

# POVERTY ISSUE AND POLICIES FOR ITS ALLEVIATION: A NEED TO REDIRECT THE FOCUS OF PLANNING STRATEGIES

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## Abstract

A pragmatic approach towards poverty alleviation in Pakistan was adopted in 1960s with Dr. Mahboob-ul-Haq's notion that '*take care of GNP and it will take care of poverty itself*'. A reversal of this philosophy was advocated by the Haq school of thought in 1980s addressing poverty as core issue in development planning. The new millennium is marked by a two-pronged policy, through the I-PRSP, to combat poverty and revive economic growth. The *first policy package* emphasized a boost in agriculture by combining inputs, services, infrastructural development and institutional support. The improved seeds, fertilizers and plant protection materials increased manifold, while irrigation water increased more than two-fold along with a massive tractorization. The *second policy package*, inter alia, enjoyed a shift over to value added commodities through textile industry. It appears that the process of technical breakthrough was not tailored in accordance with a wide range of factors operating in the international scenario. More precisely, pricing signals of the international market were not responded to by adjustment in output.

Pakistan has a turnover of about US\$ 20 billion (Rs. 1200 billion) in international trade. Thus, focus of this study is to describe over time impacts of international prices on the domestic ones. It also aims to analyze the effects of sectoral support and domestic policies on crop production, domestic economy and general welfare. In January 1982, one US dollar was worth Rs. 9.91, which climbed up to Rs. 67 per US dollar till September 11, 2001 with a u-turn to a current level of Rs. 58 per US dollar. Since then, the export prices in US dollar have shown a declining trend. Hence, the year 1981-82 being on the borderline of policy changes is a reference point for this study. The major crops, such as wheat, cotton, rice and sugarcane, account for about two-third of agricultural output and a major share of Pakistan's international trade. In view of time and space limitations, scope of the study is narrowed down to these crops and labor wages. The analysis demonstrated that a heavy reliance on traditional commodities pushed export prices down due to pouring excessive supplies into export market. Hence, it is recommended that export/production of traditional commodities should be adjusted and accompanied by a shift over to non-traditional ones.

## Introduction

In the historical perspective, poverty problem and policies for its alleviation have always been duly addressed in the process of economic development. Efforts were initiated after independence but a pragmatic approach was adopted in the second Five Year Plan 1960-65 (Government of Pakistan 1960). The philosophy adopted during

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1960s was Dr. Mahboob-ul-Haq's notion, 'take care of the gross national product (GNP) and it will take care of poverty itself'. Its reversal was advocated by the Haq school of thought in the 1980s to address poverty as a core issue in policies for economic development. Currently, a two-pronged policy is designed to combat poverty and revive economic growth through an Interim Poverty Reduction strategy (I-PRSP).

An understanding of poverty issue is crucial to devise policies for its alleviation. Historically, Pakistan's rural population declined from 82.2 percent in 1951 (Government of Pakistan 1955 and Census of Pakistan 1951) to 67.4 percent in 1998 (Government of Pakistan 2001 and Census Report of Pakistan 1998). This indicates differences in socio-economic scenario and employment opportunities between rural and urban areas. The Gini-coefficient, a measure of income inequality, varied from 0.31 (1987-88) to 0.41 (1996-97) for rural areas, while for urban ones it ranged from 0.35 (1985-86) to 0.42 (1992-93) showing severity of poverty problem in the former. In totality, poverty increased from 29.2 percent in 1993-94 to 32.2 percent in 1998-99 (Government of Pakistan 2001).

As quoted in the Economic Survey 2001-2002, the highest income group comprising 20 percent of population accounted for about 42 percent of income in 1969-70 and 49.4 percent in 1996-97. The middle-income group comprising 60 percent of population shared 50.2 percent of total income in 1969-70, which declined to 43.6 percent in 1996-97. The picture is worse if considered separately for rural and urban areas as shown by Gini-coefficient varying from 0.31 to 0.41 in rural and from 0.35 to 0.42 in urban areas. The temporal increase in income share commanded by a minority group (20 percent) is strong evidence that the poverty problem has been aggravating over the passage of time.

Agriculture's share in gross domestic products (GDP) declined from 52.5 percent in 1950-51 to 24 percent in 2001-02 (Economic Survey 2001-2002), while that in employment declined from 65.3 percent in 1951 (Census of Pakistan 1951) to 48.4 percent in 2000 (Labor Force Survey 2000). However, agriculture still remains a major driving force for economic growth (Hussain 2003). The employment shares of construction, public utilities, transport and commercial activities increased from 10 percent in 1951 to 25 percent in 2000 leading to changed dimensions of poverty.

