

Mass Poverty in Pakistan: Some Preliminary Findings

by

S.M. NASEEM*

The disillusionment of many developing countries with past policies which paid exclusive attention to the rate of growth has, in recent years, led to a somewhat belated interest in the problems of unemployment, income distribution and mass poverty. Pakistan, perhaps, has the unique, if dubious, distinction of being one of the first developing countries both to adopt and, later, to reject growthmanship as a national creed.¹

Although serious doubts about the assumptions and implications of the official strategy of economic growth in Pakistan began to be expressed in 1968, the issues were clouded by the political demand for the autonomy, and later the separation of the eastern wing of the country. At the recent Pakistan Economic Conference, held in February 1973, some of the basic issues of Pakistan's development strategy were discussed in detail in various papers [1], [7], [14], [25]. The focus of these papers was on income distribution and employment and their implications for the future growth strategy. The present author in his paper [14] at the Conference, presented some tentative estimates of mass poverty and unemployment in West Pakistan. The present paper is designed to give more systematic estimates of the extent of mass poverty in Pakistan.

The paper is structured in the following way. In section I, the paper reviews the empirical work on the problems of income distribution and levels of living in Pakistan, which are logical predecessors of the studies on mass

*The author is Associate Professor of Economics, University of Islamabad, and is an Honorary Senior Fellow of PIDE. The present research was undertaken by the author on behalf of PIDE. Thanks for comments on the first draft are due to Dr. Mahfooz Ahmed of ECAFE, Mr. Tahir Mahmud of PIDE and an anonymous referee. The author is grateful to Mr. Amin Butt of Islamabad University, Miss Talat Alauddin of PIDE and Mrs. Naengnoi Wathanasrisong of ECAFE for research and computational assistance. Thanks are also due to Miss Poontaree Kuo of ECAFE for a most cheerfully-done typing job.

¹The country's best-known economist, Mahbub ul Haq, has also had the distinction of working on both sides of the fence with equal enthusiasm. Contrast M. Haq [9] with M. Haq [10].

poverty. In section II trends in income distribution based on household survey data and national income statistics are analysed and contrasted. Section III presents the main findings of the study on mass poverty in Pakistan. Section IV discusses the pattern of consumption and nutritional adequacy of Pakistani diets. Section V considers policy issues and conclusions based on the study. The discussion on the methodology is done in the Appendix.

I

Interest in the problems of income distribution and employment growth in Pakistan is of recent origin. Much of the earlier interest in the subject was from the point of view of interregional (East-West Pakistan) or inter-sectoral (agricultural-industrial) equity. Md. Anisur Rahman's work [24] on the former and Keith Griffin's [6] on the latter are representative examples of this class of studies. The focal point of these studies were political groups, consisting of a conglomeration of economic classes. They told little about what happened to the welfare of different economic classes within the group.

The first serious work on size distribution of incomes was undertaken by Asbjorn Bergan in 1967 [3]. This used the family expenditure survey data for 1963/64. An earlier study of Mrs. Khadija Huq [8] confined itself to the class of income-tax payers in urban areas. Since the Bergan study, three more studies on income distribution have been published utilizing more recent household survey data. These are by Azfar [1], Khandker [12] and Sulaiman [25].

The major difficulty with income size distribution studies in Pakistan has been the fact that the household surveys seriously underestimate the incomes of the higher income groups and the resulting figure, when the sample is blown up, of the total income is considerably smaller (up to 10 per cent) than the GNP figure. To remedy this Azfar [1] has adopted a splicing procedure, whereby income-tax statistics which are more representative of the higher income groups are combined with the household survey data for income groups which do not pay taxes. This does not, however, solve the problem of underestimation of agricultural incomes, which are not covered by income tax, and also the problem of tax evasion.

The burden of these studies on the size distribution of incomes has been that the urban income distribution is much more skewed than its rural counterpart and that the inequalities of income in the rural areas have declined, whereas in the urban areas they have remained more or less unchanged. The inequality in the country as a whole has been reported to be declining. Comparison with other developing countries has shown that the inequality of incomes in Pakistan, especially in the rural areas, is significantly lower than in other developing countries. Both the inter-temporal and inter-country comparisons run counter to the general impression of an increase in economic inequality during the sixties and the greater reliance of Pakistan planners on income inequalities for promoting savings and growth [5]. This has raised the question of the reliability of the survey data, especially in regard to the higher income groups in the rural sector [1].

Although these pioneering studies in income distribution have served the useful purpose of arousing interest in the problem, further work in this direc-

tion would not prove useful unless the quality of data is improved considerably. The Gini-Lorenz ratio is a single statistic, like the GNP figure, summarizing a very complex phenomenon. Movements in it cannot be given unequivocal welfare interpretations. For it is possible that the level of living of the poorer sections may improve at the same time as the ratio goes up and vice versa.

In addition to the studies on size distribution of incomes two studies on levels of living, one on industrial workers and the other on agricultural workers are worth noting. A.R. Khan's study relates to the behaviour of industrial wages during the period 1954 to 1963/64 (this was extended to 1966/67 in [5]. Khan showed that real wages in industry declined during the period. In 1966/67 real wages in all industries (West) Pakistan were 88.8 per cent of those in 1954, while in the textile industry they were only 76.9 per cent of the 1954 level. The study by Taufiq M. Khan and S.R. Bose [11] tries to collect data from various sources on incomes and levels of living of agricultural population. The major findings of the study are: (a) agricultural incomes up to the year 1963/64 are on average very low in absolute terms and relatively much lower than incomes in other occupations, (b) the disparity in incomes has increased in recent years, due to the combined effect of stagnation of, and in some years even a decline in, farm incomes, and a slow but steady increase in urban or non-agricultural incomes.

II

In this section we shall try to bring out the differences in the trends of per capita income and expenditure as derived from the household survey data compared with those from the national income accounts. Most studies mentioned in the previous section have noted the existence of a sizeable under-estimation of total income when derived from the survey data. Table II.1. shows the *per capita* and per household income and expenditure reported in the four household surveys that are now available (i.e. relating to 1963/64, 1966/67, 1968/69 and 1969/70). It can be seen that according to these figures per household real income had declined over these years and *per capita* real income had fallen over the 1963/64 level in all subsequent years. The situation regarding consumption expenditure, both per household and *per capita* is somewhat better but only very nominal increases are recorded. Also worth noticing is the fact, that both in 1966-67 and 1969-70, personal (current as well as constant) savings were negative as combined expenditure exceeded combined income. These trends are, of course, contrary to those in the GDP.

Trends in Rural and Urban GDP

One of the important dimensions of the problem of income distribution in Pakistan as in many other developing countries, is that of urban-rural disparity. With over 70 per cent of its population living in the rural areas, the problem assumes a major significance in Pakistan. The trends in the growth of rural and urban *per capita* incomes reflect to a great deal the results of the urban-centred development strategy which Pakistan, in common with other developing countries, had chosen to adopt in the last two decades. Table II.2. shows the urban-rural composition of the population.

Table II.3. shows the growth in rural and urban *per capita* incomes³. It can be seen that in the last two decades, whereas the West Pakistan Domestic Product, at 1959/60 prices, grew at 4.8 per cent per annum, the WPDP originating in agriculture grew at 3.2 per cent (the rate was much lower until the mid 1960s) and that originating in other factors at 6.2 per cent. If the rural population were solely dependent on agriculture, it is obvious that rural incomes would barely have kept pace with population growth. However, a part (although a steadily decreasing part) of non-agricultural output is also produced in the rural areas and again due to rural-urban migration, the rate of population growth is much lower in the rural areas. In spite of these "favourable factors", rural incomes *per capita* in West Pakistan were substantially below the 1950/51 level until the early 1960s. Since 1963/64, there has been a steady rise in *per capita* rural incomes, due to the advent of the "green revolution." Urban incomes, on the other hand, have steadily increased since 1951/52, although there was a relative stagnation during the 1955/58 period.

A rather different picture emerges if one looks at the rural-urban disparity problem as revealed by survey data during the period. Table II.3 shows the rural, urban and combined *per capita* incomes and Table III.1—8 show expenditures for 1963/64, 1966/67, 1968/69 and 1969/70, for which data are available. In table III.10—13, the figures have been deflated to obtain data at the constant prices of 1959/60³.

What is the explanation for rising *per capita* incomes revealed by national accounts data and falling (or stagnant) real incomes *per capita* revealed by the household survey data? As has been pointed out above, survey data are notoriously unrepresentative of high income and expenditure groups. It is, therefore, not implausible to conjecture that most of the increases in *per capita* incomes and expenditure have accrued to these groups and to that extent not only the mean incomes but also the degree of inequality implicit in the Khandker study have (on the basis of comparisons between undeflated survey figures for 1963/64 and 1966/67) shown that over-all inequality of incomes and rural inequality of incomes have declined, although urban inequality has increased (in the Khandker comparison) or declined only imperceptibly. However, as we have shown above, there seems to be a substantial degree of underestimation of the earnings of high income groups, which is responsible for the low degree of inequality. Further since the national income data, which are more reliable, reveal substantial increases in rural *per capita* incomes since 1963/64, the increases in rural incomes have accrued mainly to the high-income groups, whereas the income and expenditure of the other groups have increased only slightly.

Although the *per capita* income in the urban areas is significantly larger than that in the rural areas, whether the survey data or the national income data

³Apart from possible errors in the rural-urban composition of population, the rural-urban disparity in this table may be exaggerated due to (a) the fact agricultural production is generally underestimated in national income statistics and (b) national income statistics, in contrast to household surveys, use wholesale instead of retail price to value own-consumption of farmers.

³The discrepancy between the estimates of income based on household surveys and national income statistics can, of course, arise due to the different concepts of income used. Household survey data use the "personal income" concept rather than the "factor income" concept of the national income statistics, but this should make the household survey-based figures larger rather than smaller.

are relied on, it cannot be inferred that the incidence of poverty is lower in the urban areas. As has been pointed out studies on income distribution have revealed that the degree of inequality is higher in the urban than in the rural areas. Also, the cost of living in the urban areas, especially for the poorer groups, is higher than in the rural areas. These two factors must be allowed for before judging the relative poverty of the rural and urban areas. This will be done in the next section.

III

In this section we present the main results of our study on mass poverty in rural and urban areas. The results are based on the analysis of the household expenditure data available for the years 1963/64, 1966/67, 1968/69 and 1969/70. The figures have been deflated by group-specific index numbers derived from the budget data and from index numbers of prices for the component groups and commodities. The details of the various methods employed in the estimates are given in the Appendix. Tables III.1 to III.8 give the results of the computations on which the study is based. Figures III.1 to III.8, graphically show the percentage of people lying below a given average monthly expenditure in constant rupees of 1959/60.

The operational definition of poverty can be taken as a level of *per capita* expenditure that fails to satisfy the minimum needs of an average individual.

