Evaluation of Inequality of Opportunities in Pakistan within Rawlsian Framework

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Abstract

The contemporary process of economic liberalization, also referred to as liberal economic policy framework, demands institutional guarantee of protecting human as well as welfare rights of all. Rawls (1971) spelled out the principles and institutional structure that a liberal social order must have. The objective of this study is to investigate if the process of on-going liberalization produced just results in Pakistan by comparing the opportunity set of the least advantaged group of population with that of the most advantaged one. We used MDGs as the relevant opportunities that have to be distributed among the least well off population. The results indicate that there was expansion in the availability of primary social goods to the least advantaged population in Pakistan except for income inequalities. Inequality in educational attainment has remained on the higher side in the least advantaged group even though some relative improvement is observed. Indicators related to health also showed improvement in favor of the least advantaged. Living conditions and connectivity with the global world order, however, showed considerable improvement. One can tentatively conclude that Pakistani state has been making efforts to provide the liberal capitalist justice to its citizens in the Rawlsian sense but the speed has been rather on the slower side.
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1. Introduction

The contemporary process of economic liberalization, also referred to as liberal economic policy framework, demands institutional guarantee of protecting human rights as well as welfare rights of all. It was within this perspective that the Millennium Development Goals (MDGs) were put forth in 1990s, and the institutional commitment for realizing them was assured by national governments at the UN level. Several theoretical insights, both by philosophers and economists, contributed to the development of this liberal economic policy framework. One of such attempts was presented by Rawls (1971) who spelled out the principles and institutional structure that a liberal social order must have. His theory of justice states that a just liberal social order is the one that guarantees the provision of some basic opportunities (that he described as 'primary social goods') to the least advantaged group of society. In other words, a society is said to be just in liberal sense, according to Rawls, if it organizes economic affairs in a manner that the least advantaged segment of the society becomes as much better off as possible.

Pakistan initiated a number of structural adjustment reforms in 1988 to overcome imbalances in fiscal, financial and trade areas. Since then, the country is carefully treading the path of economic liberalization and deregulation by adopting measures to align its economic system as per the dictates of liberal principles. The objective of this study is to investigate if the on-going process of liberalization has produced just results in Pakistan by comparing the opportunity set of the least advantaged group of population with that of the most advantaged one. The aim is to see the extent to which Pakistan has been able to ensure the provision of 'primary social goods' to the least advantaged group. Here, MDGs are defined as the relevant primary social goods. It is hypothesized that if these primary social goods are not delivered to the least well off class, it would imply that the on-going process of articulating liberal order in the country has not fulfilled the principle of liberal justice in the Rawlsian sense.

The need for liberal order in Pakistan stems from the fact that society has been experiencing poverty and inequality for a reasonably long period of time. For instance, one of the foremost studies by Haq (1964) pointed out that soon after the independence, income distribution in Pakistan was skewed. Later on, using the Gini coefficient of expenditure approach, Naseem (1973) confirmed the unfortunate fact that income inequalities had risen during the decade of 1960s. Khandker (1973) further showed that income inequality in urban areas was greater than that of rural areas.

Similarly, he also estimated the effect of agricultural land holding patterns and industrial assets on inequalities. Using three different measures, Jeetun (1978) reconfirmed the earlier findings that there was an increasing trend in inequality in 1960s. He also examined the effect of economic growth on income inequalities and concluded that agricultural growth reduced inequalities whereas industrial growth was instrumental in raising income inequalities in Pakistan. After these initial attempts, most of the studies conducted during 1980s, 1990s and 2000s reconfirmed the persistence of poverty in the country for various reasons.[4]

Even though these studies largely focused on measuring income or expenditure inequality, exploring its incidence across different social groups and on highlighting the factors that contributed to the inequalities in Pakistan, yet this literature did not contextualize these inequalities in any general framework of justice to draw conclusions about their desirability. This study attempts to fill this gap by evaluating inequalities in Pakistan within the Rawlsian framework. Moreover, most of the studies have focused on income inequalities while this study will focus on inequalities of a set of primary goods where income is just one element.

