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**POLITICAL SOCIOLOGY OF POVERTY IN INDIA:
BETWEEN POLITICS OF POVERTY AND POVERTY OF POLITICS**

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Political Sociology Of Poverty In India: Between Politics Of Poverty And Poverty Of Politics

Anand Kumar

Although relative differentials exist, absolute deprivation is high in most parts of rural India. For example, about half the population of rural India is illiterate and suffers from 'capability poverty'; about 40 per cent have extremely low incomes. Bihar, Uttar Pradesh, Madhya Pradesh, Orissa, Rajasthan and West Bengal are the most backward states.

- India Human Development Report (1999)

In 1993-94, when slightly less than 40 per cent of all Indians were below the poverty line, the proportion was 54 per cent for the Scheduled Tribes and 50 per cent for the Scheduled Castes. Though the tribals of India are only about 8 per cent of the total population, they accounted for 40 per cent of the internally displaced population, another major characteristics of poverty.

- National Commission on Scheduled Castes and Scheduled Tribes (2002)

Human attainments appear to be better and more sustained in those parts of the country where there is social mobilisation for human development, and where female literacy and empowerment encourages women to have a say in the decision making process at the household level.

- National Human Development Report (2001)

1. Introduction

Political sociology of poverty requires an analysis of the relationship between the political, economic and socio-cultural actors, institutions and processes in the context of poverty. It assumes that poverty is a complex and cumulative consequence of power relations over a period of time between groups within a region and between regions in the modern world system.

This paper on political sociology of poverty in India is based upon the assumption that

- a) the caste system and economic inequality complement each other in the case of the poorer sections of Indian society,
- b) Indian society has experienced complexities in identification of class system due to manifold gradation of social rank, which have evolved in the form of caste and tribe along with quasi-religious settings of deprivation,
- c) the colonial and post-colonial polity have been organized around the recognition of nebulous coexistence of 'caste' and 'class' principles in the approach of state and political community towards the weaker sections of the society.

The Indian Constitution and political community have given recognition to the grave condition of resourcelessness of the weakest sections of Indian society through the system of 'Scheduled' castes and 'Scheduled' tribes. In other words, while recognizing the heuristic value of 'caste', 'gender', 'tribe' and 'class' as separate analytical and sociological categories, this paper suggests that caste, tribe and class merge into each other in the domain of absolute as well as chronic poverty in India. This clarification is important as there are a large number of instances of 'caste into class' and 'class into caste' as well as tribe-caste convergence in terms of economic conditions. But they do not negate the fact that for the last several decades there is marginal difference in the caste status of the absolutely poor classes and there is very limited evidence of economic prosperity ('creamy layer') among the depressed castes and tribes particularly in the rural domain of the Indian economy.

2. Historical Context

Any attempt to comprehend the Indian experience of poverty eradication through construction of welfare state and political mobilization in the last five decades needs to recognize that India is a post-colonial society where a) the colonial heritage in the statecraft, and b) the legacy of anti-imperialist national movement in the political community and political culture, play critical roles. This relationship between the 'colonial past' and the 'democratic present' is very significant for understanding the changing nature and orientation of the state and society in the context of poverty in India since independence in 1947.

It is also necessary to remember the differences between the rise of democratic polity in Europe and the emergence of welfare state in India. To quote Jawaharlal Nehru, a pioneer of democratic socialism during the anti-colonial movement between 1920s and 1940s and the first Prime Minister of free India from 1947 to 1964, "In Western countries, full blooded democracy with adult suffrage came to the people very late, in the Twentieth Century". They had in the meantime profited from the Industrial Revolution. They got the resources before they gained democracy so that when the demands came for better

living conditions they had the resources to fulfill them. In India, we have full-blooded democracy but not the resources.

Table 1: India's global position on human and gender development

Country	HDI Rank 2000	Human development index (HDI)		Gender development index (GDI)		Gender empowerment measure (GEM)	
		1992	2000	1992	2000	1992	2000
Norway	1	0.932	0.942	0.911	0.941	0.752	0.837
Australia	5	0.927	0.939	0.901	0.956	0.568	0.759
Sri Lanka	89	0.704	0.741	0.660	0.737	0.288	0.274
China	96	0.594	0.726	0.578	0.724	0.474	0.483 \$
Indonesia	110	0.637	0.684	0.591	0.678	0.362	0.362 @
India	124	0.439	0.577	0.401	0.560	0.226	0.240 @
Pakistan	138	0.483	0.499	0.360	0.468	0.153	0.176
Nepal	142	0.343	0.490	0.310	0.470	0.315	-----
Bangladesh	145	0.364	0.478	0.334	0.468	0.287	0.223
Mozambique	170	0.246	0.322	0.229	0.307	0.350	0.428 @
Ethiopia	168	0.227	0.327	0.217	0.313	0.205	-----
Nigeria	172	0.207	0.277	0.196	0.205	-----	-----
Note : \$ relates to HDR 1998 @ relates to HDR 1999 * relates to HDR 2000							
Source : Human Development Report (HDR) 1995, 1999 and 2002							

The results of the Indian endeavour of poverty eradication are not satisfactory in international terms. But the specific and comparative aspects of India help us in contextualising the Indian project of nation building through planning for a poverty free welfare state and a socialistic society between 1950 and the end of the millennium. They also provide insights about the international standing of India in the community of nation-states, where the largest democracy of the world is found to be lagging behind Sri Lanka, China and Indonesia (see Table 1). The Indian political process is being shaped by continuous interaction between the imperatives of interest group dynamics, democratization, decolonization and nation-building. These four factors provide the basis for legitimacy of the post-colonial state. They also give content to the concepts of 'public welfare' and 'national interest'. As a consequence, there were several changes in the state and society relationship in India during this period, which have caused i) decline of politics and rise of economics, ii) rise of dominant caste coalitions and decline of upper caste hegemony, iii) erosion of national constitutional consensus and rise of centrifugal movements, iv) stress on decentralization along with weakening of the process of center-formation including planning, v) rise of movements of erstwhile marginalized categories of people e.g. women, depressed classes like Dalits and Scheduled Tribes, ethnic groups, etc., vi) rise of 'region' instead of 'nation' as the operational category of the party system, vii) weakening of the middle class political culture as well as rise of crime-politics nexus with patronage from the neo-rich classes, and viii) rolling back of the welfare state under the pressure of global forces of liberalization.

The relationship between poverty, politics and state has continued to play a significant role in the political sociology of independent India as it did during the colonial era. The issue of poverty came onto the State's Agenda through different processes after the end of colonial period. First there was a constitutional process which was a consequence of the nationalist discourse where "Community Development" and decolonization were presented as two sides of the same coin. It created an appropriate focus in the making of the constitution of independent India.

Secondly, there came a developmentalist phase which gained importance during the drive for promoting capacity building among the rural cultivators through "Land Reform" in the 1950s. The idea of 'poor peasant' became unacceptable in the discourse of development under the Congress Raj. Of course, it failed to include the landless labourers in its conceptualization of recasting the rural power structure through 'land reforms'.

Then came the phase of nation wide rural agitations in the 1960s. The newly created propertied peasants started asking for increase in state's patronage and, the pauperised peasants urged for radical transformations to ensure jobs, wages, dignity and justice. The states' responses were crystallized as the "Green Revolution".

Finally, India became market oriented in the 1980s as state-centric initiatives became counter productive at worst and ineffective at best. There was a new faith in market mediated system management among the propertied sections of Indian peasantry as well as the urban propertied classes. It was termed "the era of liberalization". Rolling back of the state did show some results in the first few years. But the bifurcation of the propertied and the pauperised was reinforced by the end of the 1990's. Thus there are new indications of pressures about continuity of chronic poverty and creation of 'new poor' in the context of liberalization. In fact, it may be appropriate to suggest that after the 'first generation reforms' or 'structural adjustments' and the consequential rolling back of the state, there is resurfacing of poverty in rural and urban sectors resulting in unrest and conflicts. This rediscovery of poverty is accompanied by refocusing of the political agenda of the India political sectors including political parties, trade unions, peasant bodies and other major components of the power pyramid in India (see Table 2).

Table 2: Poverty and Regime Orientation

Year	Poverty ratio in per cent			Number in Millions.			Regime Orientation
	Rural	Urban	Combined	Rural	Urban	Combined	
1957-58	55.2	47.8	53.9	186.8	33.8	220.6	Land Reforms
1973-74	56.4	49.0	54.9	361.3	60.0	321.3	Anti Poverty Programmes
1977-78	53.1	45.2	51.3	264.3	64.6	328.9	Antyodaya Approach
1983	45.7	40.8	44.5	252.0	70.9	322.9	Market Oriented
1987-88	39.1	38.8	38.9	231.9	75.2	307.1	Liberalization
1993-94	37.3	32.4	36.0	244.0	76.3	320.3	Structural Adjustment
1999-00	27.1	23.6	26.1	193.2	67.1	260.3	Rediscovery of Poverty
2007*	21.1	15.1	19.3	170.5	49.6	220.1	---

* Poverty Projections for 2007

Source: Tenth Five Year Plan, Vol. L, Planning Commission

In short, the link between active political mobilization (of varying intensity) and rural transformation has played a vital role in shaping the destiny of the poor. The state and its legislative and bureaucratic apparatus have been a secondary factor. Hence the change in the national economic scenario with reference to peasants in general, and poor rural masses in particular has been primarily a political phenomenon (see Mohanty et.al. (1998)).

3. The Constitutional Content

The conceptualization of poverty free welfare state in India has been accomplished in two phases - i) the period of national movement for freedom from foreign rule, and ii) the making of Indian constitution through a constituent assembly. The Indian national movement was able to focus the attention of the masses on growing poverty and the recurrence of famine which was due to defective policies of the colonial government. It was the view of leading public men like Dadabhai Naoroji (1825-1917), M. G. Ranade (1842-1901) and R. C. Dutt (1848-1909) that the solution to the social and economic backwardness of India could not be found through the British Government's policy of laissez-faire, but that only a national government which actively promoted development by direct government action could bring about improvement in living standards. The resolutions of the Indian National Congress from 1929 onwards emphasized the need "to make revolutionary changes in the present economic structure of the society and to remove grave inequalities in order to remove poverty and ameliorate the condition of the masses". The resolution of 1931 underlined that "political freedom must include real economic freedom of the starving millions" and elaborated the fundamental rights which should be included in the constitution of free India to provide a basis for it. It was followed by the formation of a National Planning Committee with Jawaharlal Nehru as Chairman in 1937 on the initiative of Subhash Chandra Bose as the President of Indian National Congress.

A complementary process of conceptualization was contributed by the constant debate about the nature and priorities of the state in post-colonial India among the Gandhians, socialists, communists, radical humanists and other ideological groups in the national movement. The charter of demands and agitations by various class organizations of peasants and industrial workers provided the guidelines for the approach of the national movement to poverty and its eradication from villages and towns of India. In fact the decisive push to the colonial rule came with large scale peasant mobilization in the last decades of the freedom movement.

The concept of welfare state became the lodestar of the Constituent Assembly of India. It made its impact on the thinking of the leading lights of the Assembly who wanted to secure 'justice – social, economic and political' for all citizens of the Republic. They were clear that without social and economic democracy, political democracy had no meaning in a poor country like India. The Preamble, Fundamental Rights (Articles 12 to 35), Directive Principles of State Policy (Articles 36 to 51), and the special provisions for Scheduled Castes and Tribes and Backward Classes (Articles 330 to 342) are significant dimensions of the Indian constitution from this perspective. They have created the

imperatives for progress from political democracy to social and economic democracy which means "working for a certain measure of well-being for all".

The Preamble of the Constitution commits the state to the development of a free society based on the dignity of the individual in which there would be equality of status, opportunity and justice. The state has to endeavour towards harmonization of interests between individuals, groups, and between individuals and groups on one hand and interests of the community on the other. The Preamble places justice above the other principles of liberty, equality and fraternity.

The values embedded in the Preamble are elaborated in the Fundamental Rights and the Directive Principles. The Fundamental Rights have covered all the traditional civil and political rights included in the Universal Declaration of Human Rights. There are six broad categories of the fundamental rights:

- i. The right to equality (Articles 1, 15, 16, 17, and 18)
- ii. The right to freedom (Articles 19 and 21)
- iii. The right against exploitation (Articles 23 and 24);
- iv. The right to freedom of conscience and free profession, practice and propagation of religion (Articles 25 to 28);
- v. The right to minorities to conserve their culture, (Articles 29 and 30); and
- vi. The right to constitutional remedies for the enforcement of all these Fundamental Rights (Article 32).

The Directive Principles of State Policy are basically inspired by the concept of a welfare state. Article 37 declares that the Directive Principles are "fundamental in the governance of the country" and that "it shall be the duty of the State to apply these principles in making laws". However these are non-justiciable. Article 38 defined the aim as follows; "The State shall strive to promote the welfare of the people by securing and protecting as effectively as it may a social order in which justice – social, economic and political, shall inform all the institutions of the national life". In Article 39, stress was laid on the right to adequate means of livelihood, equally for men and women; equal pay for equal work for both men and women; conditions of work ensuring health and strength, protection of children and youth against exploitation and against moral and material abandonment. It is also laid down that the state should ensure that 'the ownership and control of the material resources of the community are so distributed as best to subserve the common good'; and that the 'operation of the economic system does not result in the concentration of wealth and means of production to the common detriment'.

Furthermore, the duty is enjoined on the State that 'it should, within the limits of its economic capacity and development, make effective provision for securing the right to work, to education and to public assistance in cases of unemployment, old age, sickness and disablement, and in other cases of undeserved want' (Article 41). The state should also provide for 'securing just and human conditions of work and for maternity relief'; and 'security to all workers - agricultural, industrial and otherwise - a living wage, conditions of work ensuring a decent standard of life and full enjoyment of leisure and social and cultural opportunities' (Articles 42 and 43).

Particular stress is laid on special assistance to the weaker sections of the people, including the Scheduled Castes and the Scheduled Tribes and the other weaker sections with a view to promoting their educational and economic interests and to protecting them from social injustice and exploitation. With regard to rural economy, Articles 40 and 48 enjoin the application of modern scientific methods to agriculture and animal husbandry and the implementation of programmes and improvements through self-governing Panchayats. Promotion of cottage industries on an individual and cooperative basis is mentioned in Article 43.

Article 45 fixed a definite time limit during which the State would endeavour to provide free and compulsory education for all children until the age of fourteen years from the commencement of this Constitution.

The above principles were given a more precise direction when Parliament accepted the socialist pattern of society as the objective of social and economic policy in December 1954. In 1976, the 42nd Amendment Act added certain new directives to the Constitution of India :

- a) that children are given opportunities and facilities to develop in a healthy manner and in conditions of freedom and dignity;
- b) that the operation of the legal system promoted justice on a basis of equal opportunity, and in particular the State provided free legal aid in cases of economic and other disabilities.
- c) that the participation of workers in management of industries is secured; and
- d) that the environment is protected and improved and the forests and wild life are safeguarded.

4. Anti-Poverty mobilizations and their results

The direction of post-colonial polity in India was evolved during the three Five Year Plans between 1951 and 1965 in the context of peasant mobilization and other protest movements. Self-reliance was the basic goal of the Nehruvian agenda under the hegemony of the Congress Party. It is important to recognize that the response to the peasant movements in the Fifties by the nascent post-colonial state and the hegemonic ruling party, Congress, was:

- a) to eliminate intermediaries for creating a broad based proprietary class in the village who took interest in promoting agricultural production;
- b) to facilitate infrastructure facilities through a variety of inputs and concessions;
- c) to ensure minimum price support through purchase of considerable amount of agricultural products through public sector corporations.

The impact of these reforms created two opposite results —

- i) it promoted the expansion of owner-cultivator class which came from upper and upper-middle strata of the caste system; and
- ii) it created insecurity among tenants, agrarian workers, and semi-bonded tillers due to increased pressure of market forces upon the agricultural sector.

Agriculture was changing into a 'market oriented, cash based, and profit claiming occupation, causing deterioration of the situation of the poorer strata in rural India. In short, there was emergence of commercialization, monetization and market/profit

oriented production due to the state's plans and programmes between 1950 and 1965. The number of agricultural proletariat - (who belonged to the 'lowest' castes and the Scheduled Tribes) grew at an exponential rate. But the strategy of "incremental democratic modernization" encountered a series of problems from 1963 onwards, which made the Nehruvian approach obsolete in many spheres of State policies. A new set of national issues regarding food scarcity, increase in prices, national defence, foreign dependence, economic stagnation, and regional inequalities generated a cumulative stress between 1963 and 1967. As a consequence a new agenda called Ten Point Programme came into being. The dilemma of dependent accumulation and declining dominance of the Congress Party created a shift in India's direction of development. The slogan of "Jai Jawan - Jai Kisan" (victory to the soldiers - victory to the peasants) symbolized the new thrusts of the State. The 'sixties saw a wave of disenchantment with the entire planning process'. There was visible growth of discontent in the late sixties.

Between anti-Congressism and Naxalism, there was a great range of activism and mobilization all over rural and urban India. This coincided with the 4th Five Year Plan and the 5th Lok Sabha elections. Despite the intelligence and experience, Indian planning had gotten into a rut. The results were disappointing. It was time, therefore, for the planners to ask themselves whether the things they had been trying to do were really correct. Thus the period of the 4th Five Year Plan was marked by political weakness and economic anxieties. The poorer sections of the society and the pro-poor political formations were making impressive moves for collective action. It was the era of second wave of land conflicts after the late nineteen forties and early fifties.

The second wave of rural mobilization in the sixties contained two distinct groups of rural masses. There was a movement launched by the newly emerged proprietary classes constituted by rich farmers and middle peasant proprietors. The communists called them 'Kulaks' which was an exaggeration of their economic capacity. They were also named 'Bullock Capitalists'. Their mobilization was aimed at securing increased patronage from the state. They did not come into conflict with the interests of the industrial and commercial urban proprietary classes. It was led by peasant based regional political formations which came into existence in 1960s in several provinces of India. Several of them got amalgamated into a national political party, Bharatiya Lok Dal, led by Charan Singh in 1974.

Another movement was launched by the agrarian poor with increasing prominence of the agricultural workers. The movements of the rural poor in the 1960s and 70s were centred around a combination of economic, social and political issues. Economically, they were in need of security of employment, minimum wages, rights over a certain share of the produce, distribution of surplus lands, and reduction and liquidation of debts. Socially, they were agitated about violation of legally acquired rights, gender discrimination, violence and humiliation by upper caste/class men and public officials. Politically, they were attempting to resist repression and terror of the upper and middle castes who had recently turned into land owning classes in rural India. They found a nexus of the newly emerging proprietors and the nascent post-colonial state. They also felt that the state was

paying more attention to the proprietary classes as it considered them as the agents of development. They were led by the left wing parties like Communist Party, Communist Party (Marxist), Socialist Party and Communist Party (Marxist-Leninist).

The rural poor in the 1960s comprised of a) pauperized peasants, b) agrarian workers belonging mostly to the depressed castes and tribes and other marginal groups, and c) a large section of women. Their struggles gave rise to uncomfortable questions regarding the usefulness of the socio-economic framework of developmental planning adopted after independence. They exposed the limits of the development policies as they had failed to improve the condition of the poor even after three Five Year Plans, and a generation long political stability in the form of Congress rule. They brought the nation 'face to face' with the continuity of unimaginable forms of exploitation and oppression of the rural poor. It was an indictment of the post-colonial state and its patronage to newly propertied castes and communities in the name of development and nation building since 1950s. Above all it proved that there is a 'dialectical interconnection' between the various sectors of the society and polity.

5. Politics of Poverty Eradication

The issue of poverty became a central question during 1964-71. It was triggered by the Lohia-Nehru-Nanda debates in Lok Sabha in 1964 about the nature of poverty and its extent. It became recognized as a political imperative of democratic governance as a large number of people were still trapped in economic settings which forced them to live below the levels of subsistence. It was legitimized by the slogan of Garibi Hatao (eliminate poverty) by the Congress Party under the leadership of Indira Gandhi who routed most of the anti-Congress political parties in the general elections of 1971-72. It appeared that after a long wait, the moment had arrived for fulfilling the dreams of Swaraj by creating an egalitarian social order based upon economic self-reliance and democratic social transformations.

It is another matter that the electoral mandate was not translated into effective socio-economic steps due to a variety of reasons – domestic as well as international. Low savings, limited investment, sluggish industry, a steep rise in the money supply and a sharp decline in agricultural production were the prominent features of economic administration. The problems were further complicated by international 'price revolution' and a phase of 'stagflation' in the world economy. In 1973-74, inflation had turned everything topsy-turvy. It was coupled with the crisis of leadership within the Congress Party at the Central and the provincial levels. The situation gave rise to multiple political pressures, student-youth movements and working class protests which culminated in a national movement against the failures of the government in terms of checking corruption, controlling price rise, creating employment, and providing relief to the poor. It was led by Jayaprakash Narayan, one of the founders of democratic socialism in India (who later devoted himself to the cause of Sarvodaya or Gandhian reconstruction of the Indian society, economy and polity to promote welfare of all) and was supported by socialists and others. After a phase of indifference and tolerance, the ruling party declared the State of Emergency due to the intensity of internal protests. At the same time, it had

to adopt a 20-Point programme of welfare measures to show that even in a situation of crisis, the government is committed to continue the process of relief and welfare.

In spite of these adversities, the change in the orientation of the political community and the policy makers in the early 1970s, was remarkable. According to C.T. Kurien (1979), "When a small group in the Planning Commission proposed in 1962 that the central concern of our planning has to be the removal of poverty as early as possible, it was a novel and consequently very suspicious idea. But within a decade it had become not only the accepted economic dogma, but also a highly articulated political programme". The new mood was reflected in the Fifth Five Year Plan. For example, *Towards An Approach to the Fifth Plan (1974-79)* proclaimed "there would seem to be a conspicuous element of historic inevitability in a direct approach to reducing poverty becoming the main thrust of the Fifth Five Year Plan. The Plan is being formulated by a government that has massive mandate from the people, both in the Parliamentary elections of 1971 and the state elections of 1972, on the basis of a programme whose centre piece is *Garibi Hatao*. The homogeneity of the Governments at the Centre and most of the states during the formulation and early years of the Fifth Plan is guaranteed. This should enable bold and imaginative proposals being put through on the basis of an enlightened national consensus".

Thus, the Fifth Five Year Plan was a landmark due to its special thrust on creating the maximum possible dent on the low end poverty while ensuring that the country moves one more step in the direction of economic independence. It was also remarkable due to its recognition that the Indian economy had reached a stage where larger availability of resources makes it possible to launch a direct attack on – a) unemployment, b) under-employment, and c) poverty. It clearly admitted that the twin causes of poverty are i) underdevelopment, and ii) inequality and it is inadmissible to ignore or underplay either factor. Therefore, it pointed out that the problem of poverty couldn't be overcome within the foreseeable future by efforts in one direction only.

India entered the phase of liberalization in 1980s under Prime Minister Rajiv Gandhi and the process continued in spite of change in leadership at the level of the Prime Minister. The year 1991 was the beginning of an explicit phase of rolling back of the state due to the imperatives of liberalization. Relatively higher growth was recorded during 1980-2000 and particularly during 1990s which was a decade of structural economic reforms. It also showed decline in poverty and improvement in health and literacy levels of the people of India. But India continues to suffer from high levels of illiteracy, high rate of infant mortality, high incidence of disease, disability, and malnutrition even after half a century of freedom and democracy. Allocations for health and education have been only 4.1 percent of the GDP (1996-97) which was lower than several developing post-colonial countries like Malaysia and Sri Lanka.

The sociological consequences of the liberalization-globalisation drive have been summarized by Yogendra Singh as state versus market dilemma. He argues that the extent to which the power of market increases and expands, the significance of the state as a supreme political institution, undergoes major alterations. Idealistically, some

protagonists of the market even anticipate the end of the notion of sovereignty. For societies such as India, where nation-building has still not reached the level of integrative maturity, such fears of the end of sovereignty or a threat to it due to unhindered play of the global market force cause not only acute anxiety but also pose a challenge (Y. Singh, 2002).

6. Poverty and Conflict Lines: Class, Caste and Tribes

Analysis of poverty-politics relationship needs understanding of power dynamics and conflict patterns because inequality of access to resources generates processes of conflict in the context of interests between the included, the marginal and the excluded sections of any society. The conflicts make reform and strategies and processes of poverty elimination imperative. This requires a multi-dimensional understanding of the interconnectivity of the spheres of state, market and community and the interrelatedness of the local, regional/national, and global domains. All these need special attention in exploring the challenges of chronic poverty.

Poverty and the poor are always associated with (a) resourcelessness, (b) choicelessness, (c) insecurity and (d) deprivation which create incapacities in the pursuit of dignified life in a given society for a person, household, group or community. Furthermore, those suffering chronic poverty also suffer several simultaneous disadvantages including gender, age, caste, ethnicity, location, etc.

Table 3: Household Income In India (1989-90)

Income Group	Income Per Annum (Rs.)	No. of People.(in million)	Percent of Population
Low Income	Less than 12,000	420	59.0
Lower Middle	12,500-25,000	192	27.0
Middle	25,000-40,000	12	10.0
Upper Middle	40,000-56,000	19	2.6
High Income	More than 56,000	10	1.4

Source: NCEAR data as quoted in Robert Stern (1993: 5-6).

According to A. R. Desai (1986) a new class configuration has emerged as a direct consequence of the conjunction of peasant mobilization and government measures over the last few decades. It contains the following categories of rural population: a) **Rich Farmers and Land lords** owning 15 acres and more, possessing 50 per cent of the total land and constituting 7 per cent of the population, b) **Middle Farmers** – with 5 to 15 acres of land, possessing 30 per cent of the total land and constituting 19 per cent of the population, c) **Poor Farmers** owning between 1 and 5 acres, possessing 17 per cent of the total land and constituting 30 per cent of rural population, and d) **Agricultural Labour** without land or owning less than 1 acre of land, possessing about 2 per cent of the total land and constituting 44 per cent of the population. The national picture also

suggested presence of five categories on the basis of household income with 10, 19, 12, 192 and 420 million persons in them (see Table 3).

The population below poverty line (1993-94) has two major features: i) Overwhelming presence of the Scheduled Castes and Scheduled Tribes population, ii) Assam, Bihar, Madhya Pradesh, Maharashtra, Orissa and Uttar Pradesh were found to be above the national figures of population below poverty line where as West Bengal, Tamil Nadu and Karnataka were within the proximity of national figure (35.9 per cent) (see Table 4).

The relation between the resourcelessness of the chronic poor and settings of conflict is rooted in the quest for security and dignity through ending of choicelessness of the chronic poor in a variety of ways. Such households, loaded with a complex set of disadvantages and assetlessness, are usually involved in subsistence type of activities which get them poor returns. Since their earnings are meager, they survive on small amounts of borrowed money or they are forced to suffer from hunger. They are mostly unable to change the power relationships and there are no mechanisms of grievance redressal. The powerful local forces, in conjunction with the corruptible sections of the state apparatus, manipulate and misappropriate the common resources and public funds which create further helplessness and frustration. It has been termed as 'web of poverty' with centrality of continuous alienation of the people trapped in it and occasional confrontation in the society. This could lead to social tension, despair or a combination of both (B. D. Sharma, 2000).

Table 4 : Percentage of Population Below Poverty Line : Rural-Urban and SC/ST Total (By states: 1993-94)

States	Rural		Urban		Total (General)
	SC	ST	SC	ST	
Andhra Pradesh	26.02	25.66	43.82	46.68	22.1
Assam	45.38	41.44	14.34	07.11	40.8
Bihar	70.66	69.75	55.16	35.76	54.9
Gujarat	32.26	31.20	44.99	35.47	24.2
Haryana	46.56	41.55	23.58	00.00	25.0
Himachal Pradesh	36.89	63.94	18.52	00.00	28.4
Karnataka	46.36	37.33	61.59	62.05	33.1
Kerala	36.43	37.34	31.59	01.08	25.4
Madhya Pradesh	45.83	56.69	65.00	65.28	42.5
Maharashtra	51.64	50.58	52.56	61.06	36.5
Orissa	48.95	71.26	47.45	64.85	48.5
Punjab	22.08	27.00	27.96	00.00	11.7
Rajasthan	38.38	46.23	48.63	13.21	27.4
Tamil Nadu	44.05	44.37	61.50	30.08	35.0
Uttar Pradesh	58.99	37.11	58.02	36.88	40.8
West Bengal	45.29	61.95	37.73	19.41	35.6
All India	48.11	51.94	49.48	41.14	35.9

Source: National Commission for SC/ST, Sixth Report 1999-2000 & 2000-2001, annexure 3. 11, p. 41.

The increasing visibility of a "fault line of deprivation and conflict" is a consequence of such a setting in India today. It is visible in a number of districts of Uttar Pradesh (13), Bihar (26), Orissa (10), Jharkhand (10), Chattisgarh (4), Madhya Pradesh (16), Andhra Pradesh (4), Assam (3), Tripura (1) and Arunachal Pradesh (3). In the terminology of bureaucracy and media, these states have a number of districts which are conflict prone due to the effective presence of "Naxalites", "Senas" (private armies), externally aided "extremists", and separatists. Despite the variation of labels, all of them indicate presence of deepening social conflicts around issues of deprivation and poverty. It is another matter that the pattern, form and objectives of mobilization of discontent are defined by: a) social cleavages, and b) the political conditions of the states.

At the same time, the growth of economic, social and cultural disequilibria, rooted in chronic poverty and resourcelessness is a cause of national concern. It affects governability as well as social and economic developments. It also promotes increasing togetherness between poverty and political violence, which causes legitimization of crises and invites use of police force to control its proliferation. If the state gets tough, it creates "martyrs" and myths. If the state remains tolerant and mild it faces escalation of violence and disruption of law and order. The feeling of political and economic exclusion invites entrepreneurs of violence. Therefore, the advocates of violence enjoy such settings where a large number of persons are found to be living on the margins of the economy and society. How do we institutionalize the process of conflict resolution, in a volatile setting of chronic poverty and social deprivations? There is gradual decay of the state apparatus at the micro and meso levels in around 76 districts of India where underdevelopment and poverty provide conducive setting for growth of organised violence. The "fault line" and its growing visibility needs further study.

The issue of chronic poverty and conflict is associated with the persistence of insecurity in the life setting of a person, household, group, or community (UNDP, 1999). Human security suggests that people can exercise their choices in pursuit of secure and dignified existence in society safely and freely. It has two main aspects; a) safety from chronic threats such as hunger, disease and repression, and b) protection from sudden and hurtful disruptions in the patterns of daily life whether in homes, in jobs or in communities. According to the United Nations approach, the many threats to human security, differing for individuals at different times, fall into seven categories:

- i. Economic insecurity,
- ii. Food insecurity,
- iii. Health insecurity,
- iv. Personal insecurity,
- v. Environmental insecurity,
- vi. Community and cultural insecurity,
- vi. Political insecurity

These insecurities and threats can affect people everywhere. Famines, ethnic conflicts, social disintegration, terrorism, pollution and drug and human trafficking can no longer be confined within national borders. Some global challenges to human security arise because threats within countries rapidly spill beyond national frontiers, such as greenhouse gases and trade in drugs. Other threats take on a global character because of the disparities between countries - disparities that encourage millions of people to leave their homes in search of a better life, whether the receiving country wants them or not. And frustrations over inequalities in incomes and political power often build up into serious civil conflicts between groups, whether ethnic, religious or social.

Those suffering chronic poverty are caught in the midst of a set of basic conflicts which perpetuate their insecurity through 'capability poverty', resourcelessness and choicelessness. Some of these conflicts are silent and invisible e.g. the crisis due to ecological factors. Several others are visible as demonstrated by the sufferers of class, caste, ethnic gender, religious (communal) and racial discriminations. Together they contribute towards the continuity of chronic poverty in a cumulative manner by sustaining the logic of power relations and marginality of the chronic poor in the discourse of power. They envelop the institutions and processes of state, market and community.

The most visible and loud conflicts in the context of chronic poverty are found to exist around a) class, b) caste, and c) tribes (ethno-regional issues).

(a) About Class based Conflicts:

The class based conflicts have industrial and rural spheres. Both kinds of conflicts are sinking into marginality in terms of their impact. In the industrial arena, economic liberalism has led to flexible labour market policies like subcontracting, outsourcing and the engagement of temporary and part-time workers in core activities of the labour process. India's integration into the global economy and far reaching structural adjustment for it in the 1990s has weakened the strategic position of the trade unions. According to the Labour Bureau figures of the Government of India, there has been a decline in the number of man-days lost due to strikes and lockouts in 2000 compared to the figures for 1992. Furthermore, more man-days are lost due to lockouts than strikes (J. John, 2001).

In the rural arena, 298 million persons constitute the labour force engaged in agricultural and allied activities which is 79 per cent of the total workforce. A majority of the workforce engaged in agriculture consists of small and marginal farmers and agricultural labourers. About 80 per cent of total rural labour households (over 30 per cent of total rural households) are agricultural labour households. Of them, the Scheduled Castes and the Scheduled Tribes constitute nearly 50 per cent. In general agricultural labourers suffer from seasonal unemployment, job insecurity, poverty, indebtedness, and lack of access to productive assets. They suffer from lack of social security and inability to form their own organizations. The economic reform measures have worsened their condition due to recent hike in the prices of food grains. There is also decline in their position in comparison to their counterparts in other activities in both rural and urban areas inspite of

absolute rise in their wages. The hope of 'land to the tillers' generated before independence has receded beyond the realm of realization.

A significant section of owner-cultivators ('farmers') have become vulnerable to poverty due to the promotion of capital-intensive agriculture. In recent years farmers of Andhra Pradesh, Karnataka, Maharashtra and Punjab have committed suicides in significant numbers due to crop failures and indebtedness. According to newspapers there were 2409 suicides by farmers between 1995 and 1998, but it needs further study (see Table 5). According to one observer our country is a heaven for middlemen who earn their fabulous commissions and a hell for farmers who sweat and toil. (see J. Ramarao, 2003, p. 4)

Situations of direct and indirect conflict between the poor in rural and urban spheres of the economy and the propertied sections and the state are spreading in various parts of the country. A cycle of conflicts, control and suppression and re-emergence with added strength appears to occur in significant number of rural areas in most of the poor states. The issues causing conflict in rural areas are security of employment, minimum wages, share in the produce, securing of surplus lands, reduction and liquidations of debts and violence by the land owning classes.

Table 5 : Suicides of Farmers in Karnataka (from 1-4-2003 to 8-09-2003)

Districts	No. of Suicides	Districts	No. of Suicides
Bagalkot	7	Belgaum	13
Bangalore (Rural)	8	Davangere	30
Bangalore (Urban)	1	Bellary	9
Bidar	4	Chitradurga	6
Hassan	15	Gulbarga	3
Chamarajnagar	3	Bijapur	1
Haveri	14	Dakshina Kannada	---
Uttara Kannada	---	Gadag	6
Dharwad	8	Koppal	7
Mandya	22	Chickmagalur	6
Raichur	2	Tumkur	9
Shimoga	18	Kolar	6
Mysore	8	Kodagu	2
		Udupi	---
		Total	208

Source : The Hindu, September 14, 2003.

There are also tensions and clashes in the context of sexual and cultural oppression and political denial. In fact the year 2000-01 has been a difficult one for rural economy. Income has declined. Agricultural production has been sluggish; food production has

declined by almost 5 per cent. Suicides persist. The rural development programmes have recorded declining growth. A combined view of the situation of the rural labourers, marginal farmers, and the rural sector's contribution to the national economy gives a depressing picture. It is marked by limited growth of high and upper middle-income households (7.6 million households in rural and 10 million households in urban areas), increased regional disparity (Bihar and Gujarat at 1:7), and the general tenor of the National Agricultural Policy (July, 2000), which ignores the agricultural labour and marginal farmers and may accentuate the pre-existing inequities with possibilities of social strife and disenchantment (Kamla Prasad, 2001).

The situation in the urban settings is diffused. But there is growing discontent due to the increasing belief that the current development policies do not have the capability to create the framework within which the conditions of the poor might improve. In urban India slums are growing at the rate of 5 per cent. 24 per cent to 28 per cent of the urban population in Karnataka, Maharashtra and Delhi lives in slums as a fall out of poverty and deprivation. This provides a setting of recurring conflict between the urban poor and the Government Machinery as they are created out of 'illegal encroachment of government land'. There is high frequency of inter-community strife and conflicts. In fact violence is forced upon them as a way of living. The slum dwellers work mostly in the unorganized sector (in jobs requiring less skill and training). Their incomes are quite insufficient to enable them to lead a dignified life and enjoy basic rights (see Table 6).

Table 6: Slum Population in Urban India

States	1981-91 Growth Rate		% of Urban Popula. in Slums	Distribution of Slums between:		Distribution of Slum Population between		State's Urban No. of (1991)	Share in India	
	Urban Slum Popn	Total Urban Popn		Undeclared Slums (%)	Declared Slums (%)	Undeclared Slums (%)	Declared Slums (%)		No. of Slums (%)	Total Urban (%)
A.P.		4.20	3.90	24.4	76.8	23.2	53.5	46.5	11.4	8.2
Bihar	--	2.76	17.0	94.2	05.8	96.6	3.4	4.3	3.2	5.2
Gujarat	5.35	2.95	8.3	52.0	48.0	54.8	45.2	4.6	3.5	6.5
Haryana	9.38	3.68	16.8	82.6	17.4	78.5	21.5	2.2	2.1	1.9
Karnataka	8.45	2.58	24.2	22.0	78.0	19.5	80.5	10.7	9.9	6.4
Kerala	11.55	4.87	17.9	100.0	0.0	100	0.0	0.9	0.4	3.5
M.P.	6.96	3.76	10.9	48.4	51.6	44.5	55.5	5.0	5.0	7.0
Maharashtra	6.20	3.38	26.5	56.9	43.1	55.1	44.9	20.0	24.6	14.0
Orissa	11.57	3.18	18.5	92.3	7.7	69.5	30.5	3.1	2.4	1.9
Punjab	-	2.00	2.58	4.3	58.4	41.6	35.5	64.5	1.0	2.8
Rajasthan	8.87	3.37	5.1	75.6	24.4	60.9	39.1	1.3	1.5	4.6
T.N.	2.96	1.79	13.9	85.4	14.6	61.5	38.5	7.2	7.7	8.8
U.P.	8.53	3.36	5.0	65.2	34.8	60.7	39.3	5.5	4.2	12.7
W.B.	5.58	2.59	24.0	80.9	19.1	81.5	18.5	13.9	13.3	8.6
Delhi	2.38	3.80	28.4	47.1	52.9	37.6	62.4	8.3	7.3	3.9
All-India	5.19	3.15	15.4	63.8	36.2	56.1	43.9	100	100	100

Source: NSS Report. No. 417, Sept. 1997.

Paradoxically, the condition of the working class in the organised sector is found to be drifting from resistance to hopelessness and less conflict in the context of the new economic policies. The new labour laws have diminished the space for class conflict in the organised sector of industrial India. There are three major events which have contributed towards the decline of the 'class power' of the organised workers in the last decade – i) disinvestment in the public sector, ii) retrenchment and contractualization of the private industrial establishments, and iii) global recession in the industrial sector. An overview of the changing labour relations scenario may be presented by comparing the figures of industrial disputes in India in 1992 and 2002. It is seen that the figure has declined from 1714 to 413. There was also phenomenal decline in the number of workers involved in disputes and man days lost in the last decade (see Table 7). It needs further enquiry to be able to understand the implications of declining number of trade union strikes in an era of economic transition in favour of entrepreneurs.

Table 7: Industrial Disputes in India since 1992

Years	Disputes	Workers Involved	Man days Lost
1992	1714	1252225	31259000
1993	1393	953867	20301000
1994	1201	846429	20983000
1995	1066	989695	16290000
1996	1166	939304	20285000
1997	1305	981267	16971000
1998	1097	1288923	22062000
1999	927	1310695	26787000
2000	771	1418299	28763000
2001	674	687778	23767000
2002	413	523594	15697000

Source : Indian Labour Journal, July 2003, Ministry of Labour, Government of India, Shimla- Chandigarh

b) On Caste Oriented Conflicts

Caste based conflicts are increasing in the context of enlargement of the capacity of two blocks - the political power of the dominant castes and political mobilisation of the Dalit castes or the Scheduled castes. It is causing conflict in the electoral arena, labour market, and civil society.

The quest for political power among the Scheduled Castes around the provisions of 'Reserved seats' in legislature has been a major feature of Indian Democracy. They achieved a significant breakthrough with the growth of coalition politics in 1969-71. The making of OBC and Dalit Vote Banks was a singular contribution of socialist politics

which contributed towards a 'Silent Revolution' in the era of "Green Revolution" (Jeffrelot, 2002). At the same time there is marginal increase in the percentage of Dalits below the poverty line during the privatization-globalization regime from 44.7 per cent in 1987-88 to above 48 per cent in 1993-94, which is significantly higher than estimates for the general population (39 per cent). The literacy gap between the SCs and rest of the population has also remained more than 17 per cent between 1961 and 1991. According to the Census of 1991 more than 80 per cent rural Dalit women were found to be illiterate. They were also sufferers at the hands of the dominant castes in different parts of India. Between 1995 and 1997, a total of 90,925 cases were registered between with the police under different categories of crimes and atrocities against the Dalits. Nearly 70 per cent of all the offences were reported from the BIMARU states - Bihar, Madhya Pradesh, Rajasthan and Uttar Pradesh (see National SC/ST Commission Report, 1997-98).

Mass murders of the Dalits by dominant castes in Andhra Pradesh and Bihar has underlined the depth of conflict between the castes in rural India over the last several years. According to an estimate, the period between 1990 and 1999 witnessed 35 instances of caste-based massacres, the total number of victims being about 400. More than 350 of those killed were from among the lower castes (Frontline, March 12, 1999). In short the issue of caste-class convergence in the context of chronic poverty in an era of dominant caste democracy and liberalization-globalisation is promoting anti-Dalit caste violence in rural areas and decline in the opportunities for the Dalits in the urban-industrial economy (see Black Paper, 1999).

According to the Sixth Report of the National Commission for Scheduled Castes and Scheduled Tribes (1999-2001), the extent of crimes and atrocities on persons belonging to Scheduled Castes is much higher than those on Scheduled Tribe. The cases of atrocities on Scheduled Castes are about 6-7 times more than STs, though the population of SCs is only twice that of STs. Uttar Pradesh (6122), Rajasthan (5623), and Madhya Pradesh (4667) have reported highest incidence of crime against Scheduled Castes. These three states account for 65.4 per cent of the total cases of atrocities on SCs in the country during 1999. The position of registered cases of atrocities in other states was Gujarat (1781), Andhra Pradesh (1749), Karnataka (1277), Tamil Nadu (883), Bihar (820), Orissa (772), Maharashtra (605), Kerala (514), Haryana (121), Himachal Pradesh (54), Punjab (39) and Delhi (18). There had been a declining trend in crimes committed on members of SCs, STs, between 1997 and 2000. In the case of SCs, number of crimes came down from 32,997 in 1995 and 27,944 in 1997 to 23,742 in 2000; and for STs from 4644 in 1997 to 3958 in 2000. This decline deserves closer study to find out the relative roles of state, political mobilization, media and NGOs and increasing vigilance and resistance by SCs and STs.

One of the most obvious reasons for so many attacks on SC men and women is related to the refusal of the SCs to work without dignity and appropriate wages. The assertiveness of these castes for higher wages, freedom of choice of work and endeavor to achieve mobility as cultivators are among the most frequent reasons for atrocities against SCs.

c) Tribes and Conflicts

The Tribal dimension of chronic poverty is most pronounced in the context of conflicts and movements. These constitute 8 per cent of the population. 83 per cent of them live in the area between West-Bengal and Gujarat, 12 per cent in the North eastern region, 4 per cent in Nilgiri Hills and 1 per cent in J&K and Himachal Pradesh. It is believed that confrontation has been the quintessence of the situation in the tribal areas after the rise of 'state' as a formal system of political and administrative authority. The ever-increasing exploitation of the tribals and elimination of their lands led to revolts and rebellion in many parts of India. 'Leave them alone' (or 'exclusion') as in the hills of North-East and 'light' administration (or 'partial exclusion') elsewhere was the response of the Imperial Regime in the face of determined resistance to their advancement and consolidation. The dawn of independence ushered in a new era of high hopes and soaring aspirations with an ebullient nation committed to the ideals of democracy, equity and social justice. The cause of weaker sections, particularly the tribal people, was accepted as a national task with clear premises and constitutional commitments. But the hopes were belied. The tribal people in fact faced regression as the personalized administration gave way to an amorphous faceless system. Influx of immigrants, alienation of their lands and underdevelopment are three major problems of the Tribal communities.

According to the Report of MPs and Experts (Bhuria Committee Report, 1995), "Notwithstanding the rhetoric of the past four decades, on account of absence of effective democratic decentralization at even district levels, demands and agitations for separate states in the country have taken root in Jharkhand, Bodoland, Uttarakhand, etc. Iniquitous policies and actions and economic imbalance have led to resentment among the deprived regions. Assertions on the basis of region, ethnicity, languages, etc. have been made. They have come to feel that without the political power of a state, they are not able to claim their rightful due".

In economic terms, the Scheduled Tribes have been found to receive a total household income of Rs. 19,556 and a per capita income of Rs. 3,504, which are 76 and 78 per cent respectively, of the national average. Both incidence and intensity of poverty are higher among the Scheduled Tribes in comparison with the national average. They have recorded a literacy level of about 40 per cent in comparison to an all India average of 54 per cent. Only about one-fourth of ST women are literate. Literacy levels are extremely low for STs in Bihar, Rajasthan, Uttar Pradesh, Madhya Pradesh and Orissa.

More than 87 per cent of the total population has been depending on agriculture for their livelihood, supplemented by collection and sale of minor forest products. However the percentage of cultivators has declined from 68 per cent to 54.5 per cent in 1991 and the proportion of agricultural labour is increasing correspondingly. Vast areas of tribal lands have been acquired under the Land Acquisition Act and still are being acquired for industrial and infrastructural development. Out of the total 213 lakh displaced persons (1951-1990), 85.4 lakhs are Scheduled Tribes. They constitute about 40 per cent of the total number of displaced persons. From the total 83.8 lakh rehabilitated persons, 21.2 lakhs i.e. 39.4 per cent belong to STs. Dams (41 lakhs), mining (6.5 lakhs) and industries

(3.8 lakhs) are the major causes of tribal displacements. A landmark judgement of Supreme Court in the case of *Samatha vs. The State of Andhra Pradesh and others* (11th July, 1997) has placed a check on this. The Supreme Court has ordered that government lands, forest lands and tribal lands in the Scheduled Areas cannot be leased out to non-tribals or to private companies for mining and industrial operations.

Social insecurity among the Scheduled Tribes, particularly the ST women's, is also a cause of concern. Out of nearly 4000 cases of atrocities committed against Scheduled Tribes in 2000, there were 391 cases (9.8 per cent) of rape. The incidents of atrocities on Scheduled Tribes were highest in Madhya Pradesh (1756), followed by Rajasthan (1221), Gujarat (367), Orissa (335), Andhra Pradesh (178), Maharashtra (171), Tamil Nadu (105) and Kerala (81). The direct and indirect relationships between the efforts of STs to move out of exploitative dependencies and the acts of atrocities is a relevant question for further systematic enquiry. At the same time, it may be concluded that the extreme forms of exploitation and violation of civil rights that exist in areas such as Chattishgarh and Jharkhand have turned them into places of long standing insurgency. Another reason for the rising violence in forest areas is encroachment by migrants who are taking over the land of the local people. This causes conflict over resource use.

Such a profile of tribal India makes it obvious that the tribals are the worst sufferers of resourcelessness and choicelessness as well as the most disenchanted section of the Indian population in post-colonial India. They are leading components in a variety of mobilizations in the last two decades including movements for environmental protection (Narmada Bachao), states reorganization (Jharkhand, Uttarakhand, and Chattisgarh), political separation (the separatist movements of the North-Eastern Tribals), and resistance to globalization (Kashipur). Such conflictual mobilizations have brought the issue of chronic poverty of tribal India to the attention of national media and policy analysts in recent years thereby prompting the governments to come forward with a variety of anti-poverty measures and development packages. Creation of three new provinces Jharkhand (out of Bihar), Chattisgarh (out of Madhya Pradesh) and Uttaranchal (out of Uttar Pradesh) is a major effort to address the challenge of tribal alienation and unrest. It also marks the beginning of assertiveness for tribal autonomy and dignity in the Hindi belt of India.

7. Two Trajectories of Poverty, Politics And Conflicts : West Bengal And Bihar

India is a vast area economic, cultural and political with diversities. But the policy of the elimination of rural intermediaries adopted after independence as 'land reforms' caused "reshuffling" of class relations in the countryside. The transformation initiative was a response to long peasant mobilizations during the freedom movement for addressing poverty. However, it performed a dual function – i) elevating the richer section of the tenants into owner class which broadened the base of the proprietary classes who take active interest in agricultural development for maximizing profit, and ii) growth of marginal farmers, 'back door' tenants and proletarianized labour due to new tenurial system. The change has promoted intense competition among the newly emerging

proprietary classes. They are also contending with the demands and struggles of the rural masses which are being steadily pauperized and marginalized.

On the other hand, evolution of democracy has contributed to the metamorphosis of major caste groups including the Dalits into competing associations beyond the ascriptive principles of the caste system. There has been eruption of caste organizations with intense activities in nearly all sectors of the emerging economy and in the political processes which is a response to the imperatives of the democratic political system. The changes in the caste system have the following characteristics: i) There is simultaneous weakening of the upper castes and strengthening of intermediary agrarian caste promoting a dominant caste coalitional complex in the political space, and ii) The lower caste who are also major occupants of the lowest economic labels, are getting regrouped to counteract the adverse effect of new economic and political processes. This section has been offered preferential facilities ('Reservations') and opportunities in elections, education and government services. It has contributed to making the lower castes vocal.

The impact of new constitutional projects for the abolition of the caste system and restructuring the class system through affirmative action in response to the modern India has been uneven and complex. It has contained and resolved some of the most prominent issues causing conflict in the society. But it has also given rise to new competition and conflicts due to realignment of political, social and economic groups. Therefore it is relevant to provide a glimpse of the paradoxical relationship between economic, social and political structures and processes in the context of poverty and social conflict by presenting the cases of West Bengal and Bihar.

West Bengal's Record

West Bengal and Bihar are neighbouring states which belonged to the Bengal Presidency in the colonial era. Their political economy was organized through zamindari system. Both had strong peasant movements, trade union activities and anti-poverty political formations. Both were sites of intense rural conflicts and urban movements in the post colonial decades. Both were ruled by the Congress Party between 1952 and 1967 and both got their first non-Congress governments in 1967. But they followed different trajectories in the last four decades since 1967 that resulted in major reforms in favour of poorer sections in West Bengal. Today, there is no major industrial or agrarian conflict in West Bengal (see Table 8).

Table 8: Industrial Disputes : West Bengal and India

	1968		1972		1977	
	West Bengal	All India	West Bengal	All India	West Bengal	All India
No. of disputes	454	2317	367	2912	480	3117
No. of Workers involved	397237	129059	343649	1592333	307344	2193215
No. of Man days lost	7343706	17243679	4594023	17921344	8481000	65320000
	1993		1998			
	West Bengal	All India	West Bengal	All India		
No. of disputes	8	263	4	231		
No. of Workers involved	201209	565152	51222	954940		
No. of Man days lost	20327	2291547	339222	7254337		

Source: Indian Labour Statistics 1973 (pages 160, 174-175 and 182 - 183); 1978 (Table No. 10.8, pages 305-306); 1994 (Table No. 10.2A, pages 205-207) and 1998 & 1999 (Table no. 10.2A, pages 219-221); Ministry of Labour, Government of India, Shimla, Chandigarh (2001).

First, we look at the politics and social change in West Bengal which along with Bihar and Orissa had the highest proportion of population below the poverty line. West Bengal has been plagued by high population density, industrial stagnation, rural conflict and economic decline in the 1980s. But these conditions were changed through reorientation of the government policies via social mobilization and political alliances which was steered by a left front coalition in office since 1977.

High levels of unrest in rural areas for effective implementation of agrarian reforms, radical trade union movements for better wages, cheaper food items, education, health and transport facilities and emergence of a leftist political front were the outstanding features of West Bengal since late 1960s. The movement of the small and marginal farmers accelerated after the foundation of first United Front Government in 1967. It culminated into the famous Naxalbari revolt and the birth of Naxalism (or Maoism and Marxist - Leninist Communist Party). The United Front Government was removed by the centre and the peasant protests and 'Naxalite' activists were ruthlessly suppressed under President's Rule. But within a decade, there was Left Front Government in Kolkata after sweeping out the Congress regime at the centre and the state in 1977. Agrarian reforms and organization of local governance system were given top priority by the Left Front Government. This resulted into a sustained period of conflict containment and political stability for decades after 1977. For example, the number of riots came down from 11,702 (1977) to 3,899 (2000) whereas there was no substantial change in the scene of Bihar or All-India (see Table 9).

Table 9: Riots since 1972

STATE/YEARS	1972	1977	1992	2000
Bihar	10053	12349	15067	10647
West Bengal	9488	11702	7256	3899
All India	65781	80449	104749	80456

Source: Crime in India, Bureau of Police Research and Development, Ministry of Labour, Govt. of India, New Delhi. The figures of 1972 (pages 11,12); 1977 (pages 24,25); 1992 (pages 45,49) and 2000 (pages 52,54) are taken from the annual reports of the same years.

How was this accomplished? There was redistribution of more than 9,13,000 acres of land amongst 19,93,660 households which covered a large proportion of the rural population of the landless and land-poor households. Decades old demands of tenants-farmers organizations for higher crop shares, security of tenures and legal status of tenancy agreements were accepted through "Operation Barga". It gave relief and strength to the vulnerable and exploited sections of rural Bengal; which accounted for 1.44 million share croppers in the state.

West Bengal is an example of generating conducive setting for poverty eradication and conflict resolution through a combination of reforming production relations and instruments of local governance. It has been achieved on the basis of political mobilization and electoral strength around 'peasant unity'. Now West Bengal is engaged in negotiating the path beyond the agrarian agenda for satisfactory progress in universalization of health care and basic education (Dreze and Sen, 1997). In other words the record of West Bengal shows positive correlation between poverty and conflict on one hand, and conflict, political change and economic reforms on the other.

The Case of Bihar

The history of rural unrest and agrarian movement in Bihar goes back to the Kol and Bhumiji insurrections of 1831-33 against the newly established colonial administration in Chota Nagpur and adjoining areas. The peasant movements in the regions to the north and south of the Ganges, from mid 19th century to the present day, have been regularly studied due to their significance for the peasants and agricultural workers of India. It proved to be the nucleus of All India Kisan Sabha as well as the Indian National Congress, Socialist movements and Communist movements in the twentieth century. But Bihar failed to institutionalize any change in the exploitative agrarian structure after independence. While the introduction of democracy with universal adult franchise, raised the expectations of poor peasantry, changeless agrarian system of Bihar soon became a victim of the dual failures – continuity of extremely exploitative relations and growing stagnation in the agrarian economy (see Table 10).

Table 10: Land Distribution in Bihar

Farmer	Holding	Area
Sub Marginal	52.03	8.28
Marginal	24.73	20.74
Small	13.67	25.13
Medium	8.54	34.25
Large	1.01	11.59
Total	100.00	100.00

Source : Prasad, I. (2000): Bihar (Aurudh Vikas) Gandhi Sangrahalaya, Patna, Table No. 11, p. 32.

The stagnation in agricultural production around 5 per cent annual compound rate of growth between 1969-70 and 1983-84; which was lowest in India, not only caused depeasantization but also led to declining fortunes of the rich and middle peasants. It had widened the scope of conflict between the rich and middle peasants and the rural proletariat. The inability (as well as resistance) to pay minimum wages to the agricultural workers (most of whom belong to the Scheduled Castes) had turned them towards the new revolutionary leadership for their fight for wages. As a consequence violent clashes had become a general phenomenon in Central Bihar. According to official sources, there were 463 and 590 violent clashes in 1998 and 1999 respectively. But the list of events of mass murders due to the conflicts between various sections of peasants and agricultural workers began to grow particularly from 1990-91 onwards including Devas Diyara (1991, 15 killed), Bathanitola (1996, 22 killed), Laxamanpur Bathe (1997, 58 killed), Shankar Bigaha (1999, 22 killed), Senari (1999, 34 killed), and Miyanpur (2000, 34 killed) (see Table 11).

Table 11: Social Violence in Bihar

S. No.	Year	Village	Person killed	S. No.	Year	Village	Person killed
1	1971	Rupaspur	15	19	1992	Bara	39
2	1977	Belchhi	11	20	1994	Lamargarha	11
3	1980	Pipra	14	21	1996	Bathanitola	22
4	1980	Parasbeegha	11	22	1997	Haivaspur	10
5	1985	Banchi	15	23	1997	Jalpura	11
6	1985	Laxmipur	12	24	1997	Kodarma	13
7	1986	Arwal	22	25	1997	Balumath	12
8	1986	Kesara	11	26	1997	Amkudar	10
9	1988	Nonahinagava	19	27	1997	Laxmanpur	58
10	1988	Damaha	11	28	1997	Bathe	20
11	1989	Danwar	30	29	1997	Narvoul	10
12	1991	Kansar	10	30	1997	Atakadeeh	10
13	1991	Teesarkhora	14	31	1999	Nagari	22
14	1991	Khura	11	32	1999	Shankerbigha	11
15	1991	Malwaria	11	33	1999	Narayanpur	34
16	1991	Davas Diyara	15	34	1999	Senari	12
17	1991	Railigarha	10	35	2000	Khagari Bigaha	11
18	1991	Basasingha	10	36	2000	Apasad	34
						Miyanpur	

Source: Hindustan (Hindi) Patna, June 18, 2000.

It seems that the state machinery had become marginalized as most of these killings were carried out by armed groups belonging to peasant communities and the marginal and landless poor (see table 12). These Senawars had become more prominent than the electoral and other institutional forms of conflicts and competition.

Table 12: Violence Around Caste-Class Nexus. (1996-2000)

Date	Place	Number	Killer	Group
1.	2.	3.	4.	5.
11 July, 1996	Bathani tola	21	Renweer Sena	Dalita
24 December 1996	Haivaspur	13	-----do-----	--do---
31 December 1997	Laxmanpur bathe	61	-----do-----	--do---
11 May 1998	Nagri bazar	10	-----do-----	--do---
25 January 1999	Shankerbigha	22	-----do-----	--do---
10 February 1999	Narayanpur	11	-----do-----	--do---
14 February 1999	Usari sarai	7	People war group	Upper
18 March 1999	Senari	33	M.C.C.	Castes
21 April 1999	Zahirbigaha	12	Ranvs.eer Sena	--do---
18 Number 1999	Latu	12	M.C.C.	Dalit/OBC
3 June 2000	Rajiv bigaha	6	-----do-----	Muslim
13 June 2000	Apasah	11	-----do-----	Yadava
16 June 2000	Myanpur	34	Ranvs.eer Sena	Upper Caste
				OBC

Source: The Sunday Statesman , 18 June 2000.

In short, Bihar is a case where politics has failed and there is absence of effective local governance apparatus, like Panchayats, Police Station and Block Development Offices. The larger political system has been affected by corruption at high places. It has led to criminalization of politics and politicization of crime as a cumulative consequence which is indicated in the increasing number of kidnappings in Bihar (see Table 13). The incidents of kidnapping have increased from 580 in 1972 to 2711 in 2000 – a five-fold increase in the state of Bihar whereas it was 769 and 926 in 1972 and 2000 in West Bengal.

Table 13: Kidnappings since 1972

STATE/YEARS	1972	1977	1992	2000
Bihar	580	887	968	2711
West Bengal	769	969	632	926
All India	9402	12240	13996	22871

Source : Crime in India, Bureau of Police Research and Development, Ministry of Labour, Govt. of India, New Delhi. The figures of 1972 (pages 11,12); 1977 (pages 24,25); 1992 (pages 45,49) and 2000 (pages 52,54) are taken from the annual reports of the same years.

Bihar is also the state with the largest proportion of persons below the poverty line as 26 out of 37 districts are among the most backward districts in the country. Therefore, it should not be a surprise if Bihar is affected by increasingly violent settings of economy, polity and society as the state system has consistently failed to respond to poverty affected groups and social conflicts around poverty problems despite major changes in the governments between 1967 and 2002 at the provincial and central levels.

8. Poverty of Politics-Limits of Planning and Reservation

It may be useful to have an overview of the relationship between poverty and politics, as articulated through the two processes of planning and reservation during the last five decades of post-colonial India. Poverty in India, whether it is measured in terms of income or nutritional levels, is concentrated among certain occupational classes and social categories in both the rural and urban sectors. Most of the rural poor are found among (i) peasant cultivators with very small holdings, and (ii) agricultural workers from the Scheduled Castes and the Scheduled Tribes. The causes of poverty in urban settings are mostly underemployment in various occupations with low productivity occupations such as portering, insecure employment and low real wages in some industries. Migrant workers are prominent amongst the urban poor. Furthermore, as none of the urban poor are producers of food and have to buy a part of their total requirements in the open market, they are extremely susceptible to rising food prices. In addition, the urban poor suffer from extremely bad conditions of housing, water supply and sanitation.

There has been a steady decline in the proportion of people below poverty line from about 55 per cent in the mid-1970s to 36 per cent in 1993-94 and to around 30 per cent in 2001, but their actual numbers have been rising. At the same time it is true that food insecurity and income poverty have been brought on the state's agenda through series of mobilizations, as well as natural calamities, in the last five decades. It also shows that

poverty continues to create severe adversities in the lives of the rural people, particularly the small and marginal farmers, agricultural laborers and artisans and has a high incidence among the Scheduled Castes and Scheduled Tribes in rural as well as urban areas. It is regionally concentrated in seven states – Assam, Bihar, Orissa, Uttar Pradesh, Madhya Pradesh, Maharashtra, and West Bengal. But there are extremely poor districts in several other states as well.

As a consequence, food security and poverty eradication have been the key objectives of the Indian planning strategy. A number of direct poverty alleviation programmes were introduced from 1971-72 after the massive electoral success of the Congress led by Indira Gandhi in 1971-72. Integrated Rural Development Programme (IRDP) and Training for the Rural Youth for Self Employment (TRYSEM) were two key components of the poverty related programmes in this period.

Poverty was a major theme in politics and planning since 1971-72. But the crisis of implementation, non-viability of projects and slow economic growth created several weaknesses in it by the mid 1980s. It caused a shift from income generation to human development oriented schemes. It also exerted pressure for de-bureaucratization of the poverty related programmes through peoples' participation via Panchayat Raj institutions and NGOs.

With a paradigm shift in the late 1980s to the early 1990s, the issue of poverty lost its significance in the political discourse of India. This decline in importance was reflected in the Election Manifestos of major Indian political parties where the idea of growth and governance found more prominence than poverty alleviation and expenditure on employment generation. Expectations from private sector activities were a new component of the planning strategy in the era of liberalization.

Rise in the frequency of violent conflicts in the regions suffering from poverty is becoming a significant feature of the political landscape of India since the shift of political attention away from the challenge of poverty. Land reforms, removal of illiteracy and malnutrition, encouragement of shelter construction for the homeless, and social mobilization for breaking down the caste barriers which have trapped the SC and ST population in rural areas are some of the neglected themes in the national politics of India since the inauguration of the phase of rolling back of the state from the economic sphere.

At the same time it may also be highlighted that the engagement with poverty alleviation through planning has experienced four kinds of limits- economic, administrative, political and international constraints. The Anti-Poverty Programme of today's India involves 1 percent of GDP or 6 per cent of the Central Budget, 55 per cent of which is allocated for food subsidy or Public Distribution System (PDS), 35 per cent is allocated for Rural Works Programme, and around 5 per cent is provided for Self Employment Programmes. But there are severe resource problems due to the compulsions of allocating 50 per cent of the available national resources for debt servicing and 25 per cent for defence needs. The challenge is compounded by the continuing mal-functioning of local self-governance

mechanisms and bureaucratic inefficiencies in the poverty affected areas. Politically, the situation has worsened due to the rise of crime politics nexus and more importance being accorded to politics of identity over politics of 'common interests'. Internationally there are growing pressures upon the Indian state for 'rolling back'. It is further complicated by the presence of hostile neighbours who are not keen on promoting regionalization in South Asia Economic Zone.

Reservation was the second most important political intervention in meeting the challenges of poverty and deprivation. But this has remained more symbolic than substantive. Let us first have a look at the constitutional provisions for safeguarding the interests of the SCs and STs. Article 17 (abolition of untouchability), Article 23 (prohibition of forced labour), Article 45 (universalization of primary education), Article 46 (promotion of educational and economic interests of SCs and STs), Article 330 and 332 (proportionate reservation of seats in the Lok Sabha and the State assemblies) and Article 335 (appointment to services and posts in Union and State services), are the most important provisions of the constitution of India in the context of protective measures for the amelioration of the conditions of the weaker sections of Indian society.

In the case of the Other Backward Classes (OBCs), there has been the use of Article 16(4) of the Constitution of India to address the problem of inadequate access to representation in the services under the state. It was activated in 1990 on the basis of the recommendations of a Second National Commission on Backward Classes (also known as Mandal Commission) with the caution of the Supreme Court that the benefit of reservations will not be extended to persons/sections falling under the category of 'creamy layer'.

This system of special treatment to underprivileged sections involves three types of preferences.

1. Reservations, which provide easier access to valued positions within important social institutions like legislature, government services and academic institutions. It is also used in land allotments, housing and other scarce resources.
2. There are expenditures of government resources on behalf of the beneficiaries like scholarships, grants, loans, legal aids etc.
3. There are special protections, such as measures to protect "untouchables" from discriminatory treatment.

Given such an institutional approach, the policies of reservations have created a symbolic power for all those who belong to the SCs (16.7 percent of the population), STs (8 per cent) and OBCs (52 per cent). It has also given recognition to the need for national reorientation for such sections of the population who are found to be trapped in a 'web of poverty' due to conjunction of social, economic and political deprivations and discrimination over a period of time.

The reservation policy regime has promoted a progressive outlook in the society because it legitimizes integrative representation and re-distributive mobilization. Besides, it has to be recognized that the exclusive emphasis upon 'timeless' system of reservation in jobs

and legislature has bypassed the poor of these categories. There has been evolution of blocks of vested interests in such category of the beneficiaries of reservation in the past five decades.

The majority of the Scheduled Castes and Scheduled Tribes are agricultural labourers. Because of economic compulsions, their children have to go to work when they should be in schools. Children who labour, lose education and therefore employment opportunities when they are adults. Without the means of income for want of education, they in turn may continue to send their children to work. It strengthens the vicious circle of poverty and this has not been addressed by 'job reservation'.

Similarly the question of number has played a crucial role in determining the chances of receiving attention of the state and gain of vote power. It has created cleavages between the large, medium and small groups of SCs, STs and OBCs. For example, the SCs are 21 per cent of the population in Uttar Pradesh. But chamars constitute 12.7 per cent and Pasis are 3 per cent. They have created a sub-category of empowered and mobile SCs. But there are 6.5 per cent other SCs, with a total share of only 2.8 per cent in population, who remain most depressed due to numerical marginality. The rise of dominant castes among the OBCs like Jats, Yadavas, Kurmis, Lodhis, Reddys, Kammars, Vokkaliggas, Lingayats, etc. has led to marginalization of the other OBCs who are recognized as Most Backward Castes (MBCs) in the discourse of power.

In short, the impact of reservation policies is visible in the political culture where the SCs the STs and the OBCs have emerged as new corporate identities with constitutional protection for representation and empowerment. But it has not contributed towards any qualitative shift in the lives of the poorer sections of these communities, where poverty is getting perpetuated in overwhelming numbers despite decades of freedom and democracy, planning and reservations.

9. Liberalization , Poverty Alleviation and Conflicts

Opening the market of India to global companies and reducing the role of public sector have been two major components of the new economic policies. They are also associated with globalization of capital mobility and ethnicization of political mobilization. It was found that there was i) a boom in the private sector, ii) stable growth in agricultural sector (3.6 per cent per annum), iii) declining rate of population growth (1.6 per cent per annum), and iv) improvement in social indicators (like literacy rate, infant mortality rate, gender related indicators etc.). In the early 1990's, poverty worsened following structural adjustments, a poor harvest and a decline in food availability. There was some decline in poverty and by 1993-94 it fell below the 1987 level. States in the north and east, that have 40 per cent of India's population have lagged in reducing poverty since the late 1970's.

According to economic analysts, expenditure on social sector schemes as part of the welfare oriented programs of the Indian state has been increasing in real terms in the era of liberalization (see Table 14).

Table 14: Central Government expenditure (Plan and Non-Plan) on Social Sectors and Rural Development

Item	1992-93 Actual	1998-99 Actual	2000-01 Actual	2000-01 Actual	2001-02 Actual	2002-03 Actual
1. Social devices	6397	19750	23406	26550	29267	33547
a. Education, Sports & Youth Affairs	1878 1722	6604 3993	7081 5012	7696 5291	8703 5734	9948 7038
b. Health and Family Welfare	788	4073	4465	4932	5853	5391
c. Water supply, Sanitation Housing and Urban Dev.	371	1041	1169	1317	1331	1438
d. Information & Broadcasting	488	916	951	969	1133	1385
e. Welfare of SC / ST and Other Backward Classes	347	708	845	894	871	900
f. Labour, Employment and Labour Welfare	803	2415	3883	4124 1327	3092 2550	2768 2768
g. Other social services				4449	5729	4679
h. North-Eastern area	3211	5854 3684	5184 4048	321^	341	5430 365
2. Rural Development						
3. Basic Minimum Services (BMS)* including Slum development				2350^	2533	2800
4. Pradhan Mantri Gramodaya Yojana (PMGY)@ Pradhan Mantri Gram Sadak Yojana (PMGSY)@				2500	2500	2500
5. Social services, Rural Dev BMS and PMGY (1+2+3+4)	9608	29288	32638	36170	40370	45642
6. Total Central Government expenditure as percentage of GDP at current market price	17.40	16.04	15.40	15.50	16.0	16.74
7. Social Services, Rural Dev BMS & PMGY as a percentage of total Expenditure	7.8 1.4	10.5 1.7	11.0 1.7	11.1 1.7	11.1 1.8	11.1 1.9
8. Social Services, , Rural Dev BMS & PMGY as a percentage of GDP at mkt. PRICES						

Note: Figure for the year 1992-99, 1998-99 to 2000-01 are actual.

*: Came into operation from 1996-97

@: Launched in 2000-01 (BE) as a new initiative for basic rural needs.

**: The total Central Government Expenditure excludes the transfer of state UTs share of small savings collections.

\$: Ratios to GDP are at current market prices as released by COS, GDP for 2002-03 is based on COS'S Advance Estimates.

^: RE figure

Source: Budget Documents.

At the same time it has also been pointed out that it is mainly through increased expenditures of the Central government. The state governments are easing out of their constitutional commitment to sustain programmes in social sectors and it is a matter of concern. Here the social sector expenditure is defined as the total expenditure on social services and rural development. The social services include education, health and family welfare, water supply and sanitation. The rural development expenditure relates mostly to anti-poverty programmes and is presented as 'economic services' in the budget documents.

The realities of 'reforms' have created new challenges for India since: a) So far mostly the better off sections are able to respond to market signals and the rural population has benefited less. b) India is suffering marginalisation in a globalized world and loss of domestic market due to unfettered entry of the foreign companies under the WTO provisions. c) The role of government in economic and social matters is shrinking which has caused apprehensions about 'the future of the protective discrimination' for the weaker sections.

These challenges are being listed as tasks during the Second Generation Reforms. It is recognized by the policy makers that "Freedom from ignorance, diseases and fear, along with freedom from want, are the best guarantors of human development. But education, health care, water and sanitation services, which can ensure these freedoms, are not accessible to all. To ensure easy accessibility, we need public action in these areas if human development has to gather momentum. Together, these facilities comprise a nation's social infrastructure that is as critical as physical infrastructure for a widely shared and inclusive development". These challenges have been integral in the making of the new approach to poverty (see Table 15).

Table 15: Poverty Index

1) Health Deprivations (3):
i) Life expectancy less than 40 years
ii) Lack of access to basic medical services
iii) Non-immunized children
2) Educational Deprivations (2):
iv) Illiteracy rate
v) Un-enrolled children
3) Economic Deprivations (5):
vi) Below poverty line
vii) Katcha dwelling
viii) Lack of sanitation facilities
ix) Lack of safe drinking water
x) Lack of electricity connection

Source : National Human Development Report 2001.

A set of new goals has been adopted in the field of education, health, and safety nets. Ensuring 100 per cent literacy in the next five, if not three years; aim for 75 per cent enrolment in higher secondary schools of good quality with encouragement to private

sector to provide good schools in every Taluka; raising college enrollment to 20 per cent in the age group 20-24 years; and revitalizing the university system are the major goals in education. Healthcare policy goals include reducing the all-India infant and child mortality rate; expanding health care infrastructure to rural areas; ensuring access to clean drinking water; and encouragement to NGOs and private sector to engage in the health sector. The construction of social safety nets will be based on a) a model employment programme covering the whole country, b) Integrated child development services to reduce child mortality and poverty and c) group-based micro-credit schemes to cover the entire country. Thus, there are new tasks before India, in the context of Global Goals for moving further in the direction of construction of the welfare state after five decades of successful democratization of the political culture and decolonization of national economy (see Table 16).

Table 16: Millennium Development Goals to be achieved by 2015

Goals for development and poverty eradication set at the UN General Assembly in 2000:	
1) Eradication of extreme poverty and hunger:	• Halve the proportion of people living on less than \$ 1 a day. • Halve the proportion of people suffering from hunger.
2) Achieve universal primary education:	• Ensure that children everywhere – boys and girls alike – complete a full course of primary education.
3) Promote gender equality and empower women:	• Eliminate gender disparities in primary and secondary education, preferably by 2005, and in all levels of education by 2015.
4) Reduce child mortality:	• Reduce infant and under – five mortality rates by two-third.
5) Improve maternal health:	• Reduce material mortality ratio by two-quarters.
6) Combat HIV/AIDS, malaria and other diseases:	• Halt and begin to reverse the spread of HIV/AIDS. • Halt the begin to reverse the incidence of malaria and other major diseases.
7) Ensure environmental sustainability:	• Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources. • Halve the proportion of people without sustainable safe drinking water. • Achieve, by 2002, a significant improvement in the lives of at least 100 million slum dwellers.
8) Develop a global partnership for development.	

Source: Human Development Report 2002 of UNDP.

The social sector expenditures have resulted in the decline of illiteracy from above 80 per cent in 1951 to less than 35 per cent in 2001. The longevity of the people of India has increased from less than 39 years in 1951 to above 65 years in 2001. Even the incidence of poverty has declined from over 50 per cent in 1950s to less than 30 per cent in 2001. But the new challenges are demanding a new interface between the nation-state and the modern world system at the global level and between the state and the market in Indian political economy. So far the shift of paradigm has been carefully utilized by dominant elite caste, the coastal zones of south and west, major industrial groups, and global financial firms. It has promoted consumerism among the middle classes and scams among the elite in power. At the same time a new wave of people's movements by political parties and non-party organizations has been created to demand freedom from illiteracy, hunger, diseases, environmental degradation, and unemployment.

The pressure groups for social justice and political empowerment are also becoming increasingly visible and assertive. The Dalit movement, the women's movement, the movement of local people (tribes) for control over land, forest, and water resources are some examples of it. The movement for Right to Information and pressure for Electoral Reforms are becoming significant as the citizens are getting increasingly anguished about criminalization of politics and increasing marginalisation of common people's concerns. It seems that the need of the hour is to drive India towards a system of participatory democracy through planning for decentralization of power and empowerment of the marginal sections of the masses like women, the Scheduled Castes and the Scheduled Tribes, based upon the twin goals of rapid growth and elimination of poverty for the construction of a just and prosperous social order. It is likely that the heritage of Indian National Movement, the basic values of the Constitution of India (including the Directive Principles) and the continuous widening of the social base of democracy in India in the last five decades may provide the required support in the era of liberalization and global market mediation.

It is important to take note of the roots of sluggishness in poverty reduction in the era of liberalization and address the same. The World Bank approach attempts to argue that there are five interrelated compartments of problems which are contributing to the continuity of poverty:

- i) characteristics of agricultural growth in the 1990s,
- ii) the slowdown of growth in the poorer states (which are predominantly agricultural),
- iii) the problems of infrastructure, social services and poverty programmes (especially in the poorer states),
- iv) poor incentive framework, and
- v) weakness in governance.

The World Bank analysis has also given content to the eradication of poverty in India in the new century:

- a) upliftment of 300 million people concentrated in poorer states,
- b) raising literacy rate from 62 per cent (50 per cent for females) by enrolling over 300 million children (mostly poor) who are out of school,

- c) addressing the gender based inequalities faced by women in the political, legal and economic systems,
- d) reversing the decline in infrastructure spending to meet urban needs and to increase the rate and spread of urbanization.

It is arguing in favour of implementing "second phase of reforms" which involves — i) cuts in explicit and implicit subsidies together with privatization of power, ii) government rolling back from infrastructural activities in favour of private sector, iii) more spending on health and elementary education, iv) improvement in government and governance, v) completion of deregulation of goods and factor markets, and vi) provision of high quality infrastructure services.

The critics of liberalization are arguing that liberalization has made the economy systematically "demand constrained". They indicate that the demand constrained nature of the Indian economy is manifested today as the combination of industrial recession and surplus shocks of foodgrains and foreign exchange. They argue that "withdrawal" by the state is the primary reason for the emergence of the demand constraint as it has created deflationary effects which are not offset by private investments. It has contributed negatively to the fields of employment and poverty. First of all employment in the organized sector has been virtually stagnant for some time; of late even rural employment expansion has begun to stagnate. According to the economic survey of 2003, there was a net 3 percent decline in rural employment in the preceding year which was a serious indicator of the crisis of employment. Secondly, the head-count ratio of rural poverty which had declined significantly during the eighties has ceased to decline over the nineties, and might have marginally increased (see Table 17).

Table 17: Head count Poverty Ratio (per cent) 1977-98

NSS Round	Period	Rural Ratio	Urban Ratio
32	July 77 - Jan. 1978	50.60	40.50
38	Jan. 83 - Dec. 83	45.31	35.65
43	July 87 - Jun. 88	39.60	35.65
46	July 90 - June 91	36.43	32.76
50	July 93 - Jan. 94	38.74	30.03
51	July 94 - June. 95	38.0	33.5
52	July 95 - June. 96	38.3	28.0
53	Jan. 97 - Dec. 97	38.5	30.0
54	Jan. 98 - June 98	45.3	N.A.

Source : Prabhat Patanaik - "An Overview" in The Indian Economy 2001-2002, p. 3.

This perspective points out that it is ironical that the government is claiming the existence of large foreign exchange reserves, massive food grain stocks and markedly low inflation, as achievements, while their simultaneous presence is indicative, on the contrary, of an unprecedented crisis in the Indian economy, a crisis of shrinking demand whose other manifestations are retrenchments, closures, and lay offs in organised sector industrial units, a decimation of textile weavers leading to suicides, growing rural unemployment, and aggravation of rural poverty. The situation is more likely to deteriorate progressively (Patnaik, 2002).

10. Summing Up

Three conclusions come to the fore: a) there has been a decline in the role of politics in poverty alleviation in last several years, b) there are more conflicts between the poverty affected social groups and others in the rural areas in recent decades, and c) poverty related conflicts have positive and negative potential in the context of political and economic reforms.

It can also be suggested that the challenge of poverty in India has been through five phases since independence. First, there was political mobilization for indirectly bringing the poor into the state's agenda in 1950-1966 period through planning for industrialization of the economy and modernization of agriculture. Then during 1967-1979 there was direct 'focus on the poverty and poor'. It was an era of mobilization of poor and politics against poverty. Removing poverty was the essence of the political discourse in terms of the ideological context. The period 1980-89 was that of by-passing the poor and their problems. It created the context of liberalization and consumerism. 1990-99 was the period of Structural Adjustment Programmes (SAP). It was also a phase of diffused conflicts and mobilization around caste and regional disparities. But now, from 2000 onwards there is rediscovery of poverty and the poor. It is marked by rural disenchantment with globalization and increasing fault lines of poverty and related conflicts in every region of India. It is another matter that the new phase of rediscovery of poverty and poor is also an area of only marginal interest of the political parties and other major political actors (like trade unions, peasant organizations, etc.). Thus it has been a journey from politics of poverty to poverty of politics during the five decades of freedom. It is also definite that political sociology of poverty will determine the course of liberalization in India. If there is deepening of disparities and destitution then there will be enough reasons for the political actors, particularly the political parties, and the poorer sections of the society to get their act together on the problems of persistence of poverty. It will make class-caste-tribe nexus more relevant for mobilizing the poor. In case there is remarkable decline in the ratio of poor in the second generation reforms as assumed by the protagonists of liberalization then there may be further marginalization of the voice and concerns of the chronic poor in the Indian polity.

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POLITICAL PERSPECTIVES TO CHRONIC POVERTY

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Introduction

Indian poverty reduction programmes have been a qualified success. In terms of percentage changes, improvements over the base period they are not unimpressive. Looked at from the point of the unfinished task they are inadequate.

There is considerable literature on numbers, the population below the poverty line (there are definitional disagreements) state wise distribution, broad classification between the scheduled casts/tribes and others, occupation - community sub classifications. While there are disagreements about many issues, there is an acceptance of similarity of trends.

We also have critical literature about the lacunae in policy making and implementation. Per contra, there is justificatory writing tempering the somewhat harsher verdict on the failure of the state.

Pre and post freedom, concerns about the poor, the less developed areas, the disadvantaged is expressed universally by almost all: political leadership, academia, administrators and civil society institutions.

Much of it is normative, macro analytical, didactic. Poor for most of them is an undifferentiated absolute.

The blame for unsatisfactory progress in poverty reduction, alleviation programmes is usually placed at the door of the State - perhaps rightly because the buck has to stop somewhere.

But the culprit is the visible face of action or lack of it depending on the perception of the beholder. In this paper we will try and understand the position of major political parties regarding poverty alleviation as expressed in their latest available election manifestos and where possible relate to the ground realities of achievement. This is not easy because party strengths, access to state power has fluctuated and it is difficult to ascribe achievements and failures. Yet a broad-brush picture will not be too inaccurate. While there have been changes in party leadership in states and the centre, there is a continuity of sorts in anti poverty programmes. Focus, efficiency, commitment to particular groups might have varied. But none has consciously slowed down in the expression of concern.

There is a point of view that post liberalisation, poverty reduction has plateaued: equally, there are some who feel that there has been progress in poverty alleviation.

We will try to use this knowledge to contextualise political parties' engagement with poverty reduction discourse.

It may be argued that postures and commitment to specific policy (poverty reduction included) and analysis of patterns has little meaning.

In political dialogue, at least in India, postures (whatever its sincerity) become a binding force on political leadership. They can rarely retreat.

Variation could be only in implementation. This again is a complex of intentions, interests and ability to influence higher and lower bureaucracy who are semi-independent operators. They have their values and interests which are not easily influenced or disregarded.

Thus political postures and discourse are the starting point. It is this with which we are concerned, their limited durability of it notwithstanding.

These matter, because they influence state policy, at the centre, in the states and in the panchayat raj institutions (PRI).

At one level they are important reflecting people's voice and at another as inputs for state action (policy and implementation).

These do sound simplistic propositions, in one sense perhaps they are. In another, they are inputs for a massive translation exercise, from opinion to action, which will include investments, preferences, affirmative action or the antitheses the lack of it.

Going back to precolonial times

During the freedom struggle when opinion was less fractured than today, the prime objective was becoming free, social inequalities, spatial differences in the country were some thing, which could be attended to once we became free. The blame was laid at the door of the colonial maladministration.

Societal discrimination practices did receive attention e.g. the practice of untouchability, exploitation of workers both in industry and agriculture. But these were second order offenders.

Poverty, social discrimination were social evils that needed to be fought but solutions and concerns remained global.

The exceptions are the left parties who had their unique appreciation of the situation and solutions and Ambedkar whose world view was clear and his solutions were specific. His journey from bitter opposition to the Congress leadership to participation in constitution making is another story. But there is no gainsaying of fact that he was conscious of the poverty problems (focus of scheduled castes) more than many other mainstream leader (except Gandhiji)

Conceptual clarity to the understanding of the poverty issues came from him. His formulation of Antyodaya (the progress of the last man in society) highlighted the relative concept of poverty: the last man in the diminishing order of well being and the first in need of support and amelioration.

No political party has operationalised this concept not even the Congress. It has remained a favourite of Gandhians along with their other philosophical presentations like 'Gram Swaraj'.

The pre-colonial scenario recognised the issue, was conscious of it, some measures were discussed and suggested. But in the emotional context of the freedom struggle, it remained a less active input for policy making.

Interventionist State

As Pranab Bardhan (1990) aptly puts it "Almost all states in developing countries successful or otherwise, are interventionist, and the important question is not really about the extent but the quality of such intervention".

Interventionist Indian state concerned itself with poverty alleviation, weaker sections, backward regions almost from the start with the support of the party in power, Congress and the opposition such as it was.

One can identify four phases in the poverty alleviation program initiatives (Deshpande & Jyotishi : 2002)

- The community development phase drawing its support from Gandhian Concept of Gram Swaraj (also U.S. experience?)
- Area development programmes
- Direct onslaught on poverty with IRDP (integrated rural development Programmes)
- Post liberalization position

The political capital of the anti poverty programmes was mostly garnered by Mrs. Gandhi and the Congress party (pre and postmergency) a legacy which continues to influence political articulations of that party even today.

Understanding Poverty Issue

Poverty debate in India has been always about 'averages'; nation, states, some times smaller administrative formations. Improvements are specified again in relation to an average. Perhaps in macro discussions the options are few.

Relating poverty to ethnic groups is a latter-day refinement. But given the nature of data available it has remained bimodal SC/STs and others.

The linking up of poverty to caste is a major shift in political awareness. The sharpness of articulations varies but there is a noticeable paradigm shift.

Similarly, the earlier thinking about poverty linked it with undernourishment and later got linked to levels of consumer expenditure (head count ratio).

Refinements like poverty gap index, which reflects the depth of poverty, and squared poverty gap, which reflects the severity of poverty of the populations below the poverty line are additions in literature.

Effectiveness of poverty alleviation measures

There is considerable debate not only on definitions of poverty but also measures used in evaluation, which is beyond the scope of this paper.

Also about the effectiveness of the state in poverty alleviation. But there is acceptance that poverty alleviation has a long and consistent history in India.

Trend evaluation is done (not withstanding definitional debate) with respect to rural and urban population and spatially the position obtaining in the in various states.

Sundaram and Tendulkar (2003), perhaps, is the latest addition to the debate. They have concluded that despite diversity across poverty indicators and across states, the overwhelming impression is one of greater improvement in the poverty situation in 1990s than in the previous ten and half year period. We have accepted and used this position and details of the paper as the basis of our analysis.

Political arithmetic of poverty alleviation

In this section we will use the statistical data on levels of poverty in the various states among communities broad brush figures ignoring the methodological debate on poverty definitions, characteristics, the reliability of survey research data. Because in the political discourse it is the broad magnitudes which seem to make an impact.

There are 287 million poor, 224 in rural areas and 63 in urban areas, in 1999-2000, making poverty alleviation a predominantly a rural exercise. While urban poor are a much smaller number, perhaps concentrated in the large city slums, their problems and their political mobilisation is of a different order.

In the states of Assam, Madhya Pradesh and Orissa, the situation has worsened in the period 1993-2000. The last two between them account for substantial population. The other similarly situated states are the north east, but their absolute numbers are small.

There are six states where the population of the poor is more than 20 million are

No. Of poor (000): 1999-2000

Bihar	54.151
Madhya Pradesh	27.273
Maharashtra	30.884
Orissa	19.534
U.P.	45.561
West Bengal	27.989

The southern states have much smaller numbers between 17 to 4 million range (Andhra and Karnataka representing the extremes).

Bihar and U.P. represent scheduled caste concentration (14/21%). Orissa and Madhya Pradesh are Schedule tribes' concentration (22/23% of population).

The presence of Maharashtra and West Bengal in the list of large concentration of the poor is not easy to explain.

There is evidence from national sample survey (1993-94) that every other member of the Scheduled Castes in rural areas is below the poverty line, taking an all India average.

It is over 2 of 3 in Bihar and Orissa.

The political perception is that majority of the poor belong to scheduled castes and tribes.

Relatively they have the largest number of poor.

As we do not have caste wise breakdown of poor we tried to relate the size of poor who belong to SC/ST and others.

The following table gives the order of numbers

	All India	1999-2000: (000)
Total No. Of poor	287.067	
SC/ST population*	205.981	
SC/ST population** below poverty line	104.019	
* 1991 Census data		
** Using the proportion of NSS (1993-94) survey for rural areas.		

The non-SC/ST poor work out to 183 million. It is a sizeable number, which seems to have influenced the political dialogue.

Scheduled castes and Scheduled tribes are often clubbed together as the underclass of Indian society. The political dynamics of each is different.

While both communities attempted to form caste based parties, schedule tribes perhaps because of their spatial distribution (concentration) have been smaller regional groups - aligning themselves more often than not with the mainstream political parties - Congress or BJP (NDA).

Scheduled castes on the other hand have had considerable influence on mainstream Indian politics. The reasons could be leadership (Ambedkar), spatial spread, and a greater societal recognition that they have had a raw deal.

The formation of Jharkhand which has a noticeable tribal presence (it is not a tribal majority state) adds to the geopolitics of tribal and non-tribal interaction highlighting Santhali consciousness (assertion) in addition to Dalit consciousness (assertion) as emerging political realities.

If the tribal populations assert themselves - this is likely to happen in the states of Orissa and Madhya Pradesh (apart from Jharkhand) the front rankers in tribal population or in Rajasthan and Gujarat - the next important concentration of tribal population.

Table in the appendix gives estimated population of the poor in fifteen states, which account for 96% of the Indian population.

Attitudes towards poverty related issues in main stream political parties

We have analysed the election manifestos (for parliamentary election) of the Congress, BJP and CPI (M) as representing the various shades of political dialogue. This is not to say that others are unimportant but the three could be considered representative.

We have not been able to get the election manifestos of BSP (Bahujan Samaj Party) and have to draw from pronouncements of their leadership.

The language, length of manifesto and the combative positions taken give an interesting backdrop to their formulations on poverty reduction (alleviation).

The most strident of the three is CPI (M) which "rejects the contention that the choice for the people should be reduced to a BJP led coalition or a Congress alternative". They feel that it is only CPI (M) and the left forces which have a consistent record ... fighting for alternate policies.

The BJP manifesto starts with an Upanishadic invocation wishing every one happiness and the affirmation of the uniqueness of the Indian civilisation. The accent is on cultural nationalism. They talk of 'fifty years of wasted opportunities' and promise a slew of reforms.

Congress manifesto draws on its legacy, puts the blame on BJP, which "has cost the nation heavily". They feel that "it is time to start afresh".

We have put together the key words in each manifesto with references to poverty alleviation and related issues in the table below. The verbatim record is given in the appendix.

Topic	Congress	BJP	CPI(M)
1. <u>Poverty alleviation</u>	single most important object	commitment to eradicate mass Poverty among other things	in poverty stricken counties it is states responsibility to provide minimum food supply... eliminate hunger and malnutrition
	Doubling expenditure on poverty alleviation	lot of the poor redefined (quality of life) will be improved through multi pronged approach focus of increased employment opportunities	
2. <u>Specific</u>	Investment in non-farm sector - (ensure) 4 to 5% rate of growth essential for time bound eradication of poverty - diversification of rural economy - reduce administrative costs of poverty alleviation programme - programmes through Gram Panchayat - Land reforms in areas where dalits are in confrontation with others	- enforce the implementation of land ceiling in all states - courts for land ceiling disputes - expedite ceiling surplus lands among landless	- Land reforms - takeover & redistribution of surplus land to landless - correction of land records - joint pattas for women - protection of basic rights of agricultural workers - legislation for workers in the organised sector - right to work as a fundamental right

3. Position regarding specific groups

	Congress	BJP	CPI (M)
(a) Dalits	- Dalits, Adivasis and OBCs as one head needing support - separate reservation act for SC & STs - finance development corporation for these special groups	- BJP is committed to social, economic & political empowerment of SCs & STs - wrongs will be corrected in a time bound manner - 15 point program covering wide range of measures - Special mention of Banjaras - Untouchability crime against humanity	- calls for stringent action against untouchability, atrocities against S.C. & ST - ensuring quotas are filled up - reservations for Dalit Xian - protect land rights of Adivasis - Santhali to be accorded the status of national language
(b) Senior Citizens	- National Senior citizen fund	- caring for the senior citizens	
(c) Women	- Increase representation of women in various form - special courts for women related issues - awareness of problems of women	- Special chapter on empowerment - 31 point program - empowerment through law, education	- support pending bill on one third reservation for women - legislation against many discriminatory practices including domestic violence & sexual harassment - media policy to check the commodification of women

The table presents the party position as far as possible in the language of their relative manifestos.

One sees a similarity and linguistic nuances. If BJP is inclusive in its statements, Congress draws on its earlier 'socialist' rhetoric and CPI (M) is committed to its target group.

For example the charter CPI (M) promises to agricultural workers, among the chronically poor, covers in the same breath minimum wages, pension.

As far as the understanding of poverty related issues by political parties are concerned

- It is global
- It is state spending as a solution
- Efficiency in public investments desirable.

None of them analyse the issues in any depth. The solutions are basically investment oriented and legislative including the implementation of existing legislation.

They do not recognise the size of the problem, the complexity of moving a large number of poor (287 million in 1999-2000) to another level of income/expenditure and life style.

There is also no acknowledgement of the spatial distribution of poverty, its cocentration.

Only Congress manifesto mentions that 54 of the 100 most backward districts are in U.P. and Bihar; promising to take a lead as a 'catalyst for change' whatever it means. They (Congress) are no political force in both the states now, having lost leadership over a period of time.

The concerns expressed about poverty are a small part of the manifestos. The total documents cover a wide range of other issues. Poverty issues do not appear to be center court in election promises. The earlier slogan of "Garibi Hatao" (remove poverty) is history.

Behind commonality of concepts, the differences are in "stridency" of postures and the greater role that is given to the state. (CPI - M).

The policy regarding specific disadvantaged groups S.C/S.T. and other backward castes (OBC) has also similarities. There seem to be favorites. CPI (M) specifically mentions Santhali language, Dalit Xians and Forest Act amendments. BJP manifesto refers to Banjaras.

The predominant impression one gets studying the manifestoes is that there is a 'consensus' among major political parties about poverty related issues including the lack of specificity and analysis.

Poverty reduction and the parties in power 1993-2000

There is a point of view that the differences of performance of are related to the inherited political administrative structures from before independence. Empirical data points out that states with this advantage like the southern states, Maharashtra have had a better record of poverty alleviation if we rate experience of the last fifty years. i

Before the collapse of the Congress, which was the party in power both at the Center and many states, it gave a consistency in approach to development policies as also poverty reduction programmes, tempered by the quality of administrative systems in different states.

Given below is a table which gives state wise changes in the head count ratios, rural + urban, between 1993-94 and 199-2000 in fifteen states.

Decline in head count ratio (%) 1993-2000
Rural + Urban

	State	1993-94	1999-2000	+
1	Andhra	29.61	23.07	-6.60B
2	Assam	47.36	47.94	+0.58
3	Bihar	61.23	50.51	-10.72 A
4	Gujarat	26.38	18.12	8.26 B
5	Haryana	22.46	7.73	-14.73 A
6	Karnataka	31.61	21.91	-9.70 A
7	Kerala	32.63	18.30	-14.33 A
8	Madhya Prades	35.09	34.41	+0.32
9	Maharashtra	41.87	32.69	-9.18 A
10	Orissa	55.28	54.14	-1.14 B
11	Punjab	14.55	7.75	-6.80 B
12	Rajasthan	23.31	12.40	-10.91A
13	Tamilnadu	36.48	25.69	-10.79A
14	Uttar Pradesh	37.93	26.80	-11.13A
15	West Bengal	43.55	35.45	-8.10 B
16	15 State wt.av.	38.40	29.92	-8.48

A - Above 15 state average

B - Below 15 state average

Source: Sundaram & Tendulkar EPW, 5.4.2003

It makes an interesting reading. In two states (Assam & Madhya Pradesh) the head count ratio has increased marginally; in five states the reduction is less than the 15 state average; in eight it is more than average.

The groups represent a mix of administrative reputation. Most people would agree that West Bengal is perhaps better administered than say Haryana or Kerala better than Uttar Pradesh. But this does not get reflected in the groups summarized below:

More than 15 state average

Bihar
Haryana
Karnataka
Kerala
Maharashtra
Rajasthan
Tamil Nadu
Uttar Pradesh

Less than 15 state average

Andhra
Gujarat
Orissa
Punjab
West Bengal

If one were to use only the data on rural poverty some names will change in the categories but the incongruence between administrative reputation and effectiveness of poverty reduction remains.

If one were to take a cut off of say poor above 20 million, as we have seen in an earlier table, Maharashtra and West Bengal keep uneasy company with Orissa and Bihar.

One explanation could be the size of population; large states are likely to have more poor. Another could be the percentage of SC/ST population. But neither explains adequately the mish/mash. For example in Andhra SC/ST percentage of the total population is 22.2% that of Rajasthan is 29.73.

We tried to relate the pattern to stability of political leadership in power: coalitions being less stable. During the period, the composition of the state government were as under:

State	Political situation	
Bihar	RJD	Single party
U.P.	SP/BJP/BSP	Coalition
Maharashtra	SS/BJP/Congress/NCP	Coalition
Andhra	T.D.	Single party
Karnataka	Janata/Congress	Coalition (?) single party
		Alternatively
Kerala	UF/LF	Coalitions alternatively
Tamilnadu	DMK/AIADM	single party alternative
West Bengal	CPM	Stable Coalition

We have not been able to relate poverty reduction programme to stability of political system in these states. Single party rule has not provided better direction; neither a coalition negatively affected the effort.

West Bengal presents an interesting position. It has a political leadership, which is avowedly pro poor (CPM), successful reform effort (Operation Barga), but the reduction in the head count ratio is less than average and it has a substantial population of poor (28 million).

In contrast Bihar whose administration some wags characterize as the 'withering away of state' has recorded more average performance in poverty reduction.

If we look at the states which have not performed well in poverty reduction (the number of poor as an indicator) and the political leadership in those states we get an interesting juxtaposition.

As implementation of poverty programmes depends on quality of administration at the state level we have prepared a table of the party situation (heading the government in various states,

Bihar	- R.J.D.
U.P.	- Coalitions – SP\BJP\BSP
Maharashtra	- S.S. BJP: Congress\NCP
Andhra Pradesh	- Telugu Desam
Karnataka	- Janata/Congress
Kerala	- U.F.\LF
Tamil Nadu	- DMK\ADMK

The picture that emerges is the dominance of regional party coalitions: shifting partnerships. The exceptions are Andhra and West Bengal where a single party has continued in power – both have been below the 15 states weighted average,

If we take the number of all poor as a criterion (above 20 million) the states are:

Bihar	- R.J.D.
M.P.	- BJP/Congress
Maharashtra	- S.S. BJP/Congress NCP
Orissa	- BJD
U.P.	- Shifting coalitions
West Bengal	- C.P.M.

Does this mean that poverty alleviation process has a momentum of its own not directly related to the political ideologies of the parties in power?

Or do all the parties (it is a broad political spectrum covering the entire Indian political opinion) have similar attitudes to policy and implementation?

Does known administrative efficiency not have a noticeable effect on poverty reduction achievements?

Or have the better-administrated structures hit a plateau because the poverty issues they have now to tackle are more complex?

The lack of patterns between the ideological differences between parties in state governments and the success or lack of it of poverty reduction programmes needs some attention.

The assumption that if the party in power had a pro poor bias and had an above average administration system, poverty reduction will be ipso facto a success does not seem to be hold.

Given the tentative nature of the findings, the following propositions may be considered:

Poverty issues related, as they are to complex societal imperatives need a deeper understanding than what the political leadership has shown so far.

Poverty reduction effort is not merely providing resources, there are deeply ingrained attitudes

- Poverty is a more widespread phenomenon than being confined to few ethnic groups (e.g. the large number of non SC/ST are poor.
- Poverty reduction programmes have got set in the last few decades reflecting the understanding of the political and administrative class. It may need rethinking
- Suggesting more of the same may give less than proportionate satisfaction.
- As caste and poverty, caste and political power are closely related, a data base analyzing poverty using caste as a classification could be useful.
- Political leadership needs to understand poverty related issues in depth rather than repeat earlier global formulations. The possible solutions, which emerge, could be different
- As one goes down to residuary numbers of the poor, concepts like chronic poverty and methods for its alleviation will perhaps open new windows of understanding.

Concepts of political empowerment and poverty reduction

With poverty endemic in the ethnic groups, the S.C.s and S.T.s, the efforts of political parties representing them near exclusively and their commitment to poverty alleviation policies will trace yet another aspect of poverty and electoral policies discourse.

Of the two, the presence of S.T. political parties in the electoral systems is considerably less. Except perhaps in Jharkhand where tribal presence is large (not majority). Even here the tribal parties like JMM have had limited influence. The multi ethnic political parties have played a major role.

Historically, Jaipal Singh, in the early years of independence started a tribal political party but it later got co-opted into the Congress.

The reasons for the lack of political voice for S.T.s in electoral politics could be many. The fractured ethny, lack of leadership, the S.T. worldview

In contrast, S.C.s, who are a larger group, have registered an immense political visibility in the last fifty years. The signal achievement is political power by BSP (a predominantly S.C. party) in U.P., the largest Indian state, as a senior partner in an uneasy coalition with BJP (a manuvadi party in BSP parlance).

Even in terms of identification, they have traveled far from being untouchables, to depressed classes to S.C. groups to Dalits, and Dalit bahujans (the Harijan period has left little impact.)

The political awakening of S.C.s is due to tireless efforts of Dr. B.R. Ambedkar, a colossus of his time in the political arena whose ideology represents much of scheduled caste political discourse.

S.C. is an inclusive umbrella of 400 jatis (sub-castes) whose numbers have grown both due to natural growth and expanding boundaries of the group itself (more sub-castes opted to be S.C.s). Like some in the rest of Indian society they also practice untouchability inter se.

There are variations of number and status of S.C.s in the various states. The largest number is in Punjab followed by West Bengal. But numerical strength has not gone with political power. It is a complex relationship.

Dalit (to use a politically correct inclusive nomenclature) political activity started way back in 1920s. The Independent Labour Party was formed but it was dissolved in 1942. Similar has been the case of the All India Scheduled Castes Federation. The Republican Party was formed in 1957 and has had limited electoral success.

The latest and the most spectacularly successful addition to the list is the Bahujan Samaj Party claiming to represent the majority of the Indians except the three forward castes among the Hindus. Their core strength is the S.C.s and even there with one sub caste among them.

It was formed in 1978 by Kanshiram, a successful strategist, who used the decline of the Congress in U.P. and its subsequent fractured political landscape of the state in becoming a deciding factor in U.P. politics. No mainstream political party can afford to ignore them today.

We were not able to get the election manifesto of BSP (there is a report that they do not believe in manifestos), but have put together their position of poverty alleviation from various sources.

