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Research Article

Social Safety Nets and Household Welfare: Insights from the Benazir Income Support Program in District Bhakkar

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ABSTRACT

Poverty is a complex problem that affects millions of people worldwide. Despite the various measures taken, there is still a long way to go in eradicating poverty and improving the standard of living for all. The Benazir Income Support Program (BISP) is the largest cash transfer initiative in Pakistan, designed to improve the well-being of the targeted population, thus playing a crucial role in addressing the multifaceted challenges of poverty. This quantitative study evaluated the impact of BISP on socioeconomic development in district Bhakkar. For this purpose, primary data of 320 households was collected through self-administered questionnaires across all four tehsils of district Bhakkar, namely Bhakkar, Darya Khan, Mankera, and KallurKot. The study employed Propensity Score Matching (PSM) technique to estimate Average Treatment on the Treated (ATT) effect. Results indicate a significant, positive impact of BISP cash grants on per capita monthly total expenditures, mainly on food and health expenditures, as well as a positive effect on women's employment rates. This research provides valuable insights into role of BISP in improving household welfare and socioeconomic development, offering important considerations for policymakers aiming to optimize cash transfer programs in similar contexts.

Key Words: Benazir Income Support Program, Social Safety Net, Poverty Reduction Strategies, Propensity Score Matching, Impact Evaluation.



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INTRODUCTION

Poverty remains one of the most pressing challenges facing developing nations, including Pakistan. Despite significant strides in economic growth, a large portion of the population continues to live below the poverty line, struggling to meet basic needs such as food, healthcare, and education. The World Bank (2023) reports that over 8.5% of the global population, amounting to approximately 659 million people, live in extreme poverty, with incomes insufficient to sustain even the most basic standards of living. In Pakistan, this challenge is compounded by socio-economic factors such as political instability, limited access to quality education, and unemployment, all of which deepen poverty's impact. In 2023, the poverty headcount ratio in Pakistan is estimated to rise to 39.4%, marking a significant increase from previous years (World Bank, 2023). This persistent poverty, exacerbated by crises such as the COVID-19 pandemic and economic instability, highlights the urgent need for effective interventions (Abbas et al., 2021; Awan et al., 2020). In response to these challenges, the Pakistani government has launched a variety of social safety net programs, with the Benazir Income Support Program (BISP) being one of the largest and most significant. BISP aims to provide financial assistance to low-income households, improving their access to basic services and

Reducing the immediate pressures of poverty. However, while such programs are critical in addressing short-term financial needs, their long-term effectiveness in improving overall household welfare remains a subject of debate. Studies have shown that while cash transfer programs like BISP offer essential relief to vulnerable populations, their impact on broader socio-economic outcomes such as education, health, and employment opportunities is still not fully understood (Naeem et al., 2021; Ahmed et al., 2019).

This paper focuses on assessing the effectiveness of the Benazir Income Support Program in improving household welfare in District Bhakkar, a rural area where poverty rates are significantly higher than the national average. By examining the specific challenges faced by recipients in Bhakkar, this study aims to provide valuable insights into the role of social safety nets in fostering sustainable poverty reduction. The findings will contribute to the ongoing discussion about the potential of such programs to not only provide immediate financial relief but also promote long-term improvements in the socio-economic conditions of vulnerable communities.

LITERATURE REVIEW

Theoretical Review

This theoretical review section explores the conceptual framework of social safety nets as a poverty reduction strategy. It includes diverse perspectives such as the capability approach, human development approach, and social exclusion approach (Hagen et al., 2017), emphasizing the need to address the multifaceted nature of poverty. Poverty, as defined by the World Bank (2022), involves pronounced deprivation of well-being, encompassing material deprivation, social exclusion, and limited opportunities (Sen, 1992; Alkire & Santos, 2014). Social safety nets are aimed at addressing these complex and multidimensional aspects of poverty to improve the welfare of individuals and communities.

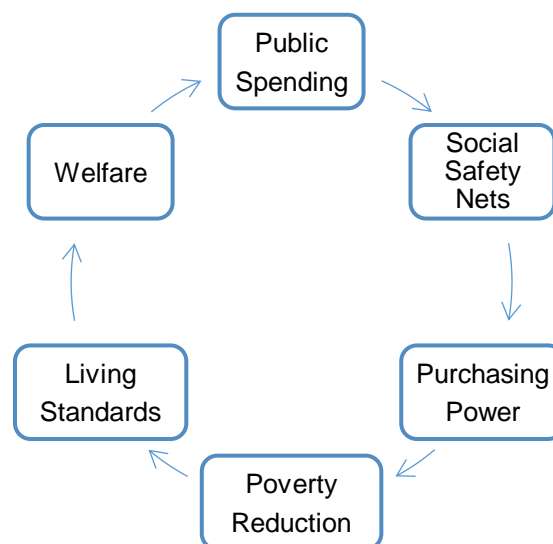


Figure 1. Social Safety Net and Welfare of the Poor.