What level of *per capita* expenditure should be considered to be absolutely minimal in Pakistan? An exhaustive answer would require a considerably detailed investigation into nutritional requirements, housing standards and other necessities. To be meaningful, regional differences will have to be taken into account—for instance, the clothing and fuel needs in the northern regions of the country which experience severe winter would be quite different from those in parts of Sind, such as Karachi, which have a very mild winter. Differences in diets and ways of living will also vary among the different regions. More importantly, price differences are also likely to be substantial—reflecting differences in transport costs and market size.

In the absence of a detailed investigation for the precise estimation of the poverty line, we have chosen two arbitrary benchmarks for the rural areas of Pakistan (formerly West Pakistan). These are:⁴

- (a) A *per capita* expenditure of Rs 250 per year (68.5 paise per day) at 1959/60 prices.
- (b) A *per capita* expenditure of Rs 300 per year (or 82 paise per day) at 1959/60 prices.

For urban areas, the poverty line is assumed to be higher and we have used the following two figures:

- (a) Rs. 300 *per capita* per year at 1959/60 prices.

⁴T. M. Khan and S.R. Bose in Report on Agricultural Workers in Pakistan [11] considered Rs. 300 *per capita* per month to be not much above the subsistence level. In India, the figure used is Rs. 200 per month.

(b) Rs. 375 *per capita* per year at 1959/60 prices.

In the following we shall discuss the results of our exercise for the rural and urban areas separately.

Rural Poverty

TABLE I

Estimates of Persons Below the Poverty Line in Rural Areas

Year	Below Rs. 300 per annum (Rs. 25 p.m.)		Below Rs. 250 per annum (Rs. 21 p.m.)	
	Percentage	No. in millions	Percentage	No. in millions
1963/64	60.5	23.46	43.1	16.7
1966/67	59.7	24.80	32.0	13.3
1968/69	61.5	26.72	25.1	10.9
1969/70	59.7	26.51	26.0	11.5

Table I above shows the percentage of people having a *per capita* consumption of less than Rs. 250 per annum (or Rs. 21 per month) in the years 1963/64, 1966/67, 1968/69 and 1969/70. According to our calculations it declined from 43.1 per cent in 1963/64 to 32.0 per cent in 1966/67, 25.1 per cent in 1968/69 and 26.0 per cent in 1969/70. However, if the poverty line is taken to be Rs. 300 *per capita* (i.e. an increase of Rs. 4 *per capita* or Rs. 20 per household per month) the percentage of people lying below this is around 60 in all the four years. On the first criterion, the number of poor in rural areas has declined from 16.7 million in 1963/64 to 11.5 million in 1969/70. On the second criterion, the number of poverty-stricken people has increased from 23.46 million to 26.51 million between the same years. It is obvious that the estimates of the degree and extent of poverty are rather sensitive to the choice of the "poverty line." This is so because a great majority of the population is concentrated in the narrow range of *per capita* consumption of Rs. 250 to Rs. 300 per year. Diagrams III.1-III.4 showing the cumulative distribution of population according to *per capita* income-level show that the curve attains very high slope between this range.

The above results, being based on the data whose limitations have been noted and on rather crude interpolation methods, cannot claim a high degree of precision. However, the broad order of magnitude that they represent is clear enough. About 25-40 per cent of the people in the 1960s—the decade of development—lived in abject poverty and another 25-30 per cent, perhaps, lived a little better, but not much above the subsistence level. As to the trends over time, our results say that the percentage, declined from 43.1 to 26.0; so did the absolute number, of people living under conditions of abysmal poverty from 16.7 million in 1963/64 to 11.5 million in 1969/70. But if a little more liberal interpretation of poverty were given, then although the proportion of the poor in total population remained stable, the numbers increased from 23.46 million in 1963/64 to 26.51 million in 1969/70. These figures do vividly convey the extent of rural poverty in Pakistan.

The decline in rural poverty is due to an increase in *per capita* consumption of about 1.5 per cent per annum during the period. This increase has mainly been due to the increased availability and production of foodgrains in the latter part of the decade.⁶ (Since *per capita* consumption (especially of foodgrains) is far less unequal than the *per capita* income or per household consumption and income, the increase in average level of consumption has had a favourable impact on the consumption levels of the poorer classes as well. However, the importance of consumption of non-food grain items increases with total expenditure and these are less equitably distributed than the foodgrains. This is, probably, the reason why the *per capita* increase in consumption has not had much effect in reducing the proportion of people lying below the more "liberal" poverty line. Also, it is likely that a large part of the increases in the income of people above a certain minimum are absorbed in savings or, more likely, in the elimination of negative savings, which are reported in all the surveys for the lower income groups.

The distribution of total real consumption expenditure among different households and population groups is given in Tables III.10 to III.13. It shows the percentage of total consumption commanded by a given percentage of households or of the total population. Thus Table III.10 shows that in 1963/64, 3.21 per cent of the poorest rural households and 1.23 per cent of the poorest population consumed only 0.72 per cent of the total expenditure, while 0.57 per cent of the richest population commanded 2.71 per cent of the total expenditure. These figures are summarized by the familiar Gini-Lorenz coefficient which is computed and given below for different years.

TABLE II

Gini Coefficient for Rural Consumption Expenditure

	1963/64	1966/67	1968/69	1969/70
Gini coefficient for real consumption of rural households	.2988	.2985	.2617	.2620
Gini coefficient for real consumption of rural population	.1660	.1511	.1239	.1218

Source: Appendix Tables.

This points towards a rather interesting and curious feature of our results. The reason why the Gini coefficient for population is so much lower than that for households is due to the fact that poorer households have smaller number of members in them, while richer households have larger number of members.⁶ This provides a system of built-in equality in the distribution of consumer expenditure on a *per capita* basis. Interestingly enough, in the Indian case, the household size varies inversely with the total expenditure class and this provides a built-in system of inequality. To quote Dandekar and Rath [4, p. 32]:

⁶See table III. 9.

⁶See Table III. 17a.

"It will be noticed that the average size of household in the poorest 10 per cent of the rural population is 5.87 (average of 5.77 and 5.97). As we move through the successive ten per cent sections of the population with increasing per capita consumer expenditure, the average size of the household steadily declines until for the richest 5 per cent population, it is as low as 3.78. The phenomenon is even more marked in the urban areas. Here, in the poorest 10 per cent of the population, the size of the household is as large as 6.09 (average of 6.00 and 6.18). It declines steadily and rapidly as we move to the better sections until for the richest 5 per cent of the population, the size of household is as small as 2.25. There is therefore little doubt that the size of a household is an important factor pushing it down the ladder."

Such startling differences in the relationship between household size and expenditure class between two neighbouring countries, not too different in social structure, is indeed puzzling. Partly it could be due to the joint family system, which is, perhaps, more strongly prevalent among Hindus than among Muslims. But the difference in terms of expenditure (income) class is intriguing. One could argue that the smaller size among high expenditure (income) households could be due to the weakening of the joint family system and the formation of microcosmic families in that class. On the other hand, the positive association of large family size with high expenditure class could be rationalized on the basis that the rich can afford to have larger families, while the poor cannot. However, a much more detailed investigation seems to be called for to explain the phenomenon reported here. We report it here merely to put our results in perspective.

The question who has gained how much during the process of growth has been an important focus of the studies on inequalities in income and consumption. Our results are unable to give a definitive answer to this question because of the underestimation of consumption expenditure in the household surveys. Table III.18. shows the *per capita* expenditure of the different percentile groups of the population. Comparing 1969/70 expenditure levels with those in 1963/64, it is seen that although the lower expenditure groups have reported quite substantial increases in consumption, the higher expenditure groups (fifth percentile and above) report negligible or even negative increases.⁷ It is obvious that the higher income groups have not been worse off during the growth process. The large increase in *per capita* rural GDP (about 20 per cent during the period) cannot be accounted for by low income groups alone. We have not attempted to make any adjustment in the figures derived from the survey to make up for the underestimation for any such exercise is bound to be based on arbitrary assumptions about the extent of under-estimation in each group. Suffice it to note that since the percentage increase in *per capita* incomes of those in the lower half of the expenditure distribution (who command less than 40 per cent of total expenditure if an adjustment for under-estimation were made this percentage would be even lower) has been less than

⁷Part of the reason is the lack of comparability between income groups by which published data are classified in 1963/64 and in 1966/67 and later years. The highest income group for which data are reported in 1963/64 is Rs. 900 and above, whereas in the later years it is Rs. 2000 and above. No major changes in the definition or methodologies are, however, known to have been made between the different surveys. Neither is there any reason to suspect that the quality of data has deteriorated over time.

the percentage increase in *per capita* rural income, the percentage increase in the *per capita* income of those in the upper half must have been greater than those of the rural GDP.

Another question that needs to be answered, and on which again there is little information, is: who are the rural poor? The survey data on which our study is primarily based do not identify the households according to occupational or tenurial status and ownership by size of land and by regions. Fragmentary information on these aspects is available from various surveys and the Agricultural Census of 1960 and these have been summarised in the study by Khan and Bose. However, with the present state of knowledge, it is difficult to integrate this information with that provided by the household expenditure survey data.

Urban Poverty

The table below shows the percentages of urban people having a *per capita* expenditure below Rs. 300 per year and Rs. 375 per year, respectively, in the year 1963/64, 1966/67, 1968/69 and 1969/70. The percentage declined from 54.8 in 1963/64 to 47 in 1966/67 and further to 34.7 and 25.0 in 1968/69 and 1969/70, respectively. In absolute numbers, however, the urban poor were around 6.8 million in both 1963/64 and 1966/67. But their number declined to 5.59 million and 4.25 million, respectively, in 1968/69 and 1969/70. If the poverty line is raised to Rs. 375 per month, the extent of urban poverty becomes staggering. As many as 70 per cent of the urban population, according to this criterion, will be categorised as poor in 1963/64. Although the percentage of urban poor declines in the late sixties to around 59 per cent, the number increases to about 1 crore in 1969/70.

TABLE III

Year	Below Rs. 375		Below Rs. 300	
	Percentage	No. in millions	Percentage	No. in millions
1963/64	70.0	8.65	54.8	6.78
1966/67	59.3	8.60	47.0	6.81
1968/69	57.9	9.33	34.7	5.59
1969/70	58.7	9.98	25.0	4.25

The results on urban poverty broadly parallel those on rural poverty. The estimate of poverty-stricken people is again very sensitive to the choice of poverty line. This again is due to the concentration of the majority of people in a narrow range of *per capita* expenditure well below the average. It is seen that over time the problem of urban poverty has become more serious than that of rural poverty. In the initial years of the decade, the reduction in the percentage of people falling below both the poverty lines was presumably due to the increase in employment opportunities brought about by a high rate of

growth in the industrial sector. In the late 1960s the rate of growth of the industrial sector had fallen to 5 to 6 per cent, in comparison with almost double that rate in the first half of the 1960s. Part of the increase in urban poverty may also be due to the spill-over effects of rural poverty and disguised unemployment in the agricultural sector.⁸

The distribution of urban consumer expenditure is more unequal than that of rural consumer expenditure. (For details see tables III.14 to III.17). Thus in 1963/64, 57.58 per cent of lower expenditure group urban households and 47.44 per cent of rural population commanded only 33.51 per cent of total expenditure, while the upper 8 per cent of households and 11 per cent of the population consumed 23 per cent of the total expenditure. The following table shows the Gini coefficient for household and *per capita* expenditure in 1963/64, 1966/67, 1968/69 and 1969/70:

TABLE IV
Gini Coefficients for Consumption Expenditure

	1963/64	1966/67	1968/69	1969/70
Gini coefficients for real consumption of urban households	.3307	.3713	.3610	.3518
Gini coefficients for real consumption of urban population	.2126	.2420	.2428	.2414

The table shows that not only the urban inequality in real consumption expenditure is greater than that in the rural areas but also that, as compared with 1963/64, it has increased—although there seems to be a slight reduction in the last two years.