“The only means for scheduled castes and other groups to win back their lost self esteem, according to BSP, is capturing political take over of power on their own. From political power, in BSPs blue print, flows all else, including material well-being”.

The leadership in BSP is the upwardly mobile classes among S.C.s who have benefited through reservations in government jobs. They are both the initiators and beneficiaries of economic political benefits.

Has BSP's political success significantly influenced the poverty reduction policy and programmes? Have the poor among the S.C.s benefited more than in states where BSP is not in power?

As we do not have adequate data, it is difficult to generalize. But some opinions are available.

The bulk of the poor among S.Cs are agricultural workers and women, as yet their problems had not moved center stage. However, they do enjoy the shared glory of being politically influential – a heady feeling.

If large sections of S.C., the rural asset less poor, have to benefit, the policy formulation has to be different, so also the programmes.

In 1980, Omvedt pointed out that a characteristic of the political ideology of BSP was its 'vagueness' and it was yet to formulate a proper ideology and programme. This remains true even today (Sudha Pai 2002).

“Initially, the BSP argued that social justice was meant for the Dalit Bahujans (dalits and backwards). After the fall of SP-BSP coalition it was exclusively for Dalits...”

In actual practice benefits were even more narrowly distributed to the already better off, ambitious, upwardly mobile chamars among dalits.”

"The BSP thus is an Ambedkarite party, not in the ideological and programmatic sense but in purely political terms."

"So far BSP led movement in UP is one of assertion... it needs to develop an ideology of transformation."

Mayavati, the Chief Minister on 7th Feb 2002 (Hindu 8.2.2002) offered to carry along each and every community of U.P. Of the 403 seats, BSP has offered 128 to Backward Classes, 86 to Muslims and 92 to upper castes.

The spreading of influence (support) among all castes including upper castes and funneling benefits to some Jatis among scheduled castes is an interesting paradox.

Unequal sharing of gains is common to all Indian political parties, but in the case of Dalit politics it has spawned a demand for sub quotas within the scheduled castes: reservations as a counter to some of them like mahars in Maharashtra, chamars in UP, malas in Andhra appropriating most of the gains. There is such legislation in some states.

Political empowerment as a route to economic progress (including poverty alleviation) is an attractive distant promise. It does not make an immediate difference to ground realities of poverty and chronic poverty.

If we put the political discourse on poverty alleviation, what emerges is a spectrum of global statements and programmes of the main stream middle parties at one end, serious attempts in some states where Marxists are in power at dealing with the issues with limited success in the middle, and empowerment based post dated cheques of the Dalit political parties (BSP) at the extreme.

In the political dialogue of the country poverty alleviation is not exclusive or predominantly Scheduled Castes/Scheduled Tribes concerted effort.

For example on 22.5.03, the Rajasthan government announced quotas for the economically weak among the forward castes – a gesture which will be effective after necessary constitutional amendments. This has been followed up by the BJP suggesting the formation of a commission to formulate a reservation policy for both forward castes and the minorities. There is a large non-S.C. and S.T numbers of the poor which no political party can ignore. This makes political discourse on poverty inclusive.

Given the compulsions of perceived advantage of creating beneficiaries in all groups of the poor, forward castes included, the difficult problem of chronic poverty with its spatial, ethnic, livelihood specialization is unlikely to receive support from the political class, at least not yet.

A question, which needs to be answered, is why the poor and particularly the chronically poor have not been able to exercise influence commensurate with their electoral strength. Nearly 150 million even after correcting for family size and voter registration is not a small number, especially in pockets where cohesive vote banks can tilt the result.

Let us look at the composition of the chronically poor. The following table provides an explanatory matrix.

	Ag. & casual worker	Unskilled	Dependent	Food Insecure	No assets
S.C.	*	*	-	*	*
S.T.	*	*	-	*	*
Elderly	X	X	*	*	*
Women	*	*	*	*	*
Non-SC/ST	*	*	-	*	*

We have already noted the position of dedicated political parties of SC/ST communities.

For mainstream political parties, the support of these groups can possibly be bought by other means, purchase, intimidation, and poll rigging than cultivating their interest.

None of the groups mentioned in the matrix have countervailing power in most communities.

The only exception is the successful effort by chronically poor to influence political parties are by slum dwellers of Tamilnadu who provided support to the Dravidian parties (DMK & AIDMK) and received specific benefits. The symbiotic relationship between slum people and charismatic leadership of the late M.G. Ramachandran is a political legend.

All political parties have research departments and think tanks of varying capabilities. As far as one can see, poverty and chronic poverty has not been a priority on their agenda. If it had been the election manifestoes would have reflected some of this learning.

Possible alternatives

If the political class is not equipped or willing to deal with chronic poverty problems, can civil society help?

An experience which has relevance to poverty reduction is micro finance by Self Help groups both those using the Bangladesh experience and that of others.

These local initiatives primarily by women usually belonging to single caste (S.C.s to a large extent) have grown from small beginnings to some size.

There is extensive analytical and anecdotal literature about them, mostly of successes. At the least, they have provided support for preponed consumption, at best in some income generation and asset formation and provide an alternative to the moneylender.

But these are for the entrepreneurial poor; a sub-group that can use resources provided by whosoever to advantage and are among those who moved out of their condition in the last few decades. This is reflected in the general decline of the head count ratios.

It is a reasonable surmise to make that some of the sub-sets in the matrix like the elderly, disabled, unskilled casual workers are any thing but entrepreneurial which needs both self esteem and confidence.

We do not have data to estimate the non-entrepreneurial among the chronically poor, but as a first guess it can be substantial number (e.g. where intergenerational transmission of poverty wide spread).

For them development assistance is wrong sequencing. They need welfare support before they can graduate to entrepreneurship.

A special case is that of families, for whatever reason; do not have two square meals a day throughout the year or face starvation conditions due to external shock.

In these cases poverty alleviation of the chronically poor has to move to an effective programme of welfare transfers.

Subsidies are not popular in post liberalization macro policy and over the last few decades international funding support has moved away from charity to development aid. (We will not give you fish to eat, but will teach you how to fish posture).

Perhaps there is a need for rethinking of policy initiatives in the context of situation of the chronically poor, especially in India, where political discourse should recognize welfare transfers as a necessary part of development strategy. Similarly, international donors need to step back from their new business like postures to recognizing the need for compassion when faced with hunger in all its unpleasant dimensions.

It looks as though, Indian political parties, civil society institutions, international donors have a long journey of discovery and understanding to make, before the problems of the chronically poor become center court, let alone solved.

Statewise Distribution of the Number of poor

No. of poor in (000) 1999-2000

	Rurals	Urban	Total
1. Andhra	11.975	5.230	17.205
2. Assam	12.202	0.313	12.515
3. Bihar	47.871	6.280	54.151
4. Gujarat	5.881	3.073	8.954
5. Haryana	1.148	0.436	1.584
6. Karnataka	8.279	3.060	11.339
7. Kerala	3.839	1.926	5.765
8. Madhya Pradesh	19.640	7.633	27.273
9. Maharashtra	20.650	10.234	30.884
10. Orissa	17.299	2.235	19.534
11. Punjab	1.383	0.462	1.844
12. Rajasthan	4.791	2.011	6.802
13. Tamilnadu	9.750	6.008	15.758
14. U.P.	34.293	11.268	45.561
15. West Bengal	25.048	2.850	27.898
16. Fifteen States total	224.048	63.018	287.067

(96% of Indian Population)

Source: K.S. Sundaram and Suresh D. Tendulkar (2003) "Poverty in India in the 1999s":
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CPI (M) Election Manifesto : 1999

Implementing land reforms ... expanding the rights of working people ... gains of the three left ruled states (West Bengal, Kerala, Tripura)

Page 9

The policies of liberalization since 1991 have benefited the affluent 10% of the upper strata while subsidizing the rest to acute deprivation.

Page 10

Central government to give a new thrust for a speedy and comprehensive steps for implementing land reforms.

Take over and distribution of surplus lands above the ceiling, handing over cultivable waste land to landless, correction of land records, security for tenants and issuance of joint pattas for women.

... expansion of credit facilities for poor peasants and small farmers.

Page 11

In a poverty-stricken country like India, it is the state's responsibility to provide minimum food supply to eliminate hunger and malnutrition ... CPM demands that

the essential commodities should be included for supply in PDS ...

... A net work of FAIR price shops and cooperatives should cover all Panchayats.

Pages 11 & 12

Agricultural Workers

The CPI (M) will uncompromisingly struggle for a central legislation for agricultural workers to protect the basic rights which are as follows:

- Guaranteed minimum wages
- Pension and other benefits
- Provision of homestead lands
- Equal wages for equal work for women agricultural workers.

... comprehensive legislations for workers in the unorganized sector and home based workers to govern their service conditions, job security, grievance redressal and social security benefits.

Guarantee of right to work as a fundamental right provide good for work programme to generate employment.

The CPI (M) calls for

- stringent action against untouchability and atrocities against scheduled castes and scheduled tribes and invoking of the provisions of the prevention of atrocities act for the purpose
- ensuring the quotas for reservation for scheduled castes and tribes are filled up
- OBC reservation to be implemented
- reservations to be extended to Dalit Xians
- protect land rights of adivasis and restore land elienated from them illegally
- ensure the right of access to forests and forest produce: the Forest Act to be amended for the purpose
- regional autonomy should be provided for tribal compact areas where necessary
- Fasten the development of languages and culture of adivasis. Santhali should accorded national language status in the Eighth Schedule of the Constitution.

... special schemes for promoting educational facilities for deprived minorities.

Congress Election Manifesto - Lok Sabha 1999

p 17

a vision of India which has abolished, as we have thrown it for centuries, in the next fifteen years

food and social security to the most vulnerable and disadvantaged sections

P 19

largest generator of jobs is agriculture rural non farm sector will receive investment and technology support

page 25

The eradication of poverty is the single most important object of national development. Doubling expenditure on poverty alleviation and social development in the next five years.

Improve effectiveness of such expenditure by involving ... groups and individuals living in poverty

4 to 5 % annual rate of growth in agriculture is the essential pre-requisite for time bound eradication of rural poverty

diversification of the rural economy ... schemes directed at specific target groups below the poverty line

As the rural landless constitute the hard core of poverty, the eradication of their poverty will be central to all poverty programmes

page

consolidate and rationalise existing poverty alleviation programmes to reduce administrative costs

enhance the funding of anti poverty and rural development programmes

programmes will be undertaken through the Gram Panchayats and in consultation with the Gram Sabhas ... ensure transparency and peoples involvement

page 29

... Panchayati Raj institutions will not be allowed to be used against the weaker sections of the society.

Page 35

... PDS (Public Distribution System)... to ensure that essential commodities reach families below the poverty line

page 36

a health insurance policy for the poor will be instituted

... provide economic security in the old age will be launched

page 37

Land reform in areas where dalits are in confrontation with other sections of society will be expedited

Rural adivasi and dalit families will be endowed with some land through proper implementation of land ceiling and land distribution legislation.

Dalits, Adivasis and OBCs

A separate, statutory National Commission for Scheduled Tribes will be set up. The Commission and National Commission for Scheduled Castes will be equipped with administrative, judicial and financial powers.

State governments will be urged to make legislation for conferring ownership rights in respect of minor forest produced on dalits, adivasis and OBCs who work in the forests.

The policy of reservations in public employment for dalits, adivasis and OBCs will continue and be implemented vigorously. All reservations quotas, including those relating to promotions, will be sought to be filled on a time-bound basis.

Special recruitment drives particular in relation to Class I and Class II vacancies will be launched.

Special coaching facilities for SC/ST/OBC students at all levels will be expanded. Educational facilities for these students will be expanded.

The implementation of existing reservations for scheduled castes and scheduled tribes is subject to numerous administrative circulars and interpretations. This has caused both unease and confusion. Clarity will be provided by having a separate Reservation Act.

Special courts will be set up under the Scheduled Castes and Scheduled Tribes (Prevention of Atrocities) Act to ensure quick justice to victims of atrocities.

Land reforms in areas where dalits are in confrontation with other sections of society will be expedited. A comprehensive national programme for minor irrigation of all lands held by dalits and adivasis will be launched. This will have a major impact both on economic and social status of these communities. Landless rural dalit and adivasi family will be endowed with some land redistribution.

The finance and development of corporations set up for scheduled castes, scheduled tribes, and backward classes as also for safai karamcharis, will be strengthened and made more effective instruments of providing financial and technical assistance. The Congress will strictly implement the identification, release and rehabilitation programme for bonded labour.

Page 65

54 of 100 most backward districts are in U.P. and Bihar.

... Politics in these two states has to become the catalyst for change..

B.J.P. Election Manifesto 1998

Reference to poverty issues.

page.3

commitment to eradication of mass poverty - among other things

Page 10

Rural poverty during the Man Mohan Singh years grew from 35.5 to 48.6%

... glaring inequality and incidence of poverty.

Page 13

... firmly rooted in the recognition that growth cannot be sustained in the back drop of accentuation in poverty and human misery. Poverty cannot also be wished away through an abstract definition built on calorific value. A meaningful estimation of poverty will now be structured on the matrix of factors that dilute the quality of life such as illiteracy, lack of sustained employment, malnutrition, lack of shelter, safe drinking water, sanitation and health care. The list of the poor, thus defined, with the focus on increased employment opportunities.

... consequently poverty prevails in our country on such a massive scale.

Page 27

Our Steps to Implement Land Reforms

1. Enforce the implementation of land ceiling laws in all States.
2. Set up designated courts to quickly deal with all land ceiling disputes and monitoring enforcement of verdicts.
3. Expedite distribution of ceiling surplus land among landless farmers.
4. Monitor the use of distributed land to prevent its alienation from beneficiaries.
5. Reclaim cultivable land lying fallow.
6. Time-bound registration of all lands.
7. Decide ownership rights at the level of Gram Panchayats without delay.

Untouchability: A Crime Against Humanity

1. The BJP will remove the last vestiges of untouchability, which we believe is an unpardonable crime against humanity.
2. The BJP will strive to inculcate an ethos of equality in social and inter-personal relationships.
3. A befitting National Memorial in honour of Dr. Babasaheb Ambedkar, who dedicated his life to the cause of social justice, will be erected at Chaityabhoomi in Mumbai on the lines of national memorials like Raj Ghat, Shanti Van and VijayGhat.

Our Commitment to the Welfare of Scheduled Castes and Scheduled Tribes

Nearly four-and-a-half decades of Congress rule and the recent UF regime have failed to empower the Scheduled Castes and Scheduled Tribes. While thousands of crores have been spent, ostensibly for the welfare, Scheduled Castes and Scheduled Tribes face increasing impoverishment and marginalization. Eighty per cent of members belonging to these sections of Indian society have been pushed below the poverty line. The BJP is committed to the social, economic and political empowerment of the Scheduled Castes and Scheduled Tribes, so that the wrongs of the past are corrected in a time-bound manner for a better future. To fulfill our commitment, we will be guided by a policy whose highlights are as follows:

1. Existing institutions and Constitutional safeguards for Scheduled Castes and Scheduled Tribes will be strengthened and made operationally more effective.
2. The provision of special facilities and preferential opportunities, including reservations will be implemented in a manner so as to benefit the broadest cross-section and largest number of SCs and STs.
3. The reservations policy will be backed up with a statue and all backlogs will be cleared within a specified time-frame. Special tribunals will be set up under CAT to expeditiously deal with complaints of non-implementation of reservations policy and related grievances.
4. All cases of atrocities against members of the Scheduled Castes and Scheduled Tribes will be promptly inquired into and the guilty punished through special courts.
5. A comprehensive development package will be introduced for the economic empowerment of Scheduled Castes & Scheduled Tribes. The highlights of this packaged will include:

- a) Setting up of a credit agency on the lines of NABARD to meet individual and institutional credit needs;
 - b) Vocational training, skill upgradation and financial assistance to encourage greater participation in cottage and rural industries and other means of self-employment;
 - c) Food-for-education schemes to raise literacy levels;
 - d) A comprehensive national programme of minor irrigation facilities for irrigable land held by SCs & STs;
 - e) Endowing every landless rural family of the SCs and STs with land and ensuring sustenance level of income through requisite facilities;
 - f) Amending the existing forest policy to provide Vanvasis their rightful share of minor forest produce;
 - g) Processing claims of Vanvasis and Girijans for pattas in forest and hill areas promptly; and,
 - h) Separate development plans for tribals living in the plains.
- 6) The specified allocation for the Special Component Plan (17 per cent) for Scheduled Castes and the Tribal Sub-Plan (8 per cent) for Scheduled Tribes within the total Plan allocation will be strictly followed both at the Centre and in the States. Every effort will be made to ensure that allocated funds do not lapse and are spent as per Plan provisions.
 - 7) The pernicious practice of carrying night soil will be eliminated and all those engaged in scavenging rehabilitation.
 8. Allotment of pattas for land, home site and homes in the names of wives/widows/daughters. These will be properly drawn up and handed over to actual beneficiaries.
 - 9) Unifying the Banjaras under a common category and ensuring that they are benefited by the Minimum Needs Programme:
 - 10) Necessary steps to stop the exploitation of tribals by contractors and to free them from indebtedness. We will consider enacting a law whereby the outstanding debts of those tribals who have paid back the principal amount and 50 per cent of the capital as interest, will be written off;
 - 11) Stringent action to prevent tribal land alienation through conversion of tribal land for industrial and other purposes;
 - 12) A National Policy for the "total rehabilitation" of families displaced by development projects. The policy will include social, economic, educational, environmental and cultural aspects;

- 13) An engineering and a medical college will be set up in the national capital in honor of Maharishi Valmiki and Baba Saheb Ambedkar. Fifty per cent in these institutions will be reserved for students from Scheduled Castes, Scheduled Tribes and OBCs;
- 14) Panchayat institutions in scheduled areas and tribal areas will be made effective and functional in the light of Bhuria Committee's recommendations;
- 15) Claims for inclusion into the ST list by erstwhile "criminal" tribes and others will be entrusted to a commission for recommendations.

Our Commitments to the Welfare of Socially and Educationally Backward Classes

The BJP is committed to ensuring social and economic justice to the Other Backward Classes. This is integral to our concept of Social Harmony (Samajik Samarasta). We reject the divisive and castiest politics of our adversaries that have neither economically empowered the bulk of the OBCs nor reduced their educational backwardness. We propose to

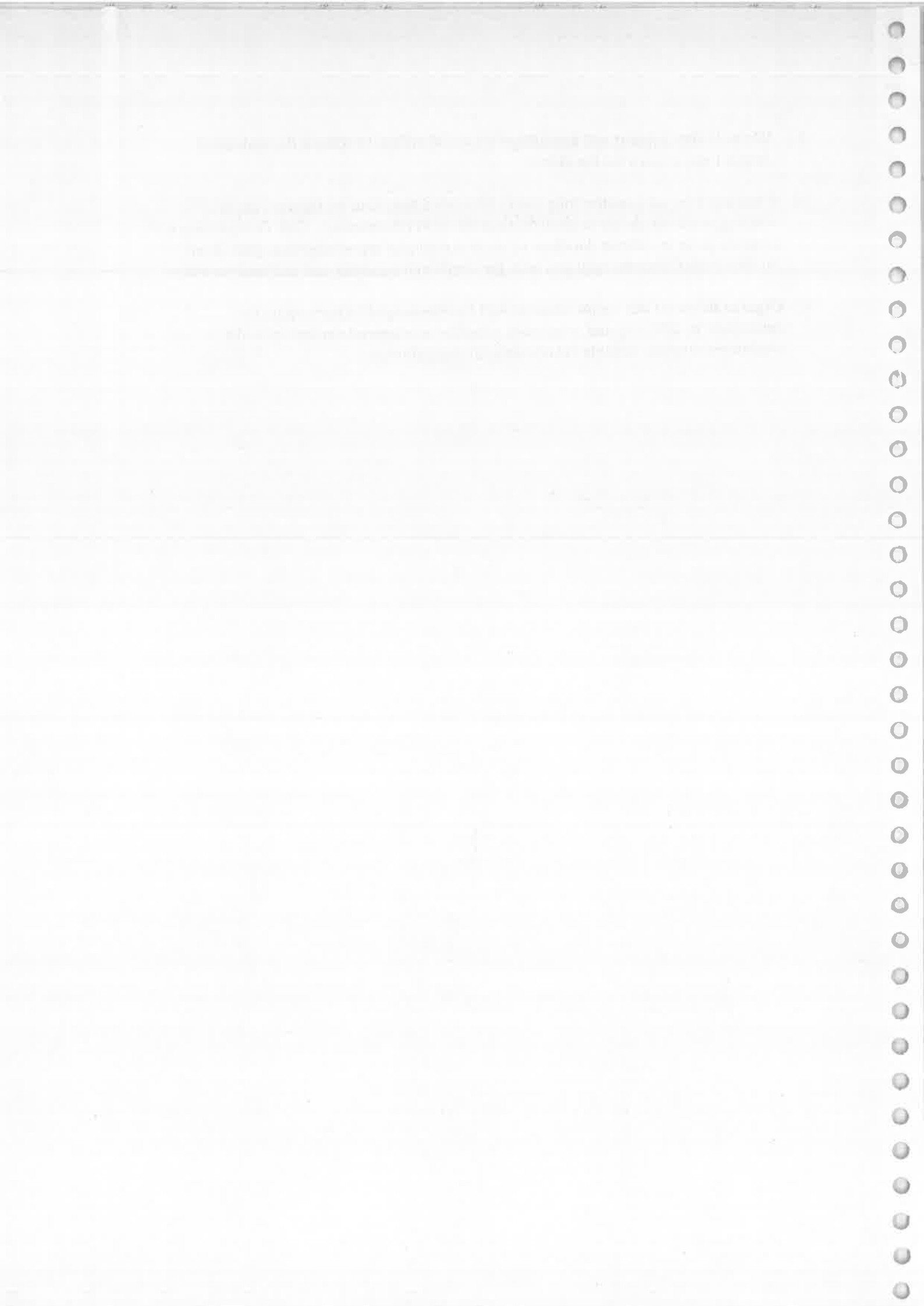
- 1) Continue with the current reservations policy for Other Backward Classes till they are socially and educationally integrated with the rest of society;
- 2) Provide training, financial support and management facilities for upgradation of skills in traditional industries and professions of OBCs;
- 3) Take corrective remedial measures in view of recent macro-economic policy decisions
That have rendered several sections of people belonging to the OBCs jobless; and,
- 4) Make the National Backward Classes Finance Development Corporation fully operational.

Caring for our Senior Citizens

INDIAN family and social traditions have always held elders in high esteem. A person who attains the status of an "elder" and a "senior citizen" is looked upon as a repository of experience, values and wisdom, which need to be transmitted to the younger generation. Sadly, the alien nature of socio-economic development in India in the past fifty years has brought the institution of family under great pressure. One of the worst victims of this process are our senior citizens.

- 1) Our Government, in line with the BJP's philosophy, will take all possible measures to alleviate the difficulties and hardships suffered by our senior citizens.

- 2) We will also support and encourage all social efforts to restore the traditional respect and regard for the elders.
- 3) A person who retires after long years of service does not, by the very act of retiring, lose his ability to contribute in his field of expertise. Our Government will prepare a decentralized database of such skilled and knowledgeable individuals so that both Governmental and non-governmental agencies can use their services.
- 4) Organizations of our senior citizens will be encouraged to participate in consultative, advisory and, wherever possible, managerial capacities in the implementation of suitable Governmental programmes.



CASUAL LABOURERS IN RURAL AREAS

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NEW DELHI

CHURCH LAYMEN'S GUILD

MEMBERS LIST

For 1911-1912

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POVERTY AMONG RURAL CASUAL LABOURERS, 1983 TO 1999-2000 : A PRELIMINARY ANALYSIS

Sheila Bhalla*

With support from
Anup K. Karan and T. Shobha

I. Introduction

According to the latest count, there were close to 132 million casual labourers in rural India in 1999-2000. However, "casual labourers" are not at all a homogeneous group.

They differ by worker status; they are employed in different economic sectors; they belong to particular social groups; and they can be differentiated according to their possession (or non-possession) of specified kinds of physical and human capital – land, and educational attainments for example. Last but not least, the fact that they live and work in different regions, makes a huge difference to the probability of their being poor.

Following this introduction, this preliminary paper is organized in four substantive parts.

Part I sets out the contextual facts, and indicates what developments in the wider economic environment might account for observed changes in the structure of the casual labour workforce and the prevalence of poverty among casual workers during the period 1983 to 1999-2000.

Part II provides answers to the following kinds of questions. Who are the casual labourers? What work do they do? What are their attributes and those of their households?

Part III presents estimates of the prevalence of poverty among each of the separate categories of casual workers identified in part II.

Part IV introduces the regional dimension.

The final section, Part V, is appropriately headed "In lieu of conclusions".

II. The Key Contextual Facts

Rural casual labourers are, of course, a subset of all workers. Unless data on casual labour is placed firmly in this larger context of workers-as-a whole, it is difficult to assess the significance of trends in the employment of casual labourers, and changes in the prevalence of poverty among them. It is necessary also, to bring into the picture, the

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broader contextual facts about what was happening in the economy, particularly those facts which are known to have had an impact on the demand for, and supply of, rural labour – factors like drought, the mechanisation of agriculture, or the decline of public investment programmes for building up economic and social infrastructure in rural areas.

The purpose of this section is to bring these larger contextual facts into focus.

1. Employment and Employment Growth

In India, agriculture has virtually ceased to employ more labour and so also has the organised, or 'formal', non farm sector. These two segments together – agriculture and the organised sector – accounted for close to 70 per cent of all employment¹ in India in 1999 – 2000, and yet they contributed almost no new jobs. The result? In recent years, the burden of providing additional employment to the growing Indian labour force has fallen upon the unorganised (or informal), non-farm sector, which accounts for only 30 per cent of employment in rural and urban areas combined.

The result has been that rural employment growth rates have collapsed to less than 0.7 per cent, pulling down overall (rural plus urban) employment growth rates to unacceptably low levels, pushing up recorded rates of unemployment² and easing some people out of the labour force altogether.

Rural areas have been hit particularly hard. As the estimates in table 1, show, rural employment growth rates in the 1990s fell to less than half of what they had been in the 1980s and to less than one third of the 1990s growth rates in urban India. The prolonged decline in the growth rates of farm employment is largely responsible for these results. In recent years, non-farm employment growth rates have also gone down.

¹ Agriculture accounted for about 60 percent of all employment and the organised sector for less than ten percent.

² Current daily status unemployment rates, which had declined during the 1980s and early 1990s, rose from 6.03 percent in 1993-94 to 7.32 percent in 1999-2000 in rural and urban areas combined. In rural areas unemployment rates reached their lowest point ever in 1987-88 at 5.25 percent, then rose to 5.63 percent in 1993-94 and to 7.21 percent in 1999-2000.

Table 1
All India Farm and Non-Farm Usual Principal and Subsidiary Status Employment Growth Rates (Persons) : 1972-73 to 1983, 1983 to 1987-88, 1987-88 to 1993-94, and 1993-94 to 1999-2000 Rural and Urban

Sector	Rural				Urban			
	1972-73 to 1983	1983 to 1987-88	1987-88 to 1993-94	1993-94 to 1999-00	1972-73 to 1983	1983 to 1987-88	1987-88 to 1993-94	1993-94 to 1999-00
1	2	3	4	5	6	7	8	9
Agriculture	1.59	0.12	2.32	0.20	3.91	-1.81	4.14	-3.39
Non-Agriculture	4.54	5.79	1.41	2.34	4.12	3.70	3.33	2.98
All Sectors	2.12	1.14	2.10	0.68	4.15	2.82	3.36	2.07

Note:

1. Usual Principal and Subsidiary Status (UPSS) employment estimates are based on National Sample Survey (NSS) ratios and Population Census figures interpolated for the mid points of the NSS Rounds.
2. The sum of employment in agriculture plus non-agriculture does not equal "all sectors", because the "all sectors" estimates include workers without affiliation to any particular industry, and workers whose activities are not adequately defined.

2. Trends and Trend Disturbances in Macro Economic Performance and Policy

The growth rates in table 1 tell us something about employment outcomes but nothing about what was going on behind the scenes. We know that both sectoral employment growth rates and changes in sectoral and subsectoral employment structure are driven by factors affecting the demand for and supply of labour. Thus to understand what has happened to rural employment generally and to casual labour in particular, some of these factors need to be identified.

The long, 27 year, period covered by the estimates given in table 1 was punctuated by two short lived trend disturbances. The first one, in 1987-88, was caused by drought. The second one was triggered off by the reorientation of economic policy and practice, following the macro-economic crisis which came to a head in early 1991³. The 'stabilisation and structural adjustment' programme initiated to deal with this crisis had long term repercussions felt throughout the economy. The immediate effects are reflected in the retrograde changes in workforce structure revealed by the employment data for 1993-94. The share of agriculture in the workforce expanded; the share of the non-farm sector in rural employment contracted.

This retreat back into agriculture was led by a large fall in the number of workers employed in unorganised sector manufacturing and a smaller fall in employment in rural

³ Although the big push towards economic liberalisation may be said to have begun in 1991, economic liberalisation efforts with respect to the manufacturing subsector began earlier, most of them dating from the mid 1980s and impacting on very small scale manufacturing activities-.

unorganised trade⁴. Household industry, in general, contracted, and many of the displaced female workers in family operated units failed to find acceptable alternative employment anywhere. Many of them seem to have left the rural labour force altogether. In several regions the share of the workforce engaged in the service sector also came down⁵.

Aside from these two brief episodes which had the effect of interrupting longer term employment trends as recorded by the NSSO, at least three longer term phases can be identified.

The first phase, from 1972-73 to 1983, was characterised by buoyant employment growth in both the farm and the non-farm sectors. But, as the demand for both farm and non farm labour increased and real wages began to rise, the mechanisation of agriculture accelerated, particularly in the wheat growing regions. In other regions, different methods of holding down wage costs were adopted. In Kerala, for example, farmers shifted from labour intensive paddy cultivation to a variety of less labour intensive crops.

The second phase ran from the early 1980s up to 1989-90⁶. On the employment front it was marked by a slowdown in farm employment growth rates, largely due to increasing mechanisation, and by sharply accelerated non-farm employment growth. In rural India, between 1983 and 1987-88, roughly three times as many fresh jobs were generated in non-agriculture as were generated within the farm sector. These developments were associated with record rates of per capita income growth. By 1989-90, poverty reached its lowest point ever, at about 34 per cent of the population, and the share of agriculture in the workforce had gone up to about 41 per cent overall, and about 25 per cent in rural areas.

Towards the end of this halcyon on period, in 1987-88, drought hit agriculture in the western and north western states of India, forcing many people to seek supplementary work in the non-farm sector, particularly in construction. A significant part of the additional employment in construction activities was provided by government public works programmes in the drought affected areas. A great deal of this influx into construction activities appears in the NSS record in the form of a sharp rise in the number of casual labourers engaged in the construction subsector. (See table 31.)

⁴ For details see, Bhalla, Sheila (2003) report to the Planning Commission (G..O.I) on The Restructuring of the Unorganised Sector in India.

⁵ This is discussed in Bhalla, Sheila (1997) "The Rise and Fall of Workforce Diversification Process in Rural India: A Regional and Sectoral Analysis" in (eds) G.K. Chadha and A.N. Sharma Growth, Employment and Poverty: Change and Continuity in Rural India, Vikas Publishers, New Delhi.

⁶ NSS data for 1989-90, comes from one of the annual so-called "thin" samples, that is, samples too small to generate reliable state level employment data for the smaller states. NSS data for 1972-73, 1977-78, 1983, 1987-88, 1993-94 and 1999-2000 comes from the "quinquennial" "full" samples.

The 1990's decade as a whole was marked by a number of changes in economic policy and practice which were undoubtedly inimical to the expansion of rural employment in both the farm and the non-farm sectors. They can be classified into three broad categories: (i) changes in the regulatory environment which directly affected small scale and very small scale manufacturing activities, (ii) cutbacks in rural infrastructure investment and changes in credit policy, which had much wide repercussions, and (iii) changes in the import policy regime, which affected specific industries, such as oilseeds processing, and not others.

Changes in the regulatory environment, within which most of rural industry operates, ranged from repeated increases in the investment ceiling limits defining small and very small industries to dereservation of items previously reserved for production by small scale limits only⁷.

The official forerunner of the changes in credit policy was the Narasimhan Committee Report on the Financial System (GOI, 1991). In the years following this Report, commercial bank credit was directed away from rural areas, backward regions, agriculture and small scale enterprises and in favour of urban areas, advanced regions and the organised non-farm sector⁸. The result was what Mujumdar (2001) describes as "a lost decade for rural credit" and for investment and working capital flows to agriculture⁹.

The decline in public investment in agriculture particularly since the early 1990s is a matter for serious concern. The Tenth Five Year Plan is quite blunt.

In a ringing indictment of the policy approach to agriculture and rural development during the 1990s they write: "The policy approach to agriculture, particularly in the 1990s, has been to secure increased production through subsidies in inputs such as power, water and fertiliser, rather than through building new capital assets in irrigation, power and rural infrastructure. This strategy has run into serious difficulties. Deteriorating State finances have meant that subsidies have crowded out public agricultural investment in roads and irrigation and expenditure on technological upgrading. Apart from the inability to create new assets, the lack of resources has eroded

⁷ On this see Chadha, G.K. (1996) The Industrialisation Strategy and Growth of Rural Industry in India ILO-SAAT, New Delhi, which provides a detailed review of industrial policy and policy shifts, from 1948 to the early 1990s.

⁸ See especially, Shetty, S.L. (2002) "Structural Deterioration in the Distribution of Bank Credit in the 1990s: A Critical Review" paper presented at the IAMR Workshop on Employment in the Rural Non-farm Sector, New Delhi (March)

⁹ See especially pages 3 and 4 in Mujumdar, N.A. (2001) The New Architecture of the Rural Credit System. Monograph No. 1, Prof. M.L. Dantwala Monograph Series, Dept of Economics, University of Mumbai, (August).

expenditure on maintenance of canals and roads. The financial unviability of the State Electricity Boards has made it difficult to expand power supply in uncovered rural areas and contributed to the low quality of rural power supply. These problems are particularly severe in poorer states¹⁰.

On the development and dissemination of agricultural technologies, there are also strong words : "the quality of the agricultural research efforts have weakened while the extension system has virtually collapsed"¹¹.

The findings of the latest study on the effects of rural public investment in India¹² underscore the importance of correcting these past policy strategies. It is established that the deceleration in real capital formation in the 1980s and 1990s was associated with a decline in the growth rate of agricultural output, particularly of foodgrains. Because of the links between public investment on the one hand and agricultural growth and rural poverty on the other, this is also cause for serious concern. It is found, further, that public investment in transport, research, power and irrigation have the greatest influence on agricultural growth. Furthermore, roads, agricultural research and extension and education in that order¹³ are found to have the greatest impact on poverty reduction. Finally, the analysis of investment in irrigated as compared to rainfed areas indicates that for every investment "the highest marginal impact on agricultural production and poverty alleviation occurs in the rainfed regions..."¹⁴.

In short, the decline in public investment in rural infrastructure in recent years has damaged not only the prospects for productivity growth in agriculture and rural poverty reduction, but also the prospects for reducing regional inequalities.

Very little work has been done on the impact on particular industries of changes in the import policy regime. But on oilseeds there is a report¹⁵ which finds that, as a result of tariff reductions and increased imports, "about half of the rapeseed/mustard processing units in Haryana and many in Rajasthan were closed down". The surviving units reduced operations by 20 per cent in Haryana, and by 18 per cent in Rajasthan between 1997-98 and 1999-2000. The worst affected were the soya processing units in Madhya Pradesh

¹⁰ GOI (2002) Tenth Five Year Plan 2002-07, Vol - I, page 14.

¹¹ GOI (2002) *opcit*, page 15.

¹² Thorat, Sukhadeo, Ramesh Chand and G.S. Bhalla (2003) "Rural Public Investment in India" paper presented at J.N.U., - I.F.P.R.I. Workshop on "The Dragon and the Elephant Agricultural and Rural Development and Reform Experiences in China and India" New Delhi, March 25-26.

¹³ Thorat, etal (2003) page 34.

¹⁴ Page 34, Thorat, Chand and Bhalla (2003) *opcit*.

¹⁵ On oilseeds, see especially Bhopal, D.S. (2002) Likely Impact of Liberalised Imports and Low Tariff on Edible Oil Sector in the Country. Research study (2002-2003) Agriculture Economics Research Centre, University of Delhi, November, The quoted passages are from page 80.

and the oil palm units in Andhra Pradesh. Except for soyabean, other oilseeds are processed mostly by small rural units.

In the face of evidence such as this, it has been acknowledged, more or less officially¹⁶, that some economic liberalisation measures damaged the prospects for productive employment in the rural non-farm sector during the 1990s.

The 1990s also have been years of wide, and rising, interstate productivity disparities in both agriculture and the non-farm sector. Chadha (2003), has demonstrated that during this period, interstate differences in infrastructure endowments, (including transport, communications, electric power and finance) have been the factor behind contrasting regional rates of non-farm development. A contributing factor has been the existence of interstate contrasts in the education, skills development and training level of rural people¹⁷. These differences in rural infrastructure endowments are reflected also in widening interstate poverty disparities¹⁸, as well as in the structure and productivity of rural employment.

On the poverty reduction front, during the 1990s, the relatively prosperous states generally did well, while in the relatively poorer states progress was unimpressive. These recent changes in state specific head count poverty ratios have been shown¹⁹ to be highly correlated²⁰ with regional growth rates in average per capita consumption expenditure and these, in turn, are closely related to growth rates of per capita SDP, especially at the 'high growth' and 'low growth' ends of the growth rate spectrum.

The high performance states on the per capita SDP and per capita consumption expenditure criteria are those of the south (other than Andhra Pradesh), and the western and northwestern states, (Gujarat, Maharashtra, Punjab, Haryana and Himachal Pradesh). The slow growth states include Assam, Orissa and West Bengal in the east, the BIMARU states (Bihar, Madhya Pradesh, Rajasthan and Uttar Pradesh) plus Andhra Pradesh. This geographical configuration, it may be noted, is identical to the one observed for labour productivity levels in the unorganised non farm sector as well as that for rapid rural to

¹⁶ See, for example pages 5 and 6 of the GOI, Planning Commission (2002). Report of the Special Group on Targeting Ten Million Employment Opportunities Per Year, New Delhi.

¹⁷ Chadha, G.K. (2003), "Rural Non-farm Sector in Indian Economy " Growth Challenges and Future Direction" Revised paper for the Chinese Academy of Agricultural Sciences – International Food Policy Research Institute – International conference on "The Dragon and the Elephant : Agricultural and Rural Development and Reform Experiences in China and India, Beijing Nov 10th.

¹⁸ On poverty disparities see, for example, Deaton, Angus and Jean Dreze (2002) "Poverty and Inequality in India: A Re-examination" Economic and Political Weekly, Sept. 7, pp 3729-3748, and Fan, Shenggen, Hazel P. and S. Thorat (2000) "Government spending, growth and poverty in Rural India" American Journal of Agricultural Economics 82(4) November pp 1038-1050.

¹⁹ See Deaton and Dreze (2002) *opcit*.

²⁰ The correlation coefficient 0.91.

urban shifts of unorganised sector enterprises and workers²¹. In short, it all hangs together.

The coefficients of variation in table 2, which measure inter state disparities in the prevalence of poverty, indicate that the huge increase in regional poverty disparities at the end of the 1990s was common to both rural and urban areas. The rural pattern of little change, followed by a dramatic increase in disparities is the same, regardless of the methodology adopted to calculate head count poverty ratios.

Table 2
Coefficients of Variation for State-Specific Head Count Ratios Calculated Using the Official Methodology and the Deaton-Dreze Adjusted Estimates : Rural and Urban : 1987-88, 1993-94 and 1999-00

Location	Official Methodology			Adjusted Estimates		
	1978-88	1993-94	1999-00	1987-88	1993-94	1999-00
Rural	39.31	35.67	67.70	42.36	42.10	56.02
Urban	45.12	47.39	61.72	53.04	42.41	60.91

Source : Based on the state specific poverty ratios given in table 2a, page 3731 in Deaton and Dreze (2002)

Notes : 1. The Deaton and Dreze (2002) head count ratios are adjusted for prices and changes in NSS consumption expenditure survey methodology. On these issues, see Economic and Political Weekly Vol XXXVIII No. 4, January 25-31, 2003

One other factor affecting the poverty record, especially during the early 1990s, needs to be mentioned. Quite aside from the loss of non-farm jobs in the early 1990s, there was also a sudden sharp increase in foodgrains prices which raised poverty levels almost overnight in almost all states, by substantial margins. The price hike factor is widely blamed for the rise in poverty ratios revealed by the household per capita consumption expenditure record of 1993-94²².

3. Casual Labourers in their Immediate Context: As Members of The Workforce, In the Entire Population and Within Social Groups

(i) Casual Labourers As Members of the Workforce.

In India, even today, most rural workers are self employed. In the rural non-farm sector, about half of all persons working in rural enterprises in 1999-2000, were self employed. In agriculture, the share of the self-employed is somewhat higher, at 58 per cent. Both these figures have tended to fall, very slowly, over time, while the shares of hired workers have been creeping up, slowly in the non-farm sector, and more rapidly in agriculture.

²¹ These regional findings are reported in Bhalla, Sheila (2003) report to the G.O.I. Planning Commission on the Restructuring of the Unorganised Sector in India.

²² On this, see for example Tendulkar, S.P. and L.R. Jain (1993) "Economic Reforms and Poverty" Economic Political Weekly Vol 30, No. 23, 10 January.

The outstanding feature of these developments, however, is that, even in the non-farm sector, the gradual rise in the share of hired labourer is "bottom heavy". All of the increase is due to the expansion of the share of *casual* hired labour. The shares of regular salaried employment have been going down. Thus India is accumulating a huge reservoir of casual workers, most of whom would much prefer to have regular jobs²³.

Most Indian scholars are thoroughly familiar with the broad contours of these trends, set out in table 3.

(ii) Casual Workers: Their place in the Rural Population

Most people in India's rural population are non-workers, by *usual principal status*²⁴. That is, for the majority of their time, they are out of the labour force altogether. They are not even seeking work. Their share in the population today is about the same as it was in 1983. In 1987-88 and 1993-94, their share was somewhat higher, possibly as a result of the drought of 1987-88 and the loss of jobs in some segments of the non-farm sector, which characterised the early 1990s.

The share of the unemployed, by usual principal status, looks very small in most years – less than three fourths of one percent of the population. But that involves an awful lot of people, (about five and a half million in 1990-2000), who have been unemployed for most of the reference year. It will be noticed that during the drought year, (1987-88), the number of such long-term unemployed people rose to a peak. By definition, unemployed people belong to the *labour force*. They want work, but for most of the year have they been unable to find it. They do not, however, belong to the *workforce* – the people who are "employed" by usual principal status in table 4. However, some of the people who are unemployed by usual principal status in a particular year, may find work of some kind for relatively shorter periods. (This makes them *employed* or in the workforce, by *subsidiary status* only)²⁵.

²³ In another large Asian country – China – the share of hired regular workers is much larger, and is growing especially during the 1990s. Concurrently, the share of casual workers has been falling and the share of the self employed rising.

²⁴ The criterion for identifying the 'usual principal status' of a worker, (or a non-worker), is the "major-time-spent" criterion.

²⁵ Non-workers by usual principal status, may also be workers by subsidiary status only.

Table 3
Composition of Usual (Principal plus Subsidiary) Status Rural Workers by Sector and Employment Status: All India: 1983, 1987-88, 1993-94 and 1999-2000 (Percentages)

Sector	Employment Status	Reference Year			
		1983	1987-88	1993-94	1999-2000
(1)	(2)	(3)	(4)	(5)	(6)
1. All Sectors	All Workers	245,349,263 (100.00)	258,175,059 (100.00)	292,233,085 (100.00)	304,296,863 (100.00)
Of which: (per cent)	(a) Self Employed	61.23	59.42	57.96	55.76
	(b) All Hired	38.77	40.59	42.04	44.24
	(i) Regular	7.17	7.73	6.43	6.83
	(ii) Casual	31.60	32.86	35.61	37.41
2. Agriculture	All workers	199,405,818 (81.27)	197,224,726 (76.39)	228,907,322 (78.33)	232,168,667 (76.30)
Of which: (per cent)	(a) Self Employed	63.46	61.95	60.09	57.77
	(b) All Hired	36.54	38.05	39.85	42.23
	(i) Regular	2.86	3.16	1.31	1.34
	(ii) Casual	33.68	34.89	38.54	40.89
3. Non-Agriculture	All workers	45,943,445 (18.73)	60,950,333 (23.61)	63,325,763 (21.67)	72,128,196 (23.70)
Of which: (per cent)	(a) Self Employed	51.57	51.21	50.03	49.29
	(b) All Hired	48.43	48.79	49.78	50.71
	(i) Regular	25.86	22.50	24.89	24.49
	(ii) Casual	22.57	26.29	24.89	26.22

Notes:

- (1) This table is based on National Sample Survey unit record data available on CDs, and Census Population figures interpolated for the mid-points of the NSS Rounds.
- (2) Workers identified as "unclassified" by sector have been excluded from both the "All Sectors" total and the sectoral estimates.
- (3) Figures in brackets give percentage shares of agriculture and non-agriculture in "All Sectors".

Thus the people who are workers, or employed by usual principal status are a minority of the population – a large minority, to be sure – but only about 38 per cent of the population in 1999-2000. Casual workers (by usual principal status) are a growing subset of this large minority group.

Table 4
Estimates of Rural Indian Population by Employment Status: Absolute Numbers and Percentage Distribution by Employment Status, 1983, 1987-88, 1993-94 and 1999-2000

Employment Status (Usual Principal Status)	Absolute Numbers				Percentage Distribution			
	1983	1987-88	1993-94	1999-00	1983	1987-88	1993-94	1999-00
1	2	3	4	5	6	7	8	9
1. Self Employed	123,903,986	129,597,556	141,548,001	146,268,309	22.61	21.82	21.48	20.11
2. Regular Salaried	17,287,812	19,692,772	18,654,461	20,663,577	3.16	3.32	2.83	2.84
3. Casual Labour	72,214,812	79,150,496	96,957,492	108,884,837	13.18	13.33	14.72	14.97
4. Sub Total: Employed (1+2+3)	213,406,556	228,440,823	257,159,954	275,816,723	38.95	38.46	39.03	37.91
5. Unemployed	4,160,434	7,236,812	4,700,180	5,555,798	0.76	1.22	0.71	0.76
6. Non-worker	333,690,182	382,418,592	449,946,047	446,125,521	60.90	64.38	68.30	61.32
7. Total Labour Force (4+5)	547,914,195	593,973,846	658,826,565	727,498,042	100.00	100.00	100.00	100.00

The figures in table 4, give some idea of the absolute number of casual and other workers (by usual principal status) and their changing shares in the total population. Table 5 shows that the growth rates of casual workers have generally been higher than those of any other group, except for the unemployed. Although the unemployed subset expanded very rapidly during the drought year, and again during the later years of the 1990s, over the longer term, from 1983 to 1999-2000, casual workers have been the fastest growing group.

Table 5
Growth Rates of Employment Status Groups (by Usual Principal Status): Rural India 1983 to 1987-88, 1987-88 to 1993-94, and 1993-94 to 1999-2000 and 1983 to 1999-2000

Employment Status (Usual Principal Status)	Growth Rates			
	1983 to 1987-88	1987-88 to 1993-94	1993-94 to 1999-00	1983 to 1999-00
1	2	3	4	5
1. Self Employed	1.00	1.48	0.55	1.01
2. Regular Salaried	2.94	-0.90	1.72	1.09
3. Casual Labour	2.06	3.44	1.95	2.52
4. Sub Total: Employed (1+2+3)	1.57	1.52	1.99	1.17
5. Unemployed	13.09	-6.94	2.83	1.77
6. Non-worker	3.08	2.75	-0.14	1.78
7. Total Labour Force (4+5)	1.81	1.74	1.67	1.73

However, as indicated earlier some people who are unemployed or non workers by usual principal status, do work occasionally, seasonally, or part time. These people are

workers by subsidiary status only. Table 6 gives an overview of their numbers, and of the employment status of the work they do.

Table 6
The Subsidiary Status Employment Status of People who are Unemployed or Non-workers by Usual Principal Status: Rural India 1983, 1987-88, 1993-94 and 1999-2000

Employment Status (Usual Principal Status)	Absolute Numbers				Share in all UPS Unemployed and Non workers			
	1983	1987-88	1993-94	1999-00	1983	1987-88	1993-94	1999-00
1	2	3	4	5	6	7	8	9
1. Self Employed	25,050,233 (83.97)	23,526,057 (80.43)	271,847,135 (79.34)	22,451,940 (82.28)	7.49	6.44	6.93	4.97
2. Regular Salaried	147,206 (0.44)	214,728 (0.73)	194,933 (0.56)	128,383 (0.47)	0.04	0.06	0.05	0.03
3. Casual Labour	4,636,231 (15.54)	5,509,376 (18.84)	7,055,668 (20.10)	4,707,555 (17.25)	1.39	1.51	1.76	1.04
4. Sub Total: Employed (1+2+3)	29,833,670 (100.00)	29,250,161 (100.00)	35,097,736 (100.00)	27,287,881 (100.00)	8.92	8.00	8.74	6.04
5. Non-worker	304,673,968	336,282,862	366,568,875	424,393,438	91.08	92.00	91.26	93.96
6. Total Labour Force (4+5)	334,507,638	365,533,023	401,666,611	451,681,319	100.00	100.00	100.00	100.00

Note : Figures in brackets are the percentage shares in the Subtotal: Employed.

For a start, it is clear that the vast majority of those who are either unemployed or non-workers by usual principal status are also non-workers by subsidiary status. In 1999-2000, only six per cent of the unemployed non-workers by UPS were employed at all by subsidiary status. But the absolute numbers are large – more than 27 million people in 1999-00. Of these a large majority (about 82 per cent) were self employed by subsidiary status in 1999-2000. Only 17 percent worked as casual hired labour by subsidiary status. There seems to be a tendency for the casual labour subset to expand in drought years, while the numbers who are self employed by subsidiary status go down. In a year, like 1993-94, when non-farm job opportunities were relatively scarce, both the number of self employed people by subsidiary status and the number of casual workers by subsidiary status, went up. During the late 1990s, the absolute number of people employed by subsidiary status, but unemployed or non-workers by usual principal status, has come down. It peaked in 1993-94.

The growth rate figures of table 7 reveal the short term ebb and flow of the various subsidiary status employment groups within the larger set of people who are unemployed or non-workers by usual principal status. Over the long run, from 1983 to 1999-2000, it appears that the casual labour subset is the only group of *subsidiary status* only workers to have expanded at all. But the only group which grew consistently over time is the dominant group, the non-workers. Much of the recorded growth (negative or

positive) over the long term, however, is due to the decisive impact of the growth figures for the later 1990s. During these years a sharp fall took place in the number of people employed by subsidiary status only. This decline was led by the large reductions in hired subsidiary workers, both regular and casual, and backed up by the substantial fall in the number of self employed 'subsidiary status only' workers. The dominant non workers subset was the only group to expand. Agriculture – non-agriculture disaggregations and poverty estimates may throw some light on these most recent developments.

Table 7
Growth Rates of Subsidiary Status Employment Among People who are Unemployed or Non-Workers by Usual Principal Status : Rural India 1983 to 1987-88, 1987-88 to 1993-94, and 1993-94 to 1999-2000 and 1983 to 1999-2000

Subsidiary States Employment Status of those who are unemployed or Non-Workers by Usual Principal Status	Growth Rates			
	1983 to 1987-88	1987-88 to 1993-94	1993-94 to 1999-00	1983 to 1999-00
1	2	3	4	5
1. Self Employed	-1.39	2.85	-3.53	-0.66
2. Regular Salaried	8.75	-1.60	-6.72	-0.83
3. Casual Labour	3.91	4.21	-6.52	0.09
4. Sub Total: Employed (1+2+3)	-0.44	3.08	-4.11	-0.54
5. Non-worker	2.22	1.45	2.47	2.03
6. Total Labour Force (4+5)	1.99	1.58	1.98	1.84

(iii) Casual Workers Among Social Groups in the Population

(a) Rural India's Population by Social Group and UPS Employment Status

Today, roughly 11 percent of the rural population belong to Scheduled Tribes, .21 percent belong to Scheduled Castes and 68 percent are classified as 'others'. Moving from the bottom of table 8 towards the top it can be see that the share of non-workers among the Scheduled Tribe and Scheduled Caste population is slightly below their share in population, while the share of non-workers among 'others' is larger than their share in population.

Unemployed persons constitute a disproportionately small share among Scheduled Castes and Scheduled Tribes, and a disproportionately large share among 'other' social group - about 74 percent of the unemployed belong to 'other' social groups, compared with only 68 percent of the population. The share of 'other' social groups among the employed stands distinctly below their share in population. Correspondingly, a relatively large share of employed persons belong to Scheduled Castes and Scheduled

Tribes. The share of Scheduled Tribes in the employed group is particularly high compared to their share in population.

Table : 8

Estimates of India's Rural Population By Employment Status (UPS) and Social Group : Absolute Numbers and Share of Each Social Group by UPS Employment Status : All India Rural : 1983, 1987-88, 1993-94 and 1999-2000

Employment Status (Usual Principal Status)	Year	Social Group		
		Scheduled Tribe	Scheduled Caste	Other
(1)	(2)	(3)	(4)	(5)
1. Self-Employed	1983	15,097,108 (12.18)	14,421,383 (11.64) †	94,385,495 (76.18)
	1987-88	14,834,603 (11.45)	16,314,431 (12.59)	98,448,522 (75.96)
	1993-94	16,124,899 (11.39)	17,734,829 (12.53)	107,688,273 (76.08)
	1999-00	17,776,926 (12.15)	19,710,866 (13.48)	108,780,517 (74.37)
2. Regular Salaried	1983	1,735,843 (10.04)	3,407,675 (19.71)	12,144,240 (70.25)
	1987-88	1,802,236 (9.15)	3,961,734 (20.12)	13,928,802 (70.73)
	1999-00	1,658,428 (8.03)	3,986,661 (19.29)	15,018,489 (72.68)
	1993-94	1,454,883 (7.80)	3,214,391 (17.23)	13,925,186 (74.97)
3. Casual Labour	1983	10,312,871 (14.28)	23,383,000 (32.38)	38,518,941 (53.34)
	1987-88	11,734,293 (14.83)	24,449,572 (30.89)	42,966,630 (53.28)
	1993-94	14,494,401 (14.95)	32,483,303 (33.50)	49,979,788 (51.55)
	1999-00	16,815,887 (15.44)	37,126,260 (34.10)	54,942,700 (50.46)
4. Sub-Total : Employed	1983	27,145,821 (12.72)	41,212,058 (19.31)	145,048,677 (67.97)
	1987-88	28,371,132 (12.42)	44,725,737 (19.58)	155,343,954 (68.00)
	1993-94	32,074,183 (12.47)	53,432,523 (20.78)	171,653,248 (66.75)
	1999-00	36,251,230 (13.14)	60,823,787 (22.05)	178,741,706 (64.80)
5. Unemployed	1983	160,225 (3.85)	717,960 (17.26)	3,282,250 (78.89)
	1987-88	488,838 (6.75)	1,562,066 (21.59)	5,185,909 (71.66)
	1993-94	283,825 (6.04)	809,893 (17.26)	3,606,461 (76.73)
	1999-00	345,464 (6.75)	1,110,651 (19.99)	4,099,683 (73.79)
6. Non-worker	1983	27,835,796 (8.43)	59,066,435 (17.88)	243,44,73 (73.69)
	1987-88	32,902,214 (9.18)	65,759,826 (18.35)	259,634,170 (72.46)
	1993-94	35,196,846 (8.87)	79,023,231 (19.91)	282,746,354 (71.23)
	1999-00	40,994,667 (9.19)	93,391,732 (20.93)	311,739,122 (69.88)
7. Total Population	1983	55,141,842 (10.06)	100,996,452 (18.43)	391,775,900 (71.50)
	1987-88	61,762,184 (10.40)	112,047,629 (18.86)	420,164,033 (70.74)
	1993-94	67,554,855 (10.25)	133,265,647 (20.22)	458,006,063 (69.52)
	1999-00	7,759,361 (10.67)	155,326,160 (21.35)	494,580,511 (67.98)

Note: The sum of the populations in the three social groups in each line equals 100 percent of the people belonging to the specified UPS employment status group

But the really big disproportionalities appear within the sub groups of the employed. Scheduled Castes and Scheduled Tribes account for a far larger share of casual labourers than their share in population. Only half of all casual labourers belong to the 'other' social group, despite the fact that the "others" group accounts for more than two thirds of the population.

In short, members of Scheduled Tribes and Scheduled Castes are grossly over represented among casual workers, while people belonging to other social groups are over represented among regular salaried workers and the self-employed. Scheduled Tribe workers are also over represented among the self employed, while Scheduled Caste workers continue to be grossly underrepresented in the self-employed group.

Among Scheduled Caste workers, the gap between their comparatively low share in self employed workers and their share in population appears to have been widening. In the case of their relatively high participation in casual labour, as a main activity, the gap appears to have been narrowing.

(b) The UPS Employment Structure within each Social Group

A distinctive feature of casual labour workforce development is that although members of Scheduled Tribes are much more likely to be employed (by usual principal status) than other social groups, Scheduled Caste workers are most likely to be employed as casual labourers. Other social groups in the population are least likely to work as casual labourers.

Scheduled Caste workers, on the other hand, are least likely to be mainly self-employed. In 1999-2000, for example less than 13 per cent of the Scheduled Caste population was mainly self employed, but 22 to 23 per cent of the Scheduled Tribe and 'other' social groups was self-employed by usual principal status. Table 8 gives details.

Table 9

The UPS Employment Structure of the Rural Population Within Each Social Group

(% shares)

UPS Employment Status	Social Group											
	Scheduled Tribes				Scheduled Castes				Other Social Groups			
	1983	1987 -88	1993 -94	1999 -00	1983	1987 -88	1993 -94	1999 -00	1983	1987 -88	1993 -94	1999 -00
1. Self employed	27.38	24.02	23.87	22.91	14.28	14.56	13.31	12.69	24.09	23.43	23.51	21.99
2. Regular	3.15	2.92	2.15	2.14	3.37	3.54	2.41	2.57	3.10	3.32	3.05	3.04
3. Casual	18.70	19.00	21.46	21.67	23.15	21.82	24.37	23.90	9.83	10.23	10.91	11.11
4. Subtotal Employed 1+2+3	49.23	45.94	47.48	46.72	40.81	39.92	40.09	39.16	37.02	36.97	37.48	36.14
5. Unemployed	0.29	0.79	0.42	0.45	0.71	1.39	0.61	0.72	0.84	1.23	0.79	0.83
6. Non workers	50.48	53.27	52.10	52.83	58.48	58.69	59.30	60.13	62.14	61.79	61.73	63.03
7. Total Population	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

The total population of people who are unemployed or non-workers by usual principal status is dominated, in all social groups, by people who are non-workers by subsidiary status. There is no significant difference as between social groups. Among 'other social groups' the share accounted for by people who are self employed in a subsidiary status capacity is, however, higher than among members of Scheduled Tribes and Scheduled Castes and the share of casual workers among Scheduled Caste and Tribe 'subsidiary status only' workers is higher than among the 'other caste' groups.

During the 1990s, among all social groups, there has been an unambiguous decline in 'subsidiary status only' workforce participation by people who are otherwise unemployed or not in the labour force by UPS. This withdrawal from subsidiary status employment affects all social groups, and involves subsidiary status workers who are casual workers as well as those who were formerly self employed by subsidiary status only.

The details, in terms of subsidiary status workforce structure, are presented in table 10. The growth rate record, in table 11, reveals also the long term withdrawal of members of 'other social groups' from 'subsidiary status only' employment. Among the Scheduled Castes and Scheduled Tribe subsidiary status workforce, there is also evidence of a similar withdrawal, but it is unmistakable only during the most recent, 1993-94 to 1999-2000, period.

Table - 10

The Subsidiary Status Employment Structure of People Who are Unemployed or Non-workers by Usual Principal Status : by Social Groups
: All India Rural: 1983, 1987-88, 1993-94 and 1999-00

Subsidiary Status Employment	Share of Specified Social Group Populations											
	Scheduled Tribes				Scheduled Castes				Other Social Groups			
	1983	1987-88	1993-94	1999-00	1983	1987-88	1993-94	1999-00	1983	1987-88	1993-94	1999-00
1. Self employed	6.05	7.13	8.54	4.68	6.61	5.40	6.13	4.45	7.87	6.61	6.96	5.17
2. Regular	0.05	0.04	0.02	0.01	0.08	0.09	0.06	0.06	0.03	0.05	0.05	0.02
3. Casual	1.79	2.57	3.37	1.42	3.00	2.96	3.33	1.96	0.95	1.00	1.12	0.72
4. Subtotal Employed	7.89	9.74	11.93	6.11	9.68	8.46	9.52	6.46	8.85	7.67	8.12	5.91
5. Non Workers	92.11	90.26	88.07	93.89	90.32	91.54	90.48	93.54	91.15	92.33	91.88	94.09
7. Total Population	100.00 (27,996,021)	100.00 (33,391,052)	100.00 (35,480,671)	100.00 (41,340,131)	100.00 (59,784,395)	100.00 (67,321,892)	100.00 (79,833,124)	100.00 (94,502,303)	100.00 (246,727,223)	100.00 (264,820,079)	100.00 (286,352,816)	100.00 (311,583,805)

Table - 11

Growth Rates in Subsidiary Status Employment of People Who are Unemployed or Non-workers by Usual Principal Status: by Social Group, All India Rural: 1983 to 1987-88, 1987-88 to 1993-94, 1993-94 to 1999-00 and 1983 to 1999-2000

Subsidiary Status Employment	Growth Rates of Specified Social Group Populations											
	Scheduled Tribes				Scheduled Castes				Other Social Groups			
Status	1983 to 1987-88	1987-88 to 1993-94	1993-94 to 1999-00	1983 to 1987-88	1987-88 to 1993-94	1993-94 to 1999-00	1983 to 1987-88	1987-88 to 1993-94	1993-94 to 1999-00	1983 to 1987-88	1987-88 to 1993-94	1993-94 to 1999-00
1. Self employed	7.87	4.10	-7.20	1.81	5.07	-2.51	-2.26	2.18	-3.28	-2.26	2.18	-3.28
2. Regular	-0.68	-9.90	-8.26	6.10	-4.18	1.67	11.40	-0.07	-10.58	11.40	-0.07	-10.58
3. Casual	12.72	5.69	-11.18	6.39	4.92	-5.88	2.84	3.15	-5.56	2.84	3.15	-5.56
4. Subtotal Employed	8.99	4.49	-8.24	-0.37	4.93	-3.59	-1.60	2.29	-3.61	-1.60	2.29	-3.61
5. Non Workers	3.53	0.60	3.68	2.51	2.68	3.42	1.88	1.23	2.05	1.88	1.23	2.05
7. Total Population	3.99	1.02	2.58	2.67	2.88	2.85	1.59	1.31	1.65	1.59	1.31	1.65

(c) Growth Rates of Rural Population, Workers (by UPS) Unemployment (by UPS) and Non-Workers (by UPS), by Social Group

It should be noted, before comparing worker and other growth rates across social groups, that the underlying population growth rates of different social groups differ considerably. The rural Scheduled Caste population has been growing at the rate of 2.6 percent per year over the long run; the Scheduled Tribe population at roughly 2.1 percent, and the population of other social groups at only 1.4 percent. All worker growth rates by UPS employment status and social group have to be judged, in part, in relation to the population growth rates of their respective social groups.

Over the long run, the growth rates of UPS casual workers has been higher than that of any other employment status, among members of all social groups, but there is a clear ranking across social groups. The casual labour subset grew the fastest within the Scheduled Tribe population, and the second fastest among Scheduled Castes. The casual labour subset grew at a slower pace among "other" social groups. These trends, however, are not common to all shorter term periods.

The short term growth rates provide new insights into what happens, and to whom, when disaster strikes, in the form of drought or other disturbance to longer term trends.

Consider the huge growth rates of the chronically unemployed in the first period, which ends in 1987-8, the drought year. People belonging to Scheduled Tribes have been hit the hardest, partly because of where they live.

A majority of India's Scheduled Tribe population is concentrated in regions which suffer from erratic monsoons and low levels of irrigation: the drought prone districts of Andhra Pradesh, the rainfed areas of Jharkhand, (formerly part of Bihar)²⁶, Madhya Pradesh, Orissa and Rajasthan. Those who live in the north east hill states and West Bengal are somewhat better placed, on the average.

The set of unemployed would-be workers, belonging to Scheduled Castes, who are more evenly distributed across regions, also expanded at a tremendous rate. By the usual standards unemployment among other social groups also grew extremely fast. Thus all social groups suffered, but the Scheduled Caste and Scheduled Tribe populations were most vulnerable to increased unemployment during the drought year. The return to more normal rates of unemployment in the next period is indicated by negative rates of unemployment growth across the board.

²⁶ In this paper, all 'Bihar' data relates to the formerly undivided Bihar.

The sharp increase in self employment among Scheduled Castes in 1983 to 1987-88 is tantalizing. Is this the result of the loss of paid agricultural work opportunities during the drought, that is, distress diversification into self employment in non-farm activities, or does this high, 2.78 per cent growth rate, reflect the general buoyancy of the non-farm job situation during the mid 1980s? (The answer may be found, in part, in subsequent analysis of farm and non-farm employment growth rates among casual workers.)

The sharp decline in regular paid employment among members of both Scheduled Tribes and Scheduled Castes, *but not among other social groups*, between 1987-8 and 1993-94 tells us something about the unequal impact of negative overall regular employment growth in that year. Other social groups merely suffered very slow regular employment growth rates, while members of Scheduled Castes and Scheduled Tribes lost jobs in large numbers. It is clear also, that the typical regular worker who lost his or her job must have joined the casual labour force, which grew at the rate of more than three and a half percent per year among Scheduled Tribe workers, and at more than 4.8 per cent among Scheduled Caste workers. Other social groups also experienced casual worker growth rates in excess of their population growth rate.

In the recovery of regular employment growth rates in the last period (1993-94 to 1999-00), Scheduled Caste workers seem to have been the main beneficiaries, with regular employment growth rates well above Scheduled Caste population growth rates. Scheduled Tribe and 'Other Social Groups' workers did not enjoy this advantage. For Scheduled Castes only, the rate of growth of regular employment was more rapid than the rate of growth of casual employment, by UPS. On the other hand, in the same period, the growth of unemployment among Scheduled Castes was far higher than the corresponding figures for 'other social groups' and somewhat higher than the growth rate of unemployed workers among the Scheduled Tribe population. (This set of observations provides an obvious example of the need for further investigation.)

Finally, a word needs to be said about the extra ordinarily low rate of overall UPS employment growth among 'other social groups' in rural areas. This observation is associated with extremely low growth rates in the number of self employed people belonging to 'other social groups', as well as the relatively slow population growth of this social group.

Table 12

Growth Rates of the Population in Specified UPS Employment Status Categories, by Social Group : All India Rural : 1983 to 1999-2000

UPS Employment Status	Social Group											
	Scheduled Tribes				Scheduled Castes				Other Social Groups			
	1983 to 1987-8	1987-8 to 1993-4	1993-4 to 1999-0	1983 to 1999-0	1983 to 1987-8	1987-8 to 1993-4	1993-4 to 1999-0	1983 to 1999-0	1983 to 1987-8	1987-8 to 1993-4	1993-4 to 1999-0	1983 to 1999-0
1. Self employed	-0.39	1.40	1.64	1.00	2.78	1.40	1.78	1.91	0.94	1.51	0.17	0.86
2. Regular	0.84	-3.51	2.21	-0.28	3.40	-3.42	3.65	0.96	3.09	0.07	1.20	1.30
3. Casual	2.91	3.58	2.51	3.01	1.00	4.85	2.25	2.84	2.46	2.55	1.59	2.18
4. Sub-total : Employed (1+2+3)	0.99	2.07	2.06	1.77	1.83	3.01	2.18	2.39	1.54	1.68	0.68	1.27
5. Unemployed	28.13	-8.66	3.33	4.77	18.86	-10.37	5.40	2.68	10.70	-5.87	2.16	1.3
6. Non-workers	3.79	1.13	2.57	2.37	2.41	3.11	2.82	2.82	1.44	1.43	1.64	1.5
7. Total population	2.55	1.51	2.34	2.09	2.33	2.93	2.59	2.64	1.57	1.45	1.29	1.42

Notes:

1. These figures need to be treated as rough estimates. On the face of it the ST population growth rate for 1987-88 to 1993-94 is suspect.
2. Two reasons may be mentioned. First, some people did not report their social groups. In 1999-2000, the large number of "not reported" cases were classified with "other social groups"

4. An All India Perspective on Poverty among Casual and Other Rural Workers

The figures in table 13 confirm that at the all-India level, rural casual workers are, indeed, the poorest among all worked by employment status. They are even poorer than non-workers, who constitute the second poorest group. The self employed, (third in order of decreasing head count ratios) are considerably better off, but not quite as well off as the chronically unemployed, who clearly (in the typical case) belong to households which can afford to maintain them at per capita consumption expenditure levels which bring a large majority of them above the poverty line²⁷. This confirms what many people have been saying about the long term unemployed in rural India. People from really poor households afford to remain unemployed. If the worst comes to they take up casual labour jobs. Poverty ratios are the lowest among regular salaried workers.

²⁷ Regional poverty ratios for most states for the chronically unemployed confirm this diagnosis. But there are important exceptions. Among large states, Bihar, Gujarat, Haryana, Maharashtra and Tamil Nadu record poverty ratios for the unemployed which are higher than for the self employed.

Table 13

Poverty Ratios by UPS Employment Status : All India Rural : 1983, 1987-88, 1993-94 and 1999-2000.

UPS Employment Status	Reference Year			
	1983	1987-88	1993-94	1999-00
1. Self Employed			28.28 (3)	25.46 (3)
2. Regular			17.85 (5)	15.19 (5)
3. Casual			45.91 (1)	41.79 (1)
4. Unemployed			25.88 (4)	24.30 (4)
5. Non-workers			38.15 (2)	35.60 (2)
6. Total population			36.80	33.82

- Note : 1. See Appendix I on current issues in the methodology of estimating head count poverty ratios and Appendix II for poverty lines used.
2. The poverty ratios for 1999-00 can be compared, (ranked) across UPS employment statuses, but cannot be compared with estimates for earlier reference years. (They are based on an abbreviated consumption expenditure questionnaire).
3. The figures in appendix table 1 indicate that rankings can be compared across years.
4. Ranks are given in brackets.

III. Who are the Casual Labourers? What work do they Do?

Introduction

This part has five sections. Section 1 sets out the definitions of various categories and sub categories of casual labourers identified in the National Sample Survey employment data. The number of casual labourers by different measures of work status is measured, and trends described.

Section 2 deals with the sex distribution of casual workers, and their respective participation rates in the farm and non-farm sectors.

Section 3 looks into the structure of the casual labour workforce in terms of social groups.

Trends in land status among casual labourers constitutes the core of section 4. The doubling of the number of *landless* casual labourers is highlighted.

Finally, section 5 gives an account of the changing industrial structure of the casual labour workforce in rural India.

1. Who is defined as a Casual Labourer?

Casual labourers may belong to either one of two broad groups: (i) people who spend most of their time working as casual labourers and, (ii) people who spend most of their time doing something else. The majority of casual labourers (about 83 per cent in 1999-2000) belong to the first set. They are casual labourers by usual principal status²⁸. That is, casual labour is what they mainly do. The remaining 17 per cent, (22.7 million workers in 1999-2000), are casual labour by subsidiary status only. This implies that, by 'usual principal status', they are either, (i) self employed or regularly hired workers, or (ii) usually unemployed or non-workers. Such people work as casual labourers in some economic activity, part-time intermittently, or seasonally. About 80 per cent of this "casual labour by subsidiary status only" set belong to the self employed and regular hired labour groups. Tables 14 and 15 give details at the all India level.

Table 14
Number of Casual Labourers by Different Measures of Work Status – All India Rural
1983, 1987-88, 1993-94, 1999-2000

Employment Status	Reference Year			
	1983	1987-88	1993-94	1999-2000
(1)	(2)	(3)	(4)	(5)
1. All Casual Labour by UPS	72,217,782 (79.44)	79,159,676 (81.39)	97,001,770 (79.47)	109,118,365 (82.77)
(i) Only by UPS, not SS	68,861,378 (75.74)	75,849,403 (77.99)	93,985,145 (77.00)	105,062,435 (79.70)
(ii) Both by UPS and SS	3,356,404 (3.69)	3,310,272 (3.40)	3,016,626 (2.47)	4,055,930 (3.08)
2. All Casual Labour by SS only	18,694,695 (20.56)	18,098,131 (18.61)	25,053,341 (20.53)	22,708,830 (17.23)
(i) (a) SE and (b) Regular by UPS but Casual by SS	14,061,268 (15.47)	12,584,298 (12.94)	17,997,674 (14.75)	18,072,455 (13.71)
(ii) Unemployed and non-workers but casual labour by SS	4,633,427 (5.10)	5,513,834 (5.67)	7,055,668 (5.78)	4,636,376 (3.52)
3. All Casual Labourers (1+2)	90,912,476 (100.00)	97,257,807 (100.00)	122,055,112 (100.00)	131,827,195 (100.00)

- Notes: (i) The percentage shares of members of each workforce status are given in brackets.
(ii) Table 15 shows the composition (percentage shares) within each of the two major groups: casual labour by UPS and casual labour by SS only.

²⁸ The criterion for identifying the 'usual principal status' of a worker, (or a non-worker) is the 'major-time-spent' criterion.

Table 15
Structure (percentage shares) of Each of the Two Major Work Status Groups. All India Rural 1983, 1987-88, 1993-94 and 1999-2000

Employment Status (1)	Reference Year			
	1983 (2)	1987-88 (3)	1993-94 (4)	1999-2000 (5)
Work Status	1983	1987-88	1993-94	1999-2000
1. All Casual Labour by UPS	100.00	100.00	100.00	100.00
(i) Only by UPS not SS	95.35	95.82	96.89	96.28
(ii) Both by UPS and SS	4.65	4.18	3.11	3.72
2. All Casual Labourer by SS only	100.00	100.00	100.00	100.00
(i) SE and Regular by UPS but Casual by SS	75.22	69.53	71.84	79.58
(ii) Unemployed and Non-workers but Casual Labour by SS	24.78	30.47	28.16	20.42

It is well known that in India, in many rural activities, average labour productivity is too low to sustain the typical self employed worker without resort to other sources of income²⁹. Thus it comes as no surprise to find that as many as 17.8 million of the rural people who are mainly self employed, also work, on the side, as casual labourers. Most of these otherwise self employed, part-time casual workers either underemployed cultivators or underemployed artisans.

Table 16 provides a more detailed perspective on the principal status activities of people who report themselves as casual labour by subsidiary status only.

Two groups dominate the set of "casual labourers by subsidiary status only". Those who are self employed by usual principal status constitute by far the largest subset. Non workers are the only other substantial sub category.

Table 16
Number of "Casual Labourers by Subsidiary Status Only" by Categories of Principal Employment Status : All India Rural: 1983, 1987-88, 1993-94 and 1999-2000

Principal Employment Status (1)	Reference Year			
	1983 (2)	1987-88 (3)	1993-94 (4)	1999-2000 (5)
1. Self Employed	13,846,119 (74.06)	12,378,931 (68.40)	17,760,206 (70.88)	17,828,481 (78.51)
2. Regular Workers	210,568 (1.13)	205,367 (1.13)	237,468 (0.01)	243,614 (0.01)
3. Unemployed	495,013 (2.65)	759,219 (4.20)	290,172 (0.01)	238,008 (0.01)
4. Non Workers	4,142,995 (22.16)	4,754,615 (26.27)	6,765,495 (27.00)	4,398,367 (19.37)

Notes: Percentage shares of all "Casual Labourers by Subsidiary Status only" are given in brackets: Columns add up to 100 per cent.

²⁹ For evidence, see, for example Bhalla, Sheila (2003) Final Report to the Planning Commission on The Restructuring of the Unorganised Sector in India.

2. Male and Female Casual Workers in Agriculture and Non-agriculture

Most of rural India's nearly 132 million casual workers are men, and the vast majority, nearly 85 per cent, are employed as casual workers by usual principal status. A mere 15 per cent work as casual labourers by subsidiary status only. Female casual labourers today account for only 36 per cent of all casual workers, down from nearly 41 per cent in 1983. Most female casual workers are also employed as casual labour by usual principal status, but a substantial minority, about 21 per cent, take up casual work as a subsidiary status activity.

Over time, the number of male casual workers has increased without a break. However, growth rates after 1993-94 are much below those recorded earlier. The female casual labour workforce, on the other hand, declined unambiguously in the period ending in the drought year of 1987-88. Further, although there was a large influx of females into the casual labourer workforce in the 1987-88 to 1993-94 period, growth rates fell to much lower levels during the rest of 1990s decade.

A large part of the decline in both male and female casual labour growth rates is traceable to negative growth in subsidiary status employment during the later 1990's. The negative figures are far higher for women than for men. Tables 17 and 18 provide an overview of what happened.

Table 17

Absolute Number of Male and Female Casual Labourers by Work Status and Percent Female: All India Rural, 1983, 1987-88, 1993-94 and 1999-2000

Work Status and Sex	Reference Year			
	1983	1987-88	1993-94	1999-2000
(1)	(2)	(3)	(4)	(5)
1. <u>Casual Labour by UPS</u>				
(i) Male	44,043,498	50,604,960	63,070,795	71,425,950
(ii) Female	28,174,284	28,554,716	33,930,976	37,692,415
Percent Female	39.01	36.07	34.98	34.54
2. <u>Casual Labour by SS only</u>				
(i) Male	9,694,662	11,172,292	13,141,200	12,829,288
(ii) Female	9,000,033	6,925,839	11,912,141	9,879,542
Percent Female	48.14	38.27	47.55	43.51
3. <u>All Casual Labourers</u>				
(i) Male	53,738,160	61,777,252	76,211,995	84,255,238
(ii) Female	37,174,317	35,480,555	45,843,117	47,571,957
Percent Female	40.89	36.48	37.56	36.09

Table 18
Growth Rates of Casual Labourers by Work Status and Sex: All India Rural, 1983, 1987-88, 1993-94 and 1999-2000

Work Status and Sex	Reference Periods			
	1983 to 1987-88	1987-88 to 1993-94	1993-94 to 1999-00	1983 to 1999-2000
(1)	(2)	(3)	(4)	(5)
1. <u>Casual Labour by UPS</u>				
(i) Male	3.13	3.74	2.10	2.97
(ii) Female	0.30	2.92	1.77	1.78
(iii) Persons	2.06	3.45	1.98	2.53
2. <u>Casual Labour by SS only</u>				
(i) Male	3.20	2.74	-0.40	1.71
(ii) Female	-5.66	9.46	-3.07	0.57
(iii) Persons	-0.72	5.57	-1.62	1.19
3. <u>All Casual Labourers</u>				
(i) Male	3.15	3.56	1.69	2.76
(ii) Female	-1.03	4.36	0.62	1.51
(iii) Persons	1.51	3.86	1.29	2.28

The vast majority of rural male casual labourers work in agriculture. Only 21 per cent of male casual workers are employed in non-farm activities. Among female casual labourers the concentration in agriculture is even greater. Only 7 per cent are engaged in non-farm activities.

Over the long run there have been significant changes in the broad sectoral structure of the casual labour workforce. The share of agriculture in the male casual labour workforce has come down from 84 per cent in 1983 to 79 per cent in 1999-2000. Correspondingly, the share of male casual workers employed in the non farm sector has gone up from 16 per cent to 21 per cent. This is an important, 'progressive' change. But things have not worked out so well for women casual workers. They have become increasingly concentrated in agriculture, as the absolute numbers engaged in agriculture have risen, while the absolute numbers engaged in non farm activities have come down sharply in recent years from 1987-88 to 1993-94 and again from 1993-94.

The evidence in terms of shares is set out in table 19. The trends in terms of growth rates are revealed by the figures in table 20.

The growth rate figures show that among UPS casual workers on an all India basis it was only the women who lost jobs. Among casual workers by subsidiary status only, the men lost out as well as the women but the disappearance of jobs in the later 1990s was much more rapid for women casual workers than for their male counterparts.

Table 19

Share of Agriculture and Non-Agriculture in Male and Female Casual Labourers by Broad Activity Status : All India: 1983, 1987-88, 1993-94 and 1999-2000

Activity Status (1)	Sex (2)	Agriculture and Non Agriculture (3)	Reference Years			
			1983 (4)	1987-88 (5)	1993-94 (6)	1999-2000 (7)
1. All Casual Labour by UPS	(i) Male	(a) Agriculture	84.00	79.09	80.76	78.17
		(b) Non Agriculture	16.00	20.91	19.24	21.83
	(ii) Female	(a) Agriculture	90.37	83.62	90.54	92.43
		(b) Non Agriculture	9.63	16.38	9.46	7.57
	(iii) Persons	(a) Agriculture	86.49	80.72	84.19	83.14
		(b) Non Agriculture	13.51	19.28	15.81	16.86
2. All Casual Labour by SS only	(i) Male	(a) Agriculture	85.67	79.44	83.61	83.30
		(b) Non Agriculture	14.33	20.56	16.39	16.70
	(ii) Female	(a) Agriculture	91.84	89.03	92.18	93.94
		(b) Non Agriculture	8.16	10.97	7.82	6.06
	(iii) Persons	(a) Agriculture	88.64	83.11	87.69	87.69
		(b) Non Agriculture	11.36	16.89	12.31	12.31
3. All Casual Labourers (1 + 2)	(i) Male	(a) Agriculture	84.30	79.16	81.25	78.95
		(b) Non Agriculture	15.70	20.84	18.75	21.05
	(ii) Female	(a) Agriculture	90.73	84.68	90.97	92.74
		(b) Non Agriculture	9.27	15.32	9.03	7.26
	(iii) Persons	(a) Agriculture	86.93	81.16	84.91	83.93
		(b) Non Agriculture	13.07	18.16	15.09	16.07
	(iv) Persons	(c) Agriculture + Non Agriculture	100.00	100.0	100.00	100.00

Table 20

Growth of Casual Labourers Employed in Agriculture and Non-Agriculture by Sex and Broad Activity Status : All India: 1983 to 1987-88, 1987-88 to 1993-94, 1993-94 to 1999-2000 and 1983 to 1999-2000

Activity Status (1)	Sex (2)	Agriculture or Non Agriculture (3)	Periods			
			1983 to 1987- 88 (4)	1987-88 to 1993-94 (5)	1993-94 to 1999-2000 (6)	1983 to 1999- 2000 (7)
1. All Casual Labour by UPS	(i) Male	(a) Agriculture	1.76	4.10	1.54	2.53
		(b) Non Agriculture	9.45	2.31	4.27	4.93
	(ii) Female	(a) Agriculture	-1.42	4.29	2.12	1.92
		(b) Non Agriculture	12.87	-6.08	-1.95	0.31
	(iii) Persons	(a) Agriculture	0.51	4.17	1.77	2.29
		(b) Non Agriculture	10.45	0.08	3.08	3.92
2. All Casual Labour by SS only	(i) Male	(a) Agriculture	1.49	3.62	-0.46	1.54
		(b) Non Agriculture	11.82	-1.07	-0.09	2.66
	(ii) Female	(a) Agriculture	-6.30	10.09	-2.76	0.70
		(b) Non Agriculture	0.75	3.47	-7.10	-1.23
	(iii) Persons	(a) Agriculture	-2.13	6.52	-1.62	1.12
		(b) Non Agriculture	8.43	0.15	-1.62	1.68
3. All Casual Labourers (1 + 2)	(i) Male	(a) Agriculture	1.71	4.01	1.20	2.36
		(b) Non Agriculture	9.86	1.75	3.67	4.61
	(ii) Female	(a) Agriculture	-2.54	5.62	0.94	1.64
		(b) Non Agriculture	10.66	-4.43	-2.99	0.01
	(iii) Persons	(a) Agriculture	-0.03	4.64	1.10	2.06
		(b) Non Agriculture	10.10	0.09	2.36	3.57

Table 21

Number of Casual Labourers Employed in Agriculture and Non-agriculture by Sex and Broad Activity Status: All India: 1983, 1987-88, 1993-94 and 1999-2000

Activity Status	Sex	Agriculture and Non Agriculture	Reference Years			
			1983	1987-88	1993-94	1999-2000
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. All Casual Labour by UPS	(i) Male	(a) Agriculture	36,996,998	40,024,751	50,935,485	55,832,903
		(b) Non Agriculture	7,046,500	10,580,209	12,135,309	15,593,047
	(ii) Female	(a) Agriculture	25,462,165	23,878,207	30,721,185	34,839,755
		(b) Non Agriculture	2,712,119	4,676,509	3,209,791	2,852,660
	(iii) Persons	(a) Agriculture	62,459,162	63,895,583	81,663,803	90,723,203
		(b) Non Agriculture	9,758,619	15,264,093	15,337,967	18,395,161
2. All Casual Labour by SS only	(i) Male	(a) Agriculture	8,305,559	8,875,520	10,987,723	10,687,149
		(b) Non Agriculture	1,389,102	2,296,772	2,153,477	2,142,139
	(ii) Female	(a) Agriculture	8,265,569	6,166,358	10,980,137	9,280,616
		(b) Non Agriculture	734,465	759,481	932,004	598,927
	(iii) Persons	(a) Agriculture	16,571,128	15,041,879	21,969,628	19,913,693
		(b) Non Agriculture	2,123,567	3,056,253	3,083,713	2,795,137
3. All Casual Labourers (1 + 2)	(i) Male	(a) Agriculture	45,302,557	48,900,272	61,923,208	66,520,052
		(b) Non Agriculture	8,435,603	12,876,981	14,288,786	17,735,186
	(ii) Female	(a) Agriculture	33,727,733	30,044,566	41,701,322	44,20,370
		(b) Non Agriculture	3,446,584	5,435,989	4,141,795	3,451,587
	(iii) Persons	(a) Agriculture	79,030,290	78,937,462	103,633,431	110,636,897
		(b) Non Agriculture	11,882,186	18,320,345	18,421,680	21,190,298
	(iv) Persons	(c) Agriculture + Non Agriculture	90,912,476	97,257,807	122,055,111	131,827,195

The results, in terms of absolute numbers all brought out in table 21. The number of male UPS casual workers in non-agriculture more than doubled over the 17 years from 1983 to 1999-2000. The number of female UPS casual workers in non-agriculture has moved up by less than one third of one percent. In the case of female casual labourers by subsidiary status only, absolute numbers today are less than they were in 1983.

In short, on an all India basis, the sectoral structure of the male casual workforce has improved. Simultaneously structural retrogression characterises recent changes in the rural female casual workforce. The share of females in the non-farm casual labour workforce has come down from 29 per cent in 1983 to only 16 per cent in 1999-2000 as shown in table 22. The share of males in the casual agricultural labour workforce, on the other hand, has come up by only three percentage points. Thus the major structural change has taken place among casual labourers working in the rural *non-farm* sector. In short in the 'typical' state women have been the losers, as opportunities for non-farm casual work have closed down for them, even while have opened up for men.

These are all India averages however. There are states (such as Punjab) where the long term the rate of growth of female casual labourers in non-agriculture stands above the corresponding male worker growth rate, and in many other states the growth rate of casual

female non-farm labour has been more rapid than the growth of casual female farm labour, even during the 1993-94 to 1999-2000 period. These contrasting state level experiences are discussed later on in this paper.

Table 22
Share of Males and Females Employed as Casual Labourers in Agriculture and Non Agriculture by Broad Activity Status: All India: 1983, 1987-88, 1993-94 and 1999-2000

Activity Status (1)	Agriculture or Non Agriculture (2)	Sex (3)	Reference Years			
			1983 (4)	1987-88 (5)	1993-94 (6)	1999-2000 (7)
1. All Casual Labour by UPS	(i) Agriculture	(a) Male	59.23	62.64	62.37	61.54
		(b) Female	40.77	37.37	37.62	38.40
	(ii) Non Agriculture	(a) Male	72.21	69.31	79.12	84.77
		(b) Female	27.79	30.64	20.93	15.51
	(iii) Agriculture plus Non Agriculture	(a) Male	60.99	63.93	65.02	65.46
		(b) Female	39.01	36.07	34.98	34.54
2. All Casual Labour by SS only	(i) Agriculture	(a) Male	50.12	59.01	50.01	53.67
		(b) Female	49.88	40.99	49.99	46.60
	(ii) Non Agriculture	(a) Male	65.41	75.15	69.83	78.15
		(b) Female	34.59	24.85	30.22	21.85
	(iii) Agriculture plus Non Agriculture	(a) Male	51.86	61.73	52.45	56.49
		(b) Female	48.14	38.27	47.55	43.51
3. All Casual Labourers (1 + 2)	(i) Agriculture	(a) Male	57.32	61.95	59.75	60.12
		(b) Female	42.68	38.06	40.24	39.88
	(ii) Non Agriculture	(a) Male	70.99	70.29	77.57	83.69
		(b) Female	29.01	29.67	22.48	16.29
	(iii) Agriculture plus Non Agriculture	(a) Male	59.11	63.52	62.44	63.91
		(b) Female	40.89	36.48	37.56	36.09

Note: Some figures do not add too 100 percent because of rounding.

Table - 23

Share of Rural Casual Labourers by Social Group and employment Status All India: 1983, 1987-88, 1993-94 and 1999-00

UPS Employment Status		Social Group and Year												(% shares)
		Scheduled Tribes				Scheduled Castes				Other Social Groups				
		1983	1987 -88	1993 -94	1999 -00	1983	1987 -88	1993 -94	1999 -00	1983	1987 -88	1993 -94	1999 -00	
1. All Casual labourers (2 + 3)		15.53	15.65	16.04	15.97	30.68	29.61	31.73	32.53	53.79	54.73	52.23	51.50	
2. Casual Labour by UPS		14.25	14.83	14.97	15.44	32.39	30.91	33.54	34.10	53.35	54.26	51.49	50.46	
i) Only by UPS not SS		14.14	14.85	14.96	15.24	32.31	30.83	33.54	34.02	53.56	54.32	51.50	50.74	
ii) Both by UPS and SS		16.65	14.36	15.27	20.63	32.22	32.84	33.40	36.24	49.13	52.80	51.34	43.12	
3. All Casual Labour by SS only		20.44	19.26	20.17	18.49	24.08	23.92	24.76	24.99	55.48	58.61	55.07	56.52	
i) Self employed by UPS but Casual by SS		23.73	21.14	21.55	20.29	19.02	18.31	19.59	20.99	57.25	60.54	58.87	58.72	
ii) Regular by UPS but Casual by SS		18.19	7.16	8.95	4.10	34.78	31.26	28.17	38.19	47.03	61.58	62.88	57.70	
iii) Unemployed by UPS but Casual by SS		6.09	9.56	4.92	7.87	33.07	35.58	45.85	23.75	60.84	54.86	49.23	68.38	
iv) Non worker by UPS but Casual by SS		11.29	16.44	17.58	12.70	39.35	36.33	37.36	40.07	49.36	47.23	45.06	47.23	
Share of Population		10.06	10.40	10.25	10.67	18.43	18.86	20.22	21.35	71.50	70.74	69.52	67.98	

Note: The sum across social groups in each year equals 100.

3. The Structure of the Casual Labour Workforce in Terms of Social Groups

Most casual labourers – a little more than half of them – are neither scheduled Caste nor Scheduled tribe. They belong to 'other' social groups. Members of Scheduled Castes account for close to one third of all casual workers, and Scheduled Tribe workers for the remaining 16 per cent. The share of 'other' social groups has tended to fall over time, while the share of Scheduled tribes has tended to rise at much the same rates as their respective shares in population.

Members of both scheduled tribes and 'other social groups' account for disproportionately large shares of workers who are casual labourers by subsidiary status only. This is because these two groups both contribute disproportionately large contingents of workers who are self employed by UPS but work as casual labourers in a subsidiary status. Scheduled Caste workers on the other hand, account for a disproportionately large share of people who are non-workers by UPS, but casual labourers by subsidiary status. Table 23 gives further details.

The same phenomena can be understood in terms of the employment status structure of casual workers within each social group.

In general a larger share Scheduled Caste casual workers rely on casual labour as their main (UPS), activity than any other social group. 'Other social groups' come in next, but the share of all Scheduled Tribe casual labourers for whom casual work is the main, or usual principle status, activity has been rising rapidly, with the result that the structure of Scheduled Tribe casual labour and of 'other social groups' casual labour has been converging.

The other significant sub category, for all social groups, is the set of casual workers who are self employed by usual principle status, but do casual work as a subsidiary activity. This subset is, relatively, the largest among Scheduled Tribes, followed by 'Other Social Groups'. The casual workforce structure of these two social groups is also converging, as the share of Scheduled Tribe workers comes down, over time, to close to the corresponding figures for 'Other Social Groups'. Among Scheduled Caste casual workers, the share of the those self employed by UPS, but casual workers by subsidiary status is much smaller and relatively stable at about nine per cent. Scheduled Caste casual workers tend to have a relatively large share of people who are non-workers by UPS, but do casual labour on the side.

Table 24 give the details.

Table 23

Share of Rural Casual Labourers by Social Group and Employment Status All India: 1983, 1987-88, 1993-94 and 1999-00

(% shares)

UPS Employment Status	Social Group and Year											
	Scheduled Tribes				Scheduled Castes				Other Social Groups			
	1983	1987-88	1993-94	1999-00	1983	1987-88	1993-94	1999-00	1983	1987-88	1993-94	1999-00
1. All Casual labourers (2 & 3)	15.53	15.65	16.04	15.97	30.68	29.61	31.73	32.53	53.79	54.73	52.23	51.50
2. Casual Labour by UPS	14.25	14.83	14.97	15.44	32.39	30.91	33.54	34.10	53.35	54.26	51.49	50.46
i) Only by UPS not SS	14.14	14.85	14.96	15.24	32.31	30.83	33.54	34.02	53.56	54.32	51.50	50.74
ii) Both by UPS and SS	16.65	14.36	15.27	20.63	32.22	32.84	33.40	36.24	49.13	52.80	51.34	43.12
3. All Casual Labour by SS only	20.44	19.26	20.17	18.49	24.08	23.92	24.76	24.99	55.48	58.61	55.07	56.52
i) Self employed by UPS but Casual by SS	23.73	21.14	21.55	20.29	19.02	18.31	19.59	20.99	57.25	60.54	58.87	58.72
ii) Regular by UPS but Casual by SS	18.19	7.16	8.95	4.10	34.78	31.26	28.17	38.19	47.03	61.58	62.88	57.70
iii) Unemployed by UPS but Casual by SS	6.09	9.56	4.92	7.87	33.07	35.58	45.85	23.75	60.84	54.86	49.23	68.38
iv) Non worker by UPS but Casual by SS	11.29	16.44	17.58	12.70	39.35	36.33	37.36	40.07	49.36	47.23	45.06	47.23
Share of Population	10.06	10.40	10.25	10.67	18.43	18.86	20.22	21.35	71.50	70.74	69.52	67.98

Note: The sum across social groups in each year equals 100.

The Employment Status Structure of Casual Workers by Social Group: Absolute Numbers and Shares of All Casual Labour : All India Rural 1983, 1987-88, 1993-94 and 1999-00

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Table 25

Growth Rate of Rural Casual Workers by Social Group and Employment Status: All India: 1983, 1987-88, 1993-94 and 1999-00

(% shares)

UPS Employment Status	Social Group and Year											
	Scheduled Tribes				Scheduled Castes				Other Social Groups			
	1983	1987-88	1993-94	1999-00	1983	1987-88	1993-94	1999-00	1983	1987-88	1993-94	1999-00
1. All Casual Labour by UPS	3.03	2.96	3.61	2.51	2.85	1.01	4.86	2.26	2.19	2.44	2.55	1.64
i) Only by UPS not SS	3.06	3.29	3.77	2.19	2.91	1.12	5.10	2.11	2.26	2.49	2.72	1.62
ii) Both by UPS and SS	2.48	-3.53	-0.53	10.47	1.51	-1.21	-1.26	6.50	0.36	1.30	-2.00	2.05
2. All Casual Labour by SS only	0.57	-2.02	6.38	-3.04	1.41	-0.86	6.18	-1.47	1.30	-0.19	5.02	-1.20
i) Self employed by UPS but Casual by SS	0.59	-4.93	6.54	-0.93	2.15	-3.27	7.40	1.23	1.70	-1.24	5.70	-1.00
ii) Regular by UPS but Casual by SS	-7.82	-19.16	6.33	-11.83	1.46	-2.89	0.69	5.65	2.15	5.59	2.81	0.02
iii) Unemployed by UPS but Casual by SS	-2.84	21.58	-23.75	4.63	-6.24	11.77	-11.13	-13.29	-3.66	7.47	-16.33	2.20
iv) Non Worker by UPS but Casual by SS	1.08	12.08	7.24	-11.83	0.47	1.30	6.55	-5.83	0.10	2.10	5.23	-6.19
3. All Casual labourers (i+2)	2.45	1.70	4.28	1.22	2.64	0.71	5.06	1.71	2.01	1.90	3.05	1.06

Note: The sum across social groups in each year equals 100.

4. Land Status Among Casual Labourers

This section has two parts : land status among casual labourers in the aggregate, and land status among casual labourers by social group. The second set of estimates reveals what lies behind the similarities between Scheduled Tribe and Other social groups in the matter of casual labour workforce structure.

(i) Land Status Among Casual Labourers in the Aggregate

The vast majority of all casual labourers possess land—not a great deal of it, in most cases less than 1 hectare, but the share of the landless among casual labourers has been rising rapidly in all employment status sub categories, most dramatically during the second half of the 1990s. Simultaneously the shares of the upper land status groups have tended to fall.

However, the all-India percentage distributions presented in table 24 are somewhat misleading. There are a number of drought prone states where a substantial proportion of all casual labourers belong to the higher land status groups. These states include Karnataka, Madhya Pradesh, Maharashtra and Rajasthan.

Over time, the share of the landless rose pretty consistently, in all the most important employment status sub groups, but the really big structural change took place during the most recent 1993-94 to 1999-2000, period. The number of landless casual labourers doubled, or more than doubled, in all work status categories except for the set of casual workers by subsidiary status only who are non workers by usual principal status.

Table 26: Absolute Numbers and Percentage Shares in all Casual Workers, of Casual Workers by Land Status Categories and Employment Status.

All India Rural : 1983, 1987-88, 1993-94 and 1999-2000

Employment Status	Year	Land Status (hectares)						All land Status
		Landless	0.01 to 0.40	0.41 to 1.00	1.01 to 2.00	2.01 to 4.00	Greater than 4.00	
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(1) All Casual Workers	1983	6567288	50886635	16377425	9477948	5447860	2155340	90912476
		(7.22)	(55.97)	(18.01)	(10.43)	(5.99)	(2.37)	(100)
	1987-88	16310498	44543442	18208940	10435075	5330323	2429529	97257807
		(16.77)	(45.80)	(18.72)	(10.73)	(5.48)	(2.50)	(100)
	1993-94	19868961	60432185	22336904	12048695	5643502	1723865	122055112
		(8.02)	(27.24)	(24.96)	(21.40)	(13.99)	(4.39)	(100)
	1999-00	40831842	60541691	17819003	8303317	3507546	823796	131827195
		(30.97)	(45.93)	(13.52)	(6.30)	(2.66)	(0.62)	(100)
2. All UPS Casual Workers	1983	6001735	45364188	12454025	5299696	2411202	686936	72217782
		(8.31)	(62.82)	(17.25)	(7.34)	(3.34)	(0.95)	(100)
	1987-88	14774202	39827505	13686775	6720433	2861629	1289131	79159676
		(18.66)	(50.31)	(17.29)	(8.49)	(3.62)	(1.63)	(100)
	1993-94	17860086	53606744	1084039	6687564	2139361	623976	97001770
		(18.41)	(55.26)	(10.58)	(6.89)	(2.21)	(0.64)	(100)
	1999-00	34410740	55144509	13212407	4574475	1466790	309444	109118365
		(31.54)	(50.54)	(12.11)	(4.19)	(1.34)	(0.28)	(100)
Of which	1983	5635234	43114772	12013012	5125344	2309089	663927	68861378
(i) Only UPS not SS		(8.18)		(17.45)	(7.44)	(3.35)	(0.96)	(100)
	1987-88	13880921	38181653	13298139	6480423	2757266	251002	75849403
		(18.30)	(50.34)	(17.53)	(8.54)	(3.64)	(1.65)	(100)
	1993-94	17065006	51814368	15834244	6582378	20741603	614545	93985145
		(18.16)	(55.13)	(16.85)	(7.00)	(1.34)	(0.65)	(100)
	1999-00	33060190	52879546	12924705	4479467	1410211	308316	105062435
		(31.47)	(50.33)	(12.3)	(4.26)	(2.21)	(0.29)	(100)
(ii) Both by UPS and SS	1983	366469	224365	441063	174378	102117	23012	3356404
		(10.92)	(67.02)	(13.14)	(5.2)	(3.04)	(0.69)	(100)
	1987-88	893287	1645853	388636	240011	104362	38130	3310272
		(26.94)	(49.72)	(11.74)	(7.25)	(3.15)	(1.15)	(100)
	1993-94	794967	1792316	249913	105234	64759	9436	3016626
		(26.35)	(59.41)	(8.28)	(3.49)	(2.15)	(0.31)	(100)
	1999-00	1350400	2264513	288128	95165	56575	1150	4055930
		(33.29)	(55.83)	(7.10)	(2.35)	(1.39)	(0.03)	(100)
3. All SS Only	1983	565533	5522447	3923400	4178252	3036658	1468405	18694695
		(3.03)	(29.54)	(20.99)	(22.35)	(16.24)	(7.85)	(100)
	1987-88	1536296	4715937	4522165	3714641	2468695	1140398	18098131
		(8.49)	(26.06)	(24.99)	(20.52)	(13.64)	(6.30)	(100)
	1993-94	2008875	6825441	6253864	5361130	3504141	1099890	25053341
		(8.02)	(27.74)	(24.96)	(21.40)	(13.99)	(4.39)	(100)
	1999-00	6421103	5397181	4606596	3728842	2040756	514352	22708830
		(28.28)	(23.77)	(20.29)	(16.42)	(8.99)	(2.26)	(100)
Of which	1983	159694	2274507	3244517	3869987	2886387	1411027	13846119
(a) Self employed by UPS		(1.15)	(16.43)	(23.43)	(27.95)	(20.85)	(10.19)	(100)
(b) Casual by SS	1987-88	385688	1854546	3648694	3242246	2235313	1012444	12378931
		(3.12)	(14.98)	(29.48)	(26.19)	(18.06)	(8.18)	(100)
	1993-94	503063	2977024	5140739	4880813	3255273	1003295	17760206
		(2.83)	(16.76)	(28.95)	(27.48)	(18.33)	(5.65)	(100)
	1999-00	4814976	2989519	4158924	3428340	1950694	486394	17828841
		(27.01)	(16.77)	(23.33)	(19.23)	(10.94)	(2.73)	(100)

Contd.

