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## Income Inequality in Balochistan – Causes and Way Forward

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### ABSTRACT

This study examines the growing income inequality in Balochistan, which exacerbates poverty, threatens social cohesion, challenges national integration in Pakistan, and hinders development. It explores non-income determinants of income inequality in Balochistan, such as land inequalities, digital divide, unbalanced employment structure, educational disparities, inefficient economic policies, and urbanization. Using Max Weber's theory of social stratification, the study employs a mixed-method approach, surveying 200 individuals across Balochistan through Simple Random Sampling and analyzing the data via the Statistical Package for the Social Sciences (SPSS). The study finds that the majority of the respondents (55%) believe that land inequality is the major contributor to income inequality, 42.5% indicate the digital divide, and 40% attribute it to the unbalanced employment structure. Similarly, 39% referred to educational disparities, 37.5% cited inefficient economic policies, and 30% indicated urbanization. To mitigate these issues, the study advocates for the Human Capital Approach, urging targeted intervention by the government in the human capital of Balochistan.

**Keywords:** Income Inequality, Balochistan, Disparities, Non-income factors, Human capital, social stratification, Digital Divide, Land Inequalities, Unemployment, Educational Disparities

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## INTRODUCTION

Thomas Robert Malthus, in his famous 1798 work *"An Essay on the Principle of Population,"* argued that the population of a region grows exponentially while its resources increase arithmetically, resulting in resource scarcity and subsequently widespread poverty ([Malthus, 1798](#)). According to the Seventh Population and Housing Census of Pakistan, which occurred in 2023, the country's population peaked at 2.5 percent - the highest in South Asia, while Balochistan, the least populated province, topped the list with a historical population hike of 3.2 percent ("[At 2.55pc," 2024](#)). Seeing the governance crisis in Balochistan, security issues, tough fiscal years marked by inflation and unemployment, and resource reduction due to floods in the agricultural region of the province, which accounts for one-third of the provincial GDP ([Rana et al., 2021](#)), the poverty in the region will significantly increase. Amidst this phenomenon, income inequality in the province is also widespread, significantly contributing to poverty in the region. Consequently, income inequality not only exacerbates poverty but also threatens social cohesion and national integration as it makes the masses vulnerable to false narratives in a volatile region like Balochistan and causes obstacles in the development of the region.

Income inequality refers to the uneven distribution of income across various participants in an economy. It points to the gap between the rich and the poor of the region in terms of wealth acquisition and opportunities ([World Bank, 2024](#)). It is commonly measured through the Gini Coefficient, which ranges from 0 to 1, where 0 points to perfect equality and 1 represents perfect inequality. Two major factors cause income inequality, i.e., income factors such as wage disparities, capital income, labor market discrimination, and employment opportunities; and non-income factors involving educational disparities, land inequalities, increasing urbanization, and digital divide, to name a few.

This study aims to investigate the non-income factors of income inequality in Balochistan, especially investigating the structural factors that include: land inequalities, digital divide, unbalanced employment structure, educational disparities, inefficient economic policies, and increasing urbanization. Drawing on Max Weber's Theory of Social Stratification, the study intends to show how the multifaceted structural factors cause disparities in a region. Weber argues that income inequality is the byproduct of class differences, which are associated with one's economic position. Moreover, the attainment of the needed skills for human development, i.e., education, skills, or any other prerequisite, can be attained through social status – the more the social status of an individual grows, the more it can approach the prerequisites – a phenomenon that highly enforces social hierarchy in a society. Weber also discusses the power dynamics of a social group as a means to sustain the income inequality in a region. These power dynamics can cause uneven distribution of wealth, monopolize the resources, and perpetuate the disparities by unsustainable economic policies serving the interests of the few ([Weber, 1978](#)).

To mitigate the given underlying disparities, this study utilizes Human Capital Theory as a strategy for mitigation that suggests that emphasizing targeted

intervention by the government to invest in human capital while enhancing educational opportunities and skills development, moving towards digitalization, and improving employment structure can overcome disparities in Balochistan. Gary S. Becker, in his seminal work *Human Capital: A Theoretical and Empirical Analysis, with Special Reference to Education (1964)*, comprehensively built on the approach. He opines that differences in education, access to opportunities, and means of production and earning directly result in disparities. Targeted interventions by the government can highly mitigate such differences ([Becker, 1993](#)).

This study is a significant contribution and highly important work in the existing literature, as no work has ever utilized a robust mixed-method approach: utilizing conceptual frameworks to prove the disparities, along with a survey asking people across Balochistan about the growing disparities and analyzing their data through regression analysis in SPSS. This study is also novel in the sense that it connects income inequality with the grievances of Balochistan and its effects on national integration. The study is divided into three sections. The first section deals with the review of the current literature on income inequality in Balochistan and identifies gaps that the previous studies could not take a comprehensive view of the subject matter. It is followed by the comprehensive description of the research methodology and the conceptual and theoretical frameworks that the study adopted, i.e., Social Stratification Theory and Human Capital Theory. The second section delves into the analysis derived from regression and discusses variables such as land inequalities, the digital divide, an unbalanced employment structure, educational disparities, inefficient economic policies, and increasing urbanization. Finally, the study, based on the tenets of Human Capital Theory, suggests strategies for the mitigation of the disparities in Balochistan.

## LITERATURE REVIEW

Under the auspices of the United Nations Development Program (UNDP), the trends of disparities in terms of non-income factors such as land ownership, educational disparities, and multidimensional regional disparities in Pakistan were investigated to investigate the impact of income inequality on poverty during the period of 1988 to 2005. The study concluded that the Gini Coefficient of land ownership remained stagnant at 0.63 in the said period, while the coefficient of educational disparities and multidimensional regional disparities increased significantly. The study found that, as compared to other provinces of Pakistan, disparities in Balochistan are comparatively low ([United Nations Development Program, 2017](#)).

Huda and Burke ([2011](#)) investigated social and economic disparities between Sindh and Balochistan. The study explored the disparities across nine factors, including health and nutrition, housing and environment, education and culture, social welfare, and urbanization, to name a few. Their study reveals that Balochistan is more economically and socially backward than Sindh. Both provinces are contiguous; however, there is a considerable gap in the quality of life and well-being

of their population. [Riaz et al. \(2013\)](#) comparatively studied the disparities between Punjab and Balochistan and revealed that regional disparities are more prominent in Punjab than in Balochistan. Jamal and Khan [\(2003\)](#) found that income inequality has considerably increased in Sindh, KPK, and Balochistan. [\(Anwar, 2003\)](#) measured income inequality through the Gini Coefficient in Pakistan, and showed that the disparities have deteriorated in urban areas but increased in rural areas.

