

Geography of Poverty and Public Service Delivery in Pakistan

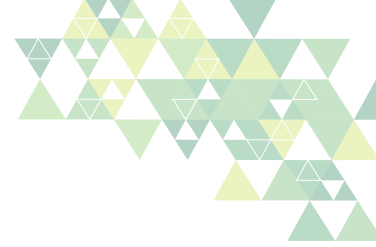
The measure of multidimensional poverty, by virtue of its composition, is reflective of citizens' access to public services such as education, health and civic services including safe drinking water and sanitation. A high incidence of multidimensional poverty suggests that a high proportion of population lacks access to basic public services. An uneven landscape of multidimensional poverty thus maps out the stratified delivery and quality of public services providing insights into citizens' interactions with public institutions.

Geography of Poverty in Pakistan 2008-09 to 2012-13: Distribution, trends and explanations (Naveed, Wood and Ghaus 2016) presented the estimates of multidimensional poverty in Pakistan, its trends from 2008-09 to 2012-13 and its spatial distribution. Not only one-third of Pakistan was found to be multidimensional poor in 2012-13, the poverty was unequally distributed across the country. In addition to the inter-provincial differences, the district level analysis showed that the landscape of poverty was highly uneven within each province. By drawing upon the diverse ways in which people are poor across the country, one of the main conclusions of the report was that diversity requires context specific rather than universal analysis leading to diversified policy responses. By drawing upon data on public services in addition to the constituting indicators of multidimensional poverty, this research brief explores how differentiated access to and quality of basic public service provision explain the uneven landscape of poverty in Pakistan.

An uneven landscape of poverty

A study of the distribution of poverty in Pakistan illustrates the stark rural-urban, inter-provincial and intra-provincial differences in the poverty headcount ratio. Based on PSLM 2012-13, as illustrated in Geography of Poverty, 31.3% population of Pakistan was poor with rural poverty as high as 42.3% and urban poverty as low as 9.1%. Balochistan had two-thirds of its population living below the poverty line, KP 39.3%, Sindh 37.5% and Punjab 24.3%.

District level analysis showed even stronger inequalities within each province. In the poorest province Balochistan, Quetta had 17.2% and Sibi 31.8% population living below poverty. In contrast, district Kohlu had 96.4% poor population and Dera Bugti, Barkhan, Washuk and Qilla Abdullah each had above 85% population living below poverty. In KP, district Haripur had 17.7%, Peshawar 18.5%, and Nowshera and Abbottabad less than 20% population living under poverty. In the same province, district Kohistan had 96.2%, Torgarh 89.1% and Upper Dir 76.5% population living below poverty line. In Sindh, Karachi had 5.7% and Hyderabad 15.4% poor population, whereas, Tharparker had 78.6% and Badin, Thatta and Umer Kot had above 73% population living below poverty. Inequality in



poverty was strikingly high in the least poor province, Punjab, where districts like Chakwal, Lahore, Jhelum and Gujrat had less than 7% population living below poverty, whereas districts in the southern region of the province, such as Rajanpur had 63.4%, DG Khan 55.8% and Muzaffargarh 48.2% population living below the poverty line. These contrasting statistics provide a snapshot of regional inequalities between and within provinces, suggesting a strong spatial dimension of poverty in the country that requires a deeper analysis.

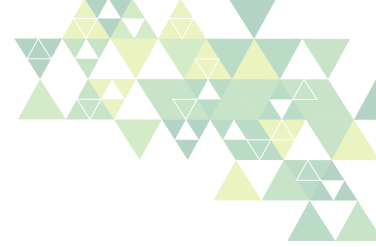
Poverty and public service delivery

The strategic shift in global development agenda, from abandoning the state's role in public provision as reflected in Structural Adjustment Programmes in the 1980s and 1990s, towards emphasis on good governance for poverty reduction in the subsequent decades has brought the institutions of public service delivery to the center stage of development (Grindle 2004). Without effective institutional arrangements to distribute national wealth, economic growth fails to reduce poverty particularly in the presence of existing inequalities (Bourguignon 2004). Policies for inclusive growth and redistribution require effective, transparent and accountable institutions facilitating economic interactions between agents and providing equitable access to basic services to every citizen. As poor countries have underdeveloped markets, state provision of necessary services is thought to be essential in development policy (Gough et al 2004).