(ii) Regular by Casual by SS	1983	31037	129391	31834	8075	2255	7925	210568
		(14.74)	(61.45)	(15.12)	(3.83)	(1.07)	(3.79)	(100)
	1987-88	63653	96004	17648	18260	8996	3806	205367
		(30.99)	(46.75)	(8.59)	(8.89)	(2.92)	(1.85)	(100)
	1993-94	49402	135560	38310	9024	5167	Nil	237468
		(20.8)	(57.09)	(16.13)	(3.80)	(2.18)		(100)
	1999-00	108515	104425	21081	5070	2566	1658	243614
		(44.54)	(42.99)	(8.65)	(2.08)	(1.05)	(0.68)	(100)
(iii) Unemployed by UPS, but casual by SS	1983	30616	361603	67453	19063	12470	3809	495013
		(6.18)	(73.05)	(13.63)	(3.85)	(2.52)	(0.77)	(100)
	1987-88	118720	409542	104715	70044	32072	24126	759219
		(15.64)	(53.94)	(13.79)	(9.23)	(4.22)	(3.18)	(100)
	1993-94	29666	196434	37852	11916	13821	484	290172
		(10.22)	(67.7)	(13.04)	(4.11)	(4.76)	(0.17)	(100)
	1999-00	64000	145735	12798	8363	7112	Nil	238008
		(26.89)	(61.23)	(5.38)	(3.51)	(2.99)		(100)
(iv) Non workers by UPS But casual by SS	1983	344316	2757853	579425	280745	135229	45428	4142995
		(8.31)	(66.57)	(13.99)	(6.78)	(3.26)	(1.10)	(100)
	1987-88	968234	2355845	751108	384092	195314	100022	4754615
		(20.36)	(49.55)	(15.8)	(8.08)	(4.11)	(2.1)	(100)
	1993-94	1426744	3516423	1036963	459372	229881	96111	6765495
(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)
	1999-00	1433612	2157203	413793	287069	80384	26305	4398367
		(-32.59)	(-49.05)	(-9.41)	(-6.53)	(-1.83)	(-0.60)	(100)

Notes: 1) Land status here is defined as :land possessed" which in turn is measured as : land owned plus land leased in minus land leased out plus land neither owned nor leased in, but " possessed " by the respondent.

(2) Percentage share figures in rows add to 100.

Table 27 provides an overview of the long term changes in the land status structure of casual labourers which was brought about largely by the changes of the later 1990s.

In brief over the long run, from 1983 to 1999-2000, the landless casual labour subset grew at a compound growth rate of more 11 per cent per year, the sub marginal land status category (0.01 to 0.40 hectares) expanded at a little over 1 per cent per year, the marginal land status groups at almost one half of one per cent per year, while all the rest recorded negative growth rates, rising (in absolute value terms) with land status category. A truly astonishing record, and one which is not widely known.

During the three shorter subs periods it will be noticed that the combination of drought, (in 1987-88) and the deceleration in the growth rate of employment in agriculture generally, was associated with an initial massive rise in the number landless casual labourers. Growth rates settled down to more 'normal' levels of a little over 3 per cent compound in the next, 1987-88 to 1993-94, period, only to shoot up again during the later 1990s.

The highest landless growth rates are recorded among the workers who are classified as casual labourers by subsidiary status only. Growth rates in excess of 20 per cent are recorded in

both the initial and final sub periods because of the behavior of one particular subset: the landless workers who are self employed by usual principal status but work as casual labour on the side. Their behaviour underscores the vulnerability of large numbers of rural landless, self-employed people, who choose to do subsidiary work as casual labourers to augment their incomes. There was an explosion in their number between 1993-94 and 1999-2000. By the year 2000, there were 4.8 million such selfemployed landless rural subsidiary status only casual workers, up from five hundred thousand in 1993-94. (Refer back to table 26). What actually drove these people into subsidiary status casual work is not really known.

Table 27: Growth Rates of Casual Labourers by Land Status Categories and Employment Status : Rural India 1983 to 1987-88, 1987-88 to 1993-94 and 1993-94 to 1999-2000

Employment Status	Period	Land Status (hectares)					
		Landless	0.01 to 0.40	0.41 to 1.00	1.00 to 2.00	2.01 to 4.00	Greater than 4.00
1. All casual Workers	1983 to 1987-88	22.40	-2.92	2.38	2.16	-0.48	2.70
	1987-88 to 1993-94	3.34	5.22	3.46	2.43	0.96	-5.56
	1993-94 to 1999-2000	12.76	0.03	-3.70	-6.02	-7.62	-11.58
	1983 to 1999-00	11.71	1.06	0.51	-0.80	-2.63	-5.66
2. All UPS Casual workers	1983 to 1987-88	22.16	-2.85	2.12	5.42	3.88	15.01
	1987-88 to 1993-94	3.21	5.08	2.73	-0.08	-4.73	-11.39
	1993-94 to 1999-2000	11.55	0.47	-3.22	-6.13	-6.10	-11.03
	1983 to 1999-00	11.16	1.19	0.36	-0.89	-2.97	-4.72
Of which (i) Casual by UPS not SS	1983 to 1987-88	22.18	-2.66	2.28	5.35	4.02	15.12
	1987-88 to 1993-94	3.50	5.22	2.95	0.26	-4.63	-11.17
	1993-94 to 1999-2000	11.65	0.34	-3.33	-6.21	-6.23	-10.86
	1983 to 1999-00	11.32	1.24	0.44	-0.81	-2.94	-4.54
(ii) Casual both by UPS and SS	1983 to 1987-88	21.90	-6.71	-2.77	7.36	0.48	11.88
	1987-88 to 1993-94	-1.92	1.43	-7.09	-12.84	-7.65	-20.76
	1993-94 to 1999-2000	9.23	3.97	2.40	-1.66	-2.23	-29.59
	1983 to 1999-00	8.23	0.04	-2.55	-3.60	-3.52	-16.61
3. All Casual by SS only	1983 to 1987-88	24.87	-3.45	3.21	-2.58	-4.50	-5.46
	1987-88 to 1993-94	4.57	6.36	5.55	6.31	6.01	-0.60
	1993-94 to 1999-2000	21.37	-3.84	-4.97	-5.87	-8.62	-11.90
	1983 to 1999-00	15.86	-0.14	0.98	-0.69	-2.38	-6.16
Of which (i) Self employed by UPS but casual by SS	1983 to 1987-88	21.65	-4.43	2.64	-3.86	-5.52	-7.11
	1987-88 to 1993-94	4.53	8.21	5.88	7.06	6.47	-0.15
	1993-94 to 1999-2000	45.71	0.07	-3.47	-5.72	-8.18	-11.37
	1983 to 1999-00	22.93	1.67	1.52	-0.73	-2.35	-6.25
(ii) Regular by UPS but Casual by SS	1983 to 1987-88	17.31	-6.42	-12.29	19.88	24.28	-15.16
	1987-88 to 1993-94	-4.14	5.92	13.79	-11.08	-2.45	-100.0
	1993-94 to 1999-2000	14.01	-4.21	-9.48	-9.17	-11.01	-0-
	1983 to 1999-00	7.88	-1.27	-2.47	-2.78	0.79	-9.05
(iii) Unemployed by UPS, but casual by SS	1983 to 1987-88	35.14	2.81	10.27	33.53	23.36	50.71
	1987-88 to 1993-94	-20.64	-11.63	-15.60	-25.56	-13.09	-47.88
	1993-94 to 1999-2000	13.67	-4.85	-16.53	-5.73	-10.48	-100
	1983 to 1999-00	4.57	-5.36	-9.58	-4.87	-3.35	-100.00
(iv) Non workers by UPS but casual by SS	1983 to 1987-88	25.83	-3.44	5.94	7.21	8.51	19.17
	1987-88 to 1993-94	6.67	6.90	5.52	3.03	2.75	-0.66
	1993-94 to 1999-2000	0.08	-7.82	-14.20	-7.54	-16.06	-19.42
	1983 to 1999-00	9.03	-1.48	-2.02	0.14	-3.10	-3.26

(ii) Land status Among Casual Labourers by Social Group

Among Scheduled Caste Casual workers, the share of those self employed by usual principal status, but casual labourers by subsidiary status is much smaller than it is among workers

belonging to either Scheduled Tribe or 'Other social groups'. (See table 24). It was thought that this might be due to the fact that Scheduled Caste workers are more likely to be landless, or near landless, than the other two social groups.

Insert text and table 28 29 here

5. The changing Industrial Structure of the Casual Labour Workforce

Of the roughly 132 million casual workers in rural India, more than 110 million work in agriculture, nine million are construction workers, five million are engaged in manufacturing and two million are involved in community social and personal services. The other five subsectors covered in table 30 employ less than two million workers each. Details by employment status, can be seen in table 30.

Table 30 : All India Estimates of Absolute Numbers of Casual Workers by Work Status and Industrial Category: 1983, 1987-88, 1993-94 and 1999-2000

Employment Status	Year	Industrial Category										
		Agriculture	Mining and Quarrying	Manufacturing	Electricity, Gas, Water Supply	Construction	Trade, Hotels, Restaurants	Transport, Storage, Communications	Financial Services, Real Estate	Community, Social, Personal Services		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)		
1. All Casual Labour (sum of 2 and 3)	1983	79,216,744	771,059	4,065,858	63,552	4,016,351	375,158	623,916	22,833	1,756,976		
	1987-88	79,173,446	1,134,037**	4,747,134	51,163	8,766,102**	527,158	873,129	49,964	1,935,674		
	1993-94	104,208,648	1,377,550	5,912,465	84,464	6,769,077	537,448	1,086,419	42,570	2,036,471		
	1999-00	110,699,483	1,183,016	5,061,735*	64,609	9,297,747	1,340,946	1,774,039	84,687	2,320,930		
2. All Casual Labour by UPS	1983	62,598,463	694,342	3,464,744	58,607	3,066,205	313,833	536,473	15,250	1,469,865		
	1987-88	64,075,875	1,041,142	4,284,963	38,347	6,845,049**	459,334	758,572	40,263	1,616,131		
	1993-94	82,036,468	1,174,509	5,150,670	69,932	5,402,324	461,976	973,322	33,148	1,699,421		
	1999-00	90,723,203	1,035,523	4,497,653	57,668	7,917,713	1,223,225*	1,620,561*	80,981	1,961,839		
Of which (i) Only by UPS	1983	60,286,549	587,499	3,096,077	53,230	2,695,857	301,320	478,545	12,395	1,349,906		
	1987-88	61,842,406	973,407	4,035,958	38,351	6,261,776**	435,455	687,303	38,617	1,536,131		
	1993-94	80,060,212	1,041,490	4,817,086	69,935	5,004,921	440,668	907,106	33,150	1,610,577		
	1999-00	87,875,997	937,780	4,099,459*	57,449	7,449,119	1,183,634*	1,514,016	71,849	1,873,133		
(ii) Both by UPS, and SS	1983	2,312,690	106,746	368,397	5,374	370,052	12,516	57,885	2,853	119,892		
	1987-88	2,234,461	67,681	248,850	- 0 -	582,612**	23,869	71,181	1,646	79,972		
	1993-94	1,977,086	132,880	333,334	- 0 -	397,072	21,298	66,164	- 0 -	88,793		
	1999-00	2,848,304	97,619	397,711	223	468,230	39,603	106,448	9,119	88,673*		
(b) SS	1983	1,673,585	69,375	387,076	1,258	901,715	42,651	58,180	1,894	160,670		
	1987-88	1,364,182	49,026	285,911	2,658	1,326,512**	29,659	97,131	1,175	154,018		
	1993-94	1,460,255	81,363	356,484	9,355	869,295	16,426	112,381	2,896	108,171		
	1999-00	1,825,991	75,237	371,743	- 0 -	1,466,409	70,266*	78,849	7,484	159,951		
3. All Casual Labour by SS only	1983	16,618,311	76,717	601,115	4,944	950,146	61,325	87,443	7,583	287,111		
	1987-88	15,097,571	92,895	462,171	12,816	1,921,053**	67,823	114,557	9,701	319,543		
	1993-94	22,172,179	203,041***	761,795	14,532	1,366,753	75,471*	113,097	9,422	337,049		
	1999-00	19,976,280	147,493	564,082	6,942	1,380,034	117,721*	153,478	3,706	359,094		
Of which (i) Self employed by UPS, Casual by SS	1983	12,317,214	65,158	276,446	4,946	859,813	50,731	70,245	3,464	198,101		
	1987-88	10,173,914*	78,351*	257,290	8,068	1,528,264*	49,226	87,413***	3,071	193,333		
	1993-94	15,553,068	176,777	456,432	14,523	1,208,989*	59,442	96,192	9,416	185,368		
	1999-00	15,662,106	123,697	347,960	6,942	1,219,466	94,801	116,137	2,218	255,514		
(ii) Regular by UPS, Casual by SS	1983	185,625	- 0 -	3,392	- 0 -	17,977	867	1,165	- 0 -	1,543		
	1987-88	155,812	- 0 -	5,097	1,303	23,012	4,266	1,849	- 0 -	14,029		
	1993-94	202,875	427	9,084	- 0 -	13,308	- 0 -	3,516	- 0 -	8,255		
	1999-00	178,231	- 0 -	28,517	- 0 -	26,883	- 0 -	2,588	- 0 -	7,396		
(iii) Unemployed by UPS, Casual by SS	1983	383,297	2,992	47,717	- 0 -	25,654	7,441	13,774	2,384	11,752		
	1987-88	533,473	8,197**	47,258	3,467	99,281**	10,650	23,355	- 0 -	31,537		
	1993-94	214,716	- 0 -	18,439***	- 0 -	20,232	5,576	10,362	- 0 -	20,847		
	1999-00	132,503#	2,487	13,671#	- 0 -	34,813	8,769	29,971	1,449	14,345		
(iv) Non-worker by UPS, but Casual by SS	1983	3,731,971	8,582	273,293	- 0 -	47,086	2,322	2,315	1,738	75,688		
	1987-88	4,233,537	6,376	152,386	- 0 -	271,162**	3,761	- 0 -	6,617	80,776		
	1993-94	6,201,006	25,748	278,128	- 0 -	123,963	10,526	3,169	- 0 -	122,958		
	1999-00	4,003,440	21,309	173,934	- 0 -	98,872	14,151	4,783	39	81,839		

The casual workforce structure, by industrial category, is not stable over time, because of the exit of casual workers from agriculture during the drought of 1987-88, and their *en masse* shift into construction. (See table 31). Among the self employed by UPS, but casual labourers by subsidiary status, as in the case of all casual workers by UPS, this drought year phenomenon is associated with a drop in the share of such subsidiary status workers employed in agriculture and a closely corresponding increase is the share of such workers employed in construction. Table 31 reveals these short term structural changes.

Leaving aside the 1987-88 upturn in the shares of casual workers engaged in almost all individual industrial categories, other than agriculture, a long run trend emerges for most of the major industrial categories. Over the long run, the share of agricultural labourers among casual workers is coming down. The shares of manufacturing and community, social and personal services in all casual workers are also declining. Simultaneously, the shares of construction, trade, hotels and restaurants, and transport, storage and communications are on the rise, particularly during the later 1990s. In short, by industrial category, there has been considerable restructuring of the casual labour workforce. The details are given in table 31.

Table 31: Share of Casual Labourers Employed in Specified Industrial Categories by Activity Status: All India: 1983, 1987-88, 1993-94 and 1999-2000

Employment Status	Year	Industrial Category									
		Agriculture	Mining and quarrying	Manufacturing	Electricity, Gas, Water Supply	Construction	Trade, Hotels, Restaurants	Transport, Storage, Communications	Financial Services, Real Estate	Community, Social, Personl Services	
(1) 1. All Casual Labour (Sum of 2 and 3)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
	1983	87.14	0.85	4.47	0.07	4.42	0.41	0.69	0.03	1.93	
	1987-88	81.41	1.17	4.88	0.05	9.01	0.54	0.90	0.05	1.99	
	1993-94	85.38	1.13	4.84	0.07	5.55	0.44	0.89	0.03	1.67	
	1999-00	83.97	0.90	3.84	0.05	7.05	1.02	1.35	0.06	1.76	
2. All Casual Labour by UPS	1983	86.68	0.96	4.80	0.08	4.25	0.43	0.74	0.02	2.04	
	1987-88	80.95	1.32	5.41	0.05	8.65	0.58	0.96	0.05	2.04	
	1993-94	84.57	1.21	5.31	0.07	5.57	0.48	1.00	0.03	1.75	
	1999-00	83.14	0.95	4.12	0.05	7.26	1.12	1.49	0.07	1.80	
	1983	87.55	0.85	4.50	0.08	3.91	0.44	0.69	0.02	1.96	
Of which (i) Only by UPS	1987-88	81.53	1.28	5.32	0.05	8.26	0.57	0.91	0.05	2.03	
	1993-94	85.18	1.11	5.13	0.07	5.33	0.47	0.97	0.04	1.71	
	1999-00	83.64	0.89	3.90	0.05	7.09	1.13	1.44	0.07	1.78	
	1983	68.90	3.18	10.98	0.16	11.03	0.37	1.72	0.08	3.57	
	1987-88	67.50	2.04	7.52	-	17.60	0.72	2.15	0.05	2.42	
(ii) Both by UPS, and SS Of which (a) UPS	1993-94	65.54	4.40	11.05	-	13.16	0.71	2.19	-	2.94	
	1999-00	70.23	2.41	9.81	0.01	11.54	0.98	2.62	0.22	2.19	
	1983	49.86	2.07	11.53	0.04	28.65	1.27	1.73	0.06	4.79	
	1987-88	41.21	1.48	8.64	0.08	40.07	0.90	2.93	0.04	4.65	
	1993-94	48.41	2.70	11.82	0.31	28.82	0.54	3.73	0.10	3.59	
(b) SS	1999-00	45.02	1.85	9.17	-	36.15	1.73	1.94	0.18	3.94	
	1983	88.89	0.41	3.22	0.03	5.08	0.33	0.47	0.04	1.54	
	1987-88	83.42	0.51	2.55	0.07	10.61	0.37	0.63	0.05	1.77	
	1993-94	88.50	0.81	3.04	0.06	5.46	0.30	0.45	0.04	1.35	
	1999-00	87.97	0.65	2.48	0.03	6.08	0.52	0.68	0.02	1.58	
Of which (i) Self employed by UPS, Casual by SS	1983	88.96	0.47	2.00	0.04	6.21	0.37	0.51	0.03	1.43	
	1987-88	82.19	0.63	2.08	0.07	12.35	0.40	0.71	0.02	1.56	
	1993-94	87.57	1.00	2.57	0.08	6.81	0.33	0.54	0.05	1.04	
	1999-00	87.85	0.69	1.95	0.04	6.84	0.53	0.65	0.01	1.43	
	1983	88.15	0.00	1.61	0.00	8.54	0.41	0.55	0.00	0.73	
(ii) Regular by UPS, Casual by SS	1987-88	75.87	0.00	2.48	0.63	11.21	2.68	0.90	0.00	6.83	
	1993-94	85.43	0.18	3.83	0.00	5.60	0.00	1.48	0.00	3.48	
	1999-00	73.16	0.00	11.71	0.00	11.04	0.00	1.06	0.00	3.04	
	1983	77.43	0.60	9.64	0.00	5.18	1.50	2.78	0.48	2.37	
	1987-88	70.27	1.08	6.22	0.46	13.08	1.40	3.34	0.00	4.15	
(iii) Unemployed by UPS, Casual by SS	1993-94	74.00	0.00	6.35	0.00	6.97	1.92	3.57	0.00	7.18	
	1999-00	55.67	1.04	5.74	0.00	14.63	3.68	12.59	0.61	6.03	
	1983	90.08	0.21	6.60	0.00	1.14	0.06	0.06	0.04	1.83	
	1987-88	89.04	0.13	3.21	0.00	5.70	0.08	0.00	0.14	1.70	
	1993-94	91.66	0.38	4.11	0.00	1.83	0.16	0.05	0.00	1.82	
(iv) Non-worker by UPS, but Casual by SS	1999-00	91.02	0.48	3.95	0.00	2.25	0.32	0.11	0.00	1.86	

The recent restructuring of the casual labour workforce is implicit in the growth rate figures of table 32. The growth rates for 1993-94 to 1999-2000, may well indicate the shape of future restructurings as well. Negative casual workforce growth rates in mining, manufacturing, public utilities and construction combined with large positive growth rates in trade, transport, storage and communications, financial services and real estate are consistent with the findings of studies based on other data sources³⁰. Slow growth of casual labour in agriculture and community, social and personal services corresponds to the slow or negative growth rates recorded in these activities for the workforce as a whole, (i.e. for casual plus self employed plus regular salaried workers). These figures are likely to be better indicators of future growth rate trajectories than the long term growth rates estimated for 1983 to 1999-2000 in table 32.

³⁰ These include the periodic National Sample Survey CSO Unorganised enterprise surveys, as well as micro studies based on surveys and resurveys of particular sets of villages.

Table 32: Growth Rates of Casual Labourers Employed in Specified Industrial Categories by Employment Status: All India : 1983, 1987-88, 1993-94 and 1999-2000

Employment Status	Year	Industrial Category									
		Agriculture	Mining and quarrying	Manufacturing	Electricity, Gas, Water Supply	Construction	Trade, Hotels, Restaurants	Transport, Storage, Communications	Financial Services, Real Estate	Community, Social, Personal Services	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
1. All Casual Labour (Sum of 2 and 3)	1983 to 1987-88	-0.01	8.95	3.50	-4.70	18.91	7.85	7.75	19.01	2.18	
	1987-88 to 1993-94	4.69	3.30	3.73	8.71	-4.22	0.32	3.71	-2.63	0.85	
	1993-94 to 1999-00	1.01	-2.51	-2.56	-4.37	-5.43	16.46	8.52	12.15	2.20	
	1983 to 1999-00	2.05	2.63	1.34	0.10	5.22	8.03	6.54	8.27	1.70	
2. All Casual Labour by UPS	1983 to 1987-88	0.52	9.42	4.83	-9.00	19.54	8.83	8.00	24.08	2.13	
	1987-88 to 1993-94	4.20	2.03	3.11	10.53	-3.87	0.10	4.24	-3.19	0.84	
	1993-94 to 1999-00	1.69	2.08	2.23	-3.16	6.58	17.62	8.87	16.05	2.42	
	1983 to 1999-00	2.27	2.45	1.59	-0.10	5.92	8.59	6.93	10.65	1.77	
Of which	1983 to 1987-88	0.57	11.87	6.07	-7.03	20.60	8.53	8.38	28.73	2.91	
	1987-88 to 1993-94	4.40	1.13	2.99	10.53	-3.67	0.20	4.73	-2.51	0.79	
	1993-94 to 1999-00	1.56	-1.73	-2.65	-3.22	6.85	17.90	8.91	13.76	2.55	
	1983 to 1999-00	2.31	2.87	1.72	0.46	6.35	8.65	7.23	11.24	2.01	
(ii) Both by UPS, and SS Of Which	1983 to 1987-88	-0.76	-9.63	-8.35	-100.00	10.61	15.43	4.70	-11.50	-8.60	
	1987-88 to 1993-94	-2.02	11.90	4.99	-	-6.19	-1.88	-1.21	-100.00	1.76	
	1993-94 to 1999-00	6.27	-5.01	2.99	-	2.79	10.89	8.25	-	-0.02	
	1983 to 1999-00	1.27	-0.54	0.47	-17.54	1.44	7.23	3.76	7.30	-1.81	
(SS)	1983 to 1987-88	-4.44	-7.42	-6.51	18.09	7.41	-7.76	12.06	-10.06	-0.94	
	1987-88 to 1993-94	1.14	8.81	3.75	23.34	-6.80	-9.38	2.46	16.22	-5.72	
	1993-94 to 1999-00	3.80	-13.0	0.70	-100.00	9.11	27.41	-5.73	17.14	6.74	
	1983 to 1999-00	0.53	0.49	-0.24	100.00	2.59	3.09	1.86	8.69	-0.03	
3. All Casual Labour by SS only	1983 to 1987-88	-2.11	4.34	-5.67	23.57	16.93	2.26	6.19	5.63	2.41	
	1987-88 to 1993-94	6.61	13.92	8.69	2.12	-5.52	1.80	-0.21	-0.49	0.89	
	1993-94 to 1999-00	-1.72	-5.19	-4.88	-11.59	0.16	7.69	5.22	-14.40	1.06	
	1983 to 1999-00	1.12	4.04	-0.38	2.08	2.29	4.03	3.47	-4.25	1.37	
Of which (i) Self employed by UPS, casual by SS	1983 to 1987-88	-4.16	4.18	-1.58	11.49	13.63	-0.67	4.98	-2.64	-0.54	
	1987-88 to 1993-94	7.33	14.52	10.03	10.29	-3.83	3.19	1.61	20.53	-0.70	
	1993-94 to 1999-00	0.12	-5.78	-4.42	-11.58	0.14	8.09	3.19	-21.41	5.49	
	1983 to 1999-00	1.47	3.96	1.40	2.08	2.14	3.86	3.09	-2.67	1.55	
(ii) Regular by UPS casual by SS	1983 to 1987-88	-3.82	-	9.48	-	5.64	-42.50	10.81	-	63.32	
	1987-88 to 1993-94	4.50	-	10.11	-100.00	-8.72	100.00	11.31	-	-8.46	
	1993-94 to 1999-00	-2.14	-100.00	21.00	-	12.43	-	-4.98	-	-1.82	
	1983 to 1999-00	-0.25	-	13.77	-	2.47	-100.00	4.96	-	9.96	
(iii) Unemployed by UPS, Casual by SS	1983 to 1987-88	7.62	25.10	-0.21	-	35.08	8.24	14.52	-100.00	24.53	
	1987-88 to 1993-94	-14.07	-100.00	-14.52	-100.00	23.29	-10.22	-13.86	-	6.67	
	1993-94 to 1999-00	-7.73	-	-4.86	-	9.47	7.84	19.37	-	6.04	
	1983 to 1999-00	-6.23	-1.12	-7.30	-	1.87	1.00	4.82	-2.97	1.22	
(iv) Non-worker by UPS, but Casual by SS	1983 to 1987-88	2.84	-6.39	-12.17	-	47.56	11.31	-100.00	34.60	1.46	
	1987-88 to 1993-94	6.57	26.19	10.55	-	12.23	18.11	-	-100.00	7.25	
	1993-94 to 1999-00	-7.03	-3.10	-7.53	-	3.70	5.06	7.11	-	-6.56	
	1983 to 1999-00	0.43	5.67	-2.70	-	4.60	11.58	4.50	-20.52	0.47	

III. Poverty Among Casual Workers

In rural India poverty is most prevalent among persons for whom casual labour is the main activity that is, the casual labourers by usual principal status. This is by far the largest category. It accounts for 83 per cent of all casual labourers. This is also the fastest growing subset, both over the long run and during the 1990s. Poverty is endemic also among those who are casual labourers by subsidiary status only, but the head count ratios in recent years (1993-94 and 199-00) are somewhat lower for them than for UPS casual labourers. During the 1990s, workforce growth was negative for the 'subsidiary status only' sub group as a whole. Thus in India we face the situation where the poorest category among casual workers, is also the largest and fastest growing group. This does not bode well for the future.

However, the relatively low poverty ratios for the workers who are casual labour by subsidiary status only, are the product of quite different poverty ratios for each of four distinct sub groups. The poverty ratios for two of them – (i) those who are self-employed by usual principal status, but work as casual labour in a subsidiary capacity, and (ii) those who are chronically unemployed, but work as casual labour from time to time—are the lowest of all poverty ratios among rural casual labour. The highest of all poverty ratios among casual workers by employment status appear for non-workers, by usual principal status. That is, people who, for most of the year do not even record themselves as unemployed, are the poorest of all. Moreover these people, counted as non workers by main activity do take up casual labour jobs, on a subsidiary status basis, at least once in a while. Details are given in table 33.

**Table 33 : Poverty Among Casual Workers by Different measures of Employment Status
All India Rural 1983, 1987-88, 1993-94 and 1999-2000**

Employment Status	Reference Year			
	1983	1987-88	1993-94	1999-2000
1. All casual Labourers (2-3)			45.18	41.46
2. All Casual Labour by UPS			45.91	41.79
Of which				
(i) Only by UPS, not SS			45.88	41.85
(ii) Both by UPS and SS			46.84	40.30
3. All casual labour by SS only			42.37	39.82
Of which				
(i) Self employed by UPS, but Casual by SS			39.47	37.22
(ii) Regular by UPS but casual by SS			50.41	30.60
(iii) Unemployed by UPS, but casual by SS			39.94	35.54
(iv) Non-worker by UPS but Casual by SS			49.82	50.73

- Notes : (1) Estimates for 1983, 1987-88 and 1993-94 are based on the data from the household consumption questionnaire. Those for 1999-2000 come from the abbreviated consumption questionnaire canvassed along with the 1999-2000 employment survey.
- (2) The poverty ratios for 1999-00 cannot be compared with estimates for earlier years, but within each year, poverty ratios for different groups by sex and employment status, *can* be compared.

On the average, female casual labourers are slightly poorer than males, both among usual principal status casual workers and among casual workers by subsidiary status only. Among non workers by UPS, but casual labour by subsidiary status, female casual workers are considerably worse off than the males. Thus in the poorest of all casual worker employment status groups, women casual workers are the poorest of the poor.

Table 34 : Poverty Among Casual Workers by Sex and Employment Status : All India Rural : 1983, 1987-88, 1993-94 and 1999-2000

Employment Status	Sex	Reference Year			
		1983	1987-88	1993-94	1999-2000
1. All casual Labourers (2+3)	Male			44.94	40.79
	Female			45.58	42.64
2. All Casual Labour by UPS	Male			45.88	41.45
	Female			45.95	42.44
Of which	Male			45.84	41.54
(i) Only by UPS, not SS	Female			45.94	42.43
(ii) Both by UPS and SS	Male			46.91	39.55
	Female			46.39	42.71
3. All casual labour by SS only	Male			40.43	37.04
	Female			44.52	43.41
Of which	Male			40.30	36.90
(i) Self employed by UPS, but Casual by SS	Female			37.54	37.89
(ii) Regular by UPS but casual by SS	Male			43.14	33.88
	Female			71.92	21.99
(iii) Unemployed by UPS, but casual by SS	Male			43.49	35.73
	Female			34.04	34.83
(iv) Non-worker by UPS but Casual by SS	Male			42.23	44.12
	Female			50.23	51.29

- Notes : (1) Estimates for 1983, 1987-88 and 1993-94 are based on the data from the household consumption questionnaire. Those for 1999-2000 come from the abbreviated consumption questionnaire canvassed along with the 1999-2000 employment survey.
- (2) The poverty ratios for 1999-00 cannot be compared with estimates for earlier years, but within each year, poverty ratios for different groups by sex and employment status, can be compared.

As between social groups, the contrasts are even greater. More than half of all Scheduled Tribe casual workers are poor; more than 40 per cent of all Scheduled Caste workers are poor: while poverty ratios for other social groups are much lower. The gap between the poverty ratios of the Scheduled Caste Workers and those of the 'Other social groups' is of the order of 7 to 8 percentage points, for casual workers by usual principal status. For the 'subsidiary status only' group, the gap is even wider—of the order of 12 to 13 percentage points. The size of the gaps in 1999-2000 match the size of the gaps in 1993-94. This can be confirmed by reference to table 35.

Table 35 : Poverty Among Casual Workers by Social Group and Employment Status : All India Rural : 1983, 1987-88, 1993-94 and 1999-2000

Employment Status	Year	Social Group		
		Scheduled Tribe	Scheduled Caste	Other groups
1. All casual Labourers (2+3)	1983			
	1987-88			
	1993-94	53.00	49.33	40.27
	1999-00	55.14	48.37	36.01
2. All Casual Labour by UPS	1983			
	1987-88			
	1993-94	52.81	49.40	41.63
	1999-00	55.70	43.10	36.66
Of which				
(i) Only by UPS, not SS	1983			
	1987-88			
	1993-94	52.87	49.39	41.62
	1999-00	55.57	43.20	36.83
(ii) Both by UPS and SS	1983			
	1987-88			
	1993-94	57.27	49.98	41.69
	1999-00	58.17	41.10	31.08
3. All casual labour by SS only	1983			
	1987-88			
	1993-94	53.40	48.89	35.36
	1999-00	52.85	45.14	33.21
Of which				
(i) Self employed by UPS, but Casual by SS	1983			
	1987-88			
	1993-94	52.72	43.44	33.29
	1999-00	50.63	41.03	31.22
(ii) Regular by UPS but casual by SS	1983			
	1987-88			
	1993-94	59.66	67.36	41.58
	1999-00	69.12	46.75	17.17
(iii) Unemployed by UPS, but casual by SS	1983			
	1987-88			
	1993-94	36.36	42.02	38.40
	1999-00	44.45	49.20	29.75
(iv) Non-worker by UPS but Casual by SS	1983			
	1987-88			
	1993-94	56.28	56.26	42.00
	1999-00	66.82	53.37	44.17

Land status is another decisive factor. In general, landless casual workers are the poorest, followed by the sub marginal land holders, who are slightly less poor, followed by the marginal land status group, and so on, until you get to the top (land possessed greater than 4 hectares). The highest land status group, as you would expect, is the least poor.

However for some sub categories of the large 'casual labour by subsidiary status only' group, the inverse relation between poverty levels and land possessed does not hold very well. All casual labourers possessing holdings below 1 hectare share a similar,

high, probability of being poor, and the poverty ratios of only the top two land status groups stand noticeably below those of all 'subsidiary status only' casual workers with smaller, or no, land holdings.

Table 36 : Poverty Among Casual Workers by Land Possessed and Employment Status : All India Rural: 1983, 1987-88, 1993-94 and 1999-2000

Employment Status	Year	Land Possessed (Hectare)					
		Landless	0 to 0.40	0.40 to 1	1.0 to 2.0	2.0 to 4.0	> 4.0
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. All Casual Labourers (2+3)	1983						
	1987-88						
	1993-94	44.79	46.58	43.96	43.28	43.20	36..
	1999-00	45.92	42.03	40.56	38.98	35.98	24.24
2. All Casual Labour by UPS	1983						
	1987-88						
	1993-94	44.81	46.73	44.46	45.93	46.34	42.08
	1999-00	45.54	41.76	40.50	41.17	39.63	33.35
Of which							
(i) Only by UPS, not SS	1983						
	1987-88						
	1993-94	44.70	46.74	44.53	45.63	46.05	42.73
	1999-00	45.02	41.99	40.46	41.16	37.62	33.47
(ii) Both by UPS and SS	1983						
	1987-88						
	1993-94	47.10	46.55	40.08	64.67	55.56	-0-
	1999-00	58.03	36.52	42.35	41.25	89.70	-0-
3. All Casual labour by SS only	1983						
	1987-88						
	1993-94	44.64	45.36	42.69	39.97	41.28	33.07
	1999-00	50.57	44.76	40.72	36.30	33.37	18.78
Of which							
(i) Self employed by UPS, but Casual by SS	1983						
	1987-88						
	1993-94	31.93	40.07	40.67	39.33	40.96	31.16
	1999-00	49.51	40.86	39.83	35.14	33.46	18.02
(ii) Regular by UPS but Casual by SS	1983						
	1987-88						
	1993-94	46.93	45.32	76.66	63.20	-0-	-0-
	1999-00	46.62	25.99	26.16	-0-	90.00	33.13
(iii) Unemployed by UPS, but Casual by SS	1983						
	1987-88						
	1993-94	17.73	36.89	63.63	-0-	99.14	77.61
	1999-00	-0-	40.05	13.78	-0-	34.41	-0-
(iv) Non-worker by UPS but Casual by SS	1983						
	1987-88						
	1993-94	49.60	50.32	50.71	47.36	43.22	52.82
	1999-00	51.62	51.39	51.20	51.78	28.85	31.78

Notes : (1) Estimates for 1983, 1987-88 and 1993-94 are based on the data from the household consumption questionnaire. Those for 1999-2000 come from the abbreviated consumption questionnaire canvassed along with the 1999-2000 employment survey.

- (2) The poverty ratios for 1999-00 cannot be compared with estimates for earlier years, but within each year, poverty ratios for different groups by sex and employment status, can be compared.
- (3) In the two topmost land status groups, small sample size is responsible for 'outlier' estimates for the smallest sub categories by employment status. The small sub-categories are 2(ii) Both by UPS and SS, 3(ii) and 3(iii), respectively, regular by UPS but casual by SS, and 'unemployed by UPS, but casual by SS'.

In general, casual workers in the non-farm sector are considerably better off than casual labourers in agriculture. This holds for all employment status groups except the small subset who are casual labourers both by usual principal status, and by subsidiary status. Among this lot it appears that the ones engaged in non-agricultural pursuits are at least as badly off as the ones working in agriculture. This phenomenon appears in both 1993-94 and 1999-2000, as can be seen in table 37.

Table 37: Poverty Among Casual Workers by Broad Sector and Employment Status : All India Rural : 1983, 1987-88, 1993-94 and 1999-00

Employment Status	Sector							
	Agriculture				Non-Agriculture			
	1983	1987-88	1993-94	1999-00	1983	1987-88	1993-94	1999-00
1. All casual Labourers (2+3)			46.28	42.78			37.03	32.71
2. All Casual Labour by UPS			47.53	43.87			37.03	31.66
Of which								
(i) Only by UPS, not SS			47.56	44.00			36.27	31.00
(ii) Both by UPS and SS			46.65	39.82			47.72	41.47
3. All casual labour by SS only			39.91	36.44			37.05	42.03
Of which								
(i) Self employed by UPS, but Casual by SS			39.88	36.42			35.60	43.80
(ii) Regular by UPS but casual by SS			54.79	54.57			48.86	22.20
(iii) Unemployed by UPS, but casual by SS			-0-	-0-			-0-	-0-
(iv) Non-worker by UPS but Casual by SS			-0-	-0-			100.00	-0-

The prevalence poverty among casual workers engaged in some economic activities is consistently higher than the poverty ratios of those engaged in others. However disaggregating casual workers by both industrial sector and employment status creates problems of inadequate sample size. Mining and quarrying, electricity, gas and water supply and financial services are sub sectors suffering most acutely from this problem. Nonetheless, it is perfectly clear that casual workers in public utilities, and in financial services and real estate are the least poor, while casual workers in the small mining and quarrying sub-sector record poverty ratios somewhat below the average for all casual workers.

Leaving these three minor sub-sectors aside, the remaining six major sub-sectors can be ranked according to the prevalence of poverty among casual workers employed in them.

Among all casual workers, in 1993-94, those engaged in agriculture were the poorest, those employed in construction the second poorest, closely followed by

community, social and personal services and manufacturing. Casual workers engaged in trade and transport were the least poor, with poverty ratios of the order of 32 to 33 in 1993-94. The ranking changes considerably in 1999-2000, but casual workers in community, social and personal services, and agriculture(in that order) continue to suffer the highest poverty ratios. The relative position of casual workers in trade appears to have deteriorated, while the rank of casual workers in construction and manufacturing has improved compared to their position in 1993-94.

A longer time series is needed to determine whether or not these changes in poverty ranking are consistent with long term trends.

Table 38: Poverty Among Casual Workers by Industrial Sector and Employment Status : All India Rural : 1983, 1987-88, 1993-94 and 1999-00

Industrial Sector																
All Casual Workers					Employment Status					Self employed by UPS but casual by SS						
All UPS Casual Workers					All Casual Workers by SS Only					Self employed by UPS but casual by SS						
1983	1987-88	1993-94	1999-00	1983	1987-88	1993-94	1999-00	1983	1987-88	1993-94	1999-00	1983	1987-88	1993-94	1999-00	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
1. Agriculture			46.28	42.78			47.53	43.87			39.91	36.49			39.88	36.42
2. Mining and Quarrying			37.95	25.16			37.83	24.55			36.94	80.56			58.90	95.76
3. Manufacturing			35.49	30.67			35.80	28.04			33.54	43.27			31.53	46.41
4. Electricity, Gas, Water Supply			8.62	12.81			8.96	14.13			-0-	-0-			-0-	-0-
5. Construction			40.03	34.67			39.93	34.59			47.76	42.92			46.13	48.52
6. Trade, hotels restaurants			32.00	29.94			23.31	24.63			41.58	44.25			41.64	43.77
7. Transport, storage and Communications			32.89	23.76			30.70	21.54			44.93	40.44			47.93	42.39
8. Financial services, Real estate			18.52	31.41			21.30	32.59			-0-	-0-			-0-	-0-
9. Community, social, personal services			36.21	44.77			36.48	46.30			34.99	35.57			28.84	33.96

Notes : 1. Sub categories of 'All UPS casual workers' and of 'casual workers by SS'

Notes : 1. Sub categories of 'All UPS casual workers', and of 'casual workers by SS only, (except the self employed by UPS, but casual by SS), have been left out because of small sample size in several industrial categories. Mining and quarrying, electricity gas and water supply and financial services and real estate all suffer from inadequate sample size, with either the sample number of the poor close to or equaling zero, or the sample number of the non-poor close to or equaling zero.

IV. The Regional Dimension

This part is arranged in a number of major sections.

The first one looks at two potentially useful measures of *casual labour density*. The first purpose of these measure is to identify those states where casual labourers and casual labour households account for a high (or low) share of their respective populations. The measures can then be used as an input into the analysis of causation.

The second section focuses on interstate variations in casual workforce structure and in the prevalence of poverty among specified sub-categories within the larger set of casual workers.

Section three explores the nature and strength of possible links between the attributes of casual workers and the prevalence of poverty among them.

The final section seeks to find answers to the larger questions of causation, such as what factors lie behind the observed interstate differences in the density of casual labour, the share of different subcategories within them, and the prevalence of poverty among them.

1. Casual Labour Density at the State Level

(i) Casual Worker Density

In recent years, in the vast majority of states, casual labour density, (by UPS), has increased. That is, in the typical state, the share of casual labourers (by UPS), has gone up. There are exceptions, but they are few and far between, and some of them are among the small states for which small sample size makes, even the direction of change, in doubt.

There are states where there has been little or no change, for example: Haryana, and Kerala. There are several also, where the casual labour workforce (by UPS) has contracted in terms of its share in the total workforce. These include, in alphabetical order: Assam, Goa, Nagaland, Punjab and Rajasthan and Sikkim. The Assam, Punjab and Rajasthan cases should be taken seriously. It raises questions. What is happening

here and in Kerala and Haryana, which has casual the long term trend in favour of increasing shares of casual labour in the casual workforce, to come to a halt, and even to reverse itself? The answer may have obvious implications for poverty reduction efforts, given the fact that in some of these states, rural poverty ratios are lower than anywhere else.

The ranking of states according to UPS casual labour density is remarkably stable. States which have very high concentrations of casual labour in their workforces continue to be ranked among the first five or six. Other states record persistently low shares of casual workers in their rural workforces.

Tamil Nadu, Kerala, Andhra Pradesh and Maharashtra continue to remain at the top, followed by Bihar. Orissa is one of the very few states whose rankings have changed by more than three points. Casual labour workforce density there has gone up from 42 per cent to 49 per cent. Gujarat's rank has gone up from 4th place to 10th, following a slightly smaller increase in casual labour density, from 46 per cent to 50 per cent. The detailed record, (for recent years only) can be seen in table 39.

Table 39: Casual Worker Density at the State Level by Major Employment Status Groups: All India Rural 1983, 1987-88, 1993-94 and 1999-2000

State	Usual Principal Status				Subsidiary Status Only				All Casual Workers			
	1983	1987-88	1993-94	1999-00	1983	1987-88	1993-94	1999-00	1983	1987-88	1993-94	1999-00
1. Andhra Pradesh			47.97 (3)	49.05 (3)								
2. Arunachal Pradesh			4.31 (23)	8.38 (23)								
3. Assam			30.77 (14)	27.86 (14)								
4. Bihar			44.21 (6)	44.58 (7)								
5. Goa			36.56 (10)	33.29 (12)								
6. Gujarat			46.32 (4)	49.93 (10)								
7. Haryana			25.66 (15)	25.19 (15)								
8. Himchal Pradesh			10.03 (21)	14.56 (19)								
9. Jammu & Kashmir			12.63 (20)	14.02 (20)								
10. Karnataka			40.96 (8)	45.14 (6)								
11. Kerala			48.59 (2)	48.87 (5)								
12. Madhya Pradesh			35.73 (11)	40.62 (11)								
13. Maharashtra			45.51 (5)	49.04 (4)								
14. Manipur			7.11	10.97								

neither agricultural nor other, labour. In the residual household category, "others", 11 per cent of the workers are casual labour, although the dominant set are regular salaried workers. Among those whose major income source is self-employment in non-agriculture, close to ten per cent of workers in the household are casual labourers. Comparatively, very few casual labourers belong to households whose main income source is self employment in agriculture. Thus in both "self employed" household groups, the vast majority of workers are themselves self employed, and in most labour households, the vast majority work as casual labourers. Further details can be seen in table 40.

Table 40 : Percentage Distribution of Persons by Household Type and Employment Status: All India (1999-2000)

Household type (by Main Income Source)	Employment Status of Workers (Persons)		
	Self employed	Regular Salaried	Casual Workers
1. Self employed in agriculture	93.9	2.4	3.7
2. Self employed in non-agriculture	86.8	3.5	9.7
3. Agricultural Labour	7.8	3.5	88.7
4. Other Labour	13.7	15.3	71.0
5. Other households	39.1	49.7	11.2
6. All Household Types	53.0	7.5	39.5

Note : Row percentages add up to 100.0 percent.

Within each set of households by main income-source, there are some households where all workers are casual labourers, and some households, at the other end of the scale, where less the half of all workers are casual labourers.

In the vast majority of agricultural labour households, (83 per cent), all workers are casual labourers. In most, (63 per cent) of other labour households, all workers are casual labourers. However, among both agricultural and other labour households, there is a significant minority in which the concentration of casual workers is much lower.

In almost 15 percent of agricultural labour households less than 75 per cent of the workers are casual labourers, and in 6.5 per cent of such households, less than half of all workers are engaged in casual labour. The corresponding figures for "other labour households" are much higher. In 22.8 per cent of such households, less than half the workers are casual labourers.

Thus while most casual labour households depend solely on the earnings of casual workers, there is a substantial contingent of households in which other workers constitute

a substantial subset, or even the majority of all workers in the households. The workforce in "other labour households" is considerably more diversified than the workforce within agricultural labour households.

Table 41: Distribution of Households by percent of Casual Workers in All Workers in the Household : All India Rural 1999-2000

Household Type (by Main Income Source)	Percent of All Workers who Are Casual Workers			
	All Workers are casual (100%)	At least 75% are casual workers	50 to 75% are casual workers	Less than 50 per cent are casual
1. Self employed in agriculture	0.7	0.1	1.9	97.3
2. Self employed in non-agriculture	1.3	0.3	6.5	91.9
3. Agricultural Labour	63.0	1.0	13.2	22.8
4. Other Labour	63.0	1.0	13.2	22.8
5. Other Households	3.8	.2	3.9	92.1
6. All rural households	28.1	0.6	5.6	65.7

Notes: 1. Row percentages add up to 100%

In rural India as a whole casual labour household density is slowly rising. By 1999-2000, fully 41 per cent of all rural households reported casual labour as their main income source, and 33 percent depended mainly on casual work in agriculture. For many households this implies place, a "double insecurity". In the first place incomes from casual labour are inherently intermittent, seasonal and uncertain. Secondly, many drought prone states exhibit wide year to year fluctuations in the density of casual labour households, indicating the some households move into this category, and other move out, depending on the rains in that particular region. Thus the category, 'casual labour household's, is itself an unstable one in most, if not all, regions.

In the absence of effective unemployment insurance or employment guarantee schemes, casual labour household densities approaching, or exceeding, 50 per cent of all rural households imply that the majority of the rural household population live in a state of great insecurity with respect to both employment and income. The densities reached in Tamil Nadu (59 per cent), Maharashtra (49 per cent), Andhra Pradesh (49 per cent), Orissa (48 per cent), and Karnataka (47 per cent) give grounds for serious concern.

Table 42 provides details.

Table 42 : Density of Casual Labour Households at the state Level in Rural India by Type of Casual Labour Household; 1983, 1987-88, 1993-94 and 1999-2000 (% of all rural households)

State	Household Type	Reference Year			
		1983	1987-88	1993-94	1999-2000
1. Andhra Pradesh	Ag Labour HH	41.6	39.5	41.5	42.5
	Other Labour HH	6.8	8.9	8.3	6.5
	All Casual lab. HH	48.4 (4)	48.4 (3)	49.8 (2)	49.0 (3)
2. Arunachal Pradesh	Ag Labour HH	-	0.5	3.5	6.7
	Other Labour HH	-	14.2	1.3	6.4
	All Casual lab. HH	-	14.7 (21)	4.8 (24)	13.1 (22)
3. Assam	Ag Labour HH	19.5	19.7		17.2
	Other Labour HH	10.15	11.1		16.5
	All Casual lab. HH	29.6 (15)	30.8 (15)	34.8 (10)	33.7 (14)
4. Bihar	Ag Labour HH	37.1	36.1	39.3	38.0
	Other Labour HH	2.8	6.4	3.4	4.3
	All Casual lab. HH	39.9 (9)	42.5 (9)	42.6 (7)	42.3 (9)
5. Goa	Ag Labour HH	17.2	14.4	19.4	13.9
	Other Labour HH	32.5	19.8	12.2	24.3
	All Casual lab. HH	49.6 (2)	34.2 (12)	31.6 (13)	38.2 (12)
6. Gujarat	Ag Labour HH	30.7	34.3	37.8	34.8
	Other Labour HH	6.7	16.2	10.0	8.6
	All Casual lab. HH	37.4 (10)	50.5 (2)	47.8 (4)	43.4 (8)
7. Haryana	Ag Labour HH	20.2	19.7	15.9	18.7
	Other Labour HH	11.6	7.1	14.3	8.7
	All Casual lab. HH	31.8 (13)	26.8 (16)	30.2 (14)	27.4 (15)
8. Himachal Pradesh	Ag Labour HH	2.2	4.8	2.9	4.0
	Other Labour HH	5.1	10.0	12.4	17.4
	All Casual lab. HH	7.4 (22)	14.8 (20)	15.3 (19)	21.4 (19)
9. Jammu & Kashmir	Ag Labour HH	6.4	5.6	3.4	5.3
	Other Labour HH	10.9	13.5	11.5	8.8
	All Casual lab. HH	17.3 (19)	19.1 (18)	14.9 (20)	14.1 (21)
10. Karnataka	Ag Labour HH	36.6	39.3	37.7	41.7
	Other Labour HH	6.0	7.1	3.8	5.2
	All Casual lab. HH	42.6 (7)	46.4 (5)	41.5 (8)	46.9 (5)
11. Kerala	Ag Labour HH	31.7	30.1	28.2	21.8
	Other Labour HH	17.6	17.7	19.6	24.7
	All Casual lab. HH	49.3 (3)	47.8 (4)	47.8 (4)	46.5 (6)
12. Madhya Pradesh	Ag Labour HH	30.2	31.4	34.9	36.7
	Other Labour HH	3.5	4.0	5.0	4.6
	All Casual lab. HH	33.6 (11)	35.4 (11)	39.9 (9)	41.3 (10)
13. Maharashtra	Ag Labour HH	38.6	38.6	41.2	41.7
	Other Labour HH	7.1	7.8	8.5	7.4
	All Casual lab. HH	45.7 (6)	46.4 (5)	49.7 (3)	49.1 (2)
14. Manipur	Ag Labour HH	10.1	5.4	5.7	9.2
	Other Labour HH	0.5	3.7	3.3	1.6
	All Casual lab. HH	10.7 (21)	9.1 (23)	9.0 (23)	10.8 (23)
15. Meghalaya	Ag Labour HH	21.2	8.7	12.4	10.4
	Other Labour HH	3.6	5.9	5.8	4.7
	All Casual lab. HH	24.8 (16)	14.6 (22)	18.2 (18)	15.2 (20)
16. Mizoram	Ag Labour HH	0.1	2.0	8.9	5.6
	Other Labour HH	2.0	1.5	1.0	2.7
	All Casual lab. HH	2.1 (23)	3.5 (24)	9.9 (21)	8.3 (24)
17. Nagaland	Ag Labour HH	No	No	2.5	1.0
	Other Labour HH	Survey	Survey	1.5	2.0
	All Casual lab. HH			4.0 (25)	3.0 (25)
18. Orissa	Ag Labour HH	36.4	35.2	25.5	43.3
	Other Labour HH	4.6	7.5	3.7	4.6

19. Punjab	All Casual lab. HH	41.0 (8)	42.7 (8)	29.2 (15)	47.9 (4)
	Ag Labour HH	25.3	28.1	27.7	24.6
	Other Labour HH	6.3	7.6	7.1	10.1
20. Rajasthan	All Casual lab. HH	31.6 (14)	35.7 (10)	34.8 (10)	34.7 (13)
	Ag Labour HH	11.1	12.7	10.0	7.9
	Other Labour HH	6.2	21.5	16.4	15.6
21. Sikkim	All Casual lab. HH	17.3 (20)	34.2 (12)	26.4 (16)	23.5 (17)
	Ag Labour HH	9.8	10.7	7.2	9.3
	Other Labour HH	9.9	6.3	2.3	13.1
22. Tamil Nadu	All Casual lab. HH	19.7 (18)	17.0 (19)	9.5 (22)	22.4 (18)
	Ag Labour HH	42.2	40.2	42.1	45.2
	Other Labour HH	10.2	13.2	12.6	13.8
23. Tripura	All Casual lab. HH	52.4 (1)	53.4 (1)	54.7 (1)	59.0 (1)
	Ag Labour HH	12.2	11.0	15.2	17.0
	Other Labour HH	21.4	20.8	19.1	22.5
24. Uttar Pradesh	All Casual lab. HH	33.5 (12)	32.4 (14)	34.3 (12)	39.5 (11)
	Ag Labour HH	18.0	20.1	15.3	19.0
	Other Labour HH	4.1	5.5	3.9	5.8
25. West Bengal	All Casual lab. HH	22.1 (17)	25.6 (17)	9.2 (17)	24.8 (16)
	Ag Labour HH	38.5	35.9	32.6	38.2
	Other Labour HH	8.1	7.6	10.3	
All India	All Casual lab. HH	46.5 (5)	43.5 (7)	42.9 (6)	43.7 (7)
	Ag Labour HH	30.7	30.7	30.3	33.2
	Other Labour HH	6.6	9.0	8.0	8.0
	All Casual lab. HH	37.3	39.7	38.3	41.2

Notes: 1. States are ranked from the highest casual labour household density (1) to the lowest (25).

Part V : In Lieu of Conclusions

As it stands, the contribution of this paper lies mainly in the typology that has been developed on the basis of the kinds of information available on the NSS employment survey CDs, and in the quantification of derived variables, including poverty ratios. In effect what has been done is to build a launching pad for a more analytical investigation into the factors responsible for the prevalence of poverty among casual labourers.

To carry forward the work it is proposed to on to questions of causation, using the regional data already assembled in the form of classifications of casual workers and their attributes, discussed in the all-India presentations of Part II. This information is to be combined with complementary state level data on government expenditure generally, and infrastructure investment in particular.

Finally, it is proposed to extend the analysis to cover the number of days worked, unemployment rates, wages and earnings of casual workers.

The findings are then to be set in the context of existing literature.

Thus there are no real 'conclusions', yet, to this work. For rural casual workers, we expect the results of analysis to be roughly, in line with those of others,³¹ who have used state level data to analyse the factors associated with variations in poverty with respect to the rural population as a whole.

Appendix II: Poverty Lines: Official Methodology

(Rs. Per month per capita)

States	Rural					
	1973-74	1977-78	1983-84	1987-88	1993-94	1999-2000
Andhra Pradesh	41.71	50.88	72.66	91.94	163.02	262.94
Assam	49.82	60.29	98.32	127.40	232.05	365.43
Bihar	57.68	58.93	97.48	120.36	212.16	333.07
Goa	50.47	58.07	88.24	115.61	194.94	318.63
Gujarat	47.10	54.70	83.29	115.00	202.11	318.94
Haryana	49.95	59.37	88.57	122.90	233.79	362.91
Himachal Pradesh	49.95	59.37	88.57	122.90	133.79	367.45
Jammu & Kashmir	46.59	61.53	91.75	124.33		367.45
Karnataka	47.24	51.95	83.31	104.46	186.63	309.59
Kerala	51.68	58.88	99.35	130.61	243.84	374.79
Madhya Pradesh	50.20	56.26	83.59	107.00	193.10	311.34
Maharashtra	50.47	58.07	88.24	115.61	194.94	318.63
Orissa	46.87	58.89	106.28	121.42	194.03	323.92
Punjab	49.95	59.37	88.57	122.90	233.79	362.68
Rajasthan	50.96	57.54	80.24	117.52	215.89	344.83
Tamil Nadu	45.09	56.62	96.15	118.23	196.53	307.64
Uttar Pradesh	48.92	54.21	83.85	114.57	213.01	336.88
West Bengal	54.49	63.34	105.55	129.21	220.74	350.17
Dadra & Nagar Hawali	50.47	58.07	88.24	115.61	194.94	318.63
Delhi	49.95	59.37	88.57	122.90	233.79	362.68
All India	49.63	56.84	89.50	115.20	205.84	327.56

Notes: 1. In the Expert Group, poverty ratios for some states have not been calculated separately, but have been adopted from those of other states. The details are as follows :

- (i) Poverty Ratio of Assam is used for Sikkim, Arunachal Pradesh, Meghalaya, Mizoram, Manipur, Nagaland and Tripura.
- (ii) Poverty Ratio of Tamil Nadu is used for Pondicherry and Andaman & Nicobar Islands.
- (iii) Poverty Ratio of Kerala is used for Lakshdweep
- (iv) Poverty Ratio of Goa is used for Daman & Diu
- (v) urban Poverty Ratio of Punjab used for both rural and urban poverty of Chandigarh
- (vi) In 1993-94, poverty ratio of Himachal Pradesh is used for Jammu & Kashmir.

2. The poverty line (implicit) at the all-India level is worked out from the expenditure class-wise distribution of persons and the poverty ratio at the all-India level. The poverty ratio at the all-India level is obtained as the weighted average of the state-wise poverty ratios.

³¹ In particular S.K. Thorat, Peter Hazell, Shenggen Fan on the factors accounting for interstate variations in poverty.

Appendix Table III :Ranked State Rural Poverty Ratios : 1993-94 and 1999-2000(a) – from Abridged Consumption Schedule from Employment Survey and 1999-2000 (b) – from Consumption Survey 1999-2000

1993-94 Rank	State	Ranks (Poverty Ratios in Brackets)		
		1993-94	1999-2000 (a)	1999-2000 (b)
1	Nagaland	(3.09)	(0.87)	(0.21)
2	Goa	(4.99)	(4.86)	(nil)
3	Mizoram	(6.49)	(10.23)	(2.85)
4	Punjab	(12.83)	(11.87)	(6.19)
5	Jammu & Kashmir	(14.19)	(6.56)	(3.93)
6	Andhra Pradesh	(15.45)	(13.61)	(10.85)
7	Manipur	(19.38)	(17.46)	(13.54)
8	Gujarat	(21.13)	(18.35)	(12.50)
9	Meghalaya	(23.32)	(6.93)	(5.94)
10	Tripura	(24.01)	(21.23)	(16.53)
11	Kerala	(25.26)	(18.37)	(9.37)
12	Rajasthan	(26.36)	(17.51)	(13.44)
13	Haryana	(28.46)	(13.48)	(7.41)
14	Karnataka	(30.24)	(30.14)	(16.84)
15	Himachal Pradesh	(30.72)	(16.89)	(7.86)
16	Sikkim	(31.83)	(27.26)	(21.17)
17	Tamil Nadu	(32.85)	(32.02)	(20.37)
18	Maharashtra	(36.85)	(33.35)	(23.49)
19	Madhya Pradesh	(40.84)	(44.82)	(37.25)
20	West Bengal	(41.74)	(43.78)	(31.46)
21	Uttar Pradesh	(42.33)	(35.54)	(31.06)
22	Arunachal Pradesh	(43.54)	(40.14)	(22.33)
23	Assam	(46.18)	(48.61)	(40.03)
24	Orissa	(48.74)	(54.29)	(48.39)
25	Bihar	(58.19)	(51.59)	(44.09)
	All India	(36.80)	(33.82)	(26.56s)

DRAFT

CASUAL LABOURERS IN RURAL AREAS

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CHRONIC POVERTY AMONG INDIAN ELDERLY

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INTRODUCTION

Aging of population is a major aspect of the process of demographic transition. The developed regions of the world being ahead of the developing countries with respect to demographic transition have already experienced its consequences and the developing world is currently facing a similar situation. Although the proportion of the elderly, defined as consisting of those aged 60 and above in a population, seems to be relatively small in some of the developing countries, they have more elderly persons in absolute terms because of their large population base. The recent emphasis on studies pertaining to the elderly in the developing world is attributed to their increasing numbers and deteriorating conditions. While the increasing number is attributed to demographic transition, the deteriorating economic and social conditions is a result of the fast-eroding traditional family system in the wake of rapid modernization, migration and urbanization. Projected increases in both the absolute and relative size of the elderly population in many third world countries is a subject of growing concern for public policy (Treas and Logue, 1986; Grigsby 1993; Kinsella and Velkoff, 2001; World Bank 1994; 2001; United Nations, 2002; Bordia and Bhardwaj, 2003; Liebig and Irudaya Rajan, 2003). These increases in elderly population are the result of changing fertility and mortality regimes over the last 40 to 50 years. The combination of high fertility and declining mortality during the twentieth century has resulted in large and rapid increases in elderly populations as successively larger cohorts step into old age. Further, the sharp decline in fertility experienced in recent times is bound to lead to an increasing proportion of the elderly in the future. Besides, given that these demographic changes have been accompanied by rapid and profound socio-economic changes, cohorts might differ in their experience as they join the ranks of the elderly.

Against this backdrop, we may now preface our discussion with an account of the structure and size of the elderly. The number of elderly in the developing countries has been growing at a phenomenal rate; in 1990 the population of 60 years and above in the developing countries exceeded that of the developed countries. According to present indications, most of this growth will take place in developing countries and over half of it will be in Asia (World Bank 1994). Obviously, the two major population giants of Asia, namely India (Irudaya Rajan, Mishra and Sarma, 1996; 1999; 2000; 2001) and China (Irudaya Rajan, 1994) will contribute a significant proportion of this growing elderly (Irudaya Rajan, Sarma and Mishra, 2003)

AGEING: GLOBAL SCENARIO

The population of the world in 2000 stood at 6.1 billion: it is expected to reach 9.3 billion by 2050. Between 1950 and 2150, the world population would have increased fourfold. Interestingly, between 1995 and 2000, it is estimated that 81 million people were added to the world population each year (United Nations, 1998). The likely future (assuming medium fertility) scenario of world population will be as follows (Table 1).

Table 1: Global Scenario of the Aged, 1950-2050

Year	Population (in Billions)	Percentage of elderly 60 and above	Percentage of elderly 65 and above	Percentage of elderly 80 and above
FEMALES				
1950	1.262	9.0	5.9	0.7
1975	2.022	9.7	6.6	1.0
2000	3.006	11.1	7.9	1.5
2025	3.952	16.3	11.6	2.5
2050	4.669	22.7	17.3	5.0
MALES				
1950	1.257	7.3	4.5	0.4
1975	2.043	7.5	4.8	0.6
2000	3.051	8.9	5.9	0.8
2025	3.984	13.6	9.2	1.4
2050	4.652	19.4	14.0	3.1
PERSONS				
1950	2.519	8.2	5.2	0.3
1975	4.065	8.6	5.7	0.3
2000	6.056	10.0	6.9	0.6
2025	7.937	15.0	10.4	1.3
2050	9.322	21.1	14.8	3.1

Source: United Nations (2002)

The proportion of the elderly in the world population is expected to increase rapidly from 10.0 per cent in 2000 to 15.0 in 2025 and to 21.1 per cent by 2050 (Table 1). In absolute terms, this will mean an increase from 0.61 billion in 2000 to 2.0 billion in 2050. The absolute number and percentage of the elderly among females are much higher than among the males indicating the feminization of aging. Although in 2000 the world population of children below 14 years was estimated to be 3.0 times higher than those aged 60 and above, the elderly population is expected to surpass the number of children below 14 years by 2050. In the years to come, the growth rate among the elderly is expected to be much higher than that of the general population.

Among the elderly, the number of the oldest old (those aged 80 and above) will increase more rapidly compared to other segments of the elderly. According to the projections, their number is expected to increase from 67 million in 2000 to 1.0 billion in 2050. During 2000-2005, among all the conventional age groups (0-4, 5-14, 15-64, 65-74, 75-84, 85+), the growth rate is expected among the oldest

old. Among the oldest old, the sex ratio (males per 100 females) is just 58 indicating the preponderance of females in the very advanced age groups. Interestingly, in 2000, there were 180,000 centenarians in the world; among them 150,000 were females (United Nations, 2002). This is due to higher life expectancy among older women compared to their male counterparts.

AGEING: THE INDIAN SCENARIO

The projections made by the present author on the basis of 2001 census have shown that the population of India consisting of 28 states and 7 Union Territories had a total elderly population of 71 million¹. In 1961, the elderly population was only 24 millions; it increased to 43 million in 1981 and to 57 millions in 1991. The proportion of elderly persons in India has risen from 5.63 per cent in 1961 to 6.58 in 1991 (Irudaya Rajan, Mishra and Sarma, 1999) and to 7.1 per cent in 2001. This is also true of other older age groups. The elderly population aged 70 and above which was just 8 million in 1961 rose to 21 million in 1991 (almost 3 times in 30 years) and to 27.1 million in 2001. The proportion of elderly above 70 to total population has increased from just 2.0 in 1961 to 2.7 in 2001. In 1961, Indian Census reported 99,000 centenarians; this number has gone up to 138,000 in 1991. The growth rate among different groups of elderly namely 60 plus, 70 plus and 80 plus during the decade 1981-91 was much higher than the general population growth rate of 2 per cent per annum. The sex ratio among elderly in India favors males as against the trend prevalent in other parts of the world (more details, see Tables 2 and 3).

Table 2: Number and Proportion of Elderly by Different Age Groups, India, 1961-1991.

Age	Number (in thousands)				Percentage of elderly to total population			
	1961	1971	1981	1991	1961	1971	1981	1991
60+	24712	32699	43167	56682	5.63	5.97	6.49	6.76
70+	8620	11324	15485	21074	1.96	2.07	2.33	2.51
80+	2484	3200	4127	6375	0.57	0.58	0.62	0.76
90+	528	688	735	1221	0.12	0.13	0.11	0.15
100+	99	130	132	138	0.02	0.02	0.02	0.02

Note: Compiled by the author from the last four censuses.

¹ At the time of writing this article, data on age and sex distribution of the population of the 2001 census is not available. We have therefore projected the elderly population for the periods 2001 to 2051 using earlier census data sets and making assumptions regarding future fertility and mortality.

Table 3: Sex Ratio and Growth Rate among Indian Elderly, 1971-1991

Age	Sex Ratio (males per 1000 females)			Growth rate of Elderly	
	1971	1981	1991	1971-1981	1981-91
60+	1066	1042	1075	2.78	2.72
70+	1030	1026	1084	3.13	3.08
80+	950	990	1090	2.54	4.35
90+	897	892	1019	0.66	5.08
100+	798	844	896	0.19	0.44

Note: Estimated by the author.

India is one of the few countries in the world where males outnumber females. This phenomenon among elderly is of prime importance because female life expectancy at ages 60 and 70 is slightly higher than that of males. However, at any given age, there are more widows than widowers. Reasons for this unusual phenomenon need to be identified in a wider context. Since the beginning of the 20th century, life expectancy at birth among Indian males had been higher than that among females until the first half of the 1990s. Besides this unusual demographic pattern of excess female mortality at infant and childhood ages, the analysis is further complicated by the phenomenon of age exaggeration among the aged. Thus, the above observation of more males in old age does not reveal a true picture of situation among elderly persons (details, see Mari Bhat, 1992; Irudaya Rajan, Sama and Mishra, 2003). In India, the sex ratio of the aged as well as that of the old-old favors males. Reasons for more males in old age may consist of under-reporting of females, especially widows, age exaggeration, low female life expectancy at birth, and excess female mortality among infants, children and adults (Sudha and Irudaya Rajan, 1999; 2003; Irudaya Rajan, Sudha and Mohanachandran, 2000; Mari Bhat, Navaneetham and S Irudaya Rajan, 1995; Mari Bhat 2002). Notwithstanding the several analytical and statistical problems indicated above, it cannot be disputed that the preponderance of females in extreme old ages need to be brought to the attention of planners and policy makers.

According to the 1991 census, seventy eight per cent of the Indian elderly lived in rural areas. The percentage of aged living in rural areas was 7.22 compared to 5.37 in urban areas. Over the last 20 years, the rural share of the elderly has been increasing steadily; out of 100 elderly persons in India, four-fifths are found in rural areas. (Irudaya Rajan, Mishra, Sama, 1999).

Available findings on aging suggest that fertility has played a predominant role in the aging process compared to mortality. As far as India is concerned, there has been a substantial reduction in mortality compared to fertility since 1950. For instance, while the crude birth rate declined from 47.3 during 1951-61 to 22.8 in 1999, the crude death rate fell steeply from 28.5 to 8.4 during the

same period. Logically, therefore, India is expected to undergo a faster decline in fertility in the immediate future compared to mortality because mortality is already at a low level. The aging process in India will, therefore, be faster than in other developing countries. Moreover, the transition from high to low fertility is expected to narrow the age structure at its base and broaden the same at the top. In addition, improvement in life expectancy at all ages will allow more old people to survive thus intensifying the ageing process. In this context, an examination of the increasing life expectancy indicates that the gain is going to be shared more and more by older people which will make them live still longer. Table 4 provides evidence to support this observation. As can be seen, males are expected to live 16 years beyond age 60 and 10 years beyond age 70 and the corresponding years for females are 18 and 11 respectively. Urban females are expected to live for an additional two years at age 60 compared to their rural counterparts.

Table 4: Expectation of life at ages 60 and 70 for India

Period	Male			Female		
	e0	e60	e70	e0	e60	e70
Rural						
1970-75	48.9	13.1	8.3	47.1	13.9	8.8
1976-80	51.0	13.8	9.4	50.3	15.7	10.8
1981-85	54.0	14.4	9.4	53.6	15.9	10.4
1986-90	56.1	14.6	9.4	56.2	15.9	10.0
1991-95	58.5	15.0	9.7	59.3	16.7	10.7
1993-97	59.3	15.3	10.0	60.2	17.1	11.1
Urban						
1970-75	58.8	15.1	10.5	59.2	16.5	11.1
1976-80	59.6	15.4	10.6	60.8	17.0	11.4
1981-85	61.6	15.8	10.8	64.1	18.0	12.5
1986-90	62.0	15.1	9.7	64.9	17.2	11.1
1991-95	64.5	16.7	11.2	67.3	18.6	12.3
1993-97	65.1	16.9	11.4	68.0	19.0	12.7
Total						
1970-75	50.5	13.4	8.6	49.0	14.3	9.2
1976-80	52.5	14.1	9.6	52.1	15.9	10.9
1981-85	55.4	14.6	9.7	55.7	16.4	11.0
1986-90	57.7	14.7	9.4	58.1	16.1	10.1
1991-95	59.7	15.3	10.0	60.9	17.1	11.0
1993-97	60.4	15.5	10.1	61.8	17.5	11.4

Note: Compiled from life tables produced by the Registrar General of India.

EMERGING AGING SCENARIO, 2001-2051

One of the major objectives of this paper is to assess the emerging ageing scenario of India in the first half of the 21st century. Towards this end, we have projected the elderly population of 28 states

and 7 union territories by dividing the country into six major regions: south, west, central, east, north and northeast (For more details about the division, see Table 5). Table 5 gives the distribution of the elderly falling in the 60+ category and Table 6 and 7 of those falling in the 70+ and 80+ categories. The tables give a region-wise profile of the elderly classified by ages 60 and above, 70 and above and 80 and above in terms of size, proportion and gender. The age pyramids present the emerging age structure of India (Figure 1). Figure 2 assesses the percentage of elderly in the population by sex.

Table 5: Number, Proportion and Sex Ratio of Elderly (60+), 2001-2051

Region	2001	2011	2021	2031	2041	2051
Numbers (in million)						
South	18.60	25.49	34.64	46.28	59.32 ¹	69.73
West	10.59	14.66	20.60	27.56	35.29	43.66
Central	16.17	21.05	28.13	37.09	50.86	69.88
East	15.03	20.86	29.36	38.77	51.39	67.33
North	8.23	11.17	15.92	22.17	30.04	39.01
Northeast	2.16	3.09	4.67	6.72	9.10	11.35
India	70.78	96.30	133.32	178.59	236.01	300.96
Percentage to the total population						
South	8.3	10.2	13.0	16.8	21.4	25.8
West	7.5	9.1	11.5	14.4	17.7	21.7
Central	6.4	6.8	7.5	8.4	9.9	11.9
East	6.8	8.0	9.9	11.7	14.4	17.8
North	6.6	7.4	9.0	11.1	13.6	16.5
Northeast	5.6	6.8	9.0	11.6	14.5	17.2
India	7.1	8.2	9.9	11.9	14.5	17.3
Sex Ratio (males per 1000 females)						
South	954	966	942	897	927	939
West	980	1005	1000	974	1005	985
Central	1114	1069	1020	995	1084	1072
East	1070	1074	1030	975	1014	1018
North	1067	1070	1048	1025	1063	1028
Northeast	1139	1139	1084	985	978	993
India	1036	1034	1004	964	1008	1007

Note: According to the 2001 census, India was administratively divided into 28 states and 7 Union Territories. To make the discussion more meaningful, we have classified the 35 units into 6 regions. (Population Projections have been made specifically for the present paper).

South: Andhra Pradesh, Kerala, Karnataka, Tamil Nadu, Pondicherry and Lakshadweep (6)

West: Goa, Gujarat, Maharashtra, Daman and Diu and Dadra Nagar Haveli (5)

Central: Madhya Pradesh, Chhattisgarh, Uttar Pradesh and Uttaranchal (4)

East: Bihar, Jharkhand, Orissa, West Bengal and Andaman & Nicobar Islands (5)

North: Delhi, Haryana, Himachal Pradesh, Jammu Kashmir, Punjab, Rajasthan and Chandigarh (7);

North East: Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim (8)

A few comments on the projections are called for. We have used the 2001 census totals and applied them to the age structure projected by the Registrar General of India as the base population (Registrar General of India, 1996; 1999); assumptions on future fertility and mortality trends are based on past trends as revealed by the Sample Registration System and other sources such as the first and second round of National Family Health Surveys (Pravin Visaria and Irudaya Rajan, 1999; Guilmoto and Irudaya Rajan, 2001; 2002; 2003; Irudaya Rajan, Sarma and Mishra, 2003). The projection period ranges from 2001 to 2051; it is also important to note that the number of projected elderly persons above 60 years of age in 2051 were already born in 1991 and were 10 years old in 2001. Given our assumptions regarding mortality, the projections are likely to be valid.

Figure 1

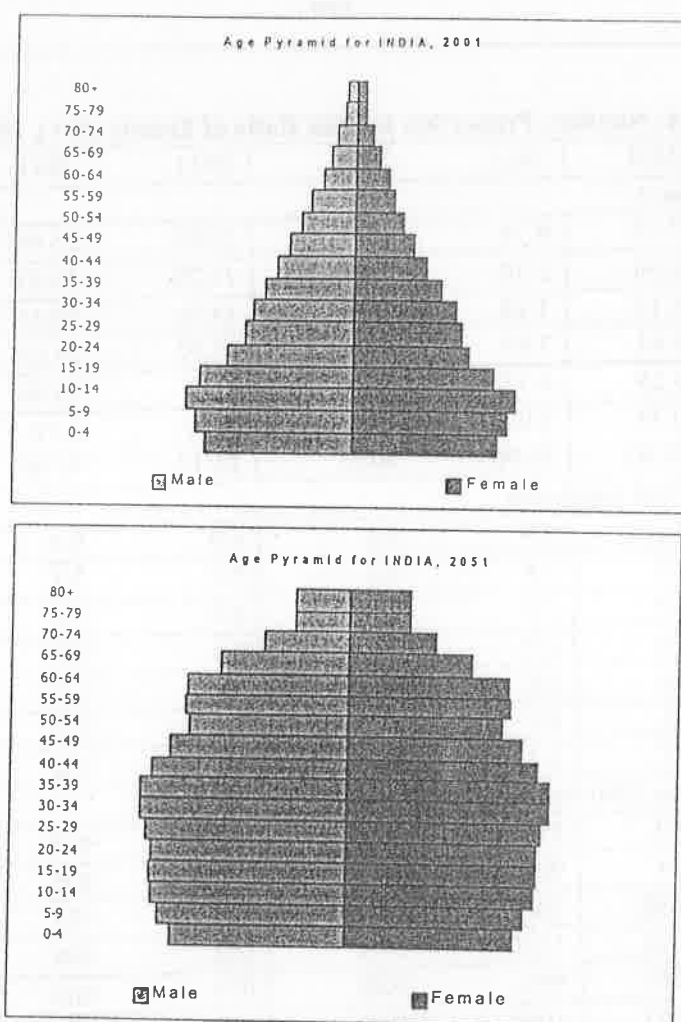


Figure 2: Percentage of Elderly 60 and Above by Sex, 1901-2051

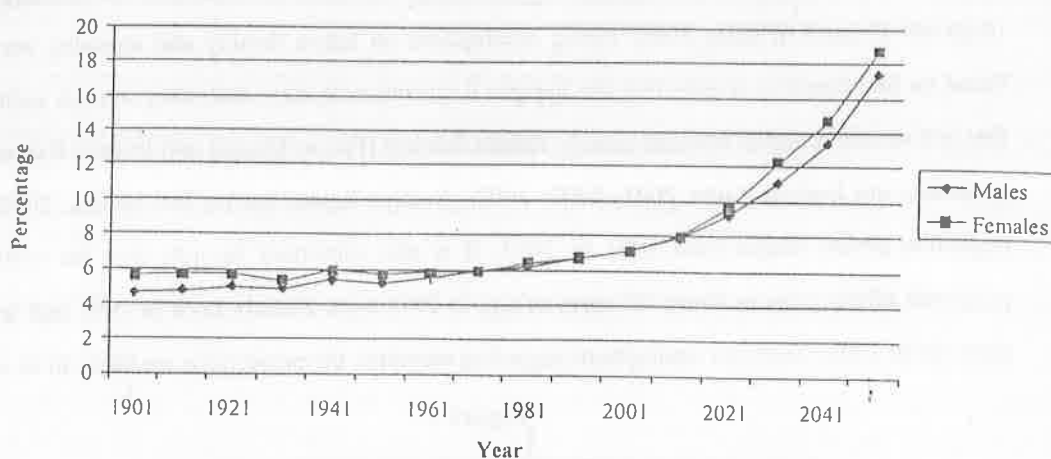


Table 6: Number, Proportion and Sex Ratio of Elderly (70+), 1991-2051.

	2001	2011	2021	2031	2041	2051
Numbers (in millions)						
South	7.17	9.76	13.69	19.05	25.96	33.61
West	4.06	5.50	7.83	11.29	15.23	19.72
Central	6.15	7.78	10.54	14.56	19.53	27.84
East	5.61	7.64	10.95	15.92	21.04	28.79
North	3.29	4.15	5.93	8.77	12.44	17.20
Northeast	0.79	1.07	1.61	2.54	3.70	5.15
India	27.07	35.90	50.55	73.13	97.90	132.31
Percentage to the total population						
South	3.2	3.9	5.2	6.9	9.4	12.4
West	2.9	3.4	4.4	5.9	7.7	9.8
Central	2.5	2.5	2.8	3.3	3.8	4.8
East	2.5	2.9	3.7	4.8	5.9	7.6
North	2.6	2.8	3.4	4.4	5.7	7.3
Northeast	2.1	2.4	3.1	4.4	5.9	7.3
India	2.7	3.1	3.8	4.8	6.0	7.6
Sex Ratio (males per 1000 females)						
South	897	878	902	868	818	861
West	894	922	948	927	895	937
Central	1098	1047	999	950	933	1046
East	1011	1010	1012	953	896	962
North	1007	996	1004	974	960	1011
Northeast	1091	1060	1082	1026	932	958
India	981	966	970	930	891	954

Note: Same as Table 5.

The size of India's elderly population aged 60 and above is expected to increase from 71 million in 2001 to 179 million in 2031 and further to 301 million in 2051. The proportion is likely to reach 12 per cent in 2031 and 17 per cent in 2051. As of 2001, South India had the highest number of elderly persons above 60 years; it is most likely to maintain its lead in the next 40 years (from 19 million in 2001 to 70 million in 2051). In fact, one-fourth of India's elderly persons live in South India indicating the low fertility and high expectation of life at birth in the region (Guilmoto and Irudaya Rajan, 1998; 2001; 2002; 2003; Irudaya Rajan and Zachariah, 1998). The lowest numbers are expected in Northeast India. Central India with the second highest number of elderly in 2001 is projected to increase its elderly population at the same rate as South India. East India also follows South and Central India and its elderly population is expected to reach 67 million in 2051. No region in India had in 2001 a proportion of elderly population above 10 per cent.

Only South India's elderly population is projected to reach 10 per cent in 2011 while West India is expected to have an elderly population above 10 per cent only in 2021. However, all other regions of India except Central India are projected to reach a level above 10 percent in 2031. Around 2051, South India is expected to have an elderly population above 25 percent, followed by West India with above 20 percent. In the other three regions (East, North and Northeast), the proportion of elderly population will be above 15 percent; the proportion will be the lowest in Central India. Excess elderly females are noted only in South India throughout the period under study. On the other hand, other regions of India have excess males among persons 60 and above. Needless to say, it will be interesting to examine the reasons for excess elderly males in India, which is contrary to the experience of other developing nations.

The number of elderly persons above 70 years of age (old-old) is likely to increase more sharply than those 60 years and above. The old-old are projected to increase five-fold between 2001-2051 (from 27 million in 2001 to 132 million in 2051). Their proportion is expected to rise from 2.7 to 7.6. Although we have found excess males in the age group 60 and above, the old-old sex ratio is very much favorable to females. By 2051, South India is expected to lead the rest of the country with the highest number of old-old (34 million), followed by East and Central India and the lowest is expected in Northeast. However, the proportion of old-old is expected to be highest in South India, followed by West India; the lowest is in Central India. South and West India are projected to have excess females throughout the period under reference; other regions show excess females only in some specific periods.

Table 7: Number, Proportion and Sex Ratio of Elderly (80+), 1991-2051.

	2001	2011	2021	2031	2041	2051
Numbers (in millions)						
South	1.42	2.19	3.03	4.38	6.28	8.77
West	0.81	1.21	1.68	2.47	3.67	4.99
Central	1.21	1.68	2.21	3.09	4.42	6.02
East	1.08	1.64	2.28	3.39	5.98	6.73
North	0.70	0.95	1.24	1.87	2.90	4.22
Northeast	0.15	0.21	0.31	0.49	0.82	1.25
India	5.37	7.88	10.75	15.69	23.17	31.98
Percentage to the total population						
South	0.6	0.9	1.1	1.6	2.3	3.2
West	0.6	0.6	0.9	1.3	1.8	2.5
Central	0.5	0.5	0.6	0.7	0.9	1.0
East	0.5	0.6	0.8	1.0	1.4	1.8
North	0.6	0.6	0.7	0.9	1.3	1.8
Northeast	0.4	0.5	0.6	0.9	1.3	1.9
India	0.5	0.7	0.8	1.0	1.4	1.8
Sex Ratio (males per 1000 females)						
South	859	781	760	765	700	644
West	848	803	819	812	752	713
Central	1199	1040	980	898	820	797
East	1067	928	919	878	785	724
North	1052	894	893	882	838	826
Northeast	1104	986	991	1021	967	904
India	998	884	866	843	774	732

Note: Same as Table 5.

Table 8: Indices of Ageing, 1991-2051.

Region	Old Dependency Ratio					
	2001	2011	2021	2031	2041	2051
South	13.2	15.9	19.8	25.8	34.1	42.3
West	12.3	14.4	18.1	22.4	28.0	34.9
Central	11.6	11.9	12.9	13.9	16.2	19.6
East	11.5	13.1	15.8	18.5	22.7	28.7
North	11.2	12.3	14.7	17.8	21.9	26.7
Northeast	9.5	11.1	14.3	18.4	23.3	27.6
India	11.9	13.4	16.0	19.0	23.2	28.2
Index of Ageing						
South	29.1	40.3	60.0	88.6	126.5	171.5
West	24.2	32.6	46.0	65.7	90.6	126.6
Central	17.0	19.0	22.3	27.1	34.6	46.1
East	20.1	25.9	35.0	46.7	63.7	87.5
North	18.7	22.8	30.7	42.1	57.1	76.5
Northeast	16.3	21.7	32.3	45.8	63.0	82.4
India	21.1	26.5	35.2	46.8	62.0	81.7

Note: Same as Table 5.

The oldest old (80+) among the elderly in India is expected to grow faster than any other age group in the population. In absolute terms, it is likely to increase six-fold from 5.4 million in 2001 to 32.0 million in 2051. As expected, South India will lead with the largest number as well as the highest proportion of oldest-old in the second half of the twenty-first century. From 2011 onwards, all regions are expected to have excess oldest old females.

Old dependency ratios refer to the population above 60 years of age to the population in working ages (15-59 years). Index of ageing is defined as the ratio of population above 60 years of age to the population of 0-14 years. The old age dependency ratio for India and the different regions within the country were almost the same in 2001 except in the case of Northeast India. However, the trend is expected to be different in 2051; 100 persons in the age group 15-59 will have to support 42 persons above 60 and more in South India. The ratios are 35 for West India and 28 for India as a whole (Table 8). As of 2001, India had 20 elderly per 100 children and the index is expected to reach 80 in 2051. South India and West India are expected to have 172 and 127 elderly persons above 60 and above respectively per 100 children.

STATE-LEVEL ANALYSIS

Projections of elderly persons by various age groups are done for major states of India for the periods 2001-2051. Two sets of estimated projections such as percentage of elderly to total population among 60 years, 70 years and 80 years and above by sex and sex ratio among those age groups, are presented in tables 9 to 11. Out of 15 major states, ten states have reported that their percentage of female elderly to female population was higher than their male counterparts in 2001. However, the number of states reporting similar results for the year 2051 has increased to 13. The sex ratio (males per 100 females) among elderly also reveals that 10 states have excess number of elderly males compared to females in 2001 and the number is expected to decline to 7 in 2051. Given the differences in mortality and fertility transition across Indian states and union territories (see, Irudaya Rajan, Mishra and Ramanathan, 1993; Mari Bhat and Irudaya Rajan, 1990; Zachariah and Irudaya Rajan, 1997; Guilmoto and Irudaya Rajan, 1998; 2001), the highest proportion of elderly is found in Kerala. Interestingly, the state of Kerala leads with the highest percentage of elderly among both males and females in the country and also reports excess females in old age. Out of every 10 females in Kerala, one was an elderly in 2001 and this ratio going to be 1 in 3 in 2051. The sex ratio was 84 males for every 100 females in 2001 and it is expected to be constant during the next 50 years. As Kerala leads other states with low fertility and mortality, the policies and programs pursued for the elderly by both government and non-governmental organisations will be of particular interest (Irudaya Rajan, 1999; 2000; 2001a; 2001b; 2003)

Table 9: Proportion of Elderly (60+) by Sex and Sex Ratio by Major States, 2001-2051

Major States	2001			2021			2051		
	Male (%)	Female (%)	Sex ratio	Male (%)	Female (%)	Sex ratio	Male (%)	Female (%)	Sex ratio
Andhra Pradesh	7.1	7.5	97	11.5	11.9	98	26.7	29.0	92
Assam	5.8	5.1	121	8.6	7.8	115	22.4	24.5	93
Bihar	6.2	5.8	116	8.4	8.4	107	16.8	16.7	109
Gujarat	6.0	7.0	92	9.8	10.1	104	22.0	22.3	106
Haryana	6.9	7.6	105	8.2	8.4	108	19.7	19.5	108
Karnataka	7.1	7.4	99	10.3	10.7	98	21.3	24.1	88
Kerala	9.2	10.3	84	13.6	15.1	86	29.0	34.0	83
Madhya Pradesh	6.5	6.8	104	7.7	7.9	105	14.3	14.9	102
Maharashtra	6.8	7.6	97	11.0	11.5	102	22.4	24.2	97
Orissa	7.4	7.4	102	10.0	10.2	102	22.3	24.0	98
Punjab	7.3	7.6	109	10.9	11.1	108	23.2	23.6	105
Rajasthan	6.1	6.6	101	7.6	7.8	104	15.7	16.2	102
Tamil Nadu	8.7	8.5	103	13.7	14.3	96	27.6	30.6	91
Uttar Pradesh	6.6	6.5	114	7.2	7.3	107	11.4	11.5	105
West Bengal	6.5	6.7	105	10.5	10.0	109	22.7	24.2	96

Note: Projected by the author. Sex ratio is defined as number of males per 100 females.

Table 10: Proportion of Elderly (70+) by Sex and Sex Ratio by Major States, 2001-2051

Major States	2001			2021			2051		
	Male (%)	Female (%)	Sex ratio	Male (%)	Female (%)	Sex ratio	Male (%)	Female (%)	Sex ratio
Andhra Pradesh	2.6	2.8	94	4.4	4.8	94	10.7	12.5	86
Assam	2.2	1.9	124	3.0	2.7	115	8.8	10.2	87
Bihar	2.4	2.0	129	3.2	3.1	114	6.4	6.6	104
Gujarat	2.2	2.8	87	3.6	3.9	100	9.6	10.1	102
Haryana	3.6	3.8	111	3.0	3.1	105	8.2	8.5	103
Karnataka	2.8	3.0	97	3.9	4.1	95	8.9	10.7	82
Kerala	3.7	4.5	78	5.5	6.5	80	14.6	18.6	76
Madhya Pradesh	2.4	2.7	97	2.9	3.0	102	5.6	6.1	97
Maharashtra	2.4	2.9	90	4.2	4.6	95	10.0	11.1	93
Orissa	2.8	2.8	102	3.9	4.0	100	9.4	10.5	94
Punjab	3.0	3.2	108	4.3	4.4	108	10.9	11.5	101
Rajasthan	2.2	2.5	94	2.9	3.1	102	6.0	6.5	98
Tamil Nadu	3.2	3.1	104	5.6	5.9	95	13.0	15.3	85
Uttar Pradesh	2.5	2.5	110	2.9	2.8	111	4.3	4.5	101
West Bengal	2.4	2.6	100	3.9	4.0	104	9.9	10.9	94

Note: Projected by the author. Sex ratio is defined as number of males per 100 females.

When we move towards the old-old age groups (70 and above), the situation is slightly different. Among the 15 major states, 12 of them report a higher percentage for females in 2001 and in 2051; all states report higher percentage among females. In contrast, 8 states had reported a sex ratio

favoring males in 2001 and this number is expected to decline to 5 in 2051. Kerala leads the rest of the country followed by Haryana, Punjab and Tamil Nadu, with high percentage of elderly population 70 and above.

Table 11: Proportion of Elderly (80+) by Sex and Sex Ratio by Major States, 2001-2051

Major States	2001			2021			2051		
	Male (%)	Female (%)	Sex ratio	Male (%)	Female (%)	Sex ratio	Male (%)	Female (%)	Sex ratio
Andhra Pradesh	0.4	0.5	79	1.1	1.2	92	3.1	3.8	83
Assam	0.5	0.4	140	0.7	0.7	118	2.5	2.9	87
Bihar	0.6	0.4	163	0.8	0.7	114	1.8	2.1	96
Gujarat	0.4	0.7	65	0.8	1.0	93	2.7	2.9	99
Haryana	0.8	0.7	129	0.8	0.9	92	2.2	2.6	91
Karnataka	0.6	0.7	89	1.0	1.1	91	2.4	3.2	74
Kerala	1.0	1.2	75	1.6	2.0	76	4.4	5.8	74
Madhya Pradesh	0.6	0.7	95	0.7	0.8	103	1.6	1.8	93
Maharashtra	0.5	0.7	78	1.0	1.2	92	2.9	3.6	84
Orissa	0.7	0.6	118	1.0	1.0	100	2.7	3.0	96
Punjab	0.8	0.8	111	1.1	1.2	100	3.1	3.5	95
Rajasthan	0.4	0.5	86	0.7	0.8	100	1.7	1.9	92
Tamil Nadu	0.7	0.6	116	1.5	1.5	96	3.9	4.7	84
Uttar Pradesh	0.6	0.6	100	0.7	0.7	111	1.1	1.3	92
West Bengal	0.6	0.6	109	1.0	1.0	98	3.0	3.4	91

Note: Projected by the author. Sex ratio is defined as number of males per 100 females.

Similarly, ten states have registered a higher percentage of elderly women aged 80 and above. On the other hand, nine states have reported excess males among the oldest old (80 and above). The situation is likely to completely reverse in 2051; almost all states in India are likely to report excess females in extreme old ages indicating the feminization of aging.

MARITAL STATUS OF THE ELDERLY

Marital status of the elderly assumes special significance, as it is known that married ones fare better than the single ones on a number of counts (Myers, 1986). A major concern relates to the increasing proportion of elderly women in general and those widowed in particular. A much lower proportion of men is widowed compared to women in extreme old ages. Two reasons are given for the marked gender disparity in widowhood namely (i) longer life span of women compared to men and (ii) the universal tendency for women to marry men older than themselves in India (Gulati and Irudaya Rajan, 1999). Also widowed men are much more likely to remarry and thus overcome their status. Though the relationship between well being of the elderly and their marital status cannot be spelt out precisely, any change in the marital status of the elderly deserves careful examination.

Table 12: Percentage of Widowers and Widows among 60 Plus, 70 Plus and 80 Plus, 1991

States and Union Territories	Widowers			Widows		
	60+	70+	80+	60+	70+	80+
Andhra Pradesh	12.7	17.7	22.5	63.1	76.8	80.7
Arunachal Pradesh	9.1	16.2	19.0	49.1	55.3	58.7
Assam	12.3	15.9	20.2	55.7	66.3	70.4
Bihar	15.9	20.7	22.0	45.4	56.2	55.7
Goa	13.1	19.7	28.5	65.9	75.3	79.8
Gujarat	15.7	22.4	25.8	52.7	66.8	69.7
Haryana	17.2	24.0	33.9	36.5	55.9	69.4
Himachal Pradesh	16.8	23.9	32.1	56.0	71.2	80.9
Karnataka	12.5	18.0	23.0	63.2	75.3	77.9
Kerala	12.9	14.3	22.4	58.0	60.5	77.5
Madhya Pradesh	17.2	23.0	24.1	54.0	67.1	67.9
Maharashtra	16.7	23.7	25.4	59.5	72.8	77.9
Manipur	10.9	15.9	21.9	40.9	54.2	62.0
Meghalaya	10.5	14.9	19.2	43.7	53.9	58.8
Mizoram	16.5	24.6	29.4	38.7	54.7	65.4
Nagaland	7.2	10.1	12.0	24.5	31.5	37.3
Orissa	18.1	26.1	28.9	39.5	55.4	75.6
Punjab	17.5	25.3	35.7	55.5	72.1	85.1
Rajasthan	38.0	24.5	33.7	36.8	45.8	81.4
Sikkim	14.9	21.6	24.6	32.1	42.8	47.8
Tamil Nadu	20.5	26.6	25.7	42.8	55.0	75.9
Tripura	11.4	15.6	20.8	60.4	71.9	79.6
Uttar Pradesh	11.0	14.9	28.6	65.1	75.3	54.6
West Bengal	12.3	15.9	15.8	55.7	66.3	72.1
Andaman & Nicobar Islands	9.1	11.9	13.8	49.1	61.0	61.0
Chandigarh	10.3	16.9	23.7	35.2	48.3	55.6
Daman & Diu	14.1	21.1	24.9	55.1	67.0	77.2
Dadra & Nagar Haveli	13.7	21.6	33.9	66.6	80.0	89.3
Delhi	14.0	22.0	31.2	44.6	60.5	69.1
Lakshadweep	10.7	19.2	21.4	60.3	72.7	75.0
Pondicherry	15.4	21.4	29.3	67.7	80.4	85.1
All India	15.5	21.4	25.4	54.0	67.2	69.8

Note: Calculated from the 1991 census.

According to the 1991 census, currently married males accounted for 80.7 per cent of the elderly male population as against 44.2 per cent for females. On the other hand, 54.0 per cent of elderly women were widows as against 15.5 per cent widowers. However, it has been shown that the gender gap in widowhood gets narrowed among the old-old (70+). More than 67 per cent of women aged 70 and above were widows in India according to the results of the 1991 census. For the first time, the 1991 census provided the marital status of the elderly up to 80 plus as a result of

the recommendation made by this author with others in an earlier United Nations study (Irudaya Rajan, Mishra and Sarma, 1996) The results are presented in detail for all major states and union territories. Loss of the spouse is a major disaster in old age and such individuals deserve social safety nets irrespective of gender. Striking differences are observed between widows and widowers; at age 80, one in four male elderly is a widower whereas three in four female elderly are widows (see Table 12).

Among the major states, the highest percentage of widows among elderly women 60 and above was found in Uttar Pradesh, Karnataka and Andhra Pradesh (above 60 percent). In Pondicherry and Daman and Diu, the percentage of widows was above 80 per cent among elderly women 70 and above. All states and union territories except Nagaland report more than half of their elderly women in extreme old age (80 and above) as widows. In fact, in a few states and union territories (Andhra Pradesh, Himachal Pradesh, Punjab, Rajasthan, Daman and Diu and Pondicherry), the percentage of widows among elderly women aged 80 and above is above 80 per cent. Designing policies to protect the elderly females, particularly the widows, should form the major welfare program in the country.

Work status:

Evidence from the Censuses

Some studies have attempted to explain the consequences of the ageing phenomenon on the basis of the conventional dependency ratios. A more satisfactory approach in this respect, however, is to base our conclusions on the findings of field surveys on work status. Sample surveys conducted in rural India reflect a greater degree of financial insecurity among the aged. Inadequate financial resources have been mentioned as one of the major problems of the Indian elderly (Desai, 1985). The financial inadequacy seems to be of a higher degree among elderly women compared to their male counterparts (Dak and Sharma 1987; Nandal, Khatri and Kadian, 1987).

Another significant finding is related to the loss of economic independence with the increase in age (Kaur, Grover and Aggarwal, 1987). In many situations, it has also been found that rural elderly continue to work though their number of working hours comes down with increasing age (Singh, Singh and Sharma, 1987). While examining economic self-sufficiency in another context, the same authors concluded that financial problems were more common among widows and among elderly in nuclear families. They also indicated that economic insecurity is related to class and caste. Another observation in this regard by Punia and Sharma (1987) finds economic insecurity to be the sole

concern of elderly in barely sustainable households in rural India. The major sources of worry for the elderly consist of stress and economic dependence. Worries arising from social intercourse are larger compared to economic worries for those who live in nuclear families or living alone (Shah 1993). These worries are in terms of what will happen to them in case of sickness or disability. On the other hand financial worries have their bearing on the social class they belong to.

According to the National Sample Survey, 1986-87, 34.02 per cent of the rural elderly were financially independent as against 28.94 per cent of their urban counterparts (National Sample Survey (1991). Of course, the situation varies from state to state. In Maharashtra, the dependence of rural elderly was 33 per cent as against 46 per cent among the urban elderly (Dandekar, 1993). Besides, the aged females, especially those residing in the urban areas, were most dependent (Dandekar, 1996)

Analysis of labour force participation rate among the elderly is important from the point of view of understanding their economic dependence, given the fact of their inadequate social security. The predominant rural character of the population coupled with insufficient wage and salaried employment compel people to prolong their working lives as long as physically possible even after retirement. Even in the case of self employment, economic compulsions force many to continue work as long as they are able to do so though perhaps at a reduced pace. Analysis of the employment pattern of the working elderly shows that, on the whole, their work participation rates were on the decrease during 1961-91 irrespective of rural or urban residence though the work participation of the elderly continues to be remarkably higher in rural areas compared to urban areas.

Participation rate among elderly persons declined by 10 units between 1961 and 1981, the reduction was 9 units and 7 units respectively for rural and urban areas. Between 1981 and 1991, the decline is only 1 per cent. Detailed analysis indicates that more elderly men participate in economic activities than women. This may partly be due to the definitional problems related to women's work in the census (Leela Gulati, Irudaya Rajan and Ramalingam, 1997). One-third of elderly males continue to work even beyond 80 years (Table 13). Surprisingly, however, the share of old age workers in agriculture has been on the increase over time, both in rural and urban areas. Almost 80 per cent of the aged workers in India worked in the agricultural sector in 1991.

Table 13: Work Participation Rate by Sex among 60 Plus, 70 Plus and 80 Plus, 1991

States and Union Territories	Males			Females		
	60+	70+	80+	60+	70+	80+
Andhra Pradesh						
Arunachal Pradesh	74.9	56.1	40.2	46.5	27.5	17.7
Assam	64.1	48.3	34.4	14.2	7.9	5.5
Bihar	67.5	50.8	41.3	12.1	7.0	6.2
Goa	41.4	24.7	17.7	10.8	4.7	2.8
Gujarat	49.6	31.1	24.9	14.3	6.8	5.3
Haryana	53.8	35.6	21.0	6.6	3.2	2.0
Himachal Pradesh	65.1	46.8	27.9	27.8	14.3	7.8
Karnataka	56.7	37.5	25.3	18.1	8.9	5.9
Kerala	45.7	26.7	16.3	9.6	3.8	2.4
Madhya Pradesh	65.5	47.5	38.1	26.2	13.8	10.1
Maharashtra	54.4	33.7	20.8	23.7	10.8	6.4
Manipur	70.2	50.3	32.1	44.9	25.3	14.5
Meghalaya	77.1	62.7	49.4	41.3	26.6	17.6
Mizoram	66.9	41.7	24.9	38.8	19.7	9.8
Nagaland	82.7	71.8	58.2	69.5	54.5	38.5
Orissa	61.1	38.7	26.1	12.6	6.3	4.9
Punjab						
Rajasthan	53.7	33.4	18.5	2.5	1.4	0.9
Sikkim	73.1	53.8	38.2	31.8	18.4	12.1
Tamil Nadu	57.1	39.8	29.8	21.3	11.5	7.8
Tripura						
Uttar Pradesh						
West Bengal	54.0	36.3	32.4	6.5	3.2	2.6
Andaman & Nicobar Islands	60.4	47.3	35.6	10.7	6.2	4.2
Chandigarh	33.2	20.8	14.6	2.7	1.5	1.1
Dadra & Nagar Haveli	66.2	44.6	35.4	35.6	21.3	8.5
Daman & Diu	50.6	33.6	21.5	15.9	8.3	3.0
Delhi	39.0	25.6	19.4	3.6	2.0	1.6
Lakshadweep						
Pondicherry	43.3	27.4	16.2	9.5	5.1	3.1
All India	60.5	42.3	31.7	16.1	8.2	5.7

Note: Calculated from the 1991 census.

Detailed investigation into the phenomenon indicates that around 62 per cent of elderly males work as cultivators whereas 70 per cent of females work as agricultural labourers. If elderly persons participate in economic activities beyond 60 years of age, could we conclude that they are dependent in old age? For the first time, in the 1981 census, the data on main workers was classified by marital status. It showed that 58 per cent of widowed elderly worked as main workers in rural areas and 69 per cent in urban areas. Confronted with the burden of maintaining themselves, elderly

persons in India continue to work even after reaching 60 years of age. In one of the group discussions organized among the rural elderly, we were told: "For us there is only one retirement, not from work, but from the world" (more details, see Irudaya Rajan, Mishra, Sarma, 1999; Irudaya Rajan and Mishra, 1995)

Indian census also provides economic data on non-workers by categories such as household workers, beggars, students, pensioners, rentiers and others. Though there are problems with defining non-workers, some crude observations can be made. As of 1991, around 40 per cent of Indian women were involved in household duties indicating their active participation in maintaining and caring for their children and grand children.

