THE IMPACT OFBENAZIRINCOMESUPPORTPROGRAM BISP ON HOUSEHOLD FOOD EXPENDITURES IN FAISALABAD

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Social protection illustrates basic rights of human beings but there is inadequate access in developing countries.In 2008,government of Pakistan started its comprehensive social protection program named "Benazir Income Support Program (BISP) to fight against poverty. It is necessary to ensure about impact of this programs becauseof heavy investments contributed by financial institutions. The main objective of paper is to determine impact of BISPon household food expenditures,identify social-economic condition of households andconfer suggestions based on findings.To intentgoals of paper, primary datawas collected randomly from 240 households in peri-urban areas of Faisalabad, Punjab, Pakistan by using well-structured questionnaire. The data analyzed by descriptive analysis, chi-square cross tabulation and Ordinary Least Square model. The food expenditures of beneficiarieshaveimproved than food expenditures of non-beneficiaries. Thus, relationis positive but small effect on household's food expenditures because of very small amount of BISP provided to people.
Keywords: Social protection, Benazir income support program,food expenditures, Faisalabad, Pakistan.

INTRODUCTION

The social protection is grounded on idea of Universal Declaration of Human Rights. It explains that every human being has social, cultural and economic rights. The United Nation and International Labor Organization recognized social protection as the basic right for all human beings. International Labor Organization provides two dimensional strategies for guidance. First dimension is to establish and maintain social protection floor as fundamental element of national security system. Second dimension, is to hunt strategies for allowance of social security that increasingly support higher levels of social security as many as possible. The development of strategies is aimed to achieve universal protection of people at least level of income for all countries (International Labor Organization, 2012).
"Social protection consists of policies and programs designed to reduce poverty and vulnerability by promoting efficient labor markets, diminishing people's exposure to risk, enhancing their capacity to protect themselves against hazards and interruption/loss of income" (ADB, 2001).The countries understand that government interventions are providing decent living standards to their citizens and ensure inclusive growth. The social protection tools are one of the key measures adopted by government (Norton *et al.,* 2001).
Pakistan is a developing country and its government is still trying to provide social and economic protection to people in different ways. But in 2008, a proper social protection programadopted with name of Benazir Income Support Program (BISP) to enhance purchasing power parity of

people(GOP,2016).Cash transfer programs considered as one of the key step to alleviate poverty and surely gaining inclusive economic growth (Durr-e-Nayyab and Farooq, 2014). One of the major developments made by Government of Pakistan in recent past was in the area of Social Protection. Political motivations were also considered as major motivational force to initiate these kinds of programs (Khan and Qutub 2010).Benazir Income Support Program (BISP) have provided some relief to the rural population i.e. Punjab, Sindh. This program has a positive effect on the life of rural population. Benazir Income Support Program has increased the household income of the rural population. This program not only increases the income in the rural area but also decrease the crime rate (which increases due to unequal income distribution). Benazir Income Support Program has provided stability to poorer family which is vital for the development of economically viable welfare system in rural areas. This program was acknowledged worldwide due to its positive impact especially on women health (Cheema *et al.* 2014).The specific objective of BISP was to give relief to the poor, who suffered from inflation, unemployment and financial crisis. Secondly, BISP was launched to improve education and health issues through financial assistance (Mumtaz and Whiteford, 2017). The access to resources in hands of women can helpful in eliminating poverty. The Millennium Developing Goals on gender inequality is increasing women share in employment to improve their economic condition. Economically empowerment is essential to realize women rights and to achieve broader development goals. Basically, women are economically empowered when

they could make economic decisions and have power for implementations (Kabeer, 2012).

The BISP, provided Rs 1000/ to a single household, although this amount is not enough for a single family in this era of high inflation on developing country like Pakistan. But it lessens the burden of the poorer family living in the rural areas (Naqvi *et al* 2009). The result of this internationally recognized program was social stability among the family, that helps them to increase the standards of their life up to some extent.However, this program is able to achieve its objectives. For example, to give financial assistance to families suffering from poverty, rising inflation and from this money to give better education and health services especially to the women. Benazir Income Support Program is a success of a government to restore the prestige of women that deprived of its basic right due to lack of financial stability.

