Effects of Benazir Income Support Program on Socio-economic Conditions of Rural Area of District Peshawar

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Abstract

The study was conducted in the rural area of District Peshawar since 2025, with the primary objective of examining the effects of BISP on the socio-economic conditions of its beneficiaries. The total number of respondents was 227, with 47 from Suleman Khel, 45 from Khazana Bala, 63 from Afithozai, and 72 from Afithozai. The pair t-test was used. The mean monthly income of BISP was Rs. 41489, and without BISP, it was Rs.27588. The t-value is 5.526, and the P-value is 0.000. The result is significant, explaining that BISP has increased the monthly income of the respondents. However, the after-program monthly mean expenditure with BISP is Rs. 36179, and without it is Rs.31609. The t-value is 14.934, and the P-value is 0.000. Therefore, the result is highly significant, indicating that BISP has improved the expenditure level of the respondents. Similarly, the monthly savings with BISP was Rs 1939, and without the BISP fund, it was Rs. 4018. The t-value is 16.953, and the P-value is 0.000. The result is highly significant, indicating that the savings after the program were improved. The major problems and constraints faced to women beneficiaries are: fund was not available in time; the cash was less than their requirement; the fund was not available at the door steps; based on problems the study recommend that to provide fund according to their requirement; deliver at their door steps and offer at the proper time to beneficiaries in the study area.

Keywords: BISP Income Support, Socio-economic Conditions, District Peshawar.

Introduction

Different approaches have been used for the development of a country. Among these approaches, the Benazir Income Support Program (BISP) was a well-known initiative used by the then-government to empower rural women. In the initial stage, this program provided a Rs. 1000/month stipend to poor women across the country. Similarly, this stipend was increased to Rs. 1,500 in 2013, and then further increased to Rs. 5,500 per month in 2019. However, in 2022, it was increased to Rs. 7,000, while now, in 2024, it has reached Rs. 10,500/month. This program was further extended to different beneficiaries based on their needs and eligibility, including Kifalat, Taleemi Wazaif, and Sehat Sahulat Program, among others. The stipend was provided to those women who have a National Identity Card, no government job, a monthly income of less than 30000, and have not availed the other government program benefits, etc. (Aslam, 2023).

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The brief history of the Benazir Income Support Program argues that Benazir Bhutto initiated the idea, the program was established in 2008 by President Asif Ali Zardari. The primary objective was to protect the children and women from the natural shock and to provide a safety net to the poorest society of the country, particularly women, while providing cash transfers to eligible families for their basic requirements, whose monthly income was less than Rs. 6000. However, they also have a National Identity Card. However, they would be widow and without male members, while disabled and mentally disabled females were also eligible for this cash. Later, this program was extended to the entire country of Pakistan, and each Parliamentarian had the authority to distribute 8,000 forms within their constituency. The National Database Authority approved the application. A final list was compiled, and the funds were distributed via the postal service to the eligible households.

The following members have served as Chairperson of the Benazir Income Support Program at different times. In July 2008, Farzana Raja was the Chairperson of the BISP, while Enver Baig took charge of the office in November 2013. However, in February 2015, Marvi Memon assumed the leadership of the office. Similarly, Sania Nishathar was the Chairperson in October 2018, while Shazia Mari took charge of this office as Chairperson in April 2022. BISP played a significant role in poverty reduction. At the same time, some have criticized this program, claiming that it is used for political purposes to give more votes in the country and secure a government position in Pakistan. People's criticism is on one page, while women in Pakistan never ignore its benefits. Through this program, their economic empowerment improved, and now the men show respect to them in family and play a significant role in household decision-making.

Regarding the household poverty scorecard system, the scorecard system has initiated proxy means testing to identify individuals in need. The World Bank conducted a 13-question survey that inquired about expenses and assets. This system was initially implemented in 16 districts but later expanded nationwide. BISP has a monitoring system that tracks all individuals to ensure program balance. Today, this program has initiated the Waseela-e-Haq program for the economic empowerment of women in Pakistan. At the same time, the Waseela Thaleem Program and Sehath were also implemented to enhance education and Sehath, respectively. Similarly, Waseela-e-Rozgar was continued for the eligible families. They also provide emergency relief in the country in the time of crisis (ibid).