Evidence from National Sample Surveys (NSS)

In order to assess the recent trends in work force participation rates among elderly, we have used the raw data of the 50th and 55th rounds of National Sample Survey. Compared to the Census, the NSS provides detailed break-up of different types of employment to capture the work intensity among the elderly. Both rounds provide employment status by 14 categories. Among the 14 categories, the following categories (own account worker, employer, unpaid family worker, worked as regular salaried, casual labor in public and other works, attending domestic duties and engaged in household work) are added to arrive at work participation rates of different age groups. Between the two rounds, the rural work participation rates for both males and females have shown a slight decline whereas the urban rates are almost constant for both males and females. The rural work participation rates among males and females were 59 and 66 respectively in the 55th round - 7 points higher among females compared to males (Table 14). The rates were 57 and 62 for males and urban areas respectively. In general, work participation rates among females are higher than that among males in both rural and urban areas and the levels are slightly higher among rural areas compared to urban areas. We have also calculated work force participation rates by age and sex for both rural and urban areas based on the 50th and 55th rounds (see Tables 15 and 16; Figures 3 and 4). The figures clearly indicate a decline in work participation rates among males and females beyond age 50; however, the rates still remain substantial. Even in the 80-84 ages, one-fourth of male elderly and one-sixth of female elderly continue to be economically active.

Table 17 provides the work participation rates among elderly aged 60 and above, 70 and above and 80 and above by sex and sector. According to the latest NSS data, 63 per cent of males and 58 per cent of females continue to work beyond 60. As they grow older, the work participation rate declines; however, even at 80 and above, 22 percent of males and 17 percent of females continue

to work in India. Higher work participation in old age in India is due to the lack of social safety nets and high levels of poverty.

Table 14: Work Force Participation Rate in India by Sex and Sector: 1993-94 and 1999-2000

NSS 50 th Round									
Work Category	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
11 Own account worker	24.2	4	14.4	17.7	2.8	10.6	21.7	3.6	13
12 Employer	2	0.2	1.1	1.9	0.1	1.1	2	0.2	1.1
21 Unpaid family worker	10.6	10	10.3	4.7	2.4	3.6	8.3	7.2	7.8
31 Worked as regular salaried	6.2	1.1	3.7	23.9	5.2	15	12.9	2.6	7.9
41 Casual Labour in public works	0.3	0.1	0.2	0.2	0	0.1	0.2	0.1	0.2
51 Casual Labour in other works	16.1	8.5	12.4	8	3.1	5.7	13	6.5	9.9
81 Available for work	1.4	0.5	0.9	2.7	1.3	2	1.9	0.8	1.3
91 Attending schools	27.9	19.5	23.8	31.3	27.6	29.5	29.2	22.5	26
92 Attending domestic duties only	0.3	22	10.8	0.4	37.5	18.1	0.3	27.7	13.6
93 Engaged in household work	0.3	21.4	10.6	0.1	11.2	5.4	0.2	17.7	8.6
94 Rentier and pensioner	0.4	0.3	0.3	1.9	0.6	1.3	1	0.4	0.7
95 No work due to disability	0.7	0.6	0.6	0.7	0.5	0.6	0.7	0.5	0.6
96 Beggars and prostitutes	0.1	0	0	0	0.1	0.1	0	0.1	0
97 Others	9.6	11.8	10.6	6.6	7.7	7.1	8.4	10.3	9.3
Total	100	100	100	100	100	100	100	100	100
11+12+21+31+41+51+92+93	60	67.4	63.6	56.8	62.3	59.4	58.8	65.5	62
94	0.4	0.3	0.3	1.9	0.6	1.3	1	0.4	0.7
95	0.7	0.6	0.6	0.7	0.5	0.6	0.7	0.5	0.6
96	0.1	0	0	0	0.1	0.1	0	0.1	0
81+91+97+NR	38.9	31.7	35.4	40.6	36.5	38.7	39.5	33.5	36.6
NSS 55 th Round									
11 Own account worker	24.6	3.6	14.3	19	2.7	11.2	22.4	3.3	13.1
12 Employer	0.9	0.1	0.5	0.8	0.1	0.5	0.9	0.1	0.5
21 Unpaid family worker	9.8	9.7	9.8	4.9	2.4	3.7	7.9	7	7.5
31 Worked as regular salaried	6.2	1.3	3.8	22.9	5.2	14.4	12.7	2.7	7.8
41 Casual Labour in public works	0.2	0	0.1	0.2	0	0.1	0.2	0	0.1
51 Casual Labour in other works	16.9	8.6	12.9	8.5	2.6	5.7	13.7	6.3	10.1
81 Available for work	1.5	0.5	1	2.9	1.2	2.1	2	0.8	1.4
91 Attending schools	29.4	22.4	26	31.1	28.3	29.7	30	24.6	27.4
92 Attending domestic duties only	0.3	24.1	11.9	0.4	40.3	19.5	0.3	30.2	14.9
93 Engaged in household work	0.2	18.2	9.1	0.1	8.9	4.3	0.2	14.7	7.2
94 Rentier and pensioner	0.7	0.4	0.6	2.4	0.7	1.6	1.3	0.5	0.9
95 No work due to disability	0.8	0.7	0.8	0.8	0.6	0.7	0.8	0.7	0.7
96 Beggars and prostitutes	0	0	0	0	0	0	0	0	0
97 Others	8.5	10.1	9.3	5.9	6.9	6.4	7.5	8.9	8.2
Total	100	100	100	100	100	100	100	100	100
11+12+21+31+41+51+92+93	59.1	65.8	62.4	56.9	62.2	59.4	58.2	64.4	61.2
94	0.7	0.4	0.6	2.4	0.7	1.6	1.3	0.5	0.9
95	0.8	0.7	0.8	0.8	0.6	0.7	0.8	0.7	0.7
96	0	0	0	0	0	0	0	0	0
81+91+97+NR	39.4	33.1	36.3	40	36.4	38.2	39.6	34.3	37

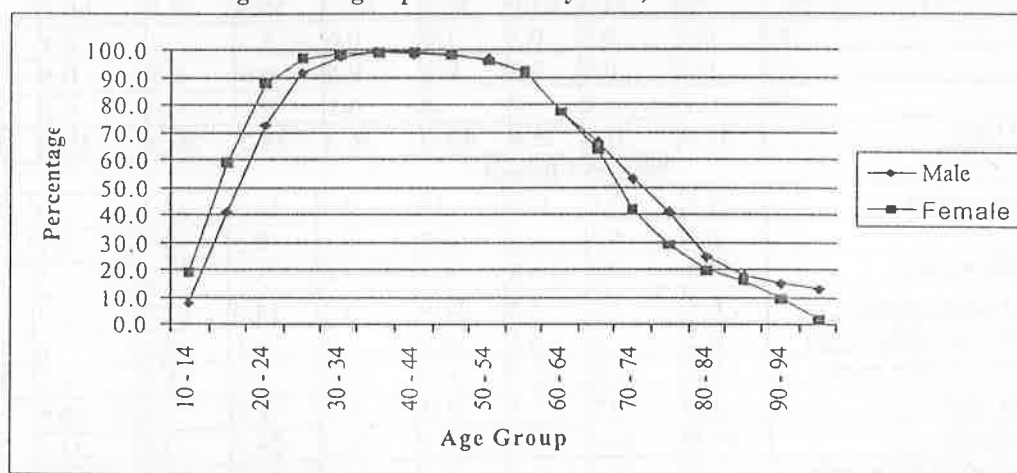
Note: Estimated by the author from the raw NSS data.

Table 15: Work Force Participation Rate by Age and Sex: NSS 50th Round

Age	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
10 - 14	9.9	24.0	16.4	5.7	11.1	8.2	8.4	19.2	13.4
15 - 19	46.7	69.1	57.0	31.8	42.6	36.8	41.0	58.9	49.2
20 - 24	78.9	93.0	86.1	63.4	78.9	70.8	72.6	87.7	80.2
25 - 29	93.4	98.0	95.8	88.8	94.9	91.8	91.6	96.8	94.2
30 - 34	98.0	98.9	98.4	96.3	97.7	97.0	97.3	98.4	97.8
35 - 39	98.9	99.1	99.0	98.3	98.6	98.5	98.7	98.9	98.8
40 - 44	98.8	99.2	99.0	98.3	98.6	98.4	98.6	99.0	98.8
45 - 49	98.4	98.5	98.5	97.3	97.7	97.5	98.0	98.2	98.1
50 - 54	97.6	96.5	97.1	94.8	94.3	94.6	96.5	95.7	96.2
55 - 59	95.1	93.2	94.2	85.5	89.2	87.3	91.6	91.8	91.7
60 - 64	86.6	78.6	82.9	57.9	74.4	66.2	77.4	77.2	77.3
65 - 69	75.3	65.1	70.3	48.6	61.2	55.3	66.4	63.7	65.0
70 - 74	60.6	41.4	51.3	37.6	41.5	39.6	52.9	41.5	47.2
75 - 79	46.6	31.6	39.4	30.4	25.7	28.1	40.8	29.4	35.2
80 - 84	28.3	20.1	24.3	18.6	19.8	19.2	25.0	20.0	22.5
85 - 89	21.9	18.4	20.2	9.7	13.0	11.7	18.0	16.1	17.0
90 - 94	16.0	11.6	13.8	12.5	6.4	8.7	15.0	9.5	12.0
95 - 99	14.7	2.7	8.8	5.6	0.0	2.2	12.9	2.0	7.2

Note: Estimated by the author from the raw NSS data.

Figure 3: Age Specific Activity Rate, NSS 50th round.



State level work participation rates among elderly by sex in the different age groups revealed by the 50th and 55th Rounds of NSS surveys are presented in Tables 18-20. Rural work participation rate among elderly aged 60 and above is much higher compared to urban areas. This is partly due to the predominant rural character of the population whose elderly continue to work. Among the major states, with the exception of Andhra Pradesh, Gujarat, Haryana, Kerala and West Bengal, work participation rates among the elderly are as high as 50 percent and above among males. The highest work participation rate among males is reported in Uttar Pradesh (67.0) while the lowest rate is reported for Haryana. Among females, the situation is slightly different. All major states in the

country except Assam and Haryana, show their female participation rates as high as 50 percent or above. The highest work participation among females is reported for Punjab. Compared to 1993-94 sample survey, the 1999-2000 survey reports an overall decline in work participation rate among elderly 60 years and above.

In the case of elderly 70 years and above, all states except Haryana reported work participation rates as high as 25 per cent or above. The highest percentage was reported for Himachal Pradesh for males and the lowest for Haryana. Though life expectancy at age 70 is just 10 years for males, most of them continue to work for their economic survival. The same pattern exists for females too. Except in the case of Assam, Haryana and Orissa, other states report that one-fourth of elderly women aged 70 and above are continue to work for a livelihood. In Andhra Pradesh, Assam, Gujarat and Punjab, male work participation rate among elderly aged 70 and above in 1999-2000 was slightly higher than in the earlier NSS round. The same trend is reported for females in Maharashtra, Punjab and Tamil Nadu. Ironically, even among elderly aged 80 and above, one-fourth of the males continue to work in states like Andhra Pradesh, Bihar, Himachal Pradesh, Jammu Kashmir and Uttar Pradesh. In a few states like Assam, Haryana, Karnataka and Punjab, one-fifth of the males aged 80 and above continue to participate in several income generating activities. Around 20 percent of females aged 80 and above were reported to be active in the states of Andhra Pradesh, Assam, Himachal Pradesh, Punjab and Uttar Pradesh.

Table 16: Work Force Participation Rate by Age and Sex: NSS 55th Round

Age Group	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
10 - 14	7.7	17.2	12.1	4.5	8.7	6.5	6.5	14.1	10.1
15 - 19	43.0	61.7	51.8	29.1	38.3	33.4	37.5	52.4	44.4
20 - 24	78.3	91.5	85.1	61.9	75.3	68.2	71.3	85.2	78.2
25 - 29	92.9	97.3	95.2	87.0	94.1	90.4	90.5	96.1	93.3
30 - 34	97.2	98.6	97.9	95.8	97.5	96.7	96.6	98.2	97.4
35 - 39	98.3	98.9	98.6	97.5	98.5	98.0	98.0	98.7	98.3
40 - 44	98.0	98.5	98.3	97.5	98.5	98.0	97.8	98.5	98.1
45 - 49	97.8	97.9	97.9	96.9	97.6	97.3	97.4	97.8	97.6
50 - 54	95.7	95.3	95.5	93.6	94.4	94.0	94.9	95.0	94.9
55 - 59	92.4	91.5	91.9	83.5	86.8	85.1	88.9	89.8	89.3
60 - 64	80.9	75.2	78.1	52.6	71.8	62.3	71.1	73.9	72.5
65 - 69	69.9	62.1	66.0	43.5	58.3	51.2	60.5	60.6	60.6
70 - 74	52.8	37.4	45.5	34.4	39.5	37.1	46.5	38.2	42.4
75 - 79	40.7	29.5	35.5	23.9	29.2	26.5	34.4	29.4	32.0
80 - 84	27.5	16.0	22.0	16.2	16.7	16.5	23.6	16.3	19.9
85 - 89	22.1	9.8	16.2	12.6	9.7	11.0	18.6	9.8	14.2
90 - 94	13.7	7.7	10.6	2.0	6.1	4.7	10.3	7.0	8.5
95 - 99	9.3	2.9	5.6	0.0	4.4	2.7	6.7	3.4	4.7

Note: Estimated by the author from the raw NSS data.

Figure 4: Age Specific Activity Rate, NSS 55th round.

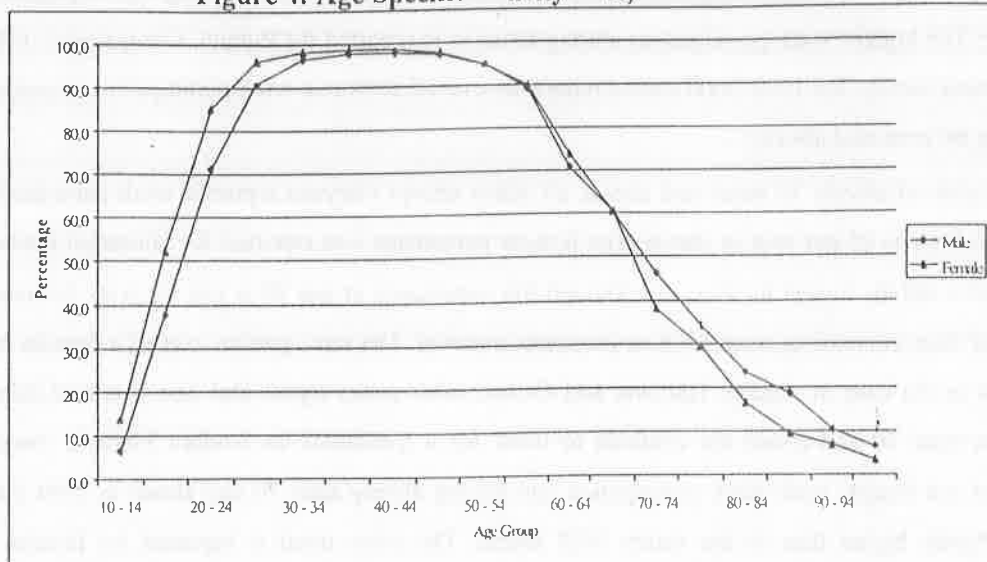


Table 17: Work Participation Rates among different groups of Elderly:
Comparison of the NSS 50th and 55th rounds, India

Age	NSS 50th Round								
	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
60+	70.8	59.4	65.6	45.9	55.3	51.1	62.6	57.9	60.3
70+	48.8	33.4	41.9	30.8	31.3	31.7	42.7	32.6	37.7
80+	24.7	17.5	22.4	15.8	15.6	17.1	21.8	16.8	19.2
	NSS 55th Round								
	Male	Female	Total	Male	Female	Total	Male	Female	Total
60+	64.4	56.0	60.3	40.9	52.7	47.0	56.2	54.7	55.5
70+	43.0	29.3	36.5	26.8	30.3	28.6	37.3	29.7	33.6
80+	23.7	12.5	18.2	13.4	12.9	13.1	20.1	12.7	16.3

Note: Estimated by the author from the raw NSS data.

One has to view these trends in work participation rates in the context of widespread poverty and inadequate social security systems in India. Only 2 per cent of men aged 65 and over participate in the labor force in some developed countries whereas in certain developing countries well over half of the elderly men are economically active. In richer countries, the elderly can afford to retire early because of the availability of pension schemes or social security programs. These programs are often lacking in poorer countries (Kinsella and Velkoff, 2001). Cross national differences in levels of labor force participation rates are associated with societal wealth; countries with high gross national product tend to have much lower labour force participation rates among the elderly than do low income countries (Clark, York and Anker, 1997).

Table 18: Work Participation Rate Among Elderly 60 and above: 1993-94 and 1999-2000

State	NSS 50 th round								
	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Andhra Pradesh	66.5	57.9	62.3	40.5	47.1	44.2	57.9	53.7	55.7
Assam	62.1	45.5	54.2	44.9	36.7	40.1	59.3	43.4	51.4
Bihar	78.9	63.2	72.0	49.2	59.3	54.2	73.9	62.5	68.8
Gujarat	64.7	55.7	60.1	40.8	60.6	51.1	53.0	58.1	55.7
Haryana	52.5	59.3	55.7	52.7	58.3	55.6	52.6	59.1	55.6
Himachal Pradesh	83.2	67.7	76.0	48.8	63.6	56.5	80.4	67.3	74.2
Jammu & Kashmir	84.1	73.1	79.0	50.0	76.7	63.3	73.5	74.3	73.9
Karnataka	66.9	56.1	61.5	41.5	45.9	43.9	57.0	51.7	54.3
Kerala	65.0	59.8	62.1	53.3	63.8	59.2	60.4	61.4	61.0
Madhya Pradesh	71.6	52.5	61.9	48.1	47.5	47.8	64.1	50.9	57.4
Maharashtra	68.5	59.1	63.8	38.3	54.8	47.0	54.5	57.0	55.7
Orissa	66.9	44.4	56.1	46.2	40.5	43.5	63.2	43.7	53.8
Punjab	58.7	63.2	60.8	48.5	63.6	55.8	54.9	63.4	58.9
Rajasthan	70.6	58.4	64.6	48.6	49.2	48.9	63.8	55.1	59.4
Tamil Nadu	65.6	58.4	62.0	43.0	55.5	49.5	55.4	57.0	56.2
Uttar Pradesh	77.8	66.0	72.3	55.2	57.3	56.2	72.1	63.6	68.1
West Bengal	67.9	59.9	63.8	37.5	65.6	51.2	55.2	62.1	58.7
India	70.8	59.4	65.6	45.9	55.3	51.1	62.6	57.9	60.3
State	NSS 55 th round								
	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Andhra Pradesh	59.1	53.6	56.2	32.8	47.1	40.3	49.2	51.2	50.3
Assam	57.4	46.0	52.0	30.9	43.7	37.0	53.3	45.6	49.7
Bihar	74.4	62.1	68.8	49.1	57.3	53.1	69.2	61.0	65.4
Gujarat	57.1	54.1	55.5	40.1	46.9	43.9	49.1	50.5	49.8
Haryana	43.5	42.9	43.2	43.8	43.6	43.7	43.6	43.2	43.4
Himachal Pradesh	71.9	63.8	68.1	47.4	67.7	58.1	66.3	64.8	65.6
Jammu & Kashmir	76.4	50.7	63.9	40.5	53.9	46.8	62.9	51.9	57.6
Karnataka	63.4	52.1	57.7	34.4	47.9	41.2	51.0	50.3	50.6
Kerala	52.1	51.6	51.8	40.7	51.6	46.8	47.2	51.6	49.6
Madhya Pradesh	68.0	55.9	62.1	42.7	44.2	43.5	59.9	51.6	55.8
Maharashtra	63.3	61.2	62.2	36.0	49.1	43.0	50.9	55.6	53.4
Orissa	56.7	40.1	48.3	32.4	38.0	35.2	52.8	39.7	46.2
Punjab	59.6	63.9	61.7	48.6	67.6	58.2	55.7	65.3	60.4
Rajasthan	64.4	52.0	58.2	39.2	50.6	45.3	56.3	51.5	53.9
Tamil Nadu	61.2	57.9	59.6	42.9	60.8	52.0	52.6	59.4	56.0
Uttar Pradesh	71.2	61.8	66.8	53.0	57.0	55.0	67.0	60.5	63.9
West Bengal	56.7	49.6	53.2	35.4	58.6	46.6	46.7	53.8	50.2
India	64.4	56.0	60.3	40.9	52.7	47.0	56.2	54.7	55.5

Note: Estimated by the author from the raw NSS data.

Table 19: Work Participation Rate Among Elderly 70 and above: 1993-94 and 1999-2000

State	NSS 50 th round								
	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Andhra Pradesh	41.3	34.9	38.1	23.9	24.5	24.2	35.7	31.1	33.3
Assam	32.2	24.8	28.7	37.0	17.1	25.0	33.1	22.5	27.8
Bihar	60.5	41.0	51.9	33.3	35.6	34.5	55.2	39.8	48.3
Gujarat	28.7	26.7	27.5	26.3	32.2	29.5	27.5	29.3	28.5
Haryana	33.1	35.0	33.8	37.5	35.0	36.1	34.0	35.0	34.4
Himachal Pradesh	68.2	44.2	57.7	40.0	35.3	37.5	66.2	43.3	56.0
Jammu & Kashmir	70.8	56.4	64.1	27.0	59.1	44.4	57.9	57.4	57.7
Karnataka	38.7	32.4	35.4	31.7	22.4	26.4	35.8	27.9	31.5
Kerala	47.2	29.2	36.9	34.4	41.8	38.7	41.8	34.6	37.7
Madhya Pradesh	44.2	19.8	31.4	31.7	25.6	28.7	40.0	21.6	30.5
Maharashtra	43.8	28.9	36.3	20.8	27.6	24.4	32.1	28.2	30.1
Orissa	36.0	19.6	27.6	34.0	22.5	28.7	35.6	20.1	27.8
Punjab	37.7	29.9	34.4	27.0	38.0	32.2	33.7	33.2	33.5
Rajasthan	43.9	34.2	39.0	34.8	26.5	30.1	41.0	31.3	35.9
Tamil Nadu	41.9	31.7	36.9	27.3	28.5	27.9	35.1	30.2	32.7
Uttar Pradesh	60.4	40.2	51.6	42.9	33.1	38.0	56.2	38.2	48.0
West Bengal	44.7	32.7	38.3	22.2	39.2	29.9	34.8	35.0	34.9
India	48.8	33.4	41.9	30.8	31.3	31.7	42.7	32.6	37.7
	NSS 55 th round								
	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Andhra Pradesh	45.0	26.6	35.3	21.8	32.2	27.4	36.4	28.8	32.3
Assam	45.5	18.6	34.5	28.0	19.4	23.2	43.4	18.8	32.8
Bihar	51.8	34.9	44.7	38.6	41.9	40.1	49.1	36.5	43.7
Gujarat	33.7	32.0	32.8	23.6	23.7	23.6	29.1	27.6	28.2
Haryana	17.2	17.2	17.2	26.1	14.9	20.4	19.5	16.4	18.2
Himachal Pradesh	51.9	40.7	46.6	53.1	35.9	45.5	52.2	39.7	46.4
Jammu & Kashmir	55.4	26.0	41.1	32.8	39.7	36.2	47.2	31.2	39.3
Karnataka	37.0	19.9	28.2	20.5	31.3	26.2	30.2	24.7	27.3
Kerala	32.5	25.8	28.7	26.9	25.1	25.9	30.0	25.5	27.5
Madhya Pradesh	42.0	28.9	35.8	26.5	19.8	22.9	36.9	25.4	31.1
Maharashtra	40.8	26.2	33.3	21.3	26.8	24.3	31.7	26.5	28.9
Orissa	28.7	17.5	23.1	13.6	17.3	15.3	25.9	17.5	21.7
Punjab	36.9	40.2	38.4	34.1	43.2	38.3	35.9	41.3	38.4
Rajasthan	44.3	22.8	34.3	26.3	28.6	27.6	38.6	25.1	31.9
Tamil Nadu	35.5	32.2	33.9	28.8	34.5	31.7	32.2	33.4	32.8
Uttar Pradesh	52.0	35.8	44.9	37.5	33.2	35.3	48.8	35.1	42.6
West Bengal	35.5	27.9	31.8	20.7	37.1	28.7	28.1	32.5	30.2
India	43.0	29.3	36.5	26.8	30.3	28.6	37.3	29.7	33.6

Note: Estimated by the author from the raw NSS data.

Table 20: Work Participation Rate Among Elderly 80 and above: 1993-94 and 1999-2000

State	NSS 50 th round								
	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Andhra Pradesh	22.2	27.8	25.0	0.0	17.1	11.3	16.7	23.6	20.5
Assam	30.4	23.1	27.8	33.3	10.0	21.1	31.3	17.4	25.5
Bihar	34.6	16.4	27.2	27.3	22.6	24.5	33.0	18.6	26.5
Gujarat	3.4	2.9	3.2	8.7	9.7	9.3	5.8	6.2	6.0
Haryana	14.3	15.0	14.5	12.5	8.3	10.0	14.0	12.5	13.3
Himachal Pradesh	45.8	26.3	36.2	25.0	25.0	25.0	44.4	26.2	35.5
Jammu & Kashmir	39.3	38.5	38.9	11.1	42.9	30.4	32.4	40.0	36.4
Karnataka	15.4	21.7	18.8	29.6	4.1	13.2	21.2	12.6	16.1
Kerala	16.7	9.2	11.9	27.8	23.4	24.6	20.4	15.2	16.9
Madhya Pradesh	16.7	11.7	13.9	17.9	2.5	10.1	17.1	9.0	12.7
Maharashtra	17.4	17.6	17.5	6.0	20.0	14.0	11.8	19.0	15.6
Orissa	12.5	7.7	10.5	6.3	22.2	12.0	11.1	10.4	10.8
Punjab	14.5	17.9	16.0	11.4	21.2	15.6	13.3	19.1	15.8
Rajasthan	22.0	20.0	21.0	29.4	8.7	17.5	23.9	16.4	20.0
Tamil Nadu	12.2	12.8	12.5	9.1	4.9	7.1	10.8	9.1	9.9
Uttar Pradesh	35.2	17.9	27.2	24.6	15.5	20.3	32.6	17.3	25.5
West Bengal	26.4	17.0	21.7	14.3	20.5	18.1	22.2	18.6	20.2
India	24.7	17.5	22.4	15.8	15.6	17.1	21.8	16.8	19.2
State	NSS 55 th round								
	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Andhra Pradesh	31.1	16.2	22.1	17.6	21.2	19.8	25.3	18.3	21.1
Assam	19.4	15.8	17.6	0.0	20.0	14.3	17.5	16.7	17.0
Bihar	25.9	11.7	20.0	30.4	15.8	23.8	26.9	12.7	20.9
Gujarat	18.6	10.4	14.3	14.0	9.3	11.5	16.1	9.8	12.8
Haryana	2.8	7.7	4.8	0.0	5.6	3.7	2.2	6.8	4.5
Himachal Pradesh	28.6	22.0	25.8	40.0	18.2	28.6	30.3	21.2	26.3
Jammu & Kashmir	33.3	13.8	24.2	23.8	13.3	19.4	29.6	13.6	22.4
Karnataka	20.0	9.3	14.8	18.2	8.1	12.9	19.2	8.8	13.9
Kerala	17.7	5.6	10.6	13.5	5.9	8.6	16.2	5.7	9.8
Madhya Pradesh	12.7	8.3	10.6	6.5	3.6	4.7	10.9	6.3	8.4
Maharashtra	19.7	13.3	16.2	3.4	10.1	7.2	11.7	11.7	11.7
Orissa	8.9	3.6	6.3	14.3	10.0	12.5	10.0	4.6	7.4
Punjab	19.8	18.3	19.0	18.8	29.4	24.2	19.5	21.6	20.5
Rajasthan	17.0	5.2	10.5	13.0	14.7	14.0	15.7	8.7	11.7
Tamil Nadu	12.7	15.1	13.9	14.3	12.3	13.3	13.5	13.6	13.6
Uttar Pradesh	34.3	17.8	27.5	18.2	16.9	17.5	31.3	17.5	25.3
West Bengal	18.0	8.5	12.8	7.0	15.3	11.2	12.1	11.9	12.0
India	23.7	12.5	18.2	13.4	12.9	13.1	20.1	12.7	16.3

Note: Estimated by the author from the raw NSS data.

DEPENDENCY AMONG ELDERLY

National Sample Survey in its 52nd round (July 1995-June 1996) focussed on issues such as economic independence, chronic ailments, retirement and withdrawal from economic activity and familial integration among the elderly 60 and above. This was a large-scale sample survey conducted throughout the country. The elderly covered in the sample consisted of 16,777 males and 16,428 females (more details, see Table 21).

Table 21: Dependency Status among Indian Elderly

Dependency status	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Not dependent	36.4	24.7	30.7	38.6	22.4	30.4	37.2	23.8	30.6
Partially dependent	18.6	17.1	17.9	16.0	13.4	14.7	17.6	15.6	16.6
Fully dependent	45.0	58.2	51.4	45.5	64.2	55.0	45.2	60.6	52.8
No of Elderly	10491	9954	20445	6286	6473	12759	16777	16428	33205

Note: Estimated by the author using the National Sample Survey data (52nd round).

Table 22: Fully Dependent Elderly by Sex and Place of Residence among Major States of India.

State	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Andhra Pradesh	46.0	64.9	55.3	43.1	59.1	51.5	44.8	62.2	53.6
Assam	50.7	69.0	58.6	45.1	57.1	50.9	49.5	66.0	56.8
Bihar	36.7	54.6	45.1	37.4	63.2	49.9	36.8	56.5	46.2
Gujarat	45.3	58.0	51.8	46.5	63.6	55.4	45.9	60.7	53.5
Haryana	54.1	65.9	60.0	51.1	66.7	59.1	52.8	58.2	55.7
Himachal Pradesh	36.3	37.7	37.0	30.0	52.2	40.6	35.6	39.3	37.4
Jammu and Kashmir	37.7	61.6	48.4	34.8	72.3	51.4	36.8	64.7	49.3
Karnataka	50.4	58.8	54.9	52.8	66.7	59.9	51.6	62.4	57.3
Kerala	53.4	57.7	55.8	53.4	66.9	61.0	53.4	61.4	57.8
Madhya Pradesh	42.1	51.4	46.7	45.5	59.4	52.2	43.3	53.9	48.6
Maharashtra	46.7	52.3	49.6	45.9	62.9	54.4	46.3	57.3	51.9
Orissa	49.4	62.4	55.6	40.4	69.6	55.9	47.5	64.1	55.6
Punjab	57.2	67.9	62.4	46.9	70.2	58.5	53.2	68.8	60.8
Rajasthan	43.7	54.8	49.6	42.6	60.0	52.1	43.2	56.9	50.6
Tamil Nadu	42.1	52.4	46.8	40.3	60.8	50.4	41.2	57.1	48.8
Uttar Pradesh	39.7	54.9	47.0	46.9	64.7	56.0	41.6	57.8	49.5
West Bengal	49.8	67.1	58.2	46.9	64.6	55.5	48.3	65.8	56.9
India	45.0	58.2	51.4	45.5	64.2	55.0	45.2	60.6	52.8

Note: Estimated by the author using the National Sample Survey data (52nd round).

Using the raw data on economic independence, we have attempted an assessment of the level of poverty among Indian elderly according to sex, place of residence and marital status by major states. All the elderly in the sample were asked to state their economic dependence, which was coded by three categories: not dependent, partially dependent and fully dependent. We presume that fully dependent elderly need economic support in old age as they are below the poverty line. They should be integrated into various poverty alleviation and social security programs. Table 23 provides some detail.

Table 23: Fully Dependent Elderly among Widows and Widowers by Place of Residence among Major States of India.

State	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Andhra Pradesh	58.5	68.1	66.0	52.5	61.3	59.9	56.3	65.0	63.3
Assam	60.6	71.7	68.1	64.3	57.7	58.8	60.9	68.4	66.2
Bihar	41.4	57.9	52.3	51.2	66.2	62.6	43.0	59.9	54.5
Gujarat	39.7	61.1	55.0	43.2	68.8	63.2	41.1	64.9	58.9
Haryana	61.4	68.2	66.1	51.2	61.9	59.3	57.0	65.0	62.8
Himachal Pradesh	37.3	42.2	41.0	37.5	52.0	48.5	37.4	43.2	41.7
Jammu & Kashmir	39.5	59.7	52.7	66.7	81.5	77.8	44.7	65.7	58.9
Karnataka	42.9	58.7	55.8	66.7	65.6	65.8	52.8	61.8	60.2
Kerala	64.1	60.0	60.5	56.7	69.7	68.5	61.7	63.8	63.5
Madhya Pradesh	49.0	59.3	56.2	46.2	61.3	56.8	48.1	60.0	56.4
Maharashtra	54.9	55.2	55.2	49.3	64.2	60.8	52.1	59.3	57.8
Orissa	55.6	63.9	61.6	50.0	77.5	72.9	54.8	67.1	64.0
Punjab	65.4	69.5	68.2	74.4	69.3	70.6	68.4	69.4	69.1
Rajasthan	45.5	62.4	57.9	46.7	67.6	62.7	45.9	64.4	59.7
Tamil Nadu	45.3	53.1	51.0	57.3	62.6	61.4	51.4	58.5	56.7
Uttar Pradesh	46.2	56.9	52.7	58.0	67.6	65.0	48.6	60.2	56.1
West Bengal	53.7	70.5	66.7	48.9	65.4	62.2	51.6	68.1	64.6
India	48.2	58.9	55.9	51.6	63.3	60.9	49.3	60.7	57.8

Note: Estimated by the author using the National Sample Survey data (52nd round).

In the rural areas, 58 per cent of females and 45 percent of males were fully dependent whereas in the urban areas, these percentages were 64 and 46 respectively. In general, there is a marked difference between males and females in this respect. The most vulnerable group consists of elderly females in urban areas; 64 percent of them are dependent on others for food, clothing and health care. This is one of the reasons for the elderly to continue to work in old age in spite of their poor health. Let us assess the situation among major states (Table 22). In rural areas, only 5 states (out of 15) have reported a male dependency level above 50 percent. Ironically, all states except Himachal

Pradesh have reported that more than half of their elderly women depended on others for their livelihood. It ranges from 51 in Madhya Pradesh to 69 in Assam. In urban areas, with the exception of Haryana, Karnataka and Kerala, all major states report a level of economic dependency below 50 percent for males. The situation is much more vulnerable among elderly females in the urban areas. Their economic dependency ranges from 52 in Himachal Pradesh to 72 in Jammu Kashmir. As stated earlier, widowhood is one of the major economic calamities in old age. We have analyzed the plight of the fully dependent elderly by widowhood status for men and women (Table 23). In general, there is a marked difference between widowed males and females. This is partly due to the elderly women's participation in household (invisible) work.

Table 24: Basic Needs Unmet among Indian Elderly

Basic Needs unmet	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Food	2.9	3.3	3.1	1.4	1.6	1.5	2.3	2.7	2.5
Clothing	4.1	4.9	4.5	1.9	2.3	2.1	3.3	3.9	3.6
Medicine	8.9	10.2	9.5	3.8	4.6	4.2	7.0	8.0	7.5
At least one	9.2	10.6	9.9	4.1	4.8	4.5	7.3	8.3	7.8

Note: Estimated by the author using the National Sample Survey data (52nd round).

The same 52nd National Sample Survey also canvassed a question to assess the problems faced by elderly men and women in obtaining basic necessities of life such as food, clothing and medical care. All the elderly were asked: "Are your day to day requirements on the following (food, clothing and medicines) adequately met?" In rural areas, around 3 percent of the females had difficulty in obtaining adequate food, 5 percent had difficulty in purchasing clothing and 10 percent had difficulty in purchasing of necessary medicines (Table 24). The proportions are lower for males compared to females and lower in urban areas compared to rural areas. Among the three basic necessities, if any elderly had difficulty with regard to at least one, the percentages for the elderly males and females would be 9 and 11 percent respectively in rural areas and 4 and 5 percent respectively in urban areas. State wise distribution of elderly who had difficulty in obtaining at least one basic need is presented in Table 25. Among rural females, Andhra Pradesh, Assam, Bihar, Tamil Nadu and West Bengal reported that more than 10 per cent of elderly had problems in meeting adequately at least one of their basic needs. Few states such as Gujarat, Karnataka, Kerala, Madhya Pradesh and Maharashtra reported percentages between 5 and 10. Rural females are at a disadvantage compared to their urban counterparts. Large variations existed between states among rural females – from 3 percent in Punjab to 20 percent in Assam (more details, table 25). When we assess the

situation by widowhood status of both men and women, the situation is much worse compared to the general elderly; they are victims of both old age and the status of widowhood status (Table 26).

Table 25: Classification of Indian Elderly by Sex and Place of Residence on the Basis of at Least one Basic Need Unmet.

State	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Andhra Pradesh	14.3	15.5	14.9	5.4	6.9	6.2	11.6	11.6	11.6
Assam	13.4	19.7	16.2	10.6	7.6	9.2	12.8	16.7	14.6
Bihar	6.7	12.1	9.2	5.7	7.5	6.6	6.5	11.0	8.6
Gujiarat	8.2	8.1	8.2	2.1	1.9	2.8	5.3	5.1	5.2
Harvana	3.7	4.7	4.2	5.2	5.3	5.3	4.4	5.0	4.7
Himachal Pradesh	0.5	2.1	1.3	0.0	2.2	1.0	0.5	2.1	1.3
Jammu & Kashmir	1.2	1.4	1.3	0.7	0.0	0.4	1.0	1.0	1.0
Karnataka	6.7	8.8	7.9	3.1	4.1	3.6	5.0	6.7	5.9
Kerala	3.4	6.8	5.5	1.8	2.9	2.4	9.4	5.2	4.3
Madhya Pradesh	5.3	6.1	5.7	1.2	1.3	1.2	3.9	4.5	4.2
Maharashtra	6.6	6.4	6.5	1.7	2.1	1.9	4.2	4.4	4.3
Punjab	4.1	3.1	3.6	1.5	2.7	2.1	3.1	3.0	3.0
Rajasthan	3.2	3.6	3.4	0.8	2.3	1.7	2.3	3.1	2.7
Tamil Nadu	8.1	13.4	10.5	4.9	5.4	5.2	6.5	8.9	7.6
Uttar Pradesh	4.6	4.3	4.5	0.8	1.7	1.3	3.6	3.6	3.69
India	9.2	10.6	9.9	4.1	4.8	4.5	7.3	8.3	7.8

Note: Estimated by the author using the National Sample Survey data (52nd round).

Table 26: Basic Needs Unmet among Widowed Elderly

Unmet Basic needs	Rural			Urban			Total		
	Widower	Widow	Total	Widower	Widow	Total	Widower	Widow	Total
Food	3.0	3.8	3.5	0.9	1.8	1.6	2.4	3.0	2.8
Clothing	4.3	5.6	5.2	1.2	2.6	2.3	3.4	4.4	4.1
Medicine	9.9	11.6	11.2	3.1	5.4	4.9	7.8	9.1	8.8
At least one	10.4	12.0	11.5	3.0	5.6	5.1	8.1	9.4	9.1

Note: Estimated by the author using the National Sample Survey data (52nd round).

To assess the levels of poverty and dependency among the elderly, we have also used data on ownership of assets and property. The information collected is classified into four major divisions: owning and participating in financial assets, owning but not participating in financial assets, not owning but participating in financial assets and neither owning nor managing financial assets. The same question was also canvassed to assess the ownership and management of properties. According to this information, around 60 percent of rural and urban females and around 30 percent of rural and urban males in India had no valuable assets in their names. They are the ones who need social assistance and the benefit of poverty alleviation programs. Marked differences exist between males and females and between rural and urban areas and between major states of India. Incidentally, Kerala ranks first with 76 percent of its elderly women reporting no financial asset in their name (Table 27). No state except Bihar and Gujarat, has less than 50 percent of elderly

women reporting no assets. On the other hand, all states except Kerala have reported a proportion around 50 per cent as asset less elderly.

Table 27: Percentage of Elderly with no Financial Assets by Sex and Place of Residence among Major States of India

State	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Andhra Pradesh	51.5	71.9	61.5	42.8	77.9	61.3	47.9	74.6	61.4
Assam	29.7	52.4	39.4	29.2	61.9	45.0	29.6	54.7	40.7
Bihar	20.6	47.3	33.2	15.7	42.1	28.5	19.5	46.1	32.2
Gujarat	27.3	54.1	41.1	18.9	45.1	32.5	23.3	49.7	37.0
Haryana	25.0	65.2	45.2	21.8	58.4	40.7	23.6	62.2	43.2
Karnataka	31.5	64.9	49.1	34.4	71.1	53.3	32.9	67.8	51.1
Kerala	55.5	75.2	66.3	45.6	76.3	62.8	51.7	75.7	64.9
Madhya Pradesh	21.8	52.0	37.0	23.7	57.3	39.8	22.5	53.7	37.9
Maharashtra	32.0	63.5	48.4	29.9	63.4	46.5	31.0	63.4	47.5
Orissa	25.2	49.2	36.7	28.4	55.1	42.5	25.9	50.6	38.0
Punjab	30.7	67.4	48.4	23.5	67.8	45.6	27.9	67.5	47.3
Rajasthan	16.1	59.3	39.3	16.5	53.6	36.9	16.2	57.0	38.3
Tamil Nadu	52.9	70.0	60.7	39.6	69.3	54.3	45.9	69.6	57.2
Uttar Pradesh	20.9	51.4	35.6	17.8	51.7	35.2	20.1	51.5	35.5
West Bengal	25.8	66.2	45.6	22.2	58.8	40.1	24.0	62.5	42.9
India	28.3	56.9	42.2	27.4	59.6	43.7	27.9	57.9	42.8

Note: Estimated by the author using the National Sample Survey data (52nd round).

This is also true in case of property ownership. Almost half of the elderly women in India in both rural and urban areas have no property in their name. For females, no difference exists between rural and urban areas whereas marked difference exists between rural and urban males (Table 28). Among states, Andhra Pradesh, Haryana and Punjab report that 60 percent of their rural elderly had no property to fall back on in old age. Similar pattern exists among urban areas.

Table 28: Percentage of Elderly with no Property by Sex and Place of Residence among Major States of India

State	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Andhra Pradesh	33.2	64.3	48.5	35.6	70.5	54.0	34.2	67.1	50.9
Assam	9.2	45.8	24.9	15.9	50.5	32.6	10.6	46.9	26.6
Bihar	14.7	43.8	28.4	14.6	41.0	27.4	14.7	43.1	28.2
Gujarat	17.6	47.7	33.1	14.0	41.7	28.4	15.9	44.8	30.8
Haryana	18.6	62.5	40.7	19.2	56.4	38.3	18.9	59.8	39.6
Karnataka	22.8	59.3	42.1	32.5	67.8	50.7	27.4	63.3	46.1
Kerala	22.4	52.3	38.7	31.5	55.1	44.7	25.9	53.4	41.1
Madhya Pradesh	19.2	49.9	34.7	22.1	57.7	39.2	20.2	52.5	36.2
Maharashtra	19.7	56.9	39.2	24.5	58.4	41.3	22.1	57.6	40.2
Orissa	14.6	46.2	29.7	20.6	50.0	36.1	15.8	47.1	31.1
Punjab	20.9	62.4	41.0	18.5	64.0	41.1	20.0	63.0	41.1
Rajasthan	13.2	57.5	37.0	14.5	50.5	34.3	13.7	54.7	35.9
Tamil Nadu	24.7	56.4	39.1	32.6	64.5	48.4	28.9	61.0	44.2
Uttar Pradesh	12.2	46.8	28.8	14.2	47.9	31.5	12.7	47.1	29.5
West Bengal	11.5	57.0	33.8	19.0	56.7	37.4	15.2	56.8	35.6
India	16.6	50.2	33.0	22.2	54.3	38.5	18.7	51.8	35.1

Note: Estimated by the author using the National Sample Survey data (52nd round).

SOCIAL ASSISTANCE PROGRAMS FOR ELDERLY

The International Labour Organization has defined social security as 'the protection which society provides for its members, through a series of public measures, against economic and social distress otherwise would be caused by the stoppage or substantial reduction of earnings resulting from sickness, maternity, employment injury, unemployment, invalidity, **old age** and death' (International Labour Organization, 1942). Sir William Beveridge, father of the British Social Security System, has defined it as, 'security of an income to take the place of earning when they are interrupted by unemployment, sickness, or accident; to provide for **retirement benefit**, to provide against **loss of support by the death of other person** and to meet exceptional expenditure such as those connected with birth, death and marriage' (Beveridge, 1943). According to Piree Laroque, former President of the National Social Security Fund in France, social security, though sometime assimilated into social insurance, is a basically new development. It represents a guarantee by the whole community to all its members of the maintenance of their standard of living or at least tolerant living conditions by means of a redistribution of income based on national solidarity' (Laroque, 1969). Leal de Araujo has viewed social security systems as supplementary machineries or economic agents for redistribution of income' (Leal de Araujo, 1972). Social security schemes may be of four different types in providing different benefits (Table 29).

Table 29: Basic Features of Major Social Security Schemes

Type of Scheme	Sources of funding	Coverage	Entitlement criteria
Social Assistance	Public revenue	Persons in designated categories who have low incomes	Means test
Social Insurance	Contribution from employee, employer	Members of insurance scheme	Contribution record
Employer liability	Employer	Employed in designated categories	Employment criteria
Social allowances	Public revenues	Persons in designated categories	Domicile

Source: ILO, 1979; United States, 1980; 1982; Midgley, 1984

The Directive Principles of the Indian Constitution in Article 39 provides for an adequate means of livelihood and insist on the health and strength of workers not being abused; Article 41 expects the State to grant the right to work and public assistance in the case of unemployment, **old age**, sickness and disability; Article 47 reinforces that the primary duty of the State is to raise the standard of living of its population.

As regards the maintenance of the aged persons without means, the Hindu Adoption and Maintenance Act 1956 provides that subject to provision of Section 20, a Hindu is bound during his/her lifetime to maintain his/her children or **aged or infirm parents**. Section 21 of the Act says

that the dependents include **father** and **mother**; Section 22 says that each person who has a claim on the property of a person has the duty to maintain him/her.

According to Section 125 of the Code of Criminal Procedure, if any person who has sufficient means, refuses to maintain his wife, children or **parents** who are unable to maintain themselves, the magistrate may fix a monthly allowance at the rate of not less than Rs. 500. If the person concerned refused to comply with such an order without any sufficient cause the court can sentence him/her to imprisonment up to one month or till the payment is made.

Social security, stated in terms of assistance and insurance, is not a new concept for India. The idea of social security has existed in India ever since the post-vedic period. Kautiliya in his Arthashastra had laid down various rules for the regulation of guilds, whose main purpose was collective security for life, prosperity and freedom from want and misery. The observations of Shukracharya in his penetrating 'Shukraniti' (750-850 AD) contain many a reference regarding sickness benefits, **pension and old age benefits, family pension and maintenance allowances**. Indeed until recently, traditional joint family system formed the first line of social defence for old people in India.

The submission of Adarkar report on 15th August 1944 for introducing a social security scheme in India constituted a land mark. According to him, any social security scheme should possess the following eight features, namely (a) compulsory; (b) contributory; (c) simple to administer; (d) implementation with minimum trouble; (e) scope of expansion and extension; (f) financially sound and viable; (g) minimal disputes and (h) flexible.

A complete review of various legislations on social security in India since independence with details of contributory and non-contributory schemes, various types of pensions schemes, role of Life Insurance Corporation of India as well as the provident funds is available elsewhere (Irudaya Rajan, Mishra and Sarma, 1999; Irudaya Rajan, 2002; Irudaya Rajan, Perera and Begum, 2003) for an earlier case study on India see, Williamson and Pampel, 1993). As a prelude to the social assistance program for elderly, we summarise the various social security measures available in India for public employees, private sector workers, and the poor in general in contingencies such as medical care, sickness benefit, maternity benefit, unemployment benefit, employment injury, invalidity benefit, old-age benefit and survivor benefit (Table 30). Table 31 outlines the existing models of social security in India as presented by Subrahmanya and Jhabvala (2000).

CHRONIC POVERTY AND INTRA-HOUSEHOLD ALLOCATION OF
RESOURCES: A PRELIMINARY ENQUIRY

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DRAFT

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CHRONIC POVERTY AND INTRA-HOUSEHOLD RESOURCE ALLOCATION: A PRELIMINARY ENQUIRY

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Abstract

This paper is a preliminary enquiry into the nature of intra household discrimination in poverty households in urban slums in Delhi. The data presented is based on a household survey as well as case studies. The paper finds evidence of gender based disadvantage within households, with adult women and daughters, especially elder daughters, worst affected. While all children have access to schools, there is greater commitment to schooling for boys. As part of the informal labour force, adult men and adult women are both at a disadvantage when seeking work. Women are further constrained by spousal disapproval of their seeking paid work, by reproductive responsibilities, and by limited work options. The communities surveyed are urban slums and have limited infrastructure. A number of government programmes have been introduced for which the population of the areas studied is eligible, including free health and schooling facilities, and a public distribution system targeted at the poorest households. Effective implementation of these programmes would improve the capabilities and reduce aspects of the poverty of these households, which in turn would be expected to improve the situation of the most disadvantaged within the households. We argue on the basis of our findings that the strengthening of collective action for improvement of community infrastructure, access to health, education and work, in a manner so as to be especially responsive to the needs of women and girls, would be one way of reducing intra household disadvantage. Further research is needed to understand the nature of community bonding and possibility of collective action, and the interaction between an urban environment and the slow changing status of women.

¹ Acknowledgements: The data presented in Section III has been taken from a household survey conducted by ISST in 2001-2 for a study on food security (see ISST 2002). The case studies in section IV were carried out by Rina Bhattacharya and Amita Joshi of ISST; special thanks to Amita Joshi for her helpful insights into the situation of the slums. Thanks also to Vishal Goyal and Shambhu Ghatak for helping with the data analysis. The authors are solely responsible for the final contents of the paper.

I. Motivation

The extent and nature of intra household discrimination is influenced by a wide range of factors, ranging from the individual and personal to the norms of community and state. Intra household negotiations are characterized by 'co-operative conflict' (Sen 1983) and one way of understanding the outcomes for each person is to consider what the relative bargaining power of each member of the household is. As Bina Agarwal has put it, 'Women's bargaining power within the home is clearly linked to their situation outside it. Outside the household/family, gender interactions take place in a variety of arenas, of which three could be especially important: the market, the community and the State' (Agarwal 1994:71).

We have approached the question of intra household resource allocation with this perspective, that is, the focus is on trying to identify the forces outside the household that could influence interactions within the household in a manner such as to empower those who are most disempowered. Of course, even if we are able to identify these forces with a high degree of confidence, there will need to be much more careful analysis before clear policy recommendations could be offered.

This paper attempts a preliminary analysis of intra household resource allocation issues in poor households, based on a quick study of some urban slum areas in Delhi. In their paper on 'The intrahousehold disadvantages framework', Vincent Bolt and Kate Bird have presented a tool – the intrahousehold disadvantages framework – for the analysis of intrahousehold dimensions of disadvantage, going beyond the analysis of gender differences. A two-tier framework is suggested. The first is analysis at the community level. The second is more detailed case studies of a few individuals and households. The methodology used in this paper is informed and influenced by this framework, however, it does not strictly follow the recommended steps in analysis.

We have drawn some broad conclusions at a community level using the data from a survey conducted two years ago, and from general observation on infrastructure and physical location. These are supplemented and deepened by a set of case studies carried out over the last two months, which are based on conversations with individual women in the areas selected. Taken together, this allows us to identify some recurring reasons for vulnerability at a household and individual level, and some recurrent patterns of intra household disadvantage. As pointed out by Bolt and Bird, gender is not the only basis of intra household disadvantage, and the impact of age, birth order, disability also need to be explored. The evidence of gender based disadvantage emerges most strongly in our study, perhaps because of the context, as these are urban and nuclear households. Based on our findings, we offer some tentative suggestions for possible intervention.

II. Location and sample

The analysis presented here is based on an urban sample. The relative share of urban poverty in India increased from 18.7% to 24.5 % between 1973/4 and 1987/88 and has fluctuated around this estimate since then. In 1999-2000, 25.7% of India's poor were in urban areas (Mehta and Shah.: 10). Rural – urban differences in India are so profound and substantial that the two need to be separately studied. We have chosen to begin with this focus on the urban poor partly as this is a major part of our current and on-going work; and partly because there are clearly linkages between the urban and rural context which need to be identified. The urban poor are migrants from the more extreme poverty of rural areas. They are also therefore in a new and created social environment in which the norms of the rural community may not have much role to play. The study of the urban poor therefore might allow us to see which beliefs and conventions are carried into the new environment, and which are not. One of the striking differences, for example, in the urban poverty households is the virtual absence of older people. Most households are made up of adults in the age group of 30-50, and with young children.

The intersecting characteristics of chronic poverty have been defined as its extended duration, multi-dimensionality, and severity, and a period of five years has been suggested as indicating an extended duration of poverty (Hulme et al. 2001). In the analysis that follows, we have used a proxy (ration card usage) to try and identify households that have been below the official poverty line for a period of five or more years.

The areas studied are slums in east Delhi and a short profile of the four camps from which our sample has been drawn is given below. These profiles have been developed from focus group discussions with the residents, as well as individual interviews with key informants. As the profiles make clear, there is a certain pattern to the development of these areas. The first residents simply set up 'jhuggies'² on barren land close to their place of work. With the support and influence of political leaders several of these habitations have acquired a degree of permanence even though they usually lack clear legal status. This gives them a foothold into the city, albeit still a precarious one. Wood points out the need the poor have to search for 'dependent security'. As he puts it, 'Poor urbanites are thus like peasants in being weakly positioned in relation either to the state or different markets (commodities, labour and services). They require networks and patron-brokers to link them more successfully to essential opportunities in these state and market domains'. These intermediaries between the family/ individual and more formal institutions can be seen in the slums studied – in the example of elected 'pradhans' and other local leaders. It is as true in these slums as in Bangladesh that 'poor urbanites, and especially new migrants, have no option but to gain membership of such networks and patronage' (Wood 2003: 465).

² Or temporary shelters

These communities are probably more fragile than rural communities, often being multi-ethnic and lacking any other clear bonding, although there may be groups of families from the same village living together. But interdependence, living in such close proximity to one another is naturally high. Systems of management – very importantly, of ownership and sale of property - have thus developed in these areas. Even though there is no legal title to land, 'ownership' or sale is respected by the residents. Instances of one household assisting another, with food or money, are also common. The main source of income is manual work of one kind or another. Initially the men and some women were engaged in construction work. Over the years they have diversified into other activities, but remain largely casual workers. Children born to these workers have some level of schooling, but have not for the most part acquired skills or education adequate to move into other types of work; however, in most cases the children are still young. The minimal level of infrastructure and facilities reflects the level of entitlements of slum dwellers, according to the norms that the municipal authorities are expected to meet. The provision of facilities is guided by norms that have been developed so as to make some provision, but discourage further migration; and bear little relation to the needs of the population. In general, despite the prevalence of poor health and infrastructure, the people living in these camps feel that they are better off than they were in the village. The access, limited though it may be, to schooling and health facilities, and the availability of work, provide some means of improvement.

The four areas from which our sample is drawn are Rajiv Camp, Nehru Camp, Sonia Camp and Ravidas Camp. Most of the residents of these colonies have been issued TPDS³ cards, 6-7 years ago, and a proportion have subsequently qualified for the issue of 'red cards'⁴ i.e. ration cards given to the poorest of the poor. The ISST survey conducted in 2001-2 allows us to classify households by income status. The findings presented below are therefore for households known to be below the poverty line in 2001, with TPDS cards issued in 1997, and in some cases red cards issued subsequently. The chronic poverty status would be indicated by the duration spent below the poverty line level of income and by the issuance of red cards. We have thus largely gone by the official classification, based on an income/ expenditure criterion.

- Nehru camp, a relatively large slum cluster, is located alongside National Highway – 24. To one side of the slum is the highway, on the other are co-operative housing societies built by the Delhi Development Authority (DDA) in the late 80s. Most current residents of the slum are

³ The TPDS (Targeted Public Distribution System) was introduced in 1997 and attempted to limit food subsidy to the targeted group, i.e. households below the poverty line. In urban areas all slum dwellers were entitled to these cards, the entitlement being based on area of residence, although not all the households would fall below the poverty line criterion. A 'BPL (Below Poverty Line) Survey' was conducted a few years later and those falling below the poverty line according to this survey, have 'BPL' stamped on their ration cards.

⁴ These are cards issued under the Antyodaya Anna Yojana, and offer specially subsidized food grains to the poorest of the poor. Identification of the poorest is done by representatives of the community.

construction workers, who came here at the time the apartments were being built. Starting with a few jhuggies, the slum has grown in size. Initially, the residents of the apartments were anxious that the slum dwellers should be evicted and the land cleared. They complained of dirt and poor sanitation and so on. However, the DDA officials intervened and put up a boundary wall dividing the slum and the apartments, and the tension has subsided. (In general, such decisions reflect political support or pressure). The slum therefore has a level of legitimacy as a 'JJ cluster'. With both Hindu and Muslim families, the community has been peaceful. The residents are predominantly migrants from UP and Bihar. However, a few families have their roots in West Bengal and Southern India. There is no proper infrastructure for electricity. There are eight taps for water. Sulabh International has provided the camp with 12 toilets which implies one toilet for approximately 350 people. Additional risks are faced by people because as there is no pavement for people to walk on, it is risky especially for old people and children to walk along the highway, but this is the only access. Although originally mainly construction workers, today men in the community are working as vendors, private security guards, rickshaw pullers, or manage small shops etc. Women mainly work as domestic help.

- Sonia camp is situated alongside the Shakurpur railway line, adjacent to a Gujar village. It is also known as Harijan Basti. The name derives from the fact that the residents are predominantly from the backward classes with roots in the villages of UP and Bihar. This land was lying barren and the Gujar villagers used to claim this land as theirs. During 1980s a few families moved to Delhi from Mahoba of Hamirpur district of UP in search of jobs. They worked at the construction sites, moving from one site to another. Initially they were encouraged to come here and stay by a man who was very close to the village Pradhan and happened to be from the same place, Mahoba. He himself used to work as care taker for the Pradhan. Slowly many more came and joined them. Currently the number of families has gone up to more than 250. Of late many upper caste Hindu and Muslim families have moved in. The community seems to be a cohesive group with a representative (Pradhan) who himself comes from the Muslim community. There is only one tap, which is provided by the MCD, and it provides water both for the public toilet and drinking purposes. There are only 8 MCD toilets for an approximate population of 1500. As far as electricity is concerned, people have taken a connection from the roadside pole which sometimes creates a problem for the Gujar villagers leading to major tensions in the community. There is a government dispensary located in the adjoining Fazalpur village. Earlier a mobile van used to come for health check ups but for the past two years it has stopped coming. Mostly children go to the MCD School near by. The quality of education is reportedly extremely poor. Till date no one seems to have studied beyond class VIII (especially boys). Reasons for dropping out of school include poor performance. Most of the men are unskilled construction workers and few of them are skilled masons. The women mostly work as domestic help and a few of them are engaged in sorting

of tree sap. Most of the families have a TPDS card. Most use the card only for the purchase of kerosene oil. Although food grains are supposed to be made available at a special discounted price, in actual fact they are not made available at these rates.

- Ravidas camp is along the road, near a large Mother Dairy plant. The camp came into existence during 1982-83 when the Mother Dairy was being constructed. The labourers who were engaged in the construction, set up jhuggies and started living there. For a long time they were under threats from the Mother Dairy management that they would be evicted from the place since it belongs to the Mother Dairy. Recently Mother Dairy management lost the case and now they have stopped harassing the residents of the camp. To begin with, only a few jhuggies were there. In 1990 there were around 100 households but over the years it has grown in size and now there are almost 350 households. There are people from Hindu upper castes, Muslims and lower and backward class. It seems the communities do have some differences so that there are several groups, each with its own Pradhan to represent the community. There are three –four taps, which provide water to the camp. The residents have paid a lump sum to the Delhi Vidyut Board in the belief that this would give them a permanent connection. The department did fix a pole in front of the camp but did not give the line for connection. The members had been issued a card as genuine user. There is no toilet facility in the camp so the residents go to the open to relieve themselves. Mobile dispensary services are available twice a week. Most of the young girls do not go to school either because they have to look after the younger siblings or they have to be at home and look after the household work because mother goes out to paid work. Women in the community mostly work as domestic help, or unskilled construction labour. Men in the community work as auto drivers, rickshaw pullers, vendors (vegetable, fruits etc)
- Rajiv Camp came into existence around 1987-88, and held mainly construction workers working on the construction of a highway. Finding the place convenient, the workers settled into it. Residents are migrants from UP, Bihar, MP, and West Bengal. Over the years it has grown in size, and has more than 350 jhuggies today. On many occasions in the initial years MCD officials demolished the jhuggies, and the Pradhan would help the residents to put the jhuggies back again. After 1996 there has been no further attempt at demolition. The Pradhan is now elected by the community for five years at a time. There is no toilet facility for the community. Everyone has to go to the field adjacent to the camp to relieve themselves. The field is open with no boundary wall hence it is difficult for children and females to use. Electricity is taken from the road connection. There are 4-5 taps which provide the community with water. These households were issued TPDS cards in 1997. The major problem is that they do not get any food grains at the subsidized price. The households use the card to purchase kerosene. Around 10 percent of the households have been issued a red card on the basis of the Pradhan's suggestion.

III. Preliminary findings: household survey

The data presented below is based on household level information collected from these four slums, Rajiv Camp, Sonia Camp, Ravidas Camp and Nehru Camp located in the Mandawali area of East Delhi.⁵ Each of these slums came into existence in the late 1980s. Therefore most of the households participating in the survey have been residing here for the past ten/fifteen years. Most of the households are migrants from Uttar Pradesh, Madhya Pradesh, Bihar, and parts of Uttaranchal. The male members of the households work as vendors (fruits and vegetables), plumbers, casual labour, auto drivers etc. The women mostly work as domestic help, some are engaged in sorting of sap, and some are engaged as construction workers/labourers. Most of the earners in the households are wage earners and have odd and irregular jobs. The household size varies between six to twelve members. By and large not many households have elderly persons in the households. Most of the households are nuclear families.

The number of households that participated in the survey from each camp is: 41 from Rajiv Camp, 46 from Sonia Camp, 31 from Ravidas Camp and 46 from Nehru Camp, or a total of 164 households. These are poor households with household income ranging from Rs 300 to Rs 6000 per month. The households were selected based on the criterion that they had been issued TPDS cards. The total population of the households is 904 persons, of which in 0-14 years (23.3%) male (24.7%) female. Among adults (27.2%) male and (23.3%) female consists of the sample. In the sample 1.3 percent people fall in the category of sixty years and more.

Supporting tables are contained in Annex I.

Income

As per the Delhi Economic Survey⁶ poverty line is set at Rs 454.11 per capita income for urban areas. On the basis of 5.5 persons on average per household, this gives us a household poverty line of approx Rs 2500 per month. Two adult members in the households (male and female) had been asked to give details on income and occupation of adult members in the households. Due care has been taken to avoid discrepancies in the reporting of income.

The sampled households have been categorised based on the total monthly income of the household. The whole of 164 households are distributed over the income categories. Among them 19 households fall in the category of having monthly income up to Rs.1500/-, 79 households came in the income range of Rs.1500-Rs.2500. Rest of the 66 households fall in the category of having monthly income above Rs.2500/-. As per the

⁵ These data are drawn from a household survey conducted by the ISST in 2001-2 as part of a study on food security (ISST 2002). The sample included 201 households and we present the data based on the poorest 164 households.

⁶ "Poverty," Chapter 21, *Economic Survey of Delhi, 2001-2002*, pp 166-167.

criterion of poverty line, 98 households out of the 164 fall below the poverty line. (see Table A 1).

Chronic Poverty Household

It is been suggested that households which continue to be below the poverty line for 5 years or more are 'chronic poverty' households. Therefore we have tried to determine for how many years the sampled households have been using the TPDS cards, expected to be issued to those below the poverty line. The table showing the duration for which ration cards have been used by the household shows that 61.7 % households have been using TPDS card for more than 5 years. Another 20.3 percent households have been using cards issued for 3-5 years and 16.5 percent households have had a card for 1-3 years (Table A2).

Educational Status

Among the adults 37.8 percent males and 67.7 percent females are illiterate. As far as the levels of education are concerned among the adult males 23.5 percent are educated up to primary level followed by 23.1 percent secondary level and 13.4 percent up to high school as against 14.2 percent females have completed primary level followed by 13.7 percent secondary level and 3.8 percent up to high school. (Table A3). There are 13.8 percent boys and 20 percent girls who have not been to school. Among the school going 86 percent are boys and 79 percent are girls. (Table A 4). This shows a clear gender difference in educational facilities provided to boys and girls. The number of households reporting drop out of boys is approximately the same as the number reporting drop out of girls. The number of dropouts are more as one moves down the ladder i.e., it is prevalent more in the poorer households. The girls have dropped out from the schools mostly to help in household work and due to financial constraints, whereas boys have dropped out because of not doing well in studies. It is interesting to note that there is a difference in the parental reporting of reasons for boys dropping out. The mothers reported that sons have dropped out because of financial constraints whereas fathers reported that they were not doing well in their studies.

The gender gap in the literacy levels among the adults is quite sharp but more alarming is the gender gap in the access to the literacy and education among the younger children. The girl children are as such disadvantaged in terms of access to education, and poverty makes it worse for them which clearly came out from the analysis and the case studies. In the case studies, it is time and again mentioned that girls have to look after the household and the younger siblings because mother has to go out to work.

Intrahousehold distribution of food

In order to understand the gender dynamics within the households, the adult male and female in the household were asked to respond to a question 'who eats first' and 'who eats last.' As far as the responses are concerned there is no marked difference between female and male response in terms of pattern. It is interesting to note that in 47 percent households children eat first followed by men in 25 percent of the households. Another 4 percent of the households have mentioned sons among those who eat first. While analyzing the responses for who eats last it is seen that in 64 percent of the households it is women who eat last followed by adolescent girls in 5 percent of the households. This is the trend across the income categories. But among the poorer households the responses were predominantly that there is no specific person who eats first or who eats last. (Table A5, A6).

These findings appear to corroborate other studies (Haddad 1996, 1999). Eating last appears to be the main mechanism for discrimination against women in the allocation of food, implying as it does that in a situation of overall inadequacy of food, women have a lower overall food intake.

Malnutrition among boys and girls:

The gender differences in consumption pattern can be understood more clearly from the malnutrition pattern. Age-wise weight and height data of the adults were collected as well as children. The Z score has been calculated for boys and girls of (0-10 yrs) separately. As far as stunting is concerned 25.9 % of the total girls show severe stunting followed by 24.1 % as having moderate stunting. Around 10 % fall in the category of mild stunting. Among the boys the pattern seems to be the same with 22.4 % as severe stunting followed by 20.3 % with moderate stunting and 12.3 % with mild stunting. There is a difference in the findings regarding stunting among the boys and girls with a greater number of girls having moderate and severe stunting as compared to boys. In case of mild stunting percentage of boys is more as compared to girls (Table A 7).

The percentage of girls that is moderately under weight is the largest group (49.6%) in our sample and (19.1%) have problems of severe underweight. Around nineteen percent girls have problem of mild underweight. In case of boys 40.3% have moderate underweight followed by mild underweight (20.9%) and severe underweight (18.7%). In both girls and boys the prevalence of moderate underweight is more than mild and severe underweight. However, more girls as against boys are moderately and severely underweight. It is interesting to note that in case of mild under weight, percentage of boys is more as compared to girls. The same trend is observed for stunting also.

Malnutrition among adults:

An analysis of the data for adults (see ISST 2002) showed that both male and female respondents in the study sites were more malnourished as per CED (Chronic Energy Deficiency) levels than the average Delhiite. The pattern of CED appears to be more a function of household income levels among women than among men. There is far more CED of the third degree among women than among men in the poorest households. The data showed some exceptions to this general pattern, for example, women in the highest income category showing high incidence of severe malnourishment. (for a fuller discussion, see ISST 2002).

IV. Case studies

To supplement the above findings, a number of individual case studies of women were conducted, a selection of which is reproduced below. Our case studies have been done on women. In the analysis of intra-household consumption patterns discussed in the previous section, women were found to be better respondents for understanding the distribution of food, access to resources and control of resources. The women interviewed were selected on the basis of prior information available with researchers on their situation and the selection has not been random. An effort has been made to talk to those women known to be in great hardship, and a few cases were also selected where there has been a degree of upward mobility.

It needs to be emphasized that these women are in a somewhat unusual situation, being part of nuclear households, without the sort of community embeddedness one might expect to find in a village. What emerges forcefully from these many narratives is the 'despotic' nature of most of the households as also the apparent acceptance by women of the situation they find themselves in. The weak status of women is caused in turn by certain recurrent elements in their stories. Marriage at a young age, to men often many years older; usually the choice of husband is determined by the willingness of the man to take the girl without asking for any material incentives in the form of dowry. This is evidenced again and again in the case studies.

Case study 1

Sunita (name changed) is a resident of Nehru Camp located in the Mandawali area of East Delhi. She is thirty years old and mother of four children, two sons and two daughters. The eldest son is fifteen years old and the youngest daughter is six years old. She got married at the age of thirteen. She recalls that her menstruation began after her marriage, and was a traumatic experience for her because she did not have any idea about it. After a lot of counseling from her mother-in-law she accepted it as normal. She is the only child of an agricultural labourer from Farraka in Malda district of West Bengal. She is illiterate and belongs to a poor family. The family desperately wanted to marry off the girl, and was happy to find a man, who was willing to marry her without any dowry. They were even willing to overlook the fact that he was from Uttar Pradesh, while the girl's family was Bengali. Her husband is fifteen years older than her.

After marriage she stayed with her in-laws in U.P. for a while, later she came to Delhi with her husband and started staying in Welcome Colony near Seelampur in East Delhi in a *jhuggi* with another family free of cost. During 1990, the family shifted to Nehru Camp along with many others. The motivation to shift to this place was to get the ownership of the *jhuggi*. In the camp there is water connection/tap which is the only water source for all the households. She does not pay anything for water but she pays Rs.35 per month for electricity. She cooks with kerosene but she collects firewood as supplement for which she spends Rs.10 per week. As such there is no toilet facility but the family uses a public toilet which is being shared by three other families. Since the toilet is a little far off, usually women go in a group of two/three. There is a mobile dispensary service which is available. Sometimes she consults a private doctor in the camp. The Govt. Senior Secondary and MCD schools are available in the near vicinity of the camp.

Sunita says that after marriage she has seen only violence, nothing else. Her husband is a chronic alcoholic. He is neither interested in sending her to work nor in sending children to the school. He works as a casual labour in the construction sites. Ten to fifteen days in a month he gets work which earns him rupee eighty/hundred per day as wage. In 1990 the household was issued a TPDS card by the Delhi govt. to enable it to obtain rice, sugar, wheat and kerosene oil from the fare price shop. She has never been able to buy from this shop because the shop asks for bulk purchase of fifteen days worth of rations. She buys the food items daily depending on how much money she has and not on the basis of requirement for six members in the household. She has no say on what is to be cooked. Her husband decides that. Every day he gives her some money to buy food items. There are days when she and her children go without food because of lack of money. Many a time her neighbor gives her some food so that the children can eat. She eats last, as a result she rarely has a full meal since there is always a scarcity of food. As far as clothes are concerned mostly she gets it from her neighbors who work as domestic help in the nearby colonies. Recently she has started collecting clothes for her children from ISST's community center.

For the past one year she has been working in ISST's community centre and also attending tailoring classes conducted by ISST. She earns rupees three

hundred per month which she keeps in the bank. She says out of her earning, she could pay school fees for the children and has also bought school uniform for them. She has also bought some bindis and jewelry for herself with this money. These days she also sells vegetables to earn some money. She does all this without the knowledge of her husband. She fears that if he comes to know about her earnings he would take away the money from her. After joining ISST she feels more confident and is able to protest when her husband tortures her. He wants to withdraw the eldest son from the school and desperately wants him to get a job. Earlier her husband withdrew the son from the school. Currently all the children are going to the government school. Sunita complains of giddiness and weakness; even her elder daughter complains of dizziness. Her daughter cannot concentrate on work. She is inattentive to the instruction given to her at school/home. Her younger daughter falls sick very often.

RB

Case Study 2

Jaimala (name changed) comes from Sultampur village, Uttar Pradesh. She is around 30-35 years old and a resident of Nehru Camp. Her father was very poor with four daughters and one son. He wanted to marry off the daughters at an early age in order to avoid dowry and also to reduce the burden of feeding so many people. She got married at the age of 5 and had her 'gauna' at the age of 11.

She has three children of whom the eldest son is 15 years old, daughter is 10 years and youngest one is 6 years old. After the 1st child she got pregnant twice, once she delivered a still baby boy and a girl was born and died after few days. All these deliveries took place at home, in the village. After this, she moved to Delhi. The next two deliveries were done at home but trained midwives were called to attend the delivery. All her children go to the government school nearby. Earlier they used to go to a private school but they found it hard to pay the fees. The eldest son has been withdrawn from the school since he has some behavioral problem. Currently he is undergoing treatment from Irwin hospital for this.

Her husband sells cut pieces in different local markets. He earns Rs. 200 per week. But it is not a regular income. He takes alcohol but does not take it regularly. He does not want his wife to take up some job. Jaimala has no say in buying daily provisions or clothes and other things. Her husband buys the essentials. He decides what is to be cooked in the house. In this household children eat first and then Jaimala. Her husband comes home late and he has his food on his own.

Regarding health, she complains of giddiness and feeling low. She goes to a private doctor for medicines, spending Rs.30 per visit. She prefers to consult him instead of going to the hospital where treatment is free, since that means spending a lot of time.

On the whole, she feels they are better off here than in the village. Back at home she did not have money and lack of treatment made her lose two children. In the village it would not have been possible to send the children to school. RB.

Case Study 3

Thirty year old Israji was born in Jaunpur district of Uttar Pradesh. Her father was a labourer in the Dhanbad mines. After long years of work in the mines he developed chronic tuberculosis and returned home to Jaunpur. Israji was the fourth child, and had three sisters and two brothers. Her parents got her married at the age of five, an age at which less expense would be incurred. No dowry was given. Israji went to live with her in-laws at the age of eleven, at which time the marriage was consummated (gauna). She picked up the tobacco habit in her childhood, having started smoking at the age of 9. Her parents used to grow tobacco on a small piece of land that they owned, and smoked the 'hukkah'. Israji believes they did this to suppress hunger.

Israji has been living in Nehru Camp for the last 13 years i.e. since 1990. She has two sons and a daughter, all of whom are in government schools. The eldest (a son) is 11 years old and the youngest 5 years old. The children do not keep good health. Two get recurrent attacks of pneumonia. Although there is a government dispensary at a distance of 0.5 kms, the family prefers to use private 'doctors' – albeit these are untrained – who are more polite and helpful, according to them. All three of her children were born at home, and without the assistance of the midwife – 'dai' – to save on the Rs 800 per birth that the dai would have asked for. She has also had an abortion.

Israji has been weak and ailing for the last 4-5 years. She is a heart patient and underwent a heart surgery one year ago. Israji and her husband were able to raise the money for the operation partly by borrowing from their neighbours and relatives (an amount of Rs 10,000) which they are trying to repay in installments. She has been advised to avoid stairs and lifting of heavy weights.

Israji's husband is a mason who works as a daily wage earner. He is able to earn Rs 80-100 per day, but gets work only on 15-20 days a month. He used to drink and beat her frequently, but has stopped since the operation. He has also stopped gambling for want of money. He gives Israji Rs 25-30 every day for daily provisions.

Occasionally, Israji has to buy her daily rations on credit. She currently owes Rs 1500 to the local shopowner. The family does not consume any milk, not even the children. Food is cooked in the morning, usually a simple meal of dal-roti. The children are given their meal first, before leaving for school. Her husband eats next, and she eats the last. If she is still hungry when the food is over, there is always tobacco – a habit she has not given up. She cooks green vegetables rarely, potato and dal being the staple diet. On average, the household consumes 1 kg of dal, 3 ½ kg of potatoes and ½ kg of edible oil per week. Israji does not buy her rations from the government ration shop because she is unable to buy in bulk and cannot buy daily from there; but also because there is no difference in price. Despite being a red card holder⁷ entitling her to special subsidy under the Antodaya Anna Yojana scheme, she

⁷ Red Card refers to the Antyodaya Anna Yojana, a scheme introduced to provide food security to the poorest of the poor, with foodgrains being made available at especially subsidized rates.

has not been receiving rations at lower prices. According to her the colour of the card may have changed, but nothing else has.

The family shares a toilet with 10 families. There is no proper sewage system in the camp. Garbage is collected in plastic bags and thrown by the side of the highway along which the camp is located.

As far as access to and control over income is concerned, she laughs and says 'when there is no income what is the importance of who controls it?' .AJ.

Case Study 4

Rajani does not know from which part of India her family originates. Her earliest memories are of living in Bhajanpura. She had an elder sister and an elder brother. Her father was a mason, and died of cancer when she was very young. Her brother was a student in Class IX when he suddenly disappeared. As this was during the riots following Indira Gandhi's assassination and he had been with a Sikh friend, the family eventually gave up the search for him and assumed that he had lost his life in the riots. This was a very difficult time emotionally and economically for the family.

Rajani was married to a person much older than herself (12-15 years older) at the age of 11. Her husband was also a daily wager. Her mother married her to him because he wanted no dowry and was willing to take her with her two pieces of clothing. Her husband was a drunkard and used to beat her from the very beginning of the marriage. She also suspects that he had illicit relations. Her husband took a second wife after five years of the marriage, saying that she was unable to bear children. His second wife lived in his native village in Ajamgarh, Uttar Pradesh.

Both wives then had children. The second wife came to stay in Delhi. The two wives were constantly quarreling largely because of a shortage of money and resources. After four years the second wife ran away with someone, taking her children with her. Rajani started working in the apartments near by as a domestic servant. She had three sons and a daughter. The daughter is the eldest, and is studying in class VI. Two boys are both in Class II. The youngest son is eight months old.

Rajani's husband dies recently, a month ago, of an unknown disease, which she says was TB. He had not been keeping well for the last five years, had repeated throat infections, and fever. He was diagnosed as having TB in Lal Bahadur Shastri Hospital, but was sent for further check ups to Irwin Hospital. She does not know which tests were conducted there. For the last year, she has been living with her mother because her husband did not want her and the children to live with him, although she accompanied him to the dispensary and hospitals for his check ups.

After the death of her husband, she has given up the rented jhuggi, which she cannot now afford, and has continued living with her mother, who lives in a

rented room in Sonia Vihar with her second husband. She is now dependent on her mother and step father. She is unable to provide her children with milk or with adequate food.

Rajani herself has not been in good health over the last one and a half years. She has as a result discontinued her work. She underwent sterilization after her youngest child was born. She has repeated cough and throat infections, stomach ache, and spells of giddiness. She says her husband was very cruel to her, and beat her even during pregnancy. She blames her own ill health on this, and the lack of proper nutrition during and after pregnancy.

Rajani's daughter helps her in household work. In fact she does all the work, including cleaning, washing, and food preparation. She also looks after her youngest brother, if mother is out or unwell. AJ.

The woman thus enters marriage young, ignorant, and with a strong sense that she and her family are under an obligation to the man. Domestic violence is common. Early marriage is followed by young motherhood, accompanied by much ignorance regarding contraception, spacing and child care. There is also little evidence from these narratives of any proactive search by women for more information or guidance. There is no spacing between children, frequent incidence of reproductive health problems, and complaints of weakness, but again, little evidence of attempts to change or modify the source of the problem. Women work outside the home when needed but do not see themselves as workers. While children are sent to school, even where the parents are illiterate, education is not pursued beyond a few years. In particular the attitude to girls schooling is that it is not a necessity. More study would be needed to establish how far this is due to the poor quality of education for children. Daughters shoulder a disproportionate burden of housework and child care; there is strong son preference. The same story is repeated again and again.

The repeated statement that the husband does not want his wife to work, is also worthy of note. This could reflect the fact that migrants to the city who have been able to find a shelter are not among the most destitute (the abandoned, those who live on pavements). In their search for upward mobility, of which the movement to the city is an intrinsic part, having a non-working wife is a measure of status, as the theory of 'Sanskritisation' has so well articulated. In actual fact, the women will be found to work, as a 'flexible resource of the household' (Banerjee 1998), when circumstances demand; but they are unwilling to report this fact without some probing.

For the women living in the slums, child care is a major concern, and seems to be the main reason why young girls are not sent to school but instead become mother's helpers at a young age. The quality of child care is also low, in the absence of information and inputs to young mothers who are deprived even of traditional sources of support and advice on child rearing.

There is no evidence of an active anganwadi or other child care centre in these areas which could help to improve the health and hygiene of very young children. Given the high incidence of poverty, the major part of household expenditure is on items of food. Most of the households have been issued BPL cards and among them 10% have been issued 'red' cards indicating these households are at the bottom line. Although eligible for subsidized food grains, sugar and kerosene, in fact in both categories, people reported that they could not get food grains at the controlled rate as promised under the Public Distribution Scheme. This is not of course unique to the particular slums being studied, the implementation of the PDS is a matter of concern and requires a full study in itself.

Case Study 5

Sudha Gupta (name changed) aged 33 years is a resident of **Ravidas Camp**. She got married at the age of 14 and hails from Bulanshawar district of UP. Her father was a landless labor. She studied till 8th standard. She has been married to Nand Kishore of Aligarh district. He has also studied till 8th standard. His father has some land in Aligarh.

At the time of Sudha's marriage her husband used to work as a loader at the Palam Airport and was staying in a rented house. Later he left that job and started driving a three wheeler. He used to earn enough i.e., Rs.100/- to Rs.200/- per day. She has three children, two boys and one a girl. For the past two years he is unable to do anything as he is suffering from tuberculosis. He is being treated at LINGP Hospital.

In 1992, the family came to this camp and put up a jhuggi for themselves. There are three-four taps for water in the camp. Since there is no provision for toilet the family has to go to the open.

Her elder son is studying in Xth grade and the younger one is in the IXth grade. Since her husband is unable to drive any more her son has taken up income earning activity. He does the vending of eggs. He earns Rs.50-60/- per day. In the morning he goes to the school and tuition, and in the evening he works. Youngest among the children is the daughter. She has been withdrawn from the school on the pretext that the school is at a distant place and it is not safe to send her to the school. In fact the daughter has left the school because she has to take care of her father since Sudha is sick and unable to cope on her own.

- RB

Case Study 6

Sushila (name changed) is a resident of **Rajiv camp** located near the highway. She has been staying here for the past 10 years. When she first came here, there were only a few jhuggies. Sushila studied up to 8th class and has been born and brought up in Delhi. Her father was a gardener and used to earn very little. She got married at the age of 19. Her husband (Jeet Singh) hails from UP. After completing his schooling he came to Delhi in search of a job. He works as a salesperson in a large sweet house and earns Rs.3000/- per month. The husband takes most of the decisions. Her husband does not like her to take up any paid work.

She has a son of 7 years and a daughter of 9 years. Both of them are studying. The girl goes to government school and son goes to a private school. She spends Rs.200/- per month for her son towards the fees and Rs.40/- yearly for the daughter. Both the children were born in the government hospital. She has no health problems. She got her hysterectomy done after the boy was born.

Since there is no toilet facility she and others in the family go out to the field. She uses the public tap for water. RB.

Case Study 7

Shanti a resident of Sonia camp comes from a place called Mahoba in UP. She has four sisters and 2 brothers. She is the second among the sisters. Her father was an agriculture labourer, was not earning much, and wanted to marry her off soon. She got married at the age of 13 and her 'gauna' took place when she was 16 years. She is illiterate; her husband studied up to 5th standard. He used to work as a contract labourer. At the age of 16 she conceived her first child.

Each of her pregnancies was difficult. When her youngest child was born she had the most problems. In the first four months she could not get up from the bed and had gone back to her native place. After returning to Delhi there were further complications and her husband persuaded her to go to the hospital. He suggested that they would have an ultrasound done; if the report indicates that she is going to deliver a baby boy then they would retain it otherwise they would just get it aborted. The report showed that she had twin sons in her womb. Once the report came she was given more care till the delivery. However, she could deliver only one healthy baby boy and the other one was stillborn. She has 6 children. She has 4 daughters and 2 sons, and has had two abortions, one before the youngest child was born and one after. All her deliveries took place at home. She feels helpless since her contraceptives (oral pills) have not been effective. She is now keen to have a sterilization operation. She is not in favour of her husband having a vasectomy, believing that this would make him sick and unfit for work.

She married off her elder daughter at the age of 15 years. Her daughter studied till 5th standard. She withdrew her daughter from the school since her husband was sick and she needed help with household work. The eldest son studied up to 8th standard and could not continue further because he failed the examination for two consecutive years. He has taken up a job which earns him Rs.1000/- per month. The 2nd daughter has been withdrawn from the school on the pretext that she is not good in studies. But in reality, the financial condition has deteriorated so much that Shanti had to go out and take up a paid job in a garment factory where she works as a thread cutter. Meanwhile she needs someone to look after the household and the youngest child. Therefore the 2nd daughter was made to fill this role. Initially her husband opposed these new arrangements, but accepted them soon enough. Earlier she used to sort sap at home, but this work is not available now.

She feels frustrated that her elder daughter has been married off so young and has started facing the same problems that she had to face after her marriage. Shanti thinks that if her daughter had been educated up to 8th standard she could have got a job in the factory and been able to earn for herself. This way her life would have been much better. As far as the 2nd daughter is concerned she thinks she would send her to work to earn some money but she would not be able to send her to the school, as it is a waste of money. In any case she is not good at her studies.

Shanti strongly feels that she should have her own bank account. Her husband has an account but she is not a co-signatory. She wants to buy a mobile phone for her husband, since he loses many of his business clients because of lack of contact. The mobile phone would help him to get some clients and work more efficiently. Earlier he used to work as a labourer, now he has a team of two or three men who work at the construction site with him.

Her husband eats first then the children. She has no say in buying things for children and daily food expenditure. Her husband decides on these matters. She does not give the money she earns to her husband, but spends it whenever she feels necessary. RB.

Case Study 8

Ram Kumari was born in Teekamgarh, Uttar Pradesh, and was the fourth of five children. Her father, a mason, was a habitual drinker and prone to violence. He also suffered from tuberculosis and was often too sick to work. The family was always in debt. Ram Kumari was married off at the age of 13, and is aware that her parents took a loan to perform the marriage.

A year after the wedding, Ram Kumari came to live with her husband, also a mason, in Delhi. Initially they lived in a jhuggi along a footpath in Laxmi Nagar in East Delhi, and subsequently moved to Rajiv Camp after a clearance drive displaced them. They have been residents of Rajiv Camp for the last 15 years. With a lot of construction work going on in the area, her husband was able to get work easily on a daily wage basis.

An occasional drinker, her husband beats her at times; the most common cause of quarrels is lack of money. He is able to get work 18-20 days a month, earning Rs 80-100 per day of work. He gives Ram Kumari Rs 25-30, at times more, for daily expenditure. Of this amount, Ram Kumari saves Rs 10-15, putting this aside for the days when there is no earning, and also to sue for her personal expenses. They do not deposit the money in a bank account. Ram Kumari does not keep track of her husband's expenses, but says that he does eat out at times and also brings home samosas or sweets for the children from time to time.

Ram Kumari had four children, three sons and a daughter. One of the sons died of pneumonia at the age of 6 months. Her eldest child, a 12 year old girl, is studying in class 2; both the sons, 8 and 10 years of age, are in class 1. The children are not good at their studies and have not been promoted. Ram Kumari does all the household work, but when she is unwell her daughter substitutes for her, missing school if required.

The family buys a half kilo of milk every day, which is given to the boys. The usual food is dal-roti or roti-sabzi. Food is prepared early in the morning, dispensing with the routine of early morning tea. Her husband eats first, as he leaves early for work; the children next and she herself last.

Ram Kumari says that after the operation (sterilization) she has become weak. Her legs pain, she feels specially weak in the mornings. Doctors at a nearby government hospital have told her that the reason for these symptoms is general weakness and anaemia. Ram Kumari delivered her children at home with the help of a female relative. In order to perform the required rituals after childbirth, they borrowed money from friends/ relatives. AJ.

Many of the stories suggest that neighbours are willing to help in case of extreme need. Family remains the ultimate resort; when left alone, after the death of her husband, with young children to look after, Rajani returned to live with her estranged mother. Clearly, there is evidence of inter-household cooperation. As Jo Beall has commented 'Urban livelihood systems can and do involve wider co-operative behaviour beyond the household. Many examples of urban norms of reciprocity parallel those to be found in rural areas, such as gift exchanges and voluntary labour pooling. Others are more closely linked to urban lifestyles, such as the provision of rent-free accommodation. As in rural areas, such acts may be motivated purely by altruism or may be seen as social credit.' (Beall 2002: 79). Women face greater problems from the limited infrastructure of the slums, the lack of cleanliness, limited availability of water and toilets. Against this background, efforts at change, or rebellion, are muted – but not absent. However these narratives confirm that the forms of rebellion women choose are such as to allow them more space but not such as to confront or threaten the structure. Thus, too heavy a burden of work is shared with daughters, but not with husbands; women will take on paid work outside the home as and when needed, and will save in secret, but this does not lead to further changes, at least not in the space of a few years.

Earning strategies in these slum communities are a mix of individual and household strategies. As far as productive activities are concerned, the visible and acceptable form is for the man of the house to be the (sole) earner. However women, and even children in some cases, supplement these earnings generally with home based work or erratic participation as domestic/factory workers. The relative contribution of each cannot be assessed without further study. All workers are in the informal economy, subject to the usual vulnerabilities of poor informal workers. Reproductive work is the responsibility of women and girls.

Table 1 and 2 below briefly summarise the sources of disadvantage, as well as the positive influences, within a household, the community, market and state, as observed from the case studies.

Table 1
Sources of disadvantage

Level	Nature of Disadvantage	Person affected
Individual	- illiteracy - poor health	All, specially women
Household	- child/ early marriage of women - large age gap between spouses - decisions of food and household expenditure taken by husband - women eating last - reproductive histories: having children early, no spacing, inadequate nutrition, lack of information - disapproval/ prohibition of women working outside the home	Adult Women
Household	- girls required to help mothers with child care, housework, any others	Girls, elder daughter if more than one
Market	- vulnerabilities of poor workers in informal employment: absence of regularity in earnings, no benefits, little access to institutional facilities, lack of information and organization	Adults, male and female; Working children
Community	- lack of water, toilets	All, specially women

Table 2
Factors helping to improve the status of the disadvantaged

Level	Factor improving status of the disadvantaged	Person helped
Household	- Having sons improves status - But having daughters eases work burdens - Earning an independent income from work outside the home	Adult women

Market	- Income earning opportunities	All
Community	- Trained midwife available	Women
	- Informal credit – borrowing from neighbours	All
State	- schools	Children
	- mobile dispensary, hospitals (although for minor ailments there is an expressed preference for private doctors)	All
	- Public distribution system (however, the implementation in practice is very poor)	

IV. Strategies for action

The analysis of intra household disadvantage is expected to lead to the formulation of strategies of intervention that could help to empower the most disempowered. Harris-White has rightly counseled that 'facts do not speak for themselves and need values (and assumptions) for their interpretation' (Harris White 210). In recommending policy, it is also necessary not just to look at the characteristics of the poor but rather on those factors that help in decreasing entry into, and increasing exit from, poverty (Baulch and McCulloch 2002). In this case, we want to be able to identify those influencing factors that reduce the tendency towards intra household inequalities.

From our study above, what emerges is a confirmation that even within chronic poverty households, the same patterns of discrimination seem to exist as have been noted elsewhere and a rather stereotypical picture of the Indian household emerges from it. Ofcourse, it needs to be emphasized that our sample is so small and possibly atypical in that the situation of urban slums is itself somewhat unique, that any conclusions cannot easily lead to generalisation.

What we find here is that the Indian woman, married and subservient, bears a heavier burden of the poverty that affects all members of the household. This is largely due to the deep embeddedness in culture and tradition that has seen greater value in women's duty and sacrifice than in women's agency. Moving from the village to the city reduces many of the burdens that women face – lower burden of physical work, better food and nutrition. It takes away however some of the resources – other women to share in the tasks of household management and child care, traditional knowledge systems. But the status of women within the household, in relation to the spouse and the children, does not appear to change. Daughters are worse off than sons, in that they share the mother's burdens and there is little evidence that their life prospects will be very different from their mother's. Older daughters shoulder this burden more than younger ones. Sons are highly valued, although poverty impacts on their lives, and on the lives of men, just as deeply. Since most households in this sample are nuclear, the sharing of burdens between adult women, or discrimination against the elderly, could not be examined.

Strategies for action to reduce poverty and intra household disadvantage need to understand and to some extent accept this situation. It is fairly clear that an improvement in the economic status of the household will not change the intra household relations or disadvantage, because it stems not from poverty but from culture and tradition. A simple targeting of resources to the disadvantaged may have unexpected consequences – it may lead to the withdrawal of other, household resources. There seems to be little choice other than to work through changing the environment within which norms and traditions are established and nurtured.

The sorts of actions that have been initiated through government programmes include the following:

- **Schooling.** It is believed that if all children could attend school regularly this would very much change the burdens that they currently face, especially girls. To a large extent, schooling facilities are available. What seems to be needed is further, and continuous strengthening of the interface between the school and the household: agencies that will help children through difficult times, economically or emotionally, put pressure on the schools to re-admit children after a long absence, equally persuade and influence mother and father to accept the need for regularity in attendance, provide remedial facilities, and so on. These form the content of the work of several NGOs, and the real question is how they could be made to form a part of the fabric of people's consciousness, both in and outside the government (for a review of some of the best NGO efforts, see Ramachandran 2003). A further additional attempt to encourage schooling has been made by the mid day meal scheme. Further study is required to know what the impact has been – the reactions to it are varied.
- **Public distribution system.** Despite the many problems with implementation, studies have suggested that the PDS has played an important part in poverty alleviation in many places. It is less clear what role it could play in intra-household disadvantage.
- **Health facilities.** Again, this study confirms what other more detailed surveys have shown, i.e. that there is a preference for private doctors for minor ailments but public hospitals for major illness. Being close to free government hospitals has undoubtedly been a benefit to many of the residents of slums. There is clearly a great need for better and more information regarding health and reproduction. Making available more effective facilities for slum dwellers, and women and girls, could help to empower them in their daily lives.

The underlying question in seeking ways of empowering the disadvantaged within the households of the chronic poor, is whether the approach should be one of 'more of the same' – focus on existing approaches and try to improve the implementation – or whether we need in addition to seek to empower through knowledge and information.

In trying to tackle intra household disparities, we are essentially targeting norms that have the sanction of culture and tradition. For instance, in cultures where all members eat together, the poverty of the meal may be more equally shared than where there is an established sequence of eating meals. Similarly, the role of mother/daughter in supporting each other and maintaining a home for the men of the family, is very deeply ingrained, although there may be other cultures where man and wife manage a home for themselves and their children.

Interventions that try to reach out to women and girls, who are more disadvantaged within the household, in the provision of facilities for health and education, are important, and need to be further encouraged and strengthened. But in addition, there is a strong case to be made for encouraging collective action within communities, developing new channels for the dissemination of information and knowledge, and trying to empower the disempowered through the power of new thinking.

Our suggestion is that organizing and collective action by the community, in a manner that involves the young and women, would be an important step in trying to change the environment of the household. Intra household disparities cannot be tackled directly. But developing strong collectivities outside the household may be a good way of enabling the flow of more information, the exposure to new role models, and also the replacement of passivity and acceptance by a desire to act on one's own behalf. This could include organizing women in their capacity as workers; it could include organizing men, women and youth in partnerships with local authorities for the improvement of community level infrastructure. There would be many possibilities for such interventions. Simply by making the invisible or the disadvantaged visible, by making them part of community effort, we might succeed in strengthening their relative positions and intra household status. As the case studies suggest, empowerment of slum dwellers will come only with a strengthened self confidence: with the ability to make constructive changes to their own lives: whether this be in relation to health, sanitation, or income generation.

V. Directions for Further Research

This paper is a preliminary enquiry and as such, has opened up more questions than it could seek to answer. Some areas in which further research could help in deepening our understanding are suggested below

- Women's contribution to the household economy: Gender based disadvantage emerges strongly, and seems to re-confirm many stereotypes of Indian families (male breadwinner, wife much younger and subservient, illiterate and non-working). Further research however is needed to understand how far this is a matter of perception alone. That is, the actual contribution of women to the household economy in urban slums could be further investigated and approximately quantified to demonstrate the value of their contribution in reality. This would then enable

the identification of ways in which this capacity could be further strengthened and supported.

- Reversal of gender bias: There is strong son preference, evident in the greater effort made for boys schooling. One case study showed that sex selective abortion is perceived as an option. The differential treatment of girls and boys is of course, bound up with the perceived low status for women. However further research could help to throw some light on the kind of supportive arrangements that would change the relative status of girls and boys. For example, girls could perhaps continue schooling with better arrangements for child care, either child care centres, or informal community level arrangements for women, to give each other help with child care, housework etc. In other words, under what conditions do the conventional patterns of intra household disadvantage of girls, get weakened?
- Community - action: The implementation of Government programmes is known to be weak. Research into the nature of community in urban slums – the type and extent of inter – household interaction and dependence – would be invaluable in trying to develop more active structures that could represent and mobilize communities to act for themselves.
- Empowerment through knowledge: Finally, this is perhaps the most nebulous, but a tool with extremely high potential. The areas in which information and knowledge would be invaluable include health and child care, nutrition, sanitation and waste management, rights.

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Annex 1 Tables

Table A 1 : Total number of households and people by income

Income group	No. of hhs.	Adult 15-59 (2)		Children 0-14 (3)		Adult 60+ (4)		Total (2+3+4)
		Male	Female	Male	Female	Male	Female	
Upto 1500	19	21	18	21	14	2	1	77
	<i>11.59</i>	<i>8.54</i>	<i>8.53</i>	<i>9.95</i>	<i>6.25</i>	<i>28.57</i>	<i>20.00</i>	8.52
1501-2500	79	106	107	114	114	3	3	447
	<i>48.17</i>	<i>43.09</i>	<i>50.71</i>	<i>54.03</i>	<i>50.89</i>	<i>42.86</i>	<i>60.00</i>	49.45
2001-3500	39	59	42	49	62	1	1	214
	<i>23.78</i>	<i>23.98</i>	<i>19.91</i>	<i>23.22</i>	<i>27.68</i>	<i>14.29</i>	<i>20.00</i>	23.67
3501-4500	14	31	24	16	18	0	0	89
	<i>8.54</i>	<i>12.60</i>	<i>11.37</i>	<i>7.58</i>	<i>8.04</i>	<i>0.00</i>	<i>0.00</i>	9.8
4501+	13	29	20	11	16	1	0	77
	<i>7.93</i>	<i>11.79</i>	<i>9.48</i>	<i>5.21</i>	<i>7.14</i>	<i>14.29</i>	<i>0.00</i>	8.52
Total	164	246	211	211	224	7	5	904
		<i>27.21</i>	<i>23.34</i>	<i>23.34</i>	<i>24.78</i>	<i>0.77</i>	<i>0.55</i>	

Note : Figures in *Italic* represent percentages.

: Figures in ***Bold Italic*** represent row wise percentages.

Source : Survey data ISST, 2002.

Table A 2 : Duration of having Ration Cards

Income Group	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Upto 1500	0 <i>0.00</i>	2 <i>7.69</i>	3 <i>9.38</i>	12 <i>12.37</i>	17 <i>10.83</i>
1501-2500	1 <i>50.00</i>	15 <i>57.69</i>	18 <i>56.25</i>	44 <i>45.36</i>	78 <i>49.68</i>
2001-3500	0 <i>0.00</i>	8 <i>30.77</i>	7 <i>21.88</i>	23 <i>23.71</i>	38 <i>24.20</i>
3501-4500	1 <i>50.00</i>	1 <i>3.85</i>	1 <i>3.13</i>	10 <i>10.31</i>	13 <i>8.28</i>
4501+	0 <i>0.00</i>	0 <i>0.00</i>	3 <i>9.38</i>	8 <i>8.25</i>	11 <i>7.01</i>
Total	2 <i>1.27</i>	26 <i>16.56</i>	32 <i>20.38</i>	97 <i>61.78</i>	157

Note : Figures in *Italic* represent percentages.

: Figures in ***Bold Italic*** represent row wise percentages.

7 households have not specified duration of possession of ration card.

Source : Survey data ISST, 2002.

Table A 3 : Levels of education among the adults

Income group	No education		Primary		Secondary		High school		College		Others		Total	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Upto 1500	15 16.13	15 10.49	2 3.45	2 6.67	2 3.51	1 3.45	1 3.03	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	20 8.13	18 8.53
1501-2500	42 45.16	68 47.55	24 41.38	18 60.00	26 45.61	14 48.28	14 42.42	6 75.00	1 20.00	0 0.00	0 0.00	1 100.00	107 43.50	107 50.71
2001-3500	19 20.43	29 20.28	13 22.41	4 13.33	12 21.05	8 27.59	11 33.33	1 12.50	4 80.00	0 0.00	0 0.00	0 0.00	59 23.98	42 19.91
3501-4500	7 7.53	18 12.59	8 13.79	2 6.67	11 19.30	4 13.79	5 15.15	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	31 12.60	24 11.37
4501+	10 10.75	13 9.09	11 18.97	4 13.33	6 10.53	2 6.90	2 6.06	1 12.50	0 0.00	0 0.00	0 0.00	0 0.00	29 11.79	20 9.48
Total	93 37.80	143 67.77	58 23.58	30 14.22	57 23.17	29 13.74	33 13.41	8 3.79	5 2.03	0 0.00	0 0.00	1 0.47	246	211

Note : Figures in *Italic* represent percentages.
: Figures in **Bold Italic** represent row wise percentages.
Source : Survey data ISST, 2002.

Source : Survey data ISST, 2002.

Table A 5 : Who eats first (according to female respondent)

Income group	Husband	Self	Children	Son	Daughter	Father father-in-law	Mother mother-in-law	No specified person	Total
Upto 1500	8 19.05	1 20.00	4 5.19	0 0.00	0 0.00	0 0.00	0 0.00	4 13.79	17 10.37
1501-2500	23 54.76	3 60.00	36 46.75	3 42.86	1 100.00	1 50.00	1 100.00	13 44.83	81 49.39
2001-3500	6 14.29	0 0.00	23 29.87	3 42.86	0 0.00	0 0.00	0 0.00	7 24.14	39 23.78
3501-4500	3 7.14	1 20.00	7 9.09	1 14.29	0 0.00	0 0.00	0 0.00	2 6.90	14 8.54
4501+	2 4.76	0 0.00	7 9.09	0 0.00	0 0.00	1 50.00	0 0.00	3 10.34	13 7.93
Total	42 25.61	5 3.05	77 46.95	7 4.27	1 0.61	2 1.22	1 0.61	29 17.68	164

Note : Figures in *italic* represent percentages.