[Yousuf and Sasaki \(2003\)](#) studied the income inequality comparatively within the four provinces of Pakistan from 1972 to 1997 and found that Balochistan is more backward than the other provinces. [Huda et al. \(2011\)](#) took the multivariate study of socio-economic disparities in Balochistan across forty-seven variables, including population density, crude birth rate, and primary education, to name a few. [Kalim et al. \(2018\)](#) studied the gap between other provinces and Balochistan in terms of schools, universities, general health physicians, public sector development funds, and per capita.

Past studies on income inequality have been carried out on the trends of disparities in Pakistan in general or conducted on the comparative disparities among the provinces. No research scholarship in particular has used a robust regression model supported by relevant theoretical frameworks to investigate the structural factors of disparities within Balochistan and suggest doable strategies for its mitigation. All the past studies are also not comparable due to their different methodologies and variables.

## RESEARCH METHODOLOGY

The study employed a mixed-method approach while involving a sample of 200 individuals from across Balochistan selected through Simple Random Sampling following a well-structured questionnaire, and the data were analyzed through SPSS to identify patterns and correlations. The questionnaire asked questions on seven variables: land inequalities, the digital divide, an unbalanced employment structure, educational disparities, inefficient economic policies, and increasing urbanization. These variables were selected considering the socio-political and economic dynamics of Balochistan. The results were analyzed utilizing frequency distribution to comprehend how often each variable occurred in the sample. For better clarity, each frequency was converted into percentages using the following formula:

$$\text{Percentage} = \frac{(\text{Frequency Count})}{(\text{Total Count})} \times 100$$

The overall reliability of the data set became **.705** on Cronbach's alpha scale, which shows that items on the scale have acceptable internal consistency. In other words, the questions asked and the data analyzed were highly relevant to know the causes of income inequality in Balochistan.

The study also used secondary data in the shape of theoretical frameworks and data from past studies. To further validate the variables, the Social Stratification Theory is utilized to show how income inequality is multifaceted in Balochistan. Finally, Human Capital Theory is used as a mitigating strategy to display how

investment in human capital can mitigate disparities in Balochistan.

### **Theory of Social Stratification**

The concept of stratification stands as one of the central concepts in the study of social thought, as it is believed that stratification in any society is inevitable and universal ([Lenski, 1966](#)). The word strata or stratum refers to the ranking and hierarchy of people of a particular social group ([Anurin, 1995](#)). The hierarchy is generally structured based on access to resources, power potential, status, and social honor. Barber ([1957](#)) defines a stratified society as one that is classified into several categories that are unequal in any possible sense. Giddens ([2001](#)) defines a stratified society as ‘structured inequalities between or among social groups’. The concept behind the stratification is that some members of society greatly benefit from it while others remain highly deprived.

The systems of social stratification have varied from society to society. Sometimes society remained stratified based on slavery or the caste system, and sometimes based on estates. Therefore, the work on social stratification dates back to antiquity and has evolved. In his classical work *Republic*, Plato stratifies society into three categories: philosophers or rulers, warriors, and producers ([Plato, 1888](#)). His work was supported by Aristotle, as he argued that inequality is a natural part of human society. Unlike Plato, Aristotle divided society based on merit, virtue, and function ([Aristotle, 1885](#)). In the Age of Enlightenment, Locke, Montesquieu, and Rousseau worked on stratification in terms of income inequality ([Bromley, 1997](#)). Durkheim views inequality in terms of external and internal inequalities. External inequalities originate from ascribed statuses such as birth and sex. These types of inequalities were prevalent in pre-industrial societies. Internal inequality, as Durkheim believes, comes from skills, property, and occupation ([Durkheim, 1964](#)). However, the most profound work on social segregation can be traced to the treatise of Karl Marx. In his widely read book *Das Kapital*, he classified society into two categories: proletariat and bourgeoisie. He believed that the means of production create these two classes, and if a balanced economic system owned by the state is established, the stratification in the society evaporates ([Marx, 1906](#)). Marx's theory, also known as Economic Determinism, was challenged by Max Weber in his classic piece *Economy and Society: An Outline of Interpretive Sociology*.

Weber's theory of social stratification is more comprehensive and highly cited ([Fox, 1980](#)). He based his stratification theory on three factors, i.e., class, social status, and party. As part of the class, Weber defines it as a group of persons possessing the same situation that is generated from the economic order. Put simply, a class is established based on how much it earns, the level of its economic opportunities, and access to resources. Weber postulates, “Therefore, we may speak of a class when several people have in common a specific causal component of their life chances, and this component is exclusively presented by economic interests in the possession of goods and opportunities for income” ([Weber, 1978](#)). Unlike Marx, Weber believes that class is not generated from the means of production, but is the result of the entire economic system. The basic category, as he says, that distinguishes classes is the

acquisition of property and the structure of the concrete economic system ([Weber, 1978](#)).

Weber further creates typology within the class, mainly in three categories. First, the *property class* whose class situation is determined by the property holdings. Second, there is the *acquisition class* whose class situation is primarily determined by the opportunity to exploit services in the market. Third, *social class* in which all those persons are counted who are unskilled, have no property, and are dependent on employment. Moreover, the property class and the acquisition class are further bifurcated based on “privilege”. Thus, the “*positively privileged class*” has property income that can purchase high-quality goods and can monopolize certain economic utilities. Then comes the “*negatively privileged class*,” which lives without property and is unfree from the object of ownership. The same is applied to determining the acquisition class. The “*positively privileged acquisition class*” is the one that influences economic policies, whether merchants, industrialists, bankers, or financiers. The “negatively privileged class” encompasses workers of different types, and finally, the “*middle privileged acquisition class*” counts as peasants and craftsmen ([Weber, 1978](#)).

Weber also stratifies society based on social status or prestige. Unlike class, social status is not a function of economic order, but social order; it comes not from the acquisition of economic resources, but within the sphere of distribution of honor. Over time, as Weber says, the social status group transforms into a caste and develops their rituals, laws and groups together for their common good. Since their prestige and honor are exclusive to them and come from a sort of usurpation or property holdings, and later turn into a distinct caste and may get legal status, their access to resources and development remains unparalleled with other castes. Weber also emphasized the party, by which he means a group focused on getting power or political control. It is said to be an organized grouping that leverages the loopholes of the system to further its common good. As a political agent, the parties may formulate policies that may shorten or widen the disparities or may exploit the system to increase their wealth and property ([Weber, 1978](#)).

