



## Socioeconomic Analysis of Poverty Issues in Taluka Hala District Matiari, Sindh, Pakistan

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### ABSTRACT

The aim of this paper was to identify socioeconomic issues of poverty and what is significance of agricultural sector in household income in Taluka Hala District Matiari Sindh Pakistan. Primary data collection method was used to collect the data. The results revealed that 95 percent of household's primary source of income was agriculture, 3 percent was engaged in employment and only 2 percent were shopkeeper. On an average income of the respondents was 343519 rupees from rabi crops and 804367 rupees from kharif crops was recorded. Overall average on farm and off farm income was 1396666 rupees was recorded. Poverty profile of respondents was 58.46 percent of the households were under the poverty line using criterion of Rs. 3150 per person per month. The major factors affected for the poverty were high inflation rate, poor employment ratio, low price of agricultural output, low marketing facilities, shortage of water, less literacy ratio, Lack of quality education, poor infra structure, non access on credit facility, very less ratio of women education and employment.

**Keywords:** Socio-Economic conditions, Factors affecting poverty, Primary source of income, On farm and Off farm income.

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## 1. INTRODUCTION

Poverty is a condition in which community or a person has lack of financial resources and basics to enjoying a minimum standard of life. It includes low incomes and the inability to obtain the basic goods and services that necessary for survival with dignity. Poverty is a multidimensional phenomenon and is defined as a lack of income or consumption and lack of access to education, health and other facilities of life (Economic

Survey of Pakistan 2015). It is one of the major factors defining the developing third world societies worldwide (Amobi et al, 2012).

Poverty is the main problem of the world of developing countries, one billion people in the world are living in less than one dollar a day and 2.7 billion People in the world are living in less than two dollars per day. Eleven million children die every year about 114 million children not able to achieve basic education and about 584 million women are illiterate. Every day 800 million people stay hungry in which 300 are children. 2.6 billion People of the world's population are depriving from basic sanitation and about one billion peoples are suffering from unsafe drinking water (U,N Millennium Project, 2002).

Poverty is the result of economic, political and social process that interacts with each other and frequently reinforce in ways that exacerbate the deprivation in which poor people live (Haq, 1999). Some recent global estimation (based on one dollar a day) suggest around 1.5 billion people live in poverty and more than 850 does not have enough access to sufficient food for an active and healthy life (FAO, 2005).

One of the most abiding features of our social reality is the persistence of poverty among a large mass of people existing of abundant wealth and resources which is created by the global economic forces, the obvious reason behind this, the unequal distribution of income, wealth and resources in society (Akhilesh et al, 2011). The causes of poverty and their behaviour over time are more important to understand the depth of the problem (Seetha et al, 2014).

Changes in economic conditions and other shocks increases vulnerability of households to poverty, this will facilitate to monitor the poverty and the vulnerability of the population in all dimensions. Social protection will be mainstreamed into all government policies to ensuring social equity and inclusion. The effective range of available social protection instruments will be improved by following 'rights-based' approach. Besides targeted schemes, the scope will be extended to employment related forms of social protection, i.e. social assistance, insurance, equity, social development and economic empowerment (Pakistan Economic Survey 2015).

The fluctuations in the economic growth rates which impacts on the income levels of the people in general and farmers (Niaz 2003). Poverty is not a new phenomenon in Pakistan as every third person is caught in the 'poor' bracket, i.e. some 59.7 million out of 180 million population live below the poverty line, this includes more than half of the population in Balochistan, 33 percent in Sindh, 32 percent in Khyber Pakhtunkhwa (KP) and 19 percent in Punjab Province. The report showed that 21 percent of Pakistan's population lives below dollar 1.25 per day, and a larger number lives under two dollars per day (Salam, Ali, 2014). The recent analysis of large international and regional data sets shows that the structure of the agricultural growth is a major factor which effect on bulk of rural poverty reduction in Pakistan (Saboer 2004).

About 60 percent of Pakistan's population lives under 2 dollars per day, compared to 79 percent in nearby India and 81 percent in nearby Bangladesh, and the lowest rate in South Asia after Sri Lanka (Human Development Index 2009). Poverty in Pakistan is still remains serious problem due to many causes and issues. Therefore it is further need to investigate the causes and issues and suggest better policies for reducing poverty.