: Figures in **Bold Italic** represent row wise percentages.

Table A 4 : Number of children going to school by income group

Income group	No schooling		Schooling 6-14 years				Total	
	Male	Female	Male	Female	Male	Female	Male	Female
Upto 1500	3	0	9	7	12	7		
	15.79	0.00	7.56	6.93	8.70	5.51		
1501-2500	10	14	68	50	78	64		
	52.63	53.85	57.14	49.50	56.52	50.39		
2001-3500	5	8	24	27	29	35		
	26.32	30.77	20.17	26.73	21.01	27.56		
3501-4500	1	0	12	12	13	12		
	5.26	0.00	10.08	11.88	9.42	9.45		
4501+	0	4	6	5	6	9		
	0.00	15.38	5.04	4.95	4.35	7.09		
Total	19	26	119	101	138	127		
	13.77	20.47	86.23	79.53				

Note : Figures in *italic* represent percentages.
: Figures in **Bold italic** represent row wise percentages.

Source : Survey data ISST,
2002.

Table A 6 : Who eats last (according to female
respondent)

Income group	Husband	Self	Children	Son	Daughter	Father-in- law	Mother-in- law	No specified person	No response	Total
Upto 1500	1 6.25	12 11.43	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	4 14.81	0 0.00	17 10.37
1501-2500	7 43.75	53 50.48	1 100.00	0 0.00	3 37.50	0 0.00	1 20.00	15 55.56	1 50.00	81 49.39
2001-3500	4 25.00	25 23.81	0 0.00	0 0.00	2 25.00	0 0.00	0 0.00	7 25.93	1 50.00	39 23.78
3501-4500	4 25.00	8 7.62	0 0.00	0 0.00	1 12.50	0 0.00	0 0.00	1 3.70	0 0.00	14 8.54
4501+	0 0.00	7 6.67	0 0.00	0 0.00	2 25.00	0 0.00	4 80.00	0 0.00	0 0.00	13 7.93
Total	16 9.76	105 64.02	1 0.61	0 0.00	8 4.88	0 0.00	5 3.05	27 16.46	2 1.22	164

Note : Figures in *italic* represent percentages.

: Figures in Bold Italic represent row wise percentages.
Source : Survey data ISST, 2002.

Table A 7 : Malnutrition among boys and girls (0-10 years)#

Malnutrition Indicator	Z<-1.0		Z<-2.0		Z<-3.0		Rest		Total	
	Mild		Moderate		Severe					
	Boys	Girls	Boys	Girls	Boys	Girls	Boys	Girls	Boys	Girls
Stunting (HAZ)*	12.3	9.5	20.3	24.1	22.4	25.9	55	40.5	138	158
Underweight (WAZ)**	20.9	18.5	40.3	49.6	18.7	19.1	20.1	12.7	139	157

Note : * Missing records of boys 20 and girls 18

** Missing records of boys 19 and girls 19

Total number of boys and girls covered in the survey is 158 and 176 respectively

Source : Survey data ISST, 2002.

Technical Note: Calculation of Z-score

The process for calculating stunting (height for age) Z score, for any child under ten years for example, requires following steps:

- Compare the child's height (in cm.) to the mean height for that age and sex of the reference data
- Subtract the mean height from the child's height
- Convert the difference to standard deviation units by dividing the difference by the standard deviation of the reference data for that age and sex

- The result is the Z-score i.e. the number of standard deviations the child is away from the mean, either positive (greater than the average height for that age group and sex) or negative (less than the average height for that age group and sex).
- Reference population data has been obtained from Anthro Software Package, www.cdc.gov/nccdphp/dnpa/ or www.who.int/nutgrowthdb

Table 31: Existing Models of Social Security

Model	Nature of benefit	Beneficiaries	Administrative/Financial Arrangement
Employer's liability	Workmen's comp Maternity benefit Gratuity Retrenchment comp	Workers in the organised sector	Employers manage and pay exclusively
Social Insurance	Medical care Sickness benefit Maternity benefit Occupational injury Old-age benefit Invalidity benefit Survivors' benefit Provident Fund	Workers in the organised sector Workers in the organised sector and some workers in the unorganised sector	Administered by Employee's State Insurance Corporation Financed out of contributions from employers, employees and state governments Administered by central board of trustees, financed by contributions from employers, employees and central governments
Social assistance (a) Welfare funds of central government	Medical care Education Housing Water supply Old-age benefit Survivors' benefit	Mine workers Beedi workers Cine workers Building workers	Administered departmentally Financed by special levies in the form of cesses
(b) Welfare funds of Kerala government	Wide range of benefits including: Old-age benefit, Medical care, Education, Assistance for marriage, housing, etc.	Workers in the unorganised sector, such as handloom workers, coir workers, cashew workers, etc.	Administered by autonomous boards Financed by contributions from employers, workers and others
(c) Subsidised insurance	Survivors' benefit Invalidity benefit	Vulnerable groups of workers such as agricultural workers, handloom workers, etc.	Administered by LIC and GIC Financed by contributions from central and state governments
(d) Other forms of social assistance	Old-age benefit Maternity benefit Survivors' benefit Assistance for employment, Training, Education, etc.	Persons outside the job market and below the poverty line, destitutes, orphans, deserted and divorced women, widows, disabled persons, SCs, STs, OBCs, etc.	Administered departmentally Financed from general revenues

Source: Subrahmanya and Jhabvala (2000).

NATIONAL SOCIAL ASSISTANCE SCHEME

Until August 1995, there was no social assistance program managed by the Government of India for its poor citizens. The announcement, on 15th August 1995, of a National Social Assistance Scheme (NSAS) was a significant step towards the fulfillment of the Directive Principles enshrined in Article 42 of the Indian Constitution, which talks about public assistance in old age. On March 19, 1999, the Government of India also announced another social assistance scheme called 'Annapurna' for its elderly destitutes.

The National Social Assistance Scheme introduced on 15th August 1995 had three components: National Old Age Pension Scheme (NOAPS), National Family Benefit Scheme (NFBS) and National Maternal Benefit Scheme (NMBS). Among the three schemes, NOAPS is meant for the poor elderly. This is a centrally sponsored programme with 100 per cent central assistance to the States and Union Territories in accordance with the norms, guidelines and conditions laid down by the Central Government. The scheme is managed by the Ministry of Rural Development, Government of India..

The following criteria strictly apply in the implementation of the NOAPS: (a) The age of the applicant (male or female) shall be 65 years or higher. (b) The applicant must be a destitute having little or no regular means of subsistence from his/her own sources of income or through financial support from family members or other sources. In order to determine destitution, the criteria, if any, currently in force in the state/union territory is to be followed. The Government of India reserves the right to review these criteria and suggest appropriate revised criteria. (c) The amount of old age pension will be Rupees 75 per month for claiming central assistance. (d) The ceiling on the total number of old age pensions for purposes of claiming central assistance will be specified for the states and Union territories from time to time. (e) The benefit under NOAPS should be disbursed in not less than two installments in a year and, if possible, the benefit may be disbursed in more installments as per the direction of the state government.

The village panchayats and relevant municipalities shall report every instance of the death of a pensioner immediately after its occurrence to the appropriate sanctioning authority. The sanctioning authority shall ensure that payments are stopped thereafter. The sanctioning authority shall have the right to stop/recover payments of any pension sanctioned on the basis of false or mistaken information about eligibility (Irudaya Rajan, 2001).

The numerical ceilings and the qualifying financial entitlement are worked out as follows: it is assumed that 50 per cent of the population below the poverty line in the age group 65+ will qualify for old age pensions under the destitution criteria laid down. For example, for Andhra Pradesh, numerical ceiling and financial entitlements are worked out as follows: Total Population* Poverty Ratio* Proportion of 65+ age group in total population*0.5 (to the nearest hundred)

$$= 71713000 \times 0.317 \times 0.041 \times 0.5 = 466000 \text{ (numerical ceiling)}$$

The qualifying financial entitlement = 900 (Rs 75 for 12 months) * the numerical ceiling

$$= 466000 \times 900 = 4194.8 \text{ lakhs of rupees}$$

During the year 1995-96, the numerical ceiling was 5.4 million elderly (i.e. 50% of the population below the poverty line in the age group 65 years and above) and the qualified amount is Rupees 48020 lakhs for all-India. Later, in 1998-99, both numerical ceiling and qualified amount were raised. The current numerical ceiling is 6.9 million and the qualified amount is Rs. 61929 lakhs. As of now, around 6.5 million elderly above age 65 are benefiting by this scheme.

Table 32: Quantitative Assessment of National Old Age Pension Scheme, 1995-2000

Year	Numerical Ceiling (No)	Achievement (No)	Percentage achievement	Allocation (in Rs)	Amount Claimed (in Rs)	% claimed
1995-96	5335000	2937677	55.06	29706.60	21614.62	73.50
1996-97	5335600	4760097	89.21	50737.08	37381.65	73.68
1997-98	5335600	5093704	95.47	46396.79	38629.05	83.26
1998-99	6881000	6214000	90.31	45685.23	42080.99	92.11
1999-00	6881000	6311014	91.72	47623.58	44797.13	94.07

Source: Calculated by the author from the unpublished data of Ministry of Rural Development, New Delhi.

Over the past five years, the scheme has become better known; the achievement (both numerical achievement and amount claimed) has reached above 90 per cent (See Table 32). However, the allocation of resources for National Old Age Pension Scheme is lower than the financial entitlement.

Table 33 provides the numerical ceiling and financial entitlement for all states and union territories during 1995-96 and 1998-99. Obviously, the numerical ceiling is affected by three factors: total population, percentage of persons aged 65 and above and the poverty ratio. Interestingly, the numerical ceiling for both periods were constant for only Andhra Pradesh.

However, smaller states and union territories consisting of Arunachal Pradesh, Goa, Haryana, Himachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Andaman and Nichobar Islands and Delhi have registered more than 100 per cent change in numerical ceiling and financial entitlements. Has the proportion of persons below the poverty line increased in these states? Or Is it due to increase in the percentage of elderly persons above 65? It requires further investigation.

Table 33: Numerical Ceiling and Qualifying Financial Entitlement, 1995-96 and 1998-99

States/Union	Numerical Ceiling		Qualifying Financial Entitlement		Per cent
	1995-96	1998-99	1995-96	1998-99	
Andhra Pradesh	466000	466000	4194.8	4194.8	0.0
Arunachal Pradesh	1700	9200	15.3	82.8	441.2
Assam	70100	133200	630.9	1198.8	90.0
Bihar	774400	1107700	6969.6	9969.3	43.0
Goa	2200	4500	19.8	40.5	104.5
Gujarat	160100	221600	1440.9	1994.4	38.4
Haryana	37700	86300	339.3	776.7	128.9
Himachal Pradesh	11600	38100	104.4	342.9	228.4
Jammu Kashmir	26600	51100	239.4	459.9	92.1
Karnataka	316200	340200	2845.8	3061.8	7.6
Kerala	144500	224900	1300.5	2024.1	55.6
Madhya Pradesh	489800	599000	4408.2	5391.0	22.3
Maharashtra	501700	669800	4515.3	6028.2	33.5
Manipur	3500	16600	31.5	149.4	374.3
Meghalaya	3400	17900	30.6	161.1	426.5
Mizoram	1400	5000	12.6	45.0	257.1
Nagaland	2450	13000	21.6	117.0	441.7
Orissa	283400	324000	2550.6	2916.0	14.3
Punjab	36300	62300	328.5	560.7	70.7
Rajasthan	202000	237500	1000.0	2137.5	113.8
Sikkim	800	4800	7.2	43.2	500.0
Tamil Nadu	391900	430300	3527.1	3872.7	9.8
Tripura	5300	28700	47.7	258.3	441.5
Uttar Pradesh	1337500	1255200	9247.5	11296.0	22.2
West Bengal	353900	478400	3185.1	4305.0	35.2
Andaman Nicobar	600	2800	5.4	25.2	366.7
Chandigarh	1300	2200	11.7	19.8	69.2
Dadra	300	1900	2.7	17.1	533.3
Daman Diu	200	400	1.8	3.6	100.0
Delhi	19000	40200	171.0	361.8	111.6
Lakshadweep	100	300	0.9	2.7	200.0
Pondicherry	1500	7900	13.5	71.1	426.7
All India	5335600	6881000	48020.4	61929.0	29.0

Source : Calculated by the author from unpublished data of Ministry of Rural Development,
Government of India, New Delhi.

Tables 34 and 35 review the percentage of amount released to respective states against their allotment for the last five years along with the physical achievement of the National Old Age Pension Scheme. The following points emerge from a close look at these tables. Since the amounts claimed by the states and union territories depend on the number of potential beneficiaries in each state, many states and union territories could not utilise the allotted amounts. Only 10 states including some union territories could claim 100 per cent of the amounts allotted under the scheme during 1995-96.

This proportion remained constant even during 1999-2000. However, many states have utilised over 90 per cent of their allotment.

Table 34: Financial Management of National Old Age Pension Scheme by States and Union Territories, 1995-2000

States/Union Territories	Percentage of Amount Released For Old-Age Pension				
	1995-96	1996-97	1997-98	1998-99	1999-00
Andhra Pradesh	100.00	97.99	99.22	101.78	100.00
Arunachal Pradesh	49.52	4.58	33.28	4.23	12.38
Assam	49.38	51.35	50.79	110.42	90.19
Bihar	48.99	58.42	65.76	102.03	83.77
Goa	49.51	47.81	75.05	112.53	100.00
Gujarat	49.55	54.77	44.81	69.37	57.14
Haryana	100.00	98.09	77.92	83.73	93.12
Himachal Pradesh	100.00	78.04	90.06	115.61	98.62
Jammu Kashmir	100.00	89.69	55.52	81.09	94.42
Karnataka	49.56	129.64	59.85	123.31	100.00
Kerala	44.51	76.53	60.31	110.00	91.29
Madhya Pradesh	100.00	78.87	106.24	101.64	100.55
Maharashtra	49.57	2.71	103.22	81.38	73.28
Manipur	49.56	52.33	34.61	19.33	85.11
Meghalaya	49.24	69.60	36.04	86.03	85.30
Mizoram	48.49	52.36	58.01	127.00	77.99
Nagaland	100.00	67.10	55.94	14.16	50.82
Orissa	49.50	96.27	96.14	73.37	114.52
Punjab	100.00	98.10	50.00	56.88	82.19
Rajasthan	49.53	51.66	48.07	67.06	96.35
Sikkim	85.56	52.31	29.91	170.05	50.00
Tamil Nadu	100.00	69.48	98.95	72.79	96.42
Tripura	100.00	52.34	85.14	94.29	99.99
Uttar Pradesh	100.00	92.89	90.22	89.93	88.51
West Bengal	49.53	71.90	73.40	87.84	127.30
Andaman & Nicobar Islands	49.56	0.88	0.00	0.00	50.00
Chandigarh	0.00	79.66	48.03	0.00	100.00
Dadra Nagar Haveli	49.13	50.35	50.18	50.18	0.00
Daman Diu	44.07	50.26	50.00	100.00	100.00
Delhi	0.00	50.48	100.00	50.00	50.00
Lakshadweep	46.88	50.53	50.00	0.00	50.00
Pondicherry	49.82	0.92	150.00	150.00	100.00
All India	72.76	73.68	83.26	92.11	94.07

Source : Calculated by the author from the unpublished data of Ministry of Rural Development, Government of India, New Delhi.

The above phenomenon has implications for achieving the physical targets of the program. If the states concerned could not claim the allotted amount from the central government, it means that they

have failed to identify all the poor beneficiaries. This is an important issue to be sorted out (for more details, see Table 35).

Table 35: Physical Achievement of National Old Age Pension Scheme by States And Union Territories, 1995-2000

State/ Union Territories	Percentage Of Oldage Pension Beneficiaries				
	1995-96	1996-97	1997-98	1998-99	1999-00
Andhra Pradesh	100.00	110.50	9.18	100.00	100.00
Arunachal Pradesh	0.00	32.18	16.29	5.29	25.51
Assam	46.03	69.32	65.41	75.18	61.35
Bihar	28.49	87.61	91.10	63.69	64.62
Goa	20.32	45.73	79.91	48.78	48.78
Gujarat	30.61	64.81	33.77	30.16	4.19
Haryana	100.00	100.00	90.75	43.68	33.04
Himachal Pradesh	38.55	99.40	97.78	28.05	39.83
Jammu & Kashmir	53.23	79.68	107.44	68.87	45.82
Karnataka	0.00	255.49	241.94	54.92	57.44
Kerala	31.17	53.40	66.61	52.90	53.13
Madhya Pradesh	42.88	105.19	169.21	122.06	97.29
Maharashtra	1.64	24.83	55.74	45.49	13.83
Manipur	88.66	99.89	213.03	16.39	37.92
Meghalaya	18.85	140.29	296.12	49.70	50.85
Mizoram	100.00	122.07	256.86	67.20	81.88
Nagaland	26.61	124.53	131.22	17.32	35.49
Orissa	64.54	98.64	98.61	102.56	99.73
Punjab	100.55	100.15	75.95	58.59	24.11
Rajasthan	2.01	25.82	61.48	101.16	101.16
Sikkim	0.00	99.63	0.00	50.00	22.60
Tamil Nadu	78.33	75.95	102.11	102.11	102.11
Tripura	89.55	294.34	294.34	54.02	54.03
Uttar Pradesh	71.36	60.90	72.94	78.21	74.93
West Bengal	100.00	83.17	93.07	72.44	73.77
Andaman & Nicobar Islands	0.00	1.00	50.50	0.00	0.00
Chandigarh	0.00	105.23	105.23	0.00	80.14
Dadra & Nagar Haveli	100.00	95.33	90.33	0.00	0.00
Daman & Diu	18.00	69.00	47.50	50.75	65.50
Delhi	0.00	53.96	104.28	60.09	60.09
Lakshadweep	0.00	126.00	112.00	0.67	0.00
Pondicherry	0.00	100.00	100.00	18.99	18.99
India	55.06	89.21	95.47	90.31	86.26

Source : Calculated by the author from the unpublished data of Ministry of Rural Development, Government of India, New Delhi.

Interestingly, for the last two years, the Department of Rural Development have compiled the statistics on the beneficiaries by caste, sex etc. It has been shown that the percentage of beneficiaries among schedule castes, scheduled tribes, women and handicapped has shown an increase during

this period. This clearly indicates that the National Old Age Pension Scheme has benefited the weaker sections of the society more than others. The record is impressive among all the vulnerable groups. For instance, the proportion of women beneficiaries have increased from 30 to 37 per cent between 1998-99 to 1999-2000 (see Table 36 for details).

Table 37: Proportion of Weaker Sections Benefitting from National Old Age Pension Scheme by States and Union Territories, 1998-99 and 1999-2000.

States/ Union territories	Scheduled Castes (Per cent)		Scheduled Tribes (Per cent)		Women (Per cent)		Physically Handi- capped (Per cent)	
	1998-99	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99	1999-00
Andhra Pradesh	49.0	49.0	11.0	11.0	32.0	32.0	0.0	0.0
Arunachal Pradesh	0.0	0.0	6.1	0.0	56.5	0.0	0.0	0.0
Assam	10.9	9.8	14.2	18.4	41.9	53.8	1.0	2.5
Bihar	26.2	33.3	6.8	6.6	31.5	38.0	1.7	2.6
Goa	1.8	1.8	1.5	0.0	52.6	52.6	0.0	0.0
Gujarat	16.5	31.3	9.1	0.3	52.9	63.6	0.3	3.1
Haryana	5.7	11.6	0.0	9.2	12.5	18.4	0.0	0.0
Himachal Pradesh	30.6	35.5	3.6	2.5	45.7	41.5	0.0	0.0
Jammu & Kashmir	21.4	13.2	13.3	42.2	38.3	41.0	0.0	0.0
Karnataka	9.8	36.3	3.4	16.5	4.6	42.1	0.0	0.0
Kerala	3.4	0.7	0.3	2.0	8.7	0.0	0.0	0.1
Madhya Pradesh	26.3	22.4	27.2	25.8	47.7	43.7	4.8	5.4
Maharashtra	45.9	24.6	81.9	21.0	0.0	47.0	0.0	0.0
Manipur	1.5	0.0	9.9	0.0	36.2	0.0	0.0	0.0
Meghalaya	0.1	0.0	99.9	0.0	34.5	65.7	0.0	0.0
Mizoram	0.0	0.0	100.0	8.0	52.8	4.4	0.0	0.0
Nagaland	0.0	0.0	45.2	0.0	20.2	0.0	0.0	0.0
Orissa	26.1	26.7	25.9	25.1	42.5	40.3	0.0	0.0
Punjab	52.6	0.0	0.0	0.0	29.8	0.0	0.0	0.0
Rajasthan	5.4	60.0	2.4	15.0	0.0	66.1	0.0	0.0
Sikkim	48.8	0.0	143.2	0.0	0.0	0.0	0.0	0.0
Tamil Nadu	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tripura	20.0	21.5	40.6	42.1	38.3	38.3	0.0	0.0
Uttar Pradesh	44.4	43.7	0.1	0.4	37.3	29.7	0.0	0.2
West Bengal	23.6	22.7	5.0	5.2	26.4	21.6	0.0	0.0
Andaman & Nicobar Islands	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Chandigarh	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dadra Nagar Haveli	4.0	0.0	94.8	0.0	68.7	0.0	0.0	0.0
Daman & Diu	5.0	5.0	33.6	34.0	75.6	74.5	0.0	0.0
Delhi	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Lakshadweep	0.0	0.0	0.0	100.0	0.0	69.6	0.0	0.0
Pondicherry	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
All India	28.3	31.4	10.7	14.2	30.2	36.7	0.9	1.6

Source : Unpublished data of Ministry of Rural Development, Government of India, New Delhi.

Table 37 presents the characteristics of beneficiaries by states and union territories for 1998-99 and 1999-2000. In Andhra Pradesh and Rajasthan, half of the beneficiaries belonged to scheduled castes. In Tripura, Daman and Diu, Lakshadweep, Orissa, Madhya Pradesh and Jammu and Kashmir, the share of beneficiaries among the scheduled tribes has been very substantial. Except in a few states, the proportion of women benefiting from the old age pension scheme also has been quite high.

Table 36: Relative Position of Beneficiaries of National Old Age Pension Scheme in India

Percentage of	1998-99	1999-2000
Scheduled Castes	28.33	31.42 }
Scheduled Tribes	10.66	14.21
Other Castes	61.02	54.38
Women	30.21	36.71
Physically Handicapped	0.93	1.59

Source : Unpublished data of Ministry of Rural Development, Government of India, New Delhi.

ANNAPURNA SCHEME

On March 19, 1999, the Government of India announced another social assistance scheme, namely 'Annapurna' for the elderly destitutes who have none to take care of them. Under this scheme, an elderly destitute will be provided with 10 kilograms of rice or wheat per month free of cost through the existing public distribution system. This scheme aims at covering those destitutes who are otherwise eligible for old age pension under the National Old Age Pension Scheme. The government has allotted a sum of Rs. 100 crores for the first year of its implementation (for more details, see Table 38); it is expected that this scheme will benefit around 6.6 lakhs elderly. It is implemented by the Ministry of Rural Development with the assistance of the Ministry of Food and Civil Supplies. The progress of this scheme, however, has been very slow in the first year of its implementation. As of 2002, the allocated amount was released to most of the states and the current number of beneficiaries to this scheme is about 1.3 million.

Table 38: Annapurna Scheme: An Overview

States/ Union Territories	Allocation (Rupees)	Amount released (in Rupees)	Targetted No. of Beneficiaries
Andhra Pradesh	62442611	62442611	93200
Arunachal Pradesh	3989659	Not available	4442
Assam	57763322	57763322	38764
Bihar	111620187	111620187	166601
Chhattisgarh	Not available	Not available	29740
Goa	602987	Not available	753
Gujarat	29693739	29693739	19927
Haryana	11563943	Not available	7760
Himachal Pradesh	5105286	5105286	6373
Jammu & Kashmir	6847248	6847248	10220
Jharkhand	36808311	Not available	Not available
Karnataka	45585786	Not available	30592
Kerala	30135930	30135930	31859
Madhya Pradesh	80264215	80264215	119800
Maharashtra	89751204	89751204	60231
Manipur	7198732	7198732	4831
Meghalaya	7762489	Not available	5209
Mizoram	2168293	2168293	2587
Nagaland	5637561	5637561	6727
Orissa	43415034	43415034	64800
Punjab	8348014	8348014	5602
Rajasthan	31824292	31824292	61402
Sikkim	2081561	2081561	2411
Tamil Nadu	57658917	Not available	80000
Tripura	12446001	12446001	11480
Uttar Pradesh	168193059	168193059	344756
Uttaranchal	Not available	Not available	10624
West Bengal	64104174	64104174	43020
Andaman and Nicobar Islands	375192	375191	252
Chandigarh	294793	Not available	198
Daman Diu	53599	Not available	252
Dadra Nagar Haveli	254594	Not available	380
Delhi	5386680	Not available	3615
Lakshadweep	40199	Not available	58
Pondicherry	1058576	1058576	710
All India	990476190	820474230	1269176

Source: Unpublished data of Ministry of Rural Development, Government of India. Funds for Chhattisgarh and Uttaranchal were released to Madhya Pradesh and Uttar Pradesh respectively before the creation of these new states.

STATE-LEVEL SCENARIO

All state governments and union territories have their own schemes for old age pensions. (Kerala experience is presented in the next section). The eligibility criterion varies with each scheme, but generally, the destitute, the poor and the infirm aged 60 and above are provided pensions at rates ranging from Rs.75 to Rs.300 per month (for more details, see Table 39). Among the States and Union territories, Uttar Pradesh was the first in India to introduce an old age pension scheme for the elderly as early as 1957. Sooner or later, the example of Uttar Pradesh was followed by other states and union territories. Under this scheme, the beneficiaries receive a monthly pension more than or equal to Rs. 200 in 6 states, between Rs 150-200 in 4 states. However, 11 states and union territories provide a pension below Rs. 100 (the lowest pension is Rs 75). Out of the 32 states and union territories under review, the stipulated age for eligibility is 65 and beyond in 20 states and union territories. Some states have different age limits for males and females. In Punjab, the age limit is 65 for males and 60 for females; in Jammu and Kashmir, it is 55 years whereas in Sikkim, it is as high as 74 years for males. More details about the state-level old age pension scheme, stipulated age, scale of assistance and the administration of the scheme are presented in Appendix I.

We have no data on the number of beneficiaries of old age pensions and the expenditure incurred as well as the coverage for all states and union territories. The latest information available is for the period 1987-88 (Table 40). According to this source, the total expenditure incurred on this purpose amounted to Rs. 227 crores and the number of beneficiaries was around 5 million elderly aged 60 and above. The proportion of the elderly who received old age pension was about 9 per cent in the same year. Considering the fact that there has been a significant increase in the number of pension schemes as well as in the number of elderly persons in India, it is likely that at present nearly 20 per cent among the elderly of age 60 plus in all states and union territories must now be benefiting from such scheme (excluding the NOAPS).

Table 39: Old Age Pension Schemes of States and Union Territories of India: An Overview

States /UT	Year of Introduction	Amount of Monthly Pension (in rupees)	Stipulated Age for Eligibility
Andhra Pradesh	1960	75	65
Arunachal Pradesh	1988	150	60
Assam	1983	75	65 for males and 60 for females
Bihar	1970	100	60
Delhi	1968	200	60
Goa	1983	75	60
Gujarat	1978	200	60
Haryana	1969	100	65
Himachal Pradesh	1968	150	65
Jammu Kashmir	1976	125	55
Karnataka	1965	100	65 for males and 60 for females
Kerala	1960	110	65
Madhya Pradesh	1970	150	60
Maharashtra	1980	100	65 for males and 60 for females
Manipur	1981	75	65 for males and 60 for females
Meghalaya	1980	75	65 for males and 60 for females
Mizoram	1975	100	65 for males and 60 for females
Nagaland	1979	100	70
Orissa	1975	100	65
Punjab	1968	200	65 for males and 60 for females
Rajasthan	1964	200	58 for males and 55 for females
Sikkim	1981	75	74 for males and 65 for females
Tamil Nadu	1962	150	65
Tripura	1978	75	70
Uttar Pradesh	1957	125	65
West Bengal	1964	300	60
Andaman and Nichobar Islands	1981	75	60
Chandigarh	1969	200	65 for males and 65 for females
Dadra Nagar Haveli	1974	75	65 for males and 65 for females
Daman & Diu	1983	75	60
Lakshadweep	1975	100	60
Pondicherry	1987	100	60
India	1995	75	65

Source: Irudaya Rajan, 1999; Vijaya Kumar, 2003.

Table 40: Old Age Pension Schemes of States and Union Territories: Number of Beneficiaries, Proportion of Population Covered and Total Expenditure Incurred, 1987-88

States /UT	Number of Beneficiaries (in '000s)	Percentage of Beneficiaries to population 60 plus	Expenditure (Rs Lakhs)
Andhra Pradesh	196.6	4.6	699.59
Arunachal Pradesh	0.3	0.4	3.00
Assam	39.0	2.5	117.30
Bihar	1500.0	26.1	4782.69
Delhi	2.8	0.8	22.00
Goa	54.7	66.6	27.00
Gujarat	52.7	2.1	346.00
Haryana	672.7	67.9	3132.00
Himachal Pradesh	56.9	14.6	385.00
Jammu & Kashmir	5.0	1.2	35.00
Karnataka	861.9	29.0	3065.38
Kerala	170.1	7.4	1319.00
Madhya Pradesh	160.0	3.9	1023.76
Maharashtra	285.0	5.9	2107.00
Manipur	10.7	10.5	11.00
Meghalaya	1.1	1.5	8.00
Mizoram	1.8	6.5	8.17
Nagaland	2.5	4.4	18.00
Orissa	126.2	6.2	556.00
Punjab	90.1	5.7	493.00
Rajasthan	85.0	3.4	475.00
Sikkim	0.4	2.3	4.00
Tamil Nadu	372.7	9.9	3280.00
Tripura	12.8	7.3	112.00
Uttar Pradesh	122.8	1.3	481.00
West Bengal	30.7	0.8	221.30
A & N Islands	0.2	2.5	1.00
Chandigarh	0.1	0.3	1.29
Dadra & Nagar Haveli	0.1	2.4	1.03
Daman & Diu	0.1	0.3	0.10
Lakshadweep	0.1	3.3	0.70
Pondicherry	1.3	2.6	2.74
India	4916.0	9.1	22739.05

Source: Sankaran, 1994; Irudaya Rajan, 1999; Vijaya Kumar, 2003.

CRITICAL ASSESSMENT

In formulating a policy for the rehabilitation of the elderly in India, special attention need to be focused on certain crucial characteristics. Poverty is undoubtedly one aspect which ought to be given foremost attention. Besides poverty, incidence of widowhood is a major factor explaining the vulnerability of the elderly. According to the results of the 1991 census, half of the elderly females in India were widowed, divorced, or separated compared to men (their percentage was only 16). Further, the dependency status as reported by the elderly themselves varies between men and women. Only half of the elderly are dependants. Among them, 70 per cent were females and only 30 per cent were males. As per the 1991 census, the elderly beggars were reported as 1.42 lakhs or 0.25 per cent of the elderly population in India. Incidentally, the same proportion (0.20) is reported for India by the 1999-2000 National Sample Survey results.

The burden of having to care for the elderly is not equally distributed among the households. For instance, 60 percent of the households in India have no elderly persons to care for while 31 per cent had only one elderly member, 11 percent had two elderly members and about one per cent of the households had 3 or more elderly (in their households) respectively (more details, see Irudaya Rajan and Sanjay Kumar, 2003). Any policy for social assistance should, therefore, take into account the living arrangement among the elderly. The latest National Sample Survey of elderly persons (1995-96) also reports some other relevant characteristics of the elderly members in the Indian society. Almost 5 per cent of India's elderly live alone and another 10 per cent live with their spouses only. Interestingly, another 5 percent of the elderly live with relations or non-relations but not with their children or grand children. Again, during 1995-96, about 6 per cent of the elderly in India had no surviving children to look after them. The above aspects should be paid adequate attention in designing a national social assistance scheme for India's elderly population.

The recently released Old Age Social and Income Security report states: 'the Ministry realizes that poverty alleviation programs directed at the aged alone cannot provide a solution to the income and social security problems of the elderly. For instance, providing a Rs. 100 per month old age pension to the projected 175 million population of the elderly in 2025, would translate into an annual outflow of over Rs. 210 billion (or Rs. 21,000 crore) for the Government' (page 11 of the report). It may be pointed out that this financial projection is based on the wrong assumption that the entire elderly population in India needs an old age pension. Such flawed and highly exaggerated projections by some of the policy makers create unwarranted worry in the minds of the public about the growing number of senior citizens.

Administrative Coverage: On the basis of our earlier discussion, one can safely conclude that one-fourth of India's elderly already receive some social assistance from the state-level pension schemes or from the National Old Age Pension Scheme/Annapurna scheme. This is certainly a commendable achievement. If we assume that only half of the Indian elderly require social assistance in terms of their dependency status, half of the dependants are provided with some income in old age ranging from Rs. 75 to 300. We have to cover another 20-25 per cent of elderly through some other social assistance schemes or social safety nets. India also runs various poverty alleviation programs in rural and urban areas for the public at large at various levels. The impact of the above programs on the elderly is still unknown. (The lowest amount of pension - Rs. 75 is reported by many states while the highest amount of Rs 300 is paid only by West Bengal) Although the National Social assistance scheme fixed the rate of central assistance at Rs.75 per elderly person, many states have added another Rs 25 to Rs 75 to the minimum. The Government of India should call a meeting of the various implementing agencies and discuss with them the desirability of a uniform rate of old age pension for the entire country.

Rate of Assistance: There has been some criticism among social scientists regarding the adequacy of the old age pension. On an average, the pension works out to be Rs. 150 per month which is equal to a day's wage of a casual or unskilled labourer in Kerala. A little reflection will show that this small amount can do wonders for the poor and destitute elderly. The total cost of purchasing all the entitlements (8 kg wheat, 8 Kg rice and 0.4 Kg sugar) for a one-month period is just Rs. 126 if bought through the public distribution system (for more details, see Table 41). Assuming that for a person above 60 the food requirements are substantially lower particularly when he/she is not engaged in any strenuous physical activity, the entitlement should take care of an older person's basic food needs. Thus the present rate of old age pension not only enables a senior citizen to buy his basic food requirements, but also provides them a small allowance over and above the food requirements. The pension, however, will not be adequate if he/she is living by himself and has to pay a rent for accommodation, besides meeting other expenses such as electricity and water. If the pensioners are living with families, the pension make them less of a burden and enhances their acceptability among their kins, relatives, neighbours and friends.

Table 41: Monthly Entitlement and its Cost Under the Public Distribution System, 2000.

Food Item	Entitlement (Per Month)	Price (Rupees)	Total Cost (Rs)
Rice	8 K g	6.20	49.6
Wheat	8 K g	8.90	71.2
Sugar	0.4 K g	13.10	5.24
Total			126.04

Note: Compiled by the author on the basis of existing prices in the public distribution system in Kerala.

Eligibility Criteria: As previously pointed out, the eligibility age at the state level varies from 55 to 74 years, though the government of India fixed it as 65 years and above. Rajasthan has stipulated the lowest age of 55 years for women and Sikkim has based it at 74 years for men. It is desirable that a uniform age is fixed for all states and union territories. As the expectation of life at age 65 is just 10 years in India, we should fix the eligible age at 65 and above for all those brought under the old age pension scheme except those covered under schemes for widows and physically handicapped. The government of India should try to implement the common age criteria for all states and union territories.

Costs: Though the Government of India spends around 6 per cent of its revenue expenditure on pension to its employees under the head of non-developmental expenditure, the budget amount allocated for National Old Age Pension and Annapurna schemes together comes to only 0.6 per cent. In the absence of any other significant expenditure on social security, the Government of India can certainly afford to spend a little more on the social assistance schemes. We have little knowledge about the situation prevailing in the states and union territories other than Kerala. It is known that Kerala spends 2.77 per cent of its revenue expenditure on social security and social assistance schemes. The Ministry of Welfare, Government of India, or any international organisation working in the area of social security should initiate a detailed study to assess the expenditure pattern of social assistance programs in various states and union territories in India.

Issues pertaining to the delivery system: While delivering social assistance to the needy elderly will not be a major problem, identifying the beneficiaries will be a major challenge. As we have seen in the case of the National Old Age Pension Scheme implemented by the Government of India, a few states could not utilise the allocated amounts for assistance mostly due to the inability to identify the beneficiaries. At the state level, however, delivery mechanisms have been fairly well organized. For instance, the pension for agricultural workers in Kerala is paid once in three months by postal money order. Once a person's claim to old age pension is approved, the beneficiary will receive

social assistance until his/her death. As long as the postal money order requires the signature/thumb impression of the beneficiary, the chances of fraud are limited.

Another major problem consists of the political identity of the individuals. Often, it may happen that new beneficiaries enrolled for any social assistance scheme may belong to the ruling political party and genuine claimants may get eliminated. Secondly, it is also possible that while some among the elderly poor are unable to obtain any assistance, others manage to avail more than one assistance.

The Home Ministry, Government of India, introduced a pension scheme for freedom fighters as early as 1972. According to the Ministry, 1.5 lakh freedom fighters in India received this pension. Called Sainik Samman Pension Scheme, it provides for a monthly pension of Rs. 3600. According to Joginder Singh who monitored the scheme in the Home Ministry, 'even by a conservative estimate, at least 30 percent of the 1.5 lakh freedom pensioners could be declared as fraud'. Official figures also show that out of 13,547 applications processed during the year 1999-2000, pension could be granted only in 85 cases (Indian Express, October 15, 2000). In the light of such experiences, it may be made mandatory to evaluate the state and central level schemes at least once in five years.

Challenges ahead: One obvious challenge consists of the financial crunch faced in many states and union territories. Of course, we have no clear evidence of the extent of the financial constraints faced by the various states and union territories. T Sivadasa Menon, former finance minister of Kerala, for instance, stated in the legislative assembly recently that due to financial stringency, pensions for widows and the old have not been paid for several months. Such an eventuality poses a major problem. Secondly, as already indicated, identification of the really needy will always remain a major task.

Feasible Reforms: In the short-run, we have to revamp the social assistance scheme involving new eligibility criteria such as rate of pension, eligibility age and other conditions.

In the long-run, we could think of schemes such as the one administered for the fisherfolk by the Kerala Fishermen's Welfare Fund Board which is managed independently with the support of the Government. Similar schemes could be initiated by Life Insurance Corporation and other insurance companies in the country. The message of SEWA should be spread through out the country. The unorganized workers (poor elderly) should organize themselves so that they themselves can plan for their future. Needless to say, various NGOs functioning in India must play a major role in the reform process.

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Appendix I: Old-age Pension Schemes in India

State/Union Territory	Name of the Scheme	Amount of Assistance (Rs)	Filigibility Criteria	Department Administering the Scheme
Andhra Pradesh	Old-age Pension Scheme (1960)	75	Destitutes of 65 years of age and above, relaxation for physically handicapped destitutes of all ages, who are domiciled and have resided in the state for a continued period of three years on the date of submission of application	Social Welfare Department
Assam	Old Age Pension Scheme (1983)	75	Destitute males of age 65 years and females 60 years, Relaxation for disabled persons by 10 years who are domiciled and have resided in the state for more than 20 years on the date of submission of Application	
Bihar	Old-Age Pension Scheme (1970)	100	Destitutes of 60 years and above, widows and infirm persons of any age having no source of income or not exceeding Rs 50/- and having no relation to support, who have resided in the state for a continuous period of 10 years on the date of submission of application	Department of Labour and Employment
Gujarat	Old-Age Pension Scheme (1978)	200	1. Persons above the age of 60 years with individual income below Rs. 300/- and family income below Rs 1200/- per annum 2. Physically handicapped persons above the age of 45 years . They should have been residing in the state for the past 10 years	Department of Social Welfare and Tribal Development (Directorate of Social Welfare)
Haryana	Old-Age Pension Scheme	Rs. 75/- p.m Rs. 100/- p.m (liberalised)	Men aged 55 years and above and women aged 50 years and above but income limit ranges from Rs. 50/- to Rs. 300/- per month Liberalised old-age pension for those aged 65 years.	Department of Social Welfare
Himachal Pradesh	Old-Age Pension Scheme (1968)	150	Destitute of 60 years and above who have no income of their own and have none to support them. Relaxation in the age of crippled or permanently disabled persons and widows with income limit of Rs 100/- per annum	Department of Welfare
Jammu &	Old-age pension	125	Persons of 65 years or above without any dependants, having no	Department of Social

Kashmir	scheme (1976)		source of income to maintain himself / herself / or having one or more dependants but his / her total income does not on an average exceed Rs 25/- p.m should be permanent resident of the state/ without son, son's son of 20 years or more or husband / wife to support him/ her.	Welfare
Karnataka	Old-age Pension Scheme (1965)	100	Destitutes of 65 years of age and above, relaxation of 5 years in case of incapacitated persons due to leprosy, insanity, paralysis, asthma or filaria; 45 years in case of those who are not in a position to earn due to blindness or the loss of one or more limbs, with insufficient income and resident in the state for not less than 3 years on the date of submission of report.	Social Welfare Department
Kerala	Destitute Pension Scheme (1960)	110	Destitutes of 65 years of age and above with no source of income or with income of less than Rs 50/- p.m who have no son, son's son of 20 years and above.	Social Welfare Department
Madhya Pradesh	Madhya Pradesh Nirashriton ki Sahayata Karyakram	150	Destitute of 60 years. Infirm, blind, deaf, mute, disabled are also covered.	Social Welfare Board.
Maharashtra	Sanjay Gandhi Niradhar Anudan Yojana	100	65 years for males and 60 years for females Relaxation for incapacitated, disabled, blind, widows, etc.	Housing and Special Assistance Department
Manipur	Old-age Pension Scheme (1980)	75	Destitute male of 60 years and female of 55 years. Handicapped old of 50 years and above are also covered.	Directorate of Social Welfare
Meghalaya	Old-age Pension Scheme (1981)	75	Males of 65 years and females of 60 years without any means of subsistence	Department of Social Welfare

Mizoram	Assistance to aged and infirm (1975)	100	Old men of 65 years and above and women of 60 years and above	Department of Social Welfare
Nagaland	Old-age Pension Scheme (1979)	100	Old-age persons of 80 years and above and invalid persons of 60 years and above are eligible	Community and Rural Development Department
Orissa	Old-age and Widow Pension Scheme (1979)	100	Destitute of 65 years and widows of 55 years having no source of income and no relation (son, son's son, father, mother, husband, wife) able to support	Community and Rural Development Department
Punjab	Old-age Pension Scheme (1968)	200	Destitute, 65 years for males and 60 years for females. Widows are also eligible.	Department of social Welfare
Rajasthan	Old-age pension to destitutes (1964)	200	Destitute, males of 58 years and females of 55 years. No age limit for widows.	Department of Social Welfare
Sikkim	Old-age Pension Scheme (1981)	75	Men of 70 years and above and women of 65 years and above. Disabled also eligible	Department of Social Welfare
Tamil Nadu	Old-age Pension Scheme (1962)	150	Destitutes of 65 years of age and above and have no means of livelihood and no relative to support. Physically handicapped destitute of age 45, blind destitute irrespective of age, destituted widows of 40 years are also covered.	Department of Social Welfare and Probation
Tripura	Old-age Pension Scheme (1978)	75	Any person who has attained the age of 80 years and is not capable of doing any work. No pension shall be admissible whose family income from all sources exceeds Rs 4000/- per annum	Department of Education (Directorate of Social Welfare and Education)
Uttar Pradesh	Old-age Pension Scheme (1957)	125	Destitute of 65 years and above. Widows, crippled, incapacitated of 60 years are eligible.	Directorate of Social Welfare

West Bengal	Old-age Pension Scheme (1964)	300	Destitute of 60 years and above. Handicapped old of 55 years and above are also covered.	Department of Welfare and Culture	Social
Andaman & Nicobar Islands	Old-age Pension Scheme (1981)	75	Destitute of 60 years and above. Disabled persons of 60 years and above are also eligible.	Directorate of Welfare	Social
Chandigarh	Old-age Pension Scheme (1969)	200	Destitute men and women of 65 years and 60 years	Department of Welfare	Social
Dadra & Nagar Haveli	Financial assistance to old, blind and infirm Persons (1974)	75	Blind, old, physically handicapped and infirm and not capable of doing any work	Office of the administrator (Social Welfare Officer)	
Delhi	Old-age Assistance scheme (1975)	200	Old, destitute and disabled of 60 years and above. Widows are also eligible	Directorate of Welfare	Social
Lakshadweep	Old Destitute and Invalid Persons Pension Scheme (1975)	100	Destitute of 60 years and above. Blind/ deaf / Orthopaedically defective and infirm or permanently incapacitated, widow destitute are also eligible.	Department of Welfare and Culture	Social
Pondicherry	Old-age and widow pension scheme	100	Destitute old persons and widows of 60 years and above whose monthly income does not exceed Rs 50/- in case of unmarried person and Rs 100/- in case of married persons	-----	

(B) Relief for Agricultural Landless				
Andhra Pradesh	Andhra Pradesh Landless Agricultural Workers Pension Scheme (1984)	Rs. 75/- p.m	Landless agricultural workers of and above the age of 60 years are to be paid an old age pension	--
Gujarat	Old - Age Pension for Agricultural Labourers (1981)	Rs 75/- p.m	The claimant must belong to the category of landless agricultural labourer; he must have attained the age of 60 years or if disabled/handicapped, the age of 45 years; his individual income should not exceed Rs. 300/- p.a. and his family income should not exceed Rs 1200/- p.a	The labour and Employment Department and Social welfare Department jointly handle the responsibility for the scheme. The claimant has to furnish an application to the Social Welfare Department which is got verified by the District Collector concerned and upon sanction, the benefits remitted by MO to the beneficiary.
Kerala	The Kerala agricultural Workers Pension Scheme (1982)	The Pension amount was Rs 45/- p. m initially which was enhanced to Rs. 100 p.m in 1999	All agricultural workers who complete the 60 years of age on the date of application; and whose income does not exceed Rs 1500/- p. a. (in calculating income, the income of the unmarried adult sons and daughters is also taken into consideration); residence within the state for a minimum period of 10 years; engagement in agricultural activities for atleast 10 years; claimant not being maintained by any institution for the care of old/ sick/ infirm; claimant not being in receipt of any assistance under any of the welfare schemes.	The state Labour Commissioner is the overall in charge of the scheme. The Deputy Labour Officer is overall incharge of sanction and disbursement of Pension. The Pension amount is paid once in three months and the amount due is sent by M.O to the pensioner.

Tamil Nadu	Tamil Nadu Old age Pension (Destitute agricultural labourers) scheme (1981)	A monthly Pension of Rs 75/- p.m; free supply of a set of cloths on independence day and Pongal; free supply of rice on weekly basis on the prescribed scale	At least one year's residence in the state; no means of subsistence and no close relatives to support; should be 60 years of age or above.	The revenue Administration Department in coordination with the social welfare department.
C. Deserted/ Destitute women				
Tamil Nadu	Tamil Nadu Old age Pension (Destitute widows) scheme (1975)	A monthly Pension of Rs 75/- p.m; free supply of a set of cloths on Independence day and Pongal; free supply of rice on weekly basis on the prescribed scale (lesser quantity for those who avail of the free Nutritious Noon Meal Scheme)	At least one year's residence in the state; no means of subsistence and no close relatives to support; should be not less than 40 years of age.	The revenue Administration Department in coordination with the social welfare department is the overall incharge. The District collectors concerned are the administrative charge of the scheme. Cash assistance is remitted by postal MO
Tamil Nadu	Tamil Nadu Old age Pension (Deserted Destitute Wives) scheme (1986)	(As above)	At least one year's residence in the state; no means of subsistence and no close relatives to support; The applicant should be atleast 30 years of age and the period of desertion (after legal marriage) should not be less than 5 years ; upon marriage or grant of assistance from her deserting husband ; the assistance under the scheme would be discontinued.	(As above)

CHRONIC POVERTY AMONG SCHEDULED TRIBES:
A RIGHTS BASED APPROACH TO POVERTY ALLEVIATION

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CHRONIC POVERTY AND THE SCHEDULED TRIBES IN INDIA

A Case Study of a Displaced Community of Sahariya Adivasi

Asmita Kabra

Abstract

Over 1 billion people in the world today live under unacceptable conditions of poverty, mostly in developing countries, and particularly in remote rural areas of low-income countries. A clear overlap exists between the formulation of chronic poverty in terms of geographical areas, and the distribution of poverty according to vulnerable social groups. In India, for instance, the Scheduled Tribes form a significant proportion of the population in the semi-arid central Indian drylands and forest tracts. For the adivasis of India, a multitude of factors, including economic, social and agro-climatic, come together in a complex interplay that makes them especially vulnerable to severe, long duration poverty which they find it difficult to escape from. Tribal regions of Central India are marked by a paradoxically high incidence of chronic poverty and neglect, in spite of a very good natural resource base and huge but untapped potential for agriculture development.

For remote, rural, already marginalized communities like the Scheduled Tribes in India, displacement induced by projects of 'national importance' has been one of the important contributors to rise in deprivation. The move for displacement of forest dwellers has been driven historically by commercial (mining and industrial) pressures, but increasingly in recent years this has been joined by pressures for conservation of forest areas as "pristine" zones. The Lion Reintroduction Project of the Government of India, being implemented in Kuno wildlife sanctuary in district Sheopur of Madhya Pradesh, has resulted in displacement of 24 villages to the outskirts of the sanctuary. A detailed study of the impact of displacement of livelihood of these villages is important to understand the impact on livelihood security of the displaced people. Such a study would also shed light on the linkages between displacement, chronic poverty and human rights, and would help to understand the coping strategies of the chronically poor when faced with sudden shocks like policy-induced displacement.

An attempt is made in this paper to identify the contours of a sustainable and viable rights-based micro-intervention for poverty alleviation, in the context of the displaced villages of Kuno sanctuary. It is shown that alleviation of chronic poverty for the tribal Central Indian belt requires the creation and adoption of an alternative model of development based on renewal rather than replacement, using regeneration of the natural resource base as a powerful engine of growth. The interplay of technological solutions to chronic poverty and the institutional framework required for participatory and community based implementation of these solutions is also explored in this paper.

SECTION I: POVERTY – OVERVIEW, ANALYTICAL FRAMEWORKS AND IDENTIFICATION OF VULNERABLE GROUPS AND REGIONS

1.1: Introduction

Over 1 billion people in the world today live under unacceptable conditions of poverty¹, mostly in developing countries, and particularly in remote rural areas of low-income Asia and the Pacific, Africa, Latin America and the Caribbean, and the least developed countries. According to the World Bank, nearly 40 per cent of the world's poor live in South Asia alone (WDR, *ibid.*). While poverty alleviation has been on the agenda of every nation among the so-called 'developing' world, the nature and form of the academic and policy discourse on poverty has evolved substantially over the years.

At one level, this has ramifications for the poor in terms of the precise formulation of poverty alleviation strategies in different countries at different points in time. However, at another level, the actual experience of poverty seems to have a continuity which at times seems completely unconnected with the concerns of planners, state agencies and NGOs working for poverty alleviation. This is especially true of poverty prevalent in remote rural areas of 'developing' countries, where poverty takes a chronic, severe and multidimensional form, and is transmitted across generations of the poor, seemingly untouched by the broad macro-economic scenario of that particular country or the world at large. This type of poverty is the most insidious, intractable, entrenched and difficult to grapple with. It defies policy prescriptions, because its form and content are deeply embedded in the larger socio-economic milieu (corruption, poor governance, and social and cultural marginalisation of certain vulnerable segments of the populace). This structural and chronic variant of poverty is also often invisible to the cursory observer, who typically belongs to the urban mainstream, and fails to penetrate deep enough into the "remote rural areas" to be able to observe its workings.

This paper is an attempt at tracing the contours of chronic poverty among a segment of the Indian population that has continued to be at the fringes of the development process of the country. The paper focuses on the Scheduled Tribes in India, especially forest-dependant tribes living in the central Indian belt. In this backdrop, an attempt is made to outline the form, content and possible solutions to chronic poverty among a specific community of the Sahariya tribals. The Sahariya have traditionally been among the most deprived and marginalized even among adivasi communities in the country, and the Sahariya villages documented in this paper have recently undergone further disruption to their livelihood as a result of displacement from the forest area that they used to inhabit prior to relocation. The case study presented in this paper examines issues relating to definition and measurement of poverty, the intricate linkages between displacement, poverty and access to livelihood resources, and a specific NGO-driven response to poverty.

Special emphasis is laid in this paper on analyzing the impact of policy-induced entry into chronic poverty for marginalized sections of the population like the Scheduled Tribes in India through phenomena like displacement or relocation. Relocation is viewed by certain sections of government as well as civil society as an important tool for the integration of remote and "backward" communities into the "mainstream", so that they are empowered to enjoy the benefits of modernity². On the other hand, relocation / displacement of communities has been criticized severely by others, who argue that usually the rehabilitation package offered and the implementation of the package leave much to be desired, resulting in an overall decline in the

¹ *World Development Report, 2000*. The World Bank. Washington D.C.

² Views to this effect were expressed, for instance, by an ex-Director of Project Tiger, Government of India, at a seminar on "Relocation of People from Protected Areas", held at the Indian International Centre, New Delhi, September 18, 2003

living conditions of the displaced people / communities.³ Thus, relocation has been seen by some as an "interrupter" or chronic poverty (CPRC Working Paper 2) or a beneficial policy tool for moving communities *out of* poverty; others view it as a "driver" of chronic poverty, or a perverse instrument that pushes communities *into* poverty. This points to the need for a detailed study of the justification behind relocation, the policy framework governing resettlement and rehabilitation (R&R), and the actual implementation of the process of rehabilitation.

Through the case study of the villages displaced from Kuno wildlife sanctuary, the present study would attempt to draw lessons about the impact of displacement on chronic poverty. It would also attempt to shed some light on a sustainable, rights-based approach to poverty alleviation being experimented with in these villages by an NGO, with the participation of the local community.

1.2: Poverty – Analytical Frameworks

1.2.1: The Traditional Approaches to Poverty

Traditional development literature tended to focus on poverty in terms of "a lack of income, expenditure or consumption"⁴, or in terms of lack of access to certain "basic needs". More recent work has viewed poverty as a multi-dimensional phenomenon, including material deprivation, lack of access to education and health, higher levels of insecurity and risk, and lack of participation in civil society processes⁵. According to the Charter of Action released by the United Nations World Summit on Social Development (Copenhagen, March 1995) "Poverty has various manifestations, including lack of income and productive resources sufficient to ensure sustainable livelihoods; hunger and malnutrition; ill health; limited or lack of access to education and other basic services; increased morbidity and mortality from illness; homelessness and inadequate housing; unsafe environments; and social discrimination and exclusion. It is also characterized by a lack of participation in decision-making and in civil, social and cultural life."

The Millennium Development Goals of the United Nations Millennium Declaration of September 2000 also emphasize not only income generation and poverty eradication, but also issues such as education, health, gender equality and environment (See Box 1). Significantly, the Declaration mentions international cooperation as a way of pooling together of resources to realize the MDGs.

However, according to some analysts, "...even if the 2015 Goals are met in full, there will still be around 900 million people, mostly living in Sub-Saharan Africa and South Asia, whose poverty is intractable. Many of these people have been poor for years - often since birth. Poverty is frequently an inheritance passed on from generation to generation."⁶ Thus, despite an emerging global compact on the urgent need to address all forms of poverty, policy prescriptions for poverty alleviation seem ill equipped to deal with the problem of poverty in its complexity and multi-dimensionality. This reinforces the need for in-depth study of the very conceptualization of poverty, as well as of the

The Millennium Development Goals (MDGs)

1. Eradicate extreme poverty and hunger
2. Achieve universal primary education
3. Promote gender equality and empower women
4. Reduce child mortality
5. Improve maternal health
6. Combat HIV/AIDS, malaria and other diseases
7. Ensure environmental sustainability
8. Develop a global partnership for development

³ See for instance, Dreze, Sampson and Singh eds *The Dam and the Nation*, OUP, Delhi for analyses of the negative impacts of relocation

⁴ Todaro, M.P., *Economic Development*, Chapter 2, Pearson Education Asia, 2003

⁵ *World Development Report, 2000*, The World Bank. Washington D.C.

⁶ Hulme, Moore and Shepherd, CPRC Working Paper 2

underlying factors that cause it to be a self-reinforcing phenomenon defying redress. In this context, different theoretical formulations like the absolute and relative approach to poverty, chronic poverty, the rights-based approach to poverty, specific groups and their vulnerability to poverty and so on need to be examined threadbare.

1.2.2: Absolute and Relative Poverty and the 'Capabilities' Approach

Development literature abounds with references to the debate on the absolute versus relative formulations of poverty. Absolute poverty is defined in terms of "subsistence below the minimum requirement of physical well-being, generally based on a quantitative proxy indicator such as income or calories, but sometimes taking into account a broader package of goods and services"⁷. Such a notion of absolute poverty was sometimes expressed in terms of an internationally acceptable absolute poverty line, which was reduced sometimes to even more simplistic measures (like poverty being equated with a daily per capita income below US\$1).

On the other hand, the relativist approach to poverty gained popularity as a result of a series of early critiques of the notion of absolute poverty. These argued that the idea of an universally applicable international poverty line was faulty because of problems of inter-temporal and international comparisons in standards of living (which ignore differences in climate, cultural and social factors, resource endowments and purchasing power parity)⁸. This type of critique popularized the relativist conception of poverty, where relative poverty is defined in terms of presence of large segments of the population with "...income or consumption level...below a particular fraction of the national average"⁹. The focus in this approach is more on inequality in income distribution resulting from differential access to assets and wealth.

Sen has tried to reconcile the absolute and relative formulations of poverty by analyzing deprivation in terms of 'capabilities' and 'entitlements'. He argues that there is a strong absolutist core to the phenomenon of poverty, which he defines as the lack of certain basic 'capabilities' like avoiding shame, participating in activities of the community, satisfying hunger and meeting nutritional requirements, escaping avoidable disease, being sheltered and clothed and getting education. He further argues that for different communities over space and time, the commodity, resource and income requirements of these capabilities differ, leading to relative differences in living standards and thus, to relative poverty and inequality. Thus, according to Sen, poverty can be viewed as an absolutist concept in the realm of capabilities, but a relativist notion in the realm of income and commodities, or "relative deprivation in terms of income can yield absolute deprivation in terms of capabilities"¹⁰. This paves the way for a conceptualization of poverty that reconciles the absolute and relative notions of poverty.

That the conceptualization of poverty in terms of 'capabilities' has become increasingly acceptable to mainstream notions of poverty alleviation can be seen from the following emphasis on 'capabilities' and 'entitlements' in the Ninth Plan Mid-term Review document of the Government of India: "Given the enormity and complexity of the task, the Ninth Five Year Plan envisaged a multi-pronged approach. Besides recognizing the role of high economic growth in tackling poverty, the strategy comprised creation of *entitlements* (through self-employment and wage-employment schemes, food security and social security) and building up of *capabilities* (through basic minimum services like education, health and housing). The issues of governance also engaged the attention of the Plan, which envisaged greater participation of the Panchayati Raj Institutions as the most effective delivery mechanism for poverty reduction."

⁷ Hulme, Moore and Shepherd, CPRC Working Paper 2

⁸ For a summary of critiques of the absolute poverty concept, see Sen, Amartya, *Poor, Relatively Speaking*

⁹ Hulme, Moore and Shepherd, CPRC Working Paper 2

¹⁰ Sen, A., *Development as Freedom*, Oxford University Press, 1999

1.2.3: Capabilities as Rights

This capabilities-oriented formulation of poverty can be reinterpreted in terms of a rights-based approach if the intrinsic linkages between poverty reduction and public policy (which must ensure that the poor get access to 'entitlements') are given due recognition. The capabilities set reflects the freedom of the individual to choose between alternative combinations of 'functionings' that they assign a value to. Thus, if the capabilities approach is followed, poverty can be defined as 'the absence or deprivation of real opportunities and substantive freedoms'¹¹

The conceptualization of poverty in terms of capability-deprivation flows quite naturally into the 'rights-based approach' to poverty, because it can be postulated that certain basic capabilities are critical for minimum functioning of humans in a dignified fashion, and that each individual has a right to these capabilities irrespective of their initial endowments, social position or location across space and time. Therefore, it is enjoined upon the state to ensure for its people not just liberal rights like the freedom of speech and association, but also certain fundamental rights like the right to food, health and education, as also the right to information regarding provision of the same. The strong linkage between poverty and denial of rights is emphasized by global agencies like the UNDP when it is argued that "The right to development and the right to a life free from poverty are basic human rights. The UN Charter, the Universal Declaration of Human Rights, the World Summit on Social Development and many other multilateral declarations and conferences have recognized and reconfirmed economic, social, political, civil, and cultural rights with the goal of eradicating poverty and its consequences. Among these rights are an adequate standard of living, food, housing, education, health, work, social security and a share in the benefits of social progress."¹²

The UNDP further asserts that "poverty (is) a denial of human rights. Good health, adequate nutrition, literacy and employment are not favours or acts of charity to be bestowed on the poor by governments and international agencies. They are human rights, as valid today as they were 50 years ago when the Universal Declaration of Human rights was adopted. UNDP defines poverty from a sustainable human development perspective. Poverty is the denial of various choices and opportunities basic to human development. These include the ability to lead a long, creative and healthy life, to acquire knowledge, to have freedom, dignity, self-respect and respect for others, and to have access to the resources needed for a decent standard of living."

1.3: Chronic Poverty

Depending on its duration, distinction needs to be drawn between different types of poverty, because the factors underlying transient poverty may differ significantly from those responsible for chronic poverty. According to the CPRC, chronic poverty is defined as long duration and severe poverty, which the poor find it extremely difficult to escape from¹³. Another aspect of chronic poverty highlighted by the CPRC is the high risk and vulnerability to shocks associated with it.

1.3.1: Chronic Poverty as a Multi-dimensional Phenomenon

Research has established that the aspirations of the poor are not just for raising income and consumption alone, but also for "survival, based on stable subsistence; security, based on assets and rights; and self-respect, based on independence and choice"¹⁴. It is well recognized that the impact of poverty differs across as well as within social groups and also across as well as within households. Data from a cross section of developing countries seem to indicate that "the poor ... are disproportionately located in rural areas, ... they are primarily engaged in agricultural and associated activities, they are more likely to be women and children than adult males, and they are often concentrated among minority ethnic groups and indigenous peoples" (Todaro, 2003, p. 229).

¹¹ Mukherjee, A.N. *A Human Rights Approach to Poverty Alleviation*, 2003

¹² The UNDP website www.undp.org

¹³ CPRC Working Paper 2

¹⁴ Chambers, Saxena and Shah, 1990

A clear overlap has thus emerged between the formulation of chronic poverty in terms of geographical areas, and the distribution of poverty according to vulnerable social groups. In India, for instance, the Scheduled Tribes¹⁵ form a significant proportion of the population in the semi-arid central Indian drylands and forest tracts.¹⁶ For the adivasis of India, a multitude of factors, including economic, social and agro-climatic, come together in a complex interplay that makes them especially vulnerable to severe, long duration poverty which they find it difficult to escape from. According to information available with the Ministry of Rural Development for 1993-94, "more than half of the rural tribal population is found to be (subsisting) below poverty line" (Website of the Ministry of Tribal Affairs: www.nic.in)

The "multiple and overlapping vulnerabilities"¹⁷ of Scheduled Tribes to chronic poverty are brought out clearly by the study of chronic poverty in India by Mehta and Shah¹⁸, which highlights that

- Only six states in India [Uttar Pradesh, Bihar and Madhya Pradesh (all undivided), and West Bengal, Orissa and Maharashtra] account for over 70 per cent of the poor
- The incidence of chronic poverty in these states is very high, in the sense that over 40 per cent of their population has been poor for more than 20 years
- A few states in the central Indian belt show the most severe incidence of "ultra-poverty", where people are earning incomes no higher than 75 per cent of the poverty line
- Most states that perform badly in terms of income poverty indicators also show up badly in terms of multi-dimensional poverty indicators like the Human Development Index, the Human Poverty Index, the Gender Development Index and so on.
- Even states with a low incidence of income poverty contain sections that suffer chronically from hunger, especially in the summer months from June to September
- Spatially, two types of regions seem more likely to suffer from chronic poverty: the drought prone drylands, with low population density and poor quality of agricultural land; and the forested hilly regions with predominantly tribal populations, relatively higher natural resource base, but poor connectivity and low access to these resources among the marginal segments of the population

1.3.2: Chronic Poverty among the Scheduled Tribes of Central India

The question of livelihood security among communities inhabiting the central Indian states of Madhya Pradesh, Rajasthan, Bihar, Jharkhand, Chhatisgarh, Orissa, Maharashtra has been a matter of debate and discussion among development practitioners for some time now. This region is home to about 70% of the country's tribal population, the only other major concentration of tribals being in northeast India. Significantly, the poorest pockets within the Central Indian region show a higher than average concentration of tribals in the population¹⁹. While the mainstay of the economy of this region is agriculture, most of it is dependent on rain and characterized by extremely low agricultural productivity. The landscape has been scarred by overexploitation of vegetation, which has resulted in erosion of topsoil, poor regeneration of biomass and excessive runoff of rainwater. Failure to retain water has had a negative impact on productivity of soil, and has resulted in stagnant agricultural output. Studies show that for the state of Madhya Pradesh, there has been a sharp increase (of nearly 100 per cent) in the number of small and marginal landholders, coupled with stagnation in agricultural productivity²⁰.

¹⁵ There are 533 tribes notified as per schedule under Article 342 of the Constitution of India, of which 75 tribes have been classified as the Primitive Tribal Groups on the basis of their social and economic vulnerability, remoteness and near-stagnating population (Website of the Ministry of Tribal Affairs www.nic.in)

¹⁶ Mehta and Shah, CPRC Working Paper 7

¹⁷ CPRC Working Paper 2

¹⁸ Mehta and Shah, CPRC Working Paper 7

¹⁹ See Map 2.1 in Mehta and Shah, CPRC Working Paper 7

²⁰ Shah and Vijayshankar, in Praveen Jha (ed.) *Land Reforms in India*, Oxford University Press, 2002

Table 1: Share of Agriculture in Net State Domestic Product and Workforce, and Relative Agricultural Productivity, MP, 1950-90

Year	Share in NSDP	Share in Workforce	Agricultural Productivity in Relation to Average Labour Productivity (X=100)
1950-51	65	79	84
1960-61	63	79	79
1970-71	58	79	73
1980-81	51	76	67
1990-91	42	75	55

Source: Shah and Vijayshankar, 2002

Another alarming feature of the agricultural economy of Central India is the rising share of landed labourers, whose precarious farm income is inadequate to provide them with subsistence, so that they are increasingly resorting to wage work to supplement their income. The proportion of such 'landed labour' has increased from 46 per cent in 1960-61 to about 80 per cent in 1987-88 (Shah and Vijayshankar, 2002) for Madhya Pradesh.

Disaggregating the statewide picture shows two distinct sub-patterns within the agriculture sector in MP: "the increasingly unsustainable tubewell-led agricultural development in the hard rock regions of the country, coupled with the near-stagnation and resource emasculation of the tribal pockets" (Shah and Vijayshankar, 2002). Meanwhile, the tribal regions of Central India are marked by a paradoxically high incidence of chronic poverty and neglect, in spite of a very good natural resource base and huge but untapped potential for agriculture development. Accompanying factors that further inhibit agricultural productivity of small and marginal farmers, especially tribals, include:

- Erratic monsoon: Agriculture is influenced more by the distribution of rain than the total quantum received. The rain fed areas are beset with either late/early onset of monsoon or late/early withdrawal interspersed with long dry spells, which affect crop yield adversely.
- Unavailability of protective irrigation: With access to basic irrigation facilities, the severity of droughts can be mitigated and normal yields can potentially be secured. However, for a variety of reasons, such irrigation is not available to the farmer; even where facilities do exist their performance is below par.
- Poor resource availability: Land treatment technology remains beyond the reach of small and marginal farmers because they lack the institutional set-up and economic strength to invest in soil conservation measures individually, or construct structures to store surface runoff. Similarly, access of most farmers to the Green Revolution agricultural technology is restricted due to lack of purchasing power.
- Lack of fodder and the resultant decline in livelihood from cattle: Another spin-off of the poor availability of water is the lack of fodder and poor yield from livestock. This also reduces access to inputs like organic manure and draught animals for ploughing. Consequently, farmers have to depend on purchase of manure and rental of tractors, which raises their requirements of cash and credit.
- Lack of credit facilities: Poor penetration of the formal credit agencies results in unduly high dependence on local moneylenders, who also double up as the trader-cum-large landowner of the village, thus disadvantaging the marginal farmers economically as well as socially.
- Social and political marginalization: In addition to severe disruption of livelihoods and environmental degradation, the tribals of central India have also had to contend with social, political and economic forces that have almost completely marginalized them from the state's decision-making process. While their disempowerment has historical roots, over the years it has become pronounced due to the loss of livelihoods. Relative to other social classes, tribals have always been living at the so-called "margins of society". This has made them extremely susceptible to long duration and severe poverty, social and cultural discrimination and marginalisation, made worse by factors like poor governance and corruption among the lower level state bureaucracy.

However, the solution to the chronic poverty of these regions may not lie in opening this region up indiscriminately to the accepted state-sponsored model of agriculture, namely the highly water intensive, cash-crop based 'Green Revolution' agriculture based on purchased inputs including HYV seeds, fertilizers and pesticides. It has emerged starkly that indiscriminate use of such technology has led to worsening chronic poverty, inequality and unemployment in the non-tribal pockets of Central India (for instance, in Western Madhya Pradesh), so clearly such a model does not augur well for sustainable development of the tribal pockets of Central India. As Shah and Vijayshankar note, "the backwardness of the region, and of the tribal communities particularly, is a direct consequence of the existing models of development which fail to build upon the natural resource base of the area." Thus, alleviation of chronic poverty for the tribal Central Indian belt requires the creation and adoption of an alternative model of development, which is based on "renewal rather than replacement, (and) which views the regeneration of the natural resource base as a powerful engine of growth" (Shah and Vijayshankar, 2002)

In the following section, we would examine the incidence of chronic poverty in the case of a small cluster of villages of the Sahariya adivasis, displaced recently from their original residence inside a wildlife-protected area in northwest Madhya Pradesh. The study would focus on the nature of chronic poverty among this community, and factors that have caused exacerbation of poverty. In particular, we would highlight the impact of displacement and relocation on livelihood security of these villages, and analyze the resettlement and rehabilitation package as well as its implementation from the point of view of policy-induced chronic poverty. In the subsequent section, we would attempt to outline the contours of an NGO-driven strategy (including the technological aspects or 'hardware' as well as institutional aspects or 'software') for alleviation of chronic poverty in the rights-mode, through community mobilization and development of appropriate institutions for a sustainable livelihood initiative.

SECTION II: THE DISPLACED SAHARIYA ADIVASI OF KUNO WILDLIFE SANCTUARY, MADHYA PRADESH: A CASE STUDY

2.1: Conservation and Displacement: The Threat of Policy-Induced Chronic Poverty

Wildlife Protected Areas (PAs), comprising of national parks and wildlife sanctuaries, now constitute about 5 per cent of the land area of India, while their core areas cover about 1 per cent of the country's land mass²¹. The designation of wildlife Protected Areas has been the principal conservation strategy adopted in most parts of the world, including India. Protected areas were meant to create spaces relatively or even wholly free of human presence or biomass extraction, where evolutionary processes could carry on uninterrupted (Rangarajan, 2001). This conservation paradigm has had significant implications for communities that derive their sustenance from designated Protected Areas, as also for the conservation of the PAs. Firstly, restrictions have been placed on resource use from PAs. Apart from such restrictions, there have also been instances of people being asked to vacate areas that they had traditionally inhabited, and that had been designated subsequently as PAs. Provisional estimates put the number of people living in and around PAs at around 4.5 million (Kothari 1996). The Planning Commission, in its Mid Term Review of the Ninth Plan, puts the number of people dependent on forests for sustenance at 100 million.

Displacement of communities as a consequence of projects of 'national importance' has been one of the important contributors to rise in deprivation, especially in the case of remote, rural, already marginalized communities like the Scheduled Tribes in India. The move for displacement of forest dwellers has been driven historically by commercial (mining and industrial) pressures, but increasingly in recent years this has been joined by pressures for conservation of forest areas as "pristine" zones, untouched by humans, for conservation of biodiversity. Thus, on the one hand, the managers of wildlife protected areas are increasingly taking recourse to displacement as a tool for safeguarding the PA from the pressures on resources that are generated by forest-dependent communities, and this method is strongly supported by many conservationist and wildlife biologists²². On the other hand, supporters of movements for social justice and rights of marginal communities, particularly tribals, have been emphasizing the destitution that such conservation-induced displacement wreaks on forest-dependent communities, particularly adivasis. They stress on the well-documented fact that the state apparatus in India has been incapable of adequately looking after people who have been uprooted from their original places of residence. This school of thought has also questioned the very rationale of relocating people from PAs and has urged for a more inclusive conservation paradigm that would permit latitude for local communities as well as wild flora and fauna to coexist²³.

Supporters of displacement argue that relocations of forest dwelling villagers, if planned and executed efficiently and transparently, can improve rural livelihoods while simultaneously helping in habitat recovery. Critics of displacement, on the other hand, have stressed that the urge to 'integrate' rural communities, particularly adivasis, with the so-called mainstream is a patently urban and paternalistic phenomenon that exhibits ignorance about the lifestyles and livelihood of such communities. They point out that lifestyles of forest-dwellers are intricately linked to their surrounding landscapes and have over time developed a fine balance with nature. Any disruption of this equilibrium, they argue, irreparably damages not only the livelihood of these communities, but also natural systems of the area.

Subsequently, attempts have been made to reconcile the two approaches. For instance, the Indian Board of Wildlife tried to reach for a middle ground by accepting there would be no forced

²¹ IIPA, 1989, and WII, 1989

²² Karanth et al in Seidensticker et al, "*Riding the Tiger*"

²³ Saberwal, V. in Conservation Biology, 1994; Mahesh Rangarajan in Saberwal and Rangarajan, 2003

displacement from protected areas in India (Rangarajan, India's Wildlife History, 2001, p. 111). The Mid Term Review of the Ninth Plan also strikes a conciliatory note by observing "Most forests are located in dry and poor regions of low agricultural productivity. Hence, the potential for poverty alleviation through forestry is immense, through both livelihood products and through forest functions of stabilizing moisture regime for agriculture. And last, a large number of programmes in watershed development, drinking water, agriculture, irrigation and dairy will have sustained benefits only when barren lands are put under green cover through afforestation. A single Rupee spent on forests will not only improve productivity of forests, but would enhance returns in many related sectors."

It is now being recognized that there is a need to select "development schemes that do not displace local populations, and appropriate policy and legal frameworks to compensate the displaced for their losses, to help them to re-establish their livelihoods and to promote their recovery from social and cultural disruption".²⁴

2.2: Displacement from Kuno Wildlife Sanctuary: A Case Study

2.2.1: A Profile of the Region

The state of Madhya Pradesh was created on 1st November 1956 as a result of the redrawing of the federal map of India on a linguistic basis. The provisional census data 2001 divides the state of Madhya Pradesh into 9 Revenue Divisions, 45 Districts, 259 tehsils or subdivisions, 313 Community Development Blocks, 55393 Villages and 394 urban centres. Before the creation of the new state of Chhatisgarh, Madhya Pradesh was the largest state in India, with an area of 443,436 sq. km. At present, however, it occupies second position in the country in terms of its geographical spread and contributes 9.38 per cent to the country's total land area. It has also emerged as the seventh largest state population-wise.

Madhya Pradesh has a sizeable Scheduled Tribe population, constituting 23 per cent of the total population of the state. The concentration of the tribals is in the undulating and the hilly districts of the southern parts of the state, but other tribal populations can also be found, for instance bordering Rajasthan in the northwest part of the state, especially in the forests surrounding Kuno wildlife sanctuary. Kuno sanctuary, named after the river Kuno, which vertically bisects the sanctuary, is located in the Sheopur district in northwestern Madhya Pradesh. Sheopur was created in the year 1998 through the bifurcation of district Morena; before getting the status of a district, it was earlier a sub-division in the district of Morena. The district ranks 43rd in the state in terms of population. According to the 1991 census, Sheopur has a total population of 559715, which is 0.93 per cent of the total population of the state.

2.2.2: Background to Village Relocation – The Lion Reintroduction Programme

The Union Ministry of Environment and Forests (MoEF), upon the recommendation of the Wildlife Institute of India²⁵ (WII) has taken up an ambitious project to translocate a pride of Asiatic Lion from the Gir national park in Gujarat to the Kuno wildlife sanctuary in district Sheopur in Madhya Pradesh. Through this project it is hoping to establish a second free ranging population of Asiatic lion, which would serve as insurance against various extinction threats that face the Gir lions. The Lion Reintroduction Project, being implemented in Kuno wildlife sanctuary by the Madhya Pradesh forest department, has resulted in relocation of 24 villages to the outskirts of the sanctuary.

²⁴ WSSD Chapter 2, para 27(d)

²⁵ "Survey of the Potential Sites for Reintroduction of Asiatic Lions", Final Report by WII, Dehradun, 1995

Table 2: Time Line of Relocation under the Lion Reintroduction Programme

S. No.	Description of Activity	Year
1.	Formulation of the relocation plan initiated by the Kuno sanctuary management	1995
2.	Visit by the Cabinet sub-committee to assess whether villagers were willing to shift out voluntarily	1996
3.	Pre-relocation activities like compilation of list of beneficiaries, identification of land for resettlement, steps for de-notification of identified land from forest to revenue	1997-98
4.	The first two villages, Khallai and Barrer shifted out to the relocation site	1998 (summer)
5.	Villages located on the western bank of river Kuno shifted out	1998-99
6.	Most villages located on the eastern bank of river Kuno shifted out gradually	1999-2002
7.	The last village left inside the sanctuary (Parond) shifted out to the relocation site	2003 summer

2.2.3: The Displaced Villages – A Profile

Over 5000 people resided in 24 villages inside the sanctuary prior to the initiation of this project. A majority of these inhabitants (over 90 per cent) comprised of the Sahariya, a primitive tribal group²⁶ that has historically been almost completely dependent upon forests for survival. In addition to the Sahariya, the villages affected were also home to other caste groups, including Jatav (SC), Brahmin, Gujjar, Kushwah, Yadav and so on.

The Sahariya tribals have historically inhabited the belt along the Rajasthan-Madhya Pradesh border, especially the districts of Gwalior, Shivpuri, Morena (including Sheopur) and Bhind. Traditionally forest-dependent for meeting their livelihood needs primarily through food gathering and hunting, the Sahariya have begun, for the past generation or two, to undertake subsistence agriculture to meet a part of their livelihood needs, particularly for items that cannot be directly obtained from the forest. Typically, their agricultural practices are primitive and precarious,²⁷ and it has been shown by studies that a large proportion of the Sahariya are either first or second-generation cultivators. Over time, however, the community's dependence on agriculture has been rising, owing to decreasing access to forest based livelihood sources.

2.2.4: The Rehabilitation Package

Rehabilitation of villages from Kuno sanctuary was carried out in accordance with the provisions of a scheme of the Union Ministry of Environment and Forests (MoEF) called the Beneficiary Oriented Scheme for Tribal Development (BoTD). The Madhya Pradesh forest department, as represented by the management of the Kuno wildlife sanctuary, was designated as the implementing authority entrusted with carrying out the R&R exercise. As part of this package, every male above the age of 18 years is considered a separate family and is entitled to services worth Rs. 1 lakh, as described below:

²⁶ According to the official website of the Ministry of Tribal Affairs, 'primitive tribal groups' are defined as follows: "Among the notified tribes, a group is still at most primitive stage. They continue to live in isolated areas and practice either primitive agriculture or no agricultural practice and most of them are still in food gathering stage with almost stagnating population. Such groups (75 Nos.) are named as Primitive Tribal Groups (PTGs). They are spread over 15 States/UTs."

²⁷ IIFM (undated)

Table 3: The Rehabilitation Package under the Beneficiary Oriented Scheme for Tribal Development, Ministry of Environment and Forests, Government of India

S. No	Heads	Specified norms (Rs. per family)
1	Land Development (for 2 hectares per family)	36,000
2	House construction (on 5,000 sq. feet per house)	36,000
3	Community facilities	9,000
4	Fuel and fodder plantation	8,000
5	Pasture development	8,000
6	Transport of household goods	1,000
7	Cash incentive for shifting	1,000
8	Miscellaneous expenses	1,000
	TOTAL	Rs. 1,00,000

2.3: Impact of Displacement on Livelihood

The erstwhile inhabitants of Kuno wildlife sanctuary have been shifted from resource-rich but extremely remote forests to a region geographically not very far from their original place of residence. However, in most other aspects, including topography and resource endowments, the relocation site is as drastically different from the sanctuary as can be imagined. In terms of the analysis of chronic poverty put forward by Mehta and Shah, the relocation of villagers from Kuno wildlife sanctuary can be seen as a shift from one type of remote rural area to another, that is, from a forest-based economy to a drought prone dryland, which is better connected to the mainstream economy and society. However, it is critical to recognize that the shift also involves moving a community of hunters, gatherers and subsistence cultivators to a primarily agriculture-based livelihood. This is the crux of the matter; the shift of residence has meant for this community a complete break from its previous way of life and livelihood, since the rehabilitation package is not aimed at *replacing* their lost livelihood but *substituting* it.

Livelihood impacts²⁸ of displacement can be assessed in terms of a number of variables including asset-holding (mainly in terms of land), agriculture, access to common property resources (including NTFP, fuel wood and fodder), livestock and wage employment opportunities.

2.3.1: Land (quantity and quality)

Inside the sanctuary, the villagers possessed title deeds or *patta* for a part of the land that they were cultivating. However, they also habitually cultivated non-*patta* land that was cleared and brought under the plough (IIFM, undated). The degree of such encroachment usually depended upon need as well as availability of manpower with a household. The agricultural land available to villagers inside the sanctuary was of a very high grade in terms of soil depth, fertility and moisture content. Drainage inside the sanctuary was excellent, as is shown by GIS studies of the area commissioned by the forest department (MPCST, 1999).

²⁸ This section is based on the findings of the team from Samrakshan Trust that has worked in the villages displaced from Kuno wildlife sanctuary since 1999. An account of these findings is available in Samrakshan Trust (1999): The Kuno Project: Progress Report I - December 1997- September 1999; Samrakshan Trust, New Delhi, as well as subsequent Progress Reports released by the Trust.

Impact of relocation: There is no homogeneity in quality of land allotted at the relocation site. Even within the same village, different grades or quality of land can be found, depending on factors like slope, soil and rock formation, degree of degradation and soil erosion, proximity to source of water and so on. The quality of land is by and large low²⁹, especially when compared to the land in their original villages. Although agricultural experts have certified most of this land as potentially cultivable³⁰, in general the soil depth and soil moisture conditions are much poorer than what was available inside the sanctuary. While there are instances of allotment of alternative land in lieu of poor agricultural plots, the forest department has found this a slow and uphill task, given the large number of such cases and low availability of surplus land.

An immediate consequence of relocation has been the emergence of a high degree of equity in land-holdings, due to the very nature of the rehabilitation package (which provides for 2 hectares of land per family). Thus, the situation can be compared with a sweeping exercise in land-holdings reforms, as a result of which landlessness as well as inequality in size of land holdings has largely ceased to exist. Prima facie, this can be cited as a beneficial impact of displacement, through which access to a vital livelihood resource like land has been enhanced and made more secure for a chronically poor community. However, there are obvious limitations to the positive impact of this move for ensuring a sustainable livelihood to the people. As has been stressed by recent studies³¹, for the central Indian drylands, land-holdings reform are by no means a sufficient condition for ensuring sustainable agricultural livelihoods, unless accompanied by substantial reforms in land record-management and land use practices. The latter is of especial significance for the displaced villages, which suffer from the dual disadvantage of shift to poorer quality land and loss of most other supplementary forms of livelihood that they were traditionally involved in. In this scenario, the near-complete lack of state investment in land use reforms through soil and water conservation measures based on a total watershed planning approach, and the absence of any efforts at capacity-building of the villagers for improving their farming techniques assumes greater gravity. The net result of these developments has been an increased vulnerability of the displaced families to fluctuations in agro-climatic conditions, because of which the chances of their escaping from chronic poverty have become much more remote.

2.3.2: Agriculture

Most of the displaced families engaged in subsistence agriculture for their livelihood inside the sanctuary.³² A majority of people inside the sanctuary, particularly the tribals, followed primitive agricultural practices that were not necessarily geared towards maximizing agricultural yield and surplus. This can be understood in the context that the Sahariya are traditionally not an agricultural community. It is only over the past 40-50 years that they have begun to take to agriculture (IIFM, undated, p.45), mainly as a consequence of their increasing exposure to the money economy outside the sanctuary, and declining opportunities of forest-based survival (given dwindling forest cover and stricter restrictions of access of such communities to forest resources).

The main crops were bajra, tilli (sesame), corn and some pulses during *kharif*, and mustard, black gram and wheat during *rabi*. A majority of the farmers depended on rain-fed agriculture, but a few that had fields along rivers or streams also used diesel pump sets for protective irrigation of the monsoon crop and productive irrigation of the winter crop. Anecdotal information reveals that some farmers even left their land fallow during the monsoons, and ploughed the land repeatedly to allow moisture to percolate into the fields, so as to grow only the low water-using *rabi* cash crops like black gram or mustard. For such families, clearly the main source of livelihood during summer months could not have been agriculture but other activities like collection of NTFP / medicinal plants or livestock rearing.

²⁹ Report of the Joint Committee set up by the District Collector, Sheopur, 2002

³⁰ Field Visit Report by the agricultural expert, Padmashri TKG Menon to Samrakshan Trust, August 2001

³¹ Mihir Shah and P.S. Vijay Shankar, 2002

³² Information presented here has been collected through participatory research methods by the field team of Samrakshan Trust during 2001-03

While a large part of the food crop output was used for self-consumption, the surplus grain as well as cash crops were either sold or bartered for other commodities. Crops were usually sold to the village middleman (who also doubled up as the shopkeeper and moneylender). However, some villagers also sold their surplus at village Agraa or the mandi at Vijaypur town (both of which lie outside the sanctuary), but this was not commonplace, given the distance and cost involved.

Impact of relocation: After relocation, the crop-mix has not changed much in the displaced villages, as emerges from PRA studies³³ as well as sample surveys. Studies indicate, however, that the yield of most crops has gone down significantly after relocation. For instance, in a survey of 14 displaced villages in November-December 2002, it was found that only 19 out of 715 families (2.6%) have been able to produce more than 40 kg of crop output on their plots (Samrakshan Trust, 2002). In addition to the severe rain failure during 2002, other factors likely to have contributed to this are lack of soil moisture, lack of access to farmyard manure (because of fodder shortage, which prevents families from keeping cattle), absence of protective irrigation facilities, and poor quality of land. Moreover, the land allotted to the displaced families was earlier under scrub forest or was degraded forestland, and it is expected that for at least the first 3 or 4 years after relocation, the land would continue to yield output below its potential.

2.3.3: NTFP and Fuel wood

A variety of non timber forest products (NTFP) like honey, tendu (*Diospyros melanoxylon*), sal (*Boswellia serrata*), Bel (*Aegle marmelos*) safed musli (*Chlorophytum borivillianum*), ber (*Zizyphus mauritiana*), bilaiya (*Asparagus racemosus*), Shankaholi (*Evolvulus alsinoides*), Hadjuri (*Cissus quadrangularis*) and so on were harvested extensively by the villagers, especially the tribal population, when they resided inside the sanctuary. The collected produce was used for self-consumption as well as for sale to supplement their money income. The Sahariya are also known to possess intimate knowledge about the medicinal qualities of many wild plants. However, since none of this knowledge is documented, a lot of it is being lost due to rapid depletion of forests throughout the range of the Sahariya. Along with NTFP, the other significant dependence of the people (both tribals as well as non-tribals) on forest resources was for fuel wood and fodder, as well as hunting of wild animals for the pot.

Impact of relocation: After relocation of villages, access of the community to the forest has been reduced drastically. As a result, many traditional NTFP collection activities have now disappeared almost entirely from the activity chart of the community³⁴, and this has resulted in significant loss of livelihood. It was found in a socio-economic survey of the relocated families that only around 40 per cent of the households now engage at all in collection of NTFP, and most of these gather only one or two products (found abundantly on scrub land) instead of the large variety of products collected earlier. Another facet where the community has lost out is in terms of its near-exclusive dependence on allopathic medicines after relocation, even for minor ailments that were earlier cured at home using indigenous methods. Since quality medical assistance and good medicines are not available easily and cheaply at the relocation site, this has increased the dependence of the community on costly but untrained medical practitioners with dubious qualifications. The loss resulting from this needs to be set off against the gains from relocation in terms of improved access to government health facilities.

In case of fuel collection, the impact of relocation has been severe and drastic, especially in terms of collection time and average distance traveled (Samrakshan Trust, PRA studies during 1999-2000). It is also noteworthy that the brunt of this is borne by the women, who are primarily responsible for the collection of fuel wood.

³³ Samrakshan Trust, 2001-03

³⁴ Source: PRA studies by the Samrakshan Trust team

2.3.4: Livestock

Livestock were an important source of diet supplements like milk, *ghee* and butter, and were also crucial for the agricultural economy of the community inside the sanctuary because of their role in ploughing of land and production of farmyard manure. Cattle were left to graze freely in the forest, and this meant that there were no limitations as such on the number of livestock that people kept. According to data generated using PRA, milk yield was largely restricted to the monsoon months, when fodder was abundant. However, most tribal families usually consumed the entire produce from their cattle within the household, and did not engage in the sale of milk and allied products as an additional source of income. Here, a difference can be found between the resource use practices and lifestyles of the tribals and the non-tribals. Some non-tribal families are reported to have reared livestock as an additional source of income and regularly sold dairy products in Vijaypur and Karahal.³⁵

Impact of relocation: PRA studies and sample surveys³⁶ carried out by Samrakshan Trust reveal that after relocation, nearly one-third of the displaced families have had to leave all their livestock inside the sanctuary, because of lack of immediate sources of fodder at the relocation site. At best, some families have been able to get a few cows, or a pair of bullocks with them to the new settlements, and in many cases, even this has not been possible. Compared to their earlier practice of grazing their cattle in the forest, fodder at the relocation site is either obtained from the farm or purchased from the market. With reduced access to common land, less than 30 per cent of the displaced families engage in open grazing of livestock. As many as 94 per cent of the surveyed families report that fodder availability has decreased after relocation, and that this is the main cause for declining income from livestock. Most families have had to shift from keeping cows to goats as their source of milk, due to lower availability of fodder at the relocation site. This has had an additionally damaging impact on the surrounding natural resource base of the relocation site, due to greater damage caused by goats to small trees, shrubs and so on.

2.3.5: Wage labour

Many tribal families followed a regular pattern of seasonal migration when they inhabited the sanctuary. After harvesting their own monsoon crop, many tribal families migrated regularly to neighbouring areas like Sheopur and Karahal as casual / agricultural wage labourers for the *rabi* harvest. This system was known in local parlance as *chait* (in reference to the months of March-April in the Hindi calendar). The dependence of a family on income from such migratory labour was a function of whether they were taking a second crop on their land inside the sanctuary, which in turn depended on availability of irrigation/soil moisture in their fields inside the sanctuary, degree of indebtedness and so on. Wage labour generated locally by the forest department was another important source of employment frequently availed of by the villagers when living inside the sanctuary.

Impact of relocation: After relocation, seasonal migration for agricultural labour has continued to be important, but the motives and the pattern have shown some changes. For instance, the duration of migration became much longer for some villages during 2000-01 because of poor rainfall and low quality of agricultural land allotted to them. Other factors operating in this case were poor availability of water for drinking as well as irrigation purposes in these villages, as well as non-availability of NTFP as an additional source of income. The seasonal migration pattern has shown variations after 2001-02, again because of a similar set of factors.

³⁵ Source: Personal observation and communications. Also, IIFM (undated)

³⁶ Socio-economic survey of 4 relocated villages (132 households) undertaken by Samrakshan trust, May-July 2002

As far as employment generated in the sanctuary by the forest department is concerned, there has been an obvious decline in this now, because of the much greater physical distance between the habitation of these villages and the Kuno sanctuary. However, the loss of livelihood from forest department wage works must be offset against the greater wage earning opportunities being afforded by the process of relocation itself, which has resulted in various construction activities being commissioned in the area. Access to wage labour on government sponsored drought relief works has also improved after relocation. An important point to note here is that the relocated villages have access to some ready cash from activities like digging wells, installments for house construction and so on, they tend not to out-migrate for wages. However, once the funds meant for village rehabilitation are exhausted, the possibility of tiding over the lean season without migration may recede again.

2.4: Overall assessment of the R&R Package and its Implementation

A clear distinction needs to be made here between a relative assessment of the package and its delivery (in comparison with other efforts at resettlement and rehabilitation elsewhere in the country) and a judgment in absolute terms of whether the relocated people have been compensated fully for the losses suffered due to displacement. Thus, a relocation experience where the delivery of the package is well targeted and largely free of corruption does not automatically mean that the relocated community is necessarily better off than before.

It is in this framework that the R&R experience of Kuno must be assessed. Clearly, the package offered to the villagers of Kuno sanctuary is a significant improvement over many other relocation packages adopted in the past in various R&R projects across the country. It does not suffer from the obvious lacunae of "land for land" type compensation packages, which have had a history of marginalizing the most vulnerable strata of rural society, particularly the landless³⁷. Also, by identifying each adult male as a separate family, the package has managed to allocate a fairly high quantity of land to each extended household, so that by and large, the size of operational landholdings for each extended household has remained unaffected, or may even have increased. An added advantage is that the entire land held by a family would now be "own" land and not "encroached", which is likely to have a very positive impact on security of tenure and investments in land improvement and irrigation.

The actual implementation of this package by the Kuno sanctuary management has also been largely free of corruption and has been well targeted as far as identification of beneficiaries is concerned. Further, the sanctuary management has also succeeded in addressing, at least partially, some of the gray areas that the BoTD guidelines are not very clear about, for instance, treatment of non-male headed families.

However, against these perceived strengths of the package and its implementation, one needs to set some major gaps and weaknesses:

- The most glaring lacuna is that the R&R package offered under the BOTD scheme fixes the compensation for each family at Rs 1 lakh. The package is thus arbitrary, and has not been designed keeping the original livelihood pattern and levels of the displaced community as a benchmark. This is clear from the fact that the same package has been administered to the Sahariya of Kuno wildlife sanctuary and the oustees from Bhadra wildlife sanctuary and Nagarhole National Park in Karnataka. In no case was any prior assessment made of the pre-displacement level and pattern of livelihood of the villagers, and clearly, the principle of "compensation" cannot possibly be applied to a rehabilitation package that is not based on any assessment of what an individual is being compensated for.
- Moreover, those responsible for implementing / assessing the rehabilitation programme often make the critical analytical error of comparing the **actual** poverty situation of the villages before relocation with the **potential** gains that they stand to make after relocation. (See Table 4 for a listing of the actual and potential scenario before and after relocation in terms of livelihood

³⁷ For an assessment of other R&R packages and their implementation in India, see Dreze, Sampson and Singh, 1997

security). Clearly, this is a faulty method of assessing the impact of relocation; one needs to compare between either the actual (pre- and post-relocation) scenarios, or the potential (pre- and post-relocation) scenario, in order to arrive at any meaningful conclusions about the rationale behind and impact of relocation.

- When such a generalized package is applied at the ground level under varying circumstances, the allotted compensation amount may or may not be sufficient for re-establishing access of each family to the various livelihood resources lost due to relocation. In the present case, for instance, the total amount earmarked for 'land development' activities is Rs. 36,000, which is meant to pay for various activities like clearing and deep-ploughing of land, removal of stones and boulders, bunding of plots, as well as provision of irrigation facilities. However, given the prevailing cost structure in this region, the earmarked amount leaves little or no surplus for the provision of irrigation facilities, and for the range of soil and water conservation measures that are necessary for enhancing productivity of the degraded land allotted to the displaced families. This has put the government in a situation where it has promised "2 hectares of cultivable land" to each displaced family, but is unable to finance it from the budget allocated to it for relocation.
- As a stopgap measure, the Kuno sanctuary management has attempted to bridge this gap by tapping other funds from schemes of the Union Ministry of Environment and Forests. For instance, funds have been raised for provision of irrigation through open wells and lift irrigation schemes, and for construction of a few large water-harvesting structures. However, in the absence of proper planning, such efforts remain piecemeal and haphazard. Assuring access of the displaced families to these facilities would require modification in R&R policy / package, as well as efforts to dovetail regular development schemes of the state to meet some of the unfulfilled rehabilitation needs.
- In the case of the rehabilitation from Kuno sanctuary, coordination between the developmental efforts of different state agencies to ensure service delivery without duplication has been conspicuous by its absence. Thus, dovetailing of government schemes has been next to impossible, and there is a clear danger that once the forest department delivers its R&R package and quits, the community would be left with precious few support systems in the form of benefits from regular state government schemes for social and economic development.
- A fundamental problem with the R&R package is its focus on a primarily agriculture based livelihood. This ignores the fact that the displaced people, especially the adivasis, do not have a history of a modern, agriculture-based economy, but instead were part hunter-gatherers and part subsistence farmers. Thus, they are ill-equipped to handle the transition to a mainly land-based livelihood pattern, and need to be supported in terms of significant training and capacity-building inputs for sustainable farming. However, the R&R package envisages no such inputs, as a result of which there is an imminent danger of gradual decline in farm incomes, which can force the displaced families into indebtedness, land alienation and migration.

DISPLACEMENT AND ENTRY INTO CHRONIC POVERTY

Village Paira (Adivasi) was relocated from Kuno sanctuary in 1999. The quality of land received as compensation was generally poor for this village, and more than half of the 108 tribal families of Paira had applied to the special committee set up by the district Collector to get their land reviewed and changed. Of these, around 30 families have been granted alternative land on the ground that their existing plots are uncultivable, while for many others, the committee recommended that investments be made to enhance land quality. Meanwhile, three years of consecutive drought, combined with loss of traditional livelihood, shift to new and unfamiliar surrounds and land quality issues have systematically impoverished the adivasis of Paira. Thus, by 2003, in the fourth year of their relocation and in a year when rains were exceptionally good, nearly half of them did not have the economic and financial wherewithal to farm their land on their own. Out of 96 tribal families surveyed in Paira in October 2003, only 12 have cultivated their land entirely on their own, 38 have opted for some form of share-cropping arrangement, and 46 have not cultivated land at all.

The sharecropping arrangement is highly exploitative, where the adivasi farmer is responsible for all the labour on the farm, from sowing to weeding to crop protection to harvesting. The dominant partner in the sharecropping arrangement is the local tractor-owner, who provides inputs for ploughing the field, and also chips in with finance for purchase of seeds. In turn, he is entitled to half of the output that remains after deducting from the total produce the cost of seeds and other loans. Thus, this arrangement reduces the actual owner and tiller of land virtually to bonded labour on his own farm.

- Another area that has suffered, despite being a part of the relocation plan drawn up by the Kuno sanctuary management, is the formation of viable community institutions that can guide the process of rehabilitation and help individuals in dealing with the drastic transitions that relocation involves. Once again, the near-complete insulation of the sanctuary management and their inability to garner support from specialized agencies that could help in such mobilization and institution building work must be held responsible for this gap. It needs to be recognized that the staff of the forest department are ill-equipped to handle the complex components of a difficult task like village rehabilitation, and the R&R package and plan make no provisions for expert advice and support to the sanctuary management for these tasks.

2.5: Displacement and Chronic Poverty

From the chronic poverty perspective, a deeper analysis of the interrelationship between displacement and long duration deprivation is crucial for a number of reasons. Displacement tends to affect households and individuals at multiple levels, many of which do not even enter the policy discourse relating to what constitutes adequate compensation. The emphasis of official policy on resettlement and rehabilitation (R&R) has been at best on compensating the displaced in terms of physical and financial assets, and sometimes also on providing access to education and health services. However, the deleterious effect of displacement on the social security networks of the poor, on intra-household dynamics, and on the ability of the individual affected to deal with external influences (like state agencies, the market and the host community) has received negligible emphasis in official policy.

As a consequence of flawed formulation and implementation of the R&R package, the displaced people have faced a decline in livelihood security, and face greater economic vulnerability in the face of endemic features (like low and uncertain rainfall, poor land quality, degradation of common property resources) of dryland-type chronic poverty spatial traps. The most disturbing aspect of the situation is that an already chronically poor and severely marginalized community has been forced to undergo intense livelihood stress as a consequence of this poorly planned rehabilitation exercise. The entire scenario, as it has unfolded, has violated at multiple levels the fundamental rights of the villagers affected; the right to basic information about the reasons behind their displacement, the right to adequate compensation for all losses arising out of displacement, the right to sustainable development, and the right to live with freedom and dignity have all been put aside as a result of shoddy planning of the R&R exercise. Thus, the case of the Sahariya villages displaced from Kuno sanctuary typifies policy-induced exacerbation of an already unforgivable chronic poverty situation.

An assessment of the pre-relocation and post-relocation situation of the community in terms of different definitions of poverty is illuminating, as it highlights the changes in poverty profile. As can be seen from Table 4, an immediate impact of relocation was to give the displaced families greater access to cash (grants for house construction and transport of household effects, and wages for clearing land). This may have helped some of them to shift briefly from the chronically poor to the transient poor category, using the income measure of poverty. However, most of this cash was spent on consumption needs (including necessary expenses like food, as well as wasteful expenditure like liquor), and did not get converted to productive assets or investment in land. Meanwhile, loss of other sources of money income due to displacement created forces that resulted in re-entry of these families into income poverty once the flow of rehabilitation-related funds dried up. Thus, the Kuno experience is similar to the experience of rehabilitation attempts elsewhere, where cash compensation without other inputs aimed at re-establishing livelihoods have usually resulted in an at best temporary escape from poverty.

