

Prospects for Human Development in Pakistan

Khadija Haq¹

Introduction

First I would like to thank the National Defence College for inviting me to address this distinguished audience on the topic of Human Resource Development in Pakistan. In this era of competitive global markets and national aspirations for a better living standard, the issues of human development become a critical element in any national planning for economic development. But in our preoccupation with the macro-economic stability and quantitative rate of economic growth, we sometimes lose sight of the elements that are the backbone for a sustainable economic development of a country.

But before I get into the issues of human development in Pakistan, I would like to take a few minutes to talk about the model of human development which was conceived, articulated and advocated around the world by the late Dr. Mahbub ul Haq, and which is now recognized as one of the few great ideas of the 20th century. The human development model goes beyond treating human beings as only a means to the production process. While human productivity is an essential element of economic growth, to treat human being as only a resource for the production process obscures the centrality of people as the ultimate end of development. Human development is concerned not only with building human capabilities through investment in people, it is also concerned with using those capabilities fully through an enabling framework for growth and employment. Human development model regards economic growth as essential, but pays equal attention to its quality and distribution, its link to human lives and to its sustainability.

The critical difference between economic growth model and human development model is that the first focuses exclusively on the expansion of income while the second embraces the enlargement of all human choices – economic, political, social and cultural. The human development model questions the presumed automatic link between expanding income and expanding human choices. Such a link depends on the quality and distribution of economic growth, and not only on the quantity of such growth. A link between growth and human lives has to be created consciously through deliberate public policy – such as public spending on social services, and fiscal policy to redistribute income and assets. Such a deliberate, forward-looking and equitable public policy has been lacking in Pakistan over the last fifty years. And that is what has led to the current state of human development in Pakistan.

¹ Address to the National Defence College on November 17, 1999

State of human development in Pakistan

The sheer scale of human deprivation in Pakistan is mind boggling. According to 1995 statistics, 34 per cent of people in Pakistan lives below the poverty line, 45 per cent has no access to health services, 40 per cent no access to drinking water, 70 per cent has no access to sanitation, and 38 per cent of children is malnourished. During the 1990s, poverty has risen in Pakistan partly due to slowing down of economic growth, but more importantly due to the inability of successive governments to translate the economic growth of the 1980s into a better life for the poor.

Table 1:
Human Development Indicators for Pakistan

| <i>Indicator</i> | |
|---|------|
| Total Estimated Population (millions) 1998 | 131 |
| Annual population growth rate (%) 1995-2000 | 2.7 |
| Adult literacy rate (%) 1998 | 45 |
| Female literacy rate (%) 1998 | 32.6 |
| Life expectancy at birth(years) 1997 | 64 |
| Daily Calorie Supply (as a % of requirement) | 110 |
| Infant mortality rate (per 1000 live births) 1997 | 95 |

Source: Human Development in South Asia 1999

Table 2
Literacy Rate, 1998 (10 years and above)

| | Total | Male | Female |
|--------------|--------------|-------------|---------------|
| All Pakistan | 45 | 56.5 | 32.6 |
| Urban | 64.7 | 72.6 | 55.6 |
| Rural | 34.4 | 47.4 | 20.8 |

Source: Economic Survey 1998-99

Table 3
Gross Educational Enrollment (1998-99)

| Level | Total (%) | Male (%) | Female (%) |
|-----------|-----------|----------|------------|
| Primary | 86.7 | 97.5 | 75.1 |
| Secondary | 17.5 | 20.9 | 14.0 |
| Higher | 4.1 | 5.4 | 2.6 |

Source: Economic Survey 1998-99

What about the human development indicators? (tables 1 & 2) In 1998, the literacy rate was 45 per cent of which 64.7 per cent was from urban areas and 34.4 per cent was from rural areas. Only 32.6 per cent of women was literate. The primary school enrolment rate for boys was 97.5 percent and for girls 75 percent (table 3). Table 4 gives the province-wise distribution of enrolment rates over the period of 1990-91 and 1997-98, and shows that the enrolment rates have gone down in Sindh by 17.8 percent and in Punjab by 7.7 percent over this period.