Note: This illustration developed by the author, depicting the conceptual framework of the social safety nets. Cash transfers, whether unconditional or conditional, are a crucial component of social safety nets around the world. It aims to alleviate poverty by providing direct financial support, enhancing individuals' capabilities, and promoting social inclusion (Hanlon et al., 2010; Fiszbein & Schady, 2009). The theoretical foundation of cash transfers is grounded in the capability approach, which emphasizes expanding individuals' freedoms and abilities to lead lives they value (Sen, 1999). By directly increasing the financial resources available to households, cash transfers enable recipients to make choices that improve their well-being, thus addressing both material deprivation and social exclusion. Moreover, cash transfers can have transformative effects on social inclusion by empowering marginalized groups, such as women and individuals with disabilities. By providing them with financial resources, cash transfers can enhance their participation in social and economic activities, thereby reducing social inequalities and promoting a more inclusive society (Banerjee et al., 2015; Ali, Shafiq & Saeed, 2025). In conclusion, cash transfers represent a critical intervention within the broader framework of poverty reduction strategies. Their ability to address multiple dimensions of poverty—material deprivation, social exclusion, and limited opportunities—makes them an effective

tool for improving the well-being of individuals and communities. Understanding the theoretical foundations and contextual factors influencing the success of cash transfer programs is essential for their effective implementation and sustainability.

Empirical Review

The empirical evaluation of cash transfer interventions, has provided robust evidence on their impact on household welfare. Cash transfers, both conditional (CCTs) and unconditional (UCTs), have been extensively studied to understand their efficacy in improving various aspects of welfare in developing countries.

A notable study by Durr-e-Nayab (2014) examined the gender dynamics of cash transfers in Pakistan. They found that BISP not only increased women's financial autonomy but also led to positive spillover effects on education and health. Specifically, households receiving transfers were more likely to send their children, especially girls, to school, highlighting the broader social benefits of the program.

Haushofer and Shapiro (2016) conducted a notable study on UCTs in Kenya, demonstrating significant improvements in consumption, food security, and psychological well-being among recipients. Their findings indicate that cash transfers not only alleviate immediate financial stress but also enhance long-term economic stability by enabling households to invest in productive assets. Similarly, Abel (2011) found that UCTs in Malawi led to increased school attendance and reduced early marriages and pregnancies among adolescent girls, highlighting the broader social benefits of financial support. In Latin America, CCTs have shown substantial positive outcomes. Gelli et al. (2013) evaluated the impact of Mexico's Progres/Oportunidades program, revealing significant improvements in child health and education. Their research underscores the role of conditionality in ensuring that financial aid translates into human capital development. Additionally, Fernald et al. (2008) reported that CCTs in rural Mexico led to better growth outcomes in young children, emphasizing the importance of targeting nutrition and health as conditions for transfers.

Blattman et al. (2017) investigated cash transfers in Uganda, finding that large, one-time cash transfers significantly boosted earnings and employment among the youth. This study illustrates how cash transfers can stimulate entrepreneurial activities and labor market participation, leading to sustained economic benefits. In a similar vein, Banerjee et al. (2010) conducted a multicountry study on the impacts of comprehensive "graduation" programs, which combine cash transfers with training and other support. They found lasting improvements in income, assets, and well-being, suggesting that integrated approaches can amplify the benefits of cash transfers.

Systematic reviews, such as those by Duflo et al. (2012), have synthesized evidence across various contexts, confirming that cash transfers generally improve consumption, reduce poverty, and enhance education and health outcomes. However, the effectiveness of these programs can vary based on design and implementation, as well as the broader economic and social environment. Overall, these studies demonstrate that cash transfer interventions are a powerful tool for enhancing household welfare in Pakistan. They highlight the importance of program design and implementation in achieving desired outcomes and suggest that tailored approaches are necessary to address the unique challenges within the country.

The Present Study

Despite recent advancements in the study of impact evaluations for poverty reduction, the available evidence remains quite limited for impact of integrating different poverty reduction measures into one comprehensive program. There are notable gaps in understanding the combined impact of variables associated with different dimensions of poverty. Despite the available evidence on the impact of the BISP at the country level, there is a notable lack of data specific to district level. This study focuses on evaluating the efficiency and effectiveness of BISP in the underdeveloped district of Bhakkar in Punjab, Pakistan. Utilizing primary data from across Bhakkar, the study aims to analyze the welfare impacts of BISP within this specific context.