Table 4: Analysis of impact of displacement in terms of different definitions of poverty

Poverty Definition	Status Before Relocation		Status After Relocation	
	Actual	Potential	Actual	Potential

Income Poverty	Money income from sale of surplus farm output and NTFP, and wage labour within and outside the sanctuary when required	Improved infrastructure, credit facilities, farm inputs and training could have led to better livelihood	Farm surplus very low due to lack of complementary inputs; virtual decimation of income from NTFP; much higher dependence on wage labour	Greater security due to formal title to land, and greater access to markets and information could be used to the advantage of farmers, provided that appropriate technology and institutions are developed
Food security and calorie intake	Regular and virtually free access to a variety of foods; adequate farm output ensured food security except in years of severe rain failure	Improved connectivity could have extended the PDS network more effectively	Decline in quantum, quality and variety of self-produced or procured food items; high dependence on money income for purchasing food	Strategies that enhance entitlements critical for improving food security
Human Development indices • Literacy • Health • Infrastructure	Literacy rates and health status were very low; few facilities, irregular staff; and inaccessibility of villages Infrastructure development possibilities limited due to conservation imperatives	Some potential for innovative health and education initiatives; however, no catalysts existed to initiate these	Improved access to formal health and education facilities; limitations arising from poor quality of public services and cash requirement for private services. Thus actual status continues to be low	Some potential for innovative health and education initiatives; however, no catalysts existed to initiate these
Lack of Capabilities / entitlements like • Avoiding hunger • Avoiding ill-health • Accessing education • Participating in decision making • Living with security and dignity	Capabilities based on innate coping strategies; poor social and political networks resulted in poor access to governance and decision making; high probability of entering into exploitative relations	Mobilization of the poor into self-help institutions, and emphasis on capacity building and meaningful education could enhance their capability set	Shift to a highly cash-dependent economy, without corresponding increase in entitlements has eroded the capability set sharply; irrelevance of traditional coping strategies adds to this	Greater potential access to entitlements through state policies; however absence of mobilization, capacity building and meaningful education acting as a roadblock
Denial of Rights to	Extremely low degree of social	Mobilization and capacity	Inadequate compensation for	Institution building, community

• Food • Health • Education • Information • Development	and political mobilization of the poor; therefore, low awareness of rights and very limited capacity to demand rights	building could have increased ability to demand and get rights	lost livelihood and other assets has further eroded the ability to demand and receive rights	mobilization and education are key factors for operationalizing the rights-based approach
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In fact, one may well find that inadequate compensation for social, financial, geographical and physical assets tends to leave the displaced households distinctly worse off than before (See Table 5). This has long term implications for chronic poverty, since loss of these assets results in impoverishment that tends to get transmitted across generations, thus enhancing the probability of chronic and inescapable poverty. Another important point that emerges from Table 4 is that relocation tends to increase the exposure of the poor to the mainstream economy due to better availability of transport and communications infrastructure. However, in view of the unfamiliar social and economic environment, irrelevance of earlier coping strategies and sudden loss of assets, the terms at which the relocated individual or household interacts with mainstream forces like markets and the media may be highly disadvantageous, and may create pressures (for instance, through demonstration effects, pressures towards conspicuous consumption, easy availability of liquor), which they are unable to cope with.

Table 5: Impact of displacement on assets of the chronically poor

Dimensions of Poverty/Well being	Pre-Relocation Scenario	Post-Relocation Scenario
Physical assets • Land	Adequate availability of land, partly through legal rights and partly through encroachment	Largely unchanged or even higher quantum of <i>patta</i> land
• Livestock	Abundant ownership of cattle due to ample access to fodder	Drastic decline in livestock held, due to inadequate fodder
• House	Adequate housing; easy access to inputs for construction and repair	Adequate cash for new house construction; poor access to inputs for construction / repair
Financial assets or income from wages, rent, sale of produce, trade and other sources	Income from sale of surplus farm output; sporadic access to wages from forest department; wages from migrant labour available when needed; regular income from sale of NTFP	Sharp decline in surplus farm produce; greater access to and dependence on wage labour; drastic decline in income from sale of NTFP
Geographical assets like common property resources, water and soil quality	Abundant access to CPRs for fodder, fuel, medicinal plants and biomass for household use	Sharp decline in access to CPRs; stiff competition with host community for limited resources
Social infrastructure • Health and sanitation, nutrition	Very low access to public health and sanitation facilities; only partly offset by availability of traditional medicinal plants; varied diet and easy and free access to milk, meat and edible forest products (seasonal)	Improved access to public health facilities, but poor quality of personnel and medicines; decline in access to traditional medicines; worsening of nutritional intake; access to milk, meat, fruit conditional upon availability of money
• Education	Poor or no access to schools; few opportunities to learn new	Improved access to government

	skills through formal training; dependence on innate coping strategies	schools, but very poor quality of education; absence of formal training inputs from the state; reduced utility of old coping strategies in new environment
Economic infrastructure • Transport • Communications • Power • Access to markets	Very limited and fair weather access to roads Very limited access to communications media No electricity Limited and difficult access to markets	Improved access to transport and communications Electricity connections made available Improved access to and influence of markets
Social and political assets	High dependence on local elite for credit, inputs and marketing of output; vulnerability based on ethnicity; poor political and social networks	Dependence and vulnerability continued; however, some decline in stranglehold of the local elite due to less remote location and more equitable landholding pattern
Psychological assets	Low dignity and self-esteem due to chronic poverty and social discrimination; transfer of these traits across generations	Inter-generation transfer of the culture of poverty continued

The grim reality that emerges from the Kuno experience is that for most of the relocated people, the only option given to them is to shift out and grab whatever few benefits are being offered, or to continue to be ignored almost completely by the state and its development machinery because of their extreme remoteness. Many of these villagers could have accepted relocation (on whatever terms) because of the precarious nature of their pre-relocation livelihood, and indeed of their citizenship itself, where they have no hope of accessing public health and education facilities, and are regularly labeled as "poachers", "encroachers" and "habitat destroyers". From the perspective of development as a basic human right, it is seriously problematic if a community accepts the idea of relocating because of the severe hardships, uncertainty and frustration associated with its current state of being³⁸. Clearly, in such a case, their pre-relocation state of being violates all ideas of "basic minimum capabilities" guaranteed by the state for preventing absolute poverty. The only "freedom of choice" that such a community has is to continue to exist inside the forests, out of sight as far as mainstream development planning and policy is concerned, or accept "voluntarily" whatever is promised to them at a relocation site, which at least legitimizes the few assets that they would hope to receive as compensation.

³⁸ The author is grateful to Shri Raghu Chundawat for bringing out this point during a seminar on Relocation of People from Protected Areas, held on 18 September 2003 at New Delhi

SECTION III: RIGHTS-BASED INTERVENTIONS FOR ALLEVIATION OF CHRONIC POVERTY

3.1: Genesis of the Rights-based Approach

The dominant development paradigm that began gaining acceptance in the countries of the so-called Third World after the Second World War, was based on a model of imitative "catching-up" industrialization aimed at gradual absorption of the 'traditional' or 'backward' (agrarian and labour using) sector into the emerging 'modern' industrial sector. The key to fighting rural poverty and unemployment was seen to lie in transfer of 'surplus' rural labour into new industries³⁹, and foreign aid and foreign direct investment were viewed as important instruments of resource mobilization for financing the process of industrialization. However, the actual experience of the developing countries has called into question this process of structural transformation, given the highly capital-intensive and labour-displacing nature of modern sector technology. The picture that has emerged in most developing countries is one of worsening inter-sector dualism, where marginalization of the chronically poor has not only not disappeared, but has got starkly intensified at many levels. Phenomena like displacement of the poor due to industrial projects are eloquent proof of the exclusionary and anti-poor character of this development paradigm. The pathetic social security networks of developing countries have proved grossly inadequate to the task of dealing with the persistent, severe and chronic poverty created by the very processes of this perversely defined development. Meanwhile, another threat of this paradigm is increasingly being felt in the form of decimation of biodiversity and sharp depletion of natural resources and forests, engendered by the processes of industrialization and wasteful consumerism on the one hand and severe poverty on the other. Urgent and strident measures are being undertaken now to protect precariously poised wild habitats and endangered species through exclusionary conservation measures, which have their origin in the desire to create pristine wild habitats free from any human interference. However, the brunt of such conservation policies (including eviction of forest-dwelling communities) is again borne by the same social groups that have already been pushed to the brink by the mainstream development processes, and their chronic poverty has tended to get exacerbated, this time in the name of conservation.

Chronic deprivation among vulnerable social groups living in remote rural areas has evoked numerous policy responses from the state. In India, the three-pronged poverty alleviation strategy evolved by the government includes land reforms (to improve access of the poor to productive resources), creation of entitlements (through wage employment and self employment) and food security (through the public distribution system)⁴⁰. However, it has become clear over the years that there are serious lapses in the delivery of poverty alleviation schemes, which are designed to address poverty mainly as low income and consumption, instead of addressing its multiple dimensions. It is being realized gradually that poverty and disempowerment are by themselves effective barriers that prevent the poor from accessing the welfare measures devised for them. Meanwhile, the resources pumped into poverty alleviation have created a power elite (consisting of petty bureaucracy, local politicians and power brokers within villages) that has an entrenched interest in continued deprivation, which is the source of their own prosperity.

The recent emphasis on a rights-based approach to poverty alleviation can be traced to this scenario. Realizing the role of awareness and mobilization in breaking the existing vested interests, the rights based approach stresses the importance of legal and constitutional reforms for 'empowering' the poor. Towards this end, a spate of legal and policy decisions have emerged that trace chronic poverty to systematic and long-duration denial of rights, and note the importance of access to rights as the cornerstone of an effective poverty alleviation strategy. The range of rights that have been talked about include the right to food, the right to work, the right to natural resources ("jal-jungle-zameen"), the right to information, and indeed, the right to development. That the conceptualization of poverty in terms of 'capabilities' and 'rights' has become increasingly acceptable to mainstream notions of poverty alleviation can be seen from the following excerpt from the Ninth Plan Mid-term Review document of the Government of India: "Given the enormity and complexity of the task, the Ninth Five Year Plan envisaged a multi-pronged approach. Besides

³⁹ For an exposition of the model of surplus labour driven structural transformation, see Debraj Ray, 1998

⁴⁰ Ahluwalia, Montek Singh, 1990, 'Policies for Poverty Reduction', *Asian Development Review*, 8(1)

recognizing the role of high economic growth in tackling poverty, the strategy comprised creation of *entitlements* (through self-employment and wage-employment schemes, food security and social security) and building up of *capabilities* (through basic minimum services like education, health and housing). The issues of governance also engaged the attention of the Plan, which envisaged greater participation of the Panchayati Raj Institutions as the most effective delivery mechanism for poverty reduction."

The 73rd Amendment to the Constitution of India, and the spate of associated policy reforms in areas such as rural development, agriculture, water resource management and micro-credit, to name a few, are all reflections of the same shift in emphasis. Increasingly strident judicial activism in countries like India has also provided an impetus to the rights-based approach, and donor agencies as well as NGOs have also adopted a stated commitment towards this approach (as opposed to an earlier 'service-delivery' based methodology)⁴¹. The methodology used for making this approach operational is to trace back all situations of chronic deprivation to the denial of some fundamental rights, and then to work towards restoration of these rights through a combination of community mobilization, awareness creation, networking and advocacy.

3.2: Limitations of the rights-based approach, and the need for building alternate institutions of the poor

There are clear limitations, however, to the extent to which such an approach can work, because:

- a. Genuine devolution of power to the poor would be contrary to the interests of the power elite that owes its prosperity, and its very survival in power to the forces of exclusion and centralization.
- b. Even if devolution of power were to happen (facilitated by a benevolent state, in the shape of a set of enlightened and effective officers), it would be a transient phenomenon, dependent for its survival on the whims of the state. Clearly, decentralized promoted from above is a contradiction in terms, and cannot be a self-sustaining process.

In this light, legal and policy reforms towards introduction of a rights based approach can at best create an enabling environment, which can be used to its advantage by a genuine collective of the poor, if and when the chronically poor manage to come together to assert their rights. The crucial issue remains one of an appropriate catalyst or agent of change, who would work with the poor to help them form workable institutions that can be used to re-claim control over their own development. The experience of an organization like Myrada is illuminating in this respect. According to Myrada, "There is considerable support for the decentralization policy promoted through the Panchayat Act; however, the Myrada experience indicates that decentralization at most has the potential to create social spaces. It does not follow that these spaces will be filled by the poor. For this to happen there must be a movement from below to promote institutions of the poor and interventions to build the capacity not only of individual members but more importantly of the groups and their federations."⁴² It is illustrative that "Myrada...began by fostering alternate institutions of the poor, before attempting to change policy and the institutional framework of existing systems which tend to deprive the poor of opportunities and keep them un-empowered. The Myrada experience confirms that once these alternate institutions are functioning, changes in policy and in operating systems of the official institutions are more easily achieved" (Fernandez, *ibid.* p. 4).

3.3: Samrakshan Trust and its work with the displaced villages of Kuno – A Background

Samrakshan Trust is a Public Charitable Trust formed in August 1999 under the Indian Trusts Act 1882. Samrakshan's intervention in Madhya Pradesh is located in the villages surrounding the Kuno wildlife sanctuary, where it has been working on issues of sustainable development, poverty alleviation and conservation and regeneration of common property resources with participation of

⁴¹ See, for instance, *Taking Sides: Updated Country Strategy Paper*, Action Aid India, 2000-2003), p. 7 for an exposition of the rights based approach

⁴² A.P. Fernandez, *Putting Institutions First – Even in Micro Finance*, MYRADA, 2001, p.46

the local community. The Samrakshan team has been living and working since 1999 on issues of livelihood security and empowerment, with special emphasis on participatory recreation of livelihoods of the adivasi villages displaced from Kuno sanctuary. During the initial two years of its work (1999 to 2001), Samrakshan focused mainly on assisting the displaced villagers in accessing rehabilitation benefits through information dissemination and intensive liaison with government agencies. Since 2002, the Trust has begun working directly with the villages on soil and water conservation, natural resource regeneration and agricultural improvement, with special emphasis on the Sahariya adivasi community that forms a majority of the population of these villages.

The trajectory of work undertaken by Samrakshan is linked intricately to the different stages of relocation of villages from the Kuno wildlife sanctuary. By mid-2002, almost the entire population of the original villages inside Kuno sanctuary had been shifted to the relocation site by the sanctuary management, and in the face of three consecutive rain failures, the displaced villagers were struggling to maintain their grasp on an increasingly precarious farm-based livelihood. In view of the lacunae in the rehabilitation package, and the inability of the forest department to come up with a holistic and long term plan for sustainable rehabilitation of the community, Samrakshan began working directly with the community to create a model of sustainable development situated in the existing context, and in tune with the mindset and practices of the Sahariya.

3.4: Samrakshan's approach to alleviation of chronic poverty

Samrakshan holds that the current development paradigm suffers from some inherent limitations, which dilute the focus on equitable and sustainable development and urgent alleviation of chronic poverty. Firstly, the objectives of economic development (defined in terms of alleviation of income poverty) and conservation of natural resources and biodiversity are seen as mutually exclusive and conflicting, resulting in difficult policy solutions like 'exclusionary conservation' or 'environmentally damaging development'. Secondly, growth and development are posited largely in terms of increase in income, and may have nothing to do with the need for direct improvement in the lives of the chronically poor. In this formulation, chronic poverty and the resultant erosion of fundamental human rights come to be viewed as a 'residue' or by-product of the process of development, rather than being viewed as a direct violation of the very idea of development and human rights. Thirdly, the current paradigm requires imposition of development from above, since there is nothing in the formulation of the mainstream idea of development that necessarily requires empowerment of and participation by the poor in decision-making. Indeed, increments to 'development' can theoretically be achieved even when the poor are simply passive recipients of welfare doles from the state.

In this backdrop, Samrakshan's work was initiated with the conviction that it is non-viable and unfair to force from above (in the name of conservation and sustainable development) a generalized, inappropriate and unsustainable model of resource-depleting farm-based livelihood on a community like the Sahariya of Kuno sanctuary. The isolation from the mainstream of such communities, and the severe and chronic poverty they have experienced for several generations makes it extremely difficult for them to move out of poverty by recognizing, articulating and fighting for their rights and collectively evolving an alternative development strategy that is sustainable and equitable.

According to Samrakshan, an appropriate development paradigm for such a community should be based on

- Reconciliation between the objectives of poverty alleviation and conservation of the natural resource base
- Focus on livelihood security of resource poor households, as opposed to growth in money income alone; and
- Emphasis on participation of the community in evolving site-specific livelihood strategies, instead of imposition from above of standardized and packaged development solutions

Therefore, intensive work needs to be done with the chronically poor towards re-creating community based institutions that would lead the process of

- (a) Collective introspection, which would help the community to identify and prioritize its main problems, and to pinpoint the forces pulling it into chronic poverty

- (b) Participatory planning, which would help the community to generate locally relevant solutions to its problems
- (c) Training, capacity-building and exposure, which would help the community to learn from workable best practices, and to imbibe and fine-tune the skills needed to implement these in their own context
- (d) Implementation of community and self-help based solutions, which would break the "culture of poverty", re-establish the faith of the people in their ability to raise themselves to a higher level of 'functioning' and 'being', and reclaim the spaces lost to them in the course of their historical marginalisation

3.5.1: Samrakshan's Interventions: The "Software"

Samrakshan believes that any poverty-alleviating technological intervention must be implemented through appropriate institutions that are community based and fully participatory. This is critical for allocation of scarce resources towards development of social infrastructure that generates maximum social returns, and also to keep tab on the end uses of the infrastructure so created. This is also necessary for ensuring that the resources created are managed effectively over time, and that benefit sharing is equitable and socially just. It helps to fine-tune the development strategy in line with specifics of the particular village in question, keeping in mind local conditions such as soil, rainfall, topography, forest type, landholding pattern, social structure, crop regime and so on. Samrakshan has learnt that for the alleviation of chronic poverty, it is not sufficient to provide the poor with just forward and backward linkages related to their livelihood (for instance, access to credit). Indeed, a very important input relates to linking the poor sideways with others who share their concerns, and with whom their relationship is non-exploitative and based on mutual trust.

The main institutions that Samrakshan helps to form in villages include:

Village level institutions: Samrakshan usually initiates its interventions after the formation of fully participatory village-level community based institutions, which are encouraged to own the ultimate responsibility for planning, implementation and monitoring of all collective programmes in each target village. The village institution is responsible for fixing the frequency and agenda of its meetings, the nature and scope of development activities to be undertaken, allocation of available funds between multiple needs, maintaining of accounts for these activities, dissemination of information among the community, and eventual social audit of all funds spent for the development of the village. The aim of each institution is to leverage maximum funds for the development of the village from various sources, optimise use of funds to cater to the most pressing needs of the village, and ensure equitable benefit sharing. The samiti typically engages in some small savings to enable building of a corpus fund, which can be used for financing collective or individual activities.

Samrakshan's work is based on the premise that investment in the development of appropriate institutional mechanisms is critical to the success of any initiative for alleviation of chronic poverty. This is because the phenomenon of poverty carries with itself an excess baggage in the form of a "culture of poverty". This prevents individuals affected from looking ahead and planning their activities in an effective manner in order to escape from chronic deprivation. The development of appropriate institutions or "software" is thus crucial, as these institutions can then guide and monitor collective self-help efforts without driving the poor into a dependency syndrome *vis-à-vis* the state or local non-government development agencies.

Sub-village level institutions: Self-Help Groups or SHGs are the other key institution that Samrakshan is catalysing the formation of. These are formed at a more disaggregated level, and are typically collective thrift and credit groups of between 10 and 20 members, usually women. It

has been established through the pioneering work of organizations like Myrada⁴³ that formation of self-help affinity groups, with management of credit as their major (but not their only) function, is among the most effective methods for rekindling the spirit of community action, especially among the poorest people living in remote rural areas with little or no access to the formal welfare machinery of the state. Working through SHGs helps to ensure that:

- The ownership of all development activities lies firmly with the beneficiary group, so that non-priority activities are not undertaken and available funds are optimally utilised
- Infrastructure created through collective action is also maintained collectively
- Funds pumped into development activities benefiting individuals are circulated repeatedly among the target group through successive cycles of lending and repayment
- Funds for development activities benefiting groups (as opposed to individuals) are generated through the common fund of the SHG (consisting of savings, other dues collected from members and interest earned on credit), and by creation of linkages with formal agencies like banks and government departments

3.5.2: Samrakshan's Interventions: The "Hardware"

The institutions of the chronically poor need a range of support services like health, literacy, networking support, inputs for dryland agriculture, and inputs for promotion of off-farm income earning opportunities. In the course of its activities, Samrakshan found that the three main impediments to economic security of the chronically poor in the Central Indian drylands are:

- a. Poor quality and low productivity of agricultural land
- b. Lack of facilities to protect their crops from rain failure and from depredation by cattle and wild animals
- c. Lack of fodder and drinking water for livestock and cattle

For tackling these problems simultaneously and in conjunction with each other, the appropriate technological inputs or "hardware" must include:

1. Soil and water conservation including water-harvesting, erosion control and soil enrichment activities
2. Adoption of a dryland cropping system involving both annual arable crops (foodgrain, cash crops and fodder) and perennial crops, including agro-forestry.

These technologies provide a key to sustainable dryland development and employment generation, and thereby to escape from chronic poverty for communities subsisting in drought-prone spatial poverty traps⁴⁴. Given the dry / semi-arid agro-climatic conditions, low average rainfall and depleting forest cover of the central Indian region, overall livelihood security and food security are linked intricately with access to natural / common property resources.

Therefore, a plethora of chronic poverty-related problems can be addressed through the following initiatives:

- Improvement in water regime through rainwater harvesting using soil and water conservation techniques like field bunding, contour bunding, construction of tanks and check dams for improving soil moisture, assisting ground water recharge and increasing availability of drinking water for cattle
- Introducing protective irrigation through open wells or direct lifting from water harvesting bodies, or through other methods like drip irrigation, so as to insulate the kharif crop against erratic rainfall and to enable cultivation of the *rabi* crop
- Creation of community pastureland and fuel wood plantations, as well as planting of fodder species on field bunds, to improve access to fodder and farmyard manure
- Enhancement in soil productivity and soil nutrient levels through soil conservation measures and the use of locally available biomass

⁴³ *Putting Institutions First- Even in Micro-Finance*, Myrada, 2001

⁴⁴ For a systematic exposition of this "total watershed planning" approach, see Shah *et al*, *India's Drylands*, OUP 1998

- Introducing modifications in the cropping pattern and crop mix (a combination of annual arable crops and perennial crops including agro-forestry) to maximize yield given prevailing topographical and agro-climatic conditions
- Measures for protection of existing crop from cattle and wild herbivores through creation of common stone boundaries of the agricultural land of a village, to help the poor in retaining whatever crops they are able to grow in the existing conditions. This also reduces pressure on surrounding common property resources from biomass extraction for creation of temporary fences for individual fields.

3.6: Samrakshan - Main Areas of Intervention

3.6.1: Village-level Livelihood Interventions

Multi-pronged livelihood interventions are being planned and implemented in participation with villages, focusing on activities like soil and water conservation, improved cropping practices, soil nutrient enhancement, crop protection, provision of irrigation and field bunding. These activities are geared towards improving agricultural output and productivity by checking soil erosion, enhancing soil quality and soil moisture, enhancing fodder availability, reducing pressure on common property resources, increasing cropping frequency and reducing dependence on purchased inputs like fertilizers, pesticides and tractor-based ploughing.

3.6.2: Training and Capacity-building in Sustainable Agriculture

To introduce the tribal farmers to sustainable methods of organic farming, a pilot project has been initiated with 10 farmers selected from 10 different villages, to demonstrate techniques of sustainable dry-land agriculture using a methodology derived after careful study of similar exercises being carried out by other organizations. Under this pilot project, the selected farmers are being provided with technical and financial assistance, along with intensive training and exposure to help them transfer the agricultural methodology to their own farms. Samrakshan has provided initial funds for this initiative, but over time, the farmers are expected to generate their own savings, and form a self-help group to which they would repay this amount. The selected farmers are being trained to act as community-based trainers who would help to disseminate their farming techniques to other farmers in their own villages. They would also help to initiate other SHGs in their villages, and their farms would serve as demonstration plots. Over time, Samrakshan plans to establish a small, self-sufficient demonstration farm of its own, where cutting edge techniques of sustainable dryland agriculture would be displayed in a cost-effective manner.

3.6.3: Medicinal Plants Cultivation Initiative

A pilot project has been initiated for involving self help groups of tribal women in cultivation of medicinal plants for the dual purpose of augmenting family income, and reviving disappearing indigenous knowledge about the healing properties of locally available plants. Towards this end, a nursery-cum-demonstration plot has been set up at Samrakshan's field centre, which would provide training inputs as well as saplings of medicinal plants for use by interested SHGs. The focus of this initiative is on systematic cultivation of a matrix of locally available, known, useful and marketable species of medicinal plants. The aim of the initiative is first to revive local use of traditional medicines, and eventually to enhance the household income of the cultivators through sale of the medicine plants with or without further processing and value addition. Again, intensive training and capacity building are envisaged to promote this initiative among women SHG members, and among interested male farmers.

3.6.4: The Education Initiative

Nearly 400 tribal children attend the 8 schools run by Samrakshan in the displaced villages to provide access to primary education to children who are not covered under the state education

network. The education initiative is an integral part of Samrakshan's long-run strategy of community mobilization and development of life skills, through which local communities can reclaim decision-making power to impact their own development, which they are presently marginalized from.

The challenge before Samrakshan in this poverty-ridden region is to overcome the indifference of the community to education of their children. In their struggle to cope with economic deprivation and social and political marginalization, the people tend to give greater priority to children doing domestic chores, taking care of younger siblings and earning money for the family. In such a scenario, the poor performance of the few government schools that exist in the region has added to the apathy of the community towards education, and strengthened their perception that sending their children to schools would not be of much use in breaking out of the poverty trap in the long run. In this scenario, the Samrakshan schools are striving to create a live example of education as an interactive and joyful process of learning, which would equip children with basic life skills required to cope with and overcome the challenges of chronic poverty.

SECTION IV: SUMMARY, CONCLUSIONS AND THE ROAD AHEAD

4.1: Summary and Conclusions

Over 1 billion people in the world today live under unacceptable conditions of poverty, mostly in developing countries, and particularly in remote rural areas of low-income countries. Traditional development literature tended to focus on poverty in terms of lack of income, expenditure or consumption, or in terms of lack of access to certain basic needs. More recent work has viewed poverty as a multi-dimensional phenomenon, including material deprivation, lack of access to education and health, higher levels of insecurity and risk, and lack of participation in civil society processes. A clear overlap exists between the formulation of chronic poverty in terms of geographical areas, and the distribution of poverty according to vulnerable social groups. In India, for instance, the Scheduled Tribes form a significant proportion of the population in the semi-arid central Indian drylands and forest tracts. For the adivasis of India, a multitude of factors, including economic, social and agro-climatic, come together in a complex interplay that makes them especially vulnerable to severe, long duration poverty which they find it difficult to escape from. Tribal regions of Central India are marked by a paradoxically high incidence of chronic poverty and neglect, in spite of a very good natural resource base and huge but untapped potential for agriculture development. Alleviation of chronic poverty for the tribal Central Indian belt requires the creation and adoption of an alternative model of development based on renewal rather than replacement, using regeneration of the natural resource base as a powerful engine of growth.

For remote, rural, already marginalized communities like the Scheduled Tribes in India, displacement induced by projects of 'national importance' has been one of the important contributors to rise in deprivation. The move for displacement of forest dwellers has been driven historically by commercial (mining and industrial) pressures, but increasingly in recent years this has been joined by pressures for conservation of forest areas as "pristine" zones. For instance, the Lion Reintroduction Project, being implemented in Kuno wildlife sanctuary in district Sheopur of Madhya Pradesh has resulted in displacement of 24 villages to the outskirts of the sanctuary. A detailed study of the impact of displacement of livelihood of these villages shows that due to flawed formulation and implementation of the R&R package, the displaced people have faced a decline in livelihood security. Post-displacement and 'rehabilitation', they face greater economic vulnerability, in the face of endemic features like low and uncertain rainfall, poor land quality, degradation of common property resources of dryland-type chronic poverty spatial traps. The most disturbing aspect of the situation is that an already chronically poor and severely marginalized community has been forced to undergo intense livelihood stress as a consequence of this poorly planned rehabilitation exercise. The entire scenario, as it has unfolded, has violated at multiple levels the fundamental rights of the villagers affected.

The Kuno experience is similar to the experience of rehabilitation attempts elsewhere, where cash compensation without other inputs aimed at re-establishing livelihoods have usually resulted in an at best temporary escape from poverty. In fact, inadequate compensation for social, financial, geographical and physical assets has tended to leave the displaced households distinctly worse off than before. This has long term implications for chronic poverty, since loss of these assets results in impoverishment that tends to get transmitted across generations, thus enhancing the probability of chronic and inescapable poverty. Relocation has tended to increase the exposure of the poor to the mainstream economy due to better availability of transport and communications infrastructure. However, in view of the unfamiliar social and economic environment, irrelevance of earlier coping strategies and sudden loss of assets, the terms at which the relocated individuals or households interact with mainstream forces like markets and the media are highly disadvantageous.

It emerges from the Kuno experience that for many relocated people, the only option available before displacement was to shift out and grab whatever few benefits were being offered, or to continue to be ignored almost completely by the state and its development machinery because of their extreme remoteness. Many of them may have accepted relocation (on whatever terms)

because of the precarious nature of their pre-relocation livelihood, and indeed of their citizenship itself, where they had no hope of accessing public health and education facilities, and are regularly labelled as "poachers", "encroachers" and "habitat destroyers". From the perspective of development as a basic human right, it is seriously problematic if a community does not voluntarily accept the idea of relocating, but is 'induced' to do so because of the severe hardships, uncertainty and frustration associated with its current state of being. Clearly, this is a violation of all ideas of basic minimum capabilities or rights guaranteed by the state for preventing absolute poverty and for living with dignity.

Chronic deprivation among vulnerable social groups living in remote rural areas has evoked numerous policy responses from the state. However, it has become clear over the years that there are serious lapses in the delivery of poverty alleviation schemes and that poverty and disempowerment are effective barriers that prevent the poor from accessing the welfare measures devised for them. Meanwhile, the resources pumped into poverty alleviation have created a power elite (consisting of petty bureaucracy, local politicians and power brokers within villages) that has an entrenched interest in continued deprivation, which is the source of their own prosperity. The recent emphasis on a rights-based approach to poverty alleviation can be traced to this scenario. A spate of legal and policy decisions have emerged that trace chronic poverty to systematic and long-duration denial of rights, and note the importance of access to rights as the cornerstone of an effective poverty alleviation strategy. There are clear limitations, however, to the extent to which such an approach can work, because genuine devolution of power to the poor would be contrary to the interests of the power elite that owes its prosperity and its very survival in power to the forces of exclusion and centralization. Legal and policy reforms towards introduction of a rights based approach at best can create an enabling environment, which can be used to its advantage by a genuine collective of the poor, if and when the chronically poor manage to come together to assert their rights. The crucial issue remains one of an appropriate catalyst or agent of change, who would work with the poor to help them form workable institutions that can be used to re-claim control over their own development.

In this backdrop, the NGO Samrakshan Trust has been working with the displaced villages of Kuno sanctuary towards sustainable, rights-based development through the formation of genuinely empowered community based institutions. Samrakshan works on the premise that for alleviation of chronic poverty, it is not sufficient to provide the poor with forward and backward linkages related to their livelihood (for instance, access to credit and markets). Indeed, a very important aspect is to link the poor sideways with others who share their concerns, and with whom their relationship is non-exploitative and based on mutual trust. Thus, appropriate 'software' in terms of suitable and competent community institutions is critical to the success of any rights-based initiative for alleviation of chronic poverty. This must be complemented by appropriate 'hardware' that provides viable solutions to the problem of sustainable and equitable development of dryland areas inhabited by tribal communities. A 'total watershed approach' is the model that Samrakshan has found most suitable for this purpose, because it provides a blueprint for long run development of tribal areas without the danger of creating unsustainable pressures on natural resources. Institution building and soil and water conservation interventions in the short and medium run are complemented by a long-term strategy of meaningful education that is aimed at creation of awareness about rights and provision of crucial livelihood-skills for the children of chronically poor communities. This is a crucial link in the chain of processes that would lay the foundations of genuine, people-driven alleviation of chronic poverty based on fundamental human rights.

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UNDERSTANDING CHILDHOOD POVERTY IN RAJASTHAN:
EMERGING ISSUES AND STRATEGIES

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Understanding Childhood Poverty in Rajasthan¹

Emerging Issues and Strategies

Kanchan Mathur, Shobhita Rajagopal and Pradeep Bhargava

1 Introduction

Recent participatory poverty assessments around the globe clearly document that children are the most vulnerable groups in society as they have little power or influence over the social processes that govern their lives and little ability to protect themselves from abuse (Narayan, et.al: 2000). Childhood is a precious stage in a life-course and deprivation during this period can have long-term adverse impacts on the well being of children. Deprived children lack access to human development opportunities and face serious constraints in their human development (e.g. malnutrition and greater propensity to ill health etc). Their families and communities have little ability to protect and nurture them. This deprivation constitutes child poverty (Harper and Marcus, 1999).

The multidimensional characteristics of poverty i.e. material deprivation, low achievements in education and health, vulnerability, exposure to risk, voicelessness and powerlessness, become relevant in the case of children from poor households and intensify when there is intergenerational transfer of poverty. Further, childhood experiences deeply condition capabilities acquired during adulthood. Children not having a good start in life are likely to be more deprived in the later stages of their lives. In the world of policy there has been a rediscovery of this fact and children and childhood have become a focus of poverty studies.

The present paper attempts to analyse the key factors that contribute to childhood poverty in the context of the ongoing primary research in two regions of Rajasthan. The key research questions being addressed by the study are:

- What are the factors that shape childhood poverty in Rajasthan?
- Is there any evidence of Intergenerational Transfer of Poverty?
- What factors help break poverty cycles?
- What are the specific policies and strategies in place to address child poverty?
What are the intended and unintended outcomes of these policies?

The paper presents some of the findings that have emerged from preliminary fieldwork using focus group discussions, timelines and genealogies. Section 2 gives a profile of

¹ This paper is a spin off of a two-year CHIP research project on 'Childhood Poverty in Rajasthan'. Supported by Save the Children, UK.

children to highlight the state of children's vulnerability in Rajasthan. Section 3 presents the main issues emerging from the field pertinent for understanding childhood poverty in the State. Sections 4 and 5 highlight some areas for future research and policy interventions.

2. Childhood Poverty in Rajasthan: The Context

Familial contexts, cultural practices, belief systems, community linkages and social forces together determine the status and condition of children in Rajasthan as also their growth and socialization. While attitudes to children, and experiences of childhood vary significantly by caste, class, religion, gender, ethnicity and regional locations the lives of children born into poverty can be exceptionally vulnerable. These children face further inequalities in access to crucial resources, leading to exclusion and marginalisation.

According to the Census (2001), the child sex ratio in the State was recorded as 909 in 2001, as compared to 916 in 1991 (The child sex ratio is defined as the number of girls per thousand boys in the age group 0-6 years). This drastic decline of 7 points during the decade is a matter of serious concern. Out of 32 districts 21 districts reported a decline. None of the districts has recorded child sex ratio favouring girls. The practice of female infanticide, female foeticide and strong preference for a male child in most communities have been seen as factors contributing to this imbalance and clearly point to the low value and secondary status given to the girl child in the state.

Recent official reports point out that the problem of malnutrition in Rajasthan is staggering despite great strides in food production and distribution. Child nutrition increased from 42 percent in 1993 to 51 percent in 1999. In 1998-00, NFHS -2 registered 51 percent children under three years of age as underweight and 52 percent as stunted. Wasting is also very evident and affects 12 percent children. Approximately 30 percent of all new-borns are of low birth weight and start their life at a disadvantage, as low birth weight is another significant underlying cause of death in newborns and infants. Average birth weight still remains at 2.5 to 2.7 kg and 30 per cent of live births fall even below this range (GOR, 2003, NFHS-2, 1998-99).

As seen above the health and nutrition indicators for both children and mothers are low in Rajasthan: half the child population is under nourished and 90 percent of the women are anemic; one third of mothers have low BMI and one third of children have a low birth weight. The health delivery system continues to be inadequate with poor outreach especially in remote and distant areas. Hence, poor health and high healthcare related expenditures are among the principal causes of falling into poverty.

Rajasthan continues to remain one of the most difficult areas where educational lag in access, enrolment and achievement remains a challenge. The problems exist at both the demand and supply ends of primary education. The problems of children from underprivileged communities i.e. SC, ST and minorities are further exacerbated by both the lack of and poor quality of teaching and educational facilities and the lack of effort to

make the school an inclusive space. A significant number of out of school children are girls (Rajagopal, 2000; Ramachandran, 2003). The present enrolment of girls at the primary schooling stage is 35.6 per cent as compared to 64.4 percent for boys. At the upper primary stage the enrolment further declines to 27.59 percent, while for boys it is 72 percent (GoR, 2001). The significant gap between enrolment of boys and girls at the upper primary stage substantiates the fact that upper primary education continues to be inaccessible to girls (Rajagopal, 2000). The drop out rate in primary schools is around 55 percent and fewer than thirty percent of children complete education up to the age of over 15 years.

Some traditional beliefs and customs are also not conducive to full development of children. Prevalence of child marriage has serious implications since it leads to early pregnancy and childbirth. This hampers the healthy physical, emotional, and social development of a child. The socialisation processes continue to differentiate between boys and girls with girls being accorded a low position in society. The cycle of disadvantage starts at birth and continues through childhood to motherhood and is eventually perpetuated in the next generation.

3. Factors Determining Childhood Poverty

A multitude of factors - social, economic, political, environmental - have an impact on children and have lifetime consequences. The following section undertakes an analysis of some of these factors in the light of the key questions being addressed by the ongoing study to identify areas, which can help break poverty cycles.

Children and Education

Absence of quality education, caste prejudices and situation of women and girls continue to impinge on poor children's access to education. Preliminary fieldwork reveals that parents attach importance to their children's education even in poor families. Most children are enrolled in school, however boys have greater access to higher levels of education as compared to girls. It is evident that girls are the main victims of the absence of an upper-primary school in the villages studied. Other factors inhibiting girls' regular attendance are domestic activities including grazing. Both boys and girls were found to be helping in agricultural tasks along with other members of the family.

In one of the villages the dalit hamlet has a separate alternate school with little interaction with the primary school in the main village. It seems obvious that the schooling system itself does not give equal treatment to different sections of the population.

The marginalisation of girls in provision of education is linked to several factors: participation in household chores; distance of schools; strict cultural norms which prevent mobility; belief that too much of education would jeopardize marriage prospects and so on. Policies are required to address the issue of redesigning the process and content of education for promoting gender equality.

Discrimination against under-privileged groups is endemic, and manifests in several hidden forms in many parts of the state. Higher caste teachers continue to consider scheduled caste children 'uneducable', refuse to touch them, make them feel unintelligent and inferior, target them for physical and verbal abuse and use them for menial chores. Recent studies also point out that caste bias is more the norm than the exception and schools do not provide a free and open environment for children to learn. (PROBE, 1999; Nambissan, 2001; P. Sainath, 1999; Vishakha 2002).

While a number of innovative programmes for universalising of primary education have been implemented in the State, the gap between educational attainments amongst boys and girls continues. This gap is more striking among children from the marginalised groups. Future research is required to address issues of sustainability of these programmes keeping in mind the needs of children engaged in work, girls who cannot attend upper primary schools, children of migrant families, nomads, tribal children and children with disabilities. Policies to address the above issues along with issues of disparities in education with a focus on the special needs of dalit girls should be implemented.

Health and nutrition

It is evident that primary health care has not reached a large majority of poor, especially women, children, dalits and communities living in remote areas. In the areas studied it is evident that the government services to healthcare are not within reach. The ANM is irregular and does not reach out to poorer hamlets depriving a large majority of women from access to pre-natal and antenatal care. Most deliveries take place at home and institutional deliveries take place only when a case is complicated. There is dependence on the private practitioners for treatment.

The most basic need of children is survival. Beyond staying alive, good physical development, depends largely on nutrition and physical care; this is crucial in terms of poverty transfers. A closely related aspect of childcare is good nurturing, which promotes all aspects of a child's development. Both these areas crucially depend on the presence of adequate family assets, not just to secure necessary food but also to enable sufficient parental or other adult care giver time for child care and nurturing (Harper et al, 2003).

It is understood that malnourishment reduces the resistance of an individual to diseases and infections, which in turn further drains the system of the nutrients that are present in the body. In cases of extreme poverty and malnutrition, the onset of infection and disease results in high rates of mortality (Nayyar. R, 1991).

Availability of safe drinking water is a major concern in all the areas studied and this has direct implications on the health of children as they are prone to water borne diseases i.e. typhoid, jaundice, skin diseases and diarrhoea.

The commonly seen childhood infections often exacerbate malnourishment and at the same time prevalence of under nourishment in children reinforce the consequences of

such infections. Adequate nutrition is thus critical for child health and survival, as well as for overcoming the potential vicious cycle of poverty and under nutrition (GOI: 2002).

Preliminary findings from the field area indicate that recent drought conditions have also led to depletion of livestock. This has had a direct impact on sources of nutrition. The intake of milk, buttermilk, curds and ghee has gone down considerably and this can affect children's health. On the other hand supplementary nutrition provided by schemes such as Integrated Child Services Scheme (ICDS) and the Midday Meal Scheme (MMS) were being supplied regularly though the quality of cooked meal (ghoogry) has been an issue of intense debate.

Gender Disparities

Gender pervades all aspects of life and colours the life chances of the girl child in Rajasthan. It is reflected in the inferior health and educational status of women, the high maternal mortality rate, the neglect of the girl child, the declining sex ratio, lower enrollment in school and subsequent higher participation in the child labour force. Girls are socialised to be care-givers and are expected to do all household chores. The sexual vulnerability of girls also means that early marriage is still a preferred option.

Son preference is clearly manifested in responses like "two sons are essential" since sons are seen as heirs, continuing the family lineage. It is clearly evident that boys are given preferential treatment in access to schooling and health care.

Further, gender discrimination exacerbates the impact of poverty on women and girls due to unequal allocation of food, lower wage rate, and lack of inheritance rights (Padmanabhan: 1999). Gender disparities lead to intergenerational transfer of poverty as children belonging to low income households have a greater risk of falling into the cycle of poverty. Ray (2000) argues that backward classes and female-headed houses do face higher poverty rates than others, the children belonging to these households are particularly vulnerable to the adverse effects of poverty.

Gender is a cross cutting issue and needs to be addressed by both research and policy and at various levels within different institutions i.e. household, community, market and State for ensuring a gender just environment and thereby children's well-being.

Children and livelihoods

Child work

Findings from the field reveal that children are engaged in various types of work and contribute to household income. These include all agricultural related activities, cattle grazing, looking after younger siblings, household work, and working at hotels, *dhabas* (roadside restaurants).

In a study conducted by an NGO in Rajasthan, it was found that almost half of the child workers were never enrolled in school and were illiterate. Amongst them the percentage of females (54 percent) is higher as compared to males (46 percent). Although the remaining half enjoyed the opportunity of joining the formal schooling system, most of them (31 percent) have dropped out at the primary school level (Cecodecon, 1999).

The Social Assessment Studies (SAS) carried out in DPEP districts, which specifically looked at children from most marginalised communities' point out that landless labourers in the rural areas of many districts primarily work in the agriculture sector, which is seasonal in nature. Since food stocks for the entire year need to be secured during the limited period it becomes essential that the opportunity to work be taken advantage of. This means inclusion of all family members including children into work. The SAS reports that at times almost 70 per cent of children work with their parents. Further, landless labourers are forced to take loans from the landowners and children often become bonded labourers as they are used as human mortgage, ending all opportunities of development (IDSJ, 2000).

The field research also points out that in the tribal areas, loss of traditional occupations has led to increased migration and children being compelled to work for economic returns e.g. children being sent with pastoral groups (Rebaris). The children are primarily involved in taking care of the flock. They cover long distances, around 30-40 km daily with the flock as part of their routine. The parents usually enter into a written agreement with the Rebaris prior to sending their children with them. According to the family members, the Rebaris treat the children well and as part of their own families. The Rebaris visit the homes of children from time to time and give money to the family as per the agreement.

The high incidence of poverty in forest-based regions is also related to low levels of infrastructure development, the erosion of entitlements of poor people to access and utilize natural resources and social exclusion. These factors reinforce each other with people from Scheduled Tribes experiencing problems in accessing resources and this is exacerbated by physical and social isolation. Lack of access to productive resources such as agricultural land, farm inputs and minor forest products traps households in poverty. As a large number of households in the forest based regions do not have entitlements to natural resources, they end up with low income and expenditure levels (Mehta and Shah, 2003). This can lead to exclusion, and can have long term consequences, which may in turn have an impact on the lives of children as well as lead to intergenerational transfer of poverty.

Migration

In both the regions selected for the study, migration to neighbouring areas and States e.g. Madhya Pradesh, Gujarat, Haryana is common among all castes. In some households where only men migrate and women take charge of men's work and responsibilities, children also participate in household work and decision making at an early age. In households where both parents have migrated, children are either living on their own or

have been left with close kin. Very small children usually accompany the parents. The education and health of children are affected by migration and this could consequently lead to the intergenerational transfer of poverty.

Indebtedness

Field level observations show that the cycle of indebtedness could contribute to intergenerational poverty. The poor are largely dependent on moneylenders, landlords and friends or relatives for loans and usually have to pay exorbitant interest rates, which they can ill afford. For many villagers migration to the urban locations outside the state in pursuit of livelihood is guided by the need for money to repay debts, covering deficits created by losses in agriculture or meeting expenditures of large magnitude on account of marriages, festivals, ceremonies, and so on. There is a need to understand the impact of poverty alleviation programmes in addressing debt cycles and helping families break out of poverty traps.

The poor households face several occupational hazards such as fluctuations in income, risks and uncertainties in incomes through migration, indigenous or acquired skills becoming outdated. How do children relate to these occupational hazards and start participating in economic activities either helping within the household or as wage labour? What are the other circumstances that drive children into work? How does this affect childhood poverty?

Many of the factors mentioned above affect the world-view of the child and determine her/his participation in social and economic activities. How is the world-view of the poor and non-poor children different from each other? How do they get reflected in attitudes and behaviour? This worldview needs to be understood for different age groups of children. At another level there is a need to probe into the lives of adults who worked as children, to explore whether this helped them break poverty cycles or prevent intergenerational transfers of poverty.

4. The Policy Context

Several programmes addressing health, nutrition and educational needs of children have been initiated in the State since the last two decades. Recently the State government has also formulated the draft of the Rajasthan State Policy for Children. It reiterates that "Every child has the right to the best start in life. Their survival, protection, growth and development in good health and proper nutrition are the essential foundation of human development. Children should be nurtured in a safe environment that enables them to be physically, mentally alert, emotionally secure, socially competent and able to learn" (GOR, 2003).

The programmes, which directly address the needs of children in the state, include: Integrated Child Development Scheme (ICDS), Mid-day Meal Scheme, Immunisation Programme, Vitamin A Supplement, HIV/AIDS. Where education of marginalized children is concerned several programmes have been initiated i.e. Shiksha Karmi

programme, Lok Jumbish, District Primary Education Programme (DPEP), Rajiv Gandhi Swarna Jayanti Pathshala, and the Janshala Programme.

While most of these programmes have been in place since long, development indicators pertaining to children's health and nutrition reflect that both poor nutrition and health continue to play a crucial role in terms of poverty transfers.

The two main programmes addressing issues of food security in the State are the Integrated Child Development Scheme (ICDS) and the Mid-day Meal Scheme (MMS). Several evaluation studies, surveys and micro studies indicate that despite ICDS having been started in the poorest blocks, targeting the poorest households and aiming to change nutrition related behavior, the programme has had only a weak impact on nutritional status even where it has been in existence for a long time. Although the nutritional supplement being provided by the programme seems to be reaching the children in most villages, issues of regularity, quality, exclusion and their effect on the nutritional levels of children are aspects that need to be explored in greater detail.

The MMS, a programme to provide nutritional support to primary education, was launched in 1995 to improve the nutritional status and school retention rates among primary school children. More recently after the Supreme Court ordered distribution of dry rations have been replaced by provision of cooked meals (*ghoogri*) in all government and government aided schools in all districts. While there is evidence that mid-day meals have enhanced school attendance (Dreze et al, 2003) the question of sustainability of the MMS and how it can contribute to the overall well being of poorer children are pertinent in the present context. Linking MMS with related inputs such as micro-nutrient supplementation, health services and education pertaining to nutrition, are areas which need further policy attention. More crucially it needs to be analyzed whether the supplementary feeding provided under the scheme is becoming the main constituent of the diet, as parents are too poor to provide any other food to the children.

Several innovative programmes e.g. The Shiksha Karmi Programme, The Lok Jumbish Project and the DPEP have evolved special strategies for ensuring participation of poor children in education. However, a large number of children continue to remain out of school and are likely to have a life course of poverty due to poor educational achievements.

5. Conclusion

It is apparent that in the context of Rajasthan, children continue to be at a great risk of living in poverty due to inability to access health, nutrition and educational inputs. The effect of child labour on children's well-being and the impact of migration on children are also areas of concern. It is also evident that childhood poverty is an under researched area in the State and further research into issues highlighted above would lead to enhancing the understanding of the social, economic and political processes that underpin continued

deprivation of children and intergenerational transfers. Identifying the processes that can help children break poverty cycles also becomes extremely pertinent.

Ongoing work highlights that for promoting children's well-being and preventing poverty transfers, policies that address the multidimensional aspects of poverty have to be implemented. Some of the key areas of intervention would include:

- education for children of the most deprived and marginalised groups especially girls, recognising that social exclusion is contextualised within the school and making the schooling system a more inclusive space
- tackling malnutrition on a priority basis to prevent long term and intergenerational effects of poor nutrition by provision of food supplements and consumption of micro nutrients by effective implementation of food security policies.
- promoting measures for later marriage and child bearing age.
- ensuring that the health delivery system responds to the needs of the poor especially children by effective immunisation coverage.
- enhancing participation of girls and ensuring their ability to access all the crucial resources through gender sensitive implementation of existing policies.
- providing effective economic support to families especially where poverty is a major deterrent to children's education and compels them to full time work.

The research gaps and the policy issues that are emerging, will be addressed by our ongoing study.

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7. The seventh part is a report from the Secretary of the War, dated January 1, 1861.

FROM INCOME TO URBAN CONTEST IN GLOBAL SETTINGS:
CHRONIC POVERTY IN BANGALORE

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From Income to Urban Contest in Global Settings: Chronic Poverty in Bangalore

Solomon Benjamin¹

1. Introduction

Most Indian cities and particularly the metros are usually characterized by vibrant and complex economies. What does being poor and chronically poor mean within these settings? The MDGs state the need to halve the world's poor. Can one go beyond what is useful rhetoric to spur action and define agendas? How the other half exists may be closely connected to the half that moves up. Does how the half that loses out reflect claims lost to an assertive elite in increasingly divided cities?

Poor groups rely on complex urban economic and political systems to survive and move up (Benjamin and Bhuvashwari, 2001). Efforts at poverty reduction by the state and central governments (except for the PDS system) had a marginal role as did poverty projects including those that involved NGOs in a major way. These interventions (both public programs and NGO projects) at best did not recognize and at the worst went against existing social/economic and political processes which poor groups used. Based on grassroots research this paper tries to specify what *really* makes a difference. For instance, our earlier work showed that an empowered municipal body helps provide access to public water taps and supports, if not promotes, a regulatory setting in contested land locations that maintain or even reinforce de-facto claims. This is mainly since local councilors, relative to other players, are more likely to reinforce "voice". Thus, government, especially municipal government, does matter. Evictions from productive central city areas, reducing the number of public water standposts (in the name of "reform" and privatization), disruption of land development systems that supply small plots and a vibrant rental market in the name of "planned development", demolition of small shops and also larger urban renewal to allow mega infrastructure projects in the name of "global competitiveness" – all constituted "bad government" and did matter too.

¹ Ms Valli Ammal assisted by her colleague Selva Kumar played critical roles in conducting the interviews that are the formative base of this paper. Ms. Manjula and Gururaja played a key role. Valuable inputs and conceptual ideas from Prof. Philip Amis are gratefully acknowledged as is the intellectual debt to Prof. Gillian Hart. The author also acknowledges the Chronic Poverty Centre, at the University of Manchester for funding the research and for discussions at a conference.

both required to claim land and basic infrastructure shape relationships between ethnic groups in unexpected ways. Similarly, civic politics centered on municipal process is focused around the land and infrastructure issues. This again requires local groups to form alliances to pressurize local politicians to make the administrative system responsive to their needs. Individuals take on alliances and relationships across conventional boundaries as a coping mechanism and for strategic reasons. Thus, as Philip Amis notes, the "household" becomes an input in a coping strategy rather than an object-based outcome. We view households not only in their urban setting but also rather as part of a larger urban—rural continuum. These are particularly structured around economic processes that shape the nature of the household as an economic unit. We distinguish our position to that of Becker and take a position closer to that promoted by Hart³. Thus the second and third aspect focuses on the need to re-conceptualize the household. The unit of analysis is the individual whose power relationships at an intra household and societal level are shaped by the nature of the household (Figure 2).

The link to chronic poverty relates to the supportive relationships within local society and how these work for the poorest. Are some poor groups, pushed into a chronic situation when inter-ethnic systems break down resulting perhaps in violence? Does such disruption also affect the local economy further reinforcing poverty? Do fragile links allow for authoritarian politics to take root? Within the household, does the lack of flexibility for a single mother force her young children into a fragile situation? Does such in-flexibility reduce income stabilization strategies?

D: Staking claims in contested Land and Space: This aspect views urban space as being contested and not homogenous and moves away from a more generalist and inaccurate view of "slums" to view these as particular forms of land settlement systems (Benjamin, 2003 forthcoming).

This is important to understand the full impact of "bad government" as it reinforces chronic poverty. Land issues from this perspective help to identify economic and political processes that reinforce chronic poverty and at times also move those groups into more stable situations.

The analytical reporting format

Figure 3 provides a diagrammatic representation of the processes adopted so as to allow field investigations to follow a more open ended approach and reveal the complexities of the human experience to build upon themes that could capture the variety of situations in a comparative way.

An important characteristic of chronic poverty is duration. Events suggesting severity aimed to capture the impact of shocks that could suddenly push a person into a chronic poverty situation. The framework also allowed us to include positives – events that improved ones' situation.

³ For an extended description of Gary Becker's work refer to the website <http://papers.nber.org/papers/w9232.pdf>

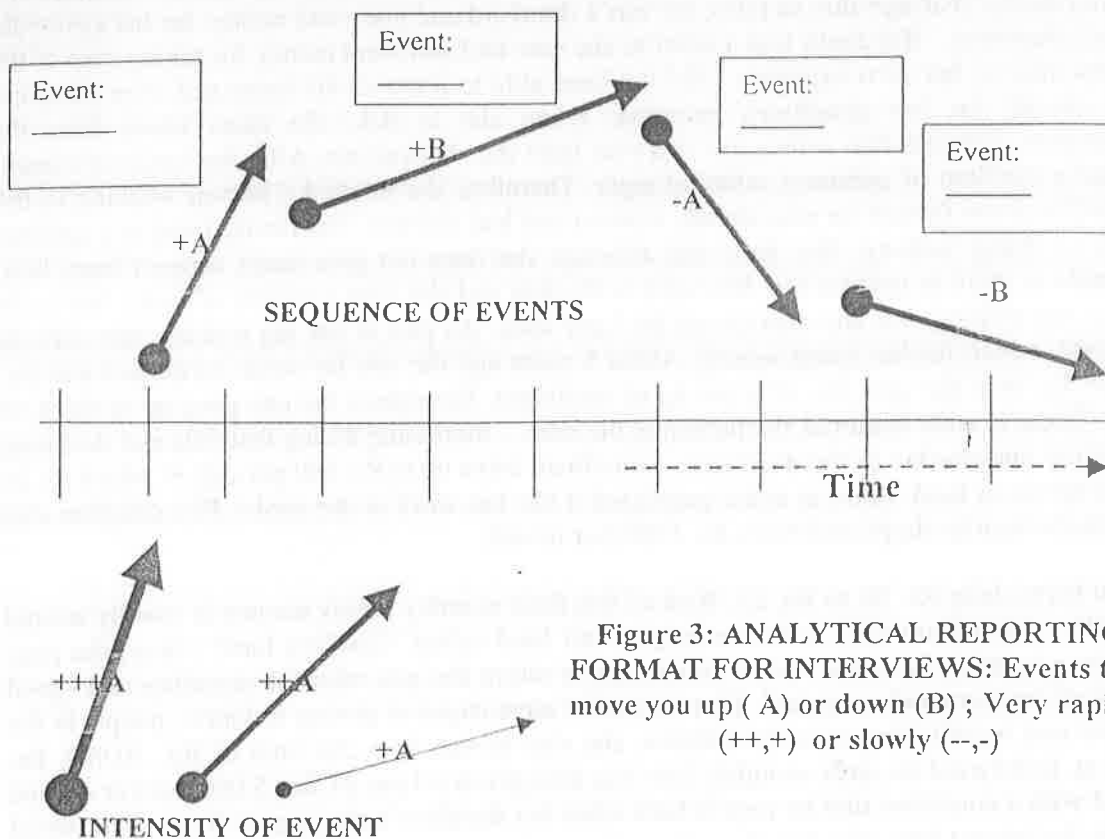


Figure 3: ANALYTICAL REPORTING FORMAT FOR INTERVIEWS: Events that move you up (A) or down (B) ; Very rapidly (+++,+) or slowly (--,-)

3. K R Market in Central Bangalore

The first set of our cases of chronic poverty relate to households located in the central market areas (City Market) of Bangalore. This is where the poorest tend to congregate given that survival strategies are relatively easy with access to multiple employment opportunities. Within this area, we selected *Vandimode* slum, which is a congregation of several families living on terraces above shops.

Amurdham's story

Amurdham is a woman in her mid thirties and hails from a small village called *Origarahalli* near *Mandya* – a prosperous agricultural region. At the age of 7 she used to graze cows as a bonded laborer for which Rs. 1,000 per year was paid to her father. Her work also included domestic chores. Presumably as a way to get her out of that situation, her grandmother brought her to Bangalore. Her mother Ananthai also lived in Sultanpet, and her sister Sarasa in a squatter settlement. At the age of 12 she got married to a man near *Kallakurichi* (Tamil Nadu), village *Soolankurichi*. Initially her grandmother used to sell food. This did not work out financially so she moved to rag picking. They stayed in the same street– (a main trading and wholesale market area in *Sultanpet*) for the past 25 years. She remembers her grandmother telling her how this area was farmland earlier and housed families of the Reddy's *Komatis* and Brahmins. Now buildings have come up owned mainly by *Setus* (North Indian Marwari traders).

Amurdham had 5 children. One boy died due to illness. Today she has three children with her. Her elder daughter lived with her till she was 14. After attaining puberty she started living at her

sister's place near Mysore Road, as it was not safe for her to live on the street. Amurdham's husband died a year ago due to piles. He was a drunkard and borrowed money for his ayurvedic (herbal) treatment. His death was a relief as she now had sufficient money for taking care of the children and for her own expenses. She has been able to settle all her loans and even put aside some money for her daughter's marriage. When she is sick, she takes loans from the shopkeepers. She gets two sarees free in a year from the shopkeepers. After her husband's death she had a problem of personal safety at night. Therefore she married a person working in the lorry office, even though he was already married and had children. His family lived in a squatter colony of Bungi Colony. She feels that although she does not gain much support from him, somebody is there to protect her. Her work is flexible and she does a variety of tasks. Her main work is rag picking, but she also cleans the lorry shop. As part of her rag picking, she collects cardboard, which fetches more money. About 5 years ago the rate for waste cardboard was Rs. 1.50 per kg, now she gets Rs. 2.50 per kg of cardboard. Sometimes the rate goes up to Rs. 4.50 per kg. There is wide seasonal fluctuation in the rates – increasing during festivals and declining in the rainy seasons due to the dampness. Amurdham earns up to Rs. 100 per day of which Rs. 20 to 30 is spent on food. Food is either purchased if she has work or she cooks. Her daughter also works in the nearby shops and earns Rs. 1,000 per month.

Her son earns daily Rs. 20 to Rs. 25. With all this their monthly family income is usually around Rs. 2,500. Amurdham also invests money in chit fund called "Crackers fund". Here, she pays Rs. 75 on a monthly basis for twelve months and in return she gets what she describes as a "good quantity of crackers and a vessel". There are other advantages of getting to know people in the chit fund and establishing trust. In addition, she also invests in a chit fund of Rs. 30,000; Rs. 1,000 has to be paid in cash monthly. She has also given a loan of Rs. 5,000, to her second husband with a condition that he pays it back when her daughter's marriage is fixed. This would normally be interest free. She has also given a loan to her sister. Amurdham being an established "local" has also stood surety for 6 people (all of them are street families known to her for a long time) amounting to Rs. 9,000. She also stood surety for a charcoal vendor for Rs. 20,000; the man has repaid Rs. 15,000, and has Rs. 5,000 more to pay. She says with good faith that he will repay it. So far, only one lady has cheated Rs. 2,500 and others have paid promptly.

According to Amurdham the place on the street where she is living is very safe. She has lived here for 30 years so all the shopkeepers know her and no outsider troubles her. The shopkeepers protect her family. They never allow a man to talk to her in their presence. In case she moves to a slum at this stage, and having married a second time to a person with a wife and child, she can be mistaken to be a prostitute and would face harassment. However, during rainy season it is very difficult to stay on the pavement.

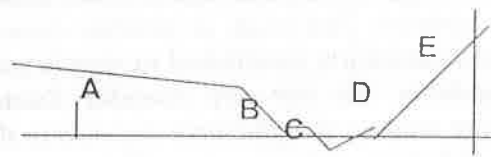
According to her, poverty or being poor means:

"yarukku oruvalai sapadu ellayo avango thane allai"..

In Tamil, *"..those who do not have even a single meal in a day.."*. She also added that her children have good food and clothes are purchased whenever there is a need. Also, this is a very central city location with access to several types of employment opportunities and her length of stay here has established her in the local systems. During the interview, her husband's first wife's son (aged around 9 yrs) came to see her, and when he got up to leave, she spontaneously gave him Rs. 10 out of affection. Interestingly, when her own 4-year-old daughter asked for Rs. 3 for an ice cream, she refused. When queried, she said that the boy does not come often and she wants to keep a friendly relationship with those children.

She does not have a ration card and their names are not on the voter's lists. According to her, street sleepers/families are voiceless and powerless and there is no one to talk on their behalf. Even in government hospitals they are neglected since they wear dirty clothes and do not look clean. This happens even when the hospitals do not require a ration card for their services. According to her, gold/clothes/house/money are assets but her children are assets - human assets. Amurdham feels that the society in general exploits people like them. For instance, when they go to the rag shop to sell the materials, the shop owner reduces the price or reduces the weights. They cannot question this because they have taken money in advance and their payments are adjusted against this. Continuing her reflection on the difficulties faced by her type of people, she felt that there is lack of protection for the street sleepers – especially for adult females. This is also related to the issue of their claims to land. She is living on a vacant site belonging to someone else. Although she has been here for 30 years, she feels that at any time they might be forced to vacate if the owner decides to construct there. The place is now surrounded by buildings, which provide some safety as compared to living on the open streets where anyone passing could pick up their belongings. They have also built a temporary shelter - a bath and a toilet that they use instead of the public toilet. The public toilet is inaccessible at night (7 pm to 6 am). They sleep under the shelter of shops on its adjoining pavement but at the mercy of shopkeepers during rainy seasons. After the rain stops they clean the place and wait until the floor dries.

Lifelines: both positive and negative things happened in Amurdham's life:



- A- 1996 - mid 1998 less income. Although this would have been sufficient if both husband and wife were earning, a major portion of their income goes for alcohol.
- B- Husband falls sick. A loan was taken for his treatment from the shopkeepers. Amurdham's single income is not sufficient to feed all the children three meals a day. Expenses for travel from Bangalore to Tamil Nadu for husband's treatment were high.
- C- After treatment, came back to Bangalore. He started drinking again and fell sick, every thing was done on the bed, again her earning (working) hours reduced. She took him to his village and left him at his mother's place, and came back to Bangalore. Meanwhile he died and nobody informed her. She went to the village to see him but it was of no use, as all the ceremonies were done with the government benefit of Rs. 500. She did not have money even for bus fare and went to her cousin brother's place for help, but this was of no use.
- D- Finally one of her *chitty* (Mother's younger sister) gave her Rs. 100, which was only sufficient for the bus fare. Without food for the whole day she reached Bangalore. Gradually she started earning as before, took care of the children with good food and invested Rs. 75 monthly in crackers fund. She loaned her sister around Rs. 3,000.
- E- Between C and D her daughter also started earning. Now her son also earns. She invested in big chit i.e. Rs. 30,000 and started saving for her daughters' marriage. She has also given a loan of Rs. 5,000 to her second husband.

She mentioned that elderly people also live on the street without any support from others (children/relatives). They earn their food because of their central city locations. They stay on the streets since their huts are very far away from those locations. Often, they even give loans to other street families. She showed Valli an elderly woman aged above 70 years, who daily earns around Rs. 70 to Rs. 80 by rag picking and begging. Her remaining money goes to their children who live in the village. She says that the old woman has been living in the same place for a very long period; in between they go to their village and again come back. Even the private financiers have known these people for a long time and are willing to provide credit due to this -- on "humanitarian" grounds. Thus, this location in the city is critically important for their survival. If she shifts to any another place, she will not have access to the multiple employment opportunities available in this area, such as working in the lorry shops, picking up the cardboard, and the extra benefits provided by the shopkeepers such as food and loans during emergencies. Also, from the shopkeeper's point of view, these families provide an important security against theft. If she is evicted she would try and re-locate on the same street because of these connections. On the parallel street in fact at the time of the interview, an old building was being demolished and re-constructed and this threat was very real. They felt however, that at any cost they would not move from that location.

This case, rich in detail shows a double switch in relation to rural settings. The move to urban areas is an escape from rural drudgery but later links are established with the village for purposes of investment. The main themes of the case relate to the centrality of urban location for survival, the cycles of illness and death in a "bad marriage" which although a strain actually free the family toward upward mobility. This leads to another critically important theme -- where a new relationship is established to rope in social acceptance and of financial stability. We see very complex financial management, not only in managing incomes that fluctuate but also in their investments, and indirect risks linked to wider fortunes. The cases also highlight the complex issue of safety. The street is safe -- but for a particular group. Closely connected is the lack of political voice. This is mainly since their "vote bank" circuits work in locations of residence in a different ward. This is related to the lack of physical infrastructure although the family is able to establish some form of basic services.

The story of Amurdham's sister Sarasa

Sarasa lived on the street three years ago, but now lives with her four children in Nayandanahalli slum near Mysore Road. For work she comes to Sultanpet (the main city wholesale trade area) and each evening goes back to Nayandanahalli. During 1995-96 she invested Rs. 5,000 paid in two installments for the hut space, which she calls "the site". The site measures 20 foot by 20 foot and was bought from the neighborhood slum leader Thailan. Her main reason for purchasing the site was that her husband deserted her and went to Bombay. She did not get any message from him for a long time, and people and relatives suggested that she live in a site -- a safe location for a single woman. Both she and her brother shared the 10 foot by 10 foot space. Before that she lived on the streets in Sultanpet where her sister Amurdham lives.

Sarasa has four children, three girls and one boy. Her husband works in the lorry office. She sees him as a drunkard who never takes care of them. For the last year and half he has not come home. The children too do not care for him. Whatever he earns is spent on alcohol and he lives on the street.

She works in the shops of Sultanpet as a "loader" – bringing down cotton filled boxes from the third floor to the vehicle at the street level. For this tough work, she gets Rs.1.75 per box, and at a time she carries two boxes. Daily earnings depend on the number of loads. Normally she earns a minimum Rs.40 to 60 per day, and on some days up to Rs.200 but that is rare. Her eldest son too works in one of the shops in the same kind of job and earns Rs.200 per week.

Ananthai, above 70 years and mother of Amurdham and Sarasa

Ananthai has lived in the same place in Sultanpet for the past 50 years. She reminisces that in olden days there were fewer people living on the streets. It is only since the past 15 to 20 yrs (the mid 1970s) that more and more families started coming to the streets. Ananthai sees no specific territorial restrictions for the street families and they form a community with access to moral and financial support from other families during a time of crisis. For instance, if the parents go to their village, other families take care of the children. She earns about Rs.40 to 60 by rag picking but her income is not regular and fluctuates according to the season. Also, being old limits her ability to move around with heavy loads. Since she cannot carry heavy weights, she needs to return to drop off her collection every 2 to 3 hours – this makes the process more inefficient and affects her earnings. Her daily expenses are mostly an early morning bun (small round bread) and coffee that costs Rs. 3, a mid-day meal of rice and *sambar* (a form of lentil soup) costing Rs.6, and for dinner shopkeepers provide her with leftover food with which she manages. She started to save Rs. 125 per month in one of the more formal private savings scheme "Kalaimaghal Sabha" with a head office situated in Chennai (Madras) in Tamil Nadu and has branches in different states. Her papers show an actual monthly saving of Rs. 115 (as per the receipt) as ten rupees is collected as a commission for collection. Ananthai believed that she is saving Rs. 125 and has paid up for 15 months ($\text{Rs. } 115 \times 15 = \text{Rs. } 1,725 + \text{Rs. } 150 \text{ commission} = \text{Rs. } 1,875$). For a long time however, the money collector has not been coming and the scheme closed down due to cheating. They have not returned any money following the maturity date -- and this is when she does need the money. She does not know whom to contact.

There are three other street families who also saved their earnings in Kalaimaghal Sabha.

One lady said:

"..We the poor and street families are easy victims to such (fraud) schemes – we do not know what is happening in the city and we believe everyone as we believed you (Valli).."

Ananthai gives most of her earnings to her son who lives in Mandya (a small town not far from Bangalore). She said that if she kept her earnings she would not have lived on street. Just at the time of interview, her son and his wife began fighting with Ananthai for not arranging money as she had promised, for the construction of a house in that town. She told them that she was suffering from fever and could not go for rag picking and did not have any income. In the course of the interview, she also mentioned that she has realized that she should not give money to them, as they would not take care of her when she was unwell. She gives a loan to her grand daughter to be paid back within a specified time. A financier also gives loan to Ananthai. When Ananthai was asked about this, she said that the financier gave this on humanitarian grounds and knew her as he too at one point had lived on the streets and knows the situation well.

Ananthai's case like others is complex and in her old age is shaped in many ways by her children's lives and their problems, and the support that such connections provide. The close connections of an extended family demand complex reciprocity. In better off families too, such obligations are demanding, but here poverty accentuates the negatives just as poverty also highlights the positives. This, like other cases suggests that infant mortality

is a serious issue. The other main insight in this case is the need to look at issues in terms of their wider relationships between households rather than only within one household. The other issue is the underlying relationship to the central city area for such groups. This comes up stronger in the next set of cases described below.

Parvathi and Jayaram's story

Parvathi, now about 65 years old, was born and brought up in a squatter colony called *Poornima* slum as part of the larger slum called K.S. Garden. She married Jayaram whose family lived in K.R. Market. This was adjacent to the Vandimode slum on the shop terrace – where most of the interviews were conducted.

Her mother-in-law worked as a construction coolie for the shop, which was built about 40 to 50 years ago. On completion of the construction her mother in law and her family faced a problem of shelter. With the permission of the shop owner, they started living on the terrace where they constructed a thatched shelter.

After marrying Jayaram she joined him and lived on the same terrace. She has 3 daughters and 3 sons. Parvathi's first son is about 45 years. He is married and lives in a room on the terrace above the adjacent shop. The room has a AC sheet roofing constructed by the owner. The son owns an autorickshaw, but gives it for a daily rent at the rate of Rs. 70. His wife sells grocery in the Sunday bazaar within K.R. Market and requires an investment of around Rs. 1,000 to Rs. 1,500 each day. He has two children a girl and a boy. The boy is studying in "English Medium" school. Her second son is about 42 years and is married and lives with her. He worked as an auto-driver but recently met with an accident, which badly hurt his hand. After that he is unable to work and thus has no earnings. His wife sells grocery in the Sunday bazaar. He has three children of whom the two younger children (below 8 and thus below working age) are living with his mother-in-law in a village in Tamil Nadu. He sent their children to his mother-in-law's place as he was unable to bear the cost of living. The third boy is going to school.

Parvathi's third son, is about 38 years old and is married and works as a coolie/loader in the flower market within KR Market. He also lives on the same terrace. She did not give any details of her eldest daughter but mentioned that her second daughter is 30 to 32 years old, is married and also lives on the same terrace. Her husband also works as a loader/un-loader in the flower market within the K.R. Market but has very unstable earnings.

Her third daughter is 25 years old, is married and also lives on the same terrace. Her husband is unemployed. She works for a shopkeeper in the vicinity and packs camphor and earns Rs. 120 to Rs. 160 daily. The shop owner provides the camphor and it has to be packed in small packets with ten pieces in each pack. For every hundred pieces, she gets Rs. 40.

They are a large joint family with a single kitchen shared by all the family members. Except for one unemployed adult, the rest are busy working in the neighborhood. They all live under "one roof" but cannot cover more space since the owner opposes this even if this is temporary. Due to the pressure for space, Parvathi put up a small temporary shelter with tarpaulin/plastic sheets next to the thatched house. This formed a protected workspace for her daughter to do the "packing" of camphor. The shop owner had told her to remove the tarpaulin the moment she started to construct it but it still exists.

There have been some changes recently. The shop owner's children are managing the shop and are pressurizing them to vacate. Land values are now high in this area and they want to construct and renovate the shop. They told Parvathi and her family that after construction they could still remain on the terrace. However, she does not trust them and feels that once they vacate it will be impossible to re-occupy the place – as they do not have good faith in the present generation of shop owners. There is also no written record of their residence there. Parvathi mentions that it is commonly understood that if the shop owner gives them money/compensation of about Rs. 30,000 to Rs. 40,000, then there is a chance that they might vacate, other wise there is no chance of them vacating. Jayaram (her husband) died 3 years ago. He worked as a loader in the nearby shop and was also a member of the shop loader/un-loaders union. After his death, her children did not approach the union for the death benefits (which the union is obliged to give to the close relative i.e. wife/children of the victim). Her sons told her not to ask for this, since it is like: 'Pichakar madari allarukitha kattu vangi tharuvango' ('.. like a beggar they collect money from their members, and then give it to us). Thus, there is no real support from the union except to fix a yearly wage amount. They are not able to provide any other facility like insurance or medical claims. Parvathi complained that none of her children are taking care of her. At this age, when she is not able to work as she could, she says that both the eyes need to be operated upon for which the expenses are around Rs. 2,000 but no one is ready to bear the expenses. She repeatedly said:

*".. My mother in law brought me here after marriage and left us to suffer.
Now after his death, my husband has left me alone to suffer.."*

After her husband's death, she feels that her life became miserable since for every thing she has to depend on her sons, which she finds very difficult.

This highlights the importance of location in the central city areas. The advantages of central city locations are offset by the fragile tenure settings especially when these areas undergo renewal. In part, this is spurred by inter-generational changes. Relationships between the poor and rich in one generation need not be continued by the next. Like other places and real estate markets, it is the underlying conventions of tenure that dominate, such as the payment of money to vacate the terrace. This is related closely to the market price of land modulated by the bargaining power of the extended family and the way these can spur local alliances. This case also shows the complex reciprocal relationships urban families have with the rural family structures. Each of these are inter-linked in a common economic / survival strategy. The link to children is complicated and changes over time. Young children help bring in money. However, once they have lives of their own and especially in the case of "bad marriages" they may actually be a burden and support is less forthcoming. The other issue that emerges is the sense of dignity – reflected in them in not approaching the union for support as it is culturally seen to be degrading.

The story of the "adjacent" family

Probing Parvathi's living conditions revealed a complicated situation. They live on this terrace and have the indirect support of another family also living on the same terrace. Since this family has criminal links this acts as a deterrent against eviction by the shopkeepers. If this support was not available, they might have been evicted. There is a strong element of territorial control, and no newcomer will come to that location. In the first meeting Parvathi gave the impression that only her family lived on the terrace. Later we learnt about the other family living on the same

terrace. A woman whose husband was murdered few years ago heads this family. Financially sound, she owns a sugarcane juice shop, three bullock carts, and a house in a central city squatter area. Her husband was a known "rowdy"⁴. Because of their connections with other rowdies they do not allow others (except for this family) to stay on this relatively large terrace.

We got this information from a woman whose future son-in-law works as a bullock cart driver (coolie) with that family. He is from Tannery road. After both his parents expired his grand mother brought him to K.R.Market. Both of them lived with this family. After the death of his grandmother, he continued to work here as a coolie/cart driver. Once he was involved in an accident for which the owner (the rowdy) spent Rs.30,000 on the court case. This amount was deducted from his salary every month. The accident was not his fault. Normally during nighttime the bullock cart is tied near their squatter settlement. During the *guava* season the spoiled *guavas* were scattered around which the bullock ate and died. The rowdy used this as a pretext to include Rs. 15,000 (the cost of the bullock cart) in his debt account. At present he has to pay Rs. 30,000, which is a large amount for him. The owner had also put a condition that he would get no leave or work elsewhere until the debt amount is cleared. His marriage has been fixed with one of the families in the terrace settlements of Vandimode. However, both families face a financial problem and if he does manage to clear his debt, it is most likely that a new obligation will be put in to ensure further bondage.

This short case shows the complicated social relationship that forms both bondage and also support. Families and marriage form a close link with these and need to be seen with respect to their more subtle functions. Also, the notion of criminality has different meanings. At one level, it increases the security of tenure against eviction and at another forms the basis for bondage.

Annamma's story

Annamma's marriage was settled in Vandimode slum. She has six daughters and one son and they all live in a small hut on corporation land behind the line of shops. Her husband was a drunkard and died 9 years ago. In 1995-96 she was the only earning member of the family with some support from her eldest daughter who earned of Rs. 5 per day. Both mother and daughter worked in "marriage halls". Her job is not regular. She is a part of a "clean up" team of a contractor for marriage halls located all over Bangalore. The contractor comes to her slum and tells them how many workers he needs and where to go. This job is highly seasonal -- influenced by the marriage months and other ceremonies. In a year she works for six months and there is almost no work for the rest of the time. Her other income comes from her children. After some time another daughter has started to do the same work. In the last three years her family income increased -- and she mentions that:

'..six working hands has improved our living..'

This has also allowed her to save a small portion of the family income for the eldest daughter's marriage. However, while having many children is an asset, the difficult and trying time is till they reach the age of 6 years. After 6 the child is able to earn some minimum amount of about Rs. 10 a day by cleaning the shops. Normally the first thing in the morning a child does is to clean and wash the shop floor and put "*rangoli*" for which the shopkeeper will pay the child's

⁴ They are not necessarily listed or major criminals but hired by more professional ones to threaten and demonstrate clout, or establish territory. Political parties also hire them during election time to "capture" booths, in return for liquor, money. These groups also form a key support to moneylenders.

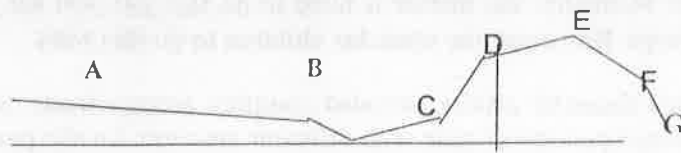
mother about Rs. 150. Normally, the mother is hired to do this job, and she takes on to do this task in three to four shops. However, she sends her children to do this work.

Discussing Annamma's financial affairs, revealed complex arrangements. She purchased gold for Rs. 15,000 at different periods of time with different amounts for the past 3 years. She also built the existing house that measures 8 feet by 8 feet. Initially this had a thatched roof, which she upgraded with a tin sheet roof and cement flooring, adding shelves. All this amounted to Rs. 12,750. For this, she took a loan at 10% to 15% interest a month from three different financiers. These moneylenders provide the capital after withholding the interest amount. She repaid the loan amount on a weekly basis of Rs. 500.

She also incurred Rs. 20,000 to Rs. 25,000 for the eldest daughter's marriage. The daughter was married to a man in a squatter colony called "Cement Huts Slum" in the adjacent ward of J.C.Nagar in central Bangalore. He works as a coolie in K.R.Market. The marriage ran into trouble. After a few months in her husband's place, she faced increasing problems with her mother-in-law. Her mother-in-law then took away all her belongings including the gold, which she had brought from her mother's place. After that her daughter came back to live with her. Valli notes that when she went for the first time, the daughter was living in her mother's house. However, the second time she went there both husband and wife were living on the street in a passage of the shop. Annamma feels that whatever money she spent for her daughter's marriage has been a total waste. Now she and her second daughter are earning while the other four children study in a school at *Mammulpet* (also a central city area). She says most of the time she cooks only rice, and the sambar is taken from hotel/from neighbors. A Muslim woman who sells food during night times, donates any remaining sambar to her. This helps her save a small portion of her income. The children, even if they are not given food at home, locate food and fruit discarded by the wholesale shopkeepers. This is especially true during the rainy season when water enters the low-lying shops and spoils stocks, which have to be thrown out.

She is one of the believers of god *Om shakti mariyama*. Once every month or three months they visit the temple by "investing" Rs. 300 to Rs. 400 each time. Now her second girl has attained the age of marriage, so she has to start saving once again. Since all the jewellery was given to the eldest daughter, at present there is no jewellery or money so they have to start from scratch.

This case shows the importance of children. More children bring in more income – and being located centrally helps them find employment. While the quality of food is bad and leads to sickness, there are few reports of absolute starvation. Valli, who has worked professionally in this area since 1995, has never come across anyone who has starved. Even the poorest could always find left over food, spoilt vegetables, and sell them at lower rates after washing and cutting the spoilt parts. All this is due to the close proximity to the vegetable and fruit markets. Even handicapped and old people will earn a minimum of Rs. 20 a day in such supportive economic environments and access some form of non-monetary support. The point here is the instability influenced by several factors. One is the marriage, but others are external to the family -- the complex labour market with which they get tied. Nevertheless, Annamma has been able to consolidate her physical structure – reflecting some form of longer-term stability in contrast to the previous cases. In the charts below we attempt to trace the major events as they unfolded in Annamma's life.



A: Less income and more consumption. She has only two earners in the family, drunkard husband died.

B: After his death the household has a single income earner and the lack of job opportunities.

C: Slowly managed to earn – while this is sufficient for the family for food but no savings.

D: Gradually increased the family income with two other daughters who also start earning. This allows them to purchase gold and other household articles - TV, tape recorder, cooking vessels.

E: Takes a loan to rebuilt house which is repaid on a weekly basis.

F: In between, she starts to save for her daughter's marriage. The daughter gets married but this leads to other problems.

G: Daughter, after a bad marriage; moves back empty handed and both mother and daughter live "on the street".

Murugan's story

Murugan came from Genguvarpatti in Tamil Nadu (an 8 hours journey) about 25 years ago. His brother was already working in a shop, so it was easy for him to get a job in the same shop. He first joined as a daily wage earner and did odd jobs such as cleaning, washing etc and earned Rs. 25 per day. Later, he worked as a coolie for a loading contractor. The contractors supply the workers recruited on a daily basis -- depending on the quantum of loading. After an initial introduction, Murugan was absorbed as a "token worker" (on a job to job basis) in a shop owned by a Muslim. A token means that there is a system to distribute the work so that everyone gets a chance. So far he has worked in 3 shops, after which he joined the union as it offers better working conditions. By this he has a permanent position as a loader in a particular shop. The contractors pay the workers a meager amount, which the union tries to address.

Murugan married a lady whose family was living on the terrace, and thus solved his housing problem. They now have 3 daughters. The eldest is 16 years old and was sent to their village since the city is not seen to be safe for a teenage girl. The second daughter has been going to school for the last 2 months.

On an average, Murugan gets 5 days work per week and earns about Rs. 200 to Rs. 300. On some days he does not get any work. In a month, average income would be Rs. 1200 and is used to manage all the expenses. Twice a year, he visits the village. He spent some money to get a Ration card, but could not manage to get one so far. He says that a person has to spend Rs. 200 to Rs. 500 to get a ration Card, but he cannot afford to spend this much to get it. His wife was earning Rs. 20 to Rs. 30 by selling vegetables. Income fell because of the construction of the new market and the elevated expressway. The footpath space was severely reduced and the police did not allow hawkers to sell outside the market. Since the last six months his wife is not earning. He mentioned that some women have shifted from hawking to working as housemaid, working in shops, and in textile weaving factories located in *Vatram* – a type of row house. For the last two months he has been feeling sick due to a heart problem. He used to drink heavily, stopped in between, and now continues. For 4 to 5 months he used to visit a private nursing home. Then the

owner of the shop referred him to his family doctor, who in turn referred him to the famous Jayadeva heart hospital. Due to his illness, he resigned from the "token work" as he is unable to carry heavy loads. He intends to settle in his village since his own parents are old and often fall sick. However, he does not have any savings and his father, also a drunkard, sold their agricultural land to meet marriage expenses. His wife's parents live in Rishivindhyam. He feels that if he gets well, he can pull carts again, otherwise he will go to his wife's parents' village and start a petty shop with a small investment.

This case, like the others shows the impact of illness compounded by a series of problems. First is the difficulty in accessing the PDS system. Second, is the regressive impact of the elevated expressway that disrupts the local economy. There is also a strong connection with the rural economy and its own support system there. This explains why poor groups spend considerable amounts to visit villages for festivals.

To get a more holistic sense of local level society within which the poorest groups operate, we interviewed two more people. The first is Kannamma, who acts as an agent for hawkers to secure productive location and advocate on their behalf. The second is a financier mainly dealing with the poor.

Kannamma's story

Kannamma is what NGOs would call a rowdy in the KR Market, well dressed, neat, clean, with a big "bindhi" on her forehead, and a handful of bangles – very different from other hawkers. Her language is rude, tough and she is particularly suspicious of NGOs. She claims that since the 1980's she is leading the team of hawkers under her control. Even today, despite the loss of hawking space with the construction of the elevated expressway, she has more than 100 hawkers who depend on her to deal with BCC and the police. Many of these hawkers are women including many new entrants and a person like Kannamma helps to locate them and minimize local conflicts. Her attire and toughness is critically important in dealing with the police, the lower level bureaucracy and richer traders whom the hawkers need to interact with (some time on a daily basis) to protect their locations along the road front.

Kannamma's parents were born and brought up in K.R. Market. Although she was also brought up in the market area, she was not involved in hawking but married and lived in the same place. She gave birth to 10 children, of which only 7 are alive. Six of them are married and live in various squatter settlements in their own houses allocated via a government scheme and also in rented premises within a slum. Five of her children are also hawkers. She was living with one of her daughters till recently. Then she fought with her son-in-law and at present she lives on the street. Kannamma's husband was not supporting the family and most of the time the children used to get very little food. In the initial stages her own sisters treated her very badly and as she was financially dependent on others for day-to-day expenses. She used to take loans from her sisters, and if she did not return the loan on time they would quarrel. In this situation she started to support the family with her earnings. Initially she worked in shops as "a cleaner" and gradually put money together to start hawking. However, whenever any of the hawkers had a problem with the police and Bangalore City Corporation, her husband used to support her and settle the problem amicably. Gradually he became the leader for about 100 hawkers. Kannamma claims that for the last 40 years she has been hawking in K.R. Market and knows the market dynamics. Both husband and wife lived on the street due to the proximity of their jobs even though they had a house in a slum. Also, for most of the time her husband was of no use (no earning or taking care of the family), and from her earnings she had to take care of the family

and got the children married. This financial independence also gives her a sense of pride. She proudly recollects that at times she used to watch three movies daily without any objection from her husband. Her husband used to prepare the food, spread the bed, there was lot of understanding between them – even though he was a drunkard and not supporting the family.

Her husband suffered from cancer for which she spent Rs. 15,000 for treatment. This was of no use and he died four years ago. On mentioning her husband's death, she broke down saying:

".. I lost every thing with him .. I do not have respect from children or other relatives ...people do not see me as a human being..".

Her leadership with the hawkers (like most public roles) is not without controversy. She tells: "*..Nann thonuthee ombodu galichittan anne oru percent pambu kalle suthikiche*" ("*..99 per cent I was success in life only 1 per cent snake got hold of my leg -- and now I have become like a beggar..*"). She explained that during 1996-97 her son purchased a two-wheeler vehicle. This created a strong suspicion among the hawkers who suspected that Kannamma had appropriated some of the bribe money for the police and the BCC. This created a lot of problems, and an NGO too interfered in the issue. With the support of NGOs the hawkers filed a complaint and she was arrested and kept in the central jail for one day and then released on bail. She feels that this one incident has tainted all her achievements and brought her down. All her earnings were spent for her children's marriage and other expenses and for their overall improvement.

This case reflects on the life circumstances of the agent / advocates who emerge from the community. People like Kannamma play a key role in helping poorer groups to stake claims on what is otherwise a highly contested territory. Also, she arranges for all the bribes and "administrative" clearances via the "porous bureaucracy" requiring strategies in the realm of "politics by stealth". This is necessarily muddy, complicated and messy – given the powerful interests competing on such central city locations. Hers is a story of struggle not too different from other poorer groups. While not the poorest, Kannamma being involved like others in complicated financial chits and other arrangements could suddenly find herself in a crisis situation of chronic poverty – impacted by projects such as the elevated expressway. This would have impact on not only her but also the range of hawkers who seek her support to manage the police and other officials – apart from dealing with larger traders who see the hawkers as strong competition eroding their profit margins. Like other cases too, we see a very high mortality rate. This case suggests that the systemic aspects of chronic poverty and the main agents in this need attention..

An un-named "financier" of street families

The financier, whom we are calling Raju is from *Thrutheni* in Tamil Nadu. Raju runs "chits" (Box 1 in the text above has given a brief description of this financial system). These specifically cater to the poorer groups in the city market area. His mother migrated to Bangalore about 40 years ago. In their village, his parents sold all their property to marry off his two sisters leaving nothing for him. This situation prompted him to move to Bangalore along with his mother. In the initial stages his mother lived in *Akkipet* and worked in bungalows of rich people as a servant. This got them food and accommodation from her employers. During her spare time she also works as ayah carry Tiffin (mid-day snacks) to schoolchildren and this income allowed her to buy clothes and expenses for festival. He also uses some of the extra money for drinks to

drown his sorrows. She allowed him this liberty, as he was her only son – but he feels he misused this.

Raju's mother (who did matchmaking as a side business) arranged for his marriage. As he was a drunkard he frequently goes to the girl's house or sleeps on the road. This situation drove his mother-in-law to commit suicide. She felt that she had spoiled her daughter's life, agreeing to the marriage on recommendations from relatives who said that after marriage he would improve. After his marriage he did try to get out of the drinking habit but the problem was that all his friends are drunkards and often compete with each other. Some of his friends work in a beer/brandy loading shop and got them drinks free of cost. This was one of the main reasons why he became a drunkard. All their family jewels including the "*Mangalaya Sutra*" (a necklace given to a bride) was pawned to pay for his drinks. His wife started rolling agarbathi and with the money that she earned, paid for his treatment, which saved his life. He was admitted in Nimhans hospital for treatment, but his wife never came to see him. This event changed his life completely. They had five children of which two died and now they have three girls.

It is not clear how Raju started his business but he described how he gradually consolidated this and increased the chit amount via a complex re-investment of funds on an increasing scale. In the beginning he started saving. Out of the Rs. 100 he earned, Rs. 50 was spent on food, and Rs. 50 invested in a chit of Rs. 1,000 where the weekly contribution was Rs. 100. Thus there would be 10 rounds for this chit but in many cases, there could be several bids held in quick succession ending the chit earlier than 10 weeks. He gradually increased these investments to Rs. 200 weekly in a chit for Rs. 2,000. Rs. 2,000 was invested in slightly bigger chits of Rs. 5,000 requiring a weekly input of Rs. 500. This allowed him to invest in real estate in a small way and he invested Rs. 20,000 in a "revenue site" in *Sunkadakatte* – a neighborhood in Bangalore's western periphery area. When Raju found employment in a Lorry office his income increased and he could invest in larger chits of Rs. 15,000. With these surpluses he bought another site there for Rs. 15,000. During this period, he lived in a rented house and slowly moved to *Agrahara* a place closer to the City Market. This was on a 3 years lease called "bhogee" requiring an investment of Rs. 20,000 – an amount he put together by getting his previous advance released, and from savings, and returns from chit funds. Following this, he invested in Rs. 20,000 chit that required a monthly investment of Rs. 1,000. After "lifting" this chit he moved to another house on a bhogee (three year lease) for Rs. 45,000 – requiring him to further consolidate his previous lease and the chit amount. Raju then sold one of the sites that he bought for Rs. 15,000 for Rs. 45,000. Out of this surplus he invested Rs. 20,000 in his finance business. He started giving loans ranging from Rs. 500 to Rs. 1,000 at an interest rate of Rs. 6 for Rs. 100. In some cases, he too would borrow from other financiers at the interest rate of Rs. 3 for Rs. 100. With this business consolidating, he left his job in the lorry office. During his employment there, he had also taken a loan of Rs. 20,000 from his employers. His employers are also involved in larger chit funds of Rs. 50,000 requiring a monthly investment of Rs. 2,000. He repaid his loan of Rs. 20,000 on a monthly basis of Rs. 1,600, which included the principle amount (of Rs. 1,000) and an interest of Rs. 600.

Thus, for Raju, similar to many other small-scale financiers, entry into this business has been gradual and part of a larger financial scheme including real estate. All loans are given on the basis of personal connections, introductions, and oral sureties. At present his annual financial turnover is between Rs. 60,000 to Rs. 70,000.

One is struck by the similarity between the life trajectory of Raju and many of his clients. Although he is relatively prosperous and financially stable, his personal life has been tragic

even from the sketchy details that he provided. An issue, consistent with many other cases, is the high infant mortality. Interestingly, this is not significant in the official records, which portray an average rate. The other interesting issue is the sophisticated use of finance and the chit funds to generate surpluses, which are then invested in real estate. As we shall discuss later, real estate is critically important for even the poorest and stability in those markets can lift them or put them in a situation of chronic poverty. The third is the entry into money lending which is an activity that he slips into – rather than coming out of pre-mediated strategy. Here, his connections in local society are fundamentally important – as they ensure his own financial stability.

One important insight from the above cases relates to the notion of the household. Our cases suggest a more flexible set of relationships that constitute a household. This helps poor groups to survive and may indeed be a key survival strategy. This is perhaps not so surprising as chronically poor groups have few material assets. The majority of the literature on survival strategies tends to treat changes in households as an output. Our cases suggest that we also need to view them as an input in a closer and more rooted understanding of power relationships at the intra-household level between individuals and at the larger societal level too. Our view of the term 'household' is more fluid and relates to the multiple relationships that individuals maintain and change, in response to a survival strategy. Thus, rather than a conventional view of a 'household', we include all the following types of arrangements in our use of the term:

Views of the Individual and Household.

- Young Couple with working children = ↑ ↑ ↑
- Young Couple ↑ ↑
- Older couple with working children = ↑
- Old couple ↓
- Old couple sick and without working children = ↓ ↓
- Single elderly without children and sick = ↓ ↓ ↓

- a) A single mother with two working children and one grandparent
- b) The same as above but one child leaves
- c) A young couple with two working children and one grandparent
- d) A women with a child from a previous relationship takes on a relationship with a man who has a wife and children in the village or another part of the city
- e) The same as (d) above but where the man is single
- f) The same as (d) but the man's wife also stay in the city.

Relationships are formed for both protection and partnership and the crossing of middle class norms is driven by instrumental demands for survival in a particular societal construct.

4. Street Children

The next set of case studies relates to street children in harsh but also diverse conditions. There are several categories of street children: Those that stay with families in squatter settlements and work on the streets. Others live and work on the streets along with youths. The narratives are complex and at times reveal the wretched conditions in which these children and youths grow up and survive.

Mahesh, 16 years and working in a "hotel"⁵

Mahesh comes from the village of Adhakupadi in the impoverished Dharmapuri district of Tamil Nadu. He has no parents. When he was 12 years, his mother died due to cancer and after

⁵ A "hotel" in the local use in English refers to a restaurant or a eating-house.

one year his father too died. When his parents were alive they sold milk and curd for a living. He has one elder brother and sister, and both of them are married. His family has two acres of land, which also has a well. His brother looks after the agriculture land, but due to low remuneration his parents worked as construction helpers for a longtime. While he knows that his brother came to Bangalore to work in a construction site, Mahesh does not know why he himself came here. He feels that his family migrated to Bangalore after a quarrel with his aunt over the land that they owned. He is not clear on this due to his very young age. His brother has returned to their village in Tamil Nadu to look after their family land and also works as a mason there. Mahesh's sister sells flowers in the city market in Bangalore and her husband goes from house to house collecting empty bottles. Occasionally he visits his brother in the village and sister here in Bangalore.

Initially, all of them lived together. Mahesh was studying in the 7th standard in school. Mahesh's brother is also trained as a mason and earns Rs. 130 per day. He has three boys. The first is 10 years and goes to school, the second 3 years old and the third is a month old baby. Mahesh's sister has two sons studying in 8th and 2nd grade and one daughter who is 2 months old. When his parents died, his brother's wife stopped him from going to school, and made him work at home for her. He thought about escaping from home to work in a "hotel". When he came in contact with another boy working in a hotel, he left home to join him. Mahesh stayed at the hotel where he worked. When he was sick, the hotel owner used to send him to the doctor. The work was very hard and he had to work without rest and the owner was arrogant and harassed him whenever he made mistakes. During festivals, the owners provided them clothes – he got this twice. Mahesh was earning Rs. 200 per week and gave all of this to his brother and did not save anything.

After working for four years at the hotel, he was out of job as the hotel closed down due to losses incurred. Mahesh was forced to return to his brother's place and again his sister-in-law started troubling him. Sometimes he took to the streets to avoid this but that too was difficult and he often fell sick. He never visited doctors and usually bought medicines from chemist shops. During this time, he came in contact with workers from an organization called Karnataka State Council for Child Welfare (KSCCW). Mahesh told them that he was having lot of problem with his sister-in-law and explained his story and was advised to go to a YMCA run centre. They said that he could learn any skill, which he likes. A year ago, he went to the YMCA and joined carpentry skill training. This training lasted for six months and now works as a carpenter earning Rs.50 per day.

Mahesh suffers from a eye problem from birth, which affects his ability to get the finer finishes that his work demands and as a result makes lots of mistakes. The YMCA gave him treatment twice but it was of no use. A doctor suggested surgery for which he is taking vitamin tablets for six months before the date of surgery. He hopes to get back into carpentry after the operation. He presently works as a "cooking helper" in the YMCA shelter.

Mahesh's case shows the breakdown of support structures within the immediate family first with their displacement from land and then his parents' death leaving him to fend for himself. However, unlike the families in the central city location providing a somewhat supportive system, he is relatively alone in stabilizing his situation. Here the support of the YMCA's centre is critically important. For young children suddenly thrust onto the street without the extended family support system, poverty can be harsh, life threatening and perhaps chronic.

Thimmarayappa, 15 years and working in a garage

Thimmarayappa is from Devanahalli in the northeast periphery of Bangalore and now lives in *Ambedkar Nagar* a squatter settlement in Yeshwanthpur a North Bangalore locality. When Thimmarayappa's family was in Devanahalli, his father and mother used to work on a small piece of land. This was dry land and his father did not get much income. This drove them to Bangalore to look for a job. His father now works in loading/unloading cement in a railway yard and earns Rs.100 per day.

Thimmarayappa is the eldest child in the family and has a younger brother studying in 7th grade of school. Thimmarayappa was studying in the fifth grade when his mother fell sick with asthma. His mother stopped him from attending school, as there was no one to look after her. Two years ago she died due to illness. After her death Thimmarayappa started to work in a two-wheeler mechanic garage where his father knew the one of the senior employees Bhaskar. He was taken on at a salary of Rs.500 per month. The work is hard and for ten hours a day. During work the owner at times used to beat him and use vulgar de-humanizing words. While working he has to use acid to clean the metal parts, and this affects his skin. Thimmarayappa lives in a 10'x10' hut within a squatter settlement with his old grandmother. Here, there are no facilities and the residents depend on bore-well water. For toilets, they use the vacant land, the roadside, or the railway tracks. When he is sick, he goes to government hospital but to get treatment he has to pay them a bribe.

At the YMCA centre, Thimmarayappa is being trained to be a carpenter. With this, he is able to save about Rs. 500 per month, which he gives to his grandmother. She looks after him and takes care of his food and clothing. Thimmarayappa's grandmother had taken some loans when his mother was sick, and has to repay these. Thus, whatever Thimmarayappa earns is not enough for their monthly maintenance. His father is an alcoholic and most of his savings are spent on alcohol. This has become more complicated since his father and his brother have also moved into the small place along with him and his grand mother. He found it useful to be at the YMCA since his father used to harass him for money.

Thimmarayappa's case too reveals the series of events starting from their move to Bangalore as a consequence of a failing agricultural economy, and his mother's illness and death. While he gets a job and is on the way to greater economic stability, problems at home with his father and brother again pull him down. Like the other cases, family related problems in a situation of poverty get accentuated. Here again, the YMCA centre is used as a shelter – to move away from these trying circumstances.

Kumara, 12 years and begging

Kumara and his family migrated from a small village called Dasarahalli in Tumkur District about 10 years ago. He lives with his mother on the street in a busy area called Yeshwanthpur near the railway station and used to unload fruits and vegetables. His father was a cobbler (assisted by his mother) and also a manual laborer. He died while digging a pit in a drunken state. This was very long ago and Kumara has only a faint recollection of the event. He started begging when he was about 3 to 4 years and begs around Yeshwanthpur railway station and bus stations. His mother told him and his brother to beg since, after his father died, there was nobody to look after the family. He earns between Rs. 50 to Rs. 60 per day and except for Rs. 20 gives all his earnings to his mother. The remaining money is spent on drugs like whitener, which costs Rs. 17 and some for a form of tobacco. He lives with his mother who feeds him. He also begs food from houses and left over food from "hotels". They also give him old clothes.

Kumara and his family procure water from bore well and public tap, and also from railway station. Once in a week, or once in ten days he takes a bath because it is very difficult to get water. There are no public toilets in the Yeshwanthpur railway station so they use the railway tracks. They sleep on the streets and during rainy seasons they sleep under railway bridges. Some times the railway authorities chase them out from under the bridge and they have to stay in the rain. They use both private clinics and government hospitals. Kumara's main problem is that people usually beat him so as not to beg. There is also a rowdy who beats him and takes his money. Sometimes the police take him to the police station, beat him, and then send him out. He does not have any saving as such.

Chandra, 10 years and rag picking

Chandra does not know where his family came from, but thinks that they are from Tamil Nadu. He was born on the street because his parents were rag pickers living on the street. His father died when he was very small, and his mother went away with another person! He does not know where she lives. He has two elder brothers and an elder sister. His sister got married to a rag picker and both of them live on the street. Two of his elder brothers were in YMCA shelters for some time. They were trained as steel welders. The YMCA gave them jobs but his eldest brother Velu could not keep the job and came back to the street. His brother Venkatesh continues to work as a welder. Since his childhood he is living on the street. Now he sleeps on the street or in the railway station. Sometimes when he sleeps on the railway station, the railway police beat him and do not allow children like him to sleep there. For toilet he uses the railway track and also the graveyard. He drinks water from a bore-well and also from the railway station tap.

Chandra started rag picking along with his parents, brother and sister when he was 3 or 4 years old. Now he goes alone and earns Rs. 30 to Rs. 40 per day. Most of this is spent on food, cinema and sometimes on smoking *beedi* (a rolled tobacco leaf). He has no saving and even the money he earns is not enough for his daily expenses. If he is sick for one day then he has no money to eat and has to beg for food from richer families. When sick he never visits the doctor because they give an "injection". So he buys tablets from a chemist shop and has them with tea. He has never visited any hospital. Chandra usually walks 5 to 10 km per day to collect the waste materials from garbage dumps. Sometimes rag-dealers exploit him in their measurement and calculate less money. It is difficult for him since he did not go to school. He neither has land nor house and they live on the street. He feels that nobody supports them though the YMCA helps them with skills and non-formal education and drug awareness camps.

