

The Macro-Economic Sustainability of Poverty Alleviation a Comparative Analysis of China's 'Dibao' and Pakistan's 'Ehsaas' Frameworks

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ABSTRACT

Poor individuals in creating nations have been holding up a long time for things to get superior. Governments have attempted numerous things but destitution is still a huge issue. This paper looks at two programs that attempt to offer assistance destitute individuals. One is China's Dibao program and the other is Pakistan's Ehsaas program. Both programs provide cash and bolster to destitute families but they work exceptionally in an unexpected way. China has a solid economy which makes a difference Dibao keep running easily. Pakistan battles with cash issues which makes Ehsaas harder to keep up. This paper looks at how both programs are financed, whether they reach the right individuals and what they have really done for destitute families. The finding is that Dibao works way better generally since China's economy bolsters it well. Ehsaas tries to do more things but runs into cash and administration issues routinely. In the conclusion both nations appear that a welfare program alone cannot settle destitution. The economy needs to be developing as well something else these programs will continuously be battling a tough battle.

Keywords: Destitution decrease, Dibao, Ehsaas, financial supportability, welfare programs, Pakistan, China

INTRODUCTION

Think approximately what it really implies to be destitute. Not having sufficient cash to purchase nourishment at the conclusion of the month. Not being able to take your child to a specialist when they are debilitated. Sending kids to work instep of school since the family needs each rupee it can get. This is not a story from a course reading. This is ordinary life for millions of individuals over creating nations. Governments see this and they attempt to offer assistance. They make programs that provide destitute families a few cash or bolster so things do not get totally out of hand (World Bank, 2019; Zhou, 2020). These programs have been around for numerous a long time presently and a few have developed very expansive. But do they truly work? And can governments keep paying for them ten or twenty a long time from presently? These are the questions this paper tries to answer. China and Pakistan are great cases to see at since they have taken exceptionally diverse approaches.

China made Dibao back in the 1990s. The thought was straightforward. Donate the poorest families' fair sufficient cash to survive whereas the rest of the economy develops and makes occupations (Ravallion, 2009; Wang, 2015). Pakistan's Ehsaas Program came much afterward and attempted to do a part more. It gives cash but too interfaces families to wellbeing administrations, instruction bolster and abilities preparing all in one bundle (Nishtar, 2023; Ahmed & Ali, 2020). China has had a solid and developing economy for decades which has made paying for Dibao reasonably sensible. Pakistan has not been so fortunate. The nation bargains with obligation, swelling and budget issues year after year which makes running a huge program like Ehsaas exceptionally troublesome over time (Khan & Zafar, 2026; Lin & Sato, 2012).

LITERATURE REVIEW

WHAT ANALYSTS SAY APPROXIMATELY DESTITUTION PROGRAMS

ESSENTIAL THOUGHTS BEHIND MAKING A DIFFERENCE DESTITUTE PEOPLE

For a long time individuals thought destitution was essentially almost not having sufficient cash. Donate destitute individual's cash and the issue is fathomed. Things turned out to be more complicated than that.

Research from the World Bank in 2019 appeared that giving family's normal cash installments does make a genuine contrast. They purchase more nourishment. They visit specialists more. Their children remain in school longer. These are great comes about. But the same investigate too appeared a issue. If the government fair keeps giving out cash without the economy too making occupations and openings at that point nothing truly changes in the long run. Destitute families get cash nowadays and still require it fair as severely following year. For governments that are as of now brief on reserves this gets to be a exceptionally troublesome cycle to break. An analyst named Zhou pointed out in 2020 that cash is not the as it were thing destitute individuals are lost. A few families get cash each month but still live exceptionally troublesome lives since their nearby school is awful or the closest clinic is as well distant absent or as well costly. So a welfare program that as it were centers on giving cash is as it were settling one portion of a greater problem. Amartya Sen a well-known financial specialist said something comparative but in a distinctive way. He contended that being destitute implies being incapable to do the things that make life worth living. Getting an instruction. Finding conventional work. Making your possess choices. Fair giving somebody cash does not consequently donate them these things. Programs like Ehsaas have attempted to address this by advertising wellbeing and instruction bolster nearby cash but whether this genuinely changes lives on the ground is still being debated. Another thought called Social Venture Hypothesis says welfare investing ought to be thought of like planting seeds or maybe than fair giving absent natural product. If a program makes a difference somebody learn a aptitude or remain sound they can inevitably win their claim wage and halt requiring government back (Hussain et al., 2021). This makes the program worth its fetched in the long run. If it fair pays out cash with no way toward freedom at that point it gets to be an unending expense. One more critical point is almost the quality of government frameworks. Indeed an impeccably planned program will come up short severely if the individuals running it are not able or legitimate. An exceptionally common issue in welfare programs is that the off-base families get the cash whereas families who genuinely require offer assistance get nothing. This nearly continuously happens since of powerless organization not since the program it was severely outlined (Ahmed & Ali, 2020; Khan & Zafar, 2026).