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[4]Mahmood (1984), using five measures of inequality, also found that industrial growth led to increasing income inequality. Before him, Chaudhry (1982) had found that the Green Revolution helped income inequalities to reduce between all agricultural classes. Thus, Chaudhry (1982) and Mahmood (1984) confirmed the findings of Jeetun (1978). Afridi, Asghar and Zaki (1984) studied the effect of inflation on income inequality and found that inflation affects poorer people by more than it affects the richer ones hence leading to rising income gap between the rich and the poor. Krujik and and Myrna (1985) and Krujik (1986) calculated the incidence of income inequality to examine the structure of income inequalities across (a) urban rural divide, (b) among earners and (c) within occupational groups. Ahmed and Ludlow (1989), Kemal (1994) and Jaffari and Khatak (1995) also confirmed that income inequalities had persisted during 1980 and 1990s. Kemal (1994) highlighted that the Structural Adjustment Program had adverse effects on income inequalities in Pakistan. Haq (1997), instead of using income inequality measures, applied Sen's welfare index for measuring welfare levels enjoyed by people overtime and considered the effects of growth and inequality on changes in this welfare. Some studies, e.g. Asad and Tahir (1999), Saboor (2004) and Cheema and Sial (2012), attempted to estimate long run relationship between income inequality, poverty and growth. These studies found a positive relationship between growth and inequality.

Section 2 explains the Rawlsian framework of articulating principles of liberal justice that provides the foundation for evaluating substantive inequalities. This discussion leads to the list of social goods that are used in this paper for examining the extent to which Pakistan has been able to provide its citizens with liberal justice. Section three explains the decision criterion that allows us to decide whether the welfare of the least well off class has improved or not and defines the empirical methodology used for investigating the above objective. Section four presents the results and conclusion is given in section five.

2. Rawlsain Distributive Justice

Rawls attempted to justify the socio-political tradition of liberalism in the twentieth century. He "revives the English tradition of Hume and Adam Smith, of Bentham and of John Stuart Mill, which insists on relating political speculation to fundamental research in moral psychology and political economy" (Dworkin, 1971).Employing the tradition of Locke and Kant, Rawls used the social contract theory and conceptualized society as the sum total of contractually structured relationship among asocial self-interested and mutually disinterested individuals. This self-sufficiency presumes some rules that distribute the material resources among the members of this society. Because each individual is interested in protecting his own self-interest in this contractual society, conflict regarding distribution of resources is rooted in this society. Therefore, rules are needed for the just distribution of resources. Rawls terms those rules the principles of justice which are meant to "assign rights and duties in the basic institutions of society" (Rawls 1971, p.4) and provide foundation for the just distribution of material welfare. His conception of society is based on the assumption that every member of society accepts these principles of justice. Rawlsian method of deriving these principles of liberal justice is a complex issue and its description is beyond the scope of this paper. We restrict this paper to his conclusions.[5]

2.1: The Two Principles of Justice

By employing the deontological tradition of Kant, Rawls derives the following principles of justice:

- *Basic Liberty Principle:*

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[5] For a basic exposition of Rawl's analytic method, see Mulhall and Adam (1992)

"Each person is to have equal right to the most extensive total system of equal basic liberties compatible with a similar system of liberty for all"

- *Difference Principle:*
  "Social and economic inequalities should be arranged so that they are both (a) to the greatest benefit of the least advantage, and (b) attached to offices and positions open to all under conditions of fair equality of opportunity. (Rawls, 1971, p. 302)

The first principle aims at protecting the basic freedom to choose, change and pursue rationally the ways of life which an individual values. The second principle derives from the assumption that individuals are risk averse and would desire 'maximin' strategy, i.e. the worst position in society should be as good as possible. This leads individuals to support equality and accept inequality only when it helps the worst off position. Alternatively, they maximize the opportunities and minimize the cost of being in worst position.