Studies from developing countries however show that there is a weak trust in the performance of public sector to deliver basic services to citizens primarily because both bureaucracies and politicians engage into rent-seeking activities (World Bank 2005). An efficient delivery of public services hinges upon what is considered as good governance involving transparent policy making, bureaucracy with professional ethos, an accountable executive arm, a civil society engaged in public affairs, and all functioning under the rule of law (ibid.). Good governance, in contrast, can make the economic, political, cultural, social and legal institutions collectively create a pro-poor environment, promoting cooperation between private economic agents and by restraining predatory governments (Cage 2009). An increased protection of property rights can reduce poverty (Acemoglu, Johnson and Robinson 2001). Evidence suggests that efficiency in public services delivery is linked to improvement of life chances; efficient spending of public resources reduces child and infant mortality, increases educational attainment and improves governance (Rajkumar and Swaroop 2002).

There is more to public service delivery and governance than is usually conceptualized and measured in empirical studies through 'governance indicators'. Given increased social and economic inequality, economic growth in South Asia and Sub Saharan Africa is reportedly not inclusive for the poor even when 'governance indicators' show improvement (Kwon and Kim 2014). Such findings make the case for specific policy instruments to reach out to the poor and vulnerable rather than relying on the paradigms of 'good governance' advanced by international development agendas. Analyzing the 2001 local government reforms' effectiveness in the provision of basic services such as education and health in rural Pakistan, Mohmand and Cheema (forthcoming) report that while decentralization reforms increased public service provision, the quality of the services did not improve, and due to local politics, the reforms did not make service delivery universal. Decentralization is important for improving public service delivery; however, it does not ensure improved access of the poor and vulnerable to these services.

The institutions of public service delivery themselves continue to remain barrier to the access of the poor and vulnerable to basic services. In a historical analysis of Pakistani's bureaucracy, Cheema and Sayeed (2006) reports that the efficacy of the civil service has deteriorated since 1970s. Cheema and Sayeed argue that 'as the structure and conduct of bureaucracy stands now, rather than being an agent for change, the bureaucracy can be reasonably categorised as an impediment to pro-poor change. They also suggest that bureaucracy is only a transmission mechanism and pro-poor change is only



possible when bureaucracy is transformed into a rule-based efficient structure alongside wider transformation of the state through pro-poor political and economic change.

In a recent study, Chauhdary and Kate (2013), using household datasets from rural Punjab reported that many households contact provincial and national politicians to access basic state services such as getting a national identity card. As these patron-client relationships are based on some sort of reciprocity where better off households with higher financial means can offer greater returns to the patrons, the landless and female headed households are less likely to interact with and benefit from the politicians (p.205).

Consequently, they are left out and these relationships perpetuate inequalities. Similarly, an ethnographic study of service delivery in KP by Khan (2012) shows the 'un-official' way of doing the official business. Khan's case studies of public service delivery show the informal social norms of clientelism, personal relationships and moral attachment governing the provision of basic social services and shaping the behaviour of public officials.

There is thus a close relationship between the functioning, efficiency and transparency of the organizations responsible for public services delivery and poverty outcomes. With the devolution of power under the 18th Amendment, provinces have increased autonomy and resources to deliver public services to their citizens. This democratic transition needs to be augmented by local governments introduced in 2001. The centralization of power at provincial level however has compromised the autonomy of districts and their access to available resources the problem is particularly acute for districts with high poverty and far from the provincial core, to improve the provision of public services in their jurisdiction

Evidence of the relationship between poverty and public service delivery in Pakistan

One of the important insights offered by the analysis of the geography of poverty was that although provincial level is a useful level of analysis from policy point of view, the intra-provincial inequalities cannot be sufficiently captured at the provincial level. The complexity offered by the large number of districts however needs to be reduced for a meaningful analysis. Reducing this complexity while retaining the distinction between various levels of poverty, the report adopted the quintile based approach to classify the districts of Pakistan into five zones of poverty based on district level poverty headcount ratio in 2012-13. These zones are: Extreme Poverty Zone - 1, Extreme Poverty Zone – 2, High Poverty Zone -1, High Poverty Zone -2 and Low Poverty Zone. Annex 1 presents the list of districts within each zone. While the mapping of poverty showed high degree of geographic proximity for districts in each zone, the classification does not take province into account. This section uses these poverty zones to analyse the relationship between poverty and public service delivery.