The explanation for a lower concentration ratio for population than for households is as that for the rural case. Although the size of the household is still an increasing function of the expenditure (income) class, the levelling effect of household size is not as strong as in the rural case.

There is more positive evidence on the question which income groups benefited more during the period according to the urban consumption expenditure data. Table III.14, shows the *per capita* real consumption expenditure of different percentile groups of population in the urban areas for the four years for which data were available. Here again, the evidence strongly suggests a high degree of underestimation of consumption expenditure in the upper tail of the distribution. Thus, the upper thirty per cent of the population report nominal increases and even decreases, in their expenditure in 1969/70, compared to 1963/64. The lower seventy per cent, on the other hand, report moderate increases in their expenditures. The lowest 5 per cent of the population report only a 1 per cent increase in *per capita* during the six years. The next 5 per cent had an increase of 5.3 per cent. The second to the seventh decile of the

⁸Todaro [26].

distribution had *per capita* increases of 10.4, 9.4, 12.3, 17.6, 17.7 and 9.5 per cent, respectively. The growth of *per capita* rural GDP between this period (see table II.3) was 18.3 per cent. Thus, it is evident that the expenditure of the top thirty per cent in the urban areas must have grown at a much higher rate than that of the lower groups. How this increase has been distributed among the different decile groups cannot be easily determined, without making arbitrary assumptions about the extent of underestimation in each group. It is also evident that within the bottom 70 per cent, the increases in expenditure have generally been higher in a high expenditure group than in a lower one.

Tables III.19 and III.20 give the group-specific price indices which have been used to deflate the consumer expenditure given in the household survey reports. It will be seen that the rural price index has been generally lower than the urban price index. According to our computations between 1959/60 (the base year) and 1969/70 the rural price index rose by 39.61 per cent, whereas the urban price index rose by 46.39 per cent. The indices also show that, in general, the price rises have been higher for the lower income groups than for the higher income groups.

IV

Pattern of Consumption

The relationship between income (or total expenditure) and expenditure on particular groups of commodities is well-known to economists. According to the Engel's law the proportion of income (total expenditure) spent on necessities, especially food, is inversely related to the level of income (total expenditure). In developing countries a very large proportion of income is spent on necessities by the mass of population, leaving a very small residual amount for anything else.

A typical rural household with expenditure levels below average spends 60-62.5 per cent of the total expenditure on food and drinks, another 11.4-12.5 per cent on clothing and footwear, rent accounts for 5.4-8.6 per cent and about the same percentage is devoted to fuel and lighting, leaving 10-15 per cent for miscellaneous expenditure. A typical, below average, urban household spends 55-60 per cent on food, 10-11 per cent on clothing and footwear, 10-11 per cent on rent and 6-7 per cent on fuel and lighting, leaving 12-17 per cent for miscellaneous expenditure. Thus the main difference among poor rural and poor urban households is that the former spend a little higher percentage on food items, which is almost offset by the higher percentage that the latter spend on rent. The higher percentage spent by poor urban households on miscellaneous items is largely due to the additional expenditure on transport by them.

In spite of the fact that a very high proportion of the total consumption expenditure is devoted to consumption of food, the diets of the mass of people are inadequate in most of the essential nutrients. More specifically these diets are inadequate in terms of the requirements for calories for representative individual. Calories requirements are a function of age, sex, climate, nature of work and other factors. The minimum requirements for Pakistan are estimated at between 2,500-3,000 calories per day. Tables IV.1 and IV.2 shows the *per capita* calories intake from major food items for the different income groups. It shows that in rural areas the average calories intake level was less

than 2,000 calories *per capita*, while in the urban areas it was a little over 1,700 calories *per capita* per day. Since these figures are only for major food items, the actual intake is likely to be a little (say, 10 per cent) higher.⁹ Even so, the calories intake levels are awfully low, especially among the urban poor.

The calories intake levels are a rising function of income in rural areas. It can be seen that calories' intake levels in income groups lying below both the poverty lines in both rural and urban areas have serious calories deficiency in their diets. In fact, in the urban areas even those above the two poverty lines have inadequate diets in terms of calories even after allowances are made for non-major food items. In the urban areas, the relationship between income and calories intake level, in certain income ranges, is not direct. Thus people in the 100-149 income group consume more calories than those in the two income groups immediately above. This reflects the tendency to substitute other expenditure such as on clothing, education, etc. for food in certain low income groups.

It is also important to see what proportion of total calories are derived from foodgrains or cereals, as these are generally deficient in other essential nutrients, especially proteins. Thus, it is seen that inhabitants of urban areas derive a smaller proportion of calories from foodgrains than those living in rural areas. It is also to be noted that the proportion of calories derived from foodgrains drops considerably as one moves up the income scale. Thus, in the rural areas, whereas, the lower-income groups derive about 90 per cent of their total calories intake from foodgrains, this proportion goes down up to 60 per cent in the highest income groups. In the urban areas also the same tendency is evident although the proportion is generally lower than in the rural areas.

V

Despite the serious limitations of data availability, our study of mass poverty in Pakistan has been able to delineate the broad contours of the problem in a systematic way. It has shown that the proportion and numbers of poverty-stricken people in both rural and urban areas are very high. Even though abysmal poverty has to some extent been reduced by the process of growth and by some sharing of the fruits of growth, the number and proportion of people with a sustainable expenditure level has not been appreciably affected.

It also shows that although urban *per capita* incomes are considerably higher than rural *per capita* incomes and the rural-urban income disparity has worsened over time, the problem of urban poverty has become more serious. The concentration of income and expenditure in the urban areas is higher than that in the rural areas and has been getting worse over time. The cost of living in the urban areas is rising faster than in the rural areas. Urban consumption levels of essential food items are also lower and there is a much higher caloric deficiency in the urban areas than in the rural areas.

⁹The surveys do not provide the information on what proportion of total consumption expenditure is constituted by "major food items," whose consumption is given in physical units. A priori reasoning tells us that this proportion is likely to be larger in rural than urban areas and among poorer than richer classes.

However, the problems of rural and urban poverty are intimately related. The disparity between rural and urban *per capita* incomes serves as a propellant of rural urban migration, which in turn contributes to urban open unemployment and poverty. Thus, a neglect of the agricultural sector and a concentration of efforts on development in the urban sector, worsens rather than improves the incidence of urban unemployment and poverty. The implications of this for changing the urban-bias of the development strategy are obvious.

The provision of employment opportunities both in the urban and the rural sectors is the key to an attack on mass poverty. For there is a substantial overlap between the problems of unemployment and mass poverty, although there may be some poor who do not need (or are not able to) work and some unemployed who may not be poor. Also, mere provision of additional work may not itself end poverty for it is possible that the additional work may be undertaken, by those who though under-employed or unemployed, do not lie below the poverty line. Supporting policies to ensure that the poor get the jobs may be necessary.

On the basis of our computations in section III, we have calculated for illustrative purposes, the "poverty gap" in different years, which indicates the increase in income necessary to bring the people in different groups above the poverty line:

Year	Rural poverty gap based on annual expenditure of Rs. 250 <i>per capita</i>	Urban poverty gap based on annual expenditure of Rs. 300 <i>per capita</i>
1963/64	Rs. 518.36 million	Rs. 264.96 million
1966/67	Rs. 466.57 million	Rs. 110.95 million
1968/69	Rs. 188.45 million	Rs. 160.48 million
1969/70	Rs. 293.87 million	Rs. 96.01 million

The question as to how these additional incomes should be generated falls beyond the scope of this paper. The present author has outlined some suggestions in this regard elsewhere [14].

Our study of poverty in Pakistan has been deficient in many ways. The data available are too aggregative to enable us to analyse the problem in greater detail and depth and to lead to specific policy proposals. It is not enough to be able to count the poor, though it does go some way towards solving the problem. We also need to identify the poor and find the causes of their poverty. For this data would be necessary on such aspects as the regional distribution, by number of dependants, by age, sex and occupation of the members of the household by educational level and by the number of hours worked. The author is engaged in extending the present study in some of the above directions.

The estimates presented in this study cannot by any means be considered definitive. We have tried to point out the weaknesses of the estimates, both in the text and in the appendix, by indicating the assumptions some time arbitrary which we had to make. Better assumptions and more sophisticated methodology can certainly improve the results. This is why we have termed the findings of this study as preliminary. We earnestly hope that a thorough discussion of the methods and assumptions of the study will lead to alternative estimates and better understanding of the problem of mass poverty in Pakistan.

TABLE II.1.

Per Household and Per Capita Income and Expenditure Based on Household Survey Data

Year	Per household				Per capita				Per household				Per capita			
	Rural	Urban	Com- bined		Rural	Urban	Com- bined		Rural	Urban	Com- bined		Rural	Urban	Com- bined	
	(Current prices)				(Constant prices of 1959-60)				(Constant prices of 1959-60)				(Constant prices of 1959-60)			
Income																
1963/64	193.24	235.57	202.63		35.06	39.98	36.21		176.68	207.28	181.44 ✓		32.06	35.18	32.45	
1966/67	198.36	280.50	218.71		35.42	50.09	39.06		143.70	200.67	160.30		25.66	35.83	28.09	
1968/69	189.87	293.43	215.06		35.16	52.40	39.23		139.86	207.46	154.55		25.90	37.05	28.64	
1969/70	197.24	302.93	223.08		37.22	55.08	42.09		141.28	206.93	153.30		26.66	37.63	29.32	
Expenditure																
1963/64	157.69	214.25	170.24		28.61	36.36	30.42		144.18	188.52	152.28		26.16	31.99	27.23	
1966/67	211.36	282.66	229.02		37.74	50.84	40.90		153.12	202.22	164.73		27.34	36.01	32.31	
1968/69	191.35	286.32	214.45		35.44	51.13	39.71		140.95	202.43	154.16		26.10	36.15	28.55	
1969/70	201.83	293.75	224.30		38.08	53.41	42.32		144.57	200.66	156.25		27.28	36.49	29.50	