2.2: Substantive Inequalities in the Rawlsian System

The above principles of justice are assumed to be the best way of reconciling and assimilating the paradoxical co-existence of liberty and equality dimensions of liberalism in a unified socio-political framework. The liberty principle is institutionalized through efficiently functioning markets that lead to rising inequalities. Therefore, the difference principle is required to compensate the anti-egalitarian consequences of liberty principle. It should be noted that liberty has lexical priority over equality in the Rawlsian institutional structure. He believes that liberty can be restricted under the conditions that;(1) "a less extensive liberty must strengthen the total system of liberty shared by all;(2) a less than equal liberty must be accept able to those with lesser liberty"(Rawls, 1971,p.302).Thus, Rawlsian conception of liberty allows for certain political constraints that, in his opinion, are conducive for the enhancement of the individual's freedom. Similarly, component (b) of the second principle is prior to part (a) (Rawls, 1999). This has the implication that any policy which increases the welfare of the least advantaged group but reduces the freedom of consciousness and personal property is unacceptable to Rawls. The first part of the Difference Principle presumes the implementation of its second part and first principle, i.e. equal freedom for all and equal opportunity to compete are already being exercised

in society. In other words, formal equality must be established before taking account of substantive or socio-economic inequalities.[6]

When it comes to the issue of dealing with substantive or socio-economic inequalities, they are considered natural by Rawls because people differ in their mental and physical capacities and endowments. These inequalities are the functions of unequal distribution of the primary goods, i.e. income, wealth, power and authority. To Rawls, these inequalities are justified if and only if they are part of a larger system wherein these inequalities help the least advantageous group. The subject matter of redistribution in the Rawlsian framework is a list of 'primary goods' which are meant to foster the capacities of those who are left behind. Distribution of primary goods is important to Rawls because these are necessary means of realizing any life plan that the individual chooses. It is noteworthy that Rawls did not advocate in favor of providing minimum utility or income (outcomes) to the least well off, rather justified the distribution of primary goods which allows individuals the opportunities or means to realize any plan of life. For Rawls, once a system of basic liberties is placed, then all plans of life and their resulting outcomes are subjective expressions of individual's free choices. These features of his distributive justice has both aspects: (a) hold individual responsible for the outcomes of his choices or preferences because these are made by free will of individual and, hence, he is responsible for them and their outcomes and (b) justify compensation for the lack of primary goods because they define the opportunity set for realizing any choice but are beyond individual's control and hence is the subject matter of redistribution (Reomer & Trannoy, 2015).

Distribution of primary social goods is important to Rawls because these are necessary means of realizing any life plan that the individual chooses. The difference principle asserts that the long run expectations of the least advantaged social groups should be maximized. It is important to note here that though *self-respect* apparently appears low in the priority list of social goods of Rawls, the importance of this particular primary social good is derived from the first principle (Suri, 2014). The protection of formal

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[6]However, it is argued that the emphasis of Rawls on establishing formal equality before venturing redistribution of resources is fictitious because natural abilities and talents are unequally distributed among individuals. Moreover, people belonging to higher income brackets can develop their skills using their better resources. This implies that the formal institutional assurance of 'equality of opportunity' among unequally equipped individuals is of little importance (Suri, 2014).

equality of liberty and opportunities does not guarantee individual's self-respect because substantive economic inequalities produce consciousness that erodes self-respect. Hence, equitable distribution of primary social goods is equivalent to promoting freedom in the Rawlsian scheme because claim of individual's freedom without possession of these goods is in fact fictitious.

Building on this Rawlsian concept, several influential authors (such as Dworkin (1981a & b), Arneson (1989), Cohen (1989)) argued that inequality in the distribution of particular *outcomes*—such as incomes—is not the appropriate yardstick for assessing the fairness of a allocation of resources or social system. It is so because some of the outcome differences are attributable to the differences in choices for which individuals can be held responsible and hence these outcome differences may be ethically acceptable. In this view, unacceptable inequalities reside in a logically prior space—of resources, capabilities, opportunities—for which individuals cannot be held responsible. Factors over which individuals have some degree of control are said to be 'efforts' by Roemer (1998) while those for which they cannot reasonably be held responsible are referred to 'circumstances'. Given this distinction, he defines 'equality of opportunity' as a situation in which important opportunities—which Rawls termed primary social goods—are distributed to all individuals independent of their circumstances.

One of the difficulties with the Rawlsian difference principle is the identification of the least advantaged group. Rawls agrees that some kind of arbitrariness is required in this aspect as no exact definition of who is least advantaged is possible. Determination of the distributional weightage of primary goods is another related problematic issue in his theory. In this regard, Rawls simplistically assumes that the identification of the least advantaged groups and the distributive proportions of primary groups are known to us intuitively (Rawls, 1971, p. 94). The distribution of primary goods is also a means of making interpersonal comparisons about welfare. In general society is as well off as is its least advantaged group.[7]

2.3: MDGs as Primary Social Goods

The question of 'what constitutes the list of social goods' in the Rawlsian distributive justice is a controversial issue. In his *Theory of Justice*, Rawls counted the following five elements in the list of primary goods:

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[7] This type of social welfare function is typically represented by fixed-coefficient welfare function: $w = \min(u_A, u_B)$ where u_A and u_b are utilities of A and B.