Table 4
Public Sector Gross Enrollment at Primary Level 1990 & 1998

| | 1990-91 | 1997-98 | |
|-------------|-----------------------|-----------------------|-------------------------|
| | Enrollment (millions) | Enrollment (millions) | Total change (millions) |
| Punjab | 6.5 | 6.0 | -0.5 |
| Sindh | 2.7 | 2.22 | -0.48 |
| NWFP | 1.4 | 1.98 | +0.58 |
| Baluchistan | 0.56 | 0.60 | +0.04 |
| FATA | 0.17 | 0.31 | +0.14 |
| FANA | 0.04 | 0.096 | +0.056 |
| ICT | 0.05 | 0.098 | +0.048 |
| Pakistan | 11.5 | 12.14 | +0.64 |

Source: EFA 2000 Pakistan Country Report (Second Draft). Ministry of Education, GOP.

In 1990, Pakistan had about 6.6 thousand scientists compared to 128 thousand in India. To contrast with other developing countries, Pakistan had 54 science and technology persons for every one million of its population, compared with 142 for India, 173 for Sri Lanka, 3078 for Singapore and 2645 for Korea (Burki, Dawn, Nov.10, 1999).

Government policies and the reality

Pakistan never had a coherent, long-term policy for educating its masses. In fact, the predominantly feudal culture in the country never gave education the kind of priority it deserved, despite the policy pronouncements and unachievable targets of the five-year plans. Although successive governments had made the achievement of universal primary education a priority in each plan, there remained a huge gap between planning rhetoric and actual implementation. (table 5) During the First Five-year Plan period (1955-60), the number of illiterate adults were 20.9 million of which about 11 million were women, and 5.9 million children were out of school. By the time of the 8th Five-year Plan (1993-98), these numbers rose to 50.8 million illiterate adults and 9.6 million out of school children.

Table 5
Pakistan Plan Rhetoric and Reality

| | | Score Card (000's) (during plan period) | | | |
|--|--|--|---------------|-------------------------------|--------------|
| | | No. of illiterate adults | | No. of out of school children | |
| | | Total | Female | Total | Female |
| 1st Plan (1955-60) | 'the country may reasonably hope to achieve a universal system of free and compulsory primary education by about 1975' | 20,975 | 11,003 | 5,704 | 3,168 |
| 2nd Plan (1960-5) | 'girls will be provided with much greater facilities for education and this will be done by admitting more girls in to the existing schools' | 23,731 | 12,448 | 5,990 | 3,490 |
| 3rd Plan (1965-70) | 'the objective of the third plan is to greatly increase enrolment of the primary level in order that universal primary education may be achieved' | 26,721 | 14,221 | 6,725 | 3,915 |
| Non-plan Period (1970-80) | 'the aim is to create a literate population and an educated electorate by mobilizing the nation and it's resources' | 32,811 | 17,875 | 8,566 | 4,772 |
| 5th Plan (1978-83) | 'the plan will provide 100% coverage to five year old boys in class 1, so as they lay foundation of universal enrolment by 1987' | 37,269 | 20,639 | 9,642 | 5,451 |
| 6th Plan (1983-88) | 'serious efforts will be made to institute universal education by ensuring that all boys and girls of the relevant age group get enrolled in class 1 by 1988' | 42,372 | 23,926 | 10,540 | 6,045 |
| 7th Plan (1988-93) | 'the seventh plan will provide primary education facilities to all the children in age group of five to nine years' | 49,000 | 28,000 | 9,377 | 5,828 |
| 8th Plan (1993-98) | 'the eighth plan will provide primary education facilities at a reachable distance for every boy and girl of the relevant age' | 50,827 | 29,283 | 9,657 | 5,690 |