HOW PAKISTAN WENT FROM BISP TO EHSAAAS

Before Ehsaas there was BISP which stands for Benazir Pay Back Program. It begun in 2008 and was Pakistan's to begin with appropriate national exertion to get cash into the hands of destitute families on a huge scale. Kabeer composing in 2019 found that BISP made a difference millions of

families who had completely no other source of back. One thing that made BISP diverse was that it gave cash straightforwardly to ladies. In numerous Pakistani homes this gave ladies genuine control over family accounts for maybe the to begin with time ever and that made a greater distinction than fair the cash itself. The issue with BISP was continuously the same. It gave individuals angle but never instructed them to angle. There was no preparing joined to it. No wellbeing bolster. No way for families to continuously gotten to be less subordinate on the program. Individuals remained in BISP year after year since there was no exit way built in. Ehsaas was made to unravel this. Agreeing to Nishtar composing in 2023 Ehsaas was implied to move past essential presents and really contribute in individuals through abilities preparing, wellbeing scope, instruction bolster and little credits all beneath one program. Ehsaas is really yearning. It has over a hundred distinctive activities running at the same time which makes it one of the greatest destitution programs anyplace in the creating world. But huge programs bring huge issues. Inquire about from 2024 looking at rustic and farther parts of Pakistan found that getting all these activities working appropriately over the entirety nation is amazingly troublesome. In places with awful streets, destitute web and government workplaces without sufficient staff the program basically does not convey what it guarantees. Where you live in Pakistan has a colossal impact on how much offer assistance you really receive. Getting cash to the right families has too been a determined cerebral pain. Ahmed and Ali composing in 2020 found that Ehsaas routinely pays families that do not really qualify whereas numerous really destitute families never get anything. This squanders rare government cash and makes genuine outrage in communities. Individuals who see undeserving neighbors getting installments whereas their possess application was rejected lose believe in the entirety framework. Settling this requires superior record keeping and more steady checks but Pakistan has battled to put these in place. Then there is the cash issue which basically cannot be overlooked. Khan and Zafar composing in 2026 are exceptionally clear: Ehsaas costs more than Pakistan can comfortably bear right presently. The government as of now owes a part of obligation, frequently spends more than it wins and bargains with expansion that makes everything more costly. Amid COVID-19 Ehsaas really did well and got crisis cash to millions of families rapidly. That appeared the program has genuine capability. But it moreover appeared how rapidly money related weight builds up when the program scales up indeed briefly. Closing the hole between what Ehsaas needs to do and what Pakistan can really pay for is going to require much broader financial improvements.

HOW CHINA'S DIBAO WORKS

To get it Dibao you to begin with require to get it what China's economy was doing when the program was made. Ravallion composing in 2009 clarified that China lifted hundreds of millions of individuals out of destitution basically through financial development not through welfare programs. Production lines opened all over. Cities extended quickly. Country specialists moved to urban regions and found employments that paid genuine compensation. This change did more for Chinese destitution than any government freebee might have accomplished. Dibao which got to be a national program in 1999 was outlined to capture the individuals this financial wave cleared out behind. It was never implied to illuminate destitution on its claim. It was a security net for the stragglers. The way it works is reasonably basic. Neighborhood governments choose on a least wage level for their range. Families winning less than that sum get top-up installments to bring them to that level. Sounds clean but in hone it has had issues. Chen Ravallion and Wang found back in 2006 that the program frequently missed truly destitute families whereas a few families over the wage restrain were still getting installments. A classic focusing on issue that influences means-tested programs everywhere. There is too a enormous reasonableness issue between areas. Gao and colleagues found in 2014 that wealthier territories close China's coast set more liberal wage edges and pay greater sums. Poorer inland areas where individuals really require more offer assistance pay the slightest. So your bolster