"(i) The basic liberties (freedom of thought and liberty of conscience, etc.) are the background institutions necessary for the development and exercise of the capacity to decide upon and revise, and rationally to pursue, a conception of the good...; (ii) Freedom of movement and free choice of occupation against a background of diverse opportunities are required for the pursuit of final ends as well as to give effect to a decision to revise and change them, if one so desires; (iii) Powers and prerogatives of offices of responsibility are needed to give scope to various self-governing and social capacities of the self; (iv) Income and wealth, understood broadly as they must be, are all-purpose means (having an exchange value) for achieving directly or indirectly a wide range of ends, whatever they happen to be; (v) the social bases of self-respect are those aspects of basic institutions that are normally essential if citizens are to have a lively sense of their own worth as moral persons and to be able to realize their highest-order interests and advance their ends with self-confidence." (p. 440)

Theorists have disagreed whether this list can be extended to other socially desired goods such as public provision of healthcare. Green (1976), Daniels (1981) and De Grazia (1991) have argued that the list can be extended to include other important social goods especially the public provision of healthcare. The Rawlsian distributive system is *chain-connected* (rise in the expectations of the least advantaged group raises the expectations of all social positions), close-knit (changing the expectation of one social group in isolation is not possible) and loose-jointedness (no social position remains unaltered after change in the expectations of one social group in the chain) [Rawls (1971): p. 144-146]. In the background of continuously rising standards of living in modern societies, these properties imply that the list of primary goods cannot be fixed permanently and it continues to evolve overtime with the level of economic development in societies. In this study, we use eradication of hunger, improvement of human conditions through provision of health and education, woman empowerment, and environment protection as list of primary social goods. These dimensions are selected for this study because they are the agenda points of Millennium Development Goals (MDGs).[8]

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[8]To achieve a set of important social priorities worldwide, international community including poor countries, rich countries, and the international agencies needed a clear operational framework. Several resolutions and conferences organized by the United Nations in this direction during the period of 1990s resulted in collectively

These MDGs were the reflection of social democratic policy framework theorized by Rawls (1971) and Sen (1980, 1984, 1985, 1988, 1999). This policy approach demands government to play a role beyond protecting fundamental human rights of its citizens by ensuring the availability of opportunities required for sustaining human rights. The primary objective of these goals is to increase individual capabilities so that he can live the life he values.

The framework of MDG identifies eight goals, eighteen targets and forty eight indicators. The goals refer to end point of proposed direction of change in which counties are supposed to progress while the targets are the specific required path in this connection. Finally, indicators refer to the quantifiable variables to measure the achievement of goals. These targets are meant to make MDGs result-oriented with quantitative analysis as they provide measurable results.

A careful review of time series evidence seem to suggest that Pakistan's performance at national and provincial levels has remained unsatisfactory[UNDP Report, 2015].[9] Using the Pakistan Social and Living Standard Measurement(PSLM) data for the years 2001-02 and 2013-14 to measure the provision of primary goods in the Rawlsian sense, it is disheartening to note the high incidence of illiteracy, malnourishment and mortality among lower income segments of the society[10]. How this situation has evolved overtime is an important policy concern.

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agreed upon agreement of roadmap for world development known as Millennium Development Goals (MDGs) (UN Secretary-General, 2001). These goals were put in place for shaping the 21st century on desired lines.

[9]http://www.pk.undp.org/content/pakistan/en/home/post-2015/mdgoverview.html

[10]The PSLM survey is designed to provide Social & Economic indicators in the alternate years at provincial and district levels. The project was initiated in July 2004 and continued up to June 2015. Before PSLM, the same data set was collected under the name of Pakistan Integrated Household Survey (PIHS). This survey is one of the main mechanisms for monitoring MDG indicators. It provides a set of representative, population-based estimates of social indicators and their progress under the MDGs. Pakistan has committed to implement 16 targets and 37 indicators out of which 6 targets and 13 indicators are monitored through PSLM Surveys.