Source: Human Development in South Asia 1998

Pakistan's education balance sheet

Table 6
Pakistan's Education Balance Sheet

| Progress | Failures |
|--|--|
| Literacy | |
| <ul style="list-style-type: none"> The adult literacy rate has almost - doubled from 21% in 1970 to 45% in 1999 | <ul style="list-style-type: none"> Almost half of the adult population is illiterate |
| Primary education | |
| <ul style="list-style-type: none"> Since independence, Pakistan has increased the number of primary schools nineteen-fold and multiplied enrolment twenty two times. | <ul style="list-style-type: none"> Almost 50% of the children drop-out before the 5th grade. |
| Secondary Education | |
| <ul style="list-style-type: none"> About one-fourth of the education budget is spent on secondary education | <ul style="list-style-type: none"> Enrolment at the secondary level stands at only 17.5%, twice as low as the South Asian region. |
| Tertiary Education | |
| <ul style="list-style-type: none"> Pakistan has one of the lowest tertiary enrolment ratio of 4.1% | <ul style="list-style-type: none"> |
| Technical and vocational education | |
| <ul style="list-style-type: none"> The enrolment and number of technical training centres have more than doubled between 1970 and 1999. The government with the help of International Labour Organisation, has established Skill Development Councils in all four provinces, with representatives from both government and industries. | <ul style="list-style-type: none"> Share of females enrolled in vocational training institutes has nearly halved from 1970 to 1999. Budgetary allocation for technical education was slashed by 76% between 1996-96 and 1997-98. |
| Girl's education | |
| <ul style="list-style-type: none"> Girl's enrolment has grown at 6.9% a year from 1970-99, compared to 4% for males during the same period. | <ul style="list-style-type: none"> The female literacy rate at 32% is nearly one-half that of male literacy rate |

Looking at the balance sheet of progress and failures in education over the last two decades (table 6), one can reasonably conclude that some progress did take place in some areas. For example,

- The literacy rate has doubled;
- The number of primary schools and enrolment rates have gone up many times;
- The education budget for secondary education has gone up;
- The enrolment and number of technical and vocational training centres have more than doubled; and
- Girls' enrolment rate at primary schools has grown faster than the rate for boys.

But there are many more challenges ahead:

- Almost half the adult population is illiterate;
- Almost 50 per cent of the children who enroll drop out before completing the primary cycle;

- Only about 17 per cent of primary school graduate enrolls for secondary education;
- Fewer girls are enrolling for technical and vocational training;
- Budgetary allocation for technical education was reduced by 76 per cent between 1995-96 to 1997-98; and
- The female literacy rate at 32 per cent is nearly one-half of male literacy rate.

At present, about 35,000 primary schools are without any shelter; more than 80 colleges and 150 vocational and commercial institutes are also functioning in impoverished buildings. Serious gender and rural-urban imbalances persist both in the availability and the quality of educational facilities. Participation of private sector is inadequate, and the management of the education system is centralized, without an effective system of accountability. While increasing access to education in terms of building more schools has raised the enrolment rate, the quality of education remains poor.

Women in Pakistan suffer the most in terms of the existing social and human deprivations. Gender gaps in education at all levels are high and persistent, despite the fact that in recent years girls' enrolment rates are higher than those for boys at the primary level.

Technical and vocational education

It is widely recognized today that vocational and technical education enhances the productive capacity of individuals and leads to higher output. For instance, in Pakistan vocationally trained workers in the industrial sector were found to be three-times more productive in value-added terms per worker than their counterparts in the agricultural sector. Yet Pakistan produces few people with technical skills and often these skills are irrelevant for either domestic or global markets.

One of the limitations of the present system of technical education is that there is no scope for integration between different types of technical education programmes. The current system does not allow for horizontal or vertical mobility between engineering, technical or skill-training programmes.

Most of the plans for technical/vocational education have been conceived without due analysis of the employment situation or the changing patterns of the skills and competencies required as a consequence of changing technologies. This has resulted in an unbalanced development of various technical education levels, with the higher levels expanding comparatively faster than the lower levels. It has also led to a mismatch between the output of educational institutions and the job market.

In many cases, managerial structures and processes have failed to adapt to new situations, remaining centralized and outdated. Staff development for the various levels of technical education has not been properly planned with the result that many teachers

and instructors working in the various technical institutions do not possess the requisite skills and competencies.