This program has received an extraordinary amount of support from the World Bank, Industrial Development Association (IDA), USAID, Asian Development Bank (ADB), Department for International Development (DFID) and International Monetary Fund (IMF). The target of the program is to facilitate5.29 million poor households by June 2016 (GOP, 2016).After making huge efforts by government and attaining support from financial institutions, it become necessary to check whether the program is effecting absolutely economic condition of poor people or not.

First generation Conditional Cash Transfer programs started in Latin America to reduce poverty. Proxy Mean Test used to check annual per capita income and experience was encouraging and suggested toward expansion of Conditional Cash Transfers (CCT). (Aber and Rawlings, 2011).To check the impact of CCT program on dropout rates. The Proxy Mean Test applied on data including transportation cost and poverty characteristics. The results showed participants in urbanareas were much poor than rural areas(Flores *et al.,* 2012).The impact of Bosla (social protection program) by using school censes data were three times higher and increased the wages instead of cost(Glewwe and Kassouf, 2012).To determine improvements in CCT, household constrained were perfectly targeted. The time series data used with first best credit constrained andCCT was more efficient then Unconditional Cash Transfers UCT for education (Rey and Estevan, 2013).The disturbance caused in social assistance system due to difference in salaried and self-employed persons in Columbia. The data from longitudinal social survey showed improvements in social protection made by equalizing salaries and self-employed labor (Cuesta and Olivera, 2014). The effect of unconditional cash transfers on food and food security on particularly poor households analysed by panel data. The treatment effect on components of food resulted that 11 percent points are consumed more by beneficiaries on multiple meals per day. They also reduced hunger depth and improved diet quality (Brugh *et al* 2017). The meta analysis found that social protection programs improved both quality

and quantity of food consumption of beneficiaries. The social protection programs improved 13 percent expenditures and 8 percent calorie quality because beneficiaries used transfers for food expenditures(Hidrobo *et al*, 2017). The research found that bulk of spending on social protection in form of social insurance (public pensions) did huge lifting in living standards. The social assistance cash transfers improved living standards by 15 percent per day on average that is less than 10 percent of mean spending on social assistance (Margitic and Ravallion 2019).

The role of BISP on social-economic conditions and effect on food expenditures in Faisalabad is highlighted. The main objective is to assess impact of BISP on food expenditures and identify social-economic characteristics of respondents after that, the policy implication suggested based on the findings.

MATERIALS AND METHODS

The data were collected in peri-urban areas of District Faisalabad, Punjab. Pakistan in 2015-16 through random sampling technique. The total population attaining BISP was 19600 households. The data collectedfrom 240 households with 120 beneficiaries and 120 non-beneficiaries of BISP with equal social and economic status. The list of beneficiaries was collected from BISP office. The questionnairedivided into three categories: demographic information, social-economic characteristics and financial information.To identify the social-economic characteristics of respondents, descriptive analysis was applied including chi-square cross tabulation test.

Descriptive Statics: To identify social-economic characteristics of respondents, descriptive analysis was applied on data.

Chi-Square Cross-Tabulation: The appropriate procedure for testing hypothesis chi-square (χ2) cross tabulation was used to describe the association between social and economiccharacteristics of beneficiaries and non-beneficiaries of BISP. Its results were "statistically significant" at the ".05 or 5% level" given as:

$$\chi 2 = \Sigma\ oi\ \Sigma\ ei\ (oi - ei) \div ei$$

The food security in rural areas of Punjab, Pakistan analyzed and correlation between food secure and insecure respondentswas identified by chi-square cross tabulation test on their social and economic characteristics (Bashir *et al* 2013).