Drawing on the theory of Max Weber, it can rationally be concluded that disparities in a society are multifaceted. In terms of Balochistan, the growing income inequality is the result of several non-income factors. Land inequality in Balochistan is highly concentrated, with a few individuals, which limits the economic opportunities for the majority of the population. The property class of Balochistan is more privileged and can monopolize certain economic utilities. In terms of an unbalanced employment structure, the positively privileged acquisition class of Balochistan is more privileged than the social class, as the former has more access to jobs and market opportunities due to education and access to digital skills. The people who have better opportunities for education attainment have better jobs and can earn more than the lower classes. The economic policies, as seen from the prism of Weber’s *party* enforce laws that suit the interests of the political elite or the middle class and have a highly negative impact on the lives of the peasants and unskilled people. In

sum, the multifaceted stratification theory of Max Weber effectively defines the disparities in Balochistan that cause income inequality through several means.

### **Human Capital Theory**

Human capital is the sum of experiences, skills, level of knowledge, general and specialized training, and any sort of capabilities that can be effectively utilized for increasing productivity in an economy and generating a sustainable income for the laborer. The work on human capital has evolved through centuries ([Kiker, 1968](#)), and its origin dates back to the “Inquiry” of Adam Smith on the wealth of nations. Smith believed that the real input of labor is not merely quantitative, but is the state of skills and dexterity that it applies, which it gains from the study, apprenticeship, and formal education ([Smith, 1904](#)). John Stuart Mill followed Smith and remarked that the real wealth of a nation is not its tangible assets but its non-tangible human capital that cannot only be used to run a sustained economy but also attract the material wealth of other polities ([Sweetland, 1966](#)). Around 1890, Alfred Marshall argued on similar lines, emphasizing that the “agent”, not “material,” is the direct source of gratification ([Sweetland, 1966](#)). Thus, the classics highly emphasized human capital as the driving source of an economy. While investing in human capital, as they argued, the well-being of the laborer can be ensured, providing them with a balanced income and a prosperous life.

However, human capital as a theory was officially established in the 1950s when significant research in the discipline was conducted ([Blaug, 1966](#)). In 1958, Jacob Mincer conducted an extensive study on the nature and causes of income inequality. He maintained that the major source of income inequality is the disparity of skills and training – the laborers with high skills and relevant training earned more than those who lacked it. He additionally noticed that with time the skills must be improvised and sharpened to maintain income equality in an economy ([Mincer, 1958](#)). In 1959, Solomon Fabricant studied the productivity of the United States from 1889 to 1957 and concluded that throughout the period, the intangible human capital resource was underestimated, which resulted in economic obstacles. He said:

In an important sense, society's intangible capital includes all the improvements in basic science, technology, business administration, and education and training that aid in production, these result from deliberate individual or collective investments for economic gain or are incidental byproducts of efforts to reach other goals ([Fabricant, 1959](#)).

The most influential work on the canon of the Human Capital Theory comes from the study of Gary S. Becker in the 1960s. He concluded that to improve productivity and address income inequality, the state must invest in three different domains of human capital. First, through on-the-job training, which helps workers to increase their productivity by enhancing old skills and learning new ones. These trainings must include Specific Training, which can be highly required for a particular firm, and General Training, which can be utilized for any firm in general. Second, Schooling is also indispensable. This particular investment targets formalized education at primary, secondary, and higher levels and specialized vocational

education. Besides, Becker believes that the acquisition of some skills requires education and experience that can be attained through schooling and training. Thirdly, the laborer, as Becker notes, must be very cognizant of the entire economic system and the job market to find avenues of more equitable opportunities; and this again requires a high level of education to know an economic system ([Becker, 1960](#)).

[Theodore W. Schultz \(1961\)](#) initiates his work with a criticism of the economists who shy away from investment in men and put sole emphasis on the means of production. As empirical evidence, he quotes that the Negros who operate farms earn much less than the white men who work on comparable farms. It is, therefore, with land increase, reproducible capital, and unequal earnings all originating in the investment in human capital. He proposes five categories of investment in human capital: health facilities and services, formalized education, on-the-job training, study programs, and migration of individuals for changing job opportunities. Another tenet of Schultz's work is that it focuses on migration and urbanization to address the issues of human capital. He argues that economic development requires much internal migration, so people should adjust themselves to changing job opportunities.

In sum, the Human Capital Theory from the study of classics to contemporary researchers, is all about focusing on agents/humans for making a sustainable economy and addressing the issues of income disparities. In the contemporary age, drawing on the human capital approach, investment in the emerging trends in the wake of technological growth is a prerequisite for every country. In Balochistan, spending on formal and technical education, increasing inclination towards digital skills, making a balanced employment structure while equipping people with the relevant skills, and promoting sustained internal migration would be viable to deal with the income inequality in the region.

## RESULTS AND DISCUSSION

### Land Inequalities:

[Deininger and Squire \(1998\)](#), [Lagakos and Waugh \(2014\)](#), [Meyer and McIntyre \(2009\)](#), and [James \(2005\)](#) believe that unfair and inequitable land leads to income inequality and limits the opportunities of those who lack it. The people with land can use it for farming, for rent, and other purposes that allow them to accumulate land, monopolize resources, and access skills that can further imbalance the income distribution. In Balochistan, the distribution of land is highly unfair and inequitable, as shown by 42.5% of the respondents shown in Figure 1. The study finds that the majority of the respondents (55%) believe that land inequality is the major contributor to income inequality in Balochistan, as displayed in Figure 2. Therefore, the people with land have more access to resources, they contest elections and gain political power, and they have exposure to higher education in the major cities of Pakistan and abroad. On the contrary, the peasants, the laborers, and other low-wage employees have very confined and limited access to such opportunities. Consequently, the distribution of income remains highly imbalanced.