District Bhakkar predominantly comprises rural areas with a high prevalence of poverty, making it an important region for this analysis. The characteristics and conditions of Bhakkar may differ significantly from broader national findings, necessitating a localized study to understand the specific impacts of BISP in this district.

This research is essential for several reasons. Firstly, it addresses the gap in district-level impact evaluations of BISP, providing valuable insights into how the program affects household welfare in Bhakkar. Secondly, it offers a detailed assessment of various welfare dimensions, including total household expenditures, health expenditures, food expenditures, children's education, and women's employment. By examining the localized impacts of BISP, this study will contribute to a more nuanced understanding of the program's effectiveness, particularly in rural and

underdeveloped areas. This localized approach is crucial for tailoring social protection strategies to meet the unique needs of different regions, ultimately improving the overall efficacy of poverty reduction efforts in Pakistan.

RESEARCH METHODS

To estimate the welfare impact of the BISP on beneficiary households, this study employed the Average Treatment Effect on the Treated (ATT) technique. This quantitative approach, introduced by Donald B. Rubin in the 1970s within the framework of causal inference, provides a quantitative means of evaluating the impact of a treatment or intervention on its intended beneficiaries (Rubin and Rosenbaum, 1985).

Participants

Study Area

This study was conducted in all four tehsils of District Bhakkar, namely Bhakkar, Darya Khan, Mankera, and KallurKot. Although, the study area was selected using the Convenience Sampling Method—Convenience Sampling is when researchers leverage individuals that can be identified and approached with as little effort as possible, these are often individuals who are geographically close to the researchers. However, Bhakkar district has been significantly underrepresented in prior research that evaluates the effectiveness of BISP's cash transfers at the national level. This study aims to address this gap by focusing on understanding the impacts of social assistance programs in rural areas, particularly in economically disadvantaged regions like Bhakkar.

Recruitment

The target population for this study comprises two groups, the treatment and the control group. The treatment group consists of beneficiary households of the BISP, whereas the control group comprises non-beneficiary poor households with per capita expenditures below Rs. 3030 which represents the 2017 poverty line in Pakistan based on the cost of basic needs approach. A total of 320 households were selected using the purposive sampling method – Purposive Sampling refers to a deliberate approach researchers employ in selecting a sample population, even if it may not be statistically representative of the larger target population. As the name implies, researchers purposefully choose to focus on a specific community or group of individuals who align with the desired characteristics or attributes necessary to achieve their research objectives. The selected sample of 320 households includes 80 households from each tehsil, equally divided into 40 BISP beneficiary households and 40 non-beneficiary poor households. The rationale for targeting equal numbers of treated and control groups is to ensure that the allocation ratio of the total sample to these groups is evenly distributed (J-Pal, 2017). Allocating equal numbers to both groups maximizes statistical power and minimizes variance between the groups.

Summary Statistics

Summary statistics here provide a detailed comparison of the income and expenditure patterns between beneficiary and non-beneficiary households. Table 1 shows that both the groups have nearly identical monthly per capita income, with beneficiary households earning PKR 2,631.86 and non-beneficiary households earning PKR 2,602.56, showing a slight difference of PKR 29.30. In terms of expenditures, the differences are also minimal. Beneficiary households spend an average of PKR 2,483.62 per person each month, while non-beneficiary households spend PKR 2,386.23. Overall, the table demonstrates that both beneficiary and non-beneficiary households have very similar income levels and spending patterns, with only minor differences across various categories.

Table 1. Baseline Summary Statistics-A

Description	Average of Beneficiary Households	Average of Non Beneficiary Households
Monthly Per Capita Income	2631.86	2602.56
Monthly Per Capita Expenditure	2483.62	2386.23
Monthly Per Capita Food Expenditure	1710.75	1593.61
Monthly Per Capita Non-Food Expenditure	772.86	792.62
Monthly Per Capita Health Expenditure	268.95	248.35
Monthly Per Child Education Expenditure	482.55	476.61

Source: Author's Own Calculation; Note: All monetary values are reported in PKR.

Statistical Model

In this study, the Propensity Score Matching (PSM) method, as developed by Rosenbaum and Rubin (1983), is employed to estimate the welfare impact of the BISP on beneficiary households. The methodology involves three key

steps. First, propensity scores for both the treated and control units are calculated using binary logistic regression based on pre-treatment variables. Second, using these propensity scores, the treated units are matched with control units to compare differences in outcome variables between the two groups. Finally, the difference in the outcome indicators is interpreted as the treatment effect of the BISP intervention.