### **1.1. Objectives**

The specific objectives of the study were as

- To analyze socio-economic condition of rural people in the study area.
- To determine factors caused to increase or decrease of poverty in study area.
- To suggest ways which facilitate the development of better policies to help alleviate of poverty in the study area.

## **2. METHODOLOGY**

This study was conducted to document the socio-economic conditions of rural people in study area as well as to assess the significance of agriculture in household income. The research was proposed to be descriptive survey research. A descriptive survey involves asking the set of questions asked in person; responses are than tabulated and reported (Fraenkel and Wallen, 1994).

### **2.1. Study Area**

The research work was conducted in Taluka Hala, District Matiari, Sindh. Primary data was collected from sample of 60 household, which was equally distributed among different categories of villages i.e Villages were divided into three strata: first was less than 40 households second between 40 and 80 households, third was between 80 to 100 households and fourth was above 100 household.

### **2.2. Data Collection**

Information about income and expenditure and others necessary factors were collected by employing comprehensive and pretested questionnaire

### **2.3. Data Analysis**

After completion of the field work, the data were edited and transferred from the questionnaires to worksheet as a database file (SPSS) Statistical Package for the Social Sciences and Excel worksheet. The variables name in the database file refers to the number of each question of questionnaire. To accomplish the objectives of study the specific analytical techniques was used to find out the results. Proposed analytical techniques were household socioeconomic conditions analysis, household income and expenditure analysis.

## **3. RESULTS**

This section presents the survey estimates regarding socioeconomic status of respondents particularly focusing on agriculture and its contribution in total household income.

### **3.1. Household Composition**

The data in figure 1 shows total family members of the survey area with overall mean value of male 55.32 percent and female 40.04 percent. On the basis of gender data, maximum percentage of male was 98.3 and female 90.3 was recorded from the age group of 16-60 years old while 28.30 percent of male and 18.3 percent of female from the above 60 age group.

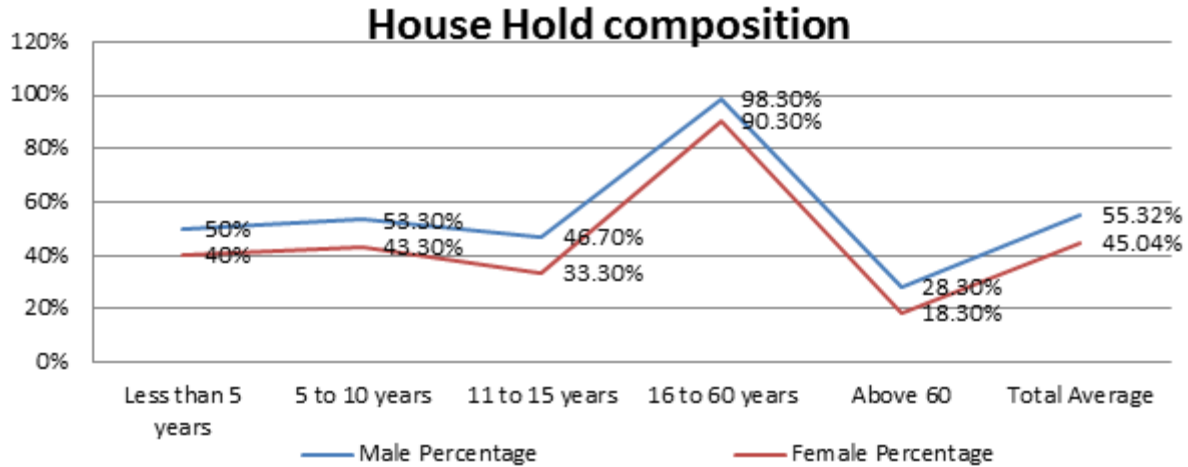


Figure-1. Total family members of the study area

Source: Result obtained from self collected primary data

### 3.2. Education Level of Respondent

Figure 2 show the most of the respondents 38 percent from the study area had only primary education. However, 13 percent and 7 Percent respondents were observed for Secondary and Higher Secondary education respectively and only the 2 percent was graduate respondents.