level essentially depends on where in China you were born which is not truly reasonable at all. Wang composing in 2015 made a valuable point approximately what kind of destitution Dibao really handles. For keeping families over a uncovered survival level it has worked sensibly well. For lessening the hole between the poorest and wealthiest individuals in China it has done exceptionally small. Zhang in 2024 affirmed that pay disparity in China is still a genuine issue in spite of official declarations that extraordinary destitution has been eliminated.

One veritable quality Dibao has is that it gets to be less costly as the economy develops. When more individuals discover work less individuals require the program and costs drop actually. This is a enormous advantage over Ehsaas which does not advantage from this kind of financial tailwind in Pakistan.

COMPARING THE TWO PROGRAMS

Lin and Sato composing in 2012 summed up the contrast well. China centered on developing the economy to begin with and utilized welfare as a reinforcement arrange. Pakistan centered on welfare to begin with since the economy was not producing sufficient openings. Both approaches have their qualities and their self-evident weaknesses. China diminished destitution on a enormous scale but imbalance got more awful and territorial holes broadened. Dibao keeps the exceptionally poorest over survival level but does nothing around the developing crevice between wealthy and destitute. Pakistan attempted to redistribute more specifically and handle more measurements of destitution at once. The issue is that this costs cash Pakistan does not dependably have. Ehsaas is forever stuck between what it needs to accomplish and what the budget really allows.

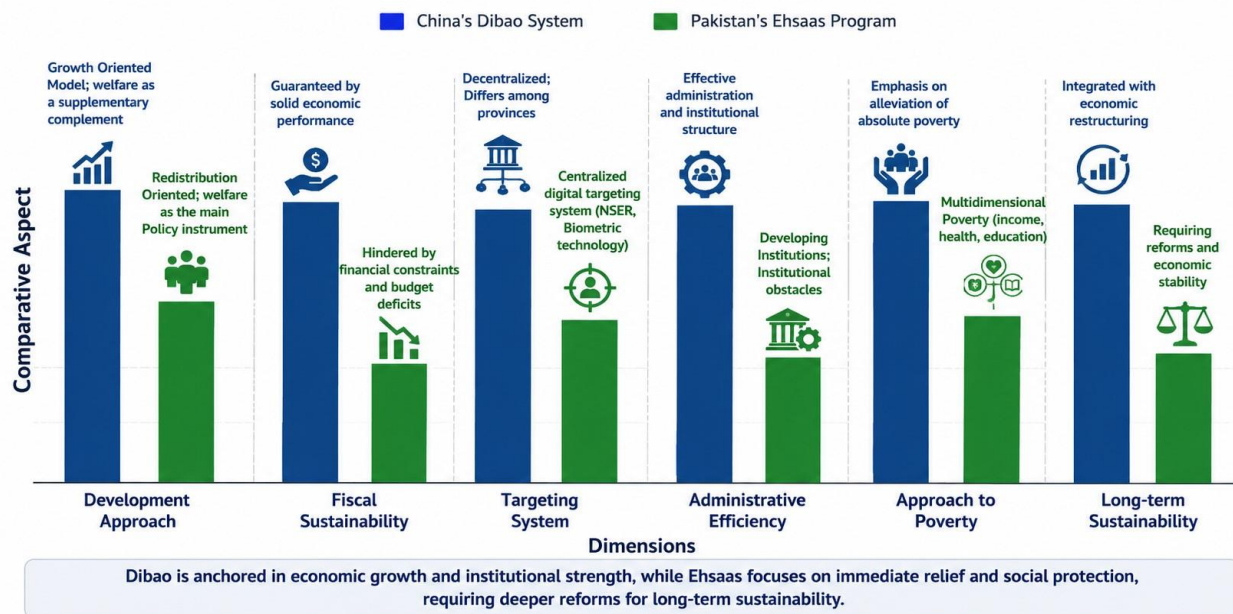
Dibao runs through a steady government framework with clear duties indeed if quality changes by area. Ehsaas has brought in amazing innovation like biometric checks and advanced installments. But great innovation interior a powerless framework as it were goes so distant. Political changes, covering organization duties and sketchy nearby capacity cruel Ehsaas routinely performs underneath its potential.