Mathematical Model for Propensity Score Matching

When $p(X_i)$ is the propensity score, X_i is a vector of pretreatment variables and b_i is likelihood of being treated, then;

$$b_i = X_i | p(X_i)$$

The second condition is that the un-confoundedness given the propensity score. Let assignment to treatment is assumed to be un-confounded i.e.

$$r_1, r_0 = b_i | X_i = b_i | p(X_i)$$

Where, r_1 and r_0 are expected outcomes of treated and controlled households. When assignment to treatment is un-confounded conditional on the variables pre-treatment X_i , then assignment to treatment will un-confounded given the propensity score $p(X_i)$. Average Treatment on Treated (ATT) effect of BISP is estimated by comparing the outcomes of two groups. First group includes beneficiaries of BISP and second is a comparison group of non-beneficiaries. It is determined with similar characteristics to beneficiaries group and with the only difference that comparison group does not received BISP cash transfers.

The Average Treatment on the Treated (ATT) effect is estimated by comparing the expected outcome of matched treated r_1 to matched controlled r_0 units for treatment as;

$$ATT = E(r_1 - r_0)$$

The outcome r_t to treatment t is observed only if any unit received treatment t , that is if $b = t$. If a randomly selected treated unit $b = 1$, compared to a randomly selected controlled unit $b = 0$, the expected difference in outcomes will be as (Rosenbaum & Rubin, 1983);

$$ATT = E\{r_{1i} | b_i = 1\} - E\{r_{0i} | b_i = 0\}$$

Given the balancing and un-confounded conditions of the propensity scores the expected difference in outcomes will be as follows;

$$\begin{aligned} ATT &= E\{E\{r_{1i} | b_i = 1, p(X_i)\} - E\{r_{0i} | b_i = 0, p(X_i)\}\} \\ &= E\{r_{1i} | p(X_i)\} - E\{r_{0i} | p(X_i)\} \\ &= E\{r_{1i} - r_{0i} | p(X_i)\} \\ &= E(r_{1i} - r_{0i}) \end{aligned}$$

Here r_{1i} is the potential outcome of beneficiary households and r_{0i} is the potential outcome of non-beneficiary households. In this way the difference between the outcome variables of beneficiary and non-beneficiary groups is termed as treatment effect which reflects the welfare impact of BISP. On the other hand, the welfare of people particularly poor cannot be calculated through a single variable or indicator. To assess the appropriate level of welfare of poor many indicators are used by several researchers in the literature. In the present study five indicators for welfare variable are used; monthly household's expenditures, food expenses of household, health expenses of household, school enrollment of children of aged 5-14 and women employment status of aged 18-60.

Balance

Balance in impact evaluation refers to the similarity between the treatment and control groups in terms of key characteristics or variables that may affect the outcome of the study. Achieving a balance between the treatment and control groups is essential in impact evaluations as it reduces the risk of bias and increases the validity and reliability of the study results. By ensuring that the groups are balanced, any observed differences in the outcome can be attributed to the intervention being studied, rather than any pre-existing differences between the groups. We conducted analyses at both the household and individual levels to assess balance. Our null hypothesis was tested against the following alternative hypothesis:

H0: The means of the primary outcome measures in the treatment and control groups were equal.

H1: The means of the primary outcome measures in the treatment and control groups were not equal.

At the household level, we examined several variables, including consumption, food security, assets, financial inclusion, income, and revenue. Our results indicate that there were no significant differences between the treatment and control groups in these variables, suggesting that the groups were balanced in these key factors (Table 1).

Data

This study aimed to evaluate the impact of BISP on a specific outcome of interest. To do this, the researcher collected primary data through self-administered questionnaires. The data for the study was collected in two rounds. In the first round, only information was collected about total monthly expenses and family size. The basic idea of first survey was to assess the per capita expenses of targeted households. Secondly, a final survey was held targeted at randomly selected units having per capita monthly expenditures on household level below the absolute poverty line of Rs.1745 (Pakistan poverty line 2012) to Rs.3030 (Pakistan poverty line 2017) according to first survey.

RESULTS

The study utilized the PSM method to assess the impact of BISP cash transfers on household welfare, based on a sample of 200 households. The welfare impact was evaluated across five key indicators: per capita monthly expenditures, per capita monthly food expenditures, per capita monthly health expenditures, school enrollment for children aged 5-14 years, and women's employment status for those aged 15-64 years. Table 2 presents the estimated welfare impact of BISP on beneficiaries, measured as ATT.