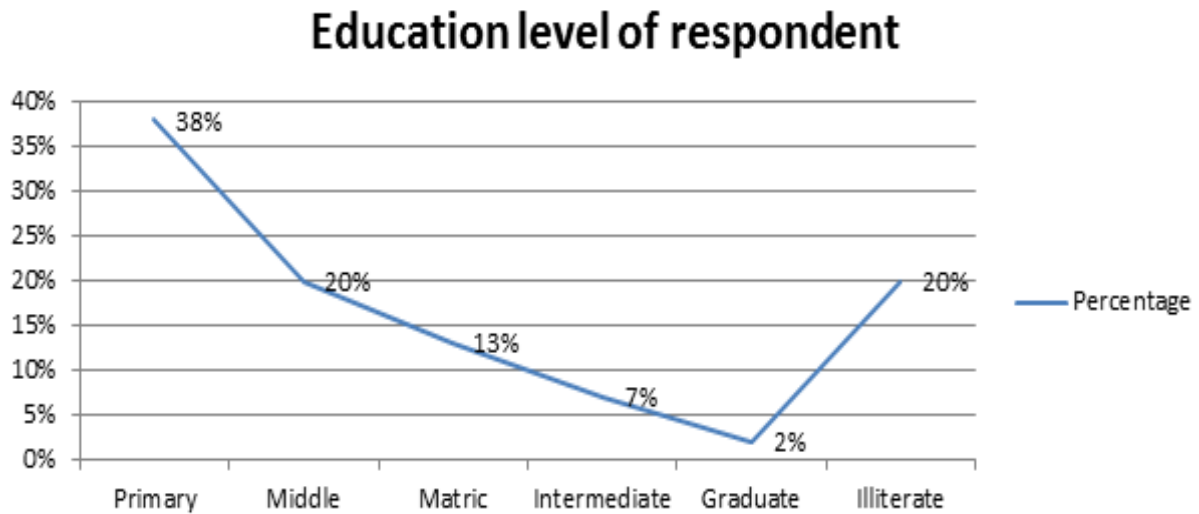


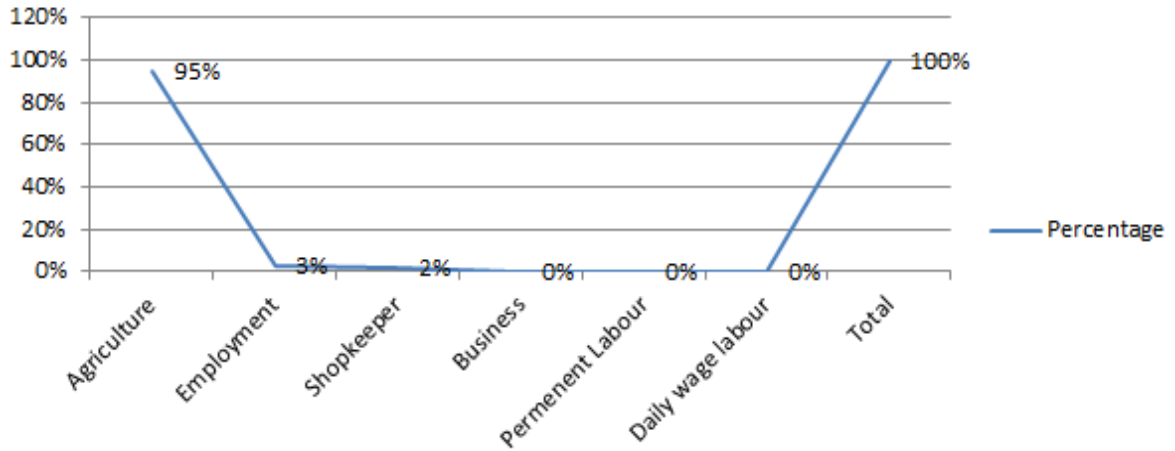
Figure-2. Education level of respondent

Source: Result obtained from self collected primary data

### 3.3. Sources of Income of the Study Area

The figure 3 shows that 95 percent families of Taluka Hala had their primary source of income from agriculture. However, only 3 percent was engaged in employment and 2 percent are shopkeeper according to primary source of income.

