**Research Title:** Impact of Rural Infrastructure on Development of Pakistan: A District Level Analysis

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**Abstract:** Poverty is primarily a rural phenomenon in developing countries like Pakistan. Poverty in rural areas is relatively high (46%) then the urban areas of Pakistan (18%). This study investigates the empirical linkages between rural infrastructure and poverty at district levels in Pakistan using penal data over the period 2003 to 2008. There are two main sources of data, which are used in study: Pakistan Mouza Statistics (2003 and 2008) and Pakistan Social and Living Standard Measurement PSLM (2004-05 and 2008-09). We have used fixed effect model to estimate the impact of rural infrastructure on rural poverty in Pakistan. The empirical results show that physical infrastructure (electrification, rural road and irrigational facilities) have a negative and significant impact on rural poverty both at national and provincial level. Soft infrastructure, also have negative and significant impact on rural poverty across all provinces except Baluchistan. This analysis shows that along with physical infrastructure we need to pay more attention to soft infrastructure. The quality of soft infrastructure needs to be improved, to reap the positive benefits associated with human capital for development. Absence of proper schooling, health institution and physical infrastructure facilities (like roads, electrification and irrigational facilities) may lead to poverty.