The five priorities comprising improved seeds, chemical fertilizers, plant protection materials, tubewells and tractors were introduced during 1960s (Naqvi et al. 1989) for an increase in production. The first three priorities increased manifold growing at eight to ten percent per annum compound. Irrigation, at farm gate, increased more than twofold. The number of tractors increased from 157,310 during 1983-84 to 252,861 in 1993-94, (Pakistan Censuses of Agricultural Machinery 1984 and 1994) showing an increase of five percent per annum compound. In addition, custom hire market for rental services made tractors scale-neutral (Chaudhry et al. 1985).

Due to a technological breakthrough, several changes took place in crop production, labor wages and employment. Other factors included land and tenancy reforms, work programs, overseas labor market, agro-based industries, change in occupational structure, etc. All these worked in different dimensions to increase income and employment in rural setup. For example, bio-chemical and hydrological technologies are labor augmenting, while tractorization causes labor displacement. Land and tenancy reforms were aimed to increase production through redistribution of land and security of

tenure but did not succeed in changing status quo (Naqvi et al. 1987). It increased self-cultivation and eviction of tenants (Naqvi et al. 1986), who became agricultural laborers. Skilled artisans and unskilled labor moved to Middle East labor market. Net result was reduction in agricultural employment and increased poverty.

This study defines poverty, discusses policies for its elimination, followed by focus, methods of data analysis, conclusions and policy recommendations to add a new dimension to the Pakistan Rural Support Program (PRSP).

## **The Concept and Measurement of Poverty**

It is well recognized that poverty results from multiple factors such as lack of access to food, water, sanitation, education, health and other physical and social facilities. Therefore, magnitude of poverty varies according to the definition used. Measures of poverty may include per capita income and its distribution, calorie-based income and Gini-coefficient. International Fund for Agricultural Development (2000) and World Bank (2001) use US \$ 1 and US \$ 2 per day as criteria for poverty.

According to Economic Survey 2001-02, poverty line draws at an income providing 2250 calories per person, i.e. 2450 and 2150 in rural and urban areas, respectively. Population percentage below this level is provided in Annex I and depicted in Figure 1<sup>2</sup>. Poor population increased from about 40 percent in 1963-64 to about 47 percent in 1969-70. It reduced in 1970s and 1980s and then increased in 1990s. In the regional context, rural poverty has been higher than that in urban areas.

Data on Gini-coefficient, a measure of income distribution, are given in Annexes II and III and depicted in Figure 2 separately for Pakistan and rural-urban areas. Its zero value is perfect equality and otherwise for one. It reduced in mid 1960s and 1980s, but increased in 1970s and 1990s. Share of middle-income group reduced from 50 percent in 1960s to 44 percent in 1990s and transferred to the high-income group. Income share of the latter is higher in urban areas as compared to rural ones.

## **Public Policies for Poverty Alleviation**

The generation of income and employment is a basic requirement for poverty alleviation. The planned efforts initiated in the first Five-Year Plan 1955-60 (Government of Pakistan 1957) by introducing the Village, Agricultural and Industrial Development (Village AID) Program. It consisted of developing socio-economic infrastructure by using public funds to complement local labor and skills. In the second Five Year Plan 1960-65 (Government of Pakistan 1960), Village AID was replaced with the Rural Works Program in 1963-64 (Government of Pakistan 1965) and continued till completion of the third Five Year Plan 1965-70. The Rural Works Program was replaced with the People Works and the Integrated Rural Development Programs in 1972.

In the 5th (1978-83) and the 6th (1983-88) Five Year Plans (Government of Pakistan 1978 and 1984) emphasis was shifted to rural development and transformation through a package of inputs and services and loans for small-scale industries. Due to paucity of data, it is difficult to assess employment effects of these programs. However, envisaged

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<sup>2</sup> All figures are provided at the end of the paper.

targets could not be met due to reduced resource availability and low utilization of funds (Qureshi and Ghani 1989).

The agricultural development was initiated by introducing Green Revolution technologies in mid 1960s, which led to development of agro-based industries providing employment to skilled and unskilled workers. Their total employees comprised two percent of rural labor (Qureshi and Malik 1971). About 75 percent of these were unpaid family helpers. At the same time, non-farm activities provided employment, such as white-collar jobs, personal businesses, skilled works, and construction works in metropolitan areas and commercial activities.

Government's current policy, under the I-PRSP, is to undertake an equitable and broad-based economic growth. Its core principles are (i) triggering economic growth, (ii) good governance, (iii) activities for income generation, (iv) social sector reforms, and (v) reducing vulnerability to shocks.