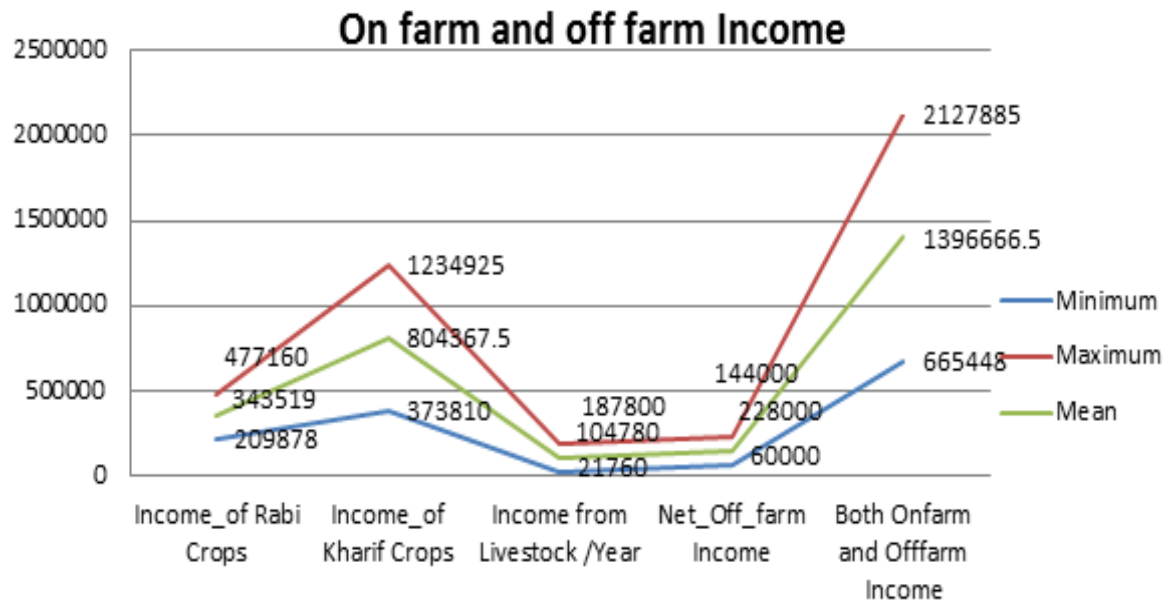
### Primary source of income



**Figure-3.** Primary Sources of Income of the study area  
 Source: Result obtained from self collected primary data

### 3.4. Secondary Source of Income

Figure 4 shows secondary source of income which reveals 85 percent families are generating their income through agriculture while 4 percent are shopkeeper 1 percent engaged in business, 6 percent in permanent labor and 4 percent as daily wage labor.