TABLE II.2.
Rural-Urban Distribution of West Pakistan Population

Year	Total population	Urban (P _U)	Rural (P _R)	Percentage (millions)	
				Urban	Rural
1951	34.3853	6.31440	28.07090	18.4	81.6
1952	35.4509	6.64528	28.80562	18.7	81.3
1953	36.5499	6.99349	29.55641	19.1	80.9
1954	37.6829	7.35995	30.32295	19.5	80.5
1955	38.8511	7.74561	31.10549	19.9	80.1
1956	40.0555	8.15148	31.90402	20.4	79.6
1957	41.2972	8.57861	32.71859	20.8	79.2
1958	42.5775	9.02813	33.54937	21.2	78.8
1959	43.8974	9.50121	34.39619	21.6	78.4
1960	45.2582	9.99907	35.25913	22.1	77.9
1961	46.6612	10.54500	36.11620	22.6	77.4
1962	48.1077	11.11970	36.98800	23.1	76.9
1963	49.5990	11.72573	37.87327	23.6	76.4
1964	51.1366	12.36478	38.77182	24.2	75.8
1965	52.7218	13.03866	39.68314	24.7	75.3
1966	54.3562	13.74926	40.60694	25.3	74.7
1967	56.0412	14.49860	41.54260	25.9	74.1
1968	57.7785	15.28877	42.48973	26.5	73.5
1969	59.5696	16.12201	43.44759	27.1	72.9
1970	61.4163	17.00000	44.41630	27.7	72.3

TABLE II.3.
Rural-Urban Distribution of West Pakistan Population

Year	Total Pop.	Urban P _U	Rural P _R	Urban as %age of Total Pop.	Rural as a %age of Total Pop.
1951	36,80900	6,31440	30,49460	17.15	82.85
1952	37,69260	6,64528	31,04732	17.63	82.37
1953	38,59720	6,99349	31,60371	18.12	81.88
1954	39,52360	7,35995	32,16365	18.62	81.38
1955	40,47210	7,74561	32,72649	19.14	80.86
1956	41,44350	8,15148	33,29202	19.67	80.33
1957	42,43800	8,57861	33,85939	20.21	79.79
1958	43,45700	9,02813	34,42887	20.78	79.22
1959	44,50000	9,50121	34,99879	21.35	78.65
1960	45,56800	9,99907	35,56893	21.94	78.06

TABLE II.4.
Rural-Urban Distribution of West Pakistan G.D.P.

Year	GDP	GDP Rural	Pop. of W. Pak.	GDP P	(5) $\frac{GDP_R}{P_R}$	(6) $\frac{GDP_U}{P_U}$	5/6 %age
1950/51	12,913	10,055	36,80900	350.81	329.73	452.62	72.85
1951/52	12,567	9,566	37,69260	333.41	308.11	451.60	68.23
1952/53	12,894	9,693	38,59720	334.07	306.70	457.71	67.01
1953/54	14,092	10,624	39,52360	356.55	330.31	471.20	70.10
1954/55	14,478	10,743	40,47210	357.73	328.27	482.21	68.08
1955/56	15,017	11,017	41,44350	362.35	330.92	490.71	67.44
1956/57	15,469	11,245	42,43800	364.51	332.11	492.39	67.45
1957/58	15,875	11,434	43,45700	365.30	332.11	491.91	67.51
1958/59	16,648	11,874	44,50000	374.11	339.27	502.46	67.52
1959/60	16,904	11,922	45,56800	370.96	335.18	498.25	67.27

TABLE III.1.

Distribution of Current and Constant Consumption Expenditure by Income Groups in Rural (West) Pakistan 1963-64

Group	Total population of individual groups	Percentage of group population to total population	Current expenditure			Constant expenditure			Price Index
			Cumulative percentage of group expenditure	Per capita expenditure	Percentage of group expenditure to total expenditure	Cumulative percentage of group expenditure	Per capita expenditure	Percentage of group expenditure to total expenditure	
All groups	11,656.4			28.59			26.14		109.37
Less than 50	142.8	1.23	1.23	17.03	.73	.73	15.45	.72	110.26
50-99	1,554.2	13.33	14.56	19.47	9.08	9.81	17.69	9.74	110.07
100-149	2,787.2	23.91	38.47	21.75	18.19	28.00	19.86	27.91	109.51
150-199	2,245.8	19.27	57.74	27.03	18.22	46.22	24.63	18.16	109.73
200-249	1,463.2	12.55	70.29	29.22	12.83	59.05	26.72	12.83	109.36
250-299	1,217.2	10.44	80.73	30.44	11.12	70.17	27.19	11.15	109.07
300-399	964.8	8.28	89.01	37.71	10.92	81.09	34.38	10.89	109.70
400-499	515.9	4.43	93.44	41.10	6.36	87.45	37.71	6.39	108.98
500-699	492.9	4.23	97.67	48.40	7.16	94.61	44.60	7.22	108.51
700-899	169.2	1.45	99.12	53.25	2.70	97.31	49.10	2.73	108.46
900 and above	103.2	0.88	100.00	86.73	2.69	100.00	80.20	2.71	108.39

TABLE III.2.

Distribution of Current and Constant Consumption Expenditure by Income Groups in Rural (West) Pakistan 1963-64

Group	Total population of individual groups	Percentage of group population to total population	Cumulative percentage of group expenditure	Per capita expenditure	Percentage of group expenditure to total expenditure	Cumulative percentage of group expenditure	Per capita expenditure	Percentage of group expenditure to total expenditure	Cumulative percentage of group expenditure	Price Index
Current expenditure					Constant expenditure					
All groups	24,402.5	38.15			27.64					138.04
Less than 50	68.2	0.47	0.47	0.47	19.48	0.35	0.35	0.33	0.33	145.52
50-99	1,598.4	11.10	11.57	11.57	18.28	7.91	7.56	7.34	7.67	142.21
100-149	3,214.8	22.32	33.89	33.89	21.09	25.14	17.23	17.03	24.70	139.67
150-199	2,970.0	20.62	54.51	54.51	23.91	43.24	18.10	17.84	42.54	140.05
200-249	2,188.6	15.20	69.71	69.71	27.11	58.15	14.91	14.90	57.44	138.07
250-299	1,262.7	8.77	78.48	78.48	30.71	67.79	9.64	9.74	67.18	136.66
300-399	1,532.3	10.64	89.12	89.12	33.92	80.69	12.90	13.05	80.23	136.45
400-499	765.6	5.31	94.43	94.43	39.41	88.11	7.42	7.58	87.81	135.18
500-749	569.6	3.95	98.38	98.38	48.53	94.84	6.73	6.94	94.75	133.71
750-999	180.2	1.25	99.63	99.63	64.28	97.63	2.79	2.91	97.66	132.26
1000-1499	17.1	0.12	99.75	99.75	153.53	98.27	0.64	0.66	98.32	133.56
1500-1999	24.0	0.17	99.92	99.92	140.87	99.09	0.82	0.85	99.17	133.56
2000 and above	11.0	0.08	100.00	100.00	388.30	100.00	0.91	0.93	100.00	133.56

TABLE III.3.

Distribution of Current and Constant Consumption Expenditure by Income Groups in Rural (West) Pakistan 1968-1969

Group	Total population of individual groups	Current expenditure				Constant expenditure				Price Index
		Percentage of group population to total population	Cumulative percentage of group expenditure	Per capita expenditure	Percentage of group expenditure to total expenditure	Cumulative percentage of group expenditure	Per capita expenditure	Percentage of group expenditure to total expenditure	Cumulative percentage of group expenditure	
All groups	14,459.7			36.09			26.58			135.76
Less than 50	75.5	0.52	0.52	26.00	0.38	0.38	19.00	0.37	0.37	136.86
50-99	1,420.9	9.83	10.35	26.29	7.16	7.54	19.27	7.12	7.49	136.41
100-149	3,446.5	23.84	34.19	29.90	19.75	27.29	22.07	19.79	27.28	135.48
150-199	3,135.4	21.68	55.87	32.39	19.46	46.75	23.87	19.47	46.75	135.69
200-249	2,299.4	15.90	71.77	37.09	16.34	63.09	27.35	16.36	63.11	135.59
250-299	1,299.3	8.99	80.76	43.05	10.72	73.81	31.75	10.73	73.84	135.58
300-399	1,599.1	11.06	91.82	41.40	12.69	86.50	30.38	12.64	86.48	136.26
400-499	631.8	4.37	96.19	54.34	6.58	93.08	40.14	6.60	93.08	135.39
500-749	421.4	2.91	99.10	61.53	4.97	98.05	45.60	5.00	98.08	134.93
750-999	94.4	0.65	99.75	58.01	1.05	99.10	42.85	1.05	99.13	135.37
1000-1499	21.0	0.15	99.90	92.81	0.37	99.47	67.64	0.37	99.50	137.22
1500-1999	—	—	—	—	—	—	—	—	—	—
2000 and above	15.0	0.10	100.00	188.87	0.54	100.00	137.64	0.54	100.00	137.22

TABLE III.5.

Distribution of Current and Constant Consumption Expenditure by Income Groups in Urban (West) Pakistan, 1963-64

Income Group	Total population of individual groups	Current expenditure					Constant expenditure					Price Index
		Percentage of group population to total population	Cumulative percentage of group population	Per capita expenditure	Percentage of group expenditure to total expenditure	Cumulative percentage of group expenditure	Per capita expenditure	Percentage of group expenditure to total expenditure	Cumulative percentage of group expenditure			
All groups	9,957.2	—	—	36.36	—	—	31.99	—	—	113.65		
Less than 50	42.0	0.42	0.42	24.06	0.28	0.28	21.69	0.29	0.29	110.91		
50—99	724.2	7.27	7.69	23.75	4.75	5.03	20.77	4.72	5.01	114.36		
100—149	1,945.3	19.54	27.23	24.77	13.31	18.34	21.66	13.23	18.24	114.37		
150—199	2,011.9	20.21	47.44	28.57	15.87	34.21	24.17	15.27	33.51	118.18		
200—249	1,489.2	14.96	62.40	30.51	12.54	46.75	26.84	12.55	46.06	113.68		
250—299	923.0	9.27	71.67	36.15	9.21	55.96	31.88	9.24	55.30	113.40		
300—399	1,113.0	11.18	82.85	44.05	13.54	69.50	38.78	13.55	68.85	113.59		
400—499	623.2	6.26	89.11	47.87	8.24	77.74	42.55	8.32	77.17	112.51		
500—699	488.4	4.90	94.01	64.32	8.67	86.41	56.67	8.69	85.86	113.49		
700—899	308.0	3.09	97.10	69.97	5.95	92.36	62.72	6.07	91.93	111.55		
900 and above	289.0	2.90	100.00	95.68	7.64	100.00	83.64	7.59	99.52	114.40		

TABLE III.6.