Effective mechanisms do not exist for integrated policy planning and coordination to ensure that the supply of skilled manpower produced by different federal and provincial agencies is geared toward meeting the critical manpower demands of various sectors.

To be relevant and job-oriented, technical education needs to establish closer links with the industrial, agricultural and service needs of the country. This means more flexible, practical and relevant courses and institutional programmes in line with socio-economic and manpower needs.

State of employment in Pakistan

The labour force participation profile in Pakistan reveals an interesting picture. Despite high rate of population growth and increased economic activity, the number of people employed between 1993 and 1999 has not gone up accordingly. In 1993, 32.45 million people were employed, by 1999 this number is estimated to be 38.59 (table 7). Most of the employment is in the rural areas (67%).

Table 7
Labour Force Participation in Pakistan (1993-99)

| YEAR | Labour Force Participation | | | | |
|------|----------------------------|---------|------|---------|------|
| | Total | Rural | | Urban | |
| | Million | Million | (%) | Million | (%) |
| 1993 | 32.45 | 23.10 | 71.2 | 9.35 | 28.8 |
| 1994 | 33.29 | 23.52 | 70.7 | 9.77 | 29.3 |
| 1995 | 33.60 | 23.37 | 69.6 | 10.23 | 30.4 |
| 1996 | 34.43 | 23.84 | 69.2 | 10.59 | 30.8 |
| 1997 | 36.84 | 24.93 | 67.7 | 11.91 | 32.3 |
| 1998 | 37.73 | 25.42 | 67.4 | 12.31 | 32.6 |
| 1999 | 38.59 | 25.86 | 67.0 | 12.73 | 33.0 |

Source: Economic Survey 1998-99, Finance Division, Government of Pakistan

Table 8
Unemployment In Pakistan At A Glance

| Year | Unemployed Labour Force (in millions) | | | Unemployment Rate (%) | | |
|------|--|-------|-------|-----------------------|-------|-------|
| | Total | Urban | Rural | Total | Urban | Rural |
| 1993 | 1.53 | 0.54 | 0.99 | 4.73 | 5.88 | 4.28 |
| 1994 | 1.61 | 0.62 | 0.99 | 4.84 | 6.51 | 4.22 |
| 1995 | 1.80 | 0.68 | 1.12 | 5.37 | 6.90 | 4.80 |
| 1996 | 1.85 | 0.71 | 1.14 | 5.37 | 6.90 | 4.80 |
| 1997 | 2.25 | 0.83 | 1.42 | 6.10 | 7.10 | 5.7 |
| 1998 | 2.31 | 0.86 | 1.45 | 6.10 | 7.10 | 5.7 |
| 1999 | 2.36 | 0.89 | 1.47 | 6.10 | 7.10 | 5.7 |

Source: Economic Survey 1998-99, Finance Division, Government of Pakistan

The rate of unemployment has increased from 4.73 per cent in 1993 to 6.10 per cent in 1999 (table 8). Urban unemployment rate is higher than the rural one. But this official statistics do not include the unregistered unemployment and under-employment which is estimated to be anywhere between 10 to 20 per cent.

Table 9
Distribution of Employed Labour Force by Industry

| Major Industry Division | Number (in millions) | | Percentage share (1997-99) |
|--|----------------------|--------------|----------------------------|
| | 1997 | 1999 | |
| Agriculture, forestry, hunting and fishing | 15.25 | 15.98 | 44.1 |
| Manufacturing and mining | 3.87 | 4.06 | 11.2 |
| Construction | 2.35 | 2.46 | 6.8 |
| Whole sale and retail trade | 5.05 | 5.29 | 14.6 |
| Transport, storage and communication | 1.97 | 2.07 | 5.7 |
| Community, social and personal services | 5.40 | 5.65 | 15.6 |
| Others | 0.69 | 0.72 | 2.0 |
| <i>Total</i> | <i>34.59</i> | <i>36.23</i> | <i>100</i> |