Comparative Analysis: Dibao vs Ehsaas

Dimension	China's Dibao System	Pakistan's Ehsaas Program
Development Approach	Growth Oriented Model; welfare as a supplementary complement	Redistribution Oriented; welfare as the main Policy instrument
Fiscal Sustainability	Guaranteed by solid economic performance	Hindered by financial constraints and budget deficits
Targeting System	Decentralized; Differs among provinces	Centralized digital targeting system (NSER, Biometric technology)
Administrative Efficiency	Effective administration and institutional structure	Developing Institutions; Institutional obstacles
Approach to Poverty	Emphasis on alleviation of absolute poverty	Multidimensional Poverty (income, health, education)
Long-term Sustainability	Integrated with economic restructuring	Requiring reforms and economic stability

Comparative Analysis: Dibao vs Ehsaas

A Comparative Overview of Key Dimensions



METHODOLOGY

In this research, the chosen design would be comparative qualitative research that would be primarily dependent on secondary data as well as the literature review of the available academic research and government policies. The primary focus of using the qualitative research design is the comparison between the economic sustainability of the poverty reduction programs in Pakistan and China, specifically, the Ehsaas Program in Pakistan and Dibao system in China. The selection of qualitative research design in this context is appropriate for this research due to its contribution towards providing an insight into the social and economic impact of the policies and governance systems. The first step of this research methodology depends on comparative policy analysis of Dibao and Ehsaas Program. The research looks into the details of the institution, targeting and program implementation strategy for both programs. For the Dibao program implemented in China, this is focused on the Dibao Scheme that is an example of minimal livelihood support program implemented in a developing economy with a relatively efficient bureaucracy. In the case of Pakistan, the analysis of Ehsaas program is made, which is a wider approach to poverty reduction combining various elements of social protection, human development and cash transfers in spite of the lack of financial means. In addition, the study also uses a thorough literature review of academic papers and policy-related materials to form a sound theoretical framework for analysis. Several research articles, official documents, working papers, and reports of international organizations like the World Bank are analysed to examine various theories and evidence on issues of social protection, cash transfer programs and multidimensional poverty. The literature review technique aids in incorporating several theoretical perspectives into the study, including the capability approach, social investment theory and institutional governance models. Overall, these theoretical perspectives provide a more comprehensive understanding of poverty, which includes both social and economic dimensions rather than focusing only on income poverty. The methodology is also concerned with conceptual macroeconomic analysis of the frameworks for alleviating poverty, rather than doing an independent qualitative analysis. There is no use of statistics and other forms of mathematical calculations in order to understand problems like fiscal sustainability, linkages with economic growth and dependency on

welfare. Through the methodology of using information found in existing literature, it becomes easier to analyse how each system functions in the broader context of its economy, which includes the development oriented growth strategy of China and the welfare oriented distribution strategy of Pakistan. Overall, this research methodology provides an appropriate and systematic approach for analysing poverty reduction policies in two contrasting contexts. Comparative policy analysis in addition to literature review allows the researcher to gain insights into the impact of governance structures, policy designs and economic circumstances on the success and sustainability of social protection schemes.

