Political favouritism and social conflict: a case study of the Benazir Income Support Programme (BISP) in Pakistan

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RESEARCH ARTICLE

Political favouritism and social conflict: a case study of the Benazir Income Support Programme (BISP) in Pakistan

Muhammad Waqas [a,b] and André Torre [b]

ABSTRACT
Although the efficiency of social-protection programmes depends on their coverage and the accurate targeting of those in need, the identification of beneficiaries can result from interpersonal relationships and political favouritism. This paper explores the impact of political favouritism on the identification of beneficiaries of Pakistan's Benazir Income Support Programme (BISP) in Sargodha district of Punjab in Pakistan. A comparison of beneficiaries identified by parliamentary representatives with those identified by a Poverty Score Card survey method reveals that the former were not the poorest and did not satisfy the stated selection criteria, while the existence of these two methods was a cause of conflict whose probability increased with the degree of political favouritism, lack of education and rural–urban disparities, but decreased with increases in the level of income.

摘要
徇私与社会冲突：巴基斯坦贝娜齐尔收入保障计划的个案研究. *Area Development and Policy*. 社会保障计划的效率取决于计划覆盖范围和目标群众的精准定位，而受益人的选取却可能是受到人际关系和徇私影响的结果。本文以旁遮普省萨戈达区为例，探讨了徇私对于巴基斯坦贝娜齐尔收入保障计划受益人选取的影响。文章将议会代表确定的受益人与贫困评分卡调查方法确定的受益人进行比较后发现，前者群体不是经济条件最差的，也并不符合规定的受益人选取标准。这两种选取方法是引发社会冲突的原因之一，冲突的发生概率会随着徇私程度，教育缺失和城乡差距的扩大而增加，但随着收入水平的提高而下降。

关键词
社会保障, 精准扶贫, 冲突, 巴基斯坦, 贝娜齐尔收入保障计划

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RESUMEN

Favoritismo político y conflicto social: Estudio de caso sobre el *Programa Benazir de Apoyo Económico* en Pakistán. *Area Development and Policy*. Aunque la eficacia de los programas de protección social depende de la cobertura y la selección rigurosa de las personas necesitadas, la identificación de los beneficiarios puede derivarse de relaciones interpersonales y favoritismo político. En este artículo se analiza cómo influye el favoritismo político a la hora de identificar qué personas se pueden beneficiar del Programa Benazir de Pakistán de apoyo económico en el Distrito Sargodha (Punjab). Al comparar a los beneficiarios identificados por representantes parlamentarios con aquellos identificados por el método de estudio Tarjeta de Puntuación de Pobreza, se observa que los primeros no eran los más pobres y no cumplían con los criterios de selección establecidos; la existencia de estos dos métodos fue causa de conflictos y la probabilidad aumentaba con el grado de favoritismo político, la falta de formación y las desigualdades entre zonas rurales y urbanas, pero disminuía con los aumentos en el nivel de ingresos.

PALABRAS CLAVE

protección social, lucha contra la pobreza, conflicto, Pakistán;, Programa Benazir de Apoyo Económico

АННОТАЦИЯ

Политический фаворитизм и социальный конфликт: исследование кейса по программе поддержки доходов Беназир в Пакистане. *Area Development and Policy*. Хотя эффективность программ социальной защиты зависит от охвата и точного определения нуждающихся, выявление бенефициаров может быть результатом межличностных отношений и политического фаворитизма. В данной статье исследуется влияние политического фаворитизма на выявление бенефициаров пакистанской программы поддержки доходов Беназир в Пенджабе, в районе Саргодха. Сопоставление бенефициаров, выявленных парламентскими представителями, с бенефициарами, выявленными с помощью метода обследования по шкале бедности, показывает, что первые не были самыми бедными и не удовлетворяли заявленным критериям отбора, в то время как сосуществование этих двух методов было причиной конфликта, вероятность которого возрастала с ростом политического фаворитизма, отсутствием образования и неравенством между сельскими и городскими районами, но уменьшалась с увеличением уровня дохода.