Distribution of Current and Constant Consumption Expenditure by Income Groups in Urban (West) Pakistan, 1966-67

Income Group	Total population of individual groups	Current expenditure				Constant expenditure				Price Index
		Percentage of group population to total population	Cumulative percentage of group population	Per capita expenditure	Percentage of group expenditure to total expenditure	Cumulative percentage of group expenditure	Per capita expenditure	Percentage of group expenditure to total expenditure	Cumulative percentage of group expenditure	
All groups	23,992.2	—	—	51.29	—	—	36.69	—	—	139.78
Less than 50	20.7	0.09	0.09	23.18	0.04	0.04	16.54	0.04	0.04	140.11
50-99	1,145.1	4.77	4.86	29.44	2.75	2.79	20.40	2.66	2.70	144.29
100-149	3,448.2	14.37	19.23	33.68	9.49	12.28	23.46	9.19	11.89	143.56
150-199	4,326.7	18.03	37.26	38.13	13.48	25.76	25.94	12.75	24.64	147.02
200-249	3,746.5	15.62	52.88	39.21	12.00	37.76	27.82	11.84	36.48	140.93
250-299	2,527.4	10.53	63.41	45.85	9.46	47.22	33.05	9.49	45.97	138.71
300-399	3,339.6	13.92	77.33	50.45	13.76	60.98	36.34	13.79	59.76	138.84
400-499	1,879.8	7.84	85.17	57.24	8.79	69.77	41.83	8.93	68.69	136.85
500-749	1,836.0	8.07	93.24	74.98	11.86	81.63	54.39	11.96	80.65	137.86
750-999	765.6	3.19	96.43	92.39	5.78	87.41	69.03	6.00	86.65	133.85
1000-1499	445.2	1.86	98.29	130.48	4.75	92.16	95.20	4.82	91.47	137.06
1500-1999	178.2	0.74	99.03	187.37	2.73	94.89	136.71	2.77	94.24	137.06
2000 and above	235.2	0.98	100.00	266.21	5.12	100.00	194.23	5.19	99.43	137.06

TABLE III.8.

Distribution of Current and Constant Consumption Expenditure by Income Groups in Urban (West) Pakistan, 1969-70

Income Group	Total population of individual groups	Percentage of group population to total population	Cumulative percentage of group population	Per capita expenditure	Percentage of group expenditure to total expenditure	Current expenditure				Constant expenditure				Cumulative percentage of group expenditure	Price Index
						Percentage of group expenditure to total expenditure	Per capita expenditure	Cumulative percentage of group expenditure	Percentage of group expenditure to total expenditure	Per capita expenditure	Cumulative percentage of group expenditure	Percentage of group expenditure to total expenditure	Constant expenditure		
All groups	24,590.5	—	—	54.20	—	—	—	—	—	37.02	—	—	—	—	146.39
Less than 50	7.2	—	—	44.93	0.02	0.02	44.93	0.02	0.02	30.74	0.02	0.02	0.02	0.02	146.13
50—99	498.8	2.0	2.0	29.99	1.12	1.12	29.99	1.14	1.11	20.30	1.11	1.11	1.14	1.14	147.74
100—149	2,567.8	10.6	12.6	35.20	6.78	6.78	35.20	7.92	6.73	23.86	6.73	6.73	7.87	7.87	147.58
150—199	3,811.5	15.6	28.2	38.99	11.15	11.15	38.99	19.07	10.60	25.31	10.60	10.60	18.47	18.47	154.03
200—249	4,109.4	16.7	44.9	41.27	12.72	12.72	41.27	31.79	12.71	28.16	12.71	12.71	31.18	31.18	146.53
250—299	3,162.0	12.9	57.8	44.68	10.60	10.60	44.68	42.39	10.65	30.66	10.65	10.65	41.83	41.83	145.70
300—399	4,400.5	18.1	75.9	51.66	17.05	17.05	51.66	59.44	17.10	35.37	17.10	17.10	58.93	58.93	146.07
400—499	2,390.4	9.8	85.7	58.95	10.57	10.57	58.95	70.01	10.76	40.99	10.76	10.76	69.69	69.69	143.81
500—749	1,890.0	7.8	93.5	75.11	10.65	10.65	75.11	80.66	10.64	51.23	10.64	10.64	80.33	80.33	146.60
750—999	770.8	3.1	96.6	103.22	5.97	5.97	103.22	86.63	6.13	72.34	6.13	6.13	86.46	86.46	142.68
1000—1499	390.5	1.6	98.2	157.93	4.63	4.63	157.93	91.26	4.57	106.48	4.57	4.57	91.03	91.03	148.32
1500—1999	208.8	0.9	99.1	182.45	2.86	2.86	182.45	94.12	2.82	123.01	2.82	2.82	93.85	93.85	148.32
2000 and above	220.8	0.9	100.0	380.79	5.85	5.85	380.79	99.97	5.78	238.13	5.78	5.78	99.63	99.63	148.32

TABLE III.9.

Per Capita Availability of Foodgrains

Year	Lakh tons and total availability of food-grains	Population in lakhs	Ozs. per day
1950-51	53.28	343.9	15.21
1954-55	44.17	388.5	11.16
1955-56	47.23	400.6	11.58
1959-60	61.39	452.6	13.31
1960-61	61.70	466.6	12.98
1961-62	61.82	481.1	12.61
1962-63	63.82	496.0	12.62
1963-64	65.64	511.4	12.59
1964-65	78.00	527.2	14.52
1965-66	63.56	543.6	11.48
1966-67	71.89	560.4	12.59
1967-68	97.36	577.8	16.55
1968-69	87.20	595.7	14.37
1969-70	99.32	614.2	15.88
1970-71	91.22	633.2	14.14
1971-72	98.85	652.8	14.87

TABLE III.10

Distribution of Consumer Expenditure (at 1959-60 prices) Among Rural Households and Population in 1963-64

Groups	Total No. of households	% of groups of households	Cum. %	% of groups of population	Cum. %	Cum. % of expenditure
All groups	2,119.3					
Less than 50	68.0	3.21	3.21	1.23	1.23	0.72
50—99	409.0	19.30	22.51	13.33	14.56	9.74
100—149	536.0	25.29	47.80	23.91	38.47	27.91
150—199	394.0	18.59	66.39	19.27	57.74	46.07
200—249	236.0	11.14	77.53	12.55	70.29	58.90
250—299	179.0	8.45	85.98	10.44	80.73	70.05
300—399	134.0	6.32	92.30	8.28	89.01	80.94
400—499	67.0	3.16	95.46	4.43	93.44	87.33
500—699	53.0	2.50	97.96	4.23	97.67	94.55
700—899	18.9	0.89	98.85	1.45	99.12	97.28
900 and above	12.0	0.57	99.42	0.88	100.00	99.99

Gini coefficient

G (household) — 0.2988

G (population) — 0.1660

TABLE III.11.

Distribution of Consumer Expenditure (at 1959-60 prices) Among Rural Households and Population in 1966-67

Groups	Total No. of house- holds	% of groups of house- holds	Cum. %	% of groups of popula- tion	Cum. %	Cum% of ex- pendi- ture
All groups	2,571.9					
Less than 50	22.0	0.86	0.86	0.47	0.47	0.33
50—99	432.0	16.80	17.66	11.10	11.57	7.67
100—149	684.0	26.60	44.26	22.32	33.89	24.70
150—199	540.0	21.00	65.26	20.62	54.51	42.54
200—249	353.0	13.73	78.99	15.20	69.71	57.44
250—299	183.0	7.12	86.11	8.77	78.48	67.18
300—399	199.0	7.74	93.85	10.64	89.12	80.23
400—499	88.0	3.42	97.27	5.31	94.43	87.81
500—749	61.3	2.38	99.65	3.95	98.38	94.75
750—999	19.4	0.75	100.40	1.25	99.63	97.66
1000—1499	2.3	0.09	100.49	0.12	99.75	98.32
1500—1999	3.2	0.12	100.61	0.17	99.92	99.17
2000 and above	1.5	0.06	100.67	0.08	100.00	100.00

<i>Gini coefficients</i>	G (household) - 0.2985
	G (population) - 0.1511

TABLE III.12.

Distribution of Consumer Expenditure (at 1959-60 prices) Among Rural Households and Population in 1968-69

Groups	Total No. of house- holds	% of groups of house- holds	Cum. %	% of groups of popula- tion	Cum. %	Cum % of ex pendi- ture
All groups	2,677.7					
Less than 50	36.0	1.34	1.34	0.52	0.52	0.37
50—99	406.0	15.16	16.50	9.83	10.35	7.49
100—149	765.9	28.60	45.10	23.84	34.19	27.28
150—199	570.1	21.29	66.39	21.68	55.87	46.75
200—249	377.0	14.08	80.47	15.90	71.77	63.11
250—299	203.0	7.58	88.05	8.99	80.76	73.84
300—399	205.0	7.66	95.71	11.06	91.82	86.48
400—499	78.0	2.91	98.62	4.37	96.19	93.08
500—749	46.3	1.73	100.35	2.91	99.10	98.08
750—999	10.4	0.39	100.74	0.65	99.75	99.13
1000—1499	2.9	0.11	100.85	0.15	99.90	99.50
1500—1999	—	—	—	—	—	—
2000 and above	2.1	0.08	100.93	0.10	100.00	100.00

Gini coefficients	G (household) -	0.2617
	G (population) -	0.1239

TABLE III.13.

Distribution of Consumer Expenditure (at 1959-60 prices) Among Rural Households and Population in 1969-70

Groups	Total No. of households	% of groups of households	Cum. %	% of groups of population	Cum. %	Cum. % of expenditure
All groups	2,764.0					
Less than 50	32.0	1.16	1.16	0.81	0.81	0.64
50—99	344.0	12.45	13.61	7.75	8.56	6.39
100—149	769.0	27.82	41.43	23.10	31.66	24.54
150—199	608.0	22.00	63.43	21.58	53.24	44.20
200—249	411.0	14.87	78.30	16.83	70.07	60.82
250—299	221.0	8.00	86.30	10.26	80.33	71.40
300—399	221.0	8.00	94.30	11.16	91.49	85.30
400—499	87.0	3.15	97.45	4.51	96.00	91.99
500—749	44.0	1.59	99.04	2.76	98.76	95.88
750—999	18.0	0.65	99.69	1.13	99.89	98.31
1000—1499	6.4	0.23	99.92	0.43	100.32	99.50
1500—1999	2.5	0.09	100.01	0.16	100.48	100.08
2000 and above	—	—	—	—	—	—

Gini coefficients

G (household) — 0.2620

G (population) — 0.1218

TABLE III.14.

Distribution of Consumer Expenditure (at 1959-60 prices) Among Urban Households and Population in 1963-64.