Poverty is not solely an outcome of economic issues but it results due to ill governance as well. Hence, this issue is addressed in the economic, political and social scenarios through an effective partnership among the public-private sectors and civil society. Tangible measures, in this respect, include improving transparency and accountability for an efficient delivery of services and a better life for the poor. Main ingredients of the governance reforms are devolution of powers, reforms in the civil services, and access to justice and financial transparency. Also, efforts are made to remove macro economic imbalances for economic stabilization. Reform agenda relates to five areas i.e. tax, expenditure management, prudent monetary policy, external adjustment and debt management.

Cost of housing is a substantial part of the expenditure made by a household. Therefore, a very high priority is attached to housing and related issues. The steps taken include regularization of the *katchi abadis*, which enable the government to institutionally provide basic services such as water, sanitation, basic health and education facilities. In rural areas, access to agricultural land is a substantial contribution in improving the economic conditions. In addition to providing an access to land, government has accorded a very high priority to the provision of micro-credit facilities and other institutional support, marketing of farm output through provision of better infrastructure.

During 2001-02, more than 43,000 acres of state land were distributed among about 21,00 beneficiaries. The government established Pakistan Poverty Alleviation Fund (PPAF) in addition to the existing institutions, such as Agricultural Development Bank of Pakistan, the First Women Bank and the National Rural Support Program, for extending credit facilities to supplement financial resources required by the small enterprises. PPAF was set up with an endowment fund of \$100 million provided by the international donors. As a result, Rs. 365 million in 35 districts of the country were advanced through NGOs to the poor community. In addition, another US\$ 35 million are available and expected to be utilized by the end of 2003. In the PPAF, allocation is made for physical infrastructure such as drinking water, sanitation and works proposed for severely affected draught areas and maintaining equity in the distribution of funds. In addition, the government has established Khushali Bank to support the on going activities of NGOs and the rural support programme (RSPs), which are already advancing micro-credit for sustaining small businesses in the rural areas.

The development of human capital is vital to trigger economic growth. Pakistan's performance in education, health, etc., is very poor as seen from lower level of adult literacy, low life expectancy and high maternal mortality. Over and above are lacking the facilities for clean drinking water and sanitation. The government's policy is to develop the social services through a consultative mechanism to ensure that such services are demand driven with local participation. The additional requirements are to be assessed by public-private partnership for human resource development.

The provision of *zakat* and *usher* is not only to fulfill basic needs but also to help the poor by enabling them to establish small-scale businesses for self-reliance. The Food Support Program is extended to 1.2 million households. A sum of Rs. 15 billion was provided by Federal Government under Poverty Alleviation Program during 2001-02. Skills under this program were identified through community participation. The program had dual objectives i.e. provision of jobs and development of essential infrastructure to gear economic activity and generate income and employment for poor segments. The cost of schemes is kept in the bracket of Rs. 0.05 million to Rs. 5.0 million per scheme in the rural areas, while the maximum ceiling in urban areas amounts to Rs. 8.0 million. The schemes are designed to ensure consultation with local NGOs, civil society and public institutions.

An institutional mechanism is developed to monitor implementation, undertake evaluation and impact assessment of PRSP to ensure effective use of funds at the federal and provincial levels.

### **The Study Focus**

It is established that the major poverty pockets lie in the rural areas (Hirashima 2001). Thus, focus of this study is to describe dimension of the issue with respect to rural scenario. Efforts, commencing with the Report of Food and Agriculture Commission (Government of Pakistan 1959) to the I-PRSP, emphasized a boost in farm output through various combinations of inputs, services, infrastructural development and institutional support. An outcome of these policies is visible in an over time productivity enhancement (Hirashima 2001). However, ultimate objective of increased welfare and reduction in poverty is enhanced fairly than previously. This requires an analysis of issues, which emerged at the national and global scenarios. There is a wide range of issues (Hussain, 2003) adversely leaving an impact on poverty. The level of farm output and its pricing are major determinants of the farm income and levers to fight back the poverty problem.

Pricing setup in the international market plays a vital role in determining the domestic prices and general welfare. Pakistan's import-export turnover of about US\$ 20 billion has a substantial impact on the domestic economy. Exchange parity is a link between international and domestic prices of export commodities and imports. Thus, focus of this study is to describe over time impact of international prices on the domestic ones and labor wages. At the time of delinking Pakistan rupee from the US dollar in January 1982, one US dollar was worth rupee 9.91. Since then, it climbed up to about Rs. 67 per US dollar till September 11, 2001 and then decreased to 58. The international prices, in US dollars, of our exports showed a declining trend since 1981-82 warranting its consideration as a reference point for this study. The major crops, such as wheat, cotton, rice and sugarcane, account for about two-third of agricultural output and a major share

of Pakistan's trade in the international market (Economic Survey 2001-02). In view of the limitations of time and space, scope of the study is narrowed down to these crops and labor wages.