At one level, Chandra's case reveals one extreme of street survival. His household connections are very fragile. What supports children like him? While the YMCA is important, the wider street-scope needs to be understood. Railway stations play an important supportive role. They provide a relatively uncontested space under a different policing territory (making the smaller stations more attractive since the railway police tend to congregate at the larger ones). They provide a supply of water for drinking and bathing. Even then, the police (including the railway police) are seen as a major threat – perhaps more than the street goons. Street, children and youth face a vacuum about their own identity. Other compatriots take on a complex role of support and also exploitation - extracting money, sex and violence. Later, with more experience, he mentioned that the situation was more complex where the lack of "family" structures shaped complex relationships between older and younger children where one side of exploitation was also reciprocal relationships.

In our field investigations we noted two contrasting approaches providing support for street children. One is the YMCA street out reach program. A simple and sparsely furnished room

with a small kitchen, a clean toilet. This is rented in a location dominated by street children and serves as a sort of extension of the street but more secure. Children and youth are free to come in and out – seeking the advantages of both the street and the shelter. The two people who run the shelter are accommodative – responding to the daily crises but also attempting to build in longer-term stability. In many senses they seemed to have grasped the day-to-day reality of the street as a legitimate location and shaped their role in a responsive way.

This was in contrast to a well-funded NGO, housed in an artistically designed large building built with appropriate technology. Inside this multi-storied structures are well- equipped training halls and living quarters. Its location away from the street forms a metaphor for the approach, which underlies its action. The director sees the streets as a “war zone” and his organization’s missionary like duty is to get the children out and to “protect” them from the street. He discusses vividly the children who escape, are subsequently rounded up or “rescued” and brought back. The contrast in approach to that of the YMCA is striking and the latter is like a jail set within artistic walls. It is true that the centre caters mainly to girls who would be very vulnerable to street violence. Perhaps for them, such an approach may be relevant. However, a key issue is the autonomy provided or claimed by girls or female teenagers. Also questionable is the promotion of housing based solutions both by donor driven NGOs and the government, which disconnects the poor, and the poorest from the central locations that are critical to their survival.

The politics of development aid, of public programs and of policymaking need attention as does the relative effectiveness of development aid that centers around visible and glossy centers, versus something more modest, perhaps slum like, but much more effective. There is disconnection between policy and what actually goes on “in the street”. This disconnection includes donor agencies funding glossy development projects implemented by high end NGOs as also government that provides tax exemptions, subsidized infrastructure and land to super specialty hospitals – while the bulk of the poor especially children cannot access the most basic health care.

5. K.R. Puram Railway Station: Construction Workers

The next set of cases focus on families involved as construction workers located in Bangalore’s eastern periphery at the site of a larger infrastructure project near the K.R. Puram Railway station, and those at the construction site of an elevated expressway.

Shamir, about 25 years and from Devedurga Taluk in Raichur District, North Karnataka
Shamir migrated to Bangalore in search of a job. His immediate family does not have any property in the village – such as a house or land in the village. His elder brother who lives in Devedurga, is married, has a 5 year old boy and works as a “water-man” in the village panchayat earning Rs. 1,000 per month. This is a temporary job. Shamir migrated since his village is characterized by dry land farming and only a few landlords have regular water sources like bore wells. Almost all the rest are engaged as agricultural ‘coolies’ or workers and earn Rs. 30 for a male and Rs. 15 for a female per day. In a month, there are only 10 to 15 workdays – depending on seasonal fluctuations. If there is no rain then there is no work. Some months ago public work on a canal was started by the panchayat.. This provided employment to a few workers who got Rs. 50 per day for 9 hours work. However, such work is not permanent and this instability is one of the major reasons for moving to big cities.

Shamir came to Bangalore on two occasions and worked in different construction sites. When he first came, he worked on the construction of Diamond District. This is a huge high-end commercial retail office and residential complex. He also worked on the K.R. Market – a large urban renewal project where a massive multi-storied building was built after the demolition of a traditional market place. Shamir was hired through the labour contractor and paid Rs. 70 per day and resided near the construction site. After his work on the construction of the market he went back to his village. He came to Bangalore again two months ago. One of his relatives who lived in the neighboring village introduced him to the labour contractor of the flyover (elevated roadway) construction site near K.R. Puram railway station. In this project he is paid Rs. 100 per day. Presently he is living with his relative and pays him Rs. 100 per week for food related expenses. He is able to send back Rs. 1,000 on a monthly basis to his family. Whatever remains he saves for his marriage.

Nagappa Bunkal Doddy from a “Scheduled Tribe” community and just two days in Bangalore

Nagappa belongs to Valmiki community listed as a “Scheduled Tribe” (ST). He reached Bangalore just two days before we interviewed him and was in search of a job. The neighboring villagers told Nagappa that there was construction work going on in Chikkur, which is about 6 kms away from Hosket – a town on the periphery of Bangalore. To give a sense of the distance, he said that from the Bangalore city bus stand to Hosket requires a Rs. 11 fare and further from Hosket to Chikkur it costs another Rs. 2. Poverty forced him and his family to walk this distance.

He was a stonecutter in his village and his job was irregular. Employment depends on whether there is construction work – when people from cities come back to the village and construct houses. Otherwise he was unemployed and starved. Most of the people in villages are migrating to the town. His life there was very tough. He took a loan of Rs. 15,000 but the interest was increasing and survival was difficult. Finally he decided to migrate in search of a job. He came to know from the neighboring village that there is a need for construction workers in Bangalore. With that information he and his family went to Chikkur but could find little work. Some one told him that there was construction work near the K.R. Puram railway station. The family walked from Chikkur to K.R. Puram railway station. The family brought along rotis (whole wheat roasted bread) with which he managed for five days. Nagappa says that he has supplies of rotis for another two days. On the way, the family got food from a new building inauguration ceremony and with that they managed “3 times meal” – meaning that they had three meals a day. The family took 3 days to walk to K.R. Puram. After reaching the construction site he met a few laborers who introduced them to a contractor who assured them a job. In a few days, both husband and wife will be working on the construction site.

Nagappa feels that they will have to stay in Bangalore until their loans are cleared. After that, and with some savings, they hope to return to their village. In case work here is irregular they feel they would move to another construction site. This is common among migrant families. In his village he used to earn about Rs. 120 per day, but at present he has no work there. If he could get continuous work in his village he would never come to the city in search of a job. Nagappa does not have agricultural land. He could ill afford his children's education and also, his family being located in the middle of forest area there are no school facilities. He has four children, two daughters aged 9 and 6, and two sons aged 4 years, and 6 months respectively. When asked to say what it meant to be poor, he commented:

...yesterday my family had two times meal (a meal twice a day) but today they have only one.

Govindaraj, 20 years, construction worker, a proxy voter, and saving up for back home

Govindaraj is from Raichur district – one of the poorest in Karnataka. He came to Bangalore about two years ago as part of a group of twenty youths. At first, they went to Bellandur in the southeastern periphery of Bangalore in search of job. However, by then, construction in the project where they were seeking work was finished. The group then walked about 15 km and came to Basavanagar near the airport. They asked shopkeepers about any construction work in the vicinity. The shopkeepers showed the kiln factory, and the factory owner a Reddy offered the group a job and provided shelter for the twenty members in their group. They worked for 10 days and each of them got between Rs. 300 to Rs. 400. With this amount they all went to Hosur, an industrial area just outside Bangalore in search of jobs. During their stay in *Basavanagar* the owner used them for proxy votes during the MLA elections.

Govindaraj went to Madugunthapaly near Hosur where he worked as a coolie. He had to load mud and worked for 6 months on a daily wage Rs. 70 and managed to save Rs. 5,000. With these savings he went back to the village. However, his mother was sick and all his savings was spent on her treatment. Govindaraj got married and took a loan of Rs. 30,000 for this. He says in his village the convention is that two marriages are conducted at the same time, and so, to save money, his kid brother was also married off to another young girl. Govindaraj again came back to Bangalore in search of a job and found one in the construction of a railway bridge. He got this job from his uncle who himself started out as a coolie about 25 to 30 years ago and is now a small labour contractor.

Elevated Expressway (Fly-Over) at Bennaganahalli in East Bangalore: Construction Workers.

Another set of cases of construction workers working on an elevated expressway (Fly-Over) at Bennaganahalli in East Bangalore is given below.

Apoordum, a woman at a construction site, and from Tamil Nadu

Apoordum is from Villupuram district in Tamil Nadu. Her two children study in 2nd and 3rd grade in Villupuram where they live in her father's place. Apoordum, her husband, and two brothers cultivated small pieces of dry land as landless coolies being paid Rs. 50 for male and Rs. 25 for females per day – much lower than urban wages. The low wages got them into financial problems forcing both husband and wife to migrate to Bangalore four months ago. At present both of them work at a construction site near a tin factory in East Bangalore. Her husband is a helper to a team of specialized workers in roof centering carpentry and earns Rs. 100 daily and she gets Rs. 50. However, during the rainy season, and Bangalore has two monsoons, the contractor stops work. This forces them to seek advances for any emergency, which is then deducted, from their daily wages. Apoordum says that even here they cannot save money. They spend Rs. 60 to Rs. 70 for food and other expenses on a daily basis. Normally, they work for 11 hours a day from 8 am to 7 pm. If they work after 7 pm they are paid an extra Rs. 15 per hour as overtime charges. Generally the construction workers working in larger construction sites work more than the prescribed hours in the labour laws – but then their employment here is more stable and regular. This does not happen in the small construction sites where although the pay is higher the work is much more unstable.

According to Apoordum there is no safety for them as they are living on the roadside with thatched huts without any security. This is very different from living on the streets in the central city market where there are other people. Here, there are wide-open spaces that are dangerous for women and girls who need to go to the bathroom in the night or return late. Apoordum mentions that their condition is like:

For her, poverty means the lack of money. She says:

'if you able to earn more money you are rich, if you do not you will be poor. Money is the main source of poverty...'

Gowramma, a woman at a construction site, and a 'bonded' labourer to a contractor

Gowramma belongs to *Vodaru* community (or stone cutters) and has five children: Four girls and one boy. Her children live with her parents in Guntur. She does not have land and her husband suffers from a health disorder – he suffers from bubbles all over his body. She was the main earning member of the family and was employed as farm labour. Her husband had an irregular job. She has to spend a lot of money for her husband's treatment. This was the main reason for migrating, as they could not afford the medical expenses of her husband. In this situation she says: 'she has fallen in the net of the contractor as a bonded labourer.' Gowramma has taken an advance from the contractor for her husband's treatment, and had also sold 30 grams of gold. It was through this contractor that she came to Bangalore 40 days back. She says that the contractor brings the workers to Bangalore by paying an advance of Rs. 10,000 for both husband and wife. It is very simple for the contractor to easily identify the workers in the village as he is from the same village and knows the condition/needs of the family. Whenever they feel a need or demand for money the contractor utilizes the opportunity to recruit them by paying the advance amount. In this situation both the husband and wife had to migrate to Bangalore and work as bonded labour for 10 months and 20 days.

The working conditions based on an oral agreement between the laborers and contractor (generally called *mastry* under whom the workers work for a prescribed period) are as follows:

- Prior advance of Rs. 10,000 is paid to the labourers
- Number of working days - 10 months and 20 days
- Daily wages for both husband and wife is Rs.50 (this fifty rupees is deducted for advance)
- Total 320 days work under contractor, $\text{Rs. } 320 \times 50 = \text{Rs. } 16,000$ (Rs. 50 is charged for food - according to the labour calculation)
- Number of holidays for the above period - 2 days (*Shivarathri* and *Ugadi*) even on Sundays they have to work.
- Working hours - the laborers work for 13 hours a day from 6 am to 7 pm.
- Food - Supplied three times a day at the work place, breakfast 9 am, lunch 1 pm and dinner 9 pm (broken rice with sambar) once in 15 days non-vegetarian food is provided
- Medical care taken by the *mastry*, which is again deducted from their weekly payment

Both husband and wife live in a small shed erected with plastic covers next to the national highway of Old Madras Road near the construction site of the large bridge. According to her they are living on the streets without any facility such as water, electricity toilets etc. They use streetlights. For toilet, they use the railway tracks. Gowramma says it is not safe for women to go there during night times as there are a lot of bushes and she is afraid of criminals. She now realizes that they could have stayed in their village with their children. This is because she feels

that they are working and living in bondage. They just count the days to be freed. Except food, for other things they have to spend from their own pocket. This is a major problem for them. Gowramma feels that they are again falling into debt.

She says that rural people are worst affected by poverty. There are no employment alternatives in the villages and one has to work in the agricultural field. If one does not have land one would try and own a petty shop. She wants to go back to her village – their birthplace. If they all lived in their village, they might all have moral support and the freedom of movement – rather than migrate to an alien place. Gowramma mentioned that the poor do not get the benefits of the government facilities. Even in the government hospitals they have to pay a bribe to get services. According to her:

‘...poor people like us lack resources and the information to access the government facilities.’

For Gowramma, poverty is:

‘I have no house living on street, no proper food, torn cloths, no money and migrated from village... this is poverty.’

Subaiah, about 65 years, experienced and part of a large family group

Subaiah is from Ennukunda village, Guntur Zilla in Andhra Pradesh. He came to Bangalore two months back with his entire family: his wife, four sons (two of whom are married), and three grand children. Around 10 members are living in three sheds. His family has migrated to different parts of India. Subaiah says that wherever there is work the family migrates as a group, which is more beneficial for them both financially and “morally”. They have gone to Gokak, Belgaum in north Karnataka, Goa, Sholapur in Maharashtra, and Mandanapally in Andhra Pradesh. In all these places the family is involved in stone cutting for the railway tracks. For one “tipper” (half of the lorry loads) of stone load they are paid Rs. 400 per day. Two persons can earn Rs. 400 for 200 sq ft of stone cutting – this is almost double of what unskilled construction workers earn.

Subaiah has been relatively successful and has two acres of agricultural land and has constructed an RCC (“pucca” or cement concrete) house in his village. For this he took money from the village moneylender at an interest of 2 per cent per month. The main reason for migration is that the family has only two acres of dry land. They can only till this land when the government releases water from the Sagar dam. Most of the time the water level is below the minimum level, and the government does not release water. This has resulted in little or no agricultural activity for the entire year – the family’s land being in the tail end of the development scheme. They are paid only Rs. 20 for females and Rs. 30 for males and even that is an irregular job. Subaiah says that during this period the people migrate to the nearby towns in search of jobs – during the non-agricultural season, and then return. For them, economic survival in the agricultural season too is difficult. Subaiah has also taken a large loan for the construction of house at 2 per cent interest. It is a big burden for the whole family to clear the debts within the prescribed period. This was the main reason for migrating frequently to different towns in search of jobs. However, this is not the first time. Five years back Subaiah constructed an RCC building measuring 47 sq ft for which he invested Rs. 1,50,000. He got financial support from the government of (late) Rama Rao (Chief Minister of Andhra Pradesh) of Rs. 10,000. The remaining money was taken at an interest rate of 2 per cent. He took 5 years to clear those loans. Apart from that he has taken a loan of Rs. 20,000 for the marriage of his sons for which the whole family is responsible for repayment.

Subaiah provided a break up of their expenses and also work.

Weekly expenses of one of the son's family of 3 persons:

- Food: Rs. 400 for three members
- Medical expenses: Rs. 1,000 annually (it may be more or less)
- Clothes: Rs. 1,500 annually
- No school expenses
- Village visits: Rs. 1,000 annually or in case of emergency
- Phone calls: Rs. 400 to Rs. 500 annually

Nature of work:

- He takes piece rate work on contract basis
- Digging the mud per day – 600 to 700 sq ft work done by 10 members
- Per sq ft - Rs. 1.25
- No restrictions --- according to the capacity they can work
- Not controlled by any contractor

He complains that the contractor does not pay them payment regularly. He withholds major amount of the money. At present he should get Rs. 3,000 from the contractor. Due to the above problem he shifted his work from one contractor to another one who pays on time.

The above cases reveal the serious problems with the rural economy and the pressures on individuals and families to migrate. It is not just the poor incomes but also the unstable economies that hit them hard. At the same time, most still maintain links with their extended families and village – even seeking to invest their surpluses. In the city though, a lot of time and energy is spent on searching for employment with entry being easiest in low-end construction work. The city has several types of markets for construction labour and migrants latch on to the lower end. The advantage with large mega projects is the stability of income for an extended period of employment. Smaller projects pay more due to the bargaining power with contractors but are of shorter duration – sometimes only a couple of months. We do know that migrants form many of the poorest. Do the types of migration patterns and the nature of the groups have impact on the situation of poverty? We distinguish between two types of groups: First, are single adult males living as a group close to work sites (normally construction of large mega infrastructure projects) versus entire families working as casual workers brought in by contractors but moving from site to site? The first have a definite game plan of accumulating surpluses to invest in their small town / village setting back "home" to the second, while "home" is more emotive, the low surplus accumulation means few real possibilities of "going back". In fact, there might also be nothing to go back to -- if family land has been sold, or connections to ensure sharecropping or landless work are diminished. For the second generation, in these families, the place back "home" may be even mythological, for they increasingly associate the urban setting as their own. One is also struck by the ability of individuals and families to walk long distances. Any other form of transport is just too expensive for them. The definition of poverty by some is important since they refer to a trend – as in the case of Nagappa. Some, like Govindaraj of the group of twenty, are used during election time. This is ironic when their "voice" seems so fragile and this raises question regarding the nature of democracy and which group it works for. One issue that emerges is that of the migration of groups to provide them with kinship support and additional bargaining power in dealing with contractors of large development projects, who have the need and ability to hire a large group and provide sustained work.

The other significant issue is the extent to which money is sent back to the villages⁶. This is not only to survive, but many see their options in the village rather than in urban society. Thus, upward mobility is a complicated issue and not one of only monetary position but a complex of cultural and societal issues. The breakdown of the rural economy is vividly conveyed but also their desperate attempt to connect back into this system. In many of the cases, the issue is not of low incomes but a systemic failure resulting in extreme instability which poor groups cannot cope with. This also has impact on non-farm employment and thus alternatives to land based rural occupations. In the urban context, while seeking stable employment in large construction projects located in the urban periphery, the lack of support systems as compared to central city areas is striking and rejects high insecurity, lack of wider social connections, and earning to go back some day to their rural homes. In the last case of Subaiah this family as a group is able to generate better surpluses than others. For many actual surplus generation after this urban shift may be little, since living in a city is expensive. The official support system for health care seems not only inadequate but wrongly prioritized: Bangalore has some of the best hospitals – but for the elite, with being pro-poor only in symbolic ways⁷. Perhaps this is not surprising when public policy has stressed high-end health care at the cost of basic support.

What is striking in all the cases is the low political clout of these groups. Our earlier work showed the critical importance of political voice via local politicians – even more important than advocacy attempts by NGOs, and the so-called “participatory” projects. Political voice was often important to subvert at times a regressive development agenda promoted by NGOs and “poverty projects” (Benjamin & Bhuvaneshwari 2001) and to consider political voice not only as an explicit protest but rather the importance of “politics by stealth”. In parallel, this also required groups to interface with the local government in a pro-active way and the use of the ‘porous bureaucracy’. However, the critical difference between those cases and the ones presented here is two fold. First, the poor groups were relatively more “urbanized” and grouped for the sake or solidarity – allowing a keen sense of urban politics to emerge. Second, their relative stability and consolidation in central city areas or within local economy rich “slum belts” backed political voice with a complicated form of economic clout set in place by reciprocal connections with other social groups including those more well endowed than them. It is these comparisons that may help to differentiate between households and individuals in different situations of poverty and when they seem to slip into a chronic situation.

6. Globalized South Bangalore: Master Planning and Urban Violence

Given below are some cases from a violence-hit neighborhood in South Bangalore. These neighborhood fall within the Master Planned areas of the city. In earlier work we had shown how many of the “slum” dominated neighborhoods of Azad Nagar in west Bangalore revealed the close connections and alliances between ethnic groups bound by economic and political links (Benjamin & Bhuvaneshwari 2001). Unlike those neighborhoods, this location is a landscape of fear and disfranchisement. The local history is also one of eviction, resettlement,

⁶ This was very evident in our previous work where we showed detailed data on the generation of surpluses for rural areas and also cross investments back into cities (Benjamin, S., and Bhuvaneshwari. R 2001)

⁷ A pediatrician heading Bangalore main children’s public hospital had a horrific tale to tell in the context of Bangalore and hi-tech culture. During her visit she found to her horror that many babies on respirators were in a life-threatening situation because the equipment did not have any voltage stabilizers and a “spike” in the electricity supply had burnt the equipment.

inter-ethnic conflict spurred by "religious -fundamentalist" parties, backed by a regressive local land market and supported by criminal type groups.

B.T.B. in Tilak Nagar in South Bangalore

BTB settlement is a complex place. There are abandoned walk up apartments set behind a small private subdivision of land where poor families live. There are also some houses for municipal workers. There are several ethnic groups – Bangalore Muslims, Tamilians, and Kannadigas. The families in the walk up apartments were part of a resettlement scheme where they were shifted from two central city slums Patalama and Lalbagh slum. They lived in those squatter settlements for more than 40 years engaged in different jobs. Today, there are more than 50,000 people living in the new area and in the last five years the number started increasing. Most of them are Muslim. BTB is generally known for communal clashes between Hindus and Muslims. The original BTB squatter settlement was situated next to the graveyard with a few huts within the graveyard. When the population increased this created a serious pressure on space – within families when adults got married they needed more space of their own. Within each house 3 to 5 families stayed and due to pressure for space, they started putting up temporary huts inside the burial ground.

In 1990-91 the government initiated resettlement for the second time (the first being the squatters evicted from the central city areas and moved to this location. In the second, they moved people out of the huts to build a housing project. For this, a survey was carried out to identify the beneficiaries for the free housing scheme under the Ashraya program. This was proposed to be built in the burial ground and the local population was assured that houses will be allotted to the BTB people who are identified under the survey. The government started the construction in 1992 and finished the work in 1995. After completion, the project built in the form of 4-storied walk up flats were vacant for four years without being allotted to the beneficiaries. The "beneficiaries" approached the bureaucrats to allot the building that was supposedly constructed for the homeless/houseless people of the area. They made several visits to the government and the elected representatives of that area. Finally, in desperation, families illegally occupied the houses without seeking any permission from the concerned department/government. For the past five years eighty families have been residing in the house, which was constructed for them. The buildings are not fully completed and water and drainage connections have not been provided.

After five years for the first time the corporation served notice 6 months ago to the families asking them to vacate the building. Then about ten days ago the second notice was issued to vacate the building. Only a few families (27 families) took it seriously and brought a stay order from the court. On a Friday, when the courts break for the weekend and to avoid any last minute stay orders, the corporation authorities, accompanied by the police, entered the houses of those who had not procured any stays and forcefully vacated the twenty-seven families living there. The better off families were not as affected as they had given their accommodations on rent and lived in the housing provided under the *Ashraya* scheme⁸.

⁸ The Ashraya scheme was initiated as a "housing" scheme for the poor – to re-house slum dwellers. Many families were displaced and as is in the case of BTB Nagar, few of the original allottees were actually listed. Moreover, many of these houses were left un-finished – again like the BTB Nagar. The scheme did however initiate a new tenure category – those families having some form of notice mentioning their names as potential allottees, which give them some claims within the system.

A few families who were able to pay the rent located other rental accommodations in Bangalore. However, the poorest of the group squat under the staircases of the dilapidated shells, and at times, in the verandahs. Some in desperation have broken the locks and seals placed by the corporation, or squat just outside the house in which they lived. They fear that if they move out, these houses will be allocated to others. An important issue is that the families are Tamilians. They feel that they face the brunt of the complex Kanadda – Tamil – Muslim politics. This place puts them in a particular ethnic fracture. The other claimants to this location are the Muslims who come together as a powerful and singular vote block for the ruling party in the state. There is also a strong Brahmin population in south Bangalore – catered to via the central party influence of the BJP. Thus, being Tamilians but outside the Tamil voter blocks of the City Market and Shivaji Nagar in central Bangalore gives them little voice. For instance, after the initial notice for eviction, followed by the actual eviction, they approached both the then Councilor, and the MLA of the State level legislature. However, nothing much came from these meetings. Also, the MLA here is very strong as compared to the councilor who follows his directive.

In mid 2002, this complex local turmoil led to ethnic riots and the entire area was cordoned off from the rest of the city. Local groups feel that a key underlying reason was to get the Tamilian families out of that location, and to move the poorest out. This would allow the MLA, to play the communal card, and serve a particular type of vote block, and for all political parties to reinforce their clout at the cost of more independent local representation.

Recently, the municipal corporation asked them to move out claiming that these houses are unsafe and could collapse in the event of an earthquake. They claim that they will rebuild them and then allocate these to the families. The families feel that this is just a ruse to get them out of the way and to sell them to higher income groups at a premium. The families here are very poor. They work as coolies, domestic servants, and painters. There is a larger issue particular to South Bangalore. This part of the city has several Master Planned neighborhoods, which house the elite and the well connected. These are organized into richer groups dominated associations and view the slums and hawkers as "encroachers" and a public nuisance. These associations, well connected to the bureaucratic elite were some of the firsts to join the campaign "*Swabhimana*" to "clean and green" Bangalore. The *Swabhimana* initiated by a senior bureaucrat aimed to bring back "citizenry" into shaping neighborhood development and management. This platform allowed the elite to target hawkers and to identify "unauthorized encroachments" in "public spaces". Being a Master Planned area also allows a much greater role for the planners and bureaucrats to influence the process. The strong "up-market" pressures have brought in powerful and well-connected real estate developers, who use the politicians and bureaucrats to move squatters out of prime real estate. This is further accentuated by the relative lack of political voice by the poorer groups. Rigid land use controls exclude any low-end type of economies and hawking thereby adding to the regressive impact of the 'clean and green' movement. Thus, there are few local economies, which could help bridge the ethnic divides.

Vijaya, about 45 years old and living in the passage with her family

They come from Pondicherri. Her husband is living with his second wife and they live in the same place. At an early age she lost her parents. She then lived in her elder sister's house. When

⁹ As I shall discuss later in this text, this situation is accentuated in recent times by the elite dominated *Janaagraha* movements. Corporators, as public representatives have little space in the *Swabhimana* and *Janaagraha* "movements".

they migrated to Bangalore she too moved along with them. The family lived in Shivaji Nagar a central city location dominated by Tamilians and she worked as a domestic servant in Shivaji Chatiram - (marriage hall).

Vijaya proudly says, that she gave birth to twelve children. Of these only three are alive. Her eldest daughter is now 23 years old and was married 9 years ago. She has two children, and works as a domestic servant earning Rs. 250 every month. Her daughter's husband had a bad fall at his workplace and has serious fractures so he cannot work and take care of the family. Vijaya says that if her daughter lives for 9 months at her husband's place, she spends another 12 months with her parents. This is the scenario for the past few years, as he is not taking care of the family. With her meager income she manages the family. Vijaya's son is 21 years old and works as a plumber helper and earns Rs. 50 to Rs. 60 daily. His job is irregular with normally only three days of work. During the Dasara festival there is no work (i.e., from October - November). This gap is common to all kinds of jobs and the owner is obliged to give a Dasara bonus (extra money or clothes) to the workers. For this reason, they avoid taking on new workers. The third is a daughter, 19 years old, who works as a domestic worker earning Rs. 150 on a monthly basis. At present she has severe chest and leg pain and cannot move around freely. Due to this she is unable to work and there is no income.

According to Vijaya, the government has asked them to vacate three times. The last notice was given 10 days before the demolition. There was no response from the people. On that day, the police (with women police) came to the spot and threw out their belongings. The corporation has set the value of the house at Rs. 65,000 - but at present no application forms are available for them. She sadly says, that the government has not provided any alternative accommodation and has just thrown them out of the houses:

"...Now we are on the street, sleep under the steps"

Vijaya's family lives in front of the sealed house hoping that she will get it back. The other problem is that of anti-social activities. She says that her daughters are sleeping in their neighbour's house, as it is not safe for them to sleep outside. There is no protection for them. Vijaya and her family live in the passage of two buildings facing each other. Other people constantly use this passage as a short cut. Thus, they do not have space to sit and eat/sleep. During rainy season, the water comes into the verandah and the family has a tough time. They exist at the will and favor of the neighbors who then accommodate them for a couple of days during the rains. Vijaya feels that poor people have less. They do not have support from the larger group. If they raise their voice, then there is danger for them. When asked what poverty implies, she was offended at such a "stupid" question and angrily exclaimed:

"... how do you think of asking this question to me after seeing my conditions? 'See my situation I am living in front of my house (outside), see my children, count the utensils, roofless, you will understand what is poverty..'"

Person we call "X". about 38 years

X says that the corporation had already announced their proposed eviction and placed a notice to this effect on the notice board stating that beneficiaries should submit a completed application form for the allotment (selling) of houses. Few can read and no application forms are available at the corporation office. All these were taken by the MLA and distributed to his party workers and well wishers. X also mentioned that these could also be bought by paying some money. According to him, the leaders of the area are deeply involved in the racket and most of them have already obtained their quotas. He gave a detailed explanation:

- "Y" 4 forms, as he is the Congress party worker,
- "D" 4 forms, as he is one of the social party workers of the area
- "S" 4 forms, he is a government employee under suspension and also the President of local SC/ST association
- "S1" 25 forms, as he is the government employee of Bangalore Dairy, and also the president of *Arasu colony* slum association.

The constituency's MLA is also the chairman of the Ashraya Scheme. So residents do not like to report any such matter. All these four people are connected with the MLA or to higher-level politicians. "X" feels that generally, people are too scared to talk about their real problem, and they are afraid of the local leaders/rowdies. The climate of fear and almost razor edge tension during our interviews was very clear and our group had to generally operate alone to avoid attracting too much attention. This was especially true the second time we visited the BTB area after the communal riots when people were edgy. The Tamilians also claimed that they were very scared of the Muslims attacking them. We tried to get the name of the person who filed the court stay order, but this took quite some time.

The above cases, although sketchy in their specific details due to the volatile situation, raise several fundamental issues. Income differences between the Tamilians, the Kanadigas, and the Muslims are likely to be marginal. Chronic poverty moves far beyond simplistic notions of income-based criteria and relates to the way larger pressures shape rifts and conflicts within local society. These sets of cases from BTB Nagar raise important issues about the nature of urban violence and the role of party based politics. Master Planning compounds processes of displacement. Bonds that may have tided over such ethnic fractures find little space.

These cases raise serious issues about the nature of Master Planning and its assumptions of a "participatory" resettlement process, which many NGOs take on as an advocacy agenda. This is either concretized as the development of new housing or working with a development authority to demarcate, in master plans, spaces for hawking or "mixed land use"¹⁰. Within the programmatic approach (adopted by both government and NGOs) the issue of chronic poverty would be considered to be that of "homelessness" *Would the provision of formal housing help irrespective of location within an urban political and economic system?* The priority of various categories of poor is locations in the city that are related to economic livelihood (Benjamin & Bhuvanewari 2001). Housing as a "product" was, as our case studies showed, an incremental process of building relating to a complex economic and social dynamic. Rather than the actual physical form, the critical issue is the way poor groups are able to establish claims to urban locations that provide them with multiple employment and survival mechanisms (Durand Lasserre A., Royston L. 2003). We reviewed a "housing" based "model poverty program" incorporating concepts like participation and strong NGO involvement. NGOs used a housing program to establish control over resident groups to pave the way for their own programmatic goals. This led to even demolition of the settlement as part of the process of building new houses that placed the poorest in the group in very fragile tenure situations – actions that raise questions about the political economy of NGO actions¹¹. The PUCL, in a report on communal violence in

¹⁰ This is currently being advocated in the new Master Plan for Delhi and has been in discussion by several NGOs. For an explicit argument promoting this approach see Verma G., (2002).

¹¹ This can be raised on various grounds. First, the assumption of the altruistic interest of the NGOs involved, rather than a closer understanding of the various types of political economies they fit within. Issues of entry, "community control", the politics of voice, and convergence within real estate forces within the larger institutional structure, and between them and various types of local and poor groups.

Bangalore raised the issue of how some NGOs were being set up by extremist right wing organizations and using education material to spread communal hatred. Interestingly, part of the funding for the education material came from India and Bangalore's most famous software company – raising another issue of the real impact of "corporate" social accountability. These draw attention to the NGO problematic of the form of political links and the control structures that they operate within. Several questions emerge:

- a) "Problems and solutions": Are low-quality and temporary shelter systems paradoxical situations where a group of poor are forced to locate in a shelter system that reduces access to livelihood opportunities, increases costs, reduces surpluses to invest in the future, with the serious risks from ethnic conflict. Has the zeal to provide housing to the families in BTB layout actually made them "homeless"?
- b) Do particular locations and settlement systems help younger families and groups locate in ways where they can learn applied skills and get jobs?
- c) Housing as a way of ethnic / poor cleansing: Can "better housing" end up being a way of moving groups away from livelihood rich urban locations and excluding claims to space? Does the conventional housing process reduce the claim process to "cleanse" productive locations of poorer groups?

In reflecting on these issues, it may hardly be a surprise that a better approach to addressing the problem of housing and urban chronic poverty would be to use processes that include the voice of the poorest groups themselves. Development Authorities, State level slum housing boards, and Commissioner headed municipal corporation possibly in partnership with particular types of NGOs do not provide voice to the poorest groups. This leads to "political homelessness" where poorer groups find it hard to establish claims? What are the institutional structures of such political homelessness? When exclusion is by race, are there cases of social homelessness too?

An important dimension of local conflicts and rifts relates to the form of claims on local economies and the politics established by different groups as shaped by land settings.

While local factors are important, it is the inter-twining of broader and local factors that shapes local conflict. In the South Bangalore cases, master planning re-shapes the political economy of urban land and by this, the local economy. This relates closely to five issues.

- a. The use of the land acquisition act and in Bangalore more recently, the even more powerful Karnataka Industrial Development Act (KIDBI)¹³.
- b. The institution of the Development Authority, which conceptualizes and structures Master Planning as an instrument is undemocratic. Despite the spirit of the 74th Constitutional Amendment, there is minority and in an operational sense, there is no local representation from groups or their directly elected representatives whose lands are notified for acquisition.

Another relates to a more programmatic issue of corruption during the program implementation, and a third related to the narrowing of tenure forms which results in the exclusion of those poor groups with the most fragile claims (Benjamin & Bhuvanewari 2001).

¹² This question was raised by Susan Speak.

¹³ The land acquisition act (of 1894) has been the basis for most large development projects and has been extensively critiqued specifically on the nature of "public purpose". The author with the Alternative Law Forum in Bangalore has been investigating its newer avatar the KIDBI. We have found the latter to be substantially more powerful, removing almost all grounds for appeal and leaving local groups with little legal recourse.

- c. The norms of land tenure, land use, and forms of physical development used to base Master Planning, place poor groups in a situation of "forced illegality" cutting off sources of employment and supportive economies (Benjamin forthcoming in Geoforum).
- d. Master Planning lays out tenure forms that exclude all but a very narrow section of the elite.
- e. Finally; Master Planning fits into and feeds an authoritarian politics, where real estate surpluses are distributed in return to adhere to "party discipline".

Within this context, there are a range of issues that relate to the form of advocacy and the ability to establish rights and claims. One of these relates to the work of NGOs to address the issue through better housing. While one set of NGOs resist evictions, these might also include groups who view the resettlement of poor groups to be reasonable. Their view is that this can be facilitated and "organized" towards the end product of better housing. As the claims of poor groups seem more fragile in hotly contested urban space, the latter position gains increasing legitimacy (as seen in the resettlements in Mumbai and now in other parts of India). If we understand urban chronic poverty in the context of fractured claims, then Bangalore raises a whole range of issues that provide further insights into chronic poverty in this city. Do this city's global connections and settings shape the claims of poor groups and fractures within these? In the context of political economy and including the "voice" of the poor, it is useful to consider Bangalore that is currently the location of "good governance" practices via "civic society". If one goes by the international seminars and the glossies of the development world, Bangalore, as a setting of civic upsurge, should be a model city. It forms one of the prime examples of corporate led and sponsored "Public—Private—Partnerships (PPP)" via the Bangalore Agenda Task Force (BATF).

The BATF plays a major role in urban planning and pursuing the development of a huge IT corridor with publicly funded high-end infrastructure. What are of interest are the larger civic society efforts, which these also link up to. One is the PROOF – a campaign to ensure transparency in the municipal budgets. However, the political economy of an effort like PROOF hardly allows it to raise substantive issues in an increasingly divided city, and specifically issues like the withdrawal of State controlled investments in basic infrastructure like public stand-posts as part of a conventional 'reform' program. Arrangements like the BATF and campaigns like PROOF can only make the claims of chronically poor groups more fragile.

7. Conclusion: Chronic Poverty in Bangalore's Global setting

The above discussion points to a particularly "urban" situation of contested territories and fractured claims that constitute chronic and other levels of poverty. Would this help us to distinguish between 'normal' and a chronic situation of poverty? The first set of cases pointed to the complex household structures responding to the fluctuations that people experienced. Even so, the relatively central city location opened up a range of opportunities. While some are able to improve their situations, there are others, like very elderly persons, who face a very bleak situation. Cases from construction sites in more distant parts of Bangalore showed the complex links to their rural situation and also pointed to the lack of supporting mechanisms that the more centrally located families could tap into. This was also reflected in the cases of street children. However, a clear distinguishing aspect between a poverty and a chronic poverty situation still

seemed grey. The last set of cases of chronic poverty can be seen from a perspective of fractured claims that get reflected in other indicators such as prolonged low incomes, low food intake, and sustained exposure to health risks, apart from the inability to deal with very sudden shocks.

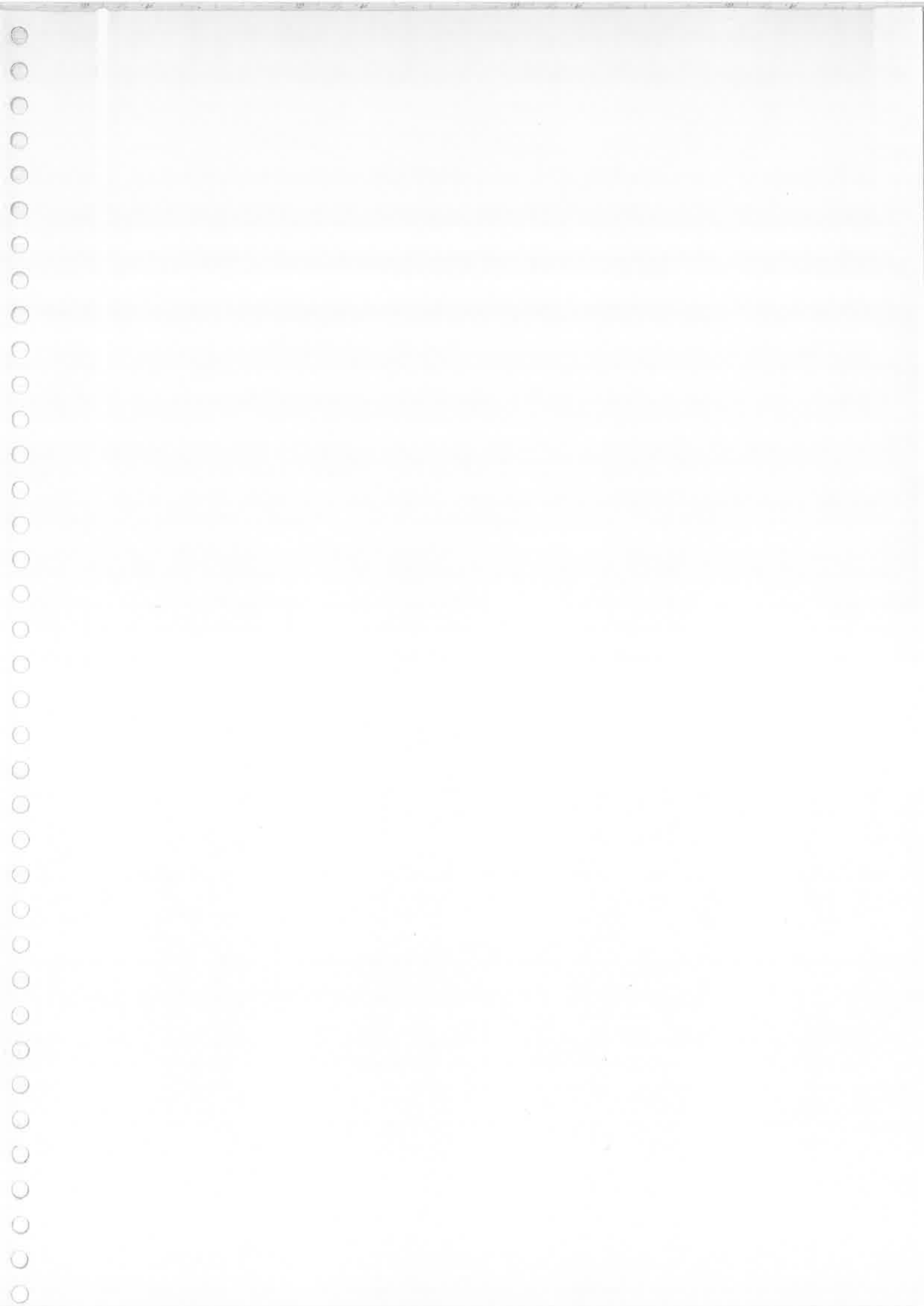
There are important implications for local voice in our discussions on chronic poverty. The connection between elected representatives and the chronically poor are fragile. Changes that dilute the elected and local democratic system, make poor groups with some connections lose their ability to influence the system. The "middle class" civic activism in South Bangalore discussed above would benefit from such conflict where the public process forces the poor to move out of their current location.

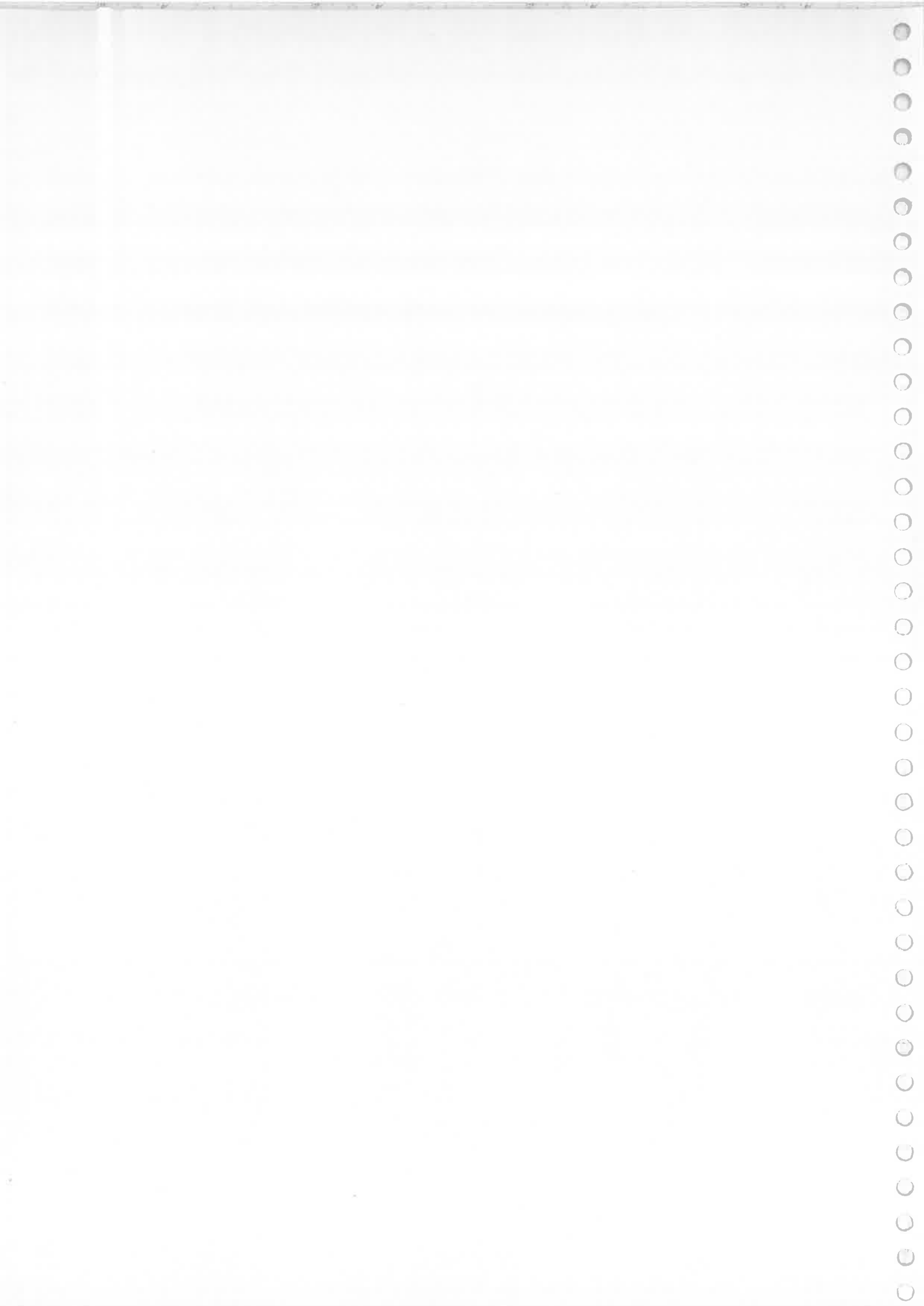
While the arena of local conflict is important to consider, poor groups in the contemporary city face a more complicated situation where global governance influences local civic pressures in the contest over urban space. Such events form a substantive critique of what "good" governance means and reinforce the importance of considering intra-city issues. Chronic poverty in this context relates not just to lack of services or income but additionally to the eviction of poor groups away from central city "slums". This moves them from multiple job opportunities and places them in a fragile setting where they fall victim to authoritarian party politics and regressive and speculative real estate. Such displacement opens up wider urban conflicts and often locks poor groups into a situation of chronic poverty and decreasing claims that can be life threatening at times. Resettlement and eviction are often seen as a necessary condition for cities to compete in a global arena and to be "modernized".

This paper has attempted to map urban chronic poverty on the basis of qualitative interviews. The main outcome emerging from the cases is that urban chronic poverty and lack of income are part of a wider range of factors and the enormity of the issues involved need to be recognised. India's increasing urbanization and the relatively high proportion of urban population living in slums in towns and metro cities makes this issue particularly important for cities getting connected in the global arena. In Delhi (13.5 million), Bombay (14.5 million) and Bangalore (6.5 million), between one-third and half of the population is "poverty prone". The sheer mass of poor people, living in large neighborhood districts raise important issues of political control, urban violence, an economy that is locally responsive and the complexity of land claims. Bangalore's global connections affect the ability of poor groups to consolidate their economic and political situation, not only the operation of State Government programs, but also in the way claims are established. These relate closely to the issue of economics among other divides at the intra-city level and reflect a range of paradoxical development issues moving beyond the conventional development programs. The ability of the poor to stake a claim in the city's economic and political systems is linked closely to cyclical migration by poor groups and their strategies to get out of rural poverty. This may suggest that the thin line between urban and rural areas need to be seen in an integrative way and not be bound by statistical data generated from an accounting point of view, and centered around a dirigisme of either a centralized planning framework or a homogenized market.

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CHRONIC POVERTY IN RURAL BIHAR Some Findings from a Revisit of 12 Villages

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I. INTRODUCTION

Measuring poverty is a challenging and complicated task because poverty itself is complex and multidimensional. Although conventional income and consumption based measures are essential for poverty monitoring, they seriously fail to capture critical aspects of well-being. Well-being, however, is more difficult to define as it encompasses a multitude of dimensions, both economic and non-economic. While the estimations of asset holding, income, and consumption is a direct quantitative measure of poverty, the level of human development captured through education and availability of health facilities and basic amenities is supposed to be an indicator of overall well-being. However, the reality of chronic poverty goes beyond material deprivation as well as it also transcends the boundaries of Human Development Indicators. In fact, it reflects a situation in which a small but important sub-set of the poor are consistently deprived of opportunities to improve their lot thereby leaving them in the vicious circle of multi-dimensional deprivations.

Based on data from two surveys, this paper attempts to analyze the status of chronic poverty in rural Bihar and changes in nature and intensity of poverty during the last two decades. The first survey was conducted during 1981-83 by a group of researchers from the A.N. Sinha Institute of Social Studies (ANSISS), Patna, and International Labour Organisation (ILO), Geneva, in a 12 stratified random villages from plains of then Bihar as a part of a larger study of labour markets and poverty in the state. The survey conducted in five rounds (excluding a village level and census survey) covered about 600 households for which detailed data on various aspects of poverty (including health, education, deprivation and participation, etc.), labour markets, production system, etc. were collected. The second survey undertaken by the Institute for Human Development (IHD), New Delhi, undertaken during 1999-2000 covered the same villages and followed the some methodology which was followed in the earlier survey.¹

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It should be noted that the data generated through the two surveys are not related to the same households but the sample from each village is large enough to make valid comparisons between the two surveys². In the new survey the same basic stratification of class and caste was also followed.³

As mentioned, on the basis of these two survey data this paper attempts to identify the groups of population who find it difficult to come out of the poverty rut. It also analyses some of the factors which perpetuate this poverty. Before undertaking this exercise, it will be appropriate to provide a very brief account of the development and poverty scenario in Bihar at macro level. It has been done in the next section II. Section III provides the broad changes occurring in rural Bihar as found from these surveys. The identification of the chronically poor groups based on survey data have been undertaken in Section IV. Section V provides an analysis of the factors behind the perpetuation of poverty and Section VI provides the concluding remarks.

II. DEVELOPMENT AND POVERTY IN BIHAR: TREND AT MACRO LEVEL

The present Bihar, which constitutes about 3 per cent of the geographical area of India and about 8 per cent of its population (8.29 crores as per 2001 census), is the third most populous state of the country and is frequently characterised as the "most backward state of India". After the recent division of the state carving out the southern plateau, it is left with only a large stretch of plains having no industry worth the name and no major town except the state capital of Patna. The new state is the least urbanised among the major states of India with an urban population, which constitutes only 10 per cent of its entire population. Having the lowest literacy rate and the highest percentage of people living below poverty line except that of Orissa, the state has the lowest per capita income among the major states.

The state ranks among the slowest growing regions of India and the growth rate of its Gross Domestic Product (GDP) during the nineties has been very low. On the other hand, population growth rate of Bihar, which was 23.4 per cent during 1980s, shot up to 28.4 per cent during 1990s while in case of India as a whole it had declined from 23.3 per cent during the 1980s to 24.3 per cent during the 1990s. Consequently, the population density of Bihar stands at a phenomenally high level of 880 as against 234 in case of

India. The overall impact of the demographic situation coupled with the slow growth has led to the economic retrogression of the state--the per capita income has not only stagnated during the 1990s but has shown a decline during some years. Bihar's per capita income, which was only 40 per cent of the Indian average in 1993-94, declined to 34 per cent during 1997-98. In respect of other social as well as economic indicators of development and well being also state's performance has been dismal.

Bihar always had one of the highest proportion of the poor compared to other states in India. In 1993-94, rural poverty in terms of Head Count Ratio (HCR) in Bihar was as high as 58 per cent. Though urbanisation itself was at a very low level in Bihar, the absolute number of poor in urban areas in 1999-2000⁴ was more than what it was in 1983. However, as far as reduction in poverty is concerned, the track record of Bihar seems to be somewhat better in comparison to the All India average. As for example, during the periods 1983 to 1987-88 and 1993-94 to 1999-2000 the decline in poverty in the state was more than 10 percentage points as against 5 and less than 10 percentage points respectively for the All India. The decline in rural poverty has been even more prominent particularly during the late 1990s as between 1993-94 and 1999-2000, there has been a decline of approximately 14 percentage point in Bihar as compared to approximately 10 percentage point in case of all India. However, although there has been substantial decline in poverty in the state, the relative level of poverty in Bihar compared to the rest of India still remains very high. In fact, the gap between rural poverty in Bihar and rural poverty in India widened. Bihar alone accounts for about one-fifth of the country's rural poor. The disquieting fact is that, in absolute terms, there were more poor people in Bihar in 1999-2000 than in 1987-88 (Table 1).

Table 1: Comparative Levels of Poverty in Bihar and India

Year	Persons Below Poverty Line (in lakhs)						Bihar's Share of Poor in India		
	Bihar*			India			Bihar's Share of Poor in India		
	Rural	Urban	All	Rural	Urban	All	Bihar's Share of Poor in India (%)		
1983	417.7 (64.37)	44.35 (47.33)	462.05 (62.22)	2519.57 (45.65)	709.4 (40.79)	3228.97 (44.48)	16.58	6.25	14.31
1987-88	370.23 (53.63)	50.7 (48.73)	420.93 (52.12)	2318.79 (39.09)	751.69 (38.20)	3070.49 (38.86)	15.97	6.74	13.71
1993-94	450.86 (58.21)	42.49 (34.50)	493.35 (54.96)	2440.31 (37.27)	763.37 (32.36)	3203.68 (35.97)	18.48	5.57	15.40
1999-2000	376.51 (44.30) ¹	49.13 (32.91)	425.64 (42.60)	1932.43 (27.09)	670.07 (23.62)	2602.5 (26.10)	19.48	7.33	16.36

NB: * erstwhile Bihar, Figures in parentheses are percentages of people below poverty line.
Source: Planning Commission, GOI, New Delhi.

Further, despite a perceptible decline in poverty in general (measured in terms of head count ratio) coupled with some improvement in the levels of living of masses in general over the last two decades or so, many of the deprived groups continue to live in abject poverty not only in terms of income levels but also in terms of general social and economic opportunities. These groups are highly vulnerable to a variety of shocks and face a lot of uncertainties in their livelihood and earning opportunities. They also do not have access to institutions of various kinds—political, economic, cultural, etc. In the wake of acute poverty, the state has been witnessing a scenario whereby movements of agricultural labourers and poor peasants are challenging the structures of power. In a large part of the state, mobilization of poor peasants and agricultural labourers has taken place on a large scale. This nature of mobilization has got momentum in recent years. Hitherto the mobilization was mainly in south Bihar and now it has spread over to several districts of north Bihar also. At the same time, landlords, big peasants and upper middle peasants have formed their own armed gangs, mostly caste-based, which has led to confrontation between low caste peasants/labourers on the one hand and landlords on the other resulting in several massacres, some also by the militant organizations of the poor since the mid-seventies and which continue unabated.⁵ Another response of the poor in the wake of acute impoverishment has been in the form of widespread migration to far-off places in search of work—both short-term and long-term. Although the history of migration is old in Bihar, the seasonal migration of labour started in large numbers from the late 1960's and has increased over the years. This is borne out from the presence of migration from Bihar either as wage labour or in petty business in most parts of the country.⁶

III. SOME ASPECTS OF SOCIO-ECONOMIC CHANGE DURING 1980S AND 1990S: FROM THE TWO SURVEYS

The two surveys reveal significant changes in the socio-economic scenario in Bihar including that of poverty. The 1981-82 survey showed that forward castes were essentially big peasants and landlords, while scheduled castes were essentially agricultural labourers. The heterogeneous backward castes were spread across the class grouping but each subgroup identified tended to concentrate in one or more classes.

Backward class I (lower backwards) essentially consisted of agricultural labourers. Yadavas and Koeris were mainly peasants, especially poor-middle and middle peasants. Two-thirds of Kurmis were big peasants and landlords, but "other backward II" (upper backwards) were widely distributed with a relatively high proportion of non-agriculturists. Muslims were spread across the classes, with the largest concentration (about half) being among non-attached agriculture labour. Thus interrelationship between caste and class was strong, but it was by no means perfect. The relationship between class and landownership as well as caste and the ownership of land was also strong, particularly the former. The latter relationship, though strong, was more diffused with some of the middle castes as Kurmis having large land possessions.

The survey showed that about one-fifth of the agricultural labourers were attached and rest of them were casual. It was also found that the middle castes, particularly the three numerous dominant castes—Yadav, Koeri and Kurmi—had significantly improved their economic position and had cornered a large portion of the institutional loan. These developments had also affected the pattern of land distribution in the countryside. Big peasants and landlords are losing more lands compared to other classes. The land loss suffered by upper castes was much greater compared to other castes. As a matter of fact, the three upper middle castes were the major beneficiaries of the land lost by the upper caste landlords/big peasants.

The survey revealed that two-fifths of the rural households leased in land and about 28 per cent of the total cultivated land was being leased in; of which 70 per cent was on crop-sharing basis. About three-fifths of the rural households were indebted to the traditional sources of loan (money lenders, employers, etc.), the corresponding percentage for agricultural labourers being more than 80 and for poor middle peasants more than 60. Almost one-third of the agricultural labourers were attached to employers and almost invariably they used to work for them. Such features of the rural social structure had prompted Prasad to characterize it as "semi-feudal".

The results of the resurvey conducted during 1999-00 show that that the trends exhibited by the first survey have intensified over the years. The forward castes continue to be mostly big peasants and landlords while scheduled castes are mainly agricultural labourers. Even for other castes, class configurations remain more or less the same.

Notwithstanding this broad picture, agrarian structure has undergone a significant change. Land has been lost by all classes, but landlords and big peasants have lost land at a steeper rate than other classes. Since the upper castes initially occupied a dominant position among the classes of landlords and big peasants, it is but natural that land has slipped out of the hands of these castes.

The bulk of the landholdings are marginal and as a result there is a predominance of petty production. However, land distribution continues to be skewed with 66 per cent of the agriculturists cultivating only 20.4 per cent of land. The number of households leasing in land has declined but the area of land leased in has remained more or less some. This is because tiny landlords particularly those belonging to the upper castes, migrate after leasing out their land. It is because of the initial prevalence of caste-class nexus that even now upper castes dominate among the big peasants and landlords and lower backward castes among poor and middle peasants. The period between the two surveys saw the biggest loss of land from the upper castes, the gainers being the backward castes, especially Kurmi and Yadav.

The most interesting fact that emerges from the second survey is the accretion of households of each caste group to the class of agriculture labour as well as to that of landlord. The accretion to the class of agriculture labour is of course a manifestation of land alienation from peasant classes. But the accretion to the class of landlord is the outcome of land-loss and migration. The upper caste peasants, who have lost their land to the point where the land cannot produce a surplus, find themselves in a dilemma as a member of the upper caste. They can neither meet wage demands nor take to the plough for fear of caste opprobrium. Hence, they opt for renting out land and migrate. Even the non-cultivating backward castes and even scheduled castes who have some land migrate in search of a better future. Educated landowners by and large migrate for jobs in urban centres.

Although in many villages productivity of land has increased and some new crops have also been introduced, but by and large changes have been slow. The increase in per acre productivity has not kept pace with increase in population. This has happened mostly in case of upper castes. Their land holdings have increasingly become smaller and a significant proportion of them are facing acute economic hardships. As the local

economy has not developed, a large number of them are migrating to other areas in search of any kind of job/employment.

The period between the two surveys has witnessed a drastic decline in the proportion of attached labour to about 8 per cent of the total wage labour. Thus, casualisation of the wage labour is the dominant trend. The percentage of casual workers to total workforce has increased from 82 per cent in 1982 to 94 per cent in 1999, the increase being mainly at the cost of self-employed and attached labour in agriculture. The casualisation of workers has been most acute among lower middle castes (OBC I). In the light of declining patron-client relationships of different kinds in the labour market new forms of labour relations are emerging in different districts. Real wages have risen every where—from 50 per cent to 100 per cent in various villages or regions. This has happened mainly because of struggles or migration. Another change taking place in wage system is that time rate payment is giving way to payment by work contract, which is equivalent to piece-rated wage system. In south Bihar this appears to have emerged in response to wage struggles while in north Bihar it is the impact of supply and demand factors because of migration. Another form of labour relations is concealed tenancy. Here the landowner supplies all the inputs and the supplier of labour gets a share of output, usually one-third. This form of wage labour quite often is supplied by those castes who would not otherwise work for wages in the village. The employer enjoys a triple benefit in the area where militant labour movement exists. He is no longer involved in wage disputes; wage payment is deferred to the end of production cycle and hence he appropriates interest on wage; and dispenses with supervision cost. This system helps the labourers to develop an interest in higher productivity and production. Though share-cropping still exists, but the system of fixed rent tenancy (both in cash and kind) is fastly replacing it, particularly in the relatively advanced regions.

One of the most important findings of the 1999-2000 survey is the substantial increase in the number of migrants with a profound impact on the village society. Although the intensity of migration from the poorer region of north Bihar is much large, there has been an uptrend in migration from the south Bihar as well. While only about 10 per cent of all adult workers were migrants in 1981-82, the percentage has increased to 19 per cent in 1999-2000—in the districts of Madhubani and Gopalganj about one-third of

all workers was reported to have migrated. While in 1981-82 about 80 per cent of all the workers reported seasonal migration, now in 1999-2000 more than half were long-term migrants. This is because more and more migrants are taking up non-agricultural work in small and big towns as labourers in a variety of occupations like those of guards, rickshaw pullers, coolie etc. which require long-term migration. Many of the workers who migrate for taking up agricultural works also move to nearby towns or semi-urban areas after completing their work. It is also observed that while in relatively more developed districts there is a higher degree of long-term migration (i.e. Rohtas), the level of seasonal migration is much more from the backward districts (i.e. Purnea and Madhubani). The migration is fairly distributed across all castes and classes but by and large upper castes and Muslims and landlords/middle peasants and non-agriculturist classes report more long-term migration compared to short-term ones. The two classes from which migration has increased substantially are landlords and non-agriculturists. While for labourers and poor peasants migration has since long been a coping mechanism, the desire to earn more has increasingly become an important reason of migration. Also many people now prefer to work outside as this enables them to slowly break the existing caste taboos that today exist in the village. While the upper caste people do not do any manual wage work in their villages because of caste taboos, they undertake all kinds of work—wage work or low-paid self-employed work—in their place of migration. This is an important reason why upper caste youth migrate. In the case of lower castes also many people migrate to escape from the clutches of the prevailing caste discrimination in the village.

Only 15 per cent of the migrant workers are employed in agriculture, the rest being engaged in the non-agricultural sector, industries such as construction, small manufacturing industries, brick kilns and earth work or as rickshaw puller, coolie, etc. Only a small proportion of workers are self-employed. A significant proportion of workers from higher castes/classes are also working as wage labour in the place of migration. The survey reports that nearly 40 per cent of all households report at least one migrant—either short-term or long-term—and that nearly all of them receive remittances. Although the proportion of households reporting remittances and receiving migration is

higher among higher castes and classes, remittances constitute a comparatively larger proportion of total household income of lower caste and class households. Nearly one-third of the total household income of the migrant households is accounted for by remittances—the proportion is much higher among landless and small landholders.

The migration is essentially a male phenomenon—only 3 per cent of the seasonal migrants and 7 per cent of the long-term migrants are females. This increases the work burden of the females left behind in the villages, though it does not necessarily lead to a higher participation rate among females, the probable reason being the disincentive to work resulting from the remittances received.

The villages also show an increase in the number of peoples commuting to nearby villages and urban and semi-urban areas. Many women report that they commute, although they are not able to migrate. A large number of commuters are also seasonal migrants—at the time of their stay in the village, they prefer to work outside than in the village.

The two surveys also show general improvement in poverty scenario and other related aspects of well being. Over the years food sufficiency has improved in general, there is still large variations in terms of consumption of food items across different castes and classes of the households. The crude poverty ratio in terms of consumption expenditure is around 46 per cent in rural Bihar (as per 1999 survey). However, there is a large concentration of poor among agricultural labour and lower castes households. A perusal of the distribution of poverty ratio across different consumption expenditure groups, it is revealed that the inequality in terms of incidence of poverty has increased over the years. The asset holding position of the households also leads to same kind of conclusion. More specifically, possession of productive assets among the poorest class, largely comprised of lower classes and caste groups, is abysmally low showing very little scope for reproductive investment among these groups.

Various indicators of human development show improvement over the years. During the last two decades or so the levels of education, health facilities, mobility, mortality, basic amenities etc. have improved. However, these indicators are still at very low level in general and at abysmally low levels in case of lower castes and class

households. Among the reasons of the slow progress of these indicators the most important is poor functioning of the government institutions. Poor functioning of government institutions is clearly spelt out particularly in terms of educational and health institutions. Because of low quality of education and irregularity of teachers in government schools, a large proportion of the people prefer to enrol their children in private schools. Likewise poor health related facilities from government run PHC and health sub-centres at village level has compelled the villagers to rely upon private doctors, local RMP, quacks, etc.

Among some of the basic amenities, provision of rural drinking water has shown virtual revolution, particularly during the last two decades. Now almost the whole population is covered under rural drinking water programmes. However, there is acute problem related to non-functioning of government tube-wells and hand pumps. The poor or even non-maintenance of tube-wells and hand pumps in rural areas is gradually compelling people to depend on open sources of drinking water. Sanitation facilities in villages continue to be abysmally poor and there has been absolutely no change over the years except in case of a few richer households.

The resurvey also revealed a significant change in the perception of the poor peasants and agricultural labourers in regard to their needs and aspirations. Most of the poor feel that their economic conditions have become better (although the degree differed widely) than before. Although even now they are struggling to have a earning which can provide them two squares a meal without anxiety, they are not tied only to economic demands. The question of *izzat* (respect) and political rights have become very important in their eyes. The political rights, especially right to vote that has been long denied to them by the landlords and big peasants (even by middle peasants) tops the list of priorities of these people. In those areas, where they have waged struggle, no longer they are prevented from exercising their franchise and rape against their women is not a common thing now. There is also increased consciousness for the basic needs of education and health. A large number of them don't want their children to languish at the lowest rung of social hierachy and education is seen to be an effective means to rise up. However, there is not only acute lack of these facilities, but also discrimination against

them. They are becoming conscious of this discrimination and in many places resisting this.

Thus rural Bihar has witnessed significant changes over the years, which have affected the socio-economic structure of the society. It is noteworthy that Rodgers and Rodgers (2000) in their revisit of a few villages in Purnea district of north-east Bihar during the same time, also observed that profound changes were taking place, which could be attributed mainly to migration from rural Bihar.

IV. CHRONIC POVERTY IN RURAL BIHAR: NATURE AND DIMENSIONS

In the present socio-economic milieu, poverty may affect different social groups differently because of their caste location (Dalits), age location (old aged, children), gender location, locational marginalisation (slum dwellers, physically segregated communities) and people with physical disability and chronic diseases. A caveat is in order. These nature of exclusions may also overlap and further reinforce the intensity of deprivation and poverty. Going by this concept, chronically poor people or population groups may be identified in two ways. First, the people or population groups are those who inherit a very low entitlement (such as tribal, *dalits*, women, etc.) and second are those whose entitlement is reduced or curtailed considerably due to shocks and calamities, making them unable (in both the cases) to fight with the vagaries of poverty and are forced to live amidst persistent poverty. Kozel and Parker (2001) find the poorest of poor as those who had suffered shocks such as long-term and costly illness, loss of breadwinner through death, desertion, alcohol or substance abuse, loss of assets through fire, theft, death of livestock or other such personal tragedies that had permanently undermined their physical and human resource base. Similarly, Unni (1998), and Dreze (1990) also argue that widowhood or more frequently desertion of a woman often lead to destitution particularly among poor and low caste.

Perception of poverty

Participatory studies of poverty reveal that the poor use different criteria to assess their own situation and its change over time. An analysis of the criteria used by rural people in Bihar shows that they use a wide range of criteria in which, apart from ownership of

Table 2 suggests that apart from lack of material resource endowments (such as assets and land) of the households, lack of human resource is commonly perceived as major determinants of poverty by the poor themselves. Caste is also an important factor, which is associated with poverty, as SCs are invariably perceived as very poor or moderately poor by themselves as also by others. Other than the lack of material resource endowments, handicapped, widow, deserted women, and single old people are seen as the most vulnerable group not only because they lack sufficient income but more because they have very little access to different social, economic and political institutions. In fact, their less access to these institutions deprive them of the opportunities of fighting with poverty and force them to live in abject poverty.

Villagers' perception of poverty and ranking families on the poverty ladder is based on wide range of socio-economic indicators which are associated with day-to-day life cycle. Their perception gives a fairly good idea that the poor is not a homogenous group and there are lot of differences in terms of nature and intensity of poverty among different population groups. As such, there is also intra-group variations among the poor in terms of nature, extent, and intensity of poverty. The estimation of chronic poverty in rural Bihar goes on the line of perception of villagers regarding poverty. However, the factors identified by the villagers are not mutually exclusive and these factors re-enforce one another to create a vicious circle. As for example, in rural Bihar most of landless agricultural labour come from scheduled castes and also they are one of the most vulnerable groups in terms of health outcome indicators.

The SCs households identified by the villagers, as one of the poorest community, are not a homogenous group and there are different caste groups with different levels of development and poverty intensity. *Mushahars*, a community which stands at the lowest rank of development, has the highest poverty ratio. The community, which is also known as *bhuiyans* in certain parts of the state, is seen as food gatherers and still lead a life of nomadic nature. They are not only landless, assetless, homeless, and deprived of basic minimum needs but also are treated as untouchable despite the fact that they are used for menial physical domestic labour. The other SC community such as *dom*, largely involved in the profession of scavenging, suffers from a similar fate.

Box 1:
Destitution of a SC Family

Savita Devi, a 70 year old widow, married at age 8, lives in a rough, thatched roof house with her son and daughter. They are *Mushhars*, a low caste that Savita says is demarcated by "poverty, black hair and black skin". Her family has been decimated by leprosy – she lost two children at an early age due to diseases, and her surviving son and daughter are infected as well. Nonetheless, the family survives on their meagre earnings and occasional receipts from her old age pension. None of her children is educated and none currently receives medical care from the public health system, despite their serious illness. Many years ago, the family borrowed money for medical treatment from a local landlord; Savita did not pay interest on the loan and worked in the landlord's field in order to repay it. She has no significant burden of debt and says that no one is willing to lend to them in any case. The family has never received a government loan and is not aware of any government programme in the village except the PDS where they purchase foodgrains on the rare occasion when they have sufficient money to purchase their full allotment. Savita and her two children are caught up in a struggle for sheer survival.

Source: Kozel and Parker, 2001.

Similarly, agricultural labour is not a homogenous group in rural Bihar and the group is constituted by at least four distinct classes on the basis of cultivation and employment statuses. The four classes identified within the agricultural labour are: a) cultivating and tied; b) non-cultivating and tied; c) cultivating and free; and d) non-cultivating and free. Among these four the first two are commonly known as attached⁹, while the rest two as casual labourers.¹⁰ Among the four major types of agricultural labour households, the proportion of attached labour households, particularly non-cultivating and attached, has considerably declined over the years. On the other hand the proportion of free labour households has increased significantly (see Table 3).

Table 3: Proportion of Agricultural Labour Households in 1982 and 1999

Types of agricultural labour HH	1982		1999-00	
	% to total HH	% to total labour HH	% to total HH	% to total labour HH
Non-cultivating and attached	4.61	10.40	0.34	0.89
Cultivating and attached	3.01	6.80	2.02	5.33
Non-cultivating and free	21.45	48.40	23.34	61.54
Cultivating and free	15.25	34.40	12.23	32.25
All agricultural labour HH	44.33	100.00	37.93	100.00

The possible explanations regarding the growing casualisation of the rural workforce is the process of breaking down of semi-feudal relations in rural Bihar and

with that the declining patron-client relationship, particularly in the agricultural sector. It has been found that the age old attached labour and some other labour systems of similar nature (such as caste based *jajmani* system) have been on the decline in rural Bihar.

Although the declining trend of attached labour system in rural Bihar is seen as enhancement in the degree of personal dignity and freedom, it has not necessarily added to the enhanced quality of life of the agricultural labour households as they are now more exposed to the market shocks with very low possibility of additional employment and daily wage earnings.

Consumption expenditure

Household consumption expenditure is an important indicator of poverty. The Head Count Ratio (HCR) of poverty shows a perceptible decline in rural poverty in Bihar during the last two decades. The HCR of poverty declined to 44 per cent in 1999-2000 from more than 62 per cent in 1983. However the recent estimates of 1999-2000 HCR shows concentration of approximately 12 per cent households in 'very poor' category¹¹. The category is mainly comprised of households belonging to lower castes such as SCs, agricultural labour, landless etc. Although over the years there has been marked improvement in the consumption levels of these households, a large proportion of them are reeling under a situation of acute poverty. Based on the survey data it is estimated that the proportion of poverty (in terms of consumption expenditure) has declined by approximately 20 percentage points¹² (Table 4). Using the state specific poverty line of Rs. 333 for 1999 and Rs. 98.47 for 1983¹³ it is estimated that not only the poverty ratio is significantly higher among many of the population groups such as SC households, agricultural labour, landless, poor farmers etc. but also the concentration in the 'very poor' category is substantially higher. If the household is characterised by SC, agricultural labour, and landless together the poverty ratio is as high as 80 per cent among them. While comparing the 1982 and 1999 data it becomes amply clear that it is this group of population which has registered the lowest poverty reduction between the two specified periods. However, there are some other households belonging to OBC I and Muslim community, poor peasants, small farmers etc. who also suffer from high concentration of poverty and a substantial proportion of them are concentrated among the

'very poor' category. For details of extent of poverty among other section of population see Annexure I.

Table 4: Proportion of population below Poverty Line in 1999 and 1982 among Different Households

Household types	1999-00			1981-1982		
	Moderate poor	Very poor	All poor	Moderate poor	Very poor	All poor
SC	38.39	28.16	66.55	14.11	68.81	82.92
Muslim	35.10	15.34	50.44	16.36	57.27	73.64
Agricultural labour	34.61	33.88	68.49	18.06	65.28	83.33
Non-agricultural	28.25	16.98	45.23	16.55	46.13	62.68
Landless	32.04	31.42	63.46	12.05	70.00	82.05
Land up to 1 acre	31.67	12.91	44.58	20.05	56.82	76.87
SC, AL, & Landless	42.13	38.23	80.36	10.65	71.19	81.84
Others	20.54	5.26	25.80	22.06	36.94	59.00
All	26.54	16.71	43.25	17.91	51.48	69.39

Note: cut off of poor and non-poor is based on the state specific poverty lines of respective years. Very poor category is defined as 75 per cent of poverty line.

The poverty ratio and also the concentration of people in the very poor category has declined significantly among other households who do not belong to SC, agricultural labour, poor peasant and small land holding groups. The poverty ratio among them was 59 per cent in 1982, which declined to 26 per cent in 1999. Besides this, their concentration in the very poor category also declined from 37 per cent in 1982 to merely 5 per cent in 1999. The comparison of the extent of poverty between 1982 and 1999 essentially shows that although poverty is widespread in rural Bihar, certain population group such as people belonging to SC households, agricultural labour, landless, non-agricultural class etc. have not been able to improve their position over the years and are suffering from 'chronic poverty'.

Further it can be seen from Table 5 that the average per capita monthly expenditure (APCE) of households belonging to SCs, agricultural labour and landless is approximately half in 1999 and much less than half in 1982 of the APCE of other households (i.e. Rs. 627 in 1999 and 169 in 1982). Accordingly more than one third of the households belonging to the above mentioned categories fall in the lowest and another one fourth of the households in the second lowest quintile of monthly consumption expenditure (Table 5). The corresponding figures for other households are 7 per cent and 15 per cent respectively for the two lowest quintiles.

Table 5: APCE (RS.) and Percentage Distribution of Different Types of Households by Quintile Groups of Consumption Expenditure, 1999

Groups of Consumption Expenditure, 1999						
Types of households	Average monthly per capita expenditure (Rs.)	Consumption expenditure class				
		Lowest 20%	20% to 40%	40% to 60%	60% to 80%	Highest 20%
		Panel I: 1981-82				
SC	62.12	28.69	26.23	18.03	18.03	9.02
Agricultural labour	56.80	31.58	32.63	12.63	18.95	4.21
Lower OBC II	85.35	11.54	17.31	21.15	17.31	32.69
Landless	66.37	30.84	26.17	14.95	16.82	11.21
SC, AL, & Landless	52.46	40.91	31.82	4.55	18.18	4.55
Others	169.37	11.84	14.29	23.27	22.45	28.16
		Panel II: 1999-00				
SC	352.64	37.31	25.87	17.41	9.45	9.95
Lower OBC II		25.00	18.06	13.89	22.22	20.83
Agricultural labour	335.43	36.09	25.44	19.53	11.83	7.10
Landless	366.10	32.89	23.68	18.42	15.00	10.00
SC, AL, & Landless	309.04	48.28	27.27	14.88	6.61	2.96
Others	627.25	7.18	14.60	21.04	25.99	31.19

Note: cut off of MPCE for the five quintile groups are Rs. 257, Rs. 321, Rs. 402, and Rs. 542 respectively for 1999 and Rs. 33, Rs. 47, Rs. 52, and Rs. 101 respectively for 1982.

Source: Survey data, 1982 & 1999

It is important to note from Table 5 that if a SC household is also an agricultural labour household and is landless the average MPCE is barely Rs. 309 and the concentration of these households in the lowest quintile of consumption expenditure is more than 48 per cent with another 27 per cent falling in the second lowest quintile. This shows that the households characterised by lower castes, casual agricultural labour and landlessness are one of the most poor households in rural Bihar, and if these characteristics combine together, this makes acute poverty for the rural households.

What is more striking is that the SC, agricultural labour and landless households have increased concentration in the lowest quintile in 1999 in comparison to 1982. For other households the concentration in the lowest quintile has declined between the two reference periods. As for example, the concentration of households having the common characteristics of SCs, agricultural labour, and landless in the lowest quintile was 41 per cent in 1982, which increased to more than 48 per cent in 1999. One of such population groups facing increasing concentration in the lowest quintile group is lower OBC II.

Besides these households, there are also some other households who fall within the lowest quintile group of consumption expenditure and consequently their average MPCE is considerably low. For example, a significant proportion of OBC I households, poor and poor middle peasant, small and marginal land holding class etc. face severe poverty in terms of consumption expenditure. One of the most vulnerable groups of population in rural Bihar is non-agricultural class, which is largely comprised of rural artisan and landless (see annexure I). In terms of social class, poverty is the severest among the non-agricultural class only next to the agricultural labourer class. However, these population groups have not faced deteriorating conditions in terms of concentration in the lowest consumption expenditure quintile *i.e.* their concentration in the lowest quintile group has declined over the years. The extent of acute poverty (lowest consumption class) and change therein over the time can also be seen in Fig. 1.

Fig. 1: Proportion of Acute Poverty among Different Groups in 1982 and 1999

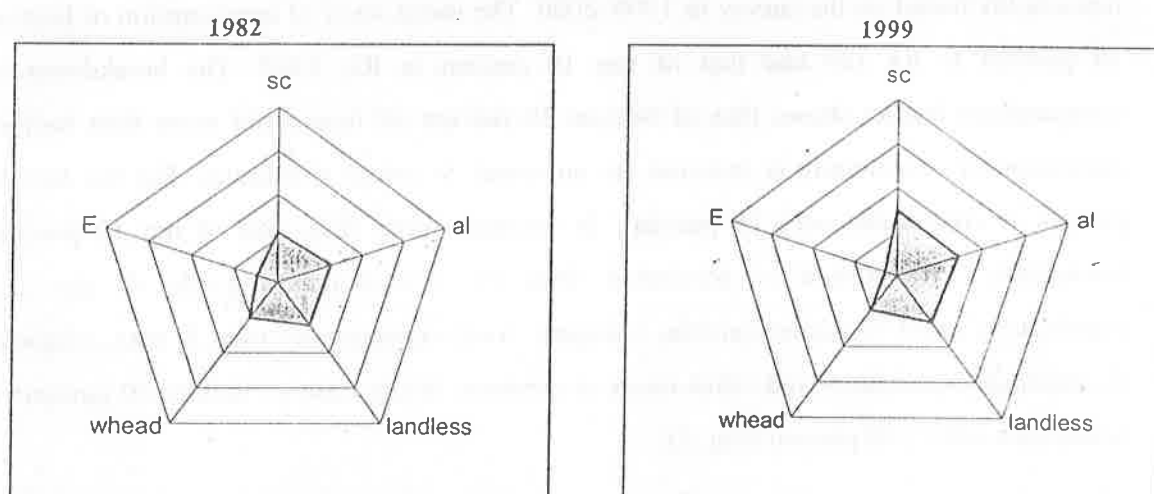


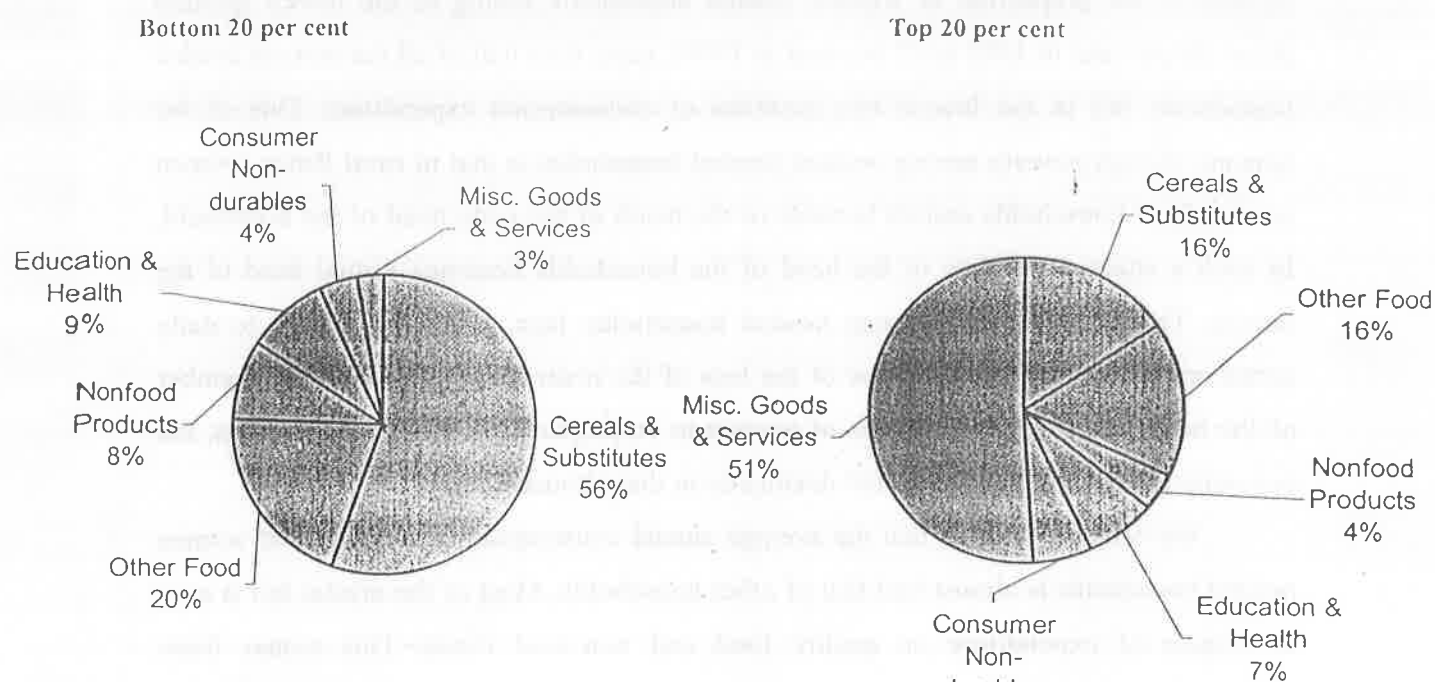
Fig. 1 shows that it is not only that the acute poverty has increased among SCs, agricultural labour, and landless households but also it shows that the relative position among the poorest households has also changed over the years. Moreover, it can also be observed that it is only the other households which has witnessed the reduction in acute poverty over the years. The position of women headed households has more or less remained constant.

Increasing concentration of some households (such as SC, lower OBC II, agricultural labour, landless) in the lowest consumption quintile over the years, necessarily shows that a large proportion of them are not only reeling under abject poverty but also some new households from among them are joining the rank of extremely poor category. On the other hand in case of other households, although many of the households are in the poor or very poor category, they have been upwardly mobile and their concentration in the lower quintile groups is continuously declining. Hence so far the poverty reduction in rural Bihar seems to be much more among non-vulnerable population groups leaving the vulnerable amidst 'chronic poverty'.

Composition of Total Consumption Expenditure

To reveal the inequality in total consumption expenditure we present pie charts reflection composition of different items for top 10 percent and bottom 10 percent of households based on the survey in 1999-2000. The mean level of consumption of bottom 10 percent is Rs 189 and that of top 10 percent is Rs. 1507. The breakdown of consumption basket shows that of bottom 10 percent of household more than half of consumption expenditure is incurred by on cereal & cereal substitutes. For the top 10 percent it constitutes only 15 percent. In contrast, more than half of top 10 percent households' expenditure is accounted from by miscellaneous goods & services, constituting small consumer durable, transport, court expenditure, taxes & cess, religious & marriage expenditure and other items & services. In the case of bottom 20 percent it constitutes only 2.89 percent (Fig. 2).

Fig. 2: Composition of Per Capita Monthly Consumption Expenditure of Households Belonging to Top and Bottom 20 Per cent of Consumption Class, 1999-2000



Gender and poverty

Though we do not have separate data for consumption expenditure of men and women across different households some kind of variations in consumption expenditure can be seen over women headed household vis-à-vis other households. Table 6 presents the concentration of households with women head of the households and others in different consumption classes.

Table 6: Percentage Distribution of Women Headed and Other Households by Consumption Class

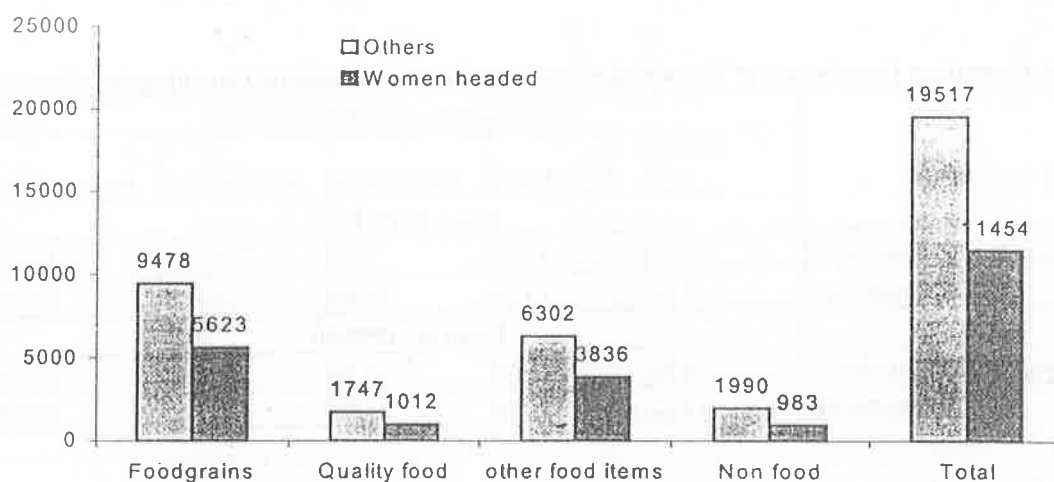
Types of households	Consumption expenditure class				
	Lowest 20%	20% to 40%	40% to 60%	60% to 80%	Highest 20%
Panel I: 1981-82					
Women headed households	40.00	25.71	8.57	14.29	11.43
Other households	18.53	19.55	20.98	20.37	20.57
Panel II: 1999-00					
Women headed households	26.83	24.39	7.32	19.51	21.95
Other households	19.42	19.66	20.86	20.26	19.78

There are approximately 7 per cent households, which have women as the head of the households. In these households the intensity of poverty is more acute and widespread

as in 1999 more than one fourth of these households fall in the lowest consumption class category. In 1982 the proportion was as high as 40 per cent. Although there has been a decline in the proportion of women headed households falling in the lowest quintile (from 40 per cent in 1982 to 27 per cent in 1999), more than half of all the women headed households fall in the lowest two quintiles of consumption expenditure. One of the reasons of high poverty among women headed households is that in rural Bihar, women are heads of households mainly because of the death of the male head of the household. In such a situation, widow of the head of the households becomes virtual head of the family. The first problem women headed households face, hence, is related to daily consumption expenditure. Because of the loss of the main earning male family member of the households and little access of women to employment in the labour markets, the consumption expenditure levels fall drastically in these households.

We can see in fig. 3 that the average annual consumption expenditure of women headed households is almost half that of other households. Most of the drastic fall is seen in respect of expenditure on quality food and non-food items. This means these households are just able to manage their minimum food requirements through food grains consumption.

Fig 3: Annual Average Consumption Expenditure (Rs.) on different Items among Women Headed and Other Households



In the absence of male and female consumption expenditure data separately, we can have yet another estimate to show the prevalence of poverty among women. Based on the consumption expenditure data of households, we can see correlation between ratio of female to male members and level of consumption expenditure in the family. Table 7 suggests that the correlation between ratio of numbers of female to male and consumption expenditure on different food and non-food items is negative and significant. This means that as the ratio of female to male members increases in the family, the level of consumption expenditure goes down. This happens because of various reasons, such as women skip meals during the times of shortages; they are the last to take quality food in the family; they spend very less on the consumption of non-food items, etc.

Table 7: Correlation between Ratio of Numbers of Female to Male in the Family and Consumption Expenditure on Different Consumption Items

	Ratio of female to male	Total consumption expenditure	Expenditure on food grains	Expenditure on quality food	Expenditure on other food items	Expenditure on other items
Ratio of female to male in family	1					
Total consumption expenditure	-0.09**	1				
Expenditure on food grains	-0.05*	0.83**	1			
Expenditure on quality food	-0.10**	0.75**	0.57**	1		
Expenditure on other food items	-0.09**	0.90**	0.62**	0.63**	1	
Expenditure on other items	-0.08*	0.71**	0.33**	0.53**	0.56**	1

**Correlation is significant at the 0.01 level.

*Correlation is significant at the 0.05 level.

Gender bias in consumption expenditure within households also gets reflected in terms of expenditure on quality food items. In fact, the correlation between ratio of female to male number and expenditure on quality food is negative and significant at 99 per cent. It means that the consumption expenditure on quality food increases in households with increase in male members in the family.

It can be seen from Table 6 that although a large proportion of women headed households is concentrated in the lowest quintile of consumption expenditure, over the

years the proportion has declined suggesting that some sections of those households have been upwardly mobile and have shifted to higher consumption class. Again a caveat may be in order. If the women headed households belong to the lower castes and classes they are more vulnerable in comparison to those who belong to the upper castes and classes. Apart from the total consumption expenditure, the gender bias in consumption is also reflected within households across all section of society. One strong indicator of intra-household discrimination in consumption pattern is the skipping of meals at the time of some food crisis. During both the surveys a subjective question was asked from ever married women regarding their perception about "who skips meal first during the time of food shortage"? Their perception is presented in Table 8.

Table 6: Castewise Distribution of Persons Skipping Meal at the Time of Food Scarcity

Who skips meal	1981-82			1999-00		
	SC	Others	All	SC	Others	All
Adult Females	68.79	72.35	70.66	59.78	67.44	62.41
Adult Males	17.89	5.37	9.85	2.23	1.16	2.33
All Females	12.54	13.35	12.95	7.26	11.63	10.07
Others	0.78	8.93	6.54	30.73	19.77	25.18
Total	100	100	100	100	100	100

It can be seen from Table 8 that invariably adult women are the first in the family who skip meals at the time of food shortage. During both surveys the proportion of adult males skipping meals are very low. Moreover the proportion of adult males skipping meals has gone down substantially over the years but in case of adult females it has increased. Similar discrimination is faced in terms of number of meals taken per day by each member of the family, particularly during the food shortage period.

Other than the indicator of poverty related to the consumption expenditure, there are various other dimensions which show absolutely vulnerable situation of women in the society. As for example, women in rural Bihar face restricted physical mobility, less self control over reproductive functions, and decision making. Accordingly, their participation in social and political arena is at very low level.

Other Dimensions of Poverty

Food Security

Access to adequate and nutritious food by households has been one of the most important considerations in determining poverty levels. Although the overall food availability in rural Bihar has improved over the years, the per capita availability of food grains in Bihar is among the lowest in the country. The overall per capita availability of cereals has declined over the years. Approximately one-fourth of all the households face acute food crisis and do not get sufficient food round the year. This is reflected by the perception of none other than the villagers themselves. Table 9 presents the results of an analysis of answers to a question: "Do you get enough food round the year?"

Table 9: Percentage of Households Not Getting Enough Food in 1981-82 and 1999-2000

Type of Household	Percentage of Households Not Getting Enough Food	
	1981-82	1999-00
SC	75.3	56.5
Agricultural Labour	88.5	66.8
Landless	88.6	45.0
SC, AL, landless	89.7	56.2
Women headed households	62.5	32.7
Others	56.5	19.3
Total	67.8	25.9

The percentage of households "not getting enough food" round the year has come down to 26 per cent in 1999-2000 from 68 per cent in 1981-82. The situation of food availability to the landless and agricultural labour households, although considerably improved, is still grim. Almost two thirds of agricultural labour households do not get enough food round the year. More than half of the households belonging to one of the most vulnerable groups, having common characteristics of SC, agricultural labour, and landlessness, report that they do not get sufficient food round the year. Similarly the proportion is also very high among the women headed households. It is important to note that, except for the landless as an independent category, for the other identified groups the food security situation has not improved significantly over the years.

Housing and Domestic Facilities

Housing and domestic facilities to households are among the most important indicators of levels of living of households. The types of housing and basic amenities facilities available to different types of households is presented in Table 10. It can be seen that in terms of any indicator of housing and other domestic facilities the conditions of SC and agricultural labour households has marginally improved between the two reference period. In fact, in 1999 there is higher proportion of households living in *kutcha* house in comparison to that in 1982. Some improvement is, however, perceptible across all kinds of households in terms of lighting provision within the house.

Table 10: Percentage of Households with Different Housing and Basic Amenities Facilities

	1999-00						1981-82					
	Housing				Decent Lighting*	Own Toilet	Housing			Decent Lighting*	Own Toilet	
	Kutcha	Semi-Pucca	Pucca	No. of rooms			Kutcha	Pucca	No. of rooms			
SC	59.30	32.90	8.00	2.25	19.90	0.00	44.1	1.9	2.3	9.9	1.3	
AL	75.60	22.10	2.4	1.88	20.19	0.00	62.0	0.0	1.9	9.7	1.3	
landless	52.53	37.62	9.85	2.22	25.35	3.52	53.0	3.1	2.1	15.8	2.8	
SC, AL, landless	77.75	21.04	1.21	1.92	14.50	0.35	68.79		1.95	6.53	0.00	
Others	35.39	37.89	45.63	2.95	62.53	15.89	38.35		3.75	65.32	9.75	
All	45.1	32.1	22.5	2.81	42.65	9.65	43.0	13.5	3.1	37.9	6.4	

* Includes lighting through electric, oil lamps, kerosine lamps.

Presence of safe defecation is almost negligible in 1999 as it was in 1982. Only a few toilets can be found across villages largely belonging to upper castes and other well-off households. In the year some semi-pucca house are found with SCs, agricultural labour and landless households mainly because of these households are the beneficiary households under the government run housing scheme (Indira Awas Yojna).

Domestic consumer durables

Possession of different types of domestic consumer durable is not only an indicator of quality of life but also it may be taken as directly indicative of the level of poverty of a household. In fact, in the absence of proper income data, possession of domestic consumer durable gives an idea about the living standard of the households. In Table 11 the percentage of households possessing different types of these consumer

durable has been presented. The table shows that apart from the ownership of cot (*Charpoy and palang*), the ownership of lantern/petromax, mosquito net, torch, and watch is widespread. Besides these, there is a substantial proportion of households who own some other consumer durable such as bicycle, chair/table, radio, etc. However, possession of these durables shows considerable variation across different sections of households. Almost all big farmer and upper class households possess items like cot, chair and table, torch, and watch, while only a small proportion of small farmers and lower class households possess these items.

Table 11: Percentage of Households with Different Consumer Durable, 1999

	SC	AL	Landless	SC, al, landless	Others	All
By cycle	25.39	22.34	30.96	18.78	53.69	41.3
Chair/ table	7.89	4.26	20.18	0.7	42.24	29.85
Cot	65.34	58.51	66.74	54.95	89.72	77.33
Cooker	1.02	1.06	4.82	0	18.34	5.95
Fan/ stove	1.59	1.06	3.44	0	15.87	3.48
Lantern/ petromax	38.59	35.11	52.98	31.55	71.99	59.6
Mosquito net	32.35	29.26	48.85	25.7	68.84	56.45
Radio	13.24	9.57	18.35	6.01	37.31	24.92
TV	2.59	1.6	4.36	0	18.23	5.84
Sewing machine	2.35	1.6	5.5	0	19.35	6.96
Torch	46.75	40.43	50.92	36.87	74.01	61.62
Watch	32.65	22.34	38.3	18.78	60.76	48.37

There has also been a noticeable change in the ownership pattern of these items over the years. In 1981-82, only 15 per cent households owned mosquito nets, which has increased to 56 per cent in 1999-2000. In the same way percentage of households owning torches, bicycles, and radios in 1981-82 were 25, 15, and 8 respectively, which increased to approximately 62, 41, and 25 respectively in 1999-2000. Accordingly, during 1981-82 there was no household owning a tele-vision, but in 1999-2000 approximately 6 per cent of the households owned a tele-vision. In the same way today in almost all the villages possession of motor cycle/scooter, sewing machine, watch, pressure cooker etc. are more frequently visible. It is noteworthy that remittances from migration play a major role in improving the consumer assets position of the households. In the case of lower caste and

class households in particular migrant labour have been able to purchase consumer items such as watch, torch, radio, etc. more commonly. The types of some of the common consumer durable possessed by households districtwise during the two survey periods has been presented in Table 12.

Table 12: Average Number of Different Consumer Durable Per Household in 1999-00 and 1981-82

	1999-00					1981-82				
	Palang/c harpoy	Mosquito net	Bicycle	Radio	Electrical goods	Palang/c harpoy	Mosquito net	Bicycle	Radio	Electrical goods
SC										
AL	2.15	0.37	0.23	0.10	0.03	1.03	0.00	0.02	0.00	0.01
POOMIDP	2.38	1.19	0.54	0.35	0.00	0.82	0.04	0.06	0.01	0.01
MIDP	2.40	1.26	0.63	0.33	0.05	3.50	0.47	0.43	0.16	0.03
BIGP	3.77	1.87	0.66	0.47	0.19	5.21	1.39	0.56	0.37	0.31
LANDLD	3.36	2.01	0.58	0.50	0.36	4.35	1.52	0.35	0.39	0.25
NAG	1.32	0.83	0.31	0.15	0.05	1.85	0.11	0.18	0.01	0.01
Total	2.27	1.11	0.44	0.27	0.12	2.29	0.33	0.18	0.10	0.05

Except in case of *charpoy/palang* (cot), whereas average number shows slight decline, the average number of all other consumer durable per household show considerable improvement in 1999-2000 over 1981-82. However, it is evident from the table that there is small improvement in the case of agricultural labour and non-agricultural class of households even for some basic items such as mosquito net.

V. FACTORS OF PERSISTENT AND TRANSIENT POVERTY

We have seen earlier that despite a perceptible decline in general poverty ratio in rural Bihar, some population groups are lagging behind and face a situation of chronic poverty. In this section, we attempt to identify some of the factors behind the persistence of chronic poverty among some groups as well as the reasons for some groups to come out of the poverty trap..

Literacy

Educational achievement is one of the most important indicators of human development, which helps improving levels of living. In rural Bihar the level of literacy has improved substantially between the two intervening periods. The level of literacy was less than 40 per cent in 1982 which went up to more than 51 per cent in 1999. For the highest quintile

group households the level of literacy is more than 62 per cent. However the improvement in literacy for the chronically poor groups has not been in commensurate with that among the other groups. Among the SCs, agricultural labour and landless belonging to the lowest consumption quintile the literacy was as low as approximately 10 per cent in 1982, which improved to approximately 20 per cent in 1999 (Table 13).

Table 13: Percentage Literate among Different Households by quintile groups in 1982 and 1999

	Lowest 20%	20% to 40%	40% to 60%	60% to 80%	Highest 20%
Panel I: 1982					
SC	12.84	8.63	26.23	21.19	18.60
Agricultural labour	9.12	10.20	25.98	23.00	30.68
Landless	10.20	11.34	28.17	19.16	35.42
SC, AL landless	7.11	4.84	25.00	23.68	29.65
Others	42.86	42.51	50.14	56.77	68.60
All	20.35	25.18	40.90	43.65	61.30
Panel II: 1999					
SC	18.18	23.05	25.27	29.85	37.88
Agricultural labour	18.28	23.24	21.70	28.28	19.53
Landless	19.82	22.91	27.73	31.99	36.45
SC, AL landless	13.53	18.66	22.78	12.50	22.22
others	54.01	53.35	58.85	58.30	70.66
All	26.97	35.21	43.99	49.30	62.55

Even for the SC, agricultural labour and landless households the level of literacy is substantially higher in the higher quintile groups. In fact, higher literacy level has been one of the most important factors for some households from these identified groups, to come out of the poverty trap.

Access to employment and earnings

Access to labour markets by different population groups gets reflected by their occupational structure. In general the rural labour markets in Bihar is highly segmented in terms of caste and class in favour of upper castes and upper classes. Broadly the workers engaged in occupations like agricultural and non-agricultural labour, caste occupations, etc. is more concentrated in case of lower caste and class households. On the other hand, more than 80 and 65 per cent of the workers from upper and upper middle castes respectively are employed in self-cultivation & allied activities and service sector. In the case of SC, only around 15

per cent of workers are engaged in the latter type of activities, while approximately 80 per cent are engaged in occupations such as wage labour, traditional caste occupations, and other occupations. Because of declining patron-client relationships and growing casualisation of rural workers most of the households from SC, agricultural labour and landless households, depend on casual wage earnings for their livelihood. Comparing the data from the two surveys we find that among the SC, agricultural labour households not only the proportion of regular workers has declined but also the proportion of self-employed has also declined. As against this, the proportion of self employed among others has increased from 76 per cent in 1982 to 81 per cent in 1999 (Table 14).

Table 14: Percentage Distribution of Workforce by Employment Status in 1982 and 1999

	Employment Status					
	1999-00			1981-82		
	Self-employed	Casual	Regular	Self-employed	Casual	Regular
S.C.	16.75	80.66	2.59	23.78	66.78	9.44
AI	17.90	80.35	1.76	23.72	68.93	7.35
Landless	23.11	73.96	2.92	27.32	65.51	7.16
SC, AL, landless	14.32	84.52	1.16	20.34	75.39	4.27
Others	81.36	11.86	6.78	76.50	15.00	8.50
All	47.96	49.01	2.95	52.44	41.04	6.52

The changing employment structure in rural Bihar coincides with increase in daily casual wages. During the referred intervening period, both the wage system as well as wage rates have witnessed significant changes. During the 18 years period between the two surveys most of the rural wages have been largely monetised and the real wage rates have increased from 75 per cent to 100 per cent in various villages (See also Rodgers and Rodgers, 2000).

In 1982, the wage level was generally Rs1.50-2 per day in a typical village, added to which was a breakfast and a meal evaluated at the equivalent of about 750 grams of wheat or rice. Rice in 1981 was Rs. 2.50-2.60 per kilo and wheat flour Rs. 2.50 (village prices). The total value of the wage in kind was therefore 1350 to 1550 grams of grain. Though grain equivalence is only an approximate guide to real income it is by far the largest item of expenditure in the budget of agricultural labourers in the village.