Ordinary Least Square OLS: Food expenditures of respondents were used as dependent variable along with BISP receivers, Family size, Number of earners and education of household head were taken as independent variables. The impact of BISP on food expenditures was analyzed by using Ordinary Least Square regression model. The general form of equation is

$$Y_i = \beta_0 + \beta_i X_i + \varepsilon_i$$

Benazir Income Support Program used as an independent variable along with other social-economic variables.
C = Food Expenditures, $X1$= BISP Receivers/People receiving amount of Benazir Income Support Program, $X2$= Family Size, $X3$= Number of Earners in house of respondent, $X4$= Education of Household Head, ε_i= Stochastic error term The Ordinary Least Square provided us values of slopes βs and as smaller as possible stochastic error term $\varepsilon_{i..}$
The Ordinary Least Square OLS provided link between colonies and slum accommodations in Africa. The population living in slum areas was used as dependent variable, the rest of variables $X1…X4$ were predictors and slopes $\beta1…\beta4$was associated with each other (Njoh, 2015).

DISCUSSIONS AND RESULTS

Social protection is one of the necessary things for economic growth in developing countries like Pakistan. The study was designed to know socio-economic characteristics of people getting advantage of BISP and effect on their food expenditures. For this purpose social-economic position of household heads were measured by basic characteristics age, gender, education and family size. The outcomes divided into two parts, first deals with percentage distribution of beneficiaries and non-beneficiaries of BISP, social-economic characteristics of people anddescribes relevancy in BISP beneficiaries and non-beneficiaries by applying cross tabulation chi-square test. In second part the Ordinary Least Square estimation of food expenditures describeeffect of BISP on food expenditures.
Social-economic Characteristics of Benazir Income Support ProgramBeneficiaries and Non-beneficiaries: The descriptive statics of respondents are given in table 1. Age affects the earning capabilities of household head. The results showed that age of household head beneficiaries of BISP was more than non –beneficiaries with less capability of earning Gender is a substantial variable for social economic status. Table 1 showed mostly household heads was females in BISP beneficiaries as compared to non-beneficiaries and means that BISP provided to household heads with less earning capability.
According to survey conducted the (table 1) beneficiaries of BISP were more illiterate than non-beneficiaries of BISP also affected their earning capability.
Number of family members in house has great importance for social-economic characteristics of respondents. According to survey conductedit WAS observed that BISP beneficiaries had greater family size than non-beneficiaries. Large family size showed greater expenses and also weak social- economic position.
Income level is very important to determine social-economic situation because greater the level of income strong economic position. The table no 1 showed beneficiaries of BISP belong to lower income group than non-beneficiaries of BISP.Table

1 showed beneficiaries of BISP were consuming more on food.But it is observed during surveythat respondents belong to high income and expenses group were also receiving BISP who were not eligible. Their financial situation is good and can afford expenses but still receiving BISP amount due to their resources.

Table1. Social-economic characteristics of beneficiaries and non-beneficiaries.

Socio economic characteristics	Beneficiaries		Non-beneficiaries	
	Frequency	Percentage	Frequency	Percentage
Ageof house				
40	0	0.00	7	5.83
41-50	23	19.17	34	28.33
51-60	61	50.83	55	45.83
61 and above	34	28.33	18	15.00
	2	1.67	6	5.00
Gender of household head				
Males	88	73.33	90	75.00
Females	32	26.67	30	25.00
Education of householdhead				
Illiterate	97	80.83	61	50.83
Primary	16	13.34	38	31.67
Middle	6	5.00	19	15.83
Metric	1	0.83	2	1.67
Family size				
Up to 3	3	2.5	8	6.67
4-6	31	25.83	68	56.66
7-9	67	55.84	44	36.67
10 above	19	15.83	0	0.00
Monthly Income				
Up to 6000	44	36.67	33	27.5
6100-12000	54	45	73	60.84
12100 and more	22	18.33	14	11.66
Food expenditures				
Up to 3000	23	9.17	8	6.67
3100-6000	83	69.17	103	85.83
6100-9000	8	6.67	9	7.50
9100 and more	6	5.00	0	0.00
Total	120	100.00	120	100.00

Source: field survey

Chi-square Cross Tabulation: The cross tabulation chi-square values of social economic characteristicsage, gender, education, family size,and monthly income are highly significant with p value 0.001 and it showed that the variables are highly correlated with their p values.
Ordinary Least SquareEstimation of Food Expenditures of Households:The results of Ordinary Least Square estimation run on sample of BISP beneficiaries and non-beneficiaries to analyzed impact of BISP on food expenditures of the households.The variable's co-efficient, standard errors, T statistics and significance of p values are given in table 2. R-squared statistics indicates that model as good fitted at 55 percent of the variability in food expenditures which is

dependent variable. F value which is 26.53 that overall model is highly significant at ≤ 0.05. The result of the independent variables has positive impact on dependent variable.

