

# **FINANCIAL CRISIS IN SOUTH ASIA AND ITS IMPACT ON POVERTY IN PAKISTAN, A CASE STUDY OF SINDH BY USING CGE-MODEL**

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## **Abstract**

This research investigates the economic recession and its impact on poverty in Sindh. Data were collected from 2000 respondents from five districts of upper Sindh, by using simple random technique; structural questionnaire was design as a measurement tool. Data were analyzed by using SPSS 16.5 version. It was revealed that poverty is raised by 15 percent from last six month in these selected areas. Peoples purchasing power is decreased and most of the cases they won't have three meals. It was also observed that in few areas people were mentally disturbed due to the overall economic recession. Purchasing power of rural people regarding basic needs were also declines by 10 percent. It was revealed that poverty in Rural Sindh is increasing compare with Punjab and N.W.F.P. and Baluchistan. The government has initiated different projects with recently but the impact is not big due to over unemployment. It was further revealed that poverty is on peak in Rural Sindh People are selling their children for only Rs.25000. The results shows that in order to reduce rural poverty, in Pakistan government should give highest priority to the rural areas of Sindh these types of investments not only have much larger poverty impacts per rupee spent than any other government investment, but also generate higher productivity growth. Apart from government they should think about the way to reduce the poverty in rural areas.

**Key Words:** Global, Economic, Recession, Poverty, Pakistan