## Methodological Considerations

The main considerations for empirical analysis are over time variations in physical quantities of crop prices. More precisely, area, yield and production, quantum of exports and wages are considered. These are related to each other and determine the quantities and prices/wages thereof.

Statistics for major crops are presented in Annex IV. For a temporal comparison, and data was converted into indices using 1981-82 the year as a base. The indices and average annual growth rates for area and yield are depicted in figures 3 and 3-A, respectively. The domestic support prices, in both local currency and US dollars, for wheat, rice (clean), sugarcane and cotton (lint), are set out in Annexes V and VI, respectively, which are depicted in Figure 4 along with their average annual rates of increase in Figure 4-A. There are multiple prices for cotton (lint), rice (clean) and sugarcane, while a single price prevails for wheat. For cotton (lint), a support price applicable for the most commonly grown varieties, such as B-557, F-149, Niab-78 and CIM-109, is used. In case of sugarcane, basmati and IRRI-6 (FAQ), support prices applicable for Punjab are used. The quantum of exports for basmati, IRRI-6 and cotton (lint) and their export prices are set out in Annex VII. The data for cotton product, i.e. yarn, thread, cloth and cotton waste are given in Annex VIII. The indices of rice and cotton (lint) are graphically displayed in Figure 5 and those for cotton products are depicted in Figure 6. The average annual rates of increase in quantities, prices and export earnings are displayed in Figure 7. A comparison of the traditional and non-traditional commodities with respect to price setting is provided in Figure 8. Data on daily wages for unskilled labor separately for urban areas (an average of daily wages in Lahore, Karachi, Peshawar, Quetta and Rawalpindi/Islamabad (Economic and Survey 2001-02) and rural areas of Pakistan (Monthly Statistical Bulletin of the Federal Bureau of Statistics) are provided in Annex IX. The indices of these data and average annual rates of increase are plotted in figures 9 and 10, respectively.

The average annual growth rates for different variables are based on data for 21 years (1981-82 to 2001-02), which may be estimated by using the following equation:

$$P_n/P_1 = (1+r)^n, \quad (1)$$

Where:

$P_1$	=	initial value of the variable in year 1,
$P_n$	=	terminal value of the variable in year n, and
$R$	=	growth rate per annum.

To account for a complete variation over the said time period, 'n' is replaced by 't' (a trend variable ranging from 1 to 21) and the amended equation, in a log-linear form, becomes:

$$\ln(P_t/P_1) = t \ln(1+r) + et, \quad (2)$$

Where:

et, is an error term, with conventional properties of a zero mean, constant variance, serial independence and zero covariance with the explanatory variable.

### ***Empirical Analysis***

The analysis consisted of diagrammatic presentations and compound growth rates for overtime trends in crop yields, area, production, domestic prices, export quantities and prices followed by implications for wages. The variable-specific growth rates are also picturized for analysis.

### ***Production and Prices of Major Crops***

The data on area, yield, production and domestic support prices, both in Pakistani rupees and US dollars, are presented in Annexes IV and V, respectively. The average annual growth rates in area, yield and production of the selected crops are presented in Table 1, while indices thereof and relevant growth rates are depicted in figures 3 and 3-A, respectively.

*Table 1: Average annual growth rates for major crops percent per annum.*

Crops	Area	Yield	Production
Wheat	0.77	1.89	2.70 (70%)
Rice	0.71	0.21	0.91 (23%)
Sugarcane	0.06	1.01	1.07 (94%)
Cotton	1.74	3.52	5.33 (66%)

Note: Figures in parentheses are shares of yield in growth rate of total production.

It is seen from Table 1 that average annual growth rates of about 3 and 5 percent were observed for wheat and cotton, respectively. About 70 percent of this increase was contributed by yield. The production of both rice and sugarcane, requiring an intensive use of irrigation and other inputs, exhibited one percent average annual growth rate. It seems that a relatively smaller increase in production may be related to their greater requirements of irrigation as compared to wheat and cotton. The impact of technology, in case of sugarcane, seems predominant as more than 90 percent of increase in its production came from yield enhancement. For rice, however, a relatively smaller contribution of yield in the production is not very encouraging.

The relationships noted above are also reflected in crop-wise indices for area and yield depicted in Figure 3 and growth rates in Figure 3-A. It seems that technology played a vital role in boosting production mainly by yield enhancement. Further, it is noteworthy that increase in production of wheat and cotton, with low irrigation requirements, has been much higher than rice and sugarcane.