3. Methodology and Construction of the Set of Social Goods

3.1. The Criterion of Measuring Improvement

In order to analyze whether any given distributive process has been improving the conditions of the least well off class of society, one needs to define the criterion of measuring improvement. Such criteria are widely used for studying the relationship between economic growth and poverty reduction and one can borrow them for the purpose of present study. We start with Cheney and Ahluwalia (1974) who gave the idea of 'redistribution with growth' in their pioneering paper on this subject and since then researchers have proposed a number of measures of pro-poor growth [Kakwani and Pernia (2000), McCulloch et. al. (2000), Ravallion and Chen (2003), and Son (2003)]. In the most general terms, pro-poor growth is defined as growth that benefits the poor by providing them with opportunities to improve their lives (UN 2000, OECD 2001). But this definition is not only vague but also does not differentiate whether the poor are benefiting less or more relative to non-poor from the on-going growth process. To make this definition more quantifiable and pro-poor, a stronger criterion is suggested which says that a growth process is helping the poor if they receive more but no less share than the non-poor [Kakwani and Pernia (2000)]. A further refinement in this definition is proposed by considering the relative and absolute dimensions of improvement. Economic growth is said to be pro poor in a relative sense if it improves the poor more than the non-poor, which implies that relative inequality decreases. On the other hand, a growth process helps the poor in absolute terms if the poor benefit more than and equal to the non-poor absolutely leading to reduction in absolute gap between the two segments.

Using these definitions of 'improvement' or 'better off', we can define a distributive process in favor of the least advantage in three ways:

- *Weak form:* the least advantaged segment is better off if their access to social goods increases
- *Strong form:* the least advantaged segment is better off if their access to social goods increases by more than the better off class in a relative sense
- *Strongest form:* the least advantaged segment is better off if their access to social goods increases by more than the better off class in absolute sense.

The relevant hypotheses would be examined on these criteria.

3.2. Hypothesis Development

As indicated, the Rawlsian distributive justice demands that the provision of primary social goods should be maximized for the least well off segment of population. Because we are using opportunities defined in MDGs targets as the relevant social goods, hence the testable hypothesis is that "the access to opportunities defined in MDG targets has improved overtime among the lower deciles of population in Pakistan". To render this task, a definition of measurable list of primary social goods is required. The next sub-section, therefore explains the methodology of constructing the MDG based primary social goods from the PSLM data.

3.3: Construction of the Set of Social Goods from MDGs

We formulate a set of social goods based on the targets given against each objective to examine the extent to achievement of Rawlsian distributive justice in Pakistan. The opportunity indicators are further classified into categorical dummy variables for analysis. The information in **Table 3.1** elaborates how the social goods are constructed from the MDGs targets. For example, to translate Goal 1 into opportunity, poverty status is constructed using real per capita income of the household. An individual is classified as poor if his income is less than $1.25 at purchasing power parity and non-poor otherwise. The second goal of MDGs was the achievement of universal primary education. It has two targets: (i) status of primary enrollment ratio of children and (ii) quality of education reflected through timely completion of primary schooling. For the first indicator, the definition of International Standard Classification of Education (ISCE) for Pakistan is followed which says that a child has access to primary education if he is currently enrolled in any grade of primary level in the age range of 5-9 years. To capture the second indicator, it is assumed that primary level has been completed timely if a child of age 9-10 years has either completed primary or is enrolled in grade 4 or5.[11] The targets under Goal 3 focus on the elimination of gender disparity and women empowerment. Due to data constraints the construction of an index for gender disparity was tedious. As an approximation, we have used index of secondary education enrollment to indicate reduction in gender disparity. Following ISCE, the prescribed age for the secondary education enrollment is 10 years and above. It takes 7 years to complete it within due time. Based on these boundaries a child/adolescent, within the age bracket

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[11] As per ISCE, the starting age of primary schooling is 5 years. This means that if a child continues his education throughout by passing all grades in time, he will complete the primary level in 5 years.