КЛЮЧЕВЫЕ СЛОВА

социальная защита, борьба с нищетой, конфликт, Пакистан, программа поддержки доходов Беназир

INTRODUCTION

In recent years, social-protection schemes supporting poor and vulnerable households have received lot of national and international attention, especially in low- and middle-income countries. These schemes alleviate poverty through direct intervention, help to enhance human development and have further trickle-down effects (García-Jaramillo & Miranti, 2005). Existing studies show that national social-protection programmes such as Progresa and Oportunidades in Mexico (Skoufias, 2005), the Food-for-Work Programme and Food-for-Education Programme in Bangladesh, Bolsa Familia in Brazil (Soares, Ribas, & Osorio, 2007), Bono de Desarrollo Humano in Ecuador (Rosero & Schady, 2007), Red de Protección Social in Nicaragua and China's successive poverty-alleviation programmes are achieving their targets (Dunford, Gao, & Li, 2019). These programmes help to lift the poor out of poverty and protect them from shocks that lead them to fall (back) into poverty, and are also supposed to empower

women, support the food expenditures for the poor, enhance household health and nutrition levels, and increase the school enrolment of the children of target families.

However, the success of social-protection programmes depends on accurate and transparent targeting of beneficiaries. Besides, inaccurate and misleading targeting of beneficiaries leads to inefficient use of resources (Asian Development Bank (ADB), 2011). It is often claimed that targeting mechanisms in poor and developing countries are weak and can involve certain favouritism and political considerations. Like other developing countries, Pakistan has started several social-protection programmes. In 2008, its government launched the Benazir Income Support Programme (BISP), the biggest social-protection programme since the establishment of the country with respect to its funding, coverage and reach. The BISP provides a shed to the poor and vulnerable to help them maintain minimum standards of living (Newman, 2013). From the outset, policy-makers, researchers and think tanks have raised several questions about the targeting mechanism of this programme. Initially, the poor were identified through the recommendations of the parliamentary representatives of the People's Party (a political party established in 1967 by Zulfikar Ali Bhutto) (Shahid, 2012). At that stage, thousands of cases of beneficiaries of grants who were not actually poor were identified.

During 2009, after severe criticism of the targeting of beneficiaries from every corner, and especially from the World Bank, Pakistan initiated a national Poverty Score Card Survey. This survey used a Proxy Means Test (PMT) to identify the poor (Ghauri, Gishkori, & Khan, 2012) and showed that beneficiaries identified by parliamentary representatives were not actually poor while through the Poverty Score Card Survey the poor have been accurately targeted (Shahid, 2012). This initiative makes the BISP more transparent, but it also raised certain issues among two groups: a group identified by parliamentary representatives (PIG) and a Poverty Score Card survey identified group (PCS). After the identification of the PCS, conflicts arose between the two groups. The PIG takes the view that the original method was better because local representatives know better who is poor in their area. Their opponents claimed that this method is not transparent because political figures definitely prefer their voters/supporters.

Several studies have evaluated the impact of the BISP on poverty and household welfare. However, none of these studies has investigated the factors responsible for the conflict that arises due to the dual-selection criterion. This paper compares the socioeconomic background of the two types of beneficiaries and explores the political, economic and social factors that affect the conflict between them.

The paper is structured as follows. The next section explores the literature on social-protection programmes and issues regarding the targeting of beneficiaries. The third section discusses the sources of data, sampling methodology and the empirical methodology. The fourth section presents the results of the descriptive and econometric analyses. The final section concludes and draws some policy implications.

SOCIAL PROTECTION PROGRAMMES: OUTCOMES AND LIMITS

Social-protection programmes in developing countries

There is a vast literature on the relationship of social-protection programmes, poverty, inequality, female empowerment, etc. Studies of social-protection programmes in Brazil, Bangladesh, Mexico, Argentina, South Africa and Nicaragua have been shown to reduce poverty and inequality, increase female labour force participation and empowerment, enhance the health and education status of families, and raise income through self-employment (Devereux, 2002).

A study of Familias en Accion in Colombia showed that it significantly increased the consumption expenditure, consumption of protein-rich food items and clothing of children. Grants also increased the enrolment rate of the children aged 12–17 years, raised children's

nutrition level and enhanced the health condition of the treated families compared with non-treated families. However, urban beneficiaries gained more than rural beneficiaries (Attanasio, Gomez, Heredia, & Vera-Hernandez, 2005).