Groups	Total No. of household	% of groups of household	Cum. %	% of groups of population	Cum. %	Cum. % of expenditure
All groups	1,687.7					
Less than 50	21.0	1.24	1.24	0.42	0.42	0.29
50—99	213.0	12.62	13.86	7.27	7.69	5.01
100—149	397.0	23.52	37.38	19.54	27.23	18.24
150—199	341.0	20.20	57.58	20.21	47.44	33.51
200—249	219.0	12.98	70.56	14.96	62.40	64.06
250—299	130.0	7.70	78.26	9.27	71.67	53.30
300—399	159.0	9.42	87.68	11.18	82.85	68.85
400—499	76.0	4.50	92.18	6.26	89.11	77.17
500—699	61.8	3.66	95.84	4.90	94.01	85.86
700—899	39.0	2.31	98.15	3.09	97.10	91.93
900 above	34.0	2.02	100.17	2.90	100.00	99.52

G (household) — 0.3307

G (population) — 0.2126

TABLE III.15

Distribution of Consumer Expenditure (at 1959-60 prices) among Urban Households and Population in 1966-67

Groups	Total No. of household	% of groups of household	Cum. %	% of groups of population	Cum. %	Cum. % of expenditure
All groups	4,284.3					
Less than 50	9.0	0.21	0.21	0.09	0.09	0.04
50—99	347.0	8.10	8.31	4.77	4.86	2.70
100—149	821.0	19.16	24.47	14.37	19.23	11.89
150—199	883.0	20.61	48.08	18.03	37.26	24.64
200—249	635.0	14.82	62.90	15.62	52.88	36.48
250—299	414.3	9.67	72.57	10.63	63.41	45.97
300—399	484.0	11.30	83.87	13.92	77.33	59.76
400—499	241.0	5.62	89.49	7.84	85.17	68.69
500—749	236.1	5.51	95.00	8.07	93.24	80.65
750—999	93.4	2.18	97.18	3.19	96.43	86.65
1000—1499	51.2	1.20	98.38	1.86	98.29	91.47
1500—1999	20.5	0.48	98.86	0.74	99.03	94.24
2000 and above	27.0	0.63	99.49	0.98	100.00	99.43

G (Household) — 0.3713

G (Population) — 0.2420

TABLE III.16.

Distribution of Consumer Expenditure (at 1959-60 prices) Among Urban Households and Population in 1968-69

Groups	Total No. of household	% of groups of household	Cum. %	% of groups of population	Cum. %	Cum. % of expenditure
All groups	4,344.0					
Less than 50	7.0	0.16	0.16	0.1	0.1	0.06
50—99	245.0	5.64	5.80	3.1	3.2	1.83
100—149	757.0	17.43	23.23	12.6	15.8	9.61
150—199	887.0	20.42	43.65	17.9	33.7	21.61
200—249	661.0	15.22	58.87	15.0	48.7	33.44
250—299	497.0	11.44	70.31	12.5	61.2	44.17
300—399	613.0	14.11	84.42	17.1	78.3	60.66
400—499	226.0	5.20	89.62	6.8	85.1	68.58
500—749	256.8	5.91	95.53	8.4	93.5	80.45
750—999	86.1	1.98	97.51	2.8	96.3	85.95
1000—1499	56.3	1.30	98.81	1.9	98.2	90.91
1500—1999	15.4	0.35	99.16	0.5	98.7	92.86
2000 and above	36.7	0.84	100.00	1.3	100.00	99.55

G (Household) — 0.3610

G (Population) — 0.2428

TABLE III.17.

Distribution of Consumer Expenditure (at 1959-60 prices) among Urban Households and Population in 1969-70

Groups	Total No. of household	% of groups of household	Cum. %	% of groups of population	Cum. %	Cum. % of expenditure
All groups	4,471.0					
Less than 50	4.0	0.09	0.09	—	—	0.03
50—99	172.0	3.85	3.94	2.0	2.0	1.14
100—149	694.0	15.52	19.46	10.6	12.6	7.87
150—199	847.0	18.94	38.40	15.6	28.2	18.47
200—249	761.0	17.02	55.42	16.7	44.9	31.18
250—299	527.0	11.79	67.21	12.9	57.8	41.83
300—399	677.0	15.14	82.35	18.1	75.9	58.93
400—499	332.0	7.42	89.77	9.8	85.7	69.69
500—749	245.4	5.49	95.26	7.8	93.5	80.33
750—999	100.1	2.24	97.50	3.1	96.6	86.46
1000—1499	52.8	1.18	98.68	1.6	98.2	91.03
1500—1999	28.2	0.63	99.31	0.9	99.1	93.85
2000 & above	29.8	0.67	99.98	0.9	100.0	99.63

G (Household) — 0.3518

G (Population) — 0.2414

TABLE III.17a.

Average Size of Household in different Sections of Rural and Urban Populations in Pakistan and India

Section of Population	Pakistan 1968-69		India 1967-68	
	Rural	Urban	Rural	Urban
Poorest 5 per cent	2.69	3.23	5.77	6.00
5—10	3.46	3.59	5.97	6.18
10—20	4.02	4.21	5.72	6.00
20—30	4.40	4.71	5.57	5.82
30—40	4.80	5.15	5.33	5.48
40—50	5.28	5.56	5.31	5.37
50—60	5.75	6.04	5.30	4.93
60—70	6.10	6.41	5.33	4.39
70—80	6.38	6.85	5.11	3.49
80—90	7.60	7.13	4.75	2.89
90—95	8.02	8.16	4.61	2.74
95—100	8.99	8.70	3.73	2.25
All Sections	5.40	5.60	5.25	4.70

TABLE III.18.
West Pakistan: Rural

Per cent of Population	Per capita expenditure				Index in 1969-70 1963-64=100
	1963-64	1966-67	1968-69	1969-70	
0—5	16.0	—	19.1	—	—
5—10	17.1	16.5	19.5	21.5	1.20
10—20	18.5	20.0	20.4	21.5	1.16
20—30	19.4	20.6	21.4	21.6	1.11
30—40	20.4	21.5	22.5	22.5	1.10
40—50	22.6	22.9	23.2	24.0	1.06
50—60	25.4	24.8	24.0	25.6	1.01
60—70	26.6	27.4	26.8	27.0	1.02
70—80	27.5	30.8	29.6	27.9	1.01
80—90	35.0	34.9	31.6	32.9	0.94
90—95	40.2	40.9	38.0	38.8	0.97
95—100	80.2	338.3	137.6	96.32	1.20

TABLE III.18a.

West Pakistan: Per Capita Real Consumption Expenditure in Urban Areas According to Percentage Groups of Population

Percentage population	Per capita expenditure				Index in 1969-70 1963-64=100
	1963-64	1966-67	1968-69	1969-70	
0—5	20.8	18.5	21.2	21.0	101.0
5—10	20.9	20.4	22.8	22.0	105.3
10—20	21.2	21.0	25.0	23.4	110.4
20—30	22.4	25.0	25.5	24.5	109.4
30—40	23.6	26.1	27.4	26.5	112.3
40—50	25.0	27.5	29.2	29.4	117.6
50—60	26.5	31.0	31.1	31.2	117.7
60—70	30.6	34.0	33.5	33.5	109.5
70—80	36.7	38.0	37.5	37.2	101.4
80—90	44.6	48.4	46.0	47.6	106.7
90—95	58.2	58.4	55.0	55.0	94.5
95—100	83.5	194.0	238.0	196.8	235.6

TABLE III.19.

Group-Specific Index Numbers of Price (1959-60=100) for Rural Areas in (West) Pakistan

	1963-64	1966-67	1968-69	1969-70
All groups	109.37	138.04	135.76	139.61
Less than 50	110.46	145.52	136.86	142.36
50—99	110.07	142.21	136.41	141.11
100—149	109.51	139.67	135.48	139.70
150—199	109.73	140.05	135.69	139.81
200—249	109.36	138.07	135.59	139.26
250—299	109.07	136.66	135.58	139.23
300—399	109.70	136.45	136.26	140.10
400—499	108.98	135.18	135.39	138.56
500—699	108.51	133.71	134.93	138.00
700—899	108.46	132.26	135.37	138.06
900 and above	108.38	133.56	137.22	140.01

TABLE III.20.

Group-Specific Index Numbers of Prices (1959-60=100) for Urban Areas in (West) Pakistan

	1963-64	1966-67	1968-69	1969-70
All groups	113.65	139.78	141.44	146.49
Less than 50	110.91	140.11	140.21	146.13
50—99	114.36	144.29	142.52	147.74
100—149	114.37	143.56	142.29	147.58
150—199	118.18	147.02	147.40	154.03
200—249	113.68	140.93	141.24	146.53
250—299	113.40	138.71	140.63	145.70
300—399	113.59	138.84	141.13	146.07
400—499	112.51	136.85	139.26	143.81
500—699	113.49	137.86	142.06	146.60
700—899	111.55	133.85	138.77	142.68
900 and above	114.40	137.06	143.78	148.32

TABLE IV.1.

Per Capita Calories Intake Per Day by Different Income Groups in Rural (West) Pakistan

Groups	1963/64			1968/69			1969-70		
	Total calories	No. of calories derived from cereals	Percentage of total calories derived from cereals	Total calories	Cereals (rice), wheat, lentils, gram	Percentage of calories derived from cereals	Total calories	No. of calories derived from cereals	Percentage of total calories derived from cereal
All groups	1,988	1,727	86.8	1,974	1,655	83.84	1,983	1,645	82.9
Less than 50	1,734	1,598	92.1	1,833	1,646	89.7	1,656	1,458	88.0
50-99	1,897	1,715	90.4	1,784	1,557	87.3	1,816	1,578	86.9
100-149	1,907	1,677	88.0	1,857	1,617	87.1	1,815	1,539	84.8
150-199	2,064	1,789	86.7	1,874	1,584	84.5	1,944	1,625	83.6
200-249	2,157	1,841	85.3	1,973	1,643	83.3	2,004	1,648	82.2
250-299	2,292	1,930	84.2	2,174	1,783	82.0	1,991	1,635	82.1
300-399	2,435	2,003	82.3	2,073	1,695	81.8	2,102	1,703	81.0
400-499	2,660	2,215	83.2	2,381	1,954	82.1	2,728	2,215	81.2
500-749	2,363 ^a	1,913 ^a	81.0 ^a	2,269	1,810	79.8	2,117	1,638	77.4
750-999	2,925 ^b	2,367 ^b	80.9 ^b	2,464	1,997	81.0	2,518	1,882	74.7
1000-1499	—	—	—	2,340	1,412	60.4	2,425	1,862	76.8
1500-1999	—	—	—	—	—	—	2,817	2,242	79.6
2000 and above	3,106 ^c	2,382 ^c	76.7 ^c	4,938	2,776	56.3	—	—	—

^a Corresponds to income-bracket: 500-699^b Corresponds to income-bracket: 700-899^c Corresponds to income-bracket: 900 and above

TABLE IV2.
Per Capita Calories Intake Per Day by Different Income Groups in Urban (West) Pakistan

Group	1963-64			1968-69			1969-70		
	Total calories	Calories derived from cereals	Percentage of calories derived from cereals	Total calories	Cereals (rice), wheat, lintels, gram	Percentage of total cereals to total calories	Total calories	Cereals	Percentage to total calories derived from cereal
All groups	1,731	1,454	84.0	1,713	1,384	80.8	1,707	1,376	80.6
Less than 50	1,453	1,264	87.2	1,747	1,498	85.8	1,495	1,287	86.1
50-99	1,616	1,426	88.3	1,771	1,541	87.1	1,618	1,387	85.7
100-149	1,701	1,500	88.2	1,700	1,443	84.9	1,694	1,427	84.3
150-199	1,595	1,371	85.9	1,664	1,386	83.3	1,691	1,406	83.1
200-249	1,690	1,448	85.7	1,709	1,409	82.4	1,669	1,371	82.2
250-299	1,772	1,485	87.8	1,673	1,361	81.4	1,671	1,354	81.0
300-399	1,846	1,506	81.5	1,700	1,359	79.9	1,705	1,371	80.4
400-499	1,808	1,465	81.0	1,728	1,375	79.6	1,734	1,361	78.5
500-749	2,042 ^a	1,584 ^a	77.6 ^a	1,749	1,342	76.7	1,759	1,344	76.4
750-899	1,882 ^b	1,406 ^b	74.7 ^b	1,780	1,326	74.5	1,916	1,442	75.2
1000-1499				1,928	1,368	71.0	1,872	1,311	70.1
1500-1999				1,900	1,353	71.2	1,675	1,157	69.1
2000 and above	1,993 ^c	1,385 ^c	69.4 ^c	1,969	1,205	61.2	1,953	1,206	61.8

^a Corresponds to income-bracket: 500-699

^b Corresponds to income-bracket: 700-899

^c Corresponds to income-bracket: 900 and above.