10-17 years, belonging to upper and bottom ten/twenty percent income groups is picked in this study, if he is enrolled in any of the grades from 6 to 12. Gender disparity is then calculated by measuring the difference in enrollment rates across genders. The targets defined under Goal 4 have three dimensions, namely, infant mortality, under five year mortality rates, and the immunization against measles. These indicators are translated into social goods by considering females whose first child did not die either before the age of 1 year or between the age of 1-5 years. The index takes value 2 if both the conditions of reducing child mortality are met. However, the opportunity to get child immunized against measles is represented as a dichotomous variable where the variable takes the value 1 for immunization and 0 otherwise. Along with the child health, mother health is also an important consideration. The MDG, Goal 5 therefore relates to the maternal mortality and universal access to reproductive health. We have captured this information by constructing a composite index based on four variables; child delivery under trained attendant, pre-and post-natal consultation, no miscarriage and administration of tetanus injections. Access to each of these opportunities has been assigned a weight of 1 in the index. Thus, when a female has reported to have availed all these opportunities, then she gets a score of 4.In the second step, to generate a binary variable we have assigned a value of one to sum weight, when it has a value greater than or equal to three (i.e. having access to at-least three of these indicators) and zero otherwise. Goal 6 refers to combating malaria and other diseases like Diphtaria, Polio, Bacille Calmette Guerin(BCG) and Hepatitis(HB). A composite index in the range of 1-4 has been constructed to indicate vaccination against all these diseases. The discrete opportunity variable takes the value one if a female has the opportunity to combat diseases if all of her children have been immunized against all these diseases for which she has a card or is able to recall. Goal 7 refers to environmental sustainability that targets improvement in the lives of slum dwellers. The six factors that are used to construct the relevant index include availability of safe drinking water, availability of improved sanitation, not more than three persons crowding per room, durable housing, electricity connection and use of gas facility as cooking fuel. If the index takes a value 5 (i.e. has access to at least five out of six goods), the individual is said to have an opportunity of environmentally sustainable dwelling; otherwise it is treated as zero. Finally, Goal 8 is to make available the benefits of new technologies especially information and communication to the households. The index is constructed on the basis of two indicators, i.e., that are cellular connectivity and internet connectivity. If a household avails both of these, the index is equal to one and zero otherwise. Table 3.1 present the fact that Goal 1, Goal 7 and 8 are

measured at household level and all other Goals (2-6) target individuals of the household.

Table 3.1: Methodology of Converting MDG Targets into Social Goods

GOAL	Opportunity Index
1. Achieve Universal Primary Education	*Enrolled in Primary* $= \begin{cases} 1, & \text{if enrolled in any primary lev} \\ & 5-9 \text{ years of age} \\ 0, & \text{otherwise} \end{cases}$ *Completed Primary* $\{1.$ *if primary by 10 or in class 4*
2. Promote Gender Equality and Empower Women	*Enrolled in Secondary* $= \begin{cases} 1, & \text{if enrolled in secondary class} \\ & \text{completed by 17 years of age} \\ 0, & \text{otherwise} \end{cases}$ Enrollment status for both females and males are calculated. The disparity covers
3. Reduce Child Mortality	*4. a Reduced Child Mortality* $= \begin{cases} 1, & \text{if no child born dead,} \\ & \text{no child died before 1 year o} \\ & \text{no child died before 5 years o} \\ 0, & \text{otherwise} \end{cases}$ *4. b Reduced Child Mortality* $\{1$ *if immunized against measl*

GOAL	Opportunity Index
4. Improve Maternal Health	**Maternal Health Status** $$= \begin{cases} 1, if\ child\ delivered \\ \quad Pre\ and\ post\ n \\ \quad Pre\ and\ Post\ N \\ \quad No\ miscarriag \\ 0, \quad otherwise \end{cases}$$
5. Combat HIV/AIDS, Malaria and other Diseases	$$Combat\ Diseases = \begin{cases} 1, & if\ ever\ imm \\ & or\ recall\ fo \\ 0, & otherwise \end{cases}$$
6. Ensure Environmental Sustainability	*Non Slum Deweller* $$= \begin{cases} 1, if\ household\ h \\ \quad Underground\ Sa \\ \quad Durable\ Housi \\ \quad less\ than\ 3\ peo \\ 0, \quad otherwise \end{cases}$$
7. Develop a Global Partnership for Development	*Globally Connected* $$= \begin{cases} 1, & if\ household\ has\ cellular \\ & and\ internet\ connection \\ 0, & otherwise \end{cases}$$