The Employment Guarantee Scheme of India reduced poverty in rural areas of India. Access to credit and land, a decrease in illness of household members and a decrease in unemployment prevented households from falling into poverty (Imai, 2003). An Indian programme acts as an additional safeguard protecting vulnerable households against the price shocks through highly subsidized prices. The Targeted Public Distribution System (TPDS) contributes to moderate levels of poverty reduction via income transfers. Implicit income transfers also helped reduce inequality in the distribution of income among the poor households, with clear benefits to the poorest of the poor (Mazumdar & Sharma, 2013).

The OPK (Cheap Rice Programme) in Indonesia) and Padat Karya (Labour Intensive Programme in Indonesia) significantly reduced poverty shocks and raised food expenditures (Sumarto, Asep, & Lant, 2000).

Gertler, Martinez, and Rubio-Codina (2012) examined the impact of the conditional cash transfer of Oportunidades in Mexico. Investment raised the long-term living standards, food expenditure and welfare of the treatment group, and their consumption expenditures were 5.6% higher than that of the control group. Mexico's conditional cash transfer programme also increased female empowerment, access to health services and skills training (Camacho & Rodriguez, 2012). Grants improved the health condition of the families of beneficiaries compared with a control group, improved nutrition and were reflected in a low number of days of illness and disability. Child labour diminished (Arif, Syukri, Isdijoso, Rosfadhila, & Soelaksono, 2011; Barber & Gertler, 2008; De Janvry, Sadoulet, Solomon, & Vakis, 2006; Haushofer & Shapiro, 2013; Skoufias, 2005).

In Ecuador the conditional Bono de Desarrollo Humano (BDH) increased school enrolment fourfold (Rosero and Schady (2007). Parental education is strongly positively related with the enrolment rate of children: the enrolment rate of children with a low level of parental education was just 34.2%.

By 2006, Brazil's Bolsa Familia (Family Stipend) was one of the largest conditional cash transfer schemes in the world. Soares et al. (2007) showed that in Brazil it had positive impacts on poverty reduction, inequality reduction, education enhancement and employment generation with improved educational attainment facilitating entrance into the labour force. Hall (2012), however, considered that it also had a number of negative dimensions.

In Pakistan, programmes that included a focus on women helped them take part in income-generation activities, support their families and take part in household decision-making, also increasing household income (Arshad, 2011; Chughtai, Zaheer, & Sania, 2015; Shehzad, 2011).

In China, a combination of economic development, poverty-alleviation and social-protection programmes reduced the number of people under the 2010 poverty line from 770.39 million in 1978 to 43.35 million in 2016. This number is planned to reach zero in 2020 (Dunford et al., 2019).

The targeting issue

The success of social-protection programmes depends heavily on the beneficiary-targeting mechanism. The latter has to be in line with the objectives and aims of the programme and normally depends on two steps. The first step is to identify the potential beneficiaries of the programme with transparent methods of selection of beneficiaries (García-Jaramillo & Miranti, 2015). Normally the target populations of these programmes are poor sections of society (Waqas & Awan, 2017). Improving the coverage and targeting of social-protection

systems is vital, and will require a multifaceted reform portfolio that promotes more integrated and horizontally equitable systems (Brzeska, Das, & Fan, 2015).

High operational and administrative costs and complex design of social-protection programmes are amongst the hurdles in the way of success (Morley & Coady, 2003). However, the main issues and challenges are linked with the targeting method (Coady, Grosh, & Hoddinott, 2004a, 2004b). One of the major criticisms is that these programmes are unable to reach all the intended beneficiaries. In poor and developing countries, interpersonal relationships, political attachments and political favouritism are obstacles to effective targeting. Often social-protection programmes are linked to political parties and selection criteria are not very transparent. Political favouritism and interpersonal relationships with the authorities make the selection criteria bogus and ultimately cause conflict (Cunningham et al., 2005).

Several methods of making targeting of social-protection programmes transparent have been used. The Social Welfare Fund Cash in Yemen applied four different targeting methods to make the targeting process more transparent and effective, reaching the intended beneficiaries. Coady et al. (2004a) examined the targeting performance of 25 social-protection programmes in different countries. The social welfare fund cash programme of Yemen performed best due to its transparent and effective beneficiary-targeting methods, it also being free from favouritism, bias and political interference.