Figure 1:

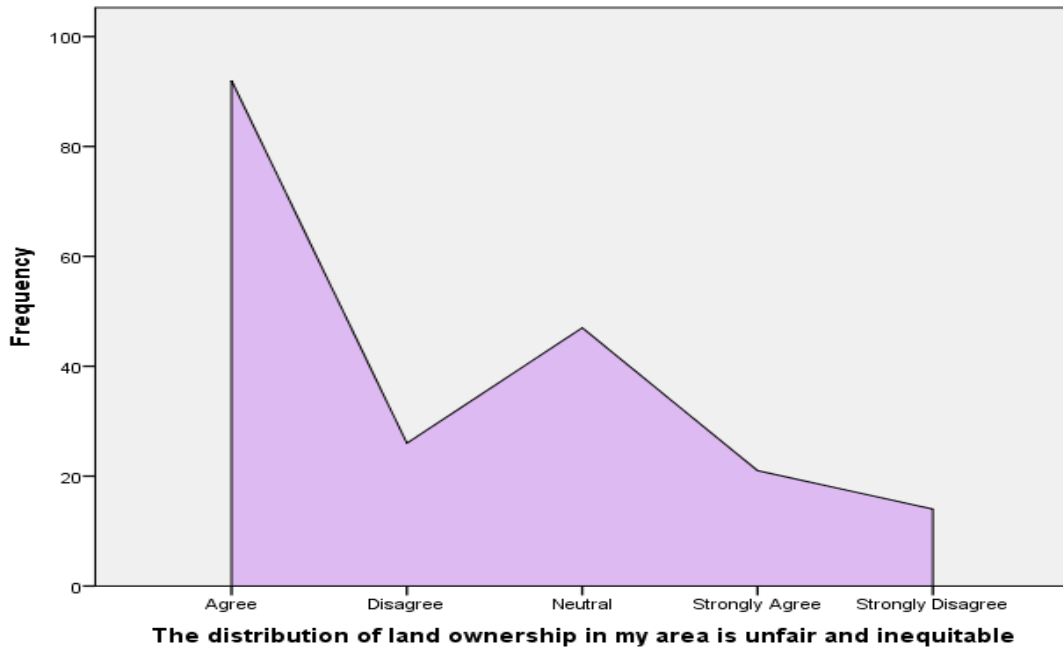
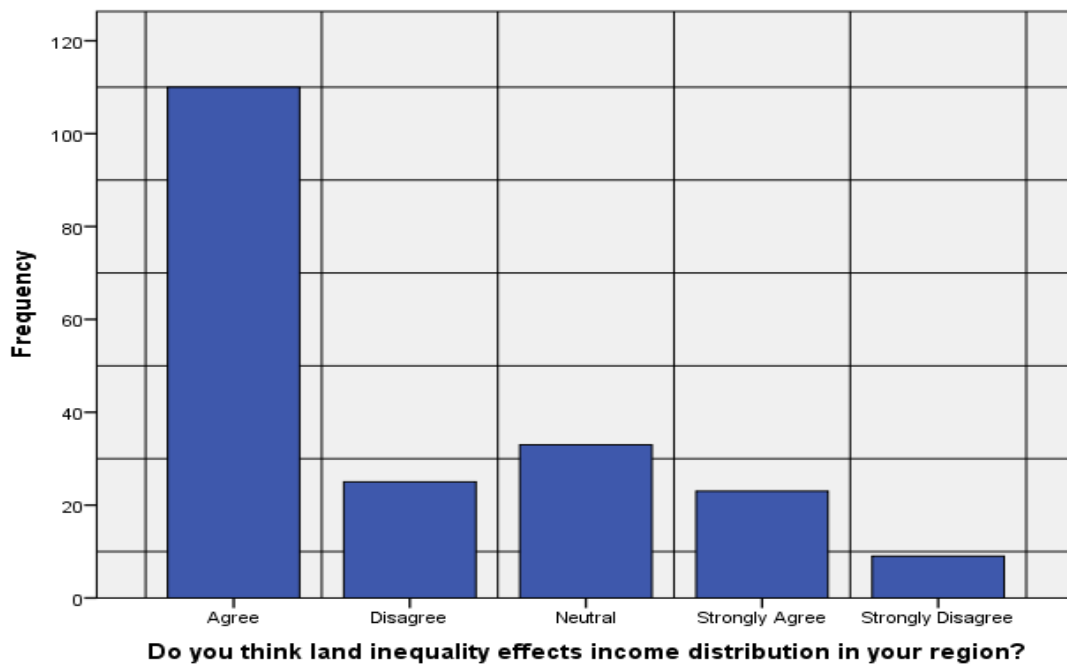


