Funding, and venture capital funding to develop value chains and solutions for poverty at scale by identifying private sector partners. It will encourage entrepreneurs by building an enterprising environment, offering business support and expertise, vocational trainings, soft loans, online platforms, manpower export and youth programs.

Another essential element of Prime Minister’s poverty alleviation strategy is the use of digital technology and formation of data bases entailing essential information and demographic disbursement of poverty across Pakistan. Moreover, technology will help in bringing change in traditional ways of implementation of projects towards an evidence based decision making for an informed policy.

It is noteworthy that these development solutions may vary in terms of objectives and design, but they all target human well-being and environmental sustainability. Despite the core objective being one, there are major differences and disagreements in terms of which development template and solution to follow, as some of these initiatives have been successful, while others have failed.

The question then remains as to what makes a development solution successful?

The success of any development recipe lies in its sensitization to the local settings and domestic social environments and most importantly, the efficiency with which these universal development practices are tailored accordingly to indigenous factors and socio-psychological temperaments, and finally, effective implementation.

There are several operational challenges and theoretical policy puzzles that stand in between the effective implementation of Ehsaas program. For instance, the capacity issue. Pakistan has already declared right to education as a fundamental right under Article 25-A. However, this has not resulted in the actual dispensation of free and compulsory education. Pragmatically speaking, there are serious capacity issues for the state when it comes to providing shelter, food, cloth and education as fundamental rights.

According to Dr. Ishrat Hussain, Advisor to the Prime Minister on Institutional Reforms and Austerity, macroeconomic policies and economic growth above 7 per cent is required to really push towards poverty reduction. Currently, Pakistan’s economic growth is below 4 per cent and under the

projected trends of rising inflation, we expect rising poverty.<sup>6</sup> Under low economic growth, the Ehsaas program would face a mighty challenge of providing livelihoods and other goals set under the program.

According to late Dr. Sarfaraz Qureshi, (Pakistan Institute of Development Economics), one of the main reasons for the failure of development and poverty alleviation programs in Pakistan has been the lack of devolution or excessive centralization. Political interference also tends to create inconsistency and adhocism for such programs that results in their failure. Both factors should be a relevant concern for Ehsaas program. Striking the right balance at this junction is a critical factor for the success of Ehsaas program.

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<sup>6</sup> <https://www.dawn.com/news/1473666>