The case of the Benazir Income Support Programme (BISP)

The BISP was started in 2008 by the government of Pakistan to give relief and empower women. To qualify for the grant, an individual has to satisfy certain eligibility criteria. Grants are made to women who are widowed, divorced or married. The woman's family income should be less than Rs6000/US$67 per month. The applicant must have a valid identity card. The World Bank, United States Agency for International Development (USAID), ADB and Department for International Development (DFID) are the donors and facilitators of this programme. The initial grant was for Rs1000 per month, subsequently raised to Rs1300 per month. Currently, the grant stands at Rs1500 per month.

BISP initiatives include several schemes: Waseela-e-Haq, Waseela-e-Rozgar, Waseela-e-Sehat and Waseela-e-Taleem. The Waseela-e-Haq programme empowers women through the provision of small loans. A vocational training programme, Waseela-e-Rozgar, offers members of eligible families up to one year of professional training. The Waseela-e-Sehat programme provides financial assistance specifically for obtaining basic healthcare. In the first BISP programme, cash payments were conditional on schooling. The Waseela-e-Taleem initiative requires families receiving cash payments to enrol children aged 5–12 years in primary education.

The selection of beneficiaries is characterized by two major stages. In the first phase (2008–09 to 2010–11) beneficiaries were identified by parliamentary representatives. Application forms were handed out to all members of federal legislatures. Peoples' Party parliamentary representatives (PPPR) had formed a coalition government with the Pakistan Muslim League after winning the February 2008 election.

Other political parties and civil social activists criticized this selection method arguing that politicians selected people who supported and voted for them (Khan & Qutub, 2010). Discrepancies were noted. In Multan district (the home town of the then prime minister), twice as many people as in the large Lahore district were in receipt of the grant. Areas with the lowest share of beneficiaries were those where opposition parties were strong (Ghauri et al., 2012).

Critics claimed that this method was non-transparent and created unrest and conflict among beneficiaries, the general public and members of political parties. Moreover, political favouritism involved mishandling public resources with grants given to people who were not poor and some poor people not receiving grants.

The second phase (2010–11) started after the World Bank and other donors expressed concern about the selection criterion. To make this programme transparent and to achieve the desired goals, the nationwide PSC was started. It measured the welfare status of a household on a scale between 0 and 100. In addition, the mode of payment passed through two phases. In the first phase, the transfer payment was made through Pakistan Post. Currently, almost 78% of BISP payments are made through the 'Benazir Debit Card'.

Owing to its coverage, targeting and mechanism, the resources allocated to this programme were increased in every government budget. During 2015–16, Rs102 billion were allocated to the programme, a 9.7% increase over the previous year. The number of beneficiaries of BISP programmes increased over time from 1.8 million people at first to 5.3 million in 2015–16 (Table 1).

QUESTIONS, DATA AND METHODOLOGY: THE RATIONALE OF THIS STUDY

Goal of the study

The aim of this study was to compare the results of PPPR and PMT selection methods of beneficiaries of BISP programmes, and to identify the impact of political favouritism on the selection of beneficiaries and the conflicts that these decisions generated. For this purpose, a multistructured questionnaire was designed and administered to beneficiaries in both groups. The questions were designed to identify people who really were in the poor group, the individuals who fulfilled the eligibility criteria of the grant and should be target of the policy and the actual beneficiaries. Other questions sought to identify the causes and consequences of conflict between the two groups.

Gurr's (1970) Relative Deprivation Theory suggests that a huge gap between groups can fuel inter- or intra-group conflict. Gaps arise due to economic, social, political and cultural inequalities (Stewart, 2008). Economic inequalities include differences in access to income and employment opportunities (Murshed, 2003; Nelson, 1998). Social inequalities include differences in access to housing, land (Skidmore, Staatz, Dembélé, & Ouédraogo, 2016), education and health, with educational attainment affecting opinions and perceptions. An uneven distribution of the public resources possibly due to political favouritism and corruption adversely affect the rights of some

Table 1. Grant disbursement and beneficiaries of the Benazir Income Support Programme (BISP), 2008–09 to 2015–16.