Figure: 02

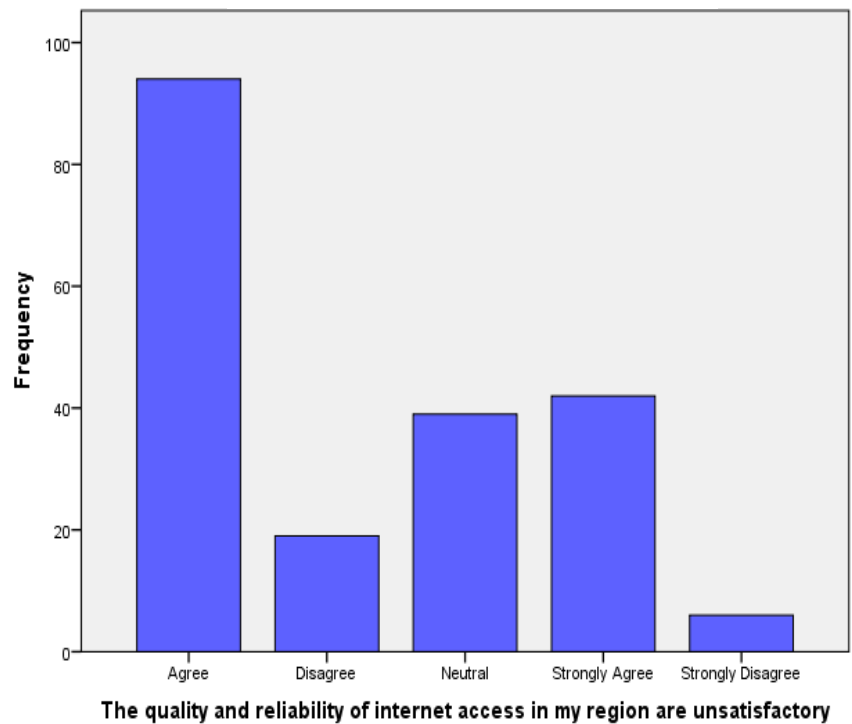


### Digital Divide:

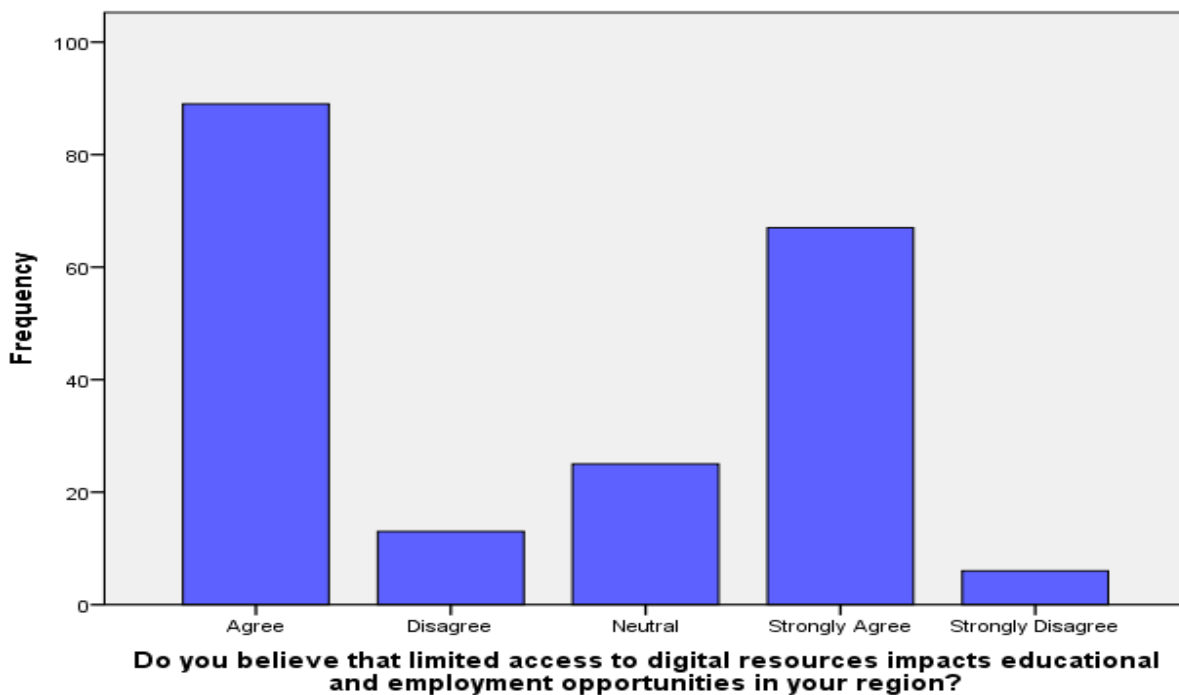
According to the Organization for Economic Cooperation and Development's Skills Outlook 2019, the digital divide among people creates high imbalances in their incomes ([Organization for Economic Co-operation and Development, 2019](#)). People with digital skills can earn up to 10% more than those who are deprived of them ([Burning Glass Technologies, 2019](#)). Along similar lines, the McKinsey Global

Institute has also noted that the increasing importance of digital skills and unequal technological advancements have resulted in wage divergences ([McKinsey Global Institute, 2018](#)). In Balochistan, the state of technological advancement is highly unsatisfactory and imbalanced. The condition is so gruesome that an internet connection is nonexistent. 45% of the respondents believe that the quality and reliability of the internet are unsatisfactory in their regions, as shown in Figure 3. The study finds that 42.5% of the respondents indicate that limited digital skills and education highly hinder the attainment of employment, which results in income inequality (See Figure 4). People or regions with more access to digital skills and knowledge get employment easily, and their wages increase by leaps and bounds.