Despite the Benazir Income Support Programme (BISP) being explicitly designed to empower women through direct cash transfers, a critical gap remains in understanding its specific impact on the autonomy of intra-household decision-making among rural women in the culturally conservative context of District Peshawar, Khyber Pakhtunkhwa. While national-level studies indicate that BISP enhances women's economic agency (Cheema et al., 2020), the localized effects on key domains of decision-making—such as healthcare expenditures, children's education, income allocation, and personal mobility—within rural Peshawar households are empirically underexplored. This gap is significant given the region's deeply entrenched patriarchal norms (Khurshid et al., 2023), socioeconomic constraints (Hussain, 2022), and infrastructure limitations, which may uniquely mediate program outcomes. Furthermore, BISP's reliance on digital payment mechanisms (e.g., the Benazir Debit Card) faces operational challenges in rural Peshawar due to connectivity issues and low digital literacy (Khan & Ahmed, 2023), which may undermine the intended empowerment effects. Existing evaluations also prioritize quantitative metrics over qualitative insights into how power dynamics shift within households (Khalid & Sultana, 2024), leaving it unclear to what extent BISP participation expands women's influence in decisions, which sociocultural factors (e.g., male backlash, kinship pressures) constrain or amplify this impact, or how payment modalities shape practical autonomy. Addressing these questions is essential to optimizing BISP's gender-transformative potential in this specific context and informing evidence-based refinements to social protection delivery in culturally complex rural settings.

Ahmad et al. (2021) discussed how the BISP has a significant impact on women's lives and poverty reduction. They further explained that fairness is required in the future for poverty reduction and decision-making. Nayab and Farooq (2014) investigated how cash transfer programs serve as a tool to solve problems faced by poor communities. The Benazir Income Support Program is a well-known initiative that provides an unconditional amount to low-income women in Pakistan. Iqbal et al. (2020) argued that the BISP program has improved the socioeconomic and political empowerment of women in the country. Similarly, this program continuation has brought significant change in women's empowerment in the past.

Ambler and Brauw (2017) explained that large-scale government cash transfers play a significant role in reducing poverty and providing social protection. They analysed that BISP has improved decision-making for women, increased access to resources, and enhanced children's education, while also improving women's respect within their homes. Similarly, Phulpoto et al. (2022) conducted a study in Khairpur city. They argued that this program not only has a significant impact on women's empowerment but also has an impact on men. Therefore, the government must provide funds to men to enhance their capabilities, thereby promoting the country's development. However, Saba (2021) discussed how cash transfers have a positive impact on the empowerment, mobility, and income-generating activities of women. Recognizing its importance, this study was conducted to investigate the effects of BISP on the socio-economic conditions in District Peshawar.

Methodology

Research is a systematic, objective attempt to study problems in order to find solutions. Methodology refers to a systematic approach to conducting research, and logy means discussion; therefore, research methodology is the discussion of methods used for conducting research. The research methodology comprises five sections: universe of the study, sampling procedure and sample size, data collection tools, and data analysis.

The Universe of the Study

The Universe of the study is Peshawar District, located 160 km to the west of Islamabad. The total area is 1257 SqKm. Its total population, according to the 2017 census, is 4269079. The population is further divided into males and females. The male population is 2201257, and the female population is 2067591. The area is divided into rural and urban. The rural population is 2299037, and the urban population is 1970042. The total number of households in district Peshawar is 489,843; 253,787 are rural, and 236,056 are urban. The total number of village councils in District Peshawar is 227, with 216 village councils and 11 neighbourhood councils. Their urbanization process is at a standstill, having constructed many buildings on the ring road, which has resulted in the capture of agricultural land in the district. In rural areas, farmers cultivate their land and grow a variety of crops and vegetables. Nowadays, people have less land for agriculture. District Peshawar consists of four towns. The Benazir Income Support Program is also improving socio-economic conditions rural women in District Peshawar. The total number of beneficiaries of the Benazir Income Support Program in District Peshawar is 112,892 (as per the 2017 Census Survey, PBS, 2017).