Source: Economic Survey 1998-99, Finance Division, Government of Pakistan

Table 10
Distribution of Employed Labour Force by Major Occupational Groups (1997)

| Major Occupational Groups | Total (millions) | Percentage Share |
|---|------------------|------------------|
| Skilled agricultural & fishery workers | 12.69 | 36.7 |
| Elementary (unskilled occupations) | 7.89 | 22.8 |
| Craft & related trades workers | 3.39 | 9.8 |
| Legislators, senior officials & managers | 3.01 | 8.7 |
| Service workers and shop & market sales workers | 2.69 | 7.8 |
| Plant & machine operators and assemblers | 1.69 | 4.9 |
| Professionals | 1.21 | 3.5 |
| Technicians & associate professionals | 1.00 | 2.9 |
| Clerks | 1.00 | 2.9 |
| <i>Total</i> | <i>34.59</i> | <i>100</i> |

Source: Economic Survey 1998-99, Finance Division, Government of Pakistan

Some of the main characteristics of the civilian labour force in Pakistan could be seen from the following tables:

- Distribution of labour force by industry shows that 44 per cent is employed in agriculture, about 15 per cent in trade and only 11 per cent in manufacturing and mining. So the industrial sector is still a minor player in the job market (table 9).
- Labour force by major occupational groups also shows the predominance of skilled agricultural and fishery workers, followed by unskilled labour (table 10).
- One-third of the labour force is in the monthly income bracket of Rs. 1501 – 2500 (chart 1).
- Of the total employed labour force only 12 per cent are women.
- 65 percent of civilian labour force belongs to Punjab, 21 percent to Sindh, 11 percent NWFP and 3 percent to Balochistan (chart 2).

Chart1

Employed Labour Force by Wages 1996-97

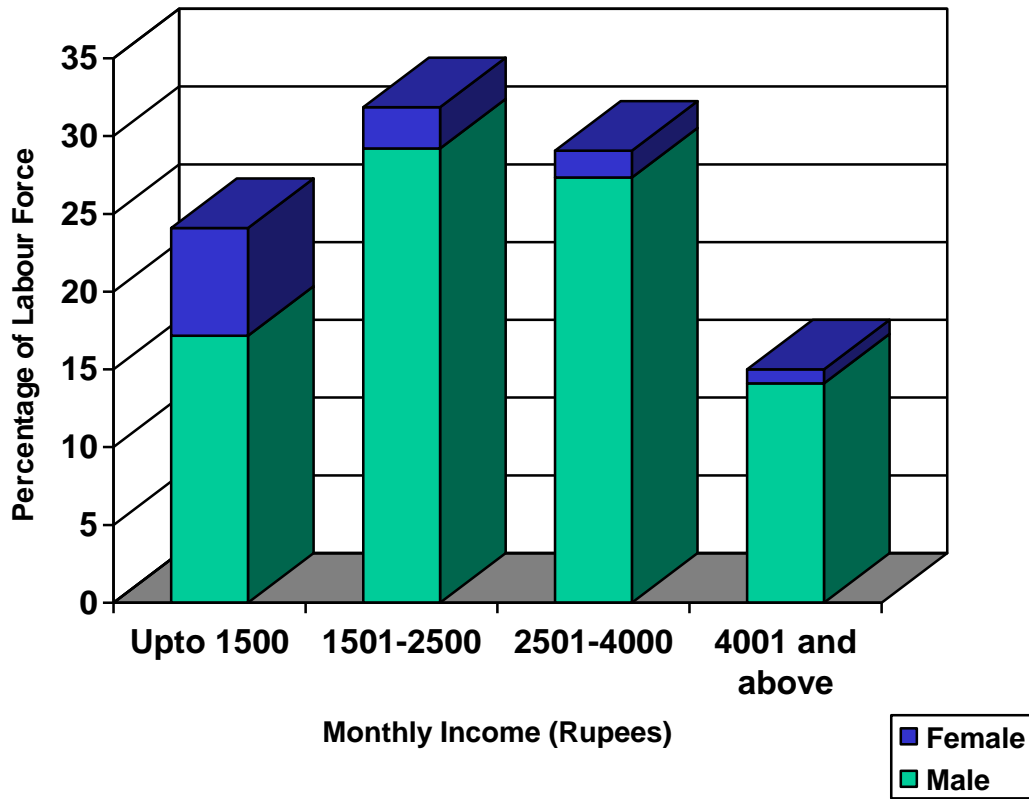
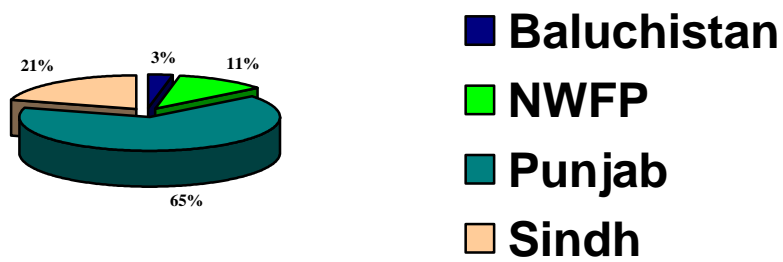