**Figure: 03**



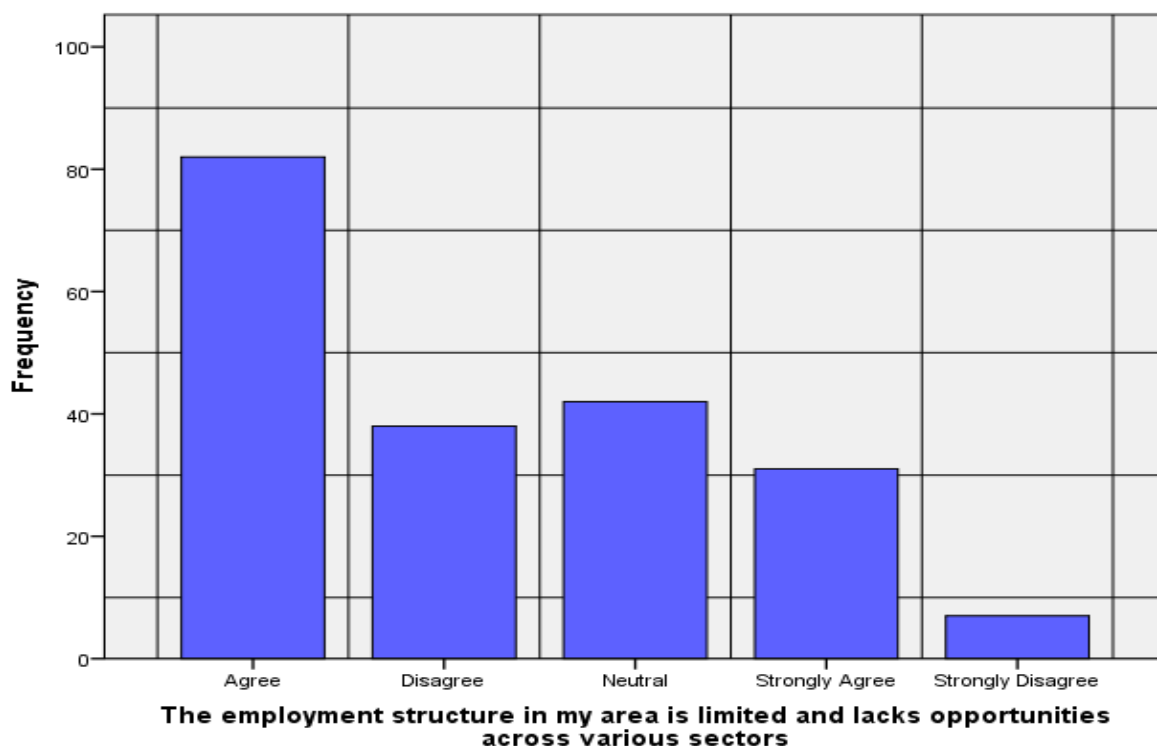
**Figure: 04**



### Unbalanced Employment Structure:

When the employment level is concentrated in low-wage sectors with limited chances of growth, it results in income inequality. However, if employment is concentrated in the high-wage sector the people with low wages feel the effects of the income inequality. It is also reflected in disparities in education and digital skills ([World Bank, 2024](#)). Similarly, employment opportunities diverge with geographical locations: some areas that are more urbanized can provide more preferable employment opportunities than rural areas ([Reeves & Guyot, 2017](#)). It is also possible that some areas within rural areas are more prone to cultivation and some are not, causing wage divergence. Additionally, the people associated with the informal economy can earn more than those who are associated with the formal economy. In Balochistan, 40% of the respondents believe (See Figure 5) that the employment structure is imbalanced due to two reasons: one, the employment structure is limited and lacks opportunities across sectors; second, there is a mismatch between skills required by the employer and possessed by job seekers. As a result, the employment structure contributes to income inequality.

Figure: 05



### Educational Disparities:

Education is the primary means of getting knowledge and skills, based on which the demand for laborers increases in the market. People with a higher level of education and skills often have much easier access to good-paying jobs. A higher level of education ensures access to high and reputable offices such as managerial jobs, administration, and bureaucracy, among others. Better education significantly adds to economic mobility. It is an intergenerational concept – the people with low wages

if get satisfactory educational opportunities, their upcoming generations will enjoy upward mobility (Chetty, Hendren & Katz, 2024), and social mobility (Pew Research Center, 2024).

Unfortunately, the educational disparities are high in Balochistan as shown in Figure 6. People in Quetta or other urban centers have more profound opportunities to acquire education and digital skills than any periphery areas. The respondents disagree with the notion that equitable educational opportunities exist in Balochistan; therefore, 39% of the respondents postulate that these educational disparities affect their employment opportunities which results in wage divergences (See Figure 7).

Figure: 07

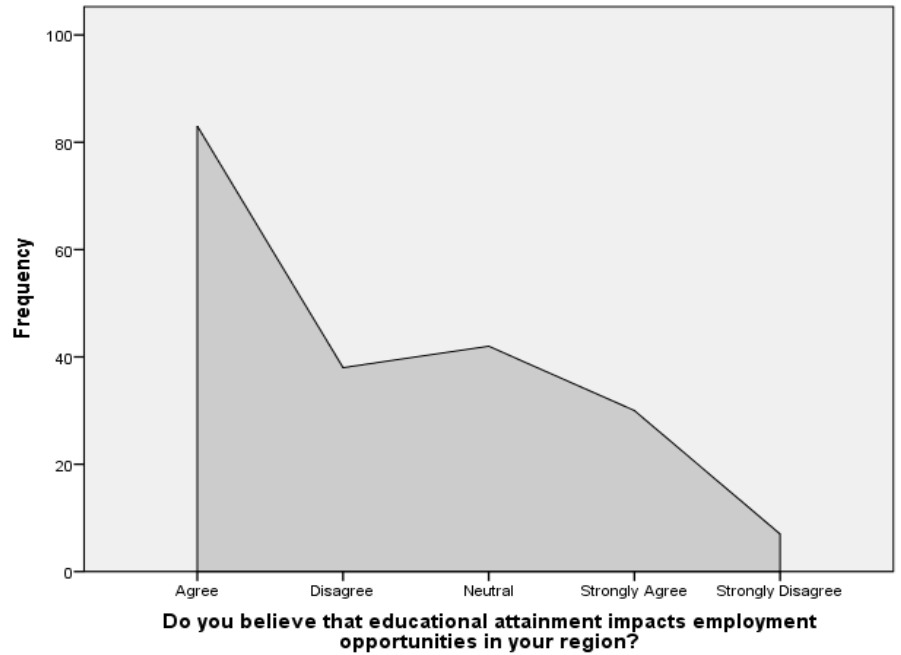
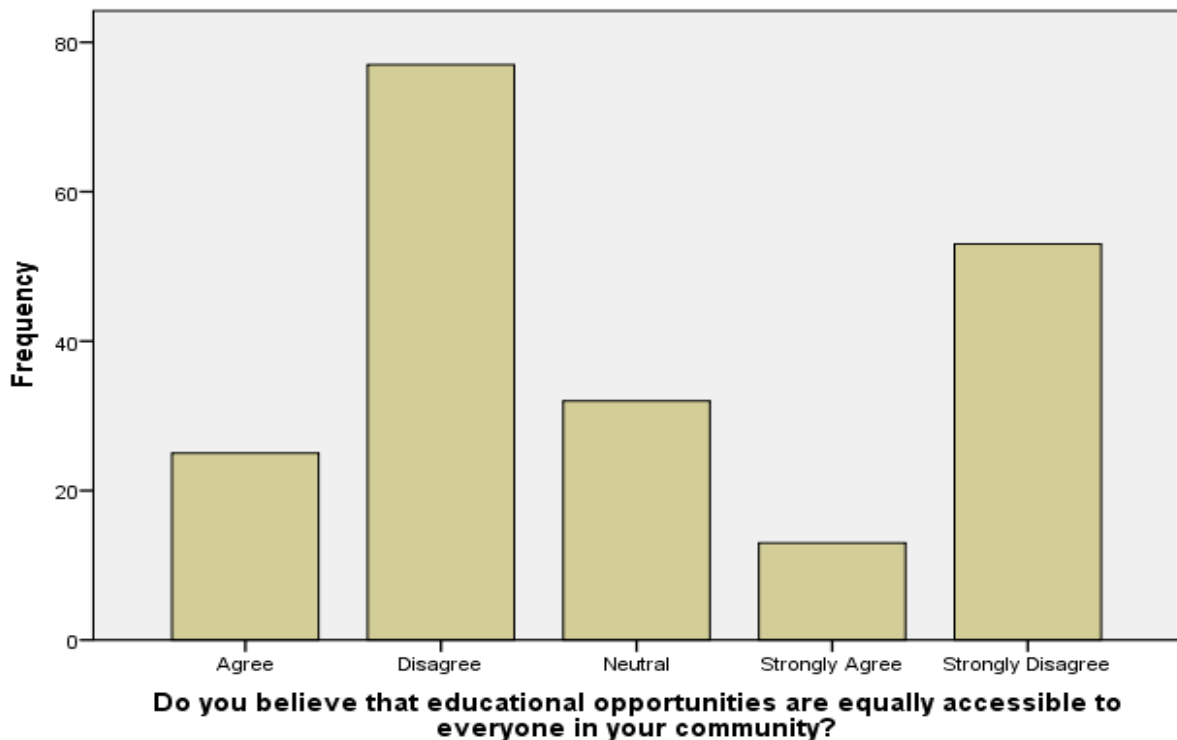