Sampling Procedure and Sample Size

The Universe of the study is District Peshawar, which consists of 216 rural village councils. Among 216 rural village councils, four were randomly selected: Suleman Khel, Khazana, Regi, and Palosi. From each village council, one village was randomly selected, namely Suleman Khel, Khazana Bala, Afithozai, and Athozai, respectively. From the centre office in the villages, respondents were identified, and a census survey was carried out. The total number of respondents in the four villages was 227. Suleman Khel 47, Khazana Bala 45, Afithozai 63. While in Athozai, the total number of respondents was 72. The details of the respondents are given in Table 1.

Table 1: Sampled Distribution of the sampled respondents in the study Area

Name of village Council	Name of Village	Number of the Respondents	%
Suleman Khel	Suleman Khel	47	20.7
Khazana	Khazana Bala	45	19.8
Regi	Afithozai	63	27.8
Palosi	Athozai	72	31.7
Total		227	100

Data Collection Tools

This data was the first hand data. Through interview schedule the primary data was collected from the selected respondents in the field in 2024 and then that data was edited for the analysis. The edit data was entered into the computer and through SPSS data was analyzed.

Data Analysis

The Benazir fund was provided on quarter basis, to the beneficiaries of the study area. So the with fund and without fund monthly Income, monthly Expenditures and monthly saving means were compared and for analysis Pair t-test was used. Pair t-test is a statistical test used to determine if there's a significant difference between the means of two related sets of data. The detail is given below: -

i. Pair-test

Pair test was used for comparison of with and without fund situation of the BISP. The formula is given below: -

$$t = \frac{\sum d}{\sqrt{\frac{n(\sum d^2)-(\sum d)^2}{n-1}}}$$

Where

a. d= difference of pair of two samples

b. ∑d= Sum of the Differences

c. n= Sample Size

d. t= Sum of differences each pair of two samples, divided by the square root of n times the sum of differences squared minus the sum of the squared differences divided overall by n-1. The major independent variables are income, expenditure and saving in this model.

Results and Discussion

There the income, expenditure, saving with fund and without fund means have been compared and the empirical results detail is given below:-

Effects of Benazir income Support Program on Monthly Income of the Sampled Respondents

Income play great role in the development of a country and without income the development of the country is impossible. Benazir income support program have provide fund to women poor community of District Peshawar and its objective was that how to improve the economic condition of the poor people. Table 1 indicates the effect of BISP on monthly income of the sampled respondents in the study area. The t-test was applied for comparison of without BISP fund and with BISP fund of the sampled respondents. The monthly income means with program of BISP was Rs.41489 and without was Rs.27588 and difference was Rs.13901, while the t-value is 5.526 and P-value is .000. The t-test shows that the probability value is less than 0.05 confidence interval, so the result is significant and it explain that BISP has increased the sampled respondents' monthly income significantly.

Nayab and Farooq (2014) investigated that Cash transfer programs are the tool through which they can solve any problem in the world. They further told that it is a magic bullet which play great role for reducing of poverty. Different program in different times have been used in the past for controlling the poverty. They provide cash to people in easy way which they used for their education, consumption and for their construction of house while slowly gradually it reduces the poverty. Among these safety nets, Benazir Income support program is a well-known program where unconditional amount is transferred to poor women in Pakistan. However, the women run some small business in the home and earn the money which they further used in other activities of the household. Social protection is a right of the government to give society of the country as a social safety net. Finally it concludes that it improve the income level which further push the consumption and improve the status of the family.