Chart 2 Province-Wise breakdown of the civilian Labour force in Pakistan 1996-97



Financing human development in Pakistan

Pakistan, like many other developing countries, spends too little on building its manpower. As a percentage of GNP, the country has been spending about 2 percent on education for the past 15 years, compared to the global norm of about 4 to 5 percent. What is more, educational expenditures come under pressure whenever there is an overall constraint on financial resources. Harassed policymakers are likely to protect projects with a quick payoff rather than projects for the next generation.

The 1999-2000 Budget has allocated Rs.7.3 billion to education out of a total budget of Rs642 billion. The expenditure on education has increased from Rs.0.9 billion in 1998-99 to Rs.1.6 billion. The government has also proposed to increase the GNP share of education from the current 2.7 percent to 4 percent by the year 2002.

The primary responsibility for carrying out education programmes belongs to the provinces. Provincial budget-makers are constrained in allocating resources, particularly for development purposes as they rely on money from the federal divisible pool, which remains inadequate and uncertain. As the finances at the disposal of the provinces differ, so do their achievements. Despite these constraints, the recent provincial budgets show encouraging signs. In the Punjab budget, a large share has been allocated to social sector, particularly education. Similarly, the NWFP and Balochistan have also allocated a larger portion of their budgets to education.

Policy implications

The structural weaknesses in areas of human development in Pakistan can be summed up as:

- Relative neglect of basic and primary education, so that an adequate foundation does not exist for providing quality basic education to all children and significantly improving the literacy rate.
- Mindless pursuit of general education and college degrees in a society that desperately needs people with critical skill for a more sophisticated technological world.
- A distorted pattern of expenditure on education where a huge subsidy is provided for a small number of university and professional colleges, while the vast majority of primary schools are deprived of adequate finance to pay for teachers and books.
- A serious neglect of female education so that the country is deprived of their productive potential.

Policy prescriptions are quite straightforward and are included in all the recent policy documents, including the 1998 Report on Human Development in South Asia.

First of all, the country needs to prepare a concrete plan of action to provide universal primary education, basic healthcare to all, safe drinking water for the entire population, adequate nutrition for all malnourished children, and family planning services for at least 80 percent of married couples during the next

10-15 years. The 1997 Report on Human Development in South Asia prepared such a plan, with targets and financial implications, for all seven South Asian countries.

Second, we need to earmark sufficient resources to achieve the human development goals in Pakistan within a realistic and manageable timeframe. It has been estimated that to achieve the targets of education, health, water, nutrition and family planning services, Pakistan will need to spend an additional 2 percent of GNP during this period. This will require a GNP growth rate of 5 percent a year and a shifting of budgetary priorities toward achieving the human development goals.

Third, we need to mobilize the entire civil society to achieve human development goals, not just the government. The experience of other countries shows that NGOs and grassroots efforts have played a major role in spreading primary education, basic healthcare and family planning services, and at a fraction of the costs of the government sector.