APPENDIX**Methodology and Sources of Data**

In this appendix we shall detail, for the interested reader, the methodology adopted and data used to obtain the different estimates given in the appended tables. Before we do that some remarks about the general methodology of measuring mass poverty are in order.

Measurement of mass poverty from household surveys has recently been undertaken in a number of studies in India [2], [4], [13], [15]. Methodologically, these studies are a successor to the more general income distribution studies. In contrast to the latter, the studies on mass poverty focus attention on (a) a limited range of, rather than the entire, income distribution and (b) on absolute income or expenditure levels rather than on relative shares of total income or expenditure. Since these studies are concerned with the economic viability of the poor, who typically have nominal or negative savings, it is more appropriate to study the level of their expenditures rather than incomes.

There are three or four crucial steps involved in such studies. Firstly the choice of the poverty line: it is seldom possible to determine this with exactitude; it is preferable to have an upper or lower limit for the minimum desirable expenditure. Secondly the data on real expenditure by different size groups is arranged in the form of a cumulative distribution showing the percentage of households or individuals having an expenditure of a given amount or less. Thirdly by rather crude interpolation one determines the percentage of people or households lying below the poverty line. If comparisons over time are involved an extra step has to be taken, viz. the deflation of consumption expenditures — often the most difficult step in the exercise.

Methodology and sources of tables in the Appendix:

- | | |
|--------------------------|---|
| Table II.1. | Sources used: [16], [17], [18], [19] for current expenditure incomes and expenditures deflated by price indexes obtained in tables III.19 and III.20. |
| Table II.2. | Population estimates adjusted to conform to the new (1972) Census estimates which give a compound rate of growth of 3.1 per cent per year between 1961 and 1972. Urban population assumed to grow at 5.2 per cent per year between 1951 and 1961 and at 5.45 per cent after 1961 (Assumption borrowed from [22]). Rural population residually determined. |
| Table II.3. | GDP at constant prices of 1959-60 taken from [21]. The rural GDP is arrived at by giving GDP from agriculture a constant weight of .95 and GDP from non-agriculture a weight of .59 in 1950-51 and declining by 1 per cent each year to .40 in 1969-70. A qualitatively similar assumption is made in [11]. |
| Table III.1-III.8 | Obtained from [16], [17], [18], [19] and tables III.19 and III.20. |

- Table III.9. Availability figures from [21]. Population figures from table II.2.
- Table III.10-III.17 Obtained from [16], [17], [18], [19] and tables III.1-III.8.
- Table III.17a. Obtained from [16], [17], [18], [19] and tables III.1-III.18 and III.8. for Pakistan and Table 1.7 in [4] for India.
- III.18a.
- Table III.19 and III.20. The index numbers are obtained by using the weights for each group and their components obtained from 1963-64 survey for (1) food and drinks, (2) clothing and footwear, (3) housing and (4) miscellaneous groups. For group (1) 20 commodity prices were used. For (2) prices of clothing and footwear were used. For (3) housing component of price index for industrial workers was used. For (4) the wholesale price index was used. Wholesale price indices for different commodities and groups were taken from [2].
- Table IV.1-IV.2 Derived from [16], [17], [18], [19]. Caloric values taken from [23].