As argued earlier, the measures of multidimensional poverty are inherently influenced by citizens' access to and utilization of public services particularly access to education and healthcare facilities and municipality services. Multidimensional poverty is thus in itself a measure of access to and utilization of a number of basic public services and the zones with the high levels of poverty are characterized with very poor service delivery. Table 1 reports the proportion of households lacking access to various public services across all five zones of poverty in 2012-13. It also reports the zone level poverty headcount ratio, as well as population share of each zone. Given low population density in the poorest districts, its contribution to national population is less than 6%. In contrast, due to high population density in least poor districts, Low Poverty Zone has 40% share in total population.



Table 1: Poverty zone wise deprivation of basic public services 2012-13

Zones	Extreme Poverty - 1	Extreme Poverty - 2	High Poverty - 1	High Poverty - 2	Low Poverty	Total
Poverty (Headcount ratio)	78.9%	57.6%	45.2%	30.4%	10.3%	31.3%
Population share	5.68%	11.51%	19.25%	23.45%	40.12%	100%
No household member schooled to primary	45.3%	34.6%	29.8%	25.5%	11.2%	22.8%
At least one child not attending school	56.7%	51.7%	43.2%	29.4%	15.6%	30.6%
No access to safe drinking water	55.4%	16.9%	8.4%	4.7%	7.8%	10.9%
No access to sanitation facilities	78.7%	55.7%	41.7%	27.5%	9.4%	29.1%
No access to electricity	30.8%	12.1%	7.1%	6.0%	1.7%	6.6%
Using wood/charcoal/dung as cooking fuel	92.6%	82.8%	83.1%	75.9%	35.9%	63.0%
No access to prenatal care*	24.9%	22.7%	19.9%	15.0%	7.7%	14.5%
No access to postnatal care*	34.9%	36.7%	36.2%	34.0%	27.0%	32.0%
No access to hospital within 30 minutes of distance by usual mode of transport	57.0%	36.1%	30.5%	20.7%	7.4%	21.1%
Did not access basic health unit (BHU) because it is far away	29.7%	12.5%	19.1%	19.0%	10.6%	15.5%

Source: Computed from PSLM 2012-13

** If a female member of household who gave birth to a child in the last three years, did not receive pre-natal/post-natal care

There is a tremendous gap between poor and non-poor districts in access to basic public services pertaining to 11 indicators of access to basic services including education, health, municipality and housing. Nearly half of the households in Extreme Poverty Zone 1 had no family member schooled to primary level compared to 11.2 percent households in Low Poverty Zone. More than half of the households in Extreme Poverty Zone 1 had at least one child of school going age who was not enrolled at school, compared to 15.6 percent in the Low Poverty Zone. The indicators pertaining to healthcare and municipality further establish the relationship between poverty and access to/utilization of public services at the district/zonal level. Access to public services is clearly closely related to multidimensional poverty.¹

We now turn to see the relationship of multidimensional poverty with access to a broader set of public services beyond the constituting indicators of multidimensional poverty. PSLM data also provides a relatively broad picture of citizens' access to a number of public services along with a proxy measure of their quality through citizens' reported levels of satisfaction with these services. Table 2 presents the percentage of population reporting to have used and been satisfied with the nine public services across poverty zones in 2012-13.

¹ One may argue that it is tautological to cross-tabulate the constituting indicators of multidimensional poverty against the levels of poverty, however, the utility of Table 1 is to back up the claim that the measure of multidimensional poverty is also a measure of public service delivery.



Table 2: Utilization of and satisfaction with key public services across poverty zones (2012-13)

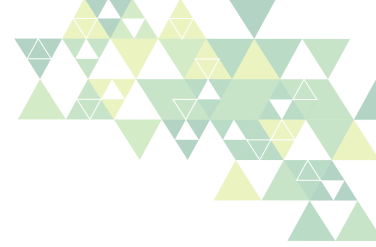
Public Services	Extreme Poverty Zone – 1		Extreme Poverty Zone – 2		High Poverty Zone-1		High Poverty Zone-2		Low Poverty Zone	
	Use	Satisfaction	Use	Satisfaction	Use	Satisfaction	Use	Satisfaction	Use	Satisfaction
Veterinary	30.2	36.3	32	51	32	58.3	26.7	63	12.9	79
Agriculture	18.9	38.7	23.6	54.1	18	59.2	11.8	65	6.3	83
Police	32.7	38.6	34.4	47.6	32	48.4	26.6	51	23.4	50
Banking	51.5	75.6	71.3	89.1	78	89.8	79.7	95	87.8	97
Road	100	41.9	100	54.8	100	64.9	100	72	100	76
Drinking Water	100	50.7	100	71.4	100	80.8	100	82	100	78
Bus	99.5	57.6	99.6	63.5	100	73.1	99.6	74	99.5	71
Railways	15.7	28.4	28.5	24.4	26	40.9	24.6	33	25.4	36
Post Office	34.9	65.4	51.4	78.2	49	84.2	45.4	86	44.9	87