The results provided in Table 2, along with the indices and growth rates depicted in Figures 4 and 4-A, respectively, reveal that the rates of increase in domestic support prices in Pakistani rupees have been in the range of 7 to 8 percent per annum compound. The sectoral support was provided in the interest of self-sufficiency in food and to generate exportable surplus. If support prices are measured in US dollars, it may be noted that there has been a decline of about 1 to 2 percent per annum compound. This is due to a faster devaluation of Pakistani rupee as compared to US dollar, which is estimated to be around 9.12 percent per annum compound. However, if the sectoral

support was not in vogue and prices were to adjust as per international price variations, the situation would have been worse.

*Table 2: Average annual rates of increase in support prices percent per annum.*

Crops	Price	
	Rs./ 40 Kgs.	US \$/ 40 Kgs.
Wheat	8.14	- 0.98
Rice (Clean)		
i) Basmati	7.60	-1.52
ii) IRRI-6 (FAQ)	7.51	-1.61
Sugarcane	7.25	- 1.87
Cotton (Lint)	7.48	- 1.64

Note: The growth rates are worked out from the historical data.

## Analysis of Export Commodities

Table 3 indicates that export prices of basmati and IRRI-6 declined to about 3 percent per annum compound. Thus, to maintain the level of export earnings, the quantities exported registered an increase of about 3 percent per annum compound. In other words, had the quantities exported not been increased proportionately, the export earnings would have declined, and if the quantities exported in 1981-82 were maintained, there would have been a drastic decline in the export earnings (Figures 5 to 7). More precisely, given the price regime of 1981-82, the additional export quantities above the level of 1981-82 were exported at zero prices.

In case of cotton, domestic industries were promoted for the production of yarn, thread and cloth. Therefore, lint exports registered a decline of more than 6 percent per annum compound and a marginal decline in its export price. The export of yarn and thread experienced a decline of more than 11 percent per annum, but a marginal improvement in export prices restricted decline in their export earnings to about 10 percent per annum. Cotton cloth and its price increased by about 5 and 2.5 percent per annum, respectively. Due to growth in textile industry, there was a substantial cotton waste, which was poured into the international market registering a growth of about 30 percent per annum, but a decline in its price was noted. On the whole, increase in export earnings resulted only from basmati, cotton cloth and cotton waste, while the rest showed declining trends.

*Table 3: Average annual growth rate of export quantities, prices and export earnings percent per annum.*

Commodities	Quantity exported	Export price	Export earnings
Rice (Clean)			
i) Basmati	3.61	-2.61	1.00
ii) IRRI-6 (FAQ)	3.06	-3.12	-0.06
Cotton			
i) Lint	-6.50	-0.61	-7.11
ii) Yarn	-11.14	0.22	-10.92
iii) Thread	-11.32	2.22	-9.10
iv) Cloth	5.30	2.42	7.72
v) Waste	29.30	-2.52	26.78

Note: The growth rates are worked out from the historical data



An overall picture of the scenario is provided in the upper part of Figure 8. It shows that a heavy reliance on traditional commodities pushes export prices down even below the equilibrium level but commodity supply in export market exceeds the supply curve (Qs). The supply curve represents marginal cost and the export should be restricted to a point where it is intersected by price. If this principle is not adhered to, it results into an uneconomic production, which calls for reduction in the export/production of the traditional commodities through adjustment in the production process.

The lower part of Figure 8 relates to a situation for non-traditional commodities commanding a price higher than the equilibrium level determined by the interaction between demand (Qs) and supply (Qd) forces. The producers have an option to expand production up to the intersection of supply curve by on going price, but the available avenues are not explored and the result is unnecessary deficit. If production expands, there is a tendency for pushing down prices to the equilibrium level.

### Analysis of Labor Wages

The unskilled rural labor is casually employed during peak workload periods in the crop sub-sector. The seasonal nature of work for the conventional crops, with a few peaks and many troughs, has implications for wages and employment. On the other hand, seasonality in urban unskilled jobs is not discernable and same is the case for its wages. Thus, the analysis of rural wages may not help to precisely understand the extent of rural poverty as compared with that for the urban scenario.

The over time rural and urban wages are presented in Annex IX and average annual increase therein is provided in Table 4. Nominal wages for unskilled labor in both rural and urban areas increased to about 8 percent per annum, but in terms of US dollars, it declined by about one percent per annum. The over time trend and average annual increase in wages, depicted in figures 9 and 10, respectively, provide a clear picture at a glance. There are two salient observations. First, over time wage increase as compared favourably with the support prices; and second, shocks from export prices were absorbed by the latter, but wage decline in US dollars led to a compounded poverty problem.