Year	Grant (billions of rupees)	Percentage change	Beneficiaries (millions)	Percentage change
2008–09	15.8		1.8	
2009–10	31.9	101.9%	2.6	44.4%
2010–11	30.0	−6.0%	3.1	19.2%
2011–12	41.0	36.7%	3.7	19.4%
2012–13	42.9	4.6%	3.7	0%
2013–14	65.1	51.7%	4.6	24.3%
2014–15	93.0	42.9%	5.0	8.7%
2015–16	102.0	9.7%	5.3	6.0%

Source: http://www.bisp.gov.pk/.

groups and can generate unrest and conflict (Rugaber & Boak, 2014; Stewart, 2008). Cultural inequalities include difference in religion, norms and practices, customs and language (Stewart, 2008). Territorial differences can also fuel conflict (Østby, 2008), making the real inclusion of under-privileged groups an important priority (Randolph, 2019). Empirical data suggest that a combination of political and socioeconomic inequalities leads towards political violence designed to addresses injustices (Swearingen, 2010).

In spite of the suggestion that some BISP beneficiaries were not poor but were chosen for interpersonal and political reasons, few academic studies exist. Arshad (2011) interviewed and collected data from 120 beneficiaries in Islamabad. Naqvi, Sabir, Shamim, and Tariq (2014) targeted seven union councils of Tehsil Mankera districts and tried to identify the consumption patterns of the beneficiaries. Shehzad (2011) investigated the impact of the BISP on the consumption patterns of beneficiaries in southern Punjab. Durr-e-Nayab. and Farooq (2014) used the 2010 Pakistan Household Panel Survey data to explore the impact of the BISP on poverty alleviation and women's empowerment. This study differs in that it is the first to target the two groups and seeks to identify the real poor. Second, it seeks to identify the impact of political favouritism on social conflict associated with BISP beneficiary selection criteria.

Data sources

Data were collected from doorstep interviews on 100 BISP beneficiaries in Sargodha district between January and March 2016. Sargodha district is a third-tier administrative unit (as of August 2000, Pakistan's provinces were divided into districts) and is divided into seven *tehsil*s[1]: Sargodha, Sahiwal, Sillanwali, Shahpur, Bheera, Bhalwal and Kotmomin. Using a probability proportional to size sampling technique, two *tehsil*s (Sargodha and Shahpur) were selected. In each, one rural settlement and one urban settlement were randomly selected. In each *tehsil*, 50 beneficiaries (25 in settlements and 25 in urban settlements) were selected randomly. In all, 100 beneficiaries were interviewed from each of the two groups, namely PCS and PIG.

A semi-structured questionnaire comprised four parts: a roster file with household questions; questions about the residential conditions of the beneficiary; questions about access to the grants; and questions about the beneficiary's perceptions of the BISP, the targeting criteria, the reasons for conflict among beneficiaries and people due to the dual selection criterion. The aim of the questions in the first and second parts was to identify those who were really poor. Third part is about the access of the grant. The fourth part is related to the questions regarding the perception of beneficiary about the BISP, her perception about the beneficiary targeting criteria, the reason of the conflict among the beneficiaries, and people due to the dual selection criterion.

Empirical methodology

Descriptive analysis of the data was used to establish the eligibility of beneficiaries. Next, a probit model was estimated to identify the causes of conflict between BISP beneficiaries. A binary dependent variable represented respondents' answers to a question about whether or not the two sets of criteria were a source of conflict between beneficiaries. Family income (the sum of all incomes of all household members) was used as an independent variable representing income inequality on conflict. A binary variable represented educational attainment. The type of beneficiary was used as a proxy to denote political favouritism (beneficiary belonged to a PCS or a PIG). A binary variable represented the area to which a beneficiary belonged and was designed to identify the impact of regional differences on the dependent variable. The resulting econometric model is as follows:

$$Probit(p) = log(p/1 - p) = \beta_0 + \beta_1 family\ income + \beta_2 education$$
$$+ \beta_3 political\ inequality + \beta_4 area + \mu$$

where the error term (μ) shows the impact of those variables not included in the model.

RESULTS AND DISCUSSION

Descriptive analysis

Descriptive analysis was used to identify the characteristics of the two groups paying attention to the socioeconomic background of beneficiaries, their perception and knowledge about the grants, and their views about the selection criterion.

The marital status of the beneficiary is an important indicator because that grant must begiven to ever married women.In the PCS group, there are no unmarried women, but 12% of the PIG group is unmarried. Those 12% do not fall into the eligibility criteria of BISP, but they were receiving the grant.