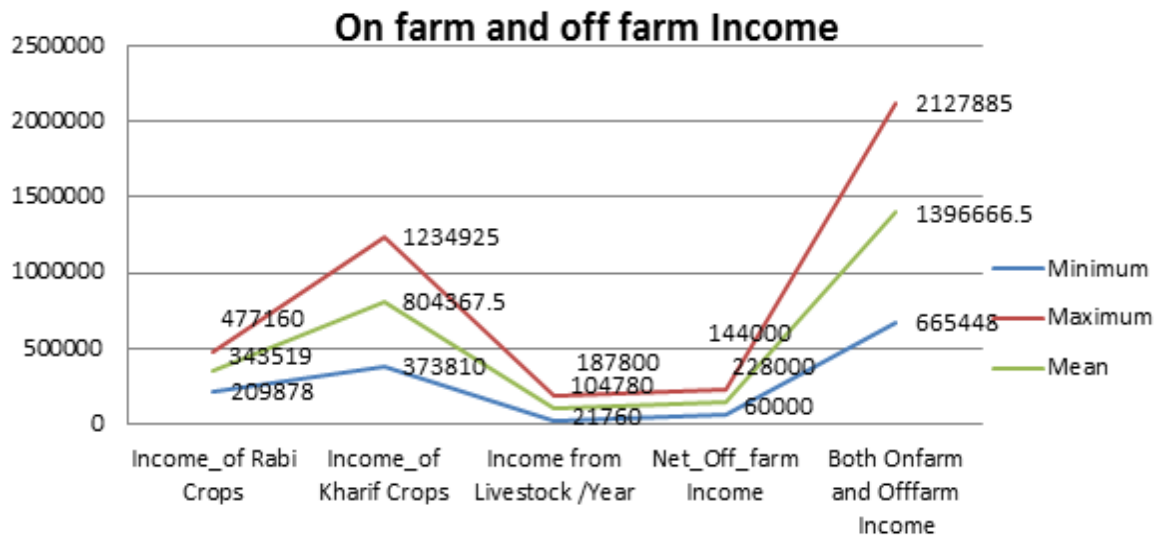


**Figure-4.** Secondary Source of Income  
 Source: Result obtained from self collected primary data

### 3.5. Income of Respondents on the Basis of Both on Farm and off Farm

Figure 5 shows that on an average income of the respondents from rabi crop was 343519 rupees and kharif crops was 804367.5 rupees. The year wise mean income from livestock was recorded 104780 rupees.

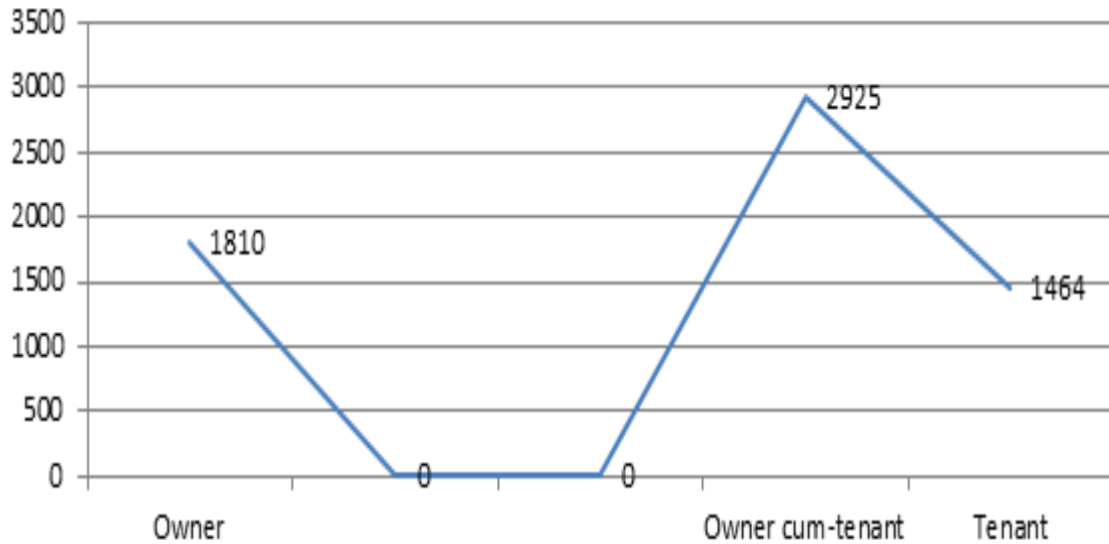
Income from other sources was also reported with average 144000 rupees. Overall mean from both sources on farm and off farm the average income of 1396666.5 rupees was recorded.



**Figure-6.** On farm and off farm Income of respondents  
 Source: Result obtained from self collected primary data

### 3.6. Income per Person per Month in the Study Area

Figure 6 shows that on an overall basis income per person per month, as discussed earlier that agriculture was recorded to be one of the major income contributing professions, income per person per month of households of owners, owner cum-tenant and tenants were 1810, 2925, and 1464 rupees respectively.



**Figure-7.** Income per person per month in the study area  
 Source: Result obtained from self collected primary data

### 3.7. Poverty Profile of Respondents

Figure 8 reveals that on an average, 58.46 percent of the households were under the poverty line using criterion of Rs. 3150 per person per month. Highest proportion of poor was recorded for tenants 66 percent, owner cum-tenant 55 percent, and owners 35 percent. Due to disparity between prices trends of agricultural inputs and product, the farming communities were continuously pushed under the poverty line since it was reported that inputs price were increasing at the higher rate than that of agriculture produce.