Table 2. Average Treatment Effect of BISP

Variable	Nearest neighbor matching			Kernel Matching		
	ATT	SE	t-stat	ATT	SE	t-stat
Total Per Capita Expenses	139.86	42.089	3.32	136.68	39.908	3.42
Per Capita Food Expenses	121.79	10.074	12.09	122.98	9.948	12.36
Per Capita Health Expenses	23.81	4.203	5.66	22.62	3.926	5.76
Number of Child Enrolled	-0.02	0.224	-0.08	-0.11	0.203	-0.53
Female Job Status	0.24	0.088	2.71	0.18	0.076	2.35

Source: Author's own calculations.

Per Capita Expenditures of Household

Table 2 shows that on average, households benefiting from BISP have **139.86** more per capita monthly expenses compared to non-beneficiaries. The positive t-statistic (3.32) under Nearest Neighbor Matching indicates this result is statistically significant. Under Kernel Matching, the result is very similar to Nearest Neighbor Matching, confirming a statistically significant increase in per capita expenses for BISP beneficiaries.

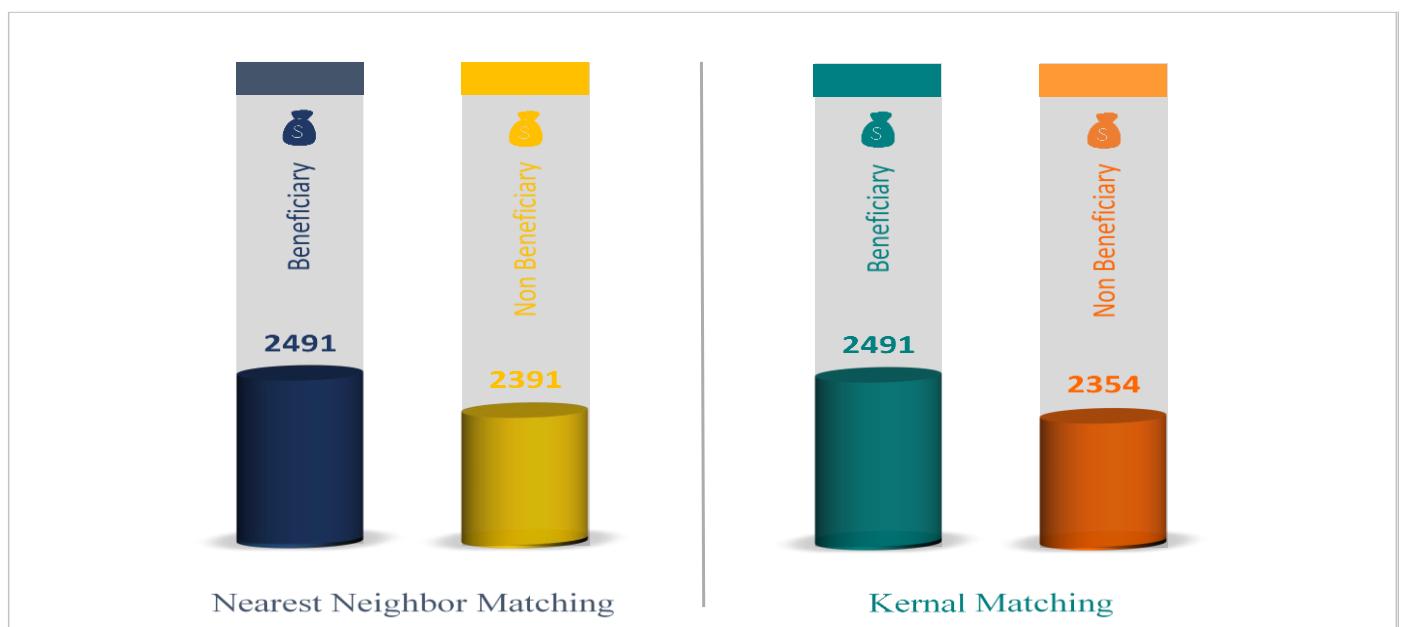


Figure 2. Per Capita Expenditures.

Source: Author's own calculations; Note: All monetary values are in PKR.

Figure 2 shows that BISP beneficiaries have average per capita monthly expenditures of Rs.2491, below the national poverty line, indicating they are poor households. Non-beneficiaries spend Rs.2351 (nearest neighbor matching) and Rs.2354 (kernel matching), with a small difference of Rs.140 and Rs.137 in favor of beneficiaries.

Per Capita Food Expenditures of Household

Table 2 depicts that the welfare impact of BISP cash grant on household's monthly per capita food expenditures is positive and statistically significant. It shows that per capita monthly food expenditures of beneficiaries under nearest neighbor matching are higher than non-beneficiaries by Rs.122. It also elaborates that under kernel matching, beneficiaries are able to spend Rs.123 on food more than non-beneficiaries. It is found that quarterly payment of BISP increases the purchasing power of poor and enables them to spend more to get enough food.