The PCS group was less well educated. Only 12% of the PIG group was uneducated compared with 86% of the PIG group. Moreover, the educational backgrounds of PIG group's beneficiaries are better than the other group (Figure 1).

As Table 2 also shows, PCS beneficiaries had a higher employment rate as 78% were in work to support their families compared with 22% of PIG beneficiaries. Owing to a high illiteracy rate, PCS beneficiaries were doing less well-paid jobs (Table 2). A total of 64.1% were working as daily wage workers, while 30.8% were working as a maid/servant in the houses of wealthy people. The PIG beneficiaries had better jobs: 22.2% were tailors and 11.1% were doing embroidery. The shares working as daily wage workers and as a maid/servant were smaller than for than PCS group.

The PIG beneficiaries had higher incomes than the PCS group: the mean income was Rs4629 rupees per month compared with Rs3004 per month (Table 2). The main reason is that higher educational attainment led to better jobs and ultimately better incomes. The family income of the PIG beneficiary was almost twice that of PCS beneficiaries, indicating that the latter were poorer. Huge differences in self-reported minimum and maximum incomes were recorded. The huge difference has also been observed in minimum and maximum family incomes.

Important differences in housing conditions were recorded (though the research did not control for family size). A total of 64% of PIG beneficiaries had their own house compared with 58% of PCS households (Table 2). A larger share of PCS beneficiaries lived in rented houses.

In multidimensional poverty measurement, the material of construction of the house is an important indicator because it depicts the poverty level of the household (Awan, Waqas, & Aslam, 2011). A total of 44% of PCS beneficiaries were living in *katcha* houses (made of mud, unburnt brick and other related materials), while only 22% were living in *pakka* houses (made of burnt bricks, cement, iron and other related material). PIG beneficiaries lived in better quality houses. The majority of PCS beneficiaries were living in a house with two rooms (66%), while 34% had only one room. A total of 18% of PIG beneficiaries were living in house with four rooms and 38% in houses with three rooms. In the recent literature of poverty measurement, access to clean water is also an important indicator used to ascertain the poverty level of a household (Awan et al., 2011). Beneficiaries in the PIG group had better access to clean drinking water than the other group. A total of 34% of PIG beneficiaries were using a motorized pump compared with just 18% of PCS beneficiaries. Most of the beneficiaries from the PCS group (62%) were using hand-pump water for drinking.
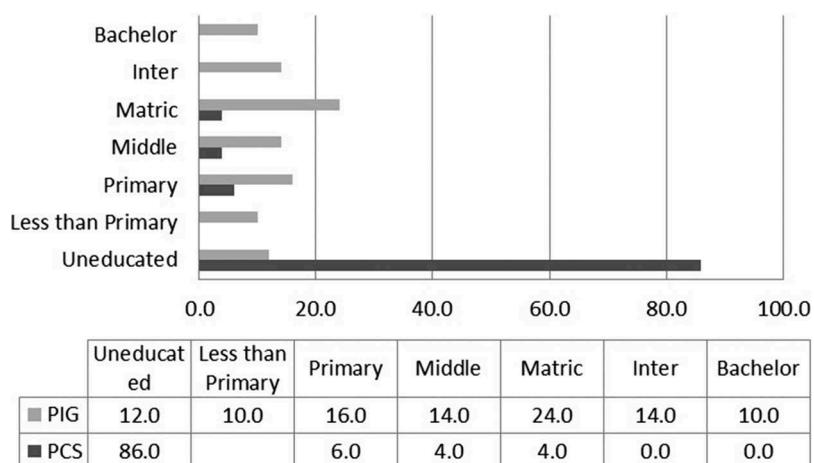
Table 2. Descriptive statistics (%).