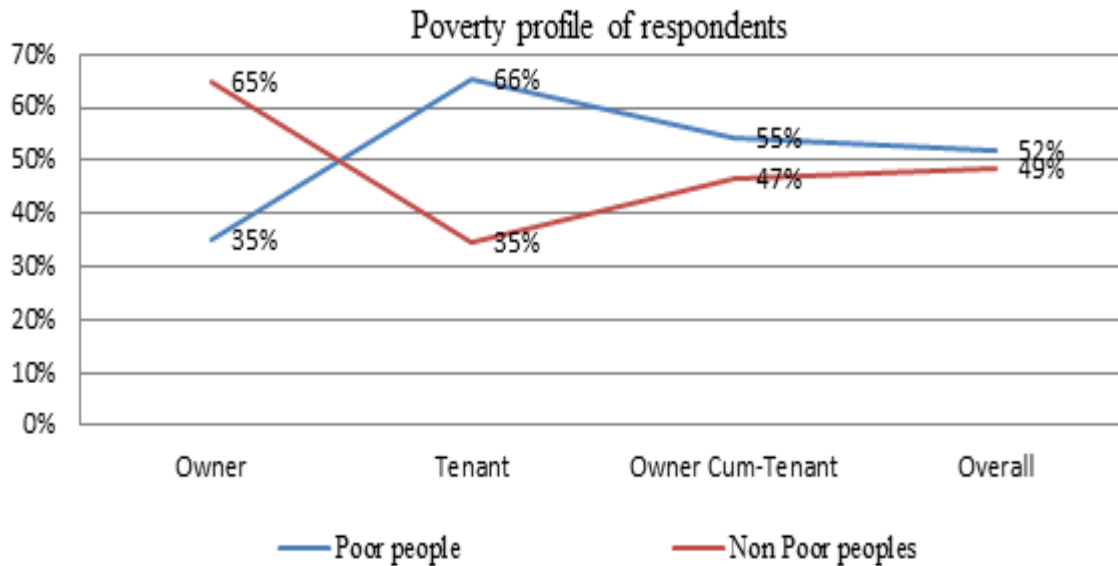


Figure-8. Poverty profiles of respondents of the study area

Source: Result obtained from self collected primary data

### 4. CONCLUSION AND RECOMMENDATION

The observations from the data were 38 percent of the respondents from the study area had only primary education, while 13 percent and 7 Percent respondents were observed for secondary and higher secondary education respectively and only the 2 percent were graduate respondents. The majority of families had their primary source of income from agriculture, while only 3 percent was engaged in employment and 2 percent are shopkeeper according to primary source of income, similarly secondary source of income reveals 85 percent families are generating their income through agriculture while 4 percent are shopkeeper, 1 percent engaged in business, 6 percent in permanent labor and 4 percent as daily wage labor.

On an average income of the respondents from rabi crops was 343519 rupees and kharif crops was 804367.5 rupees. On the basis of overall average income from both sources on farm and off farm was 1396666.5 rupees per year. While income per person per month of the major income contributing professions was land owners, owner cum-tenant and tenants were 1810, 2925, and 1464 rupees respectively. Poverty profile of respondents reveals that about 58.46 percent of the households were under the poverty line using criterion of Rs. 3150 per person per month; highest proportion of poor was recorded for tenants 66 percent, owner cum-tenant 55 percent, and owners 35 percent. Study reveals that there are different factors affecting on poverty such as Inflation, Rapid Population Growth, Unemployment, high price of agricultural inputs low price of output, low marketing facilities, week level of education, and health facilities issues non access on

credit facility. It is concluded that there are many agricultural as well as non agricultural issues which are impacting poverty, for reducing poverty we need to introduce many development programs such as

- Need of government involvement to improve the living conditions of the poor by providing productive employment through which people can increase their income
- Need of significant educational programs which effectively improve education system.
- Need of educational programs for females and employment chance for them as men.
- Need of Vocational education for females so that they could be able to generate income.
- Training programs particularly focusing crops and livestock and poultry should be arranged for farmers to enhance their incomes.
- Need of subsidy on the agricultural inputs.
- Need of adequate policies through which farmers will get suitable price of their agricultural production.

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