Source: Computed from PSLM 2012-13

The use of veterinary and agricultural services is higher in the largely rural/agrarian two Extreme Poverty Zones than the largely urban Low Poverty Zone. However, the reported levels of satisfaction with the use of these services are the lowest in the two Extreme Poverty Zones increasing steadily to reach the highest level in the Low Poverty Zone. The use of police services is the highest in the two Extreme Poverty Zones and the lowest in the Low Poverty Zone, indicating higher exposure to crime and violence in these zones. Those living in highly poor districts seem to have higher exposure to crime and violence. The reported level of satisfaction with the use of police services is however the lowest in the Extreme Poverty Zone – 1 and the highest in the Low Poverty Zone. The relative quality of policing service in the Low Poverty Zone is better than in the zones of higher poverty.

Banking is provided by both public and private sector but regulated by the public sector. Half of the citizens use banking services in the Extreme Poverty Zone – 1 and three-quarters of them report to be satisfied, compared to 88% using these services in the Low Poverty Zone and nearly all of them reportedly satisfied. Both the utilization and the quality of banking services is higher in the districts with low poverty. Drinking water, roads, and (most likely, private) bus service are used by everyone, however the levels of satisfaction with these services are drastically lower in the two Extreme Poverty Zones than the zones of lesser poverty. The use of railways services is the lowest in the poorest zone, also low in the least poor zone and high in the middle three zones. The level of satisfaction is however higher in the three lesser poor zones than the two Extreme Poverty Zones. Lastly, both the use of and satisfaction with the postal services are the lowest in the Extreme Poverty Zone – 1 than other four zones.

The simple evidence illustrates the relationship between public service delivery and multidimensional poverty in Pakistan is very strong. Table 1 has shown the actual outcome of the lack of access to and utilisation of basic public services reflected in large proportion of unschooled households, with out of schooled children, poor access to water and sanitation and health services. The low use of and satisfaction levels with various public services reported by the citizens in the Extreme Poverty Zones, as presented in table 2, provide insights into the deep seated problems with the public services delivery – and in fact



the overall relationship between state and citizens - particularly those in the rural, agrarian regions where access to public resources is heavily mediated by the patron-client networks and state resources are used for the gains of local elites and public officials. In a way, these statistics present an assessment of the performance of public administration which is far from being pro-poor.

Policy Recommendations

A sustained delivery of public services requires an effective devolution. The maps of poverty showing the districts farther from provincial capitals to be the poorer ones demonstrate the effectiveness of provincially managed provision of public goods. Punjab has more than half of the population of the country and Balochistan has more than half of the geographic area of the country. Provinces are thus too large administrative units to ensure the effective delivery of public goods and services to everyone and everywhere. Perhaps the next logical step in the ongoing democratic transition is to devolve service delivery to the levels of district and local governments. Such a devolution needs to ensure the maximum autonomy of district and local governments in the provision of services and resource allocation that is commensurate with the incidence of poverty in the districts. Nonetheless, as illustrated by Mohmand and Cheema (forthcoming) the devolution alone is less likely to result in increased access of the poor to public services given the politics of patronage and elite capture at the local level. There is a need for affirmative action that increases the access of the poor to quality education and health services. Strengthening civil society at the local level through community organizations informing them about their rights and facilitating collective action at the grassroots level can play a strong role in making state institutions responsive to the needs of the poor.

In addition to devolution, the overall structure of bureaucracy needs transformation making it efficient, merit-based, transparent, accountable and pro-poor. Poor territories are often far from the main urban centers thus not the favorite duty stations for the competent civil servants. As the zones of extreme and high poverty require talented administrators to run public affairs, there is a need to create incentive structure to discourage the concentration of administrative talent within a few urban centers. Moreover, the outcomes of multidimensional poverty and regional inequality, as closely linked to public service delivery, need to be tied to the performance appraisal of civil servants. Being the key vehicle of governance, bureaucracy cannot avoid taking responsibility of their actions whether pro-poor or anti-poor.

