INCOME DISPARITY:
A NEW FACE OF POVERTY AND FOOD SECURITY IN PAKISTAN:
A CASE STUDY OF RAWALPINDI

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ABSTRACT:*Income disparity (also known as the gap between rich and poor, income inequality, wealth disparity or wealth and income differences) comprises disparities in the distribution of economic assets (wealth) and income within or between populations or individuals. Income disparity is one of the major problems of Pakistan. The main aim of this research is to scrutinize all those elements which cause income disparity. The level of income disparity is moving up, including inequality of earning, wealth, and opportunity. This study also explores the social and political consequences of inequality, particularly in the areas of health, education, crime, social capital and political power. The gap between richer and poorer is riings with the passage of time. The study was conducted in Rawalpindi Tehsil. By using convenient sampling technique, a sample of 120 individual (60 males and 60 females) were selected. The data thus obtained were edited, tabulated and statistically analyzed.*

KEY WORDS: Income disparity, poverty, food security

INTRODUCTION

An income disparityis usuallydisparity in income for equal labor. For example, these terms are usually used to explain the income disparityamong males and females for the same job or labor. On the other hand, it also used in any situation when wages are randomly different between different groups. Income inequality is also used by those people concerned with the low-level of the minimum income, as compare to the income of the rich people. In this perspective, it is not equal money for equal work as it is in the previous sense, but the sense that money should be a just reward, earned when deserved at the rate that is deserved. For example, many jobs the poor take on involve much harder labor than jobs the rich take, and some rich people never work. If that were the case, that would be income disparity, a man works all day and makes less money than a man that does not work [1].

Income inequality is the base of the Great Decline, and of today's slow economic growth, is false because they neglect to comprise income mobility, economic growth, tax changes, and government programs that keep the poor, wellpoor. Blaming capitalism for the evils of income inequality is also wrong. In a capitalist system, markets provide information to allow prices and wages to send signals for an efficient allocation of limited resources. It is probable that there would be high levels of inequality in wages in a capitalist system. Although, the huge dissimilarity in incomes between households would be based on market forces and not on mandates and distortions to incentives in the labor market put in place by the government[2].

Increasing the income of poorer workers is a constructive policy goal, as reducing inequality is a desirable policy. Minimum wages have not been very successful in raising real incomes. However, policies to reduce the penalty from working such as earned income tax credits have been quite successful to increase incentives to work at the bottom end of the skill and income distribution. After all, the key to increase income is to improve the productivity of the workers, in addition to endowing them with more capital, is to ensure that they remain employed. Facilitating the access to credit for the poorer workers is another path to increase their income, especially for the self employed, as this may allow them to benefit from asset-price-generated wealth. Increasing the education and skill levels of the poorer workers will certainly contribute to increasing their income[3].

There are three main reasons why society may care about inequality. Firstly, people's well-being may directly depend on inequality, Secondly, and more importantly, equality of opportunity may be harder to achieve in an unequal society. Many economists have, by and large rightly, focused more on poverty than inequality. Poverty not only causes low standards of living and poor health, but damages both individuals and society by preventing those at the bottom from realizing their potential, perhaps because they are unable to obtain a decent quality of education to prepare them for competition in the labor market. While poverty is clearly the most important factor in creating a non-level playing field, inequality may also be a nontrivial factor. Third and most importantly, inequality impacts politics. Economic power tends to beget political power even in democratic and pluralistic societies [4].

The people of Pakistan are not equally well off. There has been continuous growth in income inequalities. Ours is the land of very rich and very poor people a great majority of the people, living at or below the poverty line, are extremely concerned about the existence of these difference. The present day picture shows disturbance among the poor classes and a lot of hatred between different groups of the society. If the things continue to go in the same way, we may see further widening of disparities among the different classes of the society through gaining more association by the rich and behind the purchasing power/real income by the poor at ever increasing rates. So far, government intervention in our economic set up on an extensive scale has been unsuccessful in eliminating poverty as well as in reducing income inequalities[5].

The following study was conducted under following objectives:

- To study the causes responsible for a whooping income disparity between rich and the poor.
- To explore the factors involved in causing income disparity.
- To study the social impact found as a result of income disparity.

MATERIALS AND METHODS

The methodological techniques and ways of conducting research are essential in empirical research. Progression of sociological facts in now a days has been achievable only due to the use of refined methodological tools and techniques.