Fourth, no human development goals in Pakistan will be achieved without improving the status of women. Our Constitution guarantees equal rights for women, yet its interpretation and successive amendments to the original Constitution have eroded the constitutional rights of women. In every sphere – in literacy rates, school enrolments, health facilities, job opportunities, wage rates – females are far behind males, although wherever girls have been given the opportunity to compete with boys they have consistently outperformed them.

Finally, there must be commitment at the highest level of decision-making to improve the human condition of Pakistan. This is vital to make a significant difference. It is easy to prepare a technocratic blueprint. It is also easy to prescribe institutional changes that are necessary to advance human development. But the reforms which are absolutely necessary are the ones the ruling groups have resisted for the last 52 years, for example land reforms, meaningful agricultural income tax, an honest tax collection system, credit to the poor and devolution of power and decision-making to the lower tiers of people's representatives.

In Pakistan, we need to change the very model of development, from the traditional economic growth model to human development model, where human capabilities are built up and human opportunities enlarged, where people, irrespective of their gender, religious faith, ethnicity, domicile or income, become the real agents and beneficiaries of economic growth rather than remain an abstract residual of inhuman development process. I would like to end this with a quote from Mahbub ul Haq,

“The human dimension of development is not just another addition to the development dialogue. It is an entirely new perspective, a revolutionary way to recast our conventional approach to development. With this transition in thinking, human civilization and democracy may yet reach another milestone.”

Table 11
Financial Allocations to Social Sectors, 1st to 8th Plans

| | Total plan expenditure (Rs. Million) | Percent Share | | | | Total social sectors |
|------------------------------------|---|---------------|--------------------------|-----------------------------|---|----------------------|
| | | Education | Health & family planning | Physical planning & housing | Social welfare & special women programs | |
| 1 st plan (1955-60) | 4,863 | 4.8 | 1.6 | 10.4 | 0.4 | 17.2 |
| 2 nd plan (1960-65) | 10,606 | 4.4 | 1.8 | 9.0 | 0.5 | 15.7 |
| 3 rd plan (1965-70) | 13,204 | 4.3 | 3.2 | 5.3 | 0.5 | 13.3 |
| Non-plan (1970-78) | 75,544 | 4.6 | 4.2 | 7.3 | 0.2 | 16.3 |
| 5 th plan (1978-83) | 152,610 | 3.7 | 3.4 | 5.9 | 0.1 | 13.1 |
| 6 th plan (1983-88) | 210,000 | 8.3 | 6.4 | 6.1 | 0.5 | 21.3 |
| 7 th plan (1988-93) | 350,000 | 6.6 | 4.8 | 5.7 | 0.6 | 17.7 |
| 8 th plan* (1993-98) | 752,130 | 9.2 | 6.2 | 8.2 | 0.41 | 24.01 |

Source: Planning Commission Documents (various years).

* Allocations made for the plan

Prospects for Human Development in Pakistan

- A short summary of the paper to be presented by Khadija Haq

The paper starts with a short discussion of the link between economic development and human development. It argues that in Pakistan this link was never properly understood by the policy makers, which led to the current situation of huge human deprivation.

In the second section, the paper quickly gets into the quantitative dimension of both human deprivation and human development indicators. Tables 1-4 present the most up to date statistics on literacy and primary school enrolment by gender, rural/urban areas and by province.

In the next section, the gap between the successive governments' promises to achieve the goal of universal primary education and the actual reality on the ground is shown starkly in table 5. All the five-year plans since 1955-60 presented goals and targets in education which were never realised.

But some progress did take place in the education sector that is shown with the help of an education balance sheet in table 6. But this section also shows the remaining challenges in both primary as well as in technical education.

The state of employment in Pakistan is the theme of the next section. With the help of four tables and two charts, the various dimensions of labour force participation in Pakistan are displayed and analyzed.

The paper then talks briefly about the financial issues related to human development in Pakistan. The final section presents some policy recommendations.