# ROLE OF EDUCATION IN POVERTY ELIMINATION IN PAKISTAN WITH SPECIAL REFERENCE OF SOUTH PUNJAB

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**ABSTRACT:** Poverty is a prominent concern from many years which has become the danger for nations and creating many problems for them. Nations cannot be advanced without devoted in education. Education has multifaceted process. At one hand, it upgrade the economic growth and on other hand, it curtails the poverty and to raise the level of productivity. Education is playing a vital role in the mitigation of poverty and in enhancing economic growth. The basic objectives of the research were 1) to explore the difference between the public and private school, colleges and universities education and its impact on employment, 2) to see the effect of education on earnings, decision making power and status of people, 3) to assess the effect of education on poverty and 4) to analysis the ways of how to eradicate poverty.

**KEYWORDS:** poverty, education, economic growth, employment, earnings, status of people.

# 1 INTRODUCTION

Poverty has been a striking issue for the last few decades. It has been a conspicuous quandary throughout history and has troubled nations for thousands of years. Poverty is the lack of essential necessities like health, education, clean water and nutrition etc. It is a state in which one's earnings is not sufficient adequate to accomplish one's needs. Apart from this, poverty has become a responsible factor for effecting one county's economy and gives rise to discrimination among the people in a society. Education is the imperative part of human competency and sovereignty. The importance of well-educated labor force as it is considered necessary in the diffusion and adoption of new technology and new methods of production. It plays a crucial role in developing countries like Pakistan, as; they have shortage of physical and human capital. The quantity as well as the quality of education at each level with its linkages to demand for skills is very critical for economic growth.

# 2 REVIEW OF LITERATURE

Ellis (1984) elaborated that poverty is becoming the cause to affect the welfare of the community. Afzal (2012) defined the relationship among education, poverty and economic growth in Pakistan. He defined that nations cannot be developed without investing in education. Education is a multidimensional process which enhances the economic growth and on the other side it reduces poverty by increasing the productivity. Poverty has strong relations with education and economic growth. Squire (1993) stated that economic growth should be encouraged to provoke the productive use of labour so that the poor can earn to escape poverty. Omoniyi (2013) defined that Poverty is a foremost intimidation to the existence of humanity in modern times especially in the developing world. Education in every sense is one of the essential features of achieving sustainable economic development through speculation in human capital. Education fosters self understanding, improves quality of lives and raises people's productivity and creativity thus promoting entrepreneurship and technological advances. In addition it plays extremely vital roles in securing economic and social progress thus improving income distribution which may consequently salvage the people from poverty. Omoniyi (2014) elaborated that Education provides a foundation for eradicating poverty and fostering economic development. It is the groundwork on which much of economic and social well-being of the citizens is built. Education is the key to increasing economic efficiency and social consistency, by

increasing the value and efficiency of the labor force and consequently raises the poor from poverty. Education increases the overall productivity and intellectual flexibility of the labor force and ensures that a country is competitive in world market now characterized by changing technologies and production methods. The primary determinants of a country's standard of living is how well it succeeds in developing and utilizing the skills and knowledge, and furthering the health and educating the majority of its population. No country has achieved constant economic development without considerable investment in education and human capital. Shirazi, (1994) investigated the proportion of poor households having highly educated heads is extremely low majority of the educated heads of the poor household fall in the primary or below matriculation category of education.

#### **3** SIGNIFICANCE OF THE STUDY

This study is based on theoretical as well as empirical observations and is distinctive because it investigates education as an additional determinant of poverty in contrast to conventional income-based determinants. Absolute poverty is a fundamental barrier to development, particularly for developing countries, which spend large amounts of funds in coordination with international organizations with the aim of poverty alleviation. A cheaper and more effective policy for poverty alleviation is crucial as public resources are not unlimited. Ascertaining the strength of different determinants of poverty can help establish appropriate policy recommendations. Obviously, a world with a large number of poor people is neither socially nor economically acceptable. The central motivation to work on this issue was the yet unresolved poverty problem of Pakistan. A prominent view in the literature on economic development is that the poor have certain common characteristics that force them to stay poor: this is usually known as the "poverty trap." Therefore, useful results can be produced by analyzing the collective datasets of different countries to ascertain the causality of poverty. For Pakistan, the results of other countries cumulative experience in recent years could provide a better path to move on.

The present study is based on the following objectives:

- 1. To explore the difference between the public and private school, colleges and universities education and its impact on employment.
- 2. To see the effect of education on earnings, decision making power and status of people.
- 3. To assess the effect of education on poverty.
- 4. To analysis the ways of how to eradicate poverty.

#### 4 RESEARCH METHODOLOGY

The researcher used Quantitative Research Design. In this descriptive research, researcher used survey method for data collection. The universe/ population of the present study comprised of all the educated but working people of southern Punjab. The researcher selected the data from 530 educated people who are working on the basis of simple random sampling techniques. The researcher selected interview schedule to collect data and this interview schedule is a kind of questionnaire in which questions are asked from the respondents in face to face situation. After completing the data collection, researcher used the SPSS software for analysis the data and researcher applied the tests of Chi-square and Regression to check that hypothesis is rejected or accepted.

