**Types and Causes of poverty**

* *Situational*: This particular type of poverty is usually temporary as it involves a crisis or loss occurring. Events connected with situational poverty include environmental disasters, divorce, or severe health problems.
* *Generational*: This type of poverty involves the birth of two generations into poverty. Because they were born into this situation, they usually don’t have the tools to help get themselves out of it.
* *Absolute*: People in absolute poverty don’t even have basic necessities like a roof over their head, food, and water. Their only focus is on surviving each day as it comes.
* *Relative*: This type of poverty is known as relative because it is relative to the average standard of living in that person’s society. What is considered high income in one country could be considered middle or low income in another. If a family’s income isn’t enough to meet the average standard of living, they are considered to be in relative poverty.
* *Urban*: This particular type of poverty is only for metropolitan areas with populations over 50,000. Overcrowding, violence, noise, and poor community help programs make it even more difficult for people suffering of this type of poverty to get out of it.
* *Rural*: Like urban poverty above, rural poverty occurs only in specific area types. These areas are nonmetropolitan with populations below 50,000. The low population limits services available for people struggling financially, and a lack of job opportunities only compounds the problem.

**(Living on less than $2 a day feels like an impossible scenario, but’s a reality for around**[**600 million people**](https://worldpoverty.io/)**in our world today. Approximately 8% of the global population lives in extreme poverty, commonly defined as surviving on only $1.90 a day, or less)**

In Pakistan, currently more than 24% people are living below the poverty line. People in the rural areas are poorer than in the urban areas. Pakistan and foreign economists have different criteria to describe poverty. According to some foreign economists, if a person's daily income is less than one dollar a day, then he is considered as living below the poverty line. But generally it is 1.9 dollars. The people who earn less than that are said to be living under poverty line.

The biggest reason for poverty in Pakistan is the **backwardness of the agriculture sector**. Data from the agriculture census of Pakistan, shows that cultivated land in unequally distributed in Pakistan. Poor farmers have no availability of adequate and cheap fertilisers, pesticides, quality seeds, water, latest technology and consultancy services. They have no capital to improve their lands, that's why their income level is low and poverty especially prevails in the rural areas.

The second reason for poverty is the **unfair distribution of income** among people. The poor are becoming poorer and the rich becoming richer. In Ayub's era there were 22 families, who had control of the majority of the national income. In the present, the situation is the same with a slight difference.

Such unequal distribution of income is creating restlessness among the less income class. They have less money to fulfil their basic needs like food, health, education and housing etc, that's why the poverty level is growing day by day. In fact, the non-adoption of Islamic economic system and the capitalistic system are responsible for such an unfair division of wealth.

The third reason for poverty is the **rapidly growing population** of the country. Population-wise Pakistan is the 5th largest country in the world and its population growth rate is 2.04%, in 2019 which is the 2nd highest in the region. Pakistan's GDP growth rate have been 3.3% in 2019.

So, there is a shortage of goods and services like food, clothing, housing facilities, education and health etc all these things are inadequate to meet the necessities of a growing population. One earning hand has to feed a large number of family members. Due to the high level of demand and less production, there is poverty.

The fourth reason for poverty is **inflation**. Due to inflation, the salaried and fixed income group is more affected than the business class. The employees' salaries are not increased by the government in proportion to inflation, but their expenditures are increasing, day by day.
Less income and the low level of saving are responsible for poverty. Increase in the prices of oil at the international level is also enhancing poverty.

Fifthly, our **industrial sector is very backward** the share of this sector in national income is 20.3%, which is very low as compared to the developed economies.
Due to industrial backwardness, our exports are less, rather we have to import electrical and industrial items at high rates. A huge portion of foreign exchange reserves in consumed for industrial imports. The low level of living and poverty is related to the backwardness of this sector directly of indirectly.

The sixth reason for poverty is the **low level of education** and the defective education system. In Pakistan, the literacy rate is only 62.3% (2017-18), which is very low in the world. Due to the few technical, engineering and research institutions, the productivity of labour is very low and our human resources are outdated, both qualitatively and quantitatively.

Women are not given the chance to participate in national, economic, social and educational activities. Due to the scarce access to education, the majority of people have a low level of income, directly of indirectly, resulting in poverty.

Seventhly, **poor governance** is responsible for creating poverty. Good governance is an essential and important pre-condition for growth and development. But in Pakistan, such a scenario is different. People have less access to justice and national decision making. There is corruption, political instability, a disturbed law and order situation, red tapism, terrorism, bomb blasts and delay in the system etc.Such things are hurting the public's confidence, and they take less interest in the different economic activities. Due to low production, there is general poverty.