	Poverty Score Card Survey identified group (PCS)	Group identified by parliamentary representatives (PIG)
Marital status		
Currently married	92.0	78.0
Unmarried	0.0	12.0
Widow	4.0	8.0
Divorced	2.0	2.0
Separated	2.0	0.0
Total	*100.0*	*100.0*
Employment status		
Unemployed	22.0	64.0
Employed	78.0	34.0
Total	*100.0*	*100.0*
Occupation		
Daly wage worker	64.1	16.7
Parlour/barber		5.6
Tailor	2.6	22.2
Maid/servant	30.8	16.7
Others	2.6	27.8
Embroidery work		11.1
Total	*100.0*	*100.0*
Monthly income of beneficiary (PKR)		
Mean	3004.0	4629.0
Minimum	1700.0	3000.0
Maximum	10,000.0	13,000.0
Family monthly income (PKR)		
Mean	3393.18	6187.5
Minimum	1700.0	2000.0
Maximum	12,000.0	20,000.0
Type of house		
Own	58.0	64.0
Rented	36.0	18.0
Others	6.0	18.0
Total	*100.0*	*100.0*

(*Continued*)

Table 2. (Continued).

	Poverty Score Card Survey identified group (PCS)	Group identified by parliamentary representatives (PIG)
Type of construction		
Katcha	44.0	2.0
Pakka	22.0	64.0
Mix	34.0	34.0
Total	*100.0*	*100.0*
Number of rooms		
1	34.0	0.0
2	66.0	42.0
3	0.0	38.0
4	0.0	18.0
5	0.0	2.0
Total	*100.0*	*100.0*
Type of clean water		
Tap	4.0	14.0
Piped into house/ compound	2.0	34.0
Outdoor tap	14.0	16.0
Hand pump	62.0	2.0
Motorized pump	18.0	34.0
Total	*100.0*	*100.0*

Source: Authors.

	Uneducated	Less than Primary	Primary	Middle	Matric	Inter	Bachelor
PIG	12.0	10.0	16.0	14.0	24.0	14.0	10.0
PCS	86.0		6.0	4.0	4.0	0.0	0.0

Figure 1. Educational background of the beneficiaries (%).

After analysing the socioeconomic situation of both groups, the degree of awareness of the grant was assessed. The literature suggests that real and needy people have correct information about the grant. A total of 48% of PCS beneficiaries responded that they were well aware of the selection criteria, while only 10% of PIG beneficiaries were aware. Half the PIG beneficiaries responded that they had no knowledge about the selection criteria.

Both groups preferred the selection criterion that led to their own selection. An interesting point is that 48% of beneficiaries responded that they were selected because of political favouritism. They were the voters for the politicians who selected the applicants and that were aware why they had been selected. A total of 78% of the PCS group also thought that

Table 3. Awareness about the Benazir Income Support Programme (BISP) grant (%).

Are you aware of the selection criteria of the BISP?	Poverty Score Card (PCS)	Parliamentary Representatives (PIG)
Yes	48.0	10.0
No	38.0	50.0
To some extent	14.0	40.0
Total	*100.0*	*100.0*
Which criteria of selection is transparent?		
Poverty score card	64.0	0.0
Don't know	36.0	8.0
Parliamentary representative	0.0	92.0
Total	*100.0*	*100.0*
Do you think that politicians gave favour to their voters in the parliamentary selection system?		
Yes	78.0	48.0
No	6.0	40.0
Don't know	16.0	12.0
Total	*100.0*	*100.0*
Does political favouritism cause conflict among beneficiaries?	PCS	PIG
Yes	66.1	63.7
No	33.9	36.3
Total	*100.0*	*100.0*
Do different selection criteria cause conflict among people?		
Yes	84.0	72.3
No	16.0	27.3
Total	*100.0*	*100.0*

Source: Authors.

selection was due to political favouritism and that PIG beneficiaries were not the real poor (Table 3).

After 2009, grants to PIG beneficiaries stopped due to serious criticism of the selection criteria from every corner, and especially from the World Bank and ADB. Beneficiaries in both groups agreed that the different selection criteria cause conflicts among beneficiaries. However, both groups claimed they were really poor and should be targeted.

The different selection criteria caused conflict not only among the beneficiary groups acknowledged in this survey. In every channel of society there were debates about which method is better, who are the real poor and why did the government stop the grants of PIG beneficiaries?

Econometric analysis

As explained above, a probit regression was estimated to identify the drivers of conflict due to the existence of two sets of selection criteria. To check for correlation among the variables used, Spearman correlation coefficients were computed (Table 4). Table 4 indicates moderate correlations between most of the pairs of the independent variables. The exception is the inverse correlation between political inequality and education.