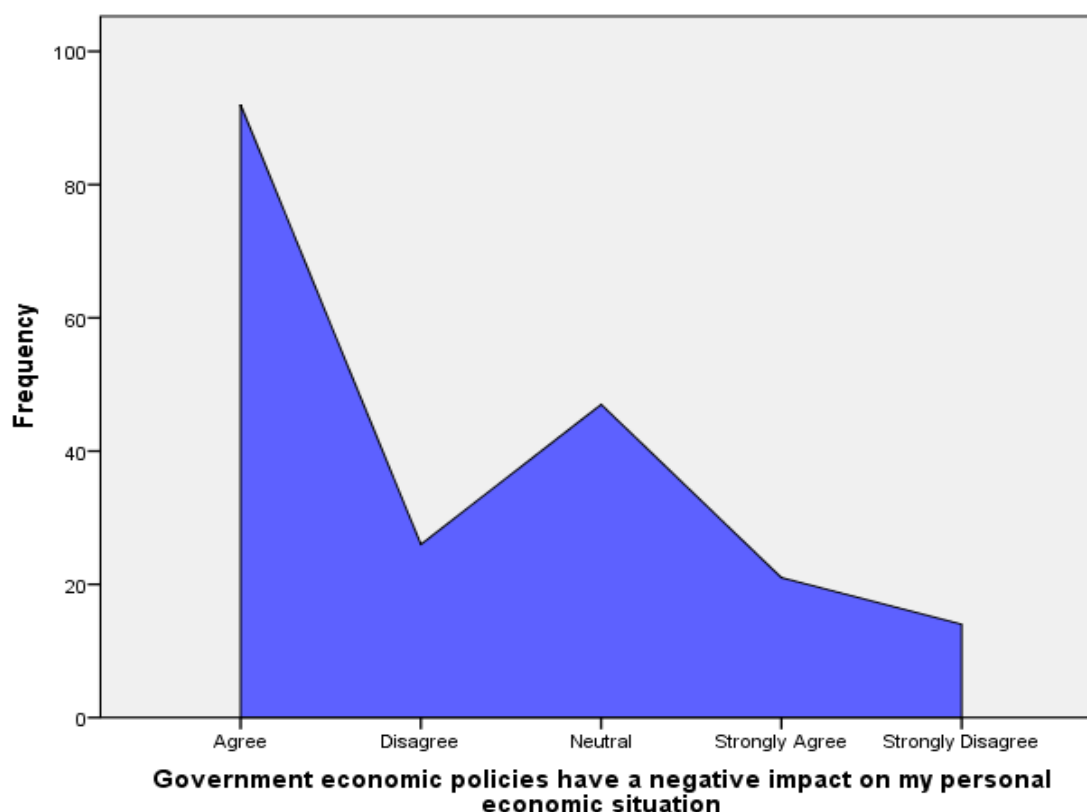
Figure: 06



### Inefficient Economic Policies:

Inefficient economic policies of a polity result or perpetuate income inequality in five possible ways. First, through inefficient taxation system which places much burden on low-income individuals relative to their income. In regressive taxation systems, the rate of the tax decreases with an increase in income which means that the lower classes pay more taxes than the elite class ([Institute on Taxation and Economic Policy \[ITEP\], 2024](#)). There are also prospects of inadequate redistribution wherein the government fails to ensure adequate public delivery or safety nets that exacerbate disparities ([Organization for Economic Co-operation and Development \[OECD\], 2024](#)). Second, suboptimal public spending is also crucial which results in income inequality when it poorly targets safety nets, confines the distribution to the elite, and mismanages the finances due to corruption ([World Bank, 2024](#)). Third, inadequate labor market policies result in wage suppression and job insecurity, making way for socio-economic disparities ([International Labour Organization \[ILO\], 2020](#)). Fourth, poor economic regulations create monopolies, wage suppression, and market concentrations that result in disparities (Brookings Institution, 2024). Finally, inadequate spending on human capital, digital skills, and educational disparities considerably contributes to disparities ([World Economic Forum, 2024](#)). In Balochistan, the economic policies have a very negative impact on the lives of the people. 37.5% of the respondents argue, as can be seen in Figure 8, that the income inequality in Balochistan is due to inadequate economic policies and has very gruesome impacts on their economic situation.

