

# TAKEAWAYS FOR NHDR 2020

Inequality is rife in Pakistan. There is a critical need to understand the processes and mechanisms that create and reinforce it. To this end, the Pakistan National Human Development Report 2020 identifies three primary drivers of inequality in Pakistan, called the three Ps of Power, People, and Policy.

In analysing the three Ps, the NHDR 2020 reveals some crucial insights on inequality in Pakistan.



**Pakistan** National Human Development Report 2020



## MEASURING INEQUALITY

The NHDR 2020 demonstrates that immense inequality exists among and between Pakistan's provinces and special regions, across the urban-rural divide, and within marginalized and underprivileged segments of the population – such as children, youth, labourers, and women.

**Income inequality fluctuates with the rate of economic growth.**

**Pakistan has high income and wealth inequality.**

**Pakistan has experienced rising inter-provincial income inequality.**

**Balochistan has fallen behind in terms of human development, while Khyber Pakhtunkhwa is rapidly catching up.**

**Pakistan performs poorly in child, labour, and gender development.**

## POWER

Power, the first driver of inequality, relates to groups that make use of loopholes, networks, and policies for their benefit. The NHDR highlights how the mechanisms of Power lead to an unfair distribution of wealth and opportunity.

**The corporate sector is the largest beneficiary of privileges in Pakistan, followed by the feudal class.**

**The value of the privileges in Pakistan adds up to PKR 2,660 billion.**

**Pakistan's tax system is only mildly progressive.**

**Pakistan's top quintile benefits the most from public expenditure.**

**Lack of access to justice is a huge source of inequality in Pakistan.**

**There is evidence of major regulatory failures to break monopolies and cartels.**

## PEOPLE

People, the second driver of inequality, refers to the deeply embedded belief systems that encourage bias against marginalized groups. The NHDR 2020 highlights people's perceptions of inequality in Pakistan, and also looks at inequality in the context of the unfolding COVID-19 pandemic.

**Labourers, refugees, transgender people, and persons with disabilities are the least satisfied with public services in Pakistan.**

**COVID-19 has led to 5 million unemployed as of June, 2020, and will lead to an additional 28 million people living below the poverty line by the end of 2021.**

## POLICY

Policy, the third driver of inequality, speaks to the systems and strategies that are either ineffective, or at odds with the principles of social justice. The NHDR 2020 puts forward recommendations that can help alleviate inequality in a sustainable way.

**A relief, development, and incentive package of PKR 1.2 trillion is proposed for economic revival as a response to COVID-19.**

**Policies and reforms to tackle inequality must promote more decent work and gender equality, and increase outlays on human development and social protection while withdrawing privileges.**

Through an examination of the three Ps, the NHDR 2020 aims to bridge the gap between Pakistan's Haves and Have Nots.



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