*Table 4: Average annual increase in wages for unskilled labor percent per annum.*

Type of Labor	Wages	
	Rs. Per day	US \$ per day
Urban Labor	7.80	- 1.32
Rural Labor	8.32	-0.80

Note: The growth rates are worked out from historical data.

### Conclusions and Policy Recommendations

The analysis showed that poverty in general and rural poverty in particular has aggravated despite sectoral support and growth-oriented policies. It is a well recognized fact that poverty is not only influenced by the local conditions but also affected by economic atmosphere across the international borders. Another salient feature of growth-oriented policies is a heavy reliance on traditional commodities beyond the limits permitted by economic principles. As a result, real prices/wages have declined and led to an aggravated poverty problem and reduction in general welfare.

However, if the quantum of commodities included in a production mix is adjusted in accordance with the economic principles, factor incomes may go up and help in reducing the poverty level. A salient example of this phenomenon is a shift over to the production of fruits, vegetables, beef, mutton, dairy products, livestock, poultry, fisheries, etc. This may help not only to raise the labor wages, but also to smooth up the seasonal nature of employment in the rural areas. Further, it may help in checking the exodus of labor to urban areas, indirectly reducing burden on the urban sector and accompanied by a rise in the level of urban wages as well.

The empirical analysis presented in this study suggests that quantum of production in the agricultural and non-agricultural sectors needs adjustment to ensure a rise in real factor income to improve the general welfare. It may safely be suggested that the production process may involve reallocation of available resources to the non-traditional commodities through an expert consultative mechanism. It may also be argued that the production level of these commodities should be determined carefully to ensure increase in real wages to promote general welfare. In the light of changing economic atmosphere, it may be suggested that the process of shift over may not be limited to the crop sub-sector only but should also focus on other sub-sectors such as livestock, poultry, fisheries, etc. A similar type of re adjustment in the production mix is also required to ensure a reasonable balance in the general welfare between the rural and urban communities.

Figure 1.a Rural and Urban Household Gini-coefficient.

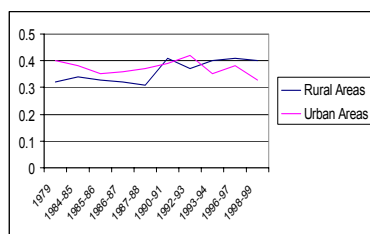


Figure 1.b Household Gini-coefficient.

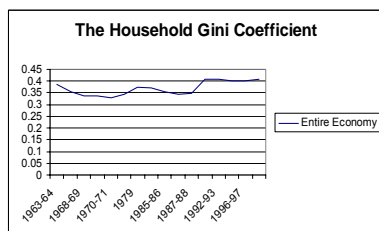


Figure 2. Percentage of Population below Poverty Line.

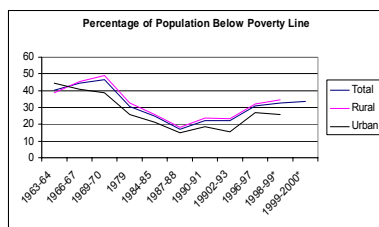


Figure 3. Indices of Area and Yield of Major Crops.

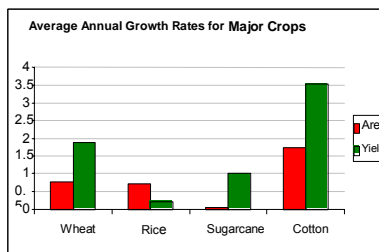


Figure 3.a Indices of Area and Yield of Wheat.

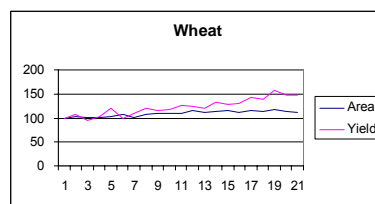


Figure 3.b Indices of Area and Yield of Rice.

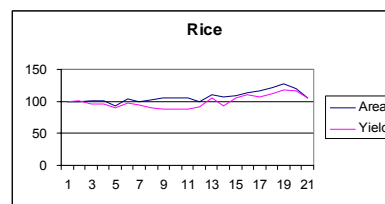


Figure 3.c Indices of Area and Yield of Sugarcane.