DISCUSSION AND RESULTS

TARGETING EFFICIENCY

Targeting is better in Ehsaas Program than in the Dibao due to digital infrastructure, National Socio-Economic Registry (NSER), databases and biometric verification systems. This will reduce errors in manual targeting and make the process of selecting the beneficiaries easier and more transparent. In their study, Ahmed and Ali (2022) have pointed out that targeting through digital technologies has been improved considerably in identifying vulnerable people in Pakistan, especially during emergency cash transfers. However, despite this improvement, inclusion and exclusion still exists, especially in rural areas and in those difficult to access areas where finding the right data will always be a challenge. While the Ehsaas program has challenges with technology and data, the targeting strategy of China's Dibao system relies on decentralization whereby the local government determines the eligibility criteria according to localized earning thresholds. This implies that adapting to the local economies of different areas becomes flexible yet generates conflicts among provinces since opulent provinces end up offering more incentives than the poorer ones (Gao et al., 2014). Besides, there may be an inclusion of non-poor families while the poor families may be excluded as a result of administrative discretion at the local levels (Chen, Ravallion & Wang, 2006).

FISCAL SUSTAINABILITY

The Dibao welfare system in China has a good degree of sustainability owing to the fast growing economy of the country. Economic growth provides a steady revenue flow without putting any financial pressure. As Ravallion (2009) points out, poverty has been reduced in China by economic growth whereas Dibao has acted as a supporting mechanism and not a major player. In this way, the system is guaranteed sustainability because of its provision that social expenditure be in line with GDP. However, the Ehsaas welfare system is characterized by limitations like tax-to-GDP ratio, budget deficits and the need for outside financial help. As pointed out by Khan and Zafar (2026), Ehsaas has a wider scope; however, its further expansion has put extra pressure on government resources especially when economic recessions occur. The rising levees of inflation and debt servicing reduce the budget allocation to social schemes. In this connection, the sustainability of Ehsaas welfare scheme is largely dependent upon economic reforms and financial support from the outside, which makes it more vulnerable than China's system.

POVERTY REDUCTION OUTCOMES

Both Ehsaas and Dibao have achieved poverty alleviation, but they achieve different results and through entirely different processes. The success of poverty alleviation in China stems from rapid economic development and industrialization, while Dibao offers assistance to households who struggle to attain minimum income. Wang (2015) notes that Dibao has succeeded in ensuring that people enjoy a certain standard of living and eliminating the problem of extreme poverty. In urban centers. Although it helps reduce the poverty rate, its effects on income inequality is very little and the divide remains.

In Pakistan, the Ehsaas scheme plays an important role in alleviating temporary poverty through emergency financial assistance offered during times of economic crisis, such as in the time of the pandemic caused by coronavirus. Ehsaas programs ensure that recipients can stabilize their expenditure. Nonetheless, according to Kabeer (2019), Ehsaas program fail to affect economic mobility positively despite helping solve immediate monetary problems. This is because people do not gain job opportunities from the program, meaning that they cannot change their financial status and thus rely on external help.

4.4 ECONOMIC INTEGRATION AND SUSTAINABILITY

The Chinese Dibao system is heavily linked with the overall strategy of economic development in the country. The social protection measures in the country are directly associated with urbanization and industrial development processes, which continue to create a vicious circle for poverty eradication. Since economic development leads to employment, there will be less dependence on the social welfare system, which ensures its sustainability. Zhang (2024) emphasizes that the transition of China from ending extreme poverty to addressing relative poverty indicates an evolution in the development paradigm. In this case, the social welfare measures can serve as complementary to the continuous economic expansion.

Thus, Pakistan's Ehsaas program can still be integrated with economic and labor policies. Although skills training and educational scholarship measures have been included along with financial inclusion projects, there is no proper coordination within the process. In line with Hussain et al. (2021), poverty reduction depends on combining social safety measures with job creation processes, otherwise welfare schemes will only help people earn their living on a daily basis. Thus, the success of Ehsaas program in the future will depend on its transition from welfare model to development model.