Table 2. Ordinary Least Square estimation of food expenditures of householdsVariables.

Variable	Coefficient	T statistics	P value (sig)
Constant	1662.48	5.072	0.000***
BISP receivers	154.10	0.778	0.438
Family size	276.97	5.703	0.000***
Number of earners in house	699.64	4.764	0.000***
Education of household head	156.62	4.945	0.000***
R²	Adj.R²	F-statistics	Probability
0.558	0.299	26.534	0.000***

Source: Author's own calculation * 0.01 ≤ significant level, ** ≤ 0.05 significant level, *** ≤ 0.10 significant level

Benazir Income Support ProgramReceivers: The co-efficient of the BISP receivers indicated that 154.10 insignificant at ≤ 0.05. But the coefficient of BISP receivers is positively related to food expenditures. These, people were receiving little bit amount of Program, have better food expenditures. Though amount of Rs 1500 was not enough to facilitate all food expenditures but it may support their food expenditure.

Family Size: The co-efficient of family size respondent 276.97 highly significant at ≤ 0.05. The coefficient of family size was positively related to food expenditures. Those, people who had greater family size or larger number of family members had greater food expenditures.

Number of Earners: The co-efficient of the number of earners in house indicated 699.96 highly significant at ≤0.05. The coefficient of number of earners in house was positively related to food expenditures. It means that the people who had larger number of earners in house consume more on food.

Education of Household Head: The co efficient of education of household head showed 156.62 was highly significant at ≤ 0.05. The coefficient of education of household head iwas positive related to food expenditures. It means that the people who had higher level of education their consumption on food was also higher.

Policy Implementations: It was observed that amount of BISP was not enough to overcome their food expenditures.
1. There was little bit change in food expenditures. Therefore, Government should increase amount of BISP for greater impact on food expenditures.
2. Some households were observed as receiving amount of BISP with high level of income. They were not eligible under the criteria of program but still receiving it because of their resources. There was lack of policy implementation. In data collection it was observed that more than one person in house were receiving it. Government should eliminate the factors of

corruption and favoritism for greater impact on poor households.
3. It was observed that only 5 percent respondentswere receiving other facility of Waseela-e-Rozgar. These facilities should be provided to more respondents for their better economic position. It is only possible if government is providing employment opportunities and health facilities to poor households.
4. The funds should provide to vocational and training institutes for skilled labor.
5. If facilities or cash transfers fixed for food and health it could show improvement in working capacity of respondents because the households consume amount of BISP other than food. Therefore, it should be fixed for food expenditures. Government should make policies and restrictions by keeping in view these observations. It would help in better results and impact of BISP on food expenditures. The facilities other than cash provided to only few respondents, it should be provided to more for greater impact.

Conclusions: The concept of social protection is very old and introduced for economic well-being. Only 20 percent of world population has adequate access to social protection (UN, 2012). In Pakistan 29.5 percent people is living below poverty line. Pakistan startedBISP in 2008, to overcome economic problems created by sudden inflation (GOP, 2015). The main purpose of the study was to analyze impact of BISP on food expenditures of households living in peri-urban areas of Faisalabad, Punjab, Pakistan. In first part, descriptive statistics comparison of socio-economic condition of beneficiaries and non-beneficiaries showed poor condition of beneficiaries, Chi-square cross tabulation used to identify relevancy in social-economic characteristics of beneficiaries and non-beneficiaries. In second part, Ordinary Least Square estimation wasused by keeping food expenditures dependent variable and BISP BISP receivers, number of earners, family size, and education of household head as independent variables. The results showed that food expenditures had positive relation withBISP beneficiaries but not significant because of small amount of program. In third part, policy implementations given under observed circumstances to increase amountfor better food expenditures.

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