Figure 3 elaborates the difference in per capita food expenditures of beneficiaries and non-beneficiaries under nearest neighbor and kernel matching method. It shows that average per capita monthly food expenditures of beneficiary group are Rs.1711. It further illustrates that the average per capita food expenditures of non-beneficiary group are Rs.1589 and Rs.1588 under nearest neighbor and kernel matching method respectively. It also shows that per capita food expenditures of beneficiaries are larger than non-beneficiaries by Rs.122 and Rs.123 under nearest neighbor and kernel matching respectively.



Figure 3. Per Capita Food Expenditures.

Source: Author's own calculations; Note: All monetary values are in PKR.

The difference in per capita food expenditures of beneficiary and non-beneficiary group shows the welfare impact of BISP. The unconditional cash transfer of BISP increases the household food expenditures in number of ways. Firstly, direct transfer of cash to the poor raises their purchasing power. Secondly, cash transfer possibly increases the family income by strengthening the income generating sources like, sewing, poultry, livestock etc.

Per Capita Health Expenditures of Household

Table 2 illustrates that the welfare effects of BISP cash grant on household's per capita monthly health expenditures are positive and statistically significant. It shows that per capita monthly health expenditures of beneficiary group are greater than non-beneficiary group by Rs.24 and Rs.22 under nearest neighbor and kernel matching respectively.

Figure 4 shows the estimated welfare impact of BISP on household per capita monthly health expenditures by using nearest neighbor and kernel matching methods. It demonstrates that the average per capita health expenditures of beneficiary group are Rs.169. It further explicates that the average per capita health expenditures of non-beneficiary group are Rs.146 under nearest neighbor matching. The difference shows that each member of beneficiary household spends Rs.23 more on health than non-beneficiaries.

On the other hand, in kernel matching method, each family member of non-beneficiaries spends Rs.147 on average on health. Here, the difference also shows that each member living in a beneficiary family spends Rs.22 more on health than non-beneficiaries. It is found that BISP cash transfer increase the resources of beneficiary household to invest in human capital. It is also found that beneficiaries of BISP become more cautious as they feel that their children are more healthprotected.

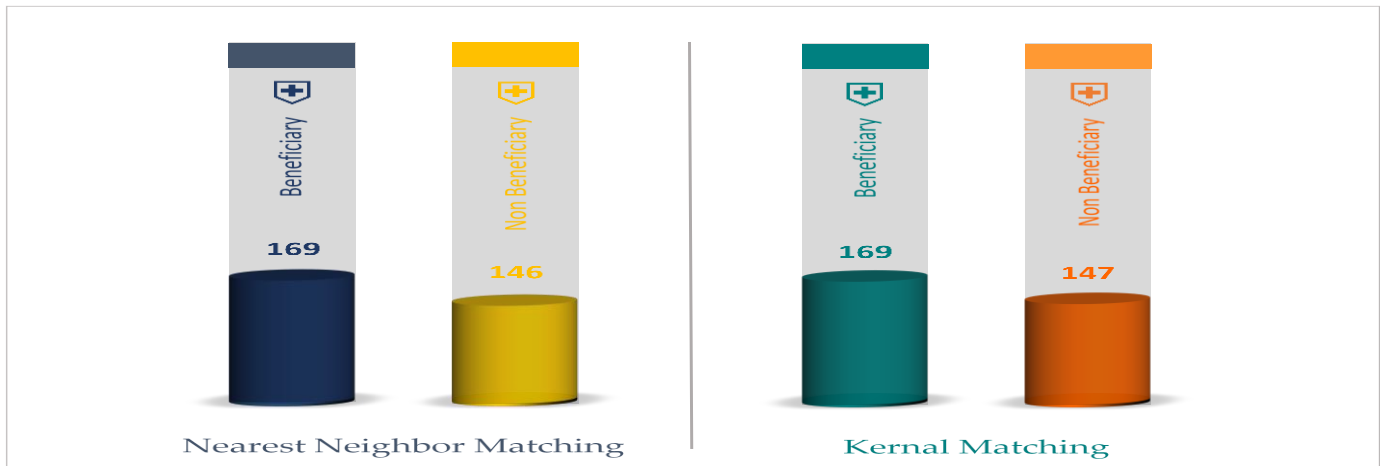


Figure 4. Per Capita Health Expenditures

Source: Author's own calculations; Note: All monetary values are in PKR

School Enrollment

Table 2 shows that impact of BISP on school enrollment for children aged 4-15 is statistically insignificant under both matching techniques, indicating only a small difference in average enrollment between beneficiaries and non-beneficiaries. Specifically, the ATT values are 0.02 for Nearest Neighbor matching and 0.11 for Kernel matching. The negative sign suggests that, in terms of school enrollment, the non-beneficiary group performs slightly better than the beneficiary group.