Locale of the study and sample size

To investigate "the income disparity: a new face of poverty and food security". The locale of the study was consisted in the chosen areas of Rawalpindi district and survey method was used for data collection. For the selection of the respondents convenient sampling technique was used. Because the focus of the study was, to identify the causes which are responsible for a whopping income disparity between rich and poor? Four areas were selected two from posh area and two from slum area namely; satellite town, Westridge, Pandora and Shamsabad. 30 of the respondents were selected from the each locale. Thus making of 120 respondents for the study.

After collecting data, it was arranged and analyzed through SPSS (Statistical Package for Social Sciences) and statistical techniques such as percentage analysis.

RESULTS AND DISCUSSION

Table 1: Distribution of respondents by shared income between different levels of groups equitably

SharedIncome	Frequency	Percent
Yes	3	2.5
No	111	92.5
Maybe	6	5.0
Total	120	100.0

The data depicted in table:1 is narrated that majority of the population were disagree to the point that the income is shared equitably between different level of groups. They know that there is a huge gap between rich and poor. 5 percent population is confused related to income gap and 2.5 percent people were agreed that the income is shared equitable between different levels of groups.Bhatti (2010) reported the similar result that instead of a reduction in poverty, the gap between rich and poor has been widening fast in Pakistan. It is very depressing for common people that their welfare is being ignored by authorities and concerned departments."In Pakistan, 30 to 35 percent of the population is living on one dollar a day," reported the World Bank. For these people, it is very hard to provide three square meals a day for family members[6]. The main beneficiaries have still been the very rich, the upper middle classes and some sections of the highly educated, which are able to get jobs in banks and mobile phone companies.

Table 1.1: Mean, Standard Deviation (SD) and t test of respondents withregarding shared income between different levels of groups

Variables	Posh		Slum		t-Test
	Mean	S.D	Mean	S.D	
Income shared	2.03	.367	2.02	.129	.332*

Significant value= *, Non significant value= NS, highly significant=**

The data in table 1.1 revealed that the t-test value (.332) was significant with regard to income was shared equitably between different level of groups. The mean values of posh and slum areas were 2.03 and 2.02 respectively. And the standard deviation (SD) values of posh and slum areas were .367 and .129 respectively. The outcome of the t-test result indicates that income was not shared equitably between upper, middle and lower class. There was disequilibrium shown in different groups.

Table 2: Distribution of respondents by the government policies responsible for income disparity

Gov't policies	Frequency	Percent
Strongly agree	89	74.2
Agree	19	15.8
Neutral	4	3.3
S.D	4	3.3
Disagree	4	3.3
Total	120	100.0

The data in Table:2 revealed that 74.2 percent strongly agrees that the government is responsible for income disparity and 15.8 percent also agree the point. 3.3 percent population gives the neutral answer. Those people who support the government or the part of the government they strongly disagree to the point.

Table 2.1: Mean, Standard Deviation (SD) and t test of respondents with regarding the Government policies

Variables	Posh		Slum		t-test
	Mean	S.D	Mean	S.D	
Govt Policies	1.68	1.228	1.23	.500	2.629**

Significant value= *, Non significant value= NS, highly significant=**

The data in table 2.1 revealed that the t-test value (2.629) was highly significant with regard to the government policies that were responsible for income disparity. The mean values of posh and slum areas were 1.68 and 1.23 respectively. And the standard deviation (SD) values of posh and slum areas were 1.228 and .500 respectively. The outcome of the t-test result revealed that government was not made any policies that were help to reduce the income disparity.

CONCLUSION &RECOMMENDATIONS

Income disparity has many social and psychological impacts on the living standard of common people. Income disparity has strong and negative impact on the society. The results inferred that response of the government to reduce the poverty was very brief. Observation revealed that common

people were not hopeless for their condition. They had strong will power to raise their level and to live happy life.

As income disparity affected the structure of society there were some reasons behind inequality. The present finding showed desperation among the poor classes and a lot of hatred between different groups of the society. If the things continue to go in the same fashion, we may see further widening of disparities among the different classes of the society through gaining more alliance by the rich and losing purchasing power/real income by the poor at ever increasing rates.

Keeping in view the results, following are the recommendations;

1. Employment opportunities should be provided to common people to reduce poverty.
2. There should be a strong policy planning for the betterment of poor people.
3. Educational facilities should be provided to everyone. Educational institutions should be build and easy and affordable educational facilities should be provided to poor people.
4. Opportunities should be provided to poor people to raise their position and economic condition.
5. Income support program and macro finance schemes should be made for betterment of people.
6. Government should be increased the minimum wages of labor.

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