4. Results

The PSLM dataset is nationally representative. This survey is conducted at district level and provincial levels in alternative years. The survey provides information on key social and economic indicators, including income, education, health, population welfare, water supply and sanitation. The present study utilizes data set for years 2001-02 and 2013-14 for national level analysis. The reason for selecting 2001-02 is that MDGs were agreed upon as desired targets in 1999. Hence, we begin by examining the

availability of primary social goods in 2001-02 and compare it with that of in 2013-14, the most recent PSLM data available. The sample size of this dataset is approximately 17000 households. We have analyzed Goal 1, 7 and 8 at household level as per the statement of MDGs and Goal 2 to Goal 6 at the individual level.

Analysis on the Basis of Weak and Strong Criteria

Since the study seeks to observe the state of the least and the most advantaged groups, the whole population is divided into ten equivalent groups (deciles) on the basis of per capita income. Individuals belonging to the last income group in these deciles are categorized as the least advantaged whereas the top ten percent of income category has been labeled as the most advantaged one. We have used per capita income as the simplifying working definition for identifying the least well off segment, knowing very well that this criterion is not the only way of making this categorization within the Rawlsian framework as Rawls himself accepted that some arbitrariness has to be involved in this choice. **Table 4.1** summarizes the results for the weak and strong form of measuring improvement in the least well off class.

The results for the targets against first objective indicates that the income share of the lowest decile population was less than one percent (0.53%) in 2001-02 and it further decreased to 0.46% in 2013-14. On the other hand, the income share of the richest population increased slightly during the same period from 35.3% to 36.3%. This means that the least advantaged group has become worse off, in both weak and strong terms. Whereas the average per capita income of the poorest increased from Rs 494.9 to Rs 635.9, which means that there was improvement in weaker sense of the definition, but the growth rate of per capital income of the poorest (28.6%) was less than that of the richest (49.6%) which implies that the poorest people became worse off in strong or relative sense. Furthermore, the proportion of people living below average income in 2001-02 was 68.3% which increased to 69.5% in 2013-14. This evidence confirms that relative poverty has increased in the country. These numbers reveal that Pakistan was unable to provide the Rawlsian liberal justice to its citizens during the period under consideration.

Notwithstanding the fact that more than 50% of the children are not enrolled at the primary level, the evidence confirms improvement in educational attainment, both in weak as well as strong sense of the definition for children belonging to the least advantage group. Though results for the targets in goal 2 indicate that the condition of bottom ten percent of

population has improved overtime significantly in terms of primary completion rate (indicating that drop-out rate before primary completion has decreased for this population bracket), yet the results indicate the fact that sixty percent of the children in the least advantaged group are still without primary education level. It should be noted that primary enrollment rate remained stagnant at 54% for the bottom ten percent population overtime which means that roughly half of the children do not even enroll in primary education. On the whole, the distribution of educational outcomes reveals that the Rawlsian difference principle has been observed in Pakistan to some extent. Similarly, the gender disparity (captured by the difference between male and female secondary enrollment rates) decreased in Pakistan during the study period.

In terms of heath outcomes (objectives 4 to 6), the least advantaged group has registered improvement in weaker form as the access of these services has gone in their favour. However, they became relatively worse off in terms of child mortality outcome because the growth rate of their improvement (24.7%) was less than that of the most advantaged group (32.1%). The maternal health indicator reveals that seventy percent of mothers belonging to the bottom ten percent population still do not have access to maternal health facilities. In contrast, the index of protection against diseases showed noticeable improvement for bottom ten percent of population. These results pertaining to health indicators reflect a mixed outcome in terms of provision of Rawlsian justice.

The target for Goal 7 and 8 broadly relate with standards of living. The results show that though living conditions have improved overtime for bottom ten percent population in weaker as well as strong forms, however more than seventy five percent population of the least well off class is still devoid of it. Finally, Pakistani society showed the largest improvement in connecting all of its segments to the global order. In other words, Pakistan created the largest expansion in the provision of a good (Goal 8) that has the least importance in the Rawlsian list of primary goods.