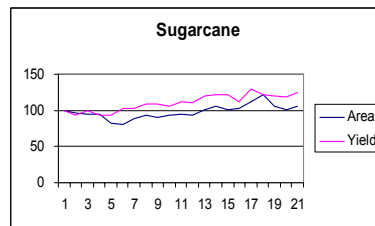


Figure 3.d Indices of Area and Yield of Cotton.

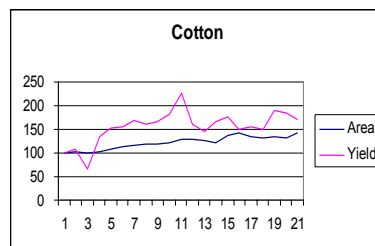


Figure 4. Indices of Domestic Prices of Major Crops in Pak Rs. and US Dollars.

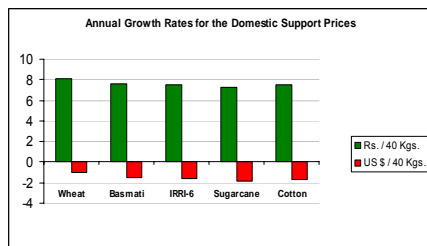


Figure 4.a Indices of Domestic Prices of Wheat.

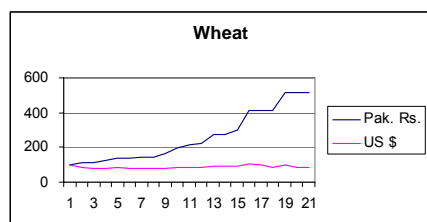


Figure 4.b Indices of Domestic Prices of Basmati Rice.

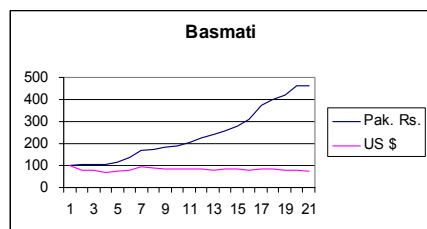


Figure 4.c Indices of Domestic Prices of IRRI Rice.

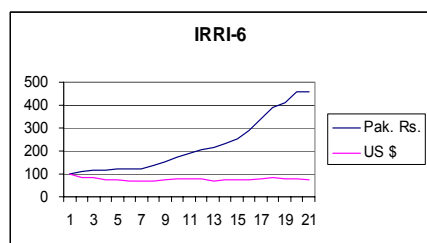


Figure 4.d Indices of Domestic Prices of Sugarcane.

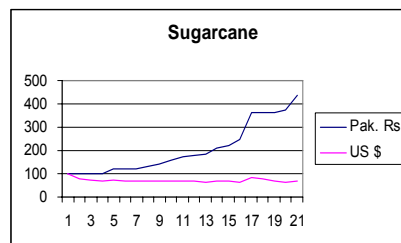


Figure 4.e Indices of Domestic Prices of Cotton.

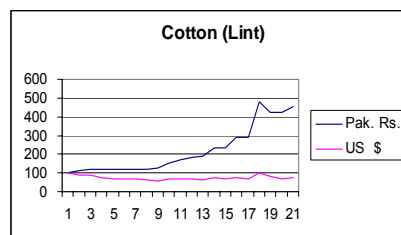


Figure 5.a Indices of Export Quantities & Prices of Basmati Rice.

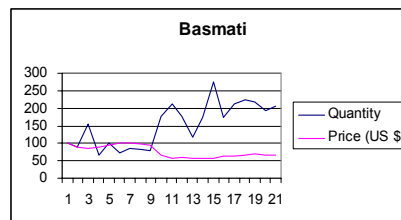


Figure 5.b Indices of Export Quantities & Prices of Rice IRRI-6.

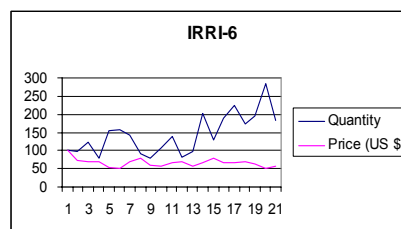


Figure 5.c Indices of Export Quantities & Prices of Cotton.

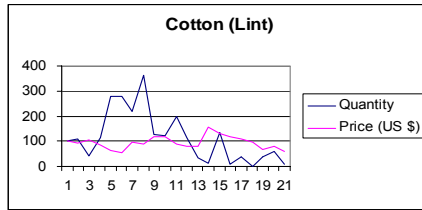


Figure 6.a Indices of Export Quantities & Export Prices of Cotton Yarn.

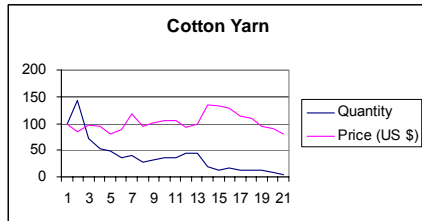


Figure 6.b Indices of Export Quantities & Prices of Cotton Thread.