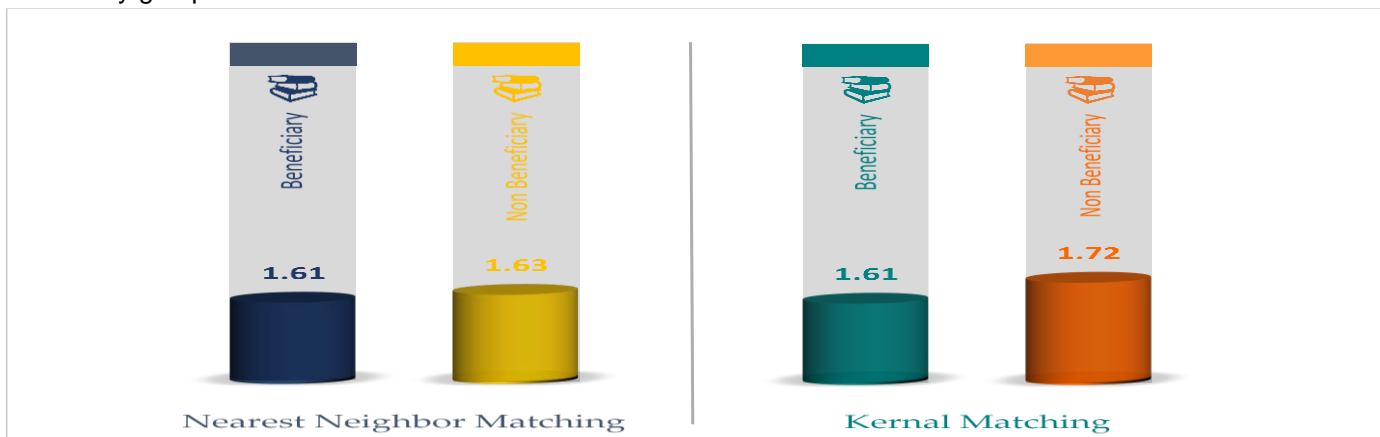


Figure 5. School Enrollment

Source: Author's own calculations

Moreover, Figure 5 elaborates the difference in treatment effect of BISP under nearest neighbor and Kernel matching methods. The nearest neighbor matching shows very small difference in average number of children of beneficiary and non-beneficiary groups enrolled in school. On the other hand, in Kernel matching the difference is more precise but still not significant. In this way it is concluded that BISP has no positive impact on children enrollment of age 5-14 years.

Women Empowerment

Table 2 shows that the welfare impact of the BISP on women participation in household's earnings through employment is statistically significant and positive under nearest neighbor matching as well as in Kernel matching. Under nearest neighbor matching on average 24 per cent more beneficiary females work for income than non-beneficiary females. Under Kernel matching 18 per cent more females of beneficiaries than non-beneficiaries work to generate income.

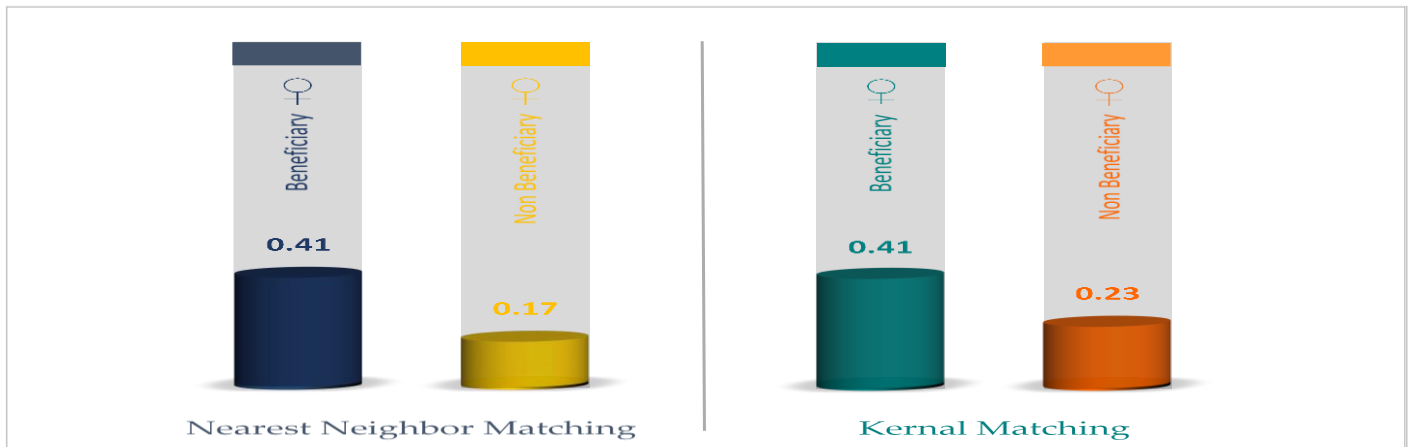


Figure 6. Women Empowerment.