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FIG III.1

RURAL 1963-64

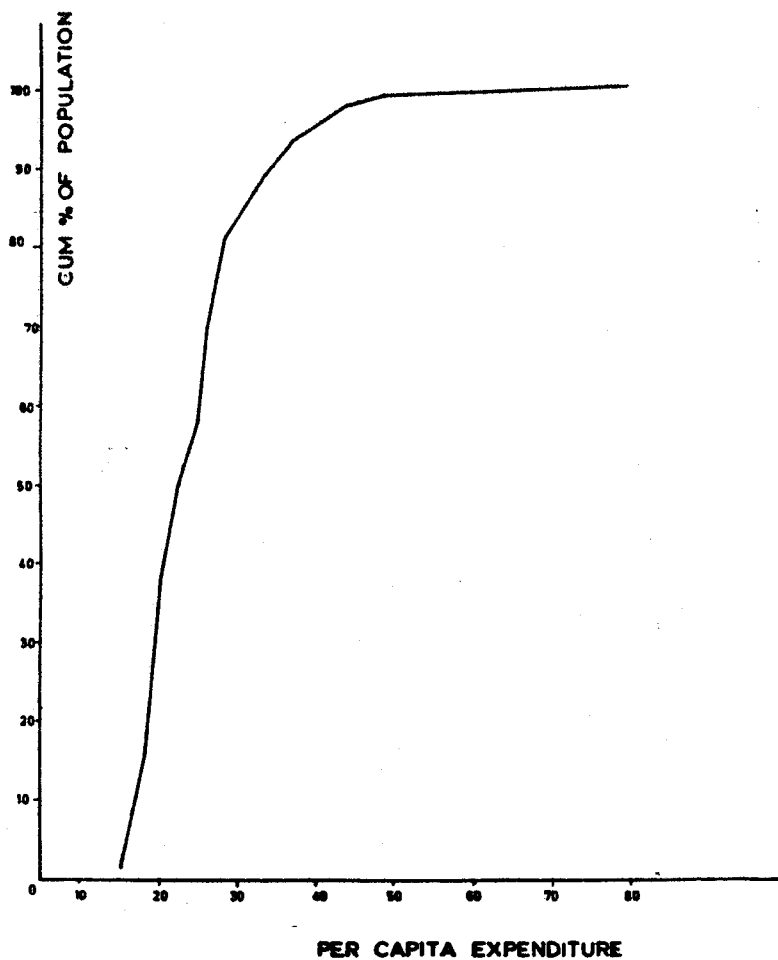


FIG III.2

RURAL 1966-67

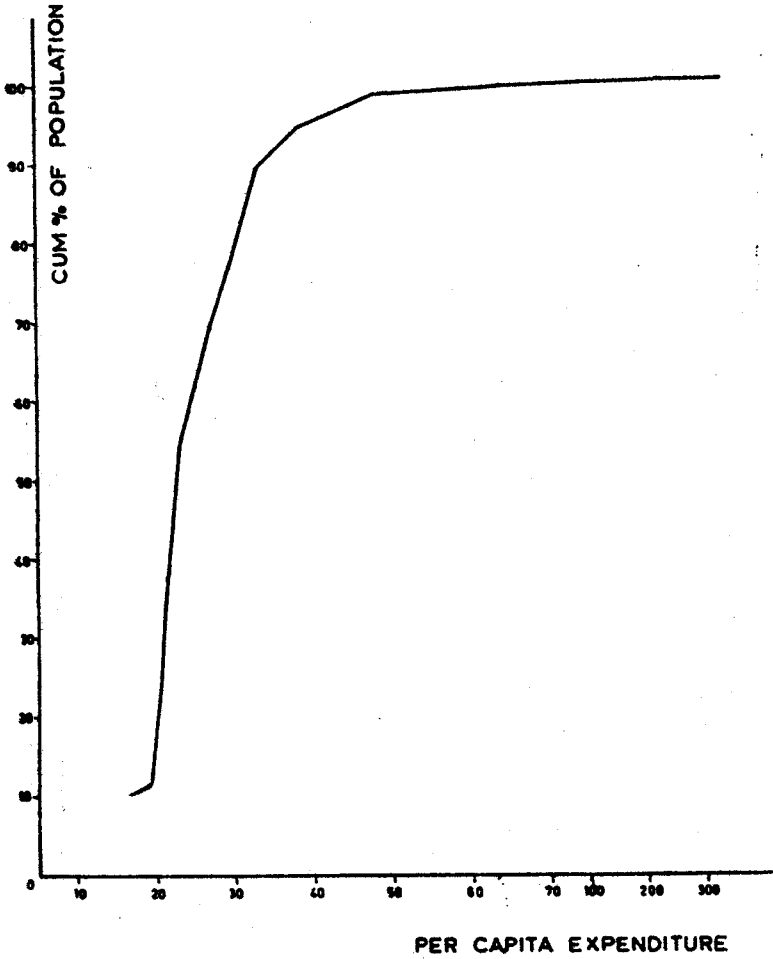


FIG III.3

RURAL 1968-69

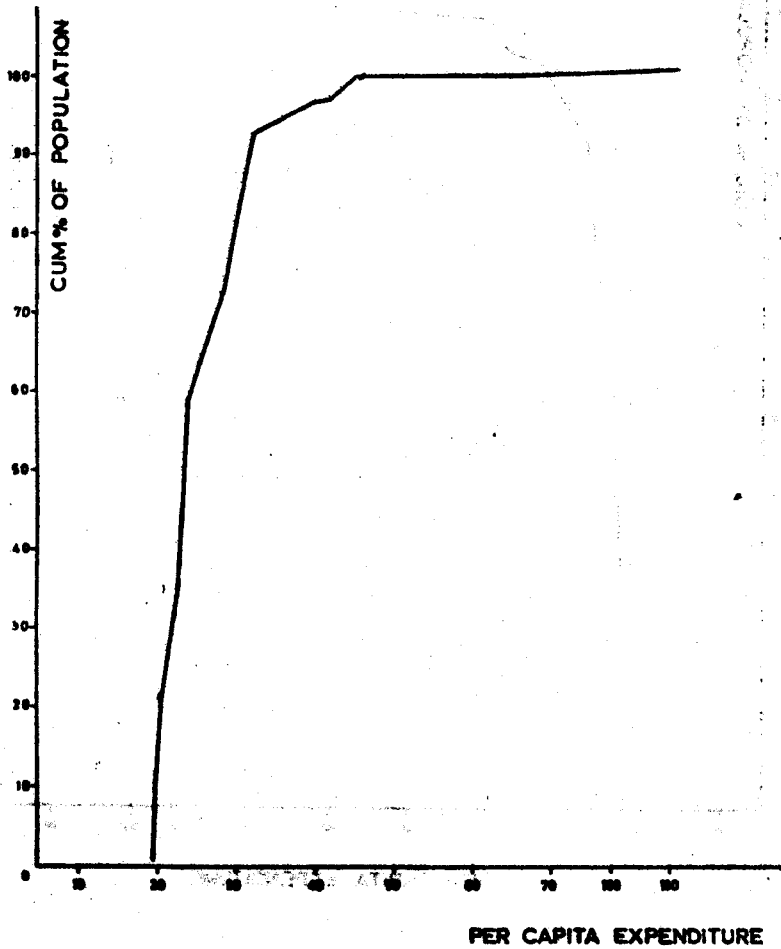


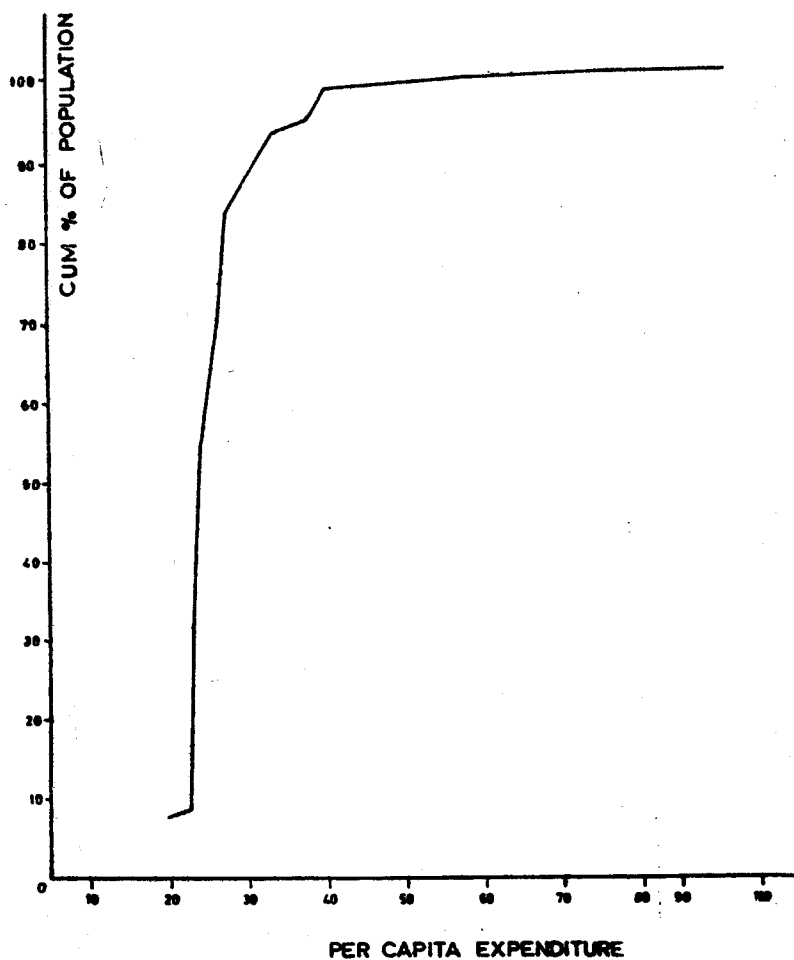
FIG III.4RURAL 1969-70

FIG III.5

URBAN 1963-64

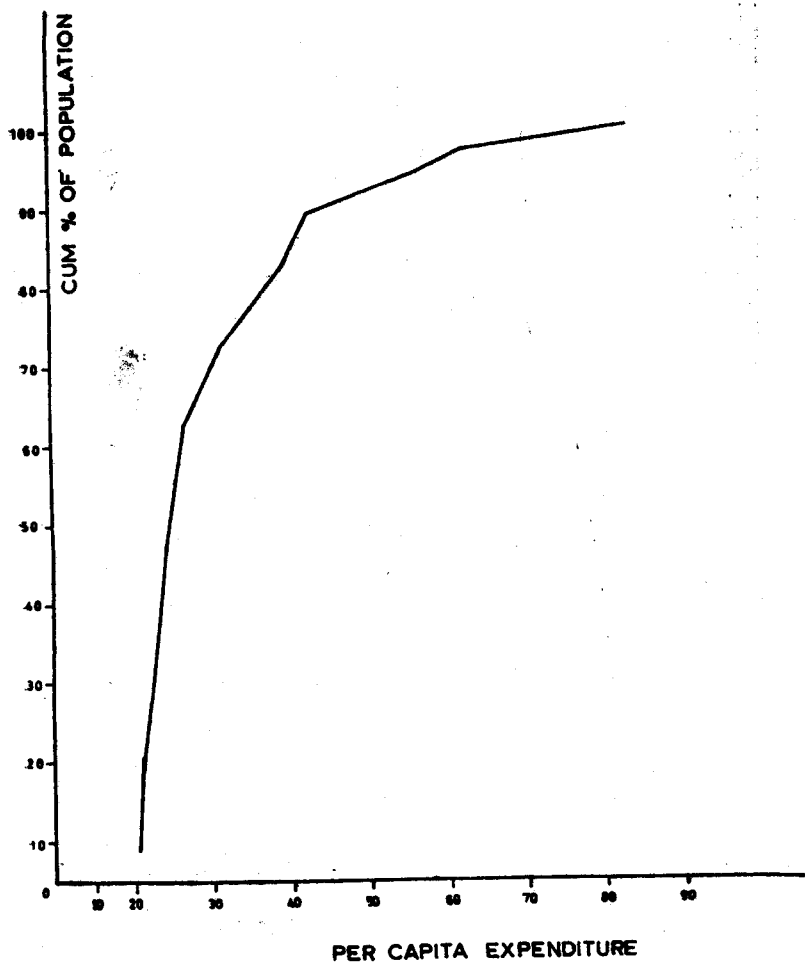


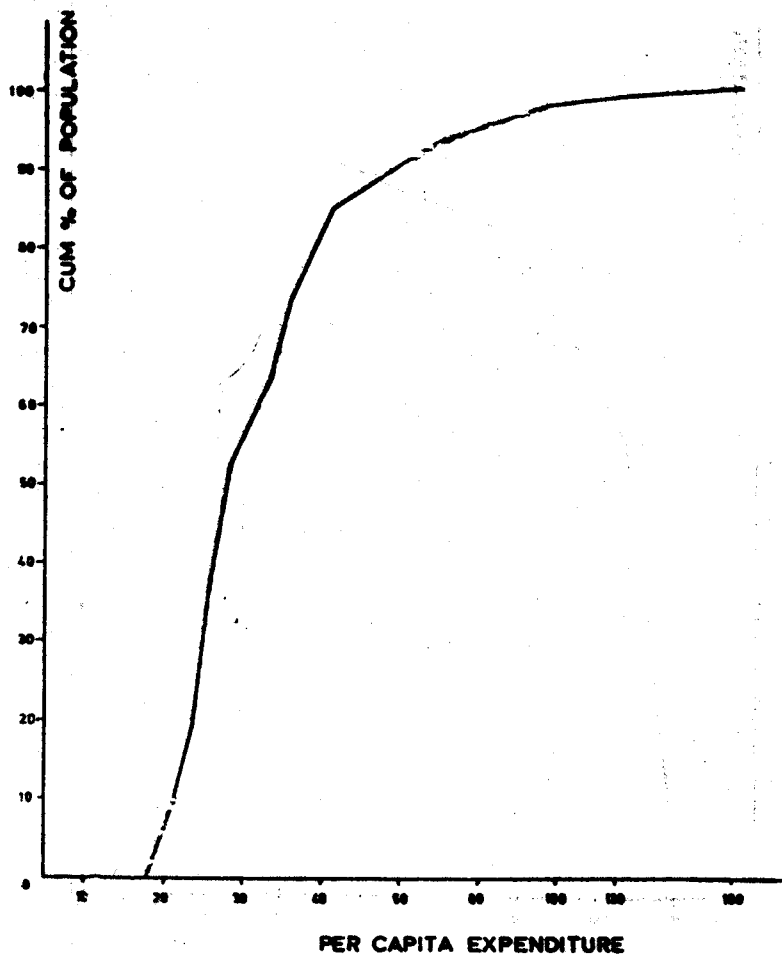
FIG II.6URBAN 1966-67

FIG III.7

URBAN 1969-70

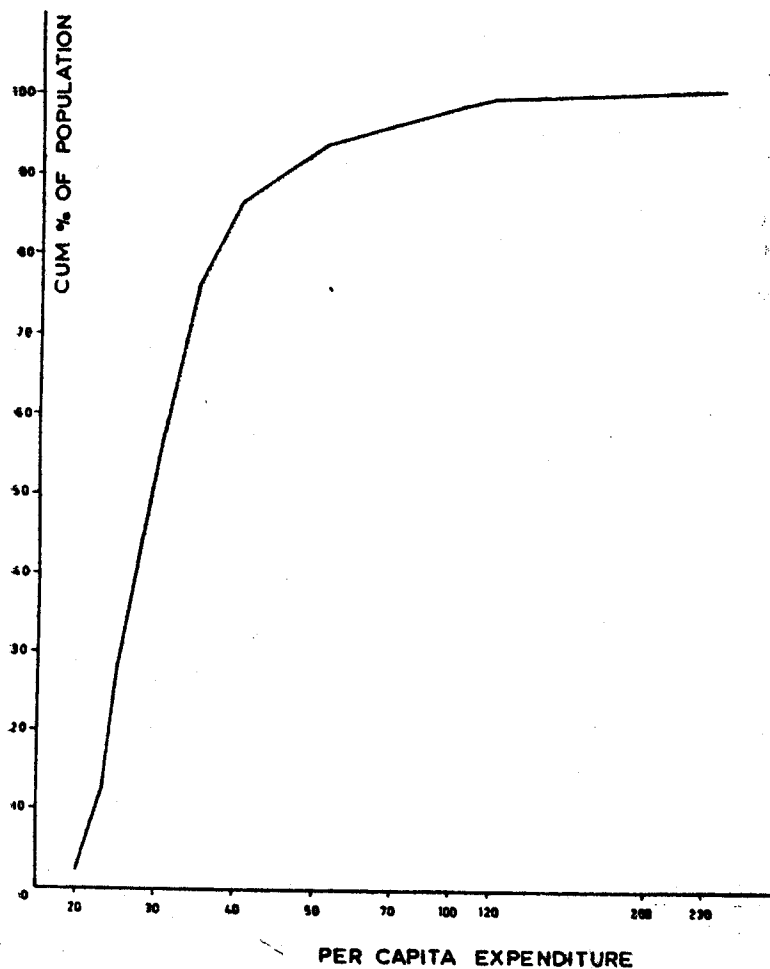


FIG III.8URBAN 1968-69