Table 4.1: Availability of Social Goods to the Least Advantaged (%):

Weak and Strong Forms Evaluation

		Weak form of Improvement				*Strong form of Improvement*	
		Bottom 10%		Upper 10%		Bottom 10%	Upper 10%
Goal	Indicators	2001-02	2013-14	2001-02	2013-14	% Change	% Change
1	Income Shares	0.53	0.46	35.30	36.27	-13.21	2.75
	Avg. Per capita Annual Income	494.9	635.9	33384.7	49907.6	28.47	49.49
2	Primary Enrollment Rate	54.4	54.3	84.7	77.2	-0.04	-8.81
	Primary Completion Rate	23.4	40.0	56.2	67.5	70.70	20.16
3	Male Secondary Enrollment Rate	39.6	52.8	64.4	75.3	33.16	16.78
	Female Secondary Enrollment Rate	21.5	38.1	59.1	70.0	77.21	18.36

		Weak form of Improvement				Strong form of Improvement	
		Bottom 10%		Upper 10%		Bottom 10%	Upper 10%
Goal	Indicators	2001-02	2013-14	2001-02	2013-14	% Change	% Change
	Gender Disparity Rate	18.1	14.7	5.3	5.3	-19.08	-0.94
4	Child Mortality Rate	54.0	67.3	56.7	74.9	24.72	32.11
	Immunization against Measles rate	55.1	60.3	75.5	77.9	9.55	3.18
5	Maternal Health Services Availability rate	8.7	29.2	54.1	70.5	236.45	30.34
6	Availability of Immunization against diseases	40.5	66.0	67.4	83.1	62.80	23.36
7	Rate of Provision of Living Goods in Slums	4.7	23.5	46.3	68.7	404.51	48.59

		Weak form of Improvement				Strong form of Improvement	
		Bottom 10%		Upper 10%		Bottom 10%	Upper 10%
Goal	Indicators	2001-02	2013-14	2001-02	2013-14	% Change	% Change
8	Connectivity Rate	15.5	79.3	49.8	96.6	410.10	94.15

Source: Authors' calculations

Analysis on the Basis of Strongest FormCriterion

For examining the performance of extending the social goods to the least well off class in the strongest sense, the percentage shares reflecting access to any primary good in Table 4.1 need to be converted into some quantifiable scale. This is possible only in case of target 1 of objective 1 (average per capital income) which is measured in Rupees. It does not seem appropriate to apply this criterion to the other goals as the comparison between changes in absolute shares of population having access to the basic social good in the bottom and top quintile makes little sense. The results for goal 1 given in Table 4.2 show that the change in per capita income of the bottom ten percent population was less than that of the upper ten percent population. It implies that the least well off class became worse off in the strongest form in income per capita dimension.

Table 4.2: Strongest Form Evaluation: Based on Household Per Capita Income Analysis

Goal	Target	Bottom 10%			Upper 10%		
		2001-02	2013-14	Change over time	2001-02	2013-14	Change over time
1	Average Per capita Annual Income	494.9	635.9	140.9	33384.7	49907.6	16522.9

Source: Authors' calculations

5: Conclusion

Policy makers have been struggling to introduce modern liberal order in Pakistan. According to Rawls, one of the basic requirements of achieving such a social order is the provision of liberal justice to the least advantaged group of society. This paper examined the extent to which Pakistani state has been able to provide liberal justice to its citizens. Using MDGs targets as bench mark for defining the list of primary social goods within the Rawlsian framework, we found that income inequalities increased overtime between the least and the most advantaged groups in Pakistan even in its weak form. This outcome implies that growth process has not been inclusive. Similarly, despite some relative improvement, educational attainment poverty has remained on the higher side in the least advantaged group. On the other hand, indicators related to health showed improvement in favor of the least advantaged and so was the case for living conditions and connectivity with the global world order.

These results indicate that authorities in Pakistan are making efforts to provide liberal capitalist justice to its citizens in the Rawlsian sense, however, the speed of provision has been slow. This may be due to the reason that the current policy framework focuses largely on extending the frontiers of primary social goods in general without paying special attention to the question 'to whom they are flowing?' Rawlsian system of justice emphasizes that it is not the provision of primary social goods *per se* that is

important, how and to whom those goods are distributed is more relevant question from the point of view of liberal capitalist justice. Hence, a shift in the emphasis in policy design is required in favor of the least advantaged group.

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