Table 2: Effects of Benazir income support program on monthly income of the sampled respondents in the study area

Monthly Mean Income BISP with fund	Monthly Mean Income Without BISP Fund	Differences	% Change	Standard Error	Degree of Freedom	t-values	P-values
Rs.41489	Rs.27588	Rs.13901	50	2515.39217	226	5.526	.000

Effect of BISP Fund on Expenditure of the Sampled Respondents

The BISP Staffs paid fund to sampled respondents in rural area of District Peshawar. They have spent this fund also in the expenditure. Through BISP their expenditure was improved. For without and with BISP fund comparison was processed and the t-test was applied. The result is given in table 2. After the program the monthly mean of expenditure with BISP is Rs.36179 and without is Rs.31609, difference is Rs.4570, standard error is 306, Degree of freedom is 226, t-value is 14.934 and P-value is .000.

The t-test result indicates that the P-value is less than the confidence interval level 0.05. So the result is highly significant and it shows that the BISP has improved the expenditure level of the sampled respondents in the study area and it is the good sign of BISP which have also improved the health status, clothes status and house status etc. of the sampled respondents of the study area which have latter on improved the decision making of the sampled respondents in the study area. There the all respondents were the female and before this program, their decision making power in the household matter was scares, while now it was improved after BISP implementation in the study area.

Uddin (2021) argued that Benazir Income Support Program has great impact on monthly expenditure on the sampled respondents. Similar situation is also in the present study. The program fund pay to the beneficiaries which increase the income level of the beneficiaries and then they push the expenditure of the respondents. Through this income their clothes food, education and house expenditures are also improved while it also pushed the economy of the study area..

Table 3: Effect of Benazir income Support Program on monthly expenditure of the sampled respondents in the study area

Monthly Mean Expenditure With BISP Fund	Monthly Mean Expenditure Without BISP Fund	Difference	Standard Error	Degree of Freedom	t-values	P-values
Rs.36179	Rs.31609	RS.4570	306	226	14.934	.000

Effect of BISP Fund on Monthly Saving of the Sampled Respondents

Benazir income support program has also affect ed the monthly saving of the sampled respondents in the study area which has pushed the income level and expenditure of the study area. Table 3 shows the Effect of Benazir income support program on monthly saving of the sampled respondents in the study area. According to table monthly saving with fund was Rs.1939 and without BISP fund was Rs.-4018, Difference is Rs.5957 while standard error is 359, degree of freedom is 226, t-value is 16.953 and P-value is .000. The result indicates that with program fund the monthly saving was improved and the result is highly significant because the P-value is less than 0.05. So it is the good sign of BISP program. Through saving their purchasing power in expenditure and investment was improved and it has also affected the power of the sampled respondents of the study area. The sampled respondents were female. Through saving their clothes status, health status and Children education status was improved. So BISP has played great role in the enhancement of rural economy.

Cheema (2020) reported that BISP fund improve the saving of the sampled respondents. They invest this fund in small business which have improved the income level of the sampled respondents in the study area, which later on improved the saving of the sampled respondents. Such type situation is also observed in the present study. There the saving is also improved.

Table 3: Effect of Benazir income Support Program on monthly saving of the sampled respondents in the study area

Monthly Mean Saving After BISP	Monthly Mean Saving Before BISP	Difference	Standard Error	Degree of Freedom	t-values	P-values
Rs.1939	Rs.-4018	Rs.5957	359	226	16.593	.000

Problems and Constraints Faced to Sampled Respondents

Problems and constraints are hurdles which are faced to sampled respondents in the study area. It affects their income level as well as decision making of sampled respondents which affect the economic growth of the household. Table 4 shows problems and constraints which are faced by sampled respondents in the study area. According to table 99.6% respondents claim that the fund of the program in time was not available while 0.4% respondents told that the fund was available in time. The majority respondents did not obtain the money in time and because of this their daily activities were affected which make hurdles for long run. Similarly, 98.7% respondents told that the fund was very short which does not fulfill the requirement of the daily basic needs, its improvement is required for enhancing the economic growth of the sampled respondents in the study area while 1.3% respondents claim that the fund was sufficient. However, transportation system was claimed by 97.8% respondents. They told that the transportation system is not good and from long way they come on foot for receiving the fund while 2.2% respondents told that transportation system is good.