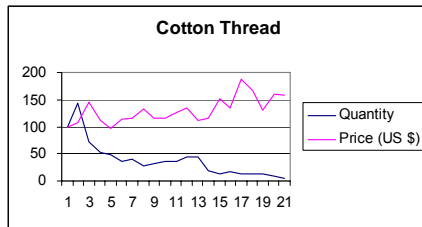


Figure 6.c Indices of Export Quantities & Prices of Cotton Cloth.

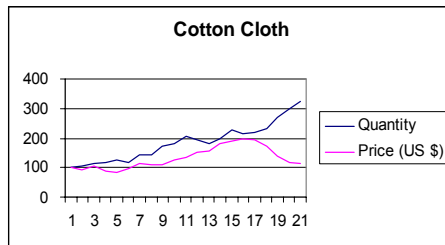


Figure 6.d Indices of Export Quantities & Prices of Cotton Waste.

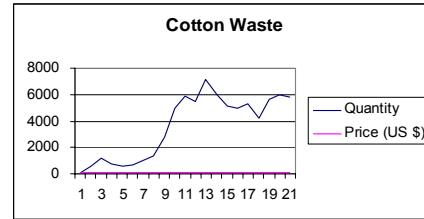


Figure 7. Annual Growth Rates for Export Earnings.

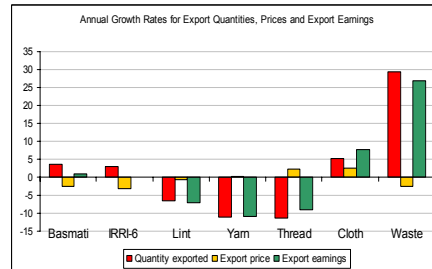
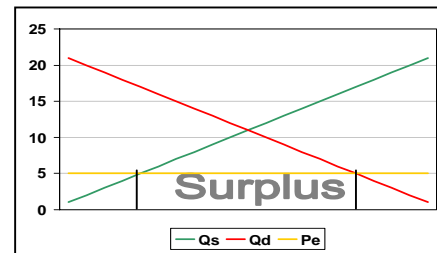


Figure 8. Pricing Setup for Traditional and Non-Traditional Commodities.

#### Traditional Commodities



#### Non-Traditional Commodities

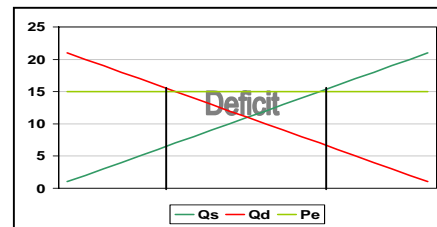


Figure 9. Indices of Wages in Pak Rs. and US Dollars in Urban & Rural Areas.

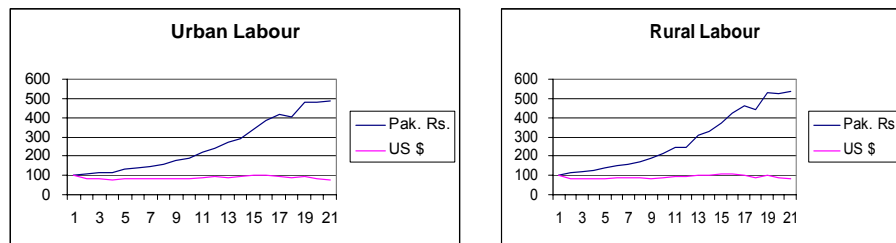
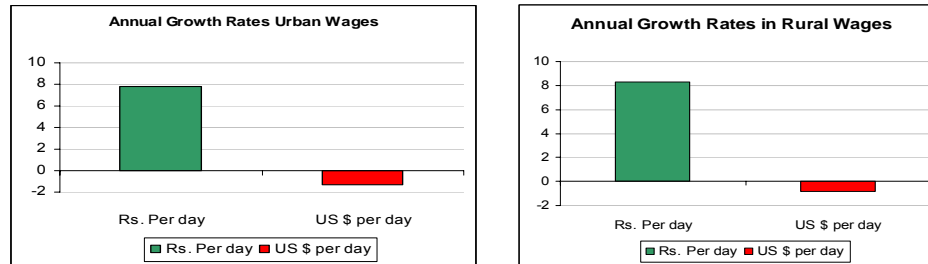


Figure 10. Annual Growth Rates in Pak Rs. and US Dollars in Urban & Rural Areas.



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