Source: Author's own calculations.

Figure 6 compares the results of women employment under nearest neighbor matching and Kernel matching. Out of beneficiary group 41 per cent households have at least one female working for income. It also depicts that under nearest neighbor matching 17 per cent, while in kernel matching there are 23 per cent of non-beneficiary household have an employed female.

CONCLUSION AND POLICY RECOMMENDATIONS

The findings of this study underscore the positive impact of the Benazir Income Support Program (BISP) cash transfers on various dimensions of household welfare, including per capita expenditures, food and health expenditures, and women's employment status. However, the relatively modest effect on school enrollment suggests areas where policy improvements can enhance the program's overall effectiveness. Based on the results of this study, several targeted policy recommendations can help maximize the impact of BISP and similar social safety net programs.

Enhancing Food Security

The study revealed a significant increase in per capita food expenditures for BISP beneficiaries. This suggests that cash transfers improve purchasing power, enabling households to afford better food. To further bolster food security, policymakers should consider increasing the value of cash transfers or linking them with nutrition-focused interventions. Incorporating food vouchers or subsidies for nutritious food items could also complement cash transfers, ensuring that the increase in food expenditures translates into improved dietary outcomes for vulnerable households.

Expanding Access to Health Services

While the BISP cash transfer positively impacted per capita health expenditures, additional support in the health sector is recommended. One way to enhance health outcomes would be to integrate health insurance or subsidized healthcare services with BISP. This could reduce the burden of out-of-pocket expenses and increase access to essential medical services for the beneficiaries. Strengthening partnerships with local health providers and ensuring that BISP recipients can access preventive health programs could further improve the overall well-being of households.

Strengthening School Enrollment Programs

Despite the positive effects of BISP on household welfare, the study found limited impact on school enrollment, especially for children aged 5-14 years. This suggests that while BISP may improve household economic conditions, it may not be sufficient to overcome barriers to education such as school fees, transportation costs, and cultural factors. Policymakers should consider introducing complementary education programs alongside BISP, such as school fee waivers, transport subsidies, or conditional cash transfers tied to school attendance. Additionally, expanding outreach efforts to raise awareness about the importance of education in low-income communities could help increase school enrollment rates.

Promoting Women's Economic Empowerment

The study found a significant positive effect of BISP on women's participation in the workforce, with beneficiaries more likely to engage in income-generating activities compared to non-beneficiaries. To further promote women's empowerment, policymakers should consider expanding vocational training programs specifically targeted at women in BISP households. Providing skill development and entrepreneurship training, coupled with access to microfinance or business development services, could enhance women's economic independence and overall household welfare.

Improving Program Delivery and Monitoring

To ensure the long-term success of BISP, it is crucial to improve the efficiency and effectiveness of program delivery. Simplifying the application and disbursement processes, ensuring timely payments, and strengthening monitoring mechanisms can help mitigate issues related to program leakage and corruption. Additionally, regular evaluations and impact assessments should be conducted to identify areas of improvement and to tailor interventions based on changing household needs.

Leveraging Technology for Financial Inclusion

The study highlighted the importance of increasing financial inclusion through BISP, as evidenced by improvements in financial services access among beneficiaries. To further this goal, policymakers should focus on integrating mobile banking and digital payment solutions, particularly in rural and remote areas where access to formal financial institutions may be limited. Promoting financial literacy programs to help beneficiaries better manage their finances and savings could also contribute to the long-term sustainability of household welfare.

Targeted Conditional Cash Transfers

Given the modest impact of BISP on education, policymakers may consider introducing conditional cash transfer programs that tie benefits to specific behaviors, such as school attendance, health check-ups, and vaccination rates. By conditioning transfers on positive outcomes in education and health, these programs could increase investment in human capital, which is crucial for breaking the cycle of poverty.

In conclusion, the Benazir Income Support Program has shown promising results in improving the economic well-being, health, and employment status of households in Pakistan. However, to achieve a more profound and lasting impact, the program must be complemented with policies focused on food security, health service access, education, and women's empowerment. By integrating these recommendations into the design and implementation of BISP and similar social safety nets, Pakistan can make significant strides toward poverty reduction and sustainable development.

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