According to table 82.2% respondents told that household head did not allow for outside business while 17.8% respondents claim that they allow for business for outside the home. About 98.2 % respondents claim that Parda is great hurdles which affect their activities outside the home. The project area people are religious mind, so, they do not allow their female outside the home for any activity while 1.8% respondents reported that they have no hurdle for the Parda. About 98.2% respondents argued that illiteracy is the great problem of the study area. Out of total only 6.17 % respondents have only middle, Matric and FA/FSc level qualification. The remaining all are illiterate and they cannot read and write in any language. They told that it is the great hurdle for economic growth enhancement of the household. Non availability of job is also the great problem of the sampled respondents in the study area. About 96.9 % respondents told that there is no job opportunity in the study area. Majority people are unemployed and can do no work for the household development while 3.1% respondents told that job opportunity is good and they work in the other people house and earn the money which play great role in the development of their household economy. Similarly, 98.2 % respondents told that the environment for business is unfavorable while 1.8 argues that the environment is suitable for business activity.

About 83.3% respondents explained that the husband do not cooperate with them for outside the home work while 16.7% cooperate with them for outside the home work. Culture issues are also faced to sampled respondents in the study area. About 99.1 respondents recorded that they face the culture issue in the study area. The people say that female is for the house while not for outside work. There the religious mind people are more in the study area and they want to keep the female in Parda and not outside the home. Similarly, 0.9% respondents say that there is no culture issue in the study area. There the main problem is the low income.

The people work as labor and earn the money. Similarly get the money from Alms and Zakath as well as from Benazir income support program. About 99.1% respondents claim that the main problem is the low income of their families. They cannot afford the cost of their children education as well as medicine for treatment of health while also do not afford the cost of their basic needs due to low income of the family, while .9% respondents told that they have no hurdle in income. However, 86.3% respondents claim the bad attitude by money distributer while 13.7% respondents have no claim about misbehave of the money distributor. The discussion concludes that many problems and constraints are the hurdle for sampled respondents for enhancing their household economies. There the BISP paid money to them while it is less than their requirement and because of this their economic growth are affected which also affect the decision making power of the household of the sampled respondents in the study area.

Table 4: Problems and constraints were faced by sampled respondents in the study area

Name of Problems and Constraints	Yes	%	No	%	Total	%
In time Availability of Fund	226	99.6	1	0.4	227	100
Shortage of Fund	224	98.7	3	1.3	227	100
Transportation system	222	97.8	5	2.2	227	100
Husband permission for outside business	188	82.2	39	17.8	227	100
Hurdle of Parda	223	98.2	4	1.8	227	100
Hurdle of Illiteracy	213	93.83	14	6.17	227	100
Non availability of Job	220	96.9	7	3.1	227	100
Unfavorable Environment for Business	223	98.2	4	1.8	227	100
Non Cooperation of Husband	189	83.3	38	16.7	227	100
Culture Issue	225	99.1	2	0.9	227	100
Low income	225	99.1	2	0.9	227	100
Bad Attitude by Money Distributor	196	86.3	31	13.7	227	100

Conclusion

The study concludes that BISP has improved the income, expenditure and savings of the beneficiaries. The results show that the fund has increased the income level of the beneficiaries, which has led to increased spending and savings among the sampled respondents. The income was paid to female respondents in the study area. They have spent this money on various household items to fulfil the basic needs of the respondents. Similarly, their house status, health status, and clothes status were improved, which has improved the socio-economic conditions of the women beneficiaries. The study concludes that many problems were faced by the women respondents, which have affected the outcome of the BISP beneficiaries in District Peshawar. Now, the women know that business is limited to a certain amount that they are allowed to establish and conduct a company in the study area. The study concludes that cash transfers increased the socio-economic conditions of the women. Based on the identified problems, the study recommends providing funds promptly at their doorstep. Similarly, funds should be allocated according to their requirements, while honest staff should be appointed to ensure the safety of BISP. Favouritism and nepotism should be controlled in the study area, and funds should be allocated every month.

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