The eight reason for poverty is the **weak taxation system**. If the taxation system is not in favour of the general public and the investment sector, then output and economic activities would be sluggish.Indirect taxes like general sales tax, customs duty, excise duty etc, affect the investment climate and poor consumers greatly. Ultimately there will be poverty. Black marketing, hoarding, smuggling, profiteering, nepotism, **corruption** of a specific community is exploiting the poor people of Pakistan, making them more poor.

**Inequality And Marginalization**: “Inequality” is an easy, but sometimes misleading term used to describe the systemic barriers leaving groups of people without a voice or representation within their communities. For a population to escape poverty, all groups must be involved in the decision-making process — especially when it comes to having a say in the things that determine your place in society. Some of these may be obvious, but in other situations, it can be subtle.

Gender inequality, caste systems, marginalization based on race or tribal affiliations are all economic and social inequalities that mean the same thing: Little to no access to the resources needed to live a full, productive life. When combined with different combinations of vulnerability and hazards which comprise the rest of this list — a marginalized community may become even more vulnerable to the cycle of poverty.

**Conflict** is one of the most common forms of risk driving poverty today. Large-scale, protracted violence that we’ve seen in areas like Syria can grind society to a halt, destroying infrastructure and causing people to flee (often with nothing but the clothes on their backs). In its tenth year of conflict, Syria’s middle class has been all but destroyed, and over 80% of the population now lives below the poverty line.

But even small bouts of violence can have huge impacts on communities that are already struggling. For example, if farmers are worried about their crops being stolen, they won’t invest in planting. Women also [bear the brunt of conflict](https://www.concernusa.org/story/an-uphill-battle-for-women-in-conflict/), which adds a layer of inequality to all conflict: During periods of violence, female-headed households become very common. And because women often have difficulty getting well-paying work and are typically excluded from community decision-making, their families are particularly vulnerable.

### Hunger, Malnutrition, And Stunting, one might think that [poverty causes hunger](https://www.concernusa.org/story/top-causes-world-hunger/) (and you would be right!), but hunger is also a cause — and maintainer — of poverty. If a person doesn’t get enough food, they’ll lack the strength and energy needed to work (or their immune system will weaken from malnutrition and leave them more susceptible to illness that prevents them from getting to work).

The first 1,000 days of a child’s life (from womb to world) are key to ensuring their future health and likelihood of staying out of poverty. If a mother is malnourished during pregnancy, that can be passed on to her children, leading to wasting (low weight for height) or stunting (low height for age).

### Poor Healthcare Systems — Especially For Mothers And Children; Extreme poverty and poor health often go hand in hand. In countries where health systems are weak, easily preventable and treatable illnesses like malaria, diarrhea, and respiratory infections can be fatal — especially for young children. And when people must travel far distances to clinics or pay for medicine, it drains already vulnerable households of money and assets, and can tip a family from poverty into extreme poverty.

For some women, pregnancy and childbirth can be a death sentence. In many of the countries where Concern works, access to quality maternal healthcare is poor. Pregnant and lactating mothers face a multitude of barriers when seeking care, from not being allowed to go to a clinic without a male chaperone to receiving poor or even abusive care from a doctor. This is especially true for adolescent girls aged 18 and under, leaving mothers-to-be and their children at increased risk for disease and death.

### Little Or No Access To Clean Water, Sanitation, And Hygiene; Contaminated water can also lead to a host of waterborne diseases, ranging from the chronic to the life-threatening. Poor water infrastructure — such as sanitation and hygiene facilities — can compound this, or create other barriers to escaping poverty, such as keeping girls out of school during menstruation.

### Climate Change; [Climate change creates hunger](https://www.concernusa.org/story/climate-change-food-security/), whether through too little water (drought) or too much ([flooding](https://www.concernusa.org/story/bangladesh-underwater-humanitarian-crisis/)), and its [effects contribute to the cycle of poverty](https://www.concernusa.org/story/effects-of-climate-change-cycle-of-poverty/) in several other ways including disproportionately affecting women, creating refugees, and even influencing conflict. One World Bank estimates that [climate change](https://www.concernusa.org/story/tackling-climate-change-to-reduce-poverty/) has the power to push more than [100 million people](http://www.worldbank.org/en/news/feature/2015/11/08/rapid-climate-informed-development-needed-to-keep-climate-change-from-pushing-more-than-100-million-people-into-poverty-by-2030) into poverty over the next decade.

Many of the world’s poorest populations rely on farming or hunting and gathering to eat and earn . So when climate change or natural disasters (including the widespread droughts ) leave millions of people without food, it pushes them further into poverty, and can make recovery even more difficult.