In the case of probit regression, one generally interprets marginal effects rather than the coefficients. Marginal effects show the change in the conditional probability of the outcome variable, when one independent variable changes, holding other variables constant.

The results show that the probability of conflict between beneficiaries decreases as family income increases: a one unit change in family income decreases the probability of conflict among the beneficiaries. A lower income indicating a higher degree of poverty drives in the

Table 4. Spearman correlation matrix.

Variables	Family income	Education	Area	Political inequality	Conflict
Family income	1				
Education	0.258*	1			
Area	−0.184*	0.040**	1		
Political inequality	−0.299*	−0.740*	−0.020**	1	
Conflict	−0.044**	−0.060**	0.060**	0.166*	1

Source: Authors.

Table 5. Results of probit regression (marginal effects)

Variables	dF/dx	SE	x-bar	95% Confidence interval
Family income	−0.0369	0.0692	9.0827	−0.1727 to 0.0988
Education	0.1466	0.1331	0.5154	−0.1143 to 0.4076
Political inequality	0.237	0.1279	0.4948	−0.0129 to 0.4886
Area	0.0492	0.0850	0.4845	−0.1174 to 0.2159
Pseudo-R^2	0.0468			
Log-likelihood	−48.3045			

Note: *dF/dx is for discrete change of dummy variable from 0 to 1
Source: Authors.

direction of conflict, as is suggested in existing studies (Murshed, 2003; Nelson, 1998; Stewart, 2008). The probability of conflict is higher among illiterate than literate beneficiaries. Education is a means of increasing awareness and knowledge, reduces conflict among the groups, and appears to serve as a powerful tool of conflict management (Agbor, 2011; Hewstone & Brown, 1986; Pearl, 1997) (Table 5).

Political favouritism/political inequality also generated conflict between the two groups. The probability of conflict was higher for PIG beneficiaries who gain from political favouritism than for PCS beneficiaries. Political favouritism/political interests cause conflicts over rights among groups (Brown & Stewart, 2015). Spatial disparities also fuelled conflict in that the probability of conflict was higher among rural than among urban beneficiaries (Lessmann, 2013; Østby, 2008).

CONCLUSIONS

The purpose of Pakistan's Poverty Reduction Strategy Paper (PRSP) is to minimize poverty and hunger and to expand the coverage and targeting of several national anti-poverty and social-protection schemes (Bari et al., 2005). Social-protection programmes have proved to be a significant tool of government, policy-makers and donors in tackling problems of poverty and vulnerability, such as fuel and food crises, aggregate shocks, and other economic crises. However, their main concern is to target precisely beneficiaries. Aiding those in need and stopping leakages and inefficient usage of resources are important objectives as is making social-protection programmes transparent.

This study explored the impact of political favouritism on conflict and transparency in the case of the BISP, the largest social-protection programme in Pakistan. It also investigated the factors responsible for conflicts that arise between two groups owing to the use of two sets of selection criterion, successively based on choices made on the basis of choices made by parliamentary representatives and the results of a PCS survey.

The research compared the socioeconomic background of 100 beneficiaries belonging to the two groups in Sargodha district through a questionnaire. The results showed that the beneficiaries identified by politicians did not meet the grant application criteria as it was awarded to unmarried women. The beneficiaries under this method of selection were performing comparatively better jobs, had a higher mean income and enjoyed better residential conditions than the beneficiaries identified by PCS survey method.

Not only did political favouritism harm the programme but also it generated conflict among the beneficiaries. A probit regression showed that political favouritism increased the probability of conflict between groups, whereas increases in income decreased it. A lack of education and urban–rural disparities also raised the probability of conflict.

Our results support the point that the public welfare programs should not be politicized. It appears prudent to avoid any type of political tagging, interference, and involvement towards these types of programs. This is the only way to make these projects transparent and successful. The favoritism and inequality raised the unrest and conflict among the society. Giving the rights to the right one will not cause these types of problems. Targeting the actual poor will also be helpful to remove the conflict among beneficiaries.Our study also reveals the strong disparities among the rural and urban areas. They are not easy to solve but the access to the basic services across the broad and giving equal opportunities and facilities would help to tackle the problem of conflict.

NOTES

1.   A *tehsil* is the fourth level of government in Pakistan, and is itself divided into several rural and urban union councils. The union councils comprise several settlements.

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