Figure: 08

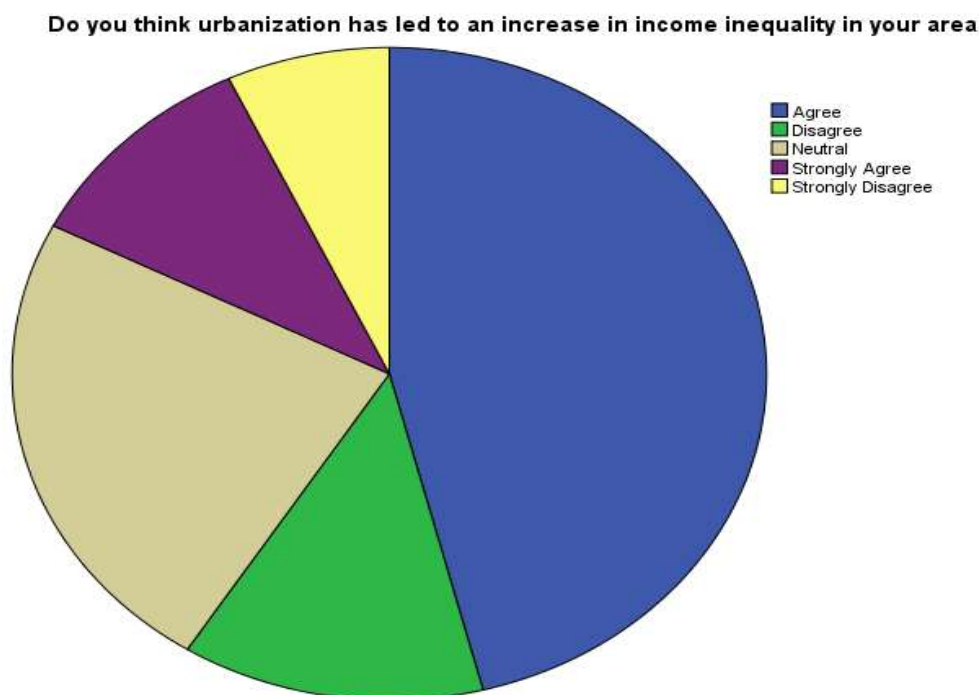


## Urbanization:

Urbanization is also one of the factors that contributes highly to the income inequality phenomenon. The people who live in rural areas are less skilled, less educated, and digitally unaware than those who live in robust urban centers. The rural and urban areas comparatively have unequal infrastructure that leads to disparities in education, business, and skills acquisition (Castells-Quintana, 2018). The urban areas have informal economies (Chen, 2012). The people who do not find employment in the formal economy can have access to earnings from the informal economy. The urban areas are technologically more advanced and allow several opportunities for growth and earning (David & Salomons, 2018). The urban areas have vibrant labor market laws that avoid wage suppression, monopoly creation, and wealth accumulation. Thus, the individuals who migrate from rural areas to urban areas enjoy social and upward mobility that can generate wages and growth.

In Balochistan, urbanization is an increasing phenomenon. The people of the urban centers in Balochistan are more skilled and have access to resources, opportunities, and exposure that the people of the rural areas lack. The study finds that 30% of the respondents believe that urbanization contributes to income inequality in Balochistan (See Figure 9).

Figure: 09



## Strategies for Mitigation

The main idea of the study for the mitigation of income disparities, as said before, pivots around the idea of investment in human capital: its knowledge, education, skills, and digital awareness. The idea also encompasses that to ensure these dexterity improvements in basic science, technology, business administration, and education and training, which can enable labourers to attain dexterity.

The government of Balochistan has to ensure the formulation and implementation of efficient economic policies that prioritize non-regressive taxation, curtailing suboptimal public spending, ensuring vibrant labor market policies, and disposing of poor economic regulations that create monopolies, wage suppression, and market concentrations. It is also important that equitable land distribution, transfer of technology to rural areas, especially the internet, and a balanced employment structure must be considered.

Education, being at the heart of the Human Capital Approach is the main source that drives productivity for economic growth. The education sector of Balochistan needs reform from the school level to higher education and from technical education to Madrasa education. First, from the school level, addressing the issue of out-of-school children requires improving access to education while building schools in remote areas, and ensuring safe and reasonable transportation. Enhancing infrastructure, such as upgrading existing schools and making avenues for distance learning is also important. Second, the incentives to join the technical and vocational education should be increased so that a large number of people can join it. With the help of civil society such as NAVTTC or BSEP, which are already working on technical education, the relevant stakeholders should ensure the smooth functioning of technical institutes. Third, universities of the province are struggling due to the financial crisis, and they are demanding a bailout package of RS. 12 billion. Frequently, the academic associations of the universities cordon off the classes for the pay that they do not get even after doing their duties. Student unions often protest to reinstate the suspended scholarships and demand a reduction in the increments in the fees. Notwithstanding, these issues in higher education require immediate action by the government. Fourthly, Islamic education or students enrolled in Madrasas earn so little once they graduate from Madrasas. During their formal education, they only learn religious matters, and there is no formal setup to equip them with skills through which they can earn. The need of the hour is to reform the education system in madrasas, where the students can learn some skills to earn a reasonable wage.

In the arena of digital skills, the Balochistan Digital Policy 2021 is a commendable stance. It was primarily focused on six principles: expanding digital infrastructure and access, enhancing digital skills, developing e-governance services, promoting digital transformation, ensuring cybersecurity and rights, and growing the digital economy. These steps are commendable to mitigate disparities in the province.

Lack of on-the-job training and capacity building of the existing laborers or employees is another issue that stagnates their economic growth. The chances of upward economic mobility in such conditions become so modest. Compared to corporate services, where the chances of exposure are satisfactory, the unregulated businesses and government sector jobs provide very meager opportunities for on-the-job training in Balochistan. For upgrading their upward economic mobility, on-the-job training and capacity building initiatives are needed.

The upgradation of the soft skills of the laborers and employees is also

significant. These skills include communication and leadership skills, teamwork and collaboration, adaptability and resilience, problem-solving, time management, conflict resolution, tolerance, and creativity and innovation. The GoB has to enhance the soft skills of its professionals, laborers, and employees through training programs, on-the-job training, seminars, and exchange programs with reputable corporate organizations.

Rural-urban disparities also need attention. The major chunk of the population of Balochistan lives in rural areas where basic amenities, needed infrastructure, and opportunities for economic growth are very meager compared to urban centers where these facilities are in functional form. As a result, the people in urban areas are economically more stable. To reduce this gap, the government must invest in rural infrastructure in the shape of constructing schools, initiating vocational training centers, and introducing reforms in the agriculture sector. Diversifying economic opportunities beyond agriculture and livestock is also crucial. The government can consider supporting small businesses that can create more jobs and upward economic mobility. Digital inclusion, e-commerce, and freelancing are also some relevant avenues that can increase the economic status of the rural population.

## CONCLUSION

In a volatile region like Balochistan, the growing income inequality requires much attention from the relevant stakeholders. The growing disparities within the province are alarming and are not conducive to the development of the region. It can vulnerable masses to false narratives and further impedes national development and growth. By employing Max Weber's theory of social stratification, the study found that the causes of income inequality are multifaceted in Balochistan, which are social, political, and economic reasons that perpetuate this phenomenon. The study also found that, in addition to the income factors, the non-income factors of income inequality are also crucial to be analyzed. Besides the measurement of the Gini Coefficient, it is also crucial to assess the broader socio-political, economic, and structural causes that contribute to income inequality.

In this regard, the most important and highly ignored non-income factors that make way for the disparities are the land inequalities, digital divide among the people of Balochistan, educational disparities, unbalanced employment structure, increasing urbanization, and highly inefficient economic policies that result in disorder in the economic setup of the province. Therefore, the study advocates for the implementation of targeted intervention by the authorities primarily focusing on the development of human capital. Also, it demands that the land inequalities can be reformed if the human capital of the individuals grows continuously. Finally, by tackling issues in these key areas, Balochistan can move towards reducing disparities, income inequality, fostering regional development, ensuring social cohesion, and promoting national integration.

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