The current modes of service delivery appear suitable to cater to the needs of densely populated urban centers. The Diversity of poverty suggests a strong case for departure from the universal models of service delivery. Poverty reduction requires diversifying such models particularly by finding innovative means to provide basic services to the rural and sparsely populated communities in the Extreme Poverty Zones 1 and 2, and by improving the scale and efficiency in the districts that host the largest poor population.

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Annexes:

Table A.1: Zones of Poverty

Zones	Districts
Extreme Poverty Zone – 1	Districts in the northeast and southwest of Balochistan, south of Sindh and north of KP. Awaran, Badin, Barkhan, Bolan/Kachhi, Chaghi, Dera Bugti, Harnai, Jhal Magsi, Kohistan, Kohlu, Musakhel, Nasirabad, Panjgur, Qilla Abdullah, Qilla Saifullah, Tharparkar, Thatta, Torgarh, Umer Kot, Upper Dir, Washuk, Sherani, Zhob.
Extreme Poverty Zone – 2	Districts mainly in the centre but also in the north and south of Balochistan, east and northwest of Sindh, south of Punjab and KP and north of KP. Batagram, DG Khan, DI Khan, Jaccobabad, Jaffarabad, Kalat, Kashmore, Keych/Turbat, Kharan, Khuzdar, Lasbella, Loralai, Lower Dir, Mirpur Khas, Nawabshah, Pashin, Rajanpur, Shahdadkot, Shangla, Shikarpur, Tando Allah Yar, Tando Mohammad Khan, Tank.
High Poverty Zone – 1	Districts in the southwest and centre of Balochistan, west of Sindh, south of Punjab, centre-south and north of KP. Bahawalpur, Bannu, Bhakar, Bonair, Dadu, Gawadar, Ghotki, Hangu, Jamshoro, Karak, Khairpur, Lakki Marwat, Lodhran, Mastung, Mitiari, Muzaffargarh, Naushki, Naushahro Feroze, Rahim Yar Kahn, Sanghar, Swat, Vehari, Ziarat.



Zones	Districts
High Poverty Zone -2	Districts in the centre of Balochistan, north of KP, centre-south of Punjab and centre and north of KP. Bahawalnagar, Charsadda, Chiniot, Chitral, Jhang, Kasur, Khanewal, Khushab, Kohat, Larkana, Layyeh, Mianwali, Malakand, Mansehra, Mardan, Multan, Narowal, Okara, Pakpattan, Sahiwal, Sibi, Sukkur, Swabi
Low Poverty Zone	Districts in the southwest of Sindh, north of Punjab and centre/centre east of KP. Abbottabad, Attock, Chakwal, Faisalabad, Gujranwala, Gujrat, Hafizabad, Haripur, Hyderabad, Islamabad, Jhelum, Karachi, Lahore, Mandi Bahauddin, Nankana Sahab, Nowshera, Peshawar, Quetta, Rawalpindi, Sargodha, Sheikhpura, Sialkot, Toba Tek Singh.

Table A2: Dimensions, indicators and cut-off points

Dimensions	Indicator	Cutoff Points
Education	Schooling of family members	None of the adult members in the household have primary education (5 years of schooling)
	Enrolment status of children	If any of the children of school going age (5-14) in the household is not enrolled at school
Health	Access to prenatal care	If a female member who gave birth to a child in the last three years, did not receive pre-natal care
	Access to postnatal care	If a female member who gave birth to a child in the last three years, did not receive post-natal care
	Access to hospital	If the time taken by the usual mode of transport to reach nearest hospital is more than 30 minutes
	Access to BHU	If the household does not use the BHU because it is far away or is too costly to reach
Living Conditions	Walls material	If the walls of the house are made of material other than burnt bricks/blocks
	Access to safe drinking water	If the main source of drinking water is covered/uncovered well, river, stream, pond, water tanker/water bearer
	Sanitation/hygiene conditions	If the toilet facility is either not available or the household is using raised latrine, pit latrine or other but not flush toilet
	Source of light	If the main source of lightening is other than electricity
	Cooking fuel	If household is using firewood, dung cake, crop residue, charcoal, coal, other (gas, kerosene, and electricity are the only exceptions)