#### 4.1 HYPOTHESIS

- 1- Education as the most significant contributor to poverty alleviation.
- 2- The greater contribution of the education, the greater chances of employment.
- 3- The greater enhancement of educational level, the greater productivity and intellectual flexibility of labour class.

#### Table 1. Effect of education upon poverty

Variables	В	S.E	В	Т	р	
Education	2.50	0.116		21.487	.000	
Poverty	-0.261	0.063	-0.228	-4.168	.000	
Note $P^2 = 0.052 / E / 17.274 + R_{c} 0.05$						

Note.  $R^2 = 0.052$ , (F (17.374), \*P<0.05

The above table shows the result of impact of education on poverty of respondent. The results show that people's education is directly and significantly impact on the income of respondent which improve the living standard of people and consequently the eradication of poverty.

Variables	Unstandardized Coefficients		Standardized Coefficients	т	Sig.
	В	Std. Error	Beta		
Education	2.386	.114		20.953	.000
Improve employment status	252	.078	178	-3.218	.001

#### Table 2. To what extent education is directly associated with employment.

Note.  $R^2 = 0.032$ , (F (10.356), \*P<0.05

The above table shows the result of education has impact on employment status of people. The results indicate that the education has significant impact on employment status of people.

Table 3.	There is significance effect of income and	d income inequality as determinants of poverty.

Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
В	Std. Error	Beta			
2.500	.116		21.487	.000	
261	.063	228	-4.168	.000	
	B 2.500	B         Std. Error           2.500         .116	Unstandardized CoefficientsCoefficientsBStd. ErrorBeta2.500.116	Unstandardized CoefficientsCoefficientstBStd. ErrorBeta2.500.11621.487	

Note. R<sup>2</sup> = 0.052, (F (17.374), \*P<0.05

The above table shows the result of education impact on family income of people. The result shows that the education is significant impact on the people family income, which directly improve their living standard.

# Table 4. The effect of different levels of education, experience and gender of the employed individuals (employers, self-employed, wage earners and unpaid family workers) as the determinants of poverty

Variable	Categories	Determinants of Poverty				Chi-	
		To Great Extent	To Some Extent	Not At All	Total	Square	p-value
Age	20	26	14	1	41		
	25	13	19	1	33		
	30	58	120	26	204	34.045 <sup>°</sup>	0.000
	35	8	34	0	42		
	Total	105	187	28	320		
	Male	43	115	28	186		
Gender	Female	62	72	0	134	33.767	0.000
	Total	105	187	28	320		
	Single	103	122	0	225		
Marital Status	Married	2	65	28	95	107.447 <sup>a</sup>	0.000
	Total	105	187	28	320		
	Urban	94	142	12	248		
Residence	Rural	11	45	16	72	28.239 <sup>ª</sup>	.000
	Total	105	187	28	320		
Education level	Matric	35	6	28	69	172.999ª	0.000
	Intermediate	30	139	0	169		
	Graduation	40	42	0	82		
	Total	105	187	28	320		

The above table shows the results of demographic variables on the employment of people. Age is most important factor which impact on the employment of any person, the result show that respondent who belong to 30 years of age categories have more chance of employment. Gender is another important factor which play a role during employment, male respondent have more chance of employment with respect to female. Marital status is also an important factor of giving

chance of employment of any person. Single person have more chances of employment rather than married person. People belong to urban areas have more chance of employment rather than rural areas people. The most important factor is education which plays an important role in creating job opportunities for people, the level of education has impact on the grade of employment. The results shows that higher the education higher your grade at work.

### 5 CONCLUSION

The present study was conduct on the role of education in poverty elimination in Pakistan. The access to education and effect of education on economic generation's activities of people which elimination their poverty. To gain the specific results researcher test the hypothesis by using SPSS, and apply regression and chi-square test. The results of present study show that education has significant impact on poverty level of people while another hypothesis depict that education improve the employment status of people. It is concluded that the education has significant impact on the income generation activities and their living standards. Thus this study demonstrated that the education is playing a vital role in eliminating the poverty from Pakistan.

#### 6 SUGGESTIONS

- 1. The education up-to higher secondary level must be free. Government should adopt different welfare policies to reduce poverty. There must be reduction of prices of food times. Government must provide employment to people according to their qualification and skills. Every person has capabilities. And government should utilize these capabilities of people by giving them employment in different institutions.
- 2. Merit based education is a key factor in the development of nations in every aspect.
- 3. Build a model that inspires a sense of hope and those delvers on that promise with jobs.
- 4. To improve the condition and economical development, education quality based to be more improved.
- 5. Basic necessities of life should be provided by the current government for every child from the age of birth to adult age according to the Islamic law.
- 6. Education should be in mother language of Pakistan and differences in public and private school, collages and universities educational system should be finished and make just one kind of syllabus for all public and private institutions.
- 7. Technical education essential for everyone.
- 8. By increasing the "Quality of education" whether it is government or private institutions education.
- 9. Education is a great tool for the improvement in country and same quality of level of education is most important in all over the country.
- 10. By investing technical education we improve the living standard of people.
- 11. We can finish the poverty through investing in technical education and creating more opportunities for employment people.

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