CONCLUSION

A comparative analysis between the Ehsaas scheme of Pakistan and the Dibao mechanism in China indicates that effective poverty reduction lies beyond mere policies, as it is fundamentally linked with a nation's overall economic framework. Both nations have made progress in reducing poverty through social schemes. However, while there may be similarities between both the models, it should also be noted that the two systems exhibit different levels of sustainability. The model adopted by China involves the Dibao system and its success depends upon China's growing economy. This is because China enjoys rapid and solid growth in markets, which allows for the generation of money that will finance the social safety net. Here, social aid is seen as a fallback option for those who do not benefit from economic growth. In contrast, the Ehsaas Program of Pakistan concentrates on implement direct welfare policies to alleviate poverty in the country. Rather than depending completely on economic growth, it employs redistribution of wealth as the main tool for helping the poor. Ehsaas has been successful in bringing about short term welfare benefits, through such measures as emergency cash transfers, broadened social coverage and improved targeting systems. However, economic stability is still elusive in the long run, due to financial constraints, ineffective tax systems and economic instability.

The concepts of Dibao and Ehsaas have much to teach us about developing countries. Although Dibao demonstrates that economic development needs to be coupled with social services, Ehsaas focuses on data-driven welfare. It has been found that the best way to eradicate poverty is to integrate economic development with social services, ensuring that there is not only temporary relief but that citizens become prosperous.

POLICY RECOMMENDATIONS

MAXIMIZE ECONOMIC GROWTH TO SUSTAIN SOCIAL SAFETY NETS

Sustainable poverty reduction depends fundamentally on stable economy that supports growth. Policy makers should focus on boosting productivity, industry and employment. These economic drivers are essential as they would generate revenues needed to fund social welfare programs. China's model proves that fast economic growth ensures the sustainability of its welfare programs like Dibao by creating a steady stream of government income. In comparison, Pakistan must prioritize fundamental economic changes, expand its export offerings and create a more attractive environment for investors. Even the well-planned social programs are at a risk of becoming fiscal liabilities that rely heavily on foreign funding.

ENHANCE TARGETING CAPABILITIES BY UTILIZING ADVANCED DATA INFRASTRUCTURE

Successful poverty reduction depends on correctly identifying vulnerable populations. Both Dibao and Ehsaas struggle with targeting inaccuracies, especially inclusion and exclusion errors which compromises the overall fairness and effectiveness. To tackle this issue, governments should fund centralized digital databases, implement real-time data updates and utilize AI for poverty mapping. While Ehsaas program has successfully utilized the (NSER) National Socio Economic Registry, it still needs to improve data accuracy and its reach in rural areas. Similarly, implementing uniform national criteria for the Dibao system would reduce regional targeting inequalities. By enhancing evidence-based management, we can guarantee a more optimal and open distribution of assets.

ALIGNING SOCIAL WELFARE SYSTEMS WITH LABOR MARKET POLICIES

Poverty reduction strategies based only on cash transfers cannot work effectively in the long run and should be integrated with job creation and skill formation. Social protection policies should be conceived as 'pathways for graduation' from aid dependence towards economic independence. Programs for vocational training, entrepreneurship promotion, and job placement should be incorporated into social protection policies. The Ehsaas Livelihood Enhancement Program in Pakistan is one example of such an initiative, although much more institutional coordination is needed. The experience in China demonstrates the need to associate poverty reduction efforts with industrial growth and urban job creation.

FOSTER GOOD GOVERNANCE AND ORGANIZATIONAL GROWTH

It is significant that there is a presence of proper governance frameworks in order to implement policies meant to eliminate poverty. The weakness of the proper institutional framework leads to inefficiencies, corruption and inadequate service delivery. It is necessary that the two nations create better frameworks to foster efficiency and transparency. In Pakistan, proper coordination between the federal and provincial governments would make the delivery process for the Ehsaas programs more efficient. In China, reducing regional differences when administering Dibao should be through standardized mechanisms of oversight.

PRIORITIZING HUMAN CAPITAL DEVELOPMENT TO PERMANENTLY REDUCE POVERTY

The development of Human capital is crucial in breaking the link between one generation of poverty and another. Education, healthcare services and vocational training should definitely be an integral part of any strategy designed to address poverty. Those strategies that go beyond bare minimum and focus on increasing productivity and employment opportunities are bound to yield more sustainable outcomes. Ehsaas scholarship and healthcare initiatives have already made significant progress in this area, but they still need to make even more impact. In China, the combination of welfare programs and education/healthcare initiatives yields significantly better results.

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