In 1999, the wage had risen to around Rs. 30 in cash, or Rs 20 plus 1 kg of grain. Meals, as a kind component of the wage, had virtually disappeared in favour of the payment in grain. (a few reports suggested that meals were now occasionally given to try to keep labourers on the worksite at midday). There is some variation in these wages - they were reported to vary between Rs 25 and Rs 35. Women were reported as receiving less - Rs 20 without payment in kind, or Rs 8-15 plus half kg rice and half kg flour in transplanting or weeding. This is a two way transformation: first the variability of wages seems to be much greater, varying with season and even between different workers. But the wage, in real terms, has risen in all the villages. In terms of rice, the grain equivalent of the daily wage is close to 3 kg and in terms of wheat it is 4 kg. The real value, in terms of foodgrains, has therefore almost doubled since 1981. In addition, a much larger fraction is paid in cash, reflecting monetization of the economy.

A calculation using the price index for agricultural labour gives similar results. The money value of the wage in 1981 was in the range Rs 3.40-3.90. The price index for agricultural labour in Bihar for the period November, 1999 to April 2000, based to 1981=100, is estimated as 387¹⁴. Wages in April 1999, at 1981 prices, were therefore in the range, Rs 6.46-9.04, confirming that they have doubled in real terms (the bottom of the range shows a 90 per cent increase in Purnea and Madhubani and the top of the range a 130 per cent increase in Rohtas and Gopalganj).

This enormous leap in real wages is the outcome of two important factors. Most of the wage rise in north Bihar is a result of large scale out migration of labour. The out migration of labour creates an artificial shortage of labour pulling the wage rates up. Moreover, the local wage rate is also affected by the wages at destination to some extent. In south Bihar though the factor of migration factor is not as important as the north Bihar, here also the incidence of migration has increased significantly. South Bihar the militant movement the poor peasants and agricultural labourers has been one of the most important factors that have a positive effect on the wage levels (see Box).

Box 2:

Labourers' Resistance and Hike in Wage Level, Salempur-Rupaspur Village, Gaya District

According to the farmers, about 20 years ago, agricultural labourers used to get 1 kg of rice and for harvesting they used to get 1 bundle for every 21 bundles of grains harvested. There were protests from the side of labourers to increase the wages and ultimately wages were increased to 2-kg grains and for harvesting it was increased to 1 bundle for every 16 bundles of grain harvested. For transplanting wages paid were 250 gms of grain per *dhur*. Construction workers & those involved in earth cutting also used to get the same payment.

Again in 1993, workers under the leadership of MKSS (*Mazdoor Kisan Sangharsh Samiti*), called for a strike and wages were increased to 2.5kg rice and one meal. For the first time attached labours also started to get an increased wage of 2 kg of grains but the payments were the same for harvesting as in case of free labourers. For construction work, labourers were given Rs. 30 and for earth cutting were paid for every 100 meters at the rate of Rs. 40. Before the strike, non-agricultural labourers used to get payments in kind.

Till now the strikes were called mainly during the harvest seasons. In 1998, before the sowing season, labourers went on a strike for 10-12 days for increasing their wages. Farmers informed that the strike was called under the guidance of MCC (*Maoist Communist Centre*). Incidence of violence, was also noted when a worker, Gursahai Mali, from the adjoining village was beaten up by the workers of this village for ploughing the field of a farmer for defying the decisions of strike. After the intervention by the local administration, 10 farmers and 10 workers were called from the Tekari Block and an agreement was made. Now the wages for agricultural labourers are fixed at 3 kilograms of rice or wheat and one meal. For harvesting the wages are fixed at 1 bundle for every 12 bundles of wheat harvested and 1 bundle of paddy for every 10 bundles of paddy harvested.

Although the strike of 1998 was successful in raising the wage level in the village there is still a lot of friction between landlords and labourers. Further it has cast its impact not only on the wages of labourers but sharecroppers of the village have also started putting pressure on landlords. Sharecroppers want half of the produce and so have stopped working in the fields. Presently they are getting one-third of the total. About 20 years ago, they used to get one-fourth of the total produce. Presently, only those farmers who cannot work in their fields go in for share cropping since their share has been increased to half of the produce. In addition seeds and fertilisers also has to be arranged by them.

The increase in daily casual wages, however, has been coupled with sharp decline in the availability of employment. As per the 1999 survey the average persondays of employment was 135 days, which was approximately 190 days during 1982. Moreover, the availability of employment shows a wide variations across different caste and class households. The per person persondays of employment available to casual workers was less than 100 days as compared to approximately 150 days in 1982. Since extremely poor households have more illiterate and unskilled workers, the availability of employment for them in the casual labour markets is still lower.

Migration of workers

Migration for work has been one of the most important coping mechanisms of the poor in rural Bihar. In the wake of acute poverty and pauperization, there has been an increasing trend of out-migration from Bihar, particularly since 1960's. The proportion of male workers, who out-migrate in search of work, has increased phenomenally from 10 per cent in 1982 to about 19 per cent in 1999-00. In terms of total workforce in rural Bihar approximately 10 lakhs workers out-migrate to other states either for short or long term on annual basis.

The migration is fairly distributed across all castes and classes but it is much higher among the upper castes and classes. It can be observed from Table 15 that among the poorest class of consumption expenditure the proportion of workers out-migrating is more than 18 per cent in 1982 and more than 17 per cent in 1999. However, the intensity of workers' migration is much lower among the chronically poor households.

Table 15: Proportion of workers migrating among Different Types of Households by Consumption Expenditure Class

	Lowest 20%	20% to 40%	40% to 60%	60% to 80%	Highest 20%
Panel I: 1982					
SC	6.81	1.83	4.64	5.41	
Agricultural labour	4.56	1.34	5.24	6.12	7.89
Landless	5.88	3.09	6.25	5.91	4.27
SC, AL landless	6.38	1.35	14.29	11.11	
Others	18.10	8.65	7.37	3.38	6.92
All	9.65	5.01	6.92	4.64	5.94
Panel II: 1999					
SC	8.35	7.78	4.30	18.66	20.45
Agricultural labour	6.45	5.90	5.87	10.10	12.50
Landless	6.96	6.80	12.68	12.13	16.26
SC, AL landless	8.58	7.66	5.06	15.00	8.33
Others	17.11	8.44	11.47	10.16	15.42
All	8.41	7.44	10.74	11.56	15.79

This is also evident from the table that the intensity of migration has increased phenomenally among the households belonging to upper consumption classes particularly from SC, agricultural labour and landless households. The low intensity of migration among the poorest consumption class from SC, agricultural labour and landless

households indicates that since the workers from these households are not able to migrate they are continuing in abject poverty. This is because migration is an important coping mechanism of the poor.

Box 3:
Migration as Coping Mechanism

I.

"Most of the young want to work outside. Then they do not have to bow their heads in front of the landlord or listen to their filthy language. Moreover, if they make sufficient money they do not have to work for someone they do not wish to. Nobody can then force us to do as they want to".

(Village: Jhitki; District: Madhubani.)

II.

"Now that so many people work outside, nobody can cheat us. In the past if a person refused to work in their field, he was beaten and forced to work. Not only did they force us to work for them, they (Brahmins) used to make us fight amongst ourselves. Today, the situation has changed. Because many of us work outside, we cannot be cheated anymore".

"We have not become richer because of political leaders, but we are not so scared of them (Bhumihar, Brahmin and Kayastha) anymore. We can now complain in the police station ... Earlier the Harijans and middle caste were not united. Now, because we are united, the landlords cannot ill-treat and cheat us. Earlier we used to do *begari* (unpaid work, provided only food), but now we only work for wages. Nobody is a *bandhua* (bonded labour) now. All can work freely and for anybody in the village or migrate out in search of employment. However, going outside to work is not so easy".

(Village: Jitwarpur; District: Purnea.)

III.

"The landlords slap cases of robbery against those who want to go to Delhi, Punjab, Surat etc., so that they remain in the village. Even our women face difficulties. Even though they get higher wages in the next village, they are unable to work there as the upper caste landlords block their way and sometimes even keep the goats in their custody. At other times they even threaten to beat up the Chamar, Nuniya and Gaud women if they dare to work in the next village. However we continue to migrate and do not bother for their threatenings".

(Village: Diwanparsa; District: Gopalganj.)

Source: 1999-00 Survey

It is also found that by and large upper castes and Muslims and landlords/middle peasants and non-agriculturist classes report more long-term migration compared to short-term ones. The two classes from which migration has increased substantially are landlords and non-agriculturists. While for labourers and poor peasants migration has for long been a coping mechanism, the desire to earn more has increasingly become an

important reason of migration. Also, many people now prefer to work outside as this enables them to slowly break the existing caste taboos that today exist in the village. While the upper caste people do not do any manual wage work in their villages because of caste taboos, they undertake all kinds of work—wage work or low-paid self-employed work—in their place of migration. This is an important reason why upper caste youth migrate. In the case of lower castes also many people migrate to avoid becoming victims of prevailing system of caste discrimination in the village.

The intensity of migration is higher in north Bihar as compared to south Bihar. High concentration of agricultural labour and lack of non-farm employment opportunities coupled with recurrent floods in north Bihar probably explain why the rate of out-migration from the region is relatively high. Very high level of seasonal and disguised unemployment, particularly among daily wage earners and self employed, compel the workers to migrate either seasonally or for a long term. During the lean agricultural seasons workers always migrate in search of employment to distant places also.

Out-migration of workers from the state although has brought many positive changes in the socio-economic milieu of rural Bihar, a related issue is the possibility of 'hidden cost/hardship' associated with migration. Migration of people in general and workers in particular often entails social costs that are poorly captured. Examples of such costs include irregular school attendance of the children of migrant workers, the spread of HIV/AIDS and other diseases, the disruption of family life, and rising urban congestion (Deaton and Dreze, 2002). Besides these since in Bihar migration has been mainly male selective, which leads to excessive family burden on the spouse of the migrant workers.

Indebtedness

Indebtedness of households has more complex relation with poverty. On the one hand indebtedness shows inadequacy of households' income in meeting current expenditure and on the other it reflects the extent of demand for credit for many productive purposes. However, in rural Bihar most of the households were found indebted for non-productive purposes. Accordingly the level of indebtedness is substantially higher among SC, agricultural labour and landless households (Table 16). Comparing the data from the two surveys we find that the level of indebtedness has marginally come down for all sections

of population except in case of agricultural labour households. It is also important to note that over the years the dependence on traditional sources of credit has come down for all population groups from 82 per cent in 1982 to approximately 75 per cent in 1999. However approximately 90 per cent of the SC, agricultural labour and landless households still depend on traditional sources of credit.

Table 16: Level of Indebtedness by Source and Purpose

Types of households	% indebted by any source	% distribution of all indebted by source		% indebted for non-productive purpose		Average interest rates (Rs.) annually
		institutional	Traditional	Current consumption	health	
	Panel I: 1982					
SC	82.81	7.34	92.66	26.99	12.20	51.00
Agricultural labour	76.53	5.39	94.61	28.95	22.68	49.75
Landless	79.11	3.89	96.11	34.13	20.66	51.94
SC, AL landless	83.95	2.35	97.65	35.88	22.55	51.22
Others	48.30	24.66	75.34	12.35	5.34	31.42
All	74.83	17.92	82.08	22.69	6.42	39.15
	Panel II: 1999					
SC	69.65	17.86	82.14	10.46	23.19	74.55
Agricultural labour	77.53	14.39	85.61	13.28	24.55	75.85
Landless	73.68	10.71	89.29	13.87	27.32	78.08
SC, AL landless	78.69	9.58	90.42	15.87	28.11	78.08
Others	42.54	32.39	67.61	5.34	16.33	71.05
All	68.91	23.38	76.62	8.76	18.94	73.70

Further it can be seen from the table that 30 to 40 per cent of the households belonging to SC, agricultural labour and landless take credit for non-productive purpose, most common among them are current consumption and health expenditure purposes. The proportion was as high as approximately 60 per cent in 1982. For other households indebtedness for non-productive purposes was only 21 per cent, which marginally increased to approximately 20 per cent in 1999. It is important to note that in 1982 current consumption constituted the major part of the total indebtedness for non-productive purposes (23%) while in 1999 health as a purpose of credit major part (19%). For the chronically poor groups the health as a purpose of indebtedness constitutes as high as 28 per cent. Over the years the average annual rate of interest has been on rise

from approximately 40 per cent in 1982 to 73 per cent in 1999. This is on account of exorbitant rate of interest being charged by traditional sources. Seeing all these aspects of indebtedness most of the poor families particularly belonging to chronically poor group are trapped in indebtedness and it becomes difficult for them to come out from the vagaries of poverty. Many of these groups who have access to modern sources such as institutional credit have been able to fight poverty more successfully.

VI. SUMMARY AND CONSLUSIONS

The above analysis shows that poverty in Bihar is a multidimensional phenomenon. On the one hand it is associated with social characteristic, such as caste and class of the households, on the other, it is related to human development indicators such as access to educational and health facilities. In this regard perception of well-being/ill-being by the villagers themselves is an important indicator of multidimensional nature of poverty. Although large percentage of the villagers perceive an improvement in their economic condition the past, the people from relatively higher classes and castes have improved their lot much more than the lower castes and classes. Many of the people from lower classes feel that although the overall economic situation in village has improved their own position has become worse.

There is no doubt that over the years poverty in rural Bihar has declined and there has been a general improvement in the levels of living of rural masses. However, the effort of poverty reduction in the state has left many vulnerable groups behind. There is a small but important sub-section of population who continues to live in abject poverty and is faced with a situation of chronic poverty.

Based on panel data from two surveys undertaken during 1981-83 and 1989-00 in 12 stratified random villages, the paper discusses the status of chronic poverty in rural Bihar and analyses the changes in nature and intensity of poverty during the last two decades. The paper also attempts to identify the groups of population who find it difficult to come out of the poverty rut. It also analyses some of the factors which perpetuate and reinforce this nature of poverty.

The analysis of the two primary survey data shows that the poverty reduction in rural Bihar has been largely limited to relatively upper strata of the larger. Lower classes

and castes such as Scheduled Caste (SCs), Other Backward Classes I (OBC I), agricultural labour, poor middle peasant, landless, marginal land holders etc. have experienced little poverty reduction over the years. Although there has been some improvement in terms of food security, access to domestic possession, literacy, health indicators etc. during the two intervening periods for these groups, they are still continuing in the state of object poverty. Many of the families of these population groups have faced deterioration because of many shocks such as death of head of households, crop failure, land or cattle loss, long illness and excessive expenditure on health etc. Among these population groups the present paper identifies some population groups which have faced net deterioration in their life. These groups are households belonging to the lowest or the second lowest quintiles of consumption expenditure from Scheduled Castes (SCs), agricultural labour and landless households, women headed households, households with disabled head etc. Besides these, there are some other population group irrespective of caste and class background that also form the part of extremely poor and their situation has been more or less stagnant over the years. The population groups are women in general, disabled, old people, who face various kinds of intra-households discrimination. It is emphasized in the paper that when these characteristics of the households reinforce one another the vagaries of poverty become more acute. The paper identifies these groups as 'chronically poor'. It is shown that concentration of households from SCs, agricultural labour, and landless in the lowest quintile group of consumption expenditure has increased over the years. The concentration of women headed households and households with disabled head has been more or less stagnant in the lowest quintile group. For all other group of households the concentration in the lowest quintile has reduced considerably between the two intervening periods.

The paper also identifies some of the important factors which are responsible for persisting poverty among the identified groups. The factors are low levels of literacy and education, indebtedness from traditional sources, land loss, low asset holding, excessive expenditure on health, disability of family members particularly of main bread earner etc. In contrast, it is also seen that factors such as increased literacy and education, access to institutional loans, holding of productive assets, etc. have played positive role in putting many groups from vulnerable groups in transient points group. Apart from all these

factors, migration of workers has played an important role in reducing poverty among all castes and classes. It clearly comes out that even if lower caste and class households are able to send workers out, it has strong positive impact on poverty. However, although over the years, the intensity of workers' migration from rural Bihar has increased phenomenally, the workers from a large section of lower castes and class households are less likely to migrate and continue with abject poverty.

A striking feature of the poor in Bihar is that they show high sensitivity towards the prevalence of relative poverty with regard to their economic conditions and access to basic amenities. They seem to particularly resent the indifference of the government for failing to provide adequate educational and health facilities. Schooling is increasingly being viewed by the parents as an opportunity for upward mobility. This point is confirmed by the fact that not only the availability but the parents are concerned with the quality of education. Even the illiterate parents feel that the quality of education is low and question the regularity and commitment of teachers. Similarly, people resent the inaccessibility, callous attitude of the health staff, and the cost of treatment they have to incur even in government hospitals. The demand for basic amenities is a part of the rising aspirations of the poor for advancement. There is a growing awareness that the poor are denied the basic amenities what they should get as a matter of right. Obviously, this should figure high in the priorities of the government as well as the NGOs.

The poverty and human development in rural Bihar needs more focussed programmes in order to benefit the poorest section of the society. Undoubtedly, the development of the local economy is a must in this context as it will increase their access to productive sources of employment as well as bargaining power. Provision of irrigation, road, the use of commons, etc. are crucial in this regard. However, in view of the high level of inequality of income, consumption expenditure, asset holding position, access to social institutions and basic amenities etc, and overall large concentration of poor within the 'very poor' and 'chronic poor' category, there is an urgent need to reorient and target many of the government programmes towards the poorest section. The penetration of government anti-poverty as well as social welfare programmes are not only inadequate but also improperly implemented and monitored. There is a widespread feeling of discontent due to corruption and discrimination against the less powerful. The apathy of

government officials and their connivance with the local elite is seen as the major bottleneck to their vicious circle of poverty. Increasing the levels of literacy and education, availability of productive employment, access to institutional credit, targeted programmes of building of rural infrastructure etc. are of utmost importance. The skill development of the poorer workers, both migrants and non-migrants, will go a long way in increasing the productivity and earnings of the poor in Bihar, as low level of education and skill endowment is the primary reason of their low earnings. However, besides all these general efforts, which have a long term impact on rural poverty, there is need to have some targeted programmes of social security covering income loss, health, etc. which specifically addresses to the needs of the chronically poor people.

Annexure I

	Moderate poor	Very poor	All poor
CASTEGR			
Upper caste	20.29	6.02	26.32
Upper OBC II	18.48	9.89	28.37
Lower OBC II	17.97	26.43	44.40
OBC I	28.08	23.06	51.14
SC	38.39	28.16	66.55
Muslim	35.10	15.34	50.44
CLASSGR			
Agricultural labour	34.61	33.88	68.49
Poor middle peasant	22.06	7.84	29.90
Middle peasant	25.96	5.53	31.49
Big peasant	25.43	5.02	30.44
Landlord	12.85	5.84	18.70
Non-agricultural	28.25	16.98	45.23
Owned Land (acre)			
Landless	32.04	31.42	63.46
0-1.0	31.67	12.91	44.58
1.0-2.5	17.65	4.94	22.59
2.5-5.0	19.97	3.05	23.01
5.0-10.0	7.65	0.00	7.65
10.0+	0.00	0.00	0.00
Total	26.54	16.71	43.25

Annexure II:

Quintile Group Distribution of Consumption Expenditure, 1999

Types of households	Consumption expenditure class				
	Lowest 20%	20% to 40%	40% to 60%	60% to 80%	Highest 20%
CASTEGR					
Upper caste	8.66	14.17	20.87	27.17	29.13
Upper OBC II	10.91	12.73	31.82	24.55	20.00
Lower OBC II	25.00	18.06	13.89	22.22	20.83
OBC I	21.94	22.58	18.06	20.65	16.77
SC	37.31	25.87	17.41	9.45	9.95
Muslim	17.17	27.27	19.19	15.15	21.21
CLASSGR					
Agricultural labour	36.09	25.44	19.53	11.83	7.10
Poor middle peasant	11.11	14.81	22.22	25.93	25.93
Middle peasant	7.53	18.28	26.88	26.88	20.43
Big peasant	6.75	17.79	22.09	23.93	29.45
Landlord	7.45	10.56	14.91	27.95	39.13
Non-agricultural	21.10	22.02	21.10	20.18	15.60
Owned Land (acre)					
Landless	32.89	23.68	18.42	15.00	10.00
0-1.0	16.17	21.43	24.06	19.55	18.80
1.0-2.5	6.72	12.61	22.69	31.09	26.89
2.5-5.0	2.60	15.58	15.58	27.27	38.96
5.0-10.0		8.11	16.22	16.22	59.46
10.0-20.0			11.11	44.44	44.44
20+				33.33	66.67
Total	20.00	20.00	20.00	20.00	20.00

Quintile Group Distribution of Consumption Expenditure, 1982

	1.00	2.00	3.00	4.00	5.00
CASTEGR					
Upper caste	10.53	12.78	19.55	22.56	34.59
Upper OBC II	12.50	12.50	31.94	23.61	19.44
Lower OBC II	11.54	17.31	21.15	17.31	32.69
OBC I	32.22	24.44	17.78	15.56	10.00
SC	28.69	26.23	18.03	18.03	9.02
Muslim	21.05	28.07	14.04	22.81	14.04
CLASSGR					
Agricultural labour	28.38	28.83	17.57	16.67	8.56
Poor middle peasant	17.78	13.33	26.67	26.67	15.56
Middle peasant	13.33	3.33	40.00	30.00	13.33
Big peasant	10.38	11.32	20.75	28.30	29.25
Landlord	11.39	17.72	15.19	13.92	41.77
Non-agricultural	22.73	18.18	20.45	13.64	25.00
Land (in acre.)					
Landless	30.84	26.17	14.95	16.82	11.21
0-1.0	19.55	21.80	24.06	17.29	17.29
1.0-2.5	13.64	12.12	27.27	28.79	18.18
2.5-5.0	6.38	12.77	25.53	23.40	31.91
5.0-10.0	3.03	12.12	15.15	24.24	45.45
10.0-20.0		7.14	25.00	21.43	46.43

Annexure III

Percentage of Households with Different Housing and Basic Amenities Facilities

	1999-00						1981-82					
	Housing				Decent Lighting*	Own Toilet	Housing			Decent Lighting*	Own Toilet	
	Kutcha	Semi- Pucca	Pucca	No. of rooms			Semi- Pucca	Pucca	No. of rooms			
Caste												
Brahmin	41.80	29.90	28.30	3.40	60.24	16.27	50.7	28.4	3.9	74.6	16.4	
Bhumihar	17.30	44.90	37.80	3.45	62.50	28.41	21.1	39.2	3.9	71.8	18.8	
Kurmi	9.80	27.30	62.90	2.69	38.46	3.85	3.2	55.1	6.6	70.2	22.6	
Yadav	36.50	49.00	14.50	3.53	50.00	10.00	56.7	7.7	3.3	56.2	0.0	
Koiri	18.10	51.50	30.40	4.86	57.14	28.57	3.0	17.4	4.3	65.3	1.8	
Other OBC II	35.70	42.80	21.40	2.82	44.44	9.72	24.2	13.5	3.5	64.0	7.9	
OBC I	66.40	24.10	9.80	2.47	36.77	2.58	54.7	1.2	2.7	15.0	0.9	
SC	59.30	32.90	8.00	2.25	19.90	0.00	44.1	1.9	2.3	9.9	1.3	
Muslim	82.20	14.60	3.30	2.17	45.45	10.10	74.6	11.1	2.1	31.9	5.5	
Class												
ALNF	75.6	22.1	2.4	1.88	20.19	0.00	62.0	0.0	1.9	9.7	1.3	
ALNA	70.7	24.6	4.7	2.17	11.11	5.56	27.0	0.0	2.7	11.1	0.5	
ALLF	62.0	28.0	10.0	2.53	23.85	0.92	57.8	3.7	2.6	20.1	0.8	
ALLA	69.1	17.6	13.5	1.67	33.33	0.00	42.8	0.0	2.2	8.6	6.0	
POOMIDP	36.2	45.8	18.0	2.93	40.74	0.00	27.9	15.4	3.2	40.5	2.0	
MIDP	26.6	46.2	27.3	3.23	51.61	5.38	31.4	20.2	3.7	67.4	1.0	
BIGP	29.0	38.5	32.5	4.06	60.12	21.47	15.2	73.1	5.9	94.4	37.6	
LANDLD	21.5	35.5	43.1	3.38	67.70	24.84	50.6	45.3	2.9	100.0	49.3	
NAG	52.6	36.0	11.4	1.90	39.45	3.67	45.7	5.8	2.5	42.3	2.4	
Total	45.1	32.1	22.5	2.81	42.65	9.65	43.0	13.5	3.1	37.9	6.4	

* Includes lighting through electric, oil lamps, kerosine lamps.

Notes

- ¹ The first study was done by a research team which comprised Pradhan H. Prasad, Gerry Rodgers, S. Gupta and Alakh N. Sharma. The selected villages were from plains of Bihar which incidently comprises present Bihar after the formation of the state of Jharkhand consisting of the plateau region. The sample households were carefully selected from various groups (classes) of the village society based on a rigorous exercise. For methodology and other details, see Prasad et.al (1986). The resurvey was carried out by IHD during 1999-00 in the same villages with support from ACTIONAID and NABARD. The present authors are part of the research team. For details see Sharma et.al (2001).
- ² Two problems were faced in identifying the same households during the second survey : (a) A large proportion of the households surveyed during the first period had disintegrated after a gap of 18 years; (b) Several households had also shifted from the villages. However, care was taken during the survey to approach similar households on the basic stratification due at the caste, class and land holding. The internal proportion of the sample was also maintained which was followed in the earlier survey.
- ³ In the study the various castes have been categorized into nine categories—i. Forward I (Brahmin+Kayastha); ii. Forward II (bhumihaar+Rajput); iii. Backward I; iv. Yadav; v. Koeri; vi. Kurmi; vii. Other Backward II; viii. Scheduled castes; ix. Muslims.
- ⁴ The official estimates of poverty ratio in 1999-2000 has been a subject of intense discussion on account of its different methodology of recall period. The discussions are mainly centred around the magnitude and intensity of decline in poverty as reported by the Planning Commission (2001) based on the 55th round of National Sample Survey (NSS). However, despite the problems raised in literature, evaluating relative position of Bihar *vis-à-vis* All India will not be out of order.
- ⁵ See for details of the peasant and labour movement, Sharma and Kumar (1998); and Sharma (2001).
- ⁶ For an account of migration in Bihar, see Sharma (1999) and Singh and Karan (2002).
- ⁷ See also Rao, Sharma, and Srivastava, (2000).
- ⁸ The observations are based on 'Wealth Ranking Exercise' conducted by villagers in 18 villages each of the two regions. While categorizing the households by levels of poverty villagers use common perception of people within village.
- ⁹ Main forms of attached labourers found in rural Bihar are *Halwaha*, *Kamia*, *Charwaha*, *Gauthaha*, *Gumasta* etc..
- ¹⁰ For a detailed analysis and basis of classification, see Prasad et.al (1986).
- ¹¹ The calculation of poverty ratio on the basis of survey data is not strictly comparable with the official estimates of HCR based on the NSSO data consumption expenditure.
- ¹² Since the data of the first survey is related to year 1981-82, the state specific poverty line has been adjusted for 1981-82 by using the CPIL.
- ¹³ This estimate is approximate, obtained by splicing together series for Bihar published in the Indian Labour Journal. The all-India figure is slightly higher (411). The price index for agricultural labour is now calculated on a base 1986-87=100. Earlier figures were on a base 1960-61=100. The weights of the components of the index were also revised.

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CORRELATES OF INCIDENCE AND EXIT FROM CHRONIC POVERTY IN
RURAL INDIA: EVIDENCE FROM PANEL DATA

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Correlates of Incidence and Exit from Chronic Poverty in Rural India: Evidence from Panel Data¹

Shashanka Bhide²
Aasha Kapur Mehta

I. Introduction

There is a large volume of literature on poverty and estimating the number of poor in India. A recent collection of papers on the issue can be found in January 25-31, 2003 issue of *Economic and Political Weekly*. However, there is little discussion of 'chronic poverty' either in the sense of 'severity' or 'duration'. A detailed review of the research on incidence and factors influencing chronic poverty, especially in the 'duration' sense is available in an earlier paper by the same authors (Mehta and Bhide, 2003). The review shows that the extent of chronic poverty in either sense is significant and the factors that cause severe and chronic poverty may vary from those that cause other types of poverty. This paper focuses on an econometric assessment of the factors influencing severe and chronic poverty using the NCAER data for rural India for the years 1970-71 and 1981-82. Variability in the degree of persistence for households grouped by selected socio-economic characteristics has been presented in Mehta and Bhide (2003).

Determination of poverty as chronic or temporary requires that the same households be tracked over time through a panel data set and/or use of life or event history and other qualitative approaches. The present study uses panel data that longitudinally track 3,139 households in rural India to try to provide an understanding of the characteristics of households that exhibit mobility out of poverty and of those that simply stay poor.

In the next section of the paper, we present a review of some of the panel data based literature on chronic poverty. Section III provides information regarding the panel data used for the analysis. Sections IV and V present methodology and results of analysis of the incidence, mobility and persistence of poverty drawn from the panel data set while section V concludes the paper.

¹ Shashanka Bhide is Professor at ISEC. Aasha Kapur Mehta is Professor at IIPA. This paper is based on work in progress for the Chronic Poverty Research Centre at IIPA. A paper on the findings was also presented at a conference on chronic poverty in Manchester in April 2003. The authors are grateful to many who have commented on the work in the previous reports, too numerous to name here, and also those at IIPA and NCAER who have assisted through the course of the study. Authors alone are responsible for the errors.

² Much of the work on this paper was done when the author was at National Council of Applied Economic Research, New Delhi from where he is currently on leave.

II. Panel data based research on Factors Influencing Chronic Poverty: A Brief review

Studies using panel data show that in several countries and/or geographic locations where poverty incidence is high, there is considerable movement into and out of poverty. The questions that we focus on here are,

- 1) Do the correlates of poverty status differ over time?
- 2) Do the correlates of poverty status differ from those of entry/exit?

In a comprehensive review of chronic poverty research using panel data, McKay and Lawson (2002) point out that few panel data sets suitable for poverty analysis have been collected and these vary with regard to time duration (1 to 19 years), the number of waves in the panel (2 to 9), the sample size (146 to 5854 households) and geographic coverage (from a few communities to the entire country).

They stress the value of panel data as a tool for looking at inter-temporal variations in living conditions of individual households but note that they suffer from measurement errors due to attrition of households, inability to capture household-level variations between rounds and changes in willingness or attitude of households to a second interview. They draw attention to the distinction made by Yaqub (2000) between two main methods that can yield different results; a "spells" approach (variation in number of periods of poverty experienced could change the results considerably) and a "components" approach (people who may temporarily move marginally above the poverty line but are generally below it, would be included among the chronically poor).

Baulch and McCulloch (2001) investigate the factors that are associated with movements into and out of poverty and show that the correlates of entries and exits differ from correlates of poverty status. Important correlates of poverty status are dependency ratio and geographic variables. Important correlates of increasing exit and decreasing entry include education and livestock ownership. They argue that there is considerable movement in and out of poverty and this occurs as shocks and changing circumstances force households below or above the poverty line before opportunities or shocks help them surface above or push them under it and that this has important implications for policy interventions. Therefore, reducing the poverty headcount would require that attention be focused on increasing exits from and decreasing entries into poverty rather than on the correlates of poverty status.

Two data sets that have been used to analyse long duration poverty in India are the NCAER panel data for rural households and the ICRISAT panel data for semi arid areas.

Gaiha (1989) used a panel survey of 4118 rural households of India, carried out by the National Council of Applied Economic research in 1968-69, 1969-70 and 1970-71. He identified the chronically poor as households that were below the poverty line in each of the three years under consideration. He found that among the chronically poor, casual agricultural labourers were the largest in number and cultivators the second largest group. Most of the chronically poor were either landless or near-

landless and were more dependent on wages. Household size was about the same and dependency burden and illiteracy was slightly higher among them than the just poor.

In an earlier paper Gaiha (1988) analysed income mobility among the rural cultivating poor also on the basis of the NCAER panel survey. He notes that the factors that enabled the cultivating poor to overcome poverty included greater access to cultivable land combined with modern agricultural inputs and "escape from poverty was not a result of growth trickling down to the rural poor...".

NCAER(1986a and 1986b) provides an analysis of the mobility of the rural households in India based on the panel data of 3139 households collected for 1970-71 and 1981-82. The study notes both upward and downward movement of the households across income classes. The factors associated with the upward movement of households in the lower income categories were identified as more 'intensive use' of labour resources and acquisition of land. The factors associated with the downward mobility were loss of land and rigidities in inter-occupational mobility. The study notes that education, caste and demographic factors were important in explaining changes in per capita income over the period.

Using the ICRISAT panel survey of 240 households in six villages in the semi arid region of rural South India covering the period 1975-76 to 1983-84, Gaiha and Deolalikar (1993) note that persistence of poverty is the result of "deep-rooted characteristics" such as schooling of head of household and that measures such as income transfers on a continuing basis are needed to compensate subsets of the poor for their innate disadvantages.

Singh and Binswanger (1993) also used longitudinal data collected by ICRISAT from 218 rural households from six villages in India's semi-arid tropics (SAT) for a period of nine cropping years from 1975-76 to 1983-84. They found that:

- Poverty was closely associated with the resource base of the people in addition to their personal characteristics (Singh, 1990). Compared to the non-poor households, the poor cultivating households had poorer quality land, poorer resource base, lower risk bearing capacity, stronger subsistence orientation and a stronger preference for coarse gains in their cropping pattern (Jodha and Singh, 1982).
- The initially poor, who escaped poverty experienced a decline in their family size by more than one member. At the same time, the initially non-poor households, who became poor, experienced an increase in their family size by more than one member.
- Poor households who remained poor neither accumulated wealth nor reduced liabilities.
- Households who remained poor or became poor lost considerable operational area while those who escaped poverty were able to maintain their operational holding sizes in the face of increased demographic pressure. The same group was also able to increase its irrigation level.
- The percentage gains in income over the period did not differ much across these caste groupings.
- Out of 218 rural households studied over time, 131 were initially poor. After nine years, 48 of these households had income above the poverty line

threshold. Nine of the initially 87 non-poor households became poor despite considerable growth in the average income of the sample.

However, they point out that generalizations of these results should be made with caution because the sample selected for the study could not remain truly representative after a period of nine years.

Jalan and Ravallion (2000) use panel data from 5854 households in China to identify factors that determine transient and chronic poverty. They include as explanatory variables household specific human and physical assets, and community effects. Both chronic and transient poverty are reduced by greater access to physical capital and life-cycle effects are also similar between the two types of poverty. Demographic characteristics and human capital indicators such as literacy, having a household member with a job outside the village or town, living in a revolutionary base area or a minority area as also higher grain yields seem to be more important for chronic poverty than for transient poverty.

The household's stage of life cycle, wealth holdings and the standard deviation of the household's wealth holdings and cultivated land holdings are important in determining transient poverty. While higher physical wealth tends to decrease transient poverty, greater volatility in a household's wealth holdings is likely to increase it. There is little sign that education reduces transient poverty, and very few of other demographic and country characteristics seem to be important factors. Hence they suggest that different types of policies will be needed to deal with the two types of poverty.

McCulloch and Baulch (2000) use a 5-year panel of 686 households to show that different types of anti-poverty interventions may be needed to address chronic and transitory poverty. They examine the impact on chronic and transitory poverty of two types of policy simulations - those designed to smooth incomes over time (such as safety nets, micro credit and insurance schemes) and those designed to promote income growth. Interventions that enable households to smooth their incomes might achieve large reductions in transitory poverty but make little difference to chronic poverty, which is reduced by large and sustained growth in real incomes. They also find that provision of child benefits of as little as Rs.100 to each child could dramatically reduce poverty as also improving education via educational subsidies, especially education of the household head. They conclude that while interventions to improve human and physical capital of the poor are likely to be successful in the long run in reducing chronic poverty, in the short term large reductions in income poverty could be achieved through smoothing incomes for instance through provision of micro-credit, seasonal public works, crop insurance and food price stabilization schemes.

Sen (2003) analyses a panel data set of 379 rural households from 21 villages in Bangladesh for 1987-88 and 2000 to find that the drivers of escape from poverty and descent into poverty are not mirror images of each other. Escape from poverty is based on overcoming structural obstacles by pursuing multiple strategies such as crop intensification, agricultural diversification, off-farm activity and irrigation that permit rapid accumulation of a mix of assets. Descent into poverty is associated with lifecycle changes and crises like floods and ill-health. The likelihood of escape from

poverty and entry into it is sensitive to initial asset position. The pattern of livelihood change has been of a lower quality and potential and increased at a slower pace in the case of the chronic poor than were changes observed for ascending households.

Ascending households were found to be faster accumulators of human, physical and financial assets, better diversifiers, with regard to adopting modern varieties of rice and occupational diversification to higher productivity non agricultural activities. They showed increased supply of labour with declining dependency. The pace of improvement in human capital (years of schooling) was highest for ascending households.

The key causes of downward mobility were crisis or discrete shocks, unfavourable lifecycle factors and structural factors such as loss of natural or human or financial assets or adverse market conditions.

Grootaert and Kanbur (1995) used the CILSS multi purpose panel data set for Cote d'Ivoire for around 700 households in 1985-86, 1986-87 and 1987-88 and found that over the 1985-88 period despite recession, there were numerous people who luckily bucked the trend and escaped poverty and that they were widespread regionally, although in some socioeconomic groupings the poor had higher chances of escaping poverty amidst general decline.

Grootaert, Kanbur and Oh (1997) build further on this work to explore the role of other household characteristics especially human and physical assets in addition to region of residence and socioeconomic status in differentiating those who escape from poverty from those who remain poor. Both initial conditions and pattern of changes in endowment affected changes in welfare.

In rural areas, those households that had fewer members, heads younger than 45 years of age, with larger and better equipped farms and with a non-farm source of income (diversified sources of income) were most likely to achieve welfare gains. Education played a smaller role in rural areas. Female headed households did better than male headed households and export crop farmers did better than food crop farmers. In both urban and rural areas, household size and composition were important. Region and socioeconomic status are strong predictors of welfare change.

Their suggestions for policy makers include the relevance of education in coping with economic declines, targeting social safety nets to larger households, providing support targeted at children through school lunches or subsidized uniforms, and support to small holders who are more vulnerable to welfare losses in periods of overall economic decline. They suggest using age of (older) head of household and number of durables owned by the household as useful in identifying target households.

Gaiha and Imai (2003) use panel data for 183 households belonging to 5 sample villages in Andhra Pradesh and Maharashtra (i.e., two states of India - ICRISAT data) for 1975-84 to assess the impact of crop shock. They note that large segments of rural households experience long spells of poverty (over 3 years) even without negative crop shocks. Occurrence of crop shocks leads to an increased proportion of households experiencing short spells of poverty (1 to 2 years). There is greater vulnerability of low caste households and small farmers to long spells of poverty

when large or severe crop shock occurs. They note with concern that much larger transfers of land and non land assets are needed if vulnerable sections such as landless households in the lowest caste category are to protect themselves better against crop shocks. Anti-poverty strategy needs to be reoriented in view of this.

Włodzimierz (1993-96) used four-year panel data from Poland's Household Budget Survey to explore the distinction between transitory and long-term poverty and examine poverty mobility. The section of population that could minimize or avoid chronic poverty in Poland included those living in urban areas, headed by older and better educated, with few children and unemployed members and possessing financial or physical assets. Households with a larger kinship network faced significantly less danger of falling into chronic poverty or vulnerability.

III. The Sample³ for the Panel Data

The National Council of Applied Economic Research undertook a study of rural household income in the late 1960s. Base data for this study was collected from a sample of 4,363 households from 261 villages. A multi-stage stratified random sample design was adopted for the selection of the 261 villages. All the households in the sample villages were listed and this list formed the sample frame. In 1981-82, a re-survey of the sample villages was carried out. Out of the 261 villages, in 1981-82 only 250 villages could be covered as the survey could not be carried out in the state of Assam. After listing all the households yet again in 1981-82, the sample was selected taking into account the sample households that were part of the original sample in 1970-71. The common sample, in this sense a panel, consisted of 3140 households in 1970-71 as well as in 1981-82. The key criteria for the sample households to qualify as panel households were:

- A. The household in 1970-71 is fully intact in 1981-82 with the same person heading the household.
- B. The household head is the same in 1970-71 and 1981-82 but the household of 1970-71 is not intact with all the members of 1970-71 not staying together in 1981-82
- C. The household head has changed between 1970-71 and 1981-82 but the rest of the household is the same

The entire sample for 1981-82 comprised of households that were not part of the 1970-71 sample in addition to the panel sample. In this study, we have used only the common sample or the 'panel'. The sample covered rural areas in the whole country with the exception of the state of Assam. The survey used a detailed questionnaire to elicit information on social, economic and demographic characteristics of the households. Besides the household information, village level information was also collected in both the surveys. In the present study, we have access to the village level data for only 1970-71 survey. We have supplemented the available information on village level and district level from the Census and Indian Agricultural Statistics for 1970-71 and 1981-82.

³ This description of the sample is based on the description given in "Changes in Household Income, Inter-Class Mobility and Income Distribution in Rural India- A Longitudinal Study: 1970-71 to 1981-82", NCAER, mimeographed, April 1986.

IV. Correlates of Incidence, Mobility and Persistence: Methodology

One-time surveys do not capture the 'persistence of poverty' or 'chronic' or long duration nature of poverty'. At any given time, some households may be poor but their consumption levels may rise above the poverty line in the following year: poverty may be transient caused by crop failure in a particular year or natural or other shocks to livelihoods. 'Panel data sets' can track the status of a given household with respect to their income or consumption pattern at various points in time. Using such a panel data set, we examine the patterns of poverty in rural India in the 1970s and attempt to identify the factors that may either perpetuate poverty or facilitate escape from it.

What factors enable households to 'exit' from poverty? What are the characteristics of households that are unable to 'exit' from poverty? These are important questions that can be addressed from the panel data. In this present paper, we use the national NCAER data set for 1970-71 and 1981-82 to present the pattern of mobility of households between poor and non-poor categories over the period covered by the panel data.

Information on consumption expenditures and on the poverty line is used to classify each household in the sample as poor or non-poor. We have used the poverty line estimated for rural households for the year 1980-81 and used the Consumer Price Index for Agricultural Labour (CPI-AL) to derive the poverty line at 1981-82 prices. The CPI-AL was also used to express the total consumer expenditures of the households in 1970-71 in 1981-82 prices. We, thus, have a proportion of households that were poor in 1970-71 and remained poor by the same criterion in 1981-82 as well. Some of the poor in 1970-71 may have become non-poor in 1981-82.

The analysis in this paper is at two levels. First we examine the impact of various factors on the incidence of poverty and then consider the impact of factors that influence the changes in the poverty status of households over time. While there are numerous examples of the first type in the development literature, the latter type of analysis is reported in limited cases due to lack of data needed for such analysis.

The brief review of earlier research presented in section II is summarised in Tables 1 and 2 below. This provides information regarding a variety of correlates of poverty. There is some variation in the factors that are correlated with chronic poverty and transient poverty. Most of the literature reviewed in section II did not specifically look at the poor far below poverty line or the 'severely poor'.

The correlates of movement of households into poverty and out of poverty also differ slightly from one another. An important finding is the long-term effects of variables such as education in enabling poor households to move out of poverty.

Table 1. Correlates of Poverty and Chronic Poverty and Some Policy Implications

Poverty	Chronic Poverty
<i>Factors Correlated with Poverty:</i>	
Personal characteristics	Casual agricultural labour
Resource base	Small holdings/landlessness
Dependency ratio	Illiteracy
Geographical factors	Schooling of head of household
Lack of Physical capital/assets	Lack of Physical capital/assets
Life-cycle stage	Life-cycle stage
Volatility in wealth holding	Job for a household member outside village
Crop shocks	Land productivity
<i>Which Policy interventions to ameliorate poverty?</i>	
Income smoothing(micro credit, crop insurance, seasonal public works employment, food price stabilisation)	Improved human and physical capital formation (school subsidies, land improvement) Large and sustained growth in real incomes

Note: This table is based on the review presented in Section II of the paper.

Table 2. Correlates of Exit and Entry into Poverty and Some Policy Implications

Exit from Poverty (slower entry)	Entry into Poverty
<i>Correlates of Movement out of Poverty and into Poverty:</i>	
Education	Initial asset position
Livestock ownership	Shocks, ill health, crop shocks, etc
Crop land and modern agricultural inputs	Loss of land and other assets
Intensive use of labour	Rigidities in inter-occupational mobility
Decline in family size	Increased family size
Crop intensification	Life-cycle effects (ill health)
Agricultural diversification	Adverse market conditions
Off-farm work	Floods
Irrigation	
Socioeconomic status	Socioeconomic status
Location specific factors	Location specific factors
Younger head of household	
Larger kinship network	
<i>Which Policy interventions to ameliorate poverty?</i>	
Education	Safety nets to larger households
School lunches, uniforms	Support small land holders
Transfers of land and non land assets	Transfers of land and non land assets

Note: This table is based on the review presented in Section II of the paper.

The studies reviewed, thus, provide a set of features of the 'poor' and also 'chronically poor' households. We can also construct a profile of the poor households who may exit from poverty and those who may remain chronically poor. We use this characterisation to examine the Indian situation in the 1970s. A major goal of the exercise is to assess the role of household level factors, factors relating to the villages and those factors that relate to larger neighbourhood.

Econometric Analysis

This paper views 'chronic poverty' in two senses: in terms of duration and in terms of 'severity'. To examine the factors influencing 'severe poverty' we analyse the data for each of the two years separately and use the information from both the years to examine 'chronic poverty'. Separate analysis of the two periods provides insights into differences in the factors that are associated with poverty at a point in time from those associated with chronic poverty or over time⁴.

a.1 Correlates of Poverty

Although poverty is usually measured on the basis of observed levels of household expenditure, conceptually, these measures are only 'proxies' for the living conditions of the poor. In reality the living conditions of the poor may not be captured by expenditure variables alone. With this in view, we attempt to classify the households based on 'expenditure' levels and then try to identify factors that are associated with the households as a 'group' rather than a specific expenditure level.⁵

The basic model that underlies this approach is that of 'limited dependent variable regression' (Greene, 1997).

The 'outcome' in the present analysis is the status of the household with respect to poverty. The probability that a household is 'poor' or 'non-poor' would therefore be linked to a variety of factors described earlier. The basic model can be written as,

$$p(\text{POV}) = f[H; V; M; H.V; H.M; V.M]$$

Where

p = probability

POV = household's poverty status

H = vector of household level characteristics

V = vector of village level characteristics

M = other macro level factors

H.V, H.M and V.M identify the interactions between variables.

⁴ This household data set has been used in the past to study income mobility (NCAER, 1986a and 1986b). However, the past study did not focus on poverty. Also the past study adopted the 'linear probability model' which has significant limitations in obtaining appropriate estimates of the regression parameters.

⁵ In the literature, both the alternative approaches of using the welfare measure (expenditure) directly or a measure that provides a range of welfare (expenditure groups) have been used, each with its own merits and weaknesses. In this paper we have used the 'group measure' given the fact that the data are often not precise.

Alternative regression equations were estimated to distinguish severity of poverty for individual period analysis. The poor households were grouped into different categories:

- 1) Poor (households below the poverty line defined in terms of real per capita consumption);
- 2) Moderately poor (real per capita consumption below the poverty line but within 25 percent of poverty line;
- 3) Severely poor (real per capita consumption below 25% of the poverty line).

Keeping in view the variety of information available in the data set we have carried out the analysis in two steps rather than formulating a general model. The steps are,

- (a) estimation of the model that provides for interaction terms for selected household characteristics, village characteristics and a district level variable, viz., percentage of urban population of the district of which the household's village is a part;

- (b) estimation of the model without the interaction terms.

a.2 Correlates of Persistence or Exit from Poverty

The 'panel' nature of data allows us to distinguish households that have remained poor in both the survey years and those that were poor in 1970-71 and non-poor in 1981-82. Tracking other movements is also possible but we limit our present analysis to only the 'persistence of poverty' or conversely 'exit from poverty'. The basic model we utilise is that of 'limited dependent variable regression':

$$p(P_i) = f[H_i; V; M; \text{interactions}]$$

Where

P_i = Poverty Status with value = 1 for i^{th} poor household in 1970-71 remaining poor in 1981-82 as well; and value = 0 if the household becomes non-poor in 1981-82.

All other notations are as described earlier.

Both the sets of analysis (severity and duration), distinguish between severely poor and non-poor and between severely poor and moderately poor.

The analysis is carried out in the framework of 'probit model'. All the probit models were estimated using the econometrics package *Eviews*.

V. Correlates of Incidence, Mobility and Persistence: The Results

V. 1. Correlates of Poverty

The key questions that we address are (a) do the correlates of poverty differ between moderate poverty and severe poverty? And (b) do the correlates vary over time. Probit models of limited dependent variables are estimated using three different measures of poverty status:

- (a) MP_NP: taking value = 1 for 'moderately poor' households and zero for the 'non-poor';
 (b) SP_NP: taking value = 1 for 'severely poor' and zero for the 'non-poor'

Estimates for the general model, which includes interaction between selected variables, are presented in Tables A1 and A2. In the discussion below, we refer to the coefficients in the estimated regression model as the impact of the variable on the probability of a household's poverty status since the sign of the coefficient and the marginal effect are the same.

For ease of discussion we summarise the results in Table 3. The results are based on the estimated equations presented in Tables A1-A2. We have summarized only the direct effects and not the interaction effects. The results reported here are only those that are statistically significant.

Table 3. Correlates of Poverty: Results of Probit Equations

Correlates of Higher Poverty			Correlates of Lower Poverty		
Only for MP	Only for SP	Both MP and SP	Only for MP	Only for SP	Both MP and SP
Infra (A)	ST (A, R)	SC(A)	Literacy (A)		Literacy (R)
	Females % (A)	HSZ (A, R)			Crop area (A,R)
	Urban % (A)	Children% (A,R)			Livestock (A,R)
					House (A,R)
					Village Pop (A, R)
					Age of HHD head (R)

Note: A = ARIS and R = REDS, MP and SP are as defined in the text; for the definition of the variables, see Appendix 1.

Do the Correlates Differ between Moderately Poor and Severely Poor?

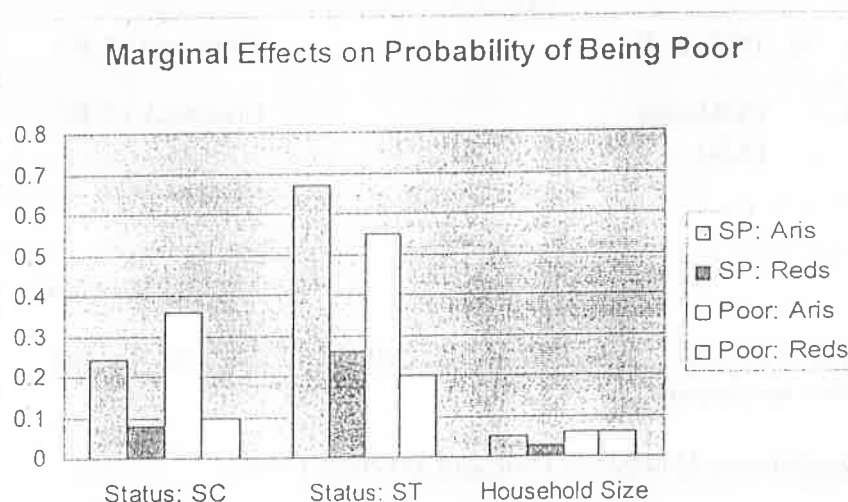
First consider the results that are common for both the rounds of the survey. Among the various factors considered, there are larger number of factors that are common for both MP and SP. Larger household size, greater proportion of children in the household raise the probability that a household is moderately poor or that it is severely poor. Larger holdings of physical assets such as land, livestock and house decrease the probability that a household is moderately or severely poor. Larger village population decreases the probability that a household in that village is moderately or severely poor.

Some factors influenced poverty only in one of the rounds of the survey. The SC status increased probability of poverty (MP or SP) only in 1970-71 (ARIS). It was not a significant variable in 1981-82. Literacy and Age of the head of household (HHD) decreased the probability of poverty (MP or SP) only in 1981-82 (REDS).

In both the rounds there was only one factor, i.e., the ST status, that *increased* only severe poverty (SP) but not MP. Percentage of females in the household significantly raised probability of SP only in 1970-71. This factor was not important in 1981-82. Percentage of urban population in the district was an important determinant of severe rural poverty only in 1970-71 and not in 1981-82.

Surprisingly, better village level infrastructure meant higher MP in 1970-71. However, closer examination shows that better infrastructure combined with larger urban neighbourhood decreases incidence of poverty. Expectedly literacy meant lower poverty only for MP in 1981-82.

The results so far have been presented essentially in terms of 'directional impact' of the determinants. The probit models also allow estimation of the 'marginal effects': the impact of a small change in the explanatory variable on the probability of incidence of poverty. Estimation of these effects, however, is for specified levels of explanatory variables. For illustration, we note the declining impact of caste as a determinant of poverty over the decade of the 1970s as obtained from a set of equations in which interaction terms were excluded⁶.



The impact of SC status, ST status on poverty: severe or moderate is lower in REDS than in ARIS. The impact of household size does reduce in REDS over ARIS but the difference is smaller.

The results show that there are many factors that affect poverty, moderate or severe, in the same manner. However, some factors affect only severe poverty or only moderate poverty. The factors also may vary over time.

V. 2. Correlates of Exit out of Poverty and Persistence of Poverty

⁶ The new set of equations was preferred for convenience in estimation of the marginal effects. The estimation results of the Probit models were not substantially different for the two.

An important objective of this paper is to determine the factors or characteristics that explain the persistence of poverty and escape from it. Households that were poor in both 1970-71 and remained poor eleven years later in 1981-82 are clearly chronically poor. What factors are significant in:

- Helping poor households escape or reduce poverty?
- keeping households in poverty?

Factors that can be identified as poverty reducing from the results of the analysis in the preceding subsection include:

- (i) Caste and tribe
- (ii) Possession or access to physical assets such as cropland, own house and livestock;
- (iii) Literacy;
- (iv) Smaller household size and smaller proportion of children in the household;
- (v) Larger villages; and
- (vi) Better infrastructure in combination with urban neighbourhood.

Would the same factors also influence income mobility of the poor households? The results of probit analysis are in Tables A3-A4. We summarise below the statistically significant variables in influencing income mobility of the poor households. As before, interaction effects are ignored.

Table 4. Correlates of Exit from and Persistence of Poverty: Probit Model Results

Favouring Exit from Poverty		Favouring Persistence of Poverty	
MP → NP	SP → NP	MP → MP	SP → SP
Initial conditions: Crop area_A Infra_A	Initial conditions: Crop area_A Housing assets_A Livestock_A Infra_A	Initial conditions: HHD size_A Urban%_A	Initial conditions: HHD size_A Children%_A
Increment over time:	Increment over time:	Increment over time:	Increment over time:
Crop area Housing assets Literacy Infrastructure	Crop area Housing assets Literacy Infrastructure Livestock Village Pop	HHD size	HHD size Children%

Note: The increment over time referred above is the increment in the variable between two rounds of the surveys. The initial conditions are the levels of variables in 1970-71 or the ARIS round (hence the label 'A').

The results re-iterate some of the findings of previous research cited in Section II. But there are also some important additional insights. The findings can be looked in terms of the following question:

Do the correlates of Exit from Poverty Vary for Severely Poor from Moderately Poor?

Taking the assets first, land, livestock and house are important for moving out of SP. For the MP, land and house are important either as initial conditions or acquisition over time but livestock does not seem important.

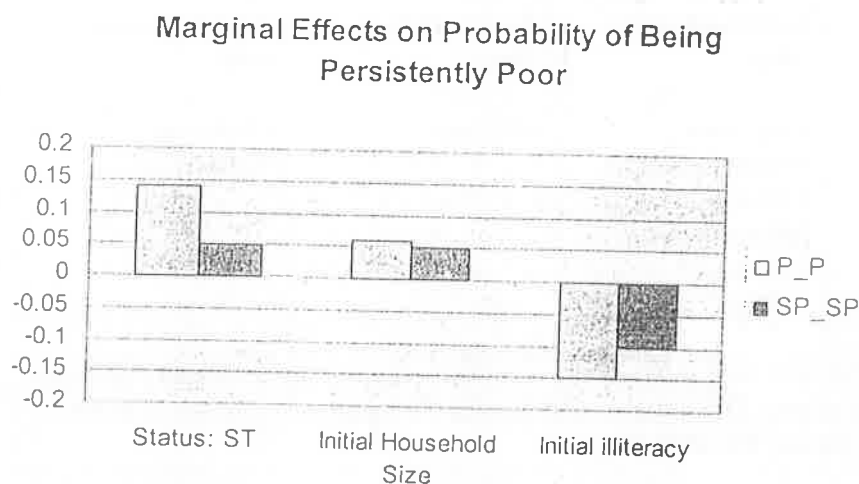
Better village level infrastructure is important for exit from either form of poverty. Acquiring literacy is a statistically significant factor leading to exit from either form of poverty.

Larger household size and increasing size raise the chances of persistent poverty, either MP or SP. However, it is the 'dependency ratio', percentage of children in the family that increases chances of *severe* poverty.

Larger villages improve the probability of exit from SP but play no role in exit from MP. Larger urban neighbourhood (larger percentage of urban population at the district level) actually affects the chances of exit from moderate poverty adversely.

An important and striking result from the analysis is that the caste or tribe status, is not an important determinant of income mobility of the poor: exit from poverty is dependent on acquisition of assets, literacy, better demographic profile of the household than its caste or tribal status. This is in sharp contrast to the result that caste and more particularly tribal status is an important determinant of poverty: particularly severe poverty in the case of ST.

We provide below illustrative estimates of the marginal effects of small changes in determinants of income mobility of the poor using estimates from a Probit model without the interaction effects.



The results show that the impact of ST status of the household is smaller on the persistence of severe poverty than the overall poverty (standard poverty line approach). Similar pattern emerges in the case of the impact of initial level of household size also. However, illiteracy has a greater impact on the persistence of overall poverty than the more acute form of severe poverty. In other words, *literacy* can have greater impact at higher income levels within the poor than for the severely poor.

We emphasise that these results as in the case of marginal effects on incidence of poverty need to be further validated for the estimated equations.

VI. Conclusions

There has been a declining trend in the incidence of poverty in India from the high levels of 1970s. However, in terms of sheer absolute numbers, the poverty problem remains a policy challenge for India. In this context, understanding the determinants of severely poor and chronically poor is necessary. Panel data provide an opportunity to examine these determinants. This paper has used a panel data set covering rural India at two points in time. The results show that while many variables are correlated with both moderate and severe poverty, there are some that affect only severe poverty: for example ST status of the households. The results also show that poverty may be sensitive to the overall dynamics of economic environment: some variables were important in 1970-71 but not in 1981-82.

The determinants of exit/ persistence of poverty relate to physical assets, education, demographic profile of the household, infrastructure and size of the village. As expected, caste and tribal status are correlates of poverty but surprisingly, caste and tribal status are not determinants of exit from poverty, which depends for all socio economic groups on land, assets, literacy, infrastructure and size of village.

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Table A1. Factors Influencing Poverty Status in 1970-71 (Probit Models)

Independent Variables	Dependent Variable					
	Aris4 (MP=1, NP=0)		Aris5 (SP=1, NP=0)		Status aris (P=1, NP=0)	
	Coefficient	Prob.	Coefficient	Prob.	Coefficient	Prob.
C	-0.565352	0.04	-1.017971	0.00	-0.348043	0.12
SC	0.748724	0.02	0.678125	0.02	0.729498	0.00
ST	0.589732	0.31	1.687400	0.00	1.198375	0.00
Age of Head of HHD	-0.001876	0.45	-0.002458	0.37	-0.002418	0.25
HHD Size	0.113117	0.00	0.195846	0.00	0.154806	0.00
Children%	0.004723	0.01	0.012431	0.00	0.008741	0.00
Females%	0.002503	0.17	0.006555	0.00	0.004413	0.00
Crop area	-0.742729	0.00	-1.524877	0.00	-1.064516	0.00
Own house income	-0.000800	0.00	-0.002293	0.00	-0.001268	0.00
Livestock income	-0.000091	0.00	-0.000234	0.00	-0.000155	0.00
Literacy	-0.240174	0.06	0.055049	0.67	-0.094352	0.37
Irrigation	-0.403902	0.00	-0.679258	0.00	-0.570290	0.00
SC * Crop area	-0.580416	0.07	-1.020229	0.02	-0.784584	0.01
ST * Crop area	-0.618946	0.21	-1.474635	0.02	-1.066485	0.02
SC * Own house income	-0.000571	0.22	0.000259	0.62	-0.000340	0.39
ST * Own house income	-0.000069	0.94	0.000315	0.83	-0.000201	0.81
SC * Livestock income	0.079972	0.69	-0.073494	0.71	-0.007013	0.96
ST * Livestock income	0.754847	0.02	0.584988	0.06	0.537331	0.02
SC * Literacy	0.000022	0.84	-0.000161	0.26	-0.000060	0.52
ST * Literacy	0.000015	0.93	-0.000017	0.93	0.000007	0.97
Infrastructure_a	0.600302	0.05	0.396532	0.19	0.408863	0.14
Villagepop	-0.000100	0.01	-0.000182	0.00	-0.000147	0.00
Urbanpop%	0.004884	0.47	0.013730	0.04	0.007749	0.17
SC * Infrastructure_a	-0.044368	0.92	-0.128749	0.78	-0.017151	0.97
ST * Infrastructure_a	-0.347285	0.71	0.882045	0.32	0.133309	0.83
SC * Villagepop	-0.000058	0.34	-0.000046	0.34	-0.000051	0.20
ST * Villagepop	-0.000010	0.92	-0.000518	0.02	-0.000156	0.05
SC * Urbanpop%	-0.005270	0.63	-0.004859	0.62	-0.004040	0.60
ST * Urbanpop%	-0.014694	0.52	-0.050570	0.01	-0.031116	0.03
Villagepop *	0.000055	0.18	0.000169	0.00	0.000123	0.00
Infrastructure_a						
Literacy * Urbanpop%	0.007439	0.22	-0.005729	0.35	0.001067	0.83
Urbanpop% *	-0.043340	0.00	-0.032674	0.02	-0.035002	0.01
Infratrstructure_a						
Mean dependent variable	0.28		0.35		0.48	
S.E. of regression	0.41		0.36		0.42	
Sum squared residual	382.12		326.54		535.81	
Log likelihood	-1151.83		-1039.80		-1641.39	
Restr. Log likelihood	-1331.65		-1630.38		-2173.61	
LR statistic (31 df)	359.64		1181.17		1064.43	
Probability(LR stat)	0.00		0.00		0.00	
McFadden R-squared	0.14		0.36		0.24	
Obs with Dep=0	1628		1628		1628	
Obs with Dep=1	626		885		1511	
Total	2254		2513		3139	

Note: The 'coefficient' given above is the estimate of the impact of the independent variable on the poverty status although it is not strictly the measure of the impact on probability itself. The 'Prob' is the probability of the significance of the coefficient. This convention is followed in the remaining tables.

Table A3 (Continued). Factors Influencing Income Mobility of Poor (Probit Models)

Independent Variables	Dependent Variable							
	AA5(SPSP/SPNP)		AA5(SPSP/SPNP)		AA1(PP/PPNP)		AA1(PP/PPNP)	
	Coefficient	Prob.	Coefficient	Prob.	Coefficient	Prob.	Coefficient	Prob.
C	0.545606	0.34	0.467299	0.41	-0.020533	0.95	-0.157412	0.64
SC	0.099692	0.58	0.183812	0.29	0.137393	0.23	0.171162	0.13
ST	0.192547	0.41	0.388764	0.07	0.391449	0.02	0.477607	0.00
HHD Size_a	0.137917	0.00	0.143243	0.00	0.150403	0.00	0.155679	0.00
Children%_a	0.016736	0.01	0.017686	0.00	0.015427	0.00	0.016509	0.00
Females%_a	0.000136	0.99	0.000917	0.90	-0.002172	0.64	-0.000619	0.89
Crop area_a	-1.226834	0.00	-1.087412	0.01	-1.410815	0.00	-1.344655	0.00
Own house income(R)_a	-0.003918	0.00	-0.004045	0.00	-0.001867	0.00	-0.001943	0.00
Livestock income(R)_a	-0.000486	0.00	-0.000410	0.00	-0.000261	0.00	-0.000244	0.00
Literacy_a	-0.314281	0.12	-0.325388	0.10	-0.254264	0.04	-0.275157	0.02
Infrastructure_a	-1.156158	0.00	-1.092904	0.00	-0.943469	0.00	-0.925346	0.00
Villagepop_a	-0.000005	0.88	-0.000017	0.59	0.000014	0.44	0.000006	0.73
Urbanpop%_a	-0.008909	0.23	-0.017661	0.01	-0.001269	0.77	-0.005010	0.20
Del_HHD Size	0.214670	0.00	0.221368	0.00	0.180362	0.00	0.186144	0.00
Del_Females%	-0.003191	0.50	-0.002400	0.61	-0.003363	0.25	-0.002812	0.33
Del_Children%	0.018426	0.00	0.020688	0.00	0.012978	0.00	0.014838	0.00
Del_Crop area	-1.114629	0.00	-1.189813	0.00	-1.435412	0.00	-1.396394	0.00
Del_Own house income	-0.002745	0.00	-0.002680	0.00	-0.001668	0.00	-0.001660	0.00
Del_Livestock income	-0.000431	0.00	-0.000422	0.00	-0.000188	0.00	-0.000200	0.00
Del_Literacy	-0.145856	0.33	-0.130418	0.37	-0.240992	0.01	-0.242095	0.01
Del_Villagepop	-0.001399	0.07	-0.001785	0.02	-0.000150	0.77	-0.000319	0.53
Del_Urbpop%	0.012393	0.13	0.006592	0.40	-0.005741	0.03	-0.007219	0.01
Del_infrarank	-0.006133	0.01			-0.003566	0.01		
Mean dependent variable	0.54		0.54		0.57		0.57	
S.E. of regression	0.37		0.37		0.41		0.41	
Sum squared residual	71.71		75.49		194.55		205.31	
Log likelihood	-228.24		-240.93		-592.45		-623.66	
Restr. Log likelihood	-373.44		-393.68		-804.79		-848.66	
LR statistic (22 df)	290.39		305.51		424.68		450.00	
Probability(LR stat)	0.00		0.00		0.00		0.00	
Avg. log likelihood	-0.42		-0.42		-0.50		-0.50	
McFadden R-squared	0.39		0.39		0.26		0.27	
Obs with Dep=0	250		261		508		534	
Obs with Dep=1	291		310		669		708	
Total	541		571		1177		1242	

Appendix 1. Definition of the Variables Used in the Regression Analysis

A. Variables for Regression Analysis to explain Incidence of Poverty

SC	Dummy variable with value =1 if the household belongs to Scheduled Castes, =0 Otherwise
ST	Dummy variable with value =1 if the household belongs to Scheduled Tribes, =0 Otherwise
Age	Age of the head of household in Years
Household Size	Number of persons in the household
Children%	% of children (14 years or younger) in the household
Females%	% of females in the household
GCA	Gross cropped area for the household (hectares)
Livestock income	Annual income from livestock (Rs. in 1981-82 prices)
Own house income	Annual imputed income from own house (Rs. in 1981-82 prices)
Literacy	Education level of the head of household, =1 if literate and above, =0 otherwise
Irrigation	Dummy variable for Irrigated area cultivated by the household: =1 if positive, =0 otherwise
Infrastructure_a (1970-71 data)	Infrastructure at the village level defined as $(ID1+ID2+ID3+ID4)/4$ where ID are defined as 0 or 1
ID1	Value =1 if there is an educational institution in the village, =0 otherwise
ID2	Value =1 if there is a medical health center in the village, =0 otherwise
ID3	Value =1 if there is a veterinary health facility in the village, =0 otherwise
ID4	Value =1 if there is a village level extension worker in the village, =0 otherwise
Infrastructure_r (1981-82 data)	Infrastructure at the village level defined as $(IDR1+IDR2+IDR3)/3$ where IDR are defined as:
IDR1	% of rural population in the district covered by postal facilities (Census data)
IDR2	% of rural population in the district covered by telecom facilities (Census data)
IDR3	% of rural population in the district covered by access to a metalled (pucca) road in the village (Census data)
Villagepop	Population of the village (Census data)
Urbpop%	% of Urban areas in the population of the district in which a particular village falls (Census data), Census data

B. Variables for Regression Analysis to explain Incidence of Poverty and Poverty Mobility

HHD Size_a	Household size (number of members) in 1970-71
Children%_a	% of children (14 years or younger) in the household in 1970-71
Females%_a	% of females in the household in 1971-71
Crop area_a	Gross cropped area for the household in 1970-71
Livestock income_a	Annual income from livestock (Rs) in 1970-71
Own house income_a	Annual imputed income from own house (Rs) in 1970-71
Literacy_a	Education level of the head of household, =1 if literate and above, =0 otherwise in 1970-71
Infrastructure_a	Infrastructure as defined for 1970-71
Del_HHD Size	Difference in household size (1981-82 level minus 1970-71 level)
Del_Children%	Difference in % of children in household (1981-82 level minus 1970-71 level)
Del_Females%	Difference in % of females in household (1981-82 level minus 1970-71 level)
Del_Crop area	Difference in gross cropped area (1981-82 level minus 1970-71 level)
Del_Livestock income	Difference in livestock income (1981-82 level minus 1970-71 level)
Del_Own house income	Difference in imputed income from own house (1981-82 level minus 1970-71 level)
Del_Literacy	Difference in the literacy status of head of household (1981-82 level minus 1970-71 level)
Del_Infrastructure	Difference in infrastructure ranking of the village (1981-82 level minus 1970-71 level)

Note: Wherever relevant we have identified the variable for 1970-71 with suffix 'a' and for 1981-82 by 'r'.

THE HISTORY OF THE UNITED STATES

The history of the United States is a story of growth and change. From the first settlers to the present day, the nation has evolved through various stages of development. The early years were marked by exploration and settlement, followed by a period of rapid expansion and industrialization. The American Revolution and the Civil War were pivotal moments in the nation's history, shaping its identity and values. The 20th century brought significant social and political changes, including the rise of the American Dream and the challenges of the Cold War. Today, the United States continues to grow and adapt to a rapidly changing world.

The United States is a country of many faces, with a rich and diverse cultural heritage. It is a land of opportunity and innovation, where dreams are often realized. The American spirit is one of freedom and independence, values that have shaped the nation's history and identity. The United States is a country that has made significant contributions to the world, from the arts and sciences to the economy and politics. It is a country that has the potential to continue to grow and prosper for many years to come.

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Conceptualizing Chronic Poverty

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and

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Summary. — This paper provides a meaning for the term chronic poverty “in a nutshell” and explores the concepts of poverty, vulnerability and poverty dynamics that underpin this meaning. Subsequently, it reviews “who” is chronically poor, “why” they stay poor and what is known about policies to reduce chronic poverty. Despite the limited knowledge available it is clear that hundreds of millions of people are chronically poor, the causes are multifarious but can be analyzed through livelihoods frameworks and that the scale and nature of chronic poverty will require an increase in the levels of financing allocated to social protection in developing countries. Recent conceptual and methodological advances, and the increasing availability of panel datasets, mean that the analysis of deprivation can move on from poverty trends to poverty dynamics.

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Key words — chronic poverty, poverty dynamics, poverty reduction, deprivation, social welfare, social protection

A small peasant and a landless laborer may both be poor, but their fortunes are not tied together. In understanding the proneness to starvation of either we have to view them not as members of the huge army of the “poor,” but as members of particular classes, belonging to particular occupational groups, having different endowments, being governed by rather different entitlement relations. The category of the poor is not merely inadequate for evaluative exercises and a nuisance for causal analysis, it can also have distorting effects on policy matters. (Sen, 1981)

1. INTRODUCTION

In the last few years national and international commitments to poverty-reduction have reached levels that could barely have been imagined 10 years ago. Most world leaders have committed their countries to ambitious targets for reducing global poverty, national governments are drafting Poverty Reduction Strategy Papers and international agencies are focusing their attention on mobilizing resources and influencing policies that will provide pro-poor growth and alleviate poverty. The central focus of this exercise has become the Millennium Development Goals (MDGs). These now comprise eight goals, 18 targets and 48 indicators (OECD, 2001). At their

lead, as a global rallying call is goal 1-target 1: “halve, between 1990 and 2015, the proportion of people whose income is less than \$1 a day.” In terms of focusing public attention on the issue of poverty and mobilizing energy and resources for its reduction, this primary goal has proved excellent. At other levels of activity, however, its consequences may not be so beneficial. In particular, it encourages the conceptualization of the poor as a single homogeneous group whose prime problem is low monetary income and has lead policymakers and their advisors to search for “the policy” that increases the income of “the poor.” When ambitions are high and time is

* This paper is partly based on an earlier paper (Hulme *et al.*, 2001). Comments and ideas from many people have helped us in our thinking, particularly Chronic Poverty Research Centre partners, participants at a workshop held at Church House, Westminster in February 2002 and Bob Bauleh, Tony German, Andy McKay, Karen Moore, Judith Randel, Shahin Yaqub. Particular thanks to Karen Moore for research assistance. Financial support from the Department for International Development Social Science Research Fund, Grant number R7847, is gratefully acknowledged.

short simple solutions are sought. As Amartya Sen's opening quote warns, pressures to view poor people as a homogeneous group can both weaken analysis and distort policy.

A particular problem of contemporary poverty analysis, seeking to rapidly reduce poverty headcounts in an era of globalization driven by a neoliberal vision,¹ is to see "the poor" as those who are not effectively integrated into the market economy. This leads to a focus excessively on the role that market forces can play in poverty-reduction. Without a doubt, such approaches can help many poor people but there are two problems with them. First, such a focus will not meet the needs of all the different types of poor people. Second, such an approach encourages a focus on those poor whom the market can "liberate" from poverty but neglects the needs of those who need different forms of support, policy changes, or broader changes within society that take time. The chronic poor—those who have experienced poverty for long periods, or perhaps, all of their lives—are likely to be neglected in such an era given the multiple factors that constrain their prospects and the likelihood that market-based factors may contribute to their continued deprivation. While earlier ages sought to help the "deserving poor" the contemporary focus is on the "easy to assist poor" (a focus that is encouraged by the MDGs). This group desperately needs support, but not at the price of ignoring those whose poverty is more problematic.

In more specific terms, one can deductively identify big differences in the types of poverty reduction strategy that are most appropriate for countries (or regions) that have different mixes of chronic and transient poverty. In a country where poverty is largely a transient phenomena, with "the poor" at any particular time having a high probability of improving their position, then policies should focus predominantly on social safety nets that help people to manage their present deprivation, rapidly return to a nonpoor status and reduce vulnerability. Limited term unemployment allowances, social grants, workfare, micro-credit and new skills acquisition programs would be required. By contrast, in a country where a significant proportion of the poor are chronically poor, then policies to redistribute assets, direct investment toward basic physical infrastructure, reduce social exclusion (from employment, markets and public institutions) and provide long-term social security will be necessary if poverty is to be significantly reduced. Quite different national development

strategies, roles for the state and forms and levels of international support would be needed for these two different hypothetical cases.

This paper addresses four main questions to create a background framework for the articles that follow:

- (a) What is chronic poverty? This section provides a short working definition of the term so that the reader can understand the particular focus of this collection "in a nutshell." Subsequently, it examines in more detail different aspects of the conceptualization of chronic poverty.
- (b) Who is chronically poor? This is an empirical question for which there are few materials available. A brief summary of the existing state of knowledge is presented.
- (c) Why are people chronically poor? This section provides a tentative framework for examining the different factors and combinations of factors that explain why poverty persists. Inevitably, attempts to answer this question will always be contested.
- (d) What are the implications of the answers to the earlier questions for poverty-reduction policy?

2. WHAT IS CHRONIC POVERTY?

In the first part of this section we provide a working definition of chronic poverty and a set of terms that facilitate the discussion of different aspects of poverty and poverty dynamics. In subsequent parts we explore important theoretical issues that deepen the understanding of chronic poverty and/or reveal unresolved debates about the analysis of chronic poverty. It would be easier if we could provide a precise definition for chronic poverty, around which there is a broad consensus, and then proceed to answer the other questions posed in the introduction. But, chronic poverty—like the concept of poverty itself—is a portmanteau term. Different meanings can be invested in the term, reflecting the differing personal values—and often the disciplinary backgrounds—of particular analysts and schools of thought.

(a) *Chronic poverty in a nutshell*

As a rough working definition we propose that chronic poverty be viewed as occurring

when an individual experiences significant capability deprivations for a period of five years or more. Specific elements of this definition are explored in detail in the sections that follow. Here four main points need to be noted.

First, the distinguishing feature of chronic poverty is its extended duration. The exact length of time that needs to elapse is, as with the level chosen for an income poverty line, somewhat arbitrary. Intuitively, we are talking about people who remain poor *for much of their life course*, and who may "pass on" their poverty to subsequent generations (see Harper, Marcus, & Moore, this issue, for an examination of the intergenerational transmission (IGT) of poverty). There are three arguments that can be used to support this crude five year criterion. Five years is perceived as a significant period of time, in an individual's lifecourse, in most cultures. There is often a five-year gap between data collection points when panel data are created so that in practical terms the study of the duration of poverty will often be based on a five-year period (for example, see Carter & May, 1999, for South Africa and Baulch & Masset, this issue, for Vietnam). Finally, some empirical materials indicate that people who stay poor for five years or more have a high probability of remaining poor for the rest of their lives (see Corcoran, 1995; Yaqub, 2000). If this is the case, the likelihood of IGT would also be high and the five-year criterion would permit the identification of the most intense forms of chronic poverty.

Second, the specific set of capability deprivations that are used to identify chronic poverty varies from study to study in this volume and in the wider literature, as is the case with general studies of poverty. But, relying on the usual income and consumption measures as surrogates of chronic deprivation may not be enough where poverty is persistent, as multidimensional deprivation is likely to underpin long-term poverty. Understanding the nature and degree of multidimensionality is therefore an important task. As variables for poverty assessment, income and consumption are much more likely to fluctuate over short periods of time than are measures such as literacy or tangible assets and thus to present poverty as a transient phenomena.

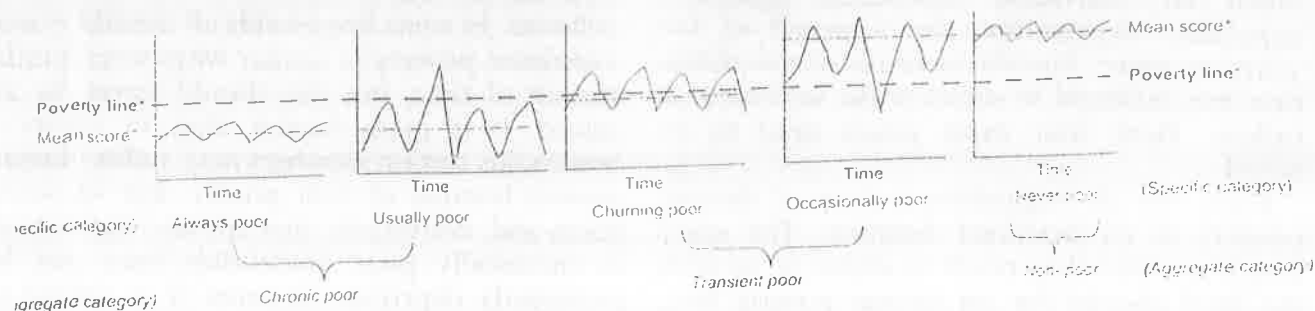
Third, it is individuals who ultimately suffer chronic poverty and whose life experiences should be tracked and analyzed. In most studies however the focus of analysis is the house-

hold because this is the level at which data are collected. In some households all members may experience poverty in similar ways over similar periods of time, but this should never be assumed. It is quite feasible that in nonpoor households certain members may suffer chronic poverty because of their gender, age or social status and, conversely, that specific individuals in chronically poor households may not be persistently deprived. At times it is useful to identify social groups, communities or even the populations of spatial areas where chronic poverty is concentrated. The concept can even be applied to countries in which the majority of people have been persistently poor for many years (UNCTAD, 2002).² In all of these cases similar caveats must apply.

Fourth, while it is possible to assess chronic poverty in either absolute or relative terms, most existing work and virtually all of the contributors in this issue, focus on chronic absolute poverty. Such a focus is consistent with the approach of most poverty analysis in developing countries. But, it should be noted that Yaqub (2003) argues that chronic relative poverty (i.e., always being in the bottom quintile of a country's income distribution) may be as hard, or even harder to escape than chronic absolute poverty.

We propose a five-tier categorization for the study of chronic poverty (Figure 1). While the measurement of poverty can be in terms of income, expenditure or consumption we would extend this so that other indicators (such as assets or nutrition), or combinations of indicators (such as a household level human deprivation index) could be utilized.³ This recognizes the *always poor* whose poverty score (income, consumption, nutritional status, human deprivation index, etc.) in each period is below a defined poverty line; the *usually poor* whose mean poverty score over all periods is less than the poverty line but are not poor in every period; the *churning poor* with a mean poverty score around the poverty line but who are poor in some periods but not in others; the *occasionally poor* whose mean poverty score is above the poverty line but have experienced at least one period in poverty; and, the *never poor* with poverty scores in all periods above the poverty line. These categories can be further aggregated into the *chronic poor* (always poor and usually poor), the *transient poor* (churning poor and occasionally poor) and the nonpoor (the *never poor*, continuing through to the *always wealthy*).⁴

WORLD DEVELOPMENT



Depending on data availability poverty could be assessed in terms of household expenditure, income, consumption, a nutritional measure, a poverty index, a poverty scale or an assessment of assets/capitals

Figure 1. The chronic poor, transient poor and nonpoor—a categorization. Source: Adapted from Jalan and Ravallion (2000). Note that terms are used with different meanings than in Jalan & Ravallion.

While the study of chronic poverty is particularly interested in the always poor and usually poor, all of these categories can be used in a dynamic sense to describe poverty transitions. For example, a household can be seen as escaping chronic poverty (an escapee household) when it moves from being usually poor to being only occasionally poor (Figure 2). Conversely, a household can be viewed as descending into chronic poverty (a descending household) when its status shifts from being never poor or transient poor to being always poor over a period of time (Figure 2). The papers by Sen (this issue) and Martin and Hulme (this issue) explore the processes associated with such transitions. Such processes are of fundamental importance to policy formulation to identify means by which the chronic poor's position can be improved and the probability of nonpoor and transient poor households descending into chronic poverty can be reduced.

(b) Poverty concepts and chronic poverty

All of the general debates that surround the conceptualization of poverty⁵ apply to chronic poverty. In particular, the question of whether chronic poverty should be conceptualized as income or consumption poverty or as something that has many dimensions,⁶ has great significance. While it is now widely accepted by analysts and policy makers that poverty is deprivation in terms of a range of capabilities in addition to income—education, health, human and civil rights—and that these capabilities are significant in their own right and in terms of their contribution to economic growth and income enhancement, the study of chronic poverty has tended to focus on income/consumption poverty. The prime reason for this is that the analysis of poverty dynamics requires panel data and virtually all the panel data sets available in developing countries have been based on surveys that have generally been used

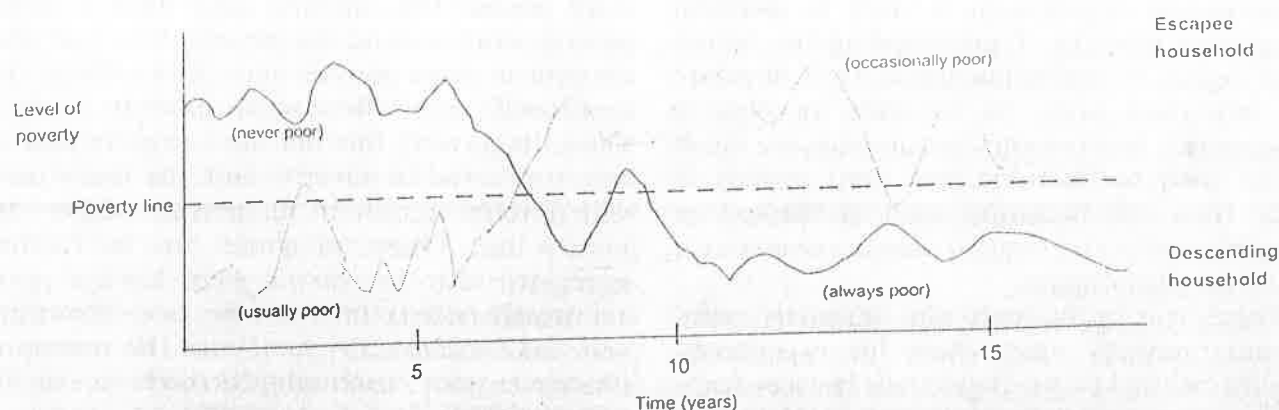


Figure 2. Poverty dynamics: escaping and descending households.

to conceptualize poverty as material or physiological deprivation (Yaquib, 2003).⁷ Such "money-metric" approaches permit measurement⁸ of changes in levels of household poverty, comparisons over time (and, potentially between regions or countries) and can be rigorously analyzed to produce findings that can be statistically tested (see McKay & Lawson, this issue, for a discussion of such quantitative analyses, and McCulloch & Calandrino, this issue, for an example).

Chronic poverty has typically been assessed in two ways with income/consumption data: the "spells approach," which focuses on transitions into and out of poverty and is widely held to overestimate transient poverty because of measurement error especially when the object of analysis is income or consumption; and the "components approach," which attempts to isolate the permanent or underlying component of poverty from transitory shifts, and is measured either by average income or consumption over a period of time, or by a prediction of income based on known household characteristics. The spells approach corresponds more to the intuitive idea of chronic poverty as persistent poverty, while the identification of the chronic poor in the components approach is also influenced by the depth of poverty—but both provide valuable insights (McKay & Lawson, this issue). Where both measures have been used side by side, the components approach typically produces 5–25% more chronically poor people (Yaquib, 2003). The spells approach has often been used in studies concerned with transient poverty and the policies required to assist the transient poor emerge from poverty. The analysis of transitions becomes powerful when the factors underlying substantial and sustained transitions can be isolated. While large sample surveys with a panel element can associate transitions with particular characteristics, they are usually weak in generating understanding of the processes involved. These require qualitative data (see Hulme *et al.*, 2001, p. 15), or smaller scale, intensive surveys (e.g., Pryor, 1993) together with judgments on the sustainability of the transitions observed.

While both spells and components approaches represent essential aspects of chronic poverty, and have the advantage that plenty of quantitative data are available, it will be argued below that a complete understanding of chronic poverty must also rely on developing a picture of people's assets and changes in assets over

time. Only by including material and other assets in the descriptive analysis can adequate explanations of persistence be achieved. This has been a neglected aspect of poverty studies, but with the improvement in data availability from household surveys, censuses and demographic and health surveys in many poor countries during the 1990s, it should now be possible to focus significantly more attention on assets and asset change.

In recent years the need to analyze poverty from a multidimensional perspective has been increasingly recognized. This can be done by more qualitative research methods, often with roots in anthropology and sociology (for example, see Wood, this issue, or Hulme, 2003) or by using nonmonetary variables in quantitative analyses (see McKay & Lawson, this issue, for a discussion of this matter and Baulch & Masset, this issue, for an example). Multidimensional conceptualizations are likely to be of particular importance for the understanding of chronic poverty as the more dimensions on which an individual is deprived, the less likely s/he is to escape poverty as the exit routes will be limited. This argument has been used before to explain extreme poverty:

Extreme poverty results when the lack of basic security simultaneously affects several aspects of people's lives, when it is prolonged, and when it severely compromises people's chances of regaining their rights and reassuming their responsibilities in the foreseeable future. (Wresinski, 1987, quoted in Wodon, 2000, p. 3)

Whether the extremely or severely poor are also chronically poor remains an empirical question (see below), but it is clear that a cumulative lack of basic capabilities would make it extremely difficult for the poor to emerge from poverty by their own efforts.

Multidimensional poverty or deprivation has most commonly been measured at national level through the Human Development Index and other indices (for example, the physical quality of life index). Measurement at individual or household level is not well developed. However, there is plenty of scope to revisit existing datasets, as demonstrated by Baulch and Masset (this issue) for Vietnam. This shows that in a period of exceptionally high economic growth there was only modest overlap in the subgroups of chronically poor people defined using expenditures, nutritional status and educational enrollments. A household's chronic

Table 4. *The intergenerational transmission of poverty-related capital from "parent" to "child"*

What is transmitted?	How is it transmitted?
<i>Financial, material and environmental capital</i>	
--Cash	--Insurance, pensions
--Land	--Inheritance, bequests, dispossession
--Livestock	--Inter vivos gifts and loans
--Housing and other buildings	--Dowry, bridewealth
--Other productive/nonproductive physical assets (e.g., rickshaw, plow, sewing machine, television)	--Environmental conservation or degradation
--Common property resources	--Labor bondage
--Debt	
<i>Human capital</i>	
--Educational qualifications, knowledge, skills, coping and survival strategies	--Socialization
--Good mental and physical health	--Investment of time and capital in care
--Disease, impairment	--Investment of time and capital in education and training
--Intelligence?	--Investment of time and capital health, nutrition
	--Contagion, mother-to-child transmission
	--Genetic inheritance
<i>Social, cultural and political capital</i>	
--Traditions, institutions, norms of entitlement, and value systems	--Socialization and education
--Position in community (i.e., family, "name," kin group, caste, race, nationality, language, physical appearance)	--Kinship
--Access to key decision-makers, political patrons, civil society organizations and development agencies	--Locality
--"Culture of poverty?"	--Genetic inheritance
What factors affect transmission?	
--Norms of entitlement determining access to human capital, particularly education, health care and nutrition	
--Economic trends and shocks (e.g., commodification, shifts in terms of trade, hyperinflation)	
--Access to and nature of markets. E.g., nature of labor market (employment opportunities for children, young people and women; labor migration as livelihood strategy); access to financial market	
--Presence, quality and accessibility of public, private, and community-based social services and safety nets	
--Structure of household and family, including headship as well as gender, birth position, marital status and age of "child" and "parent"	
--Child fostering practices	
--Education and skill level of "parent"	
--Intent/attitude of "parent" and "child"	
--HIV/AIDS pandemic; other diseases regionally endemic; associated stigma	
--Nature of living space e.g., security/conflict/violence, stigma, remoteness, sanitation	

utilized. An unfortunately all too common example of such a descent is when violent conflict breaks out and a rural household flees to take on refugee status. Its human capital is reduced (deaths and impairments), physical capital is destroyed (houses burned, equipment broken), financial capital is rapidly used up (to pay for transport to flee and survival expenses), social capital is broken up (social networks are dispersed) and its natural capital is inaccessible. In

the context of a refugee camp there are few opportunities to deploy human capital to earn an income and so dependency on food aid and handouts is required. If there are no health or educational services available then the household's young people experience childhoods that make it likely that they will be poor throughout their lifecourse.

For other households the slide into chronic poverty is more gradual and a set of processes

and events erode assets until all opportunities to improve household well-being are closed off. A detailed example is provided by Hulme (2003) who charts the slide of Maymana and Mofizul into chronic poverty. The terminal illness of the household head, the husband Hafeez, reduces the household's human capital and leads to the selling off of physical assets to pay medical bills and the withdrawal of children from school. At his death, his father takes control of the household's land (natural capital) and the widow and impaired son (Maymana and Mofizul) survive by casual labor, gleaning, charity, borrowing and begging. Mechanisms for accumulating assets, through a state food grant, are blocked because of social relationships. The household becomes chronically poor, but is not destitute. Destitution involves even "deeper" slides which usually involve the social outcasting of individuals (see Harriss-White, 2002, for an excellent discussion of destitution).

Ascending households experience the opposite dynamic but they are not "the flipside of the coin." Sen (this issue) finds that the factors associated with building up household assets and "escape" from poverty are different from declines. Of great importance are the household's stage in the life cycle, the dynamism and nature of the local economy and the capacity, or good fortune to avoid shocks. Combinations of household agency and enterprise, in wider environments that are becoming more enabling through market development and public action, raise the prospects for positive trajectories.

As the paragraphs above reveal, the understanding of why poor people stay poor is strengthening, but we need to extend this knowledge if policies to effectively tackle chronic poverty are to be developed.

5. WHAT CAN BE DONE? CHRONIC POVERTY AND POLICY CHOICE

As the earlier sections have revealed, the present knowledge base on the extent, nature and causes of chronic poverty in developing countries is relatively rudimentary. There are however, two firm observations that can be made. First, it is clear that hundreds of millions of people experience chronic poverty and that many are born poor, stay poor, die poor and have children that have a high probability of impoverishment. Second, evidence from the papers in this special issue shows that "reaching" the chronic poor is often difficult—

commonly they live in less accessible areas (geographically or in terms of physical insecurity), and have social positions that make contacting them problematic (for example, patrons or male relatives stop them from meeting other people). Their ability to take up economic and other opportunities is held back by intractable obstacles—individual and structural. This indicates that the "unit costs" of poverty reduction for chronically poor people will often be higher, and sometimes much higher, than for those experiencing occasional spells of poverty. Given these two points, at least one firm policy conclusion can be reached: the serious pursuit of chronic poverty reduction and the MDGs requires sustained financial support from wealthier countries and wealthier people on a massive scale. Resource increases promised at Monterrey in 2002¹² fell well short of the additional \$50 billion a year thought to be needed to achieve the MDGs. Even if the MDGs are met in full, around a billion people will remain in poverty in 2015. If the vision of eliminating absolute poverty, embraced at the 1995 Social Summit, is to become reality, then the first steps are to understand the problem and identify appropriate responses—both policy and practice. But then comes the challenge of finding the resources. This in turn, demands widespread political commitment by national governments to finance poverty reduction for all—not just for those in the best position to take up economic opportunities. For the wealthier donor countries this goes beyond prescribing a development policy to direct actions on their own economies. Opening up agricultural product markets, removing subsidies to OECD farmers, and improving the prospects for conflict prevention by reducing the arms trade can reduce vulnerability to poverty and help to tackle chronic poverty.

In development policy terms, the intractable nature of poverty must cause us to question some of the orthodoxies of recent decades. Large numbers people who are poor now will still be poor in a generation. Poverty policies based on short-term interventions, focused on creating opportunities for those who are able to escape poverty and sustain themselves above the poverty line, are clearly not enough. We know that millions of people who are old, disabled, or disadvantaged by their remoteness, ethnic group or multiple factors will never be able to lift themselves out of poverty unaided. We know that for many people in chronic poverty, no amount of rhetoric on sustainability

can obscure the need for ongoing external assistance for at least a generation. We must therefore design policies which respect the universal right to social protection and which acknowledge the fact that some redistribution from rich to poor, within and between countries, must be part of the solution.

Beyond this "headline" policy implication things get more complicated because of the heterogeneity of the chronic poor and the many different factors and combinations of factors that explain specific experiences of chronic poverty in specific contexts. At a general level, it might appear that the orthodoxies of contemporary development policy (World Bank, 2000) meet the needs of the chronic poor but this needs a careful examination. The *World Development Report 2000/2001* proposes that a strategy pursuing empowerment, opportunity and security (World Bank, 2000, pp. 6–11) provides a comprehensive basis for poverty reduction.

"Empowerment" highlights issues of governance and social equity. While at a general level the papers in this issue support the case that improved national and local governance would be good for the chronic poor, at more specific levels the analysis gets more complicated. While the World Bank (2000) highlights the benefits of decentralization to local and community levels for the poor, the empirical proof for this is lacking. Indeed, there is considerable evidence that local and community level institutions and leaders are as likely or more likely to exploit and manipulate the chronic poor as are more centralized institutions (see Bird, Moore, Hulme, & Shepherd, 2003; Hulme, 2003; Wood, this issue). The idea of public, private, civic "partnerships" sounds comforting but it is so flexible it has little meaning in terms of which institutions will take on which responsibilities for assisting the chronic poor. Recent thinking by some multi-lateral and bilateral agencies about aid selectivity and governance (i.e., concentrating aid flows on countries that have "good" public policies and policy processes) is an issue of particular concern. Such a policy would reduce aid flows to those countries with the deepest concentrations of long-term poverty. In particular, aid selectivity would divert international resources away from the bulk of Africa's chronic poor who, at least in some countries, are known to be increasing both in absolute numbers and in proportional terms (Aliber, this issue).

Increasing "opportunity" so that economic growth occurs, markets work for poor people and the assets of the poor are built up should be beneficial for all poor people but there are important qualifications. The quality or type of economic growth, rather than the overall rate of growth, will be a key determinant of whether or not chronically poor people benefit. Pro-poor growth—increasing the demand for labor across the economy, raising levels of public revenue and raising the income levels of the chronic poor (or, of their relatives, friends and neighbors)—could be beneficial. But rapid growth based on the exploitation of natural resources may well weaken governance (Moore, 2001a, 2001b) and thus work against the interests of the poor and chronic poor people. Where such resources are concentrated at particular locations (diamonds, oil, ores and minerals) "opening them up" may initiate processes that undermine governance, foster state collapse and create persistent deprivation (see Goodhand, this issue). In contexts where the benefits of growth are unequally shared then the chronic poor are the most likely to see no benefits or find that their livelihoods are weakened (as in the UK over the 1980s and 1990s).

Three particular aspects of "opportunity" policy need careful consideration. First, assuming that simply deregulating markets will open up opportunities for the chronic poor shows a misunderstanding of the nature of persistent poverty. Opening up markets for the chronic poor demands a context-specific strategy to work out what other barriers—gender, ethnicity, caste, disability, etc.—constrain access to markets, particularly labor markets, and working out what forms of intervention are required to remove those constraints. As has been the case in South Asia and some OECD countries, opening up labor markets for those who are discriminated against may require regulation. Second, the idea that "making markets work for poor people" means that the bulk of services to poor people, including health, education and water, should be provided by the private sector needs to be closely examined. While there are many and deep problems with state provided health, education and water services in poorer countries it is disingenuous of agencies and analysts (e.g., Devarajan & Reinikka's, 2002, draft of the *World Development Report 2004*) to claim that market-based provision (real markets not hypothetical perfect markets) will more effectively meet the needs of poor people. The great

steps forward with health and educational standards in the developing world in the 20th century were closely associated with the public provision of those services and commonly showed some of the greatest gains—India, China, Sri Lanka, Cuba—when state provision was both dominant and effective. In practice, sustained action on chronic poverty is more likely to be in the public than the private sector. Consequently, making the public provision of basic services to poor people more effective needs, at the very least, as much attention as transferring such responsibilities to the markets.¹³ Third, policies to "... build their [the poor's] assets ..." need an even greater emphasis if chronic poverty is to be addressed. Chronic poverty is associated with low levels of assets (see Section 4). Building human capital, through education, health services and training may well need to be matched by building up the chronically poor's physical, natural and financial capital through grants, the redistribution of rights to land and natural resources and by protecting rights to existing assets. "Political and social difficulties often obstruct [such] change ..." (World Bank, 2000, p. 9), but these difficulties needed to be confronted, by recognizing that "empowerment" is not about cosy "partnerships" but often about raising the nonviolent capacities of chronically poor people (and poor people) to confront inequality and discrimination at local and national levels. In addition, building up the assets of the chronic poor is likely to involve large-scale public investment in physical infrastructure in the remote and less favored areas where the chronic poor are often concentrated.

Improving the "security" of the livelihoods of poor people and reducing the vulnerability of chronically poor, poor and also nonpoor people to shocks and adverse risks is central to tackling chronic poverty. While "... a modular approach to helping poor people manage risk ..." (World Bank, 2000, p. 10) sounds neat, there is a danger that such an approach exaggerates the depth of understanding that we have about insecurity, views vulnerability as something that is usually temporary and has a limited timeframe, and consequently, underestimates the scale of resources and actions that will be needed. It also fails to take account of the ways in which other policies can reduce or create insecurity. For example, structural adjustment programs in the 1980s and 1990s raised the vulnerability of many people and "created" many of today's

chronic poor by reducing their access to health and education services and causing rapid drops in income and consumption. The concept of a national system of social protection, rather than a tangle of social safety net "modules," is more appropriate for understanding the ways in which chronically poor people, and those who are vulnerable to descending into persistent poverty, might achieve security. In addition, public actions that can tackle the social structural relationships (see Wood, this issue) that trap people in poverty need to be formulated. While much of the literature on risk and vulnerability highlights the ways in which poor people manage these largely through individual, household and community-based mechanisms there is a vast "policy gap" about how to provide public and/or formal private sector security.

The pressing priority for policy is to explore how affordable old age pensions (contributory and noncontributory), unemployment and illness grants and insurance, long-term savings schemes, disability allowances, social assistance and emergency grants and loans can be provided. Affordable means that—as in developed countries—such social investment can be paid for out of present and anticipated future incomes and revenues. It does not mean without public subsidies and/or international transfers.

The policy emphasis of the 1980s and 1990s on livelihood promotion (Devereux, 2001) and workfare (Peck, 2001) has advanced the understanding of activities such as micro-finance, micro-enterprise development, local infrastructural development through social funds but means that there has been more limited experimentation with livelihood protection mechanisms. Indeed, in some circumstances the shift to promotional approaches by governments, donors and nongovernmental organizations (NGOs) may have led to resources being diverted from the chronically poor to the transient poor and vulnerable nonpoor (Matin & Hulme, this issue). We know that through the agency of the poor livelihood promotion mechanisms can be converted to achieve livelihood protection (Hulme & Mosley, 1996) and *vice versa* (Lund, 2002) but how to link these formally remains a challenge for policy design and institutional provision.

At the heart of debates about social protection will be questions of who pays and whether policies should be targeted or universal. The

findings of this volume point to the fact that many chronically poor people actively contribute (in terms of cash and labor) to their own and their relatives and neighbors security. These resources are insufficient however, and there is a strong case for greater public (national and international) resourcing of social protection programs. The question of whether universal or targeted social protection mechanisms are more or less likely to assist the chronic poor, and/or those vulnerable to becoming chronically poor, is one for further investigation. Theoretically, strong cases can be made for both positions. Empirically, the evidence is often contradictory¹⁴ and is under researched.

6. CONCLUSION

The understanding of poverty and human deprivation will always be partial but in recent times the knowledge base has been greatly strengthened. An important aspect of this has been disaggregating the poor and examining the many factors and combinations of factors that cause the poverty of different poor people. One component of this is understanding chronic poverty: the poverty that persists for many years or a lifecourse and that may be transmitted across generations. This paper has sought to set a framework for analyzing chronic poverty. Conceptual advances (such as capability frameworks, vulnerability and livelihoods analysis), the development of more sophisticated quanti-

tative analytical techniques and innovative qualitative approaches (participatory poverty assessments) and the growing number of panel datasets available from developing countries now place researchers in a strong position to move beyond the study of poverty trends to the study of poverty dynamics.

The ultimate purpose behind this is to create knowledge that makes policy and social action more effective in poverty reduction and, in particular, to ensure that those who are chronically poor do not "miss out" from the benefits of global development. It would be "nice" if we could argue that this knowledge will permit precision policy. At best however, it is a move toward making poverty-reduction policy less crude, attempting to find specific interventions that can reach and assist the chronic poor¹⁵ and stopping interventions that hurt, or increase the numbers,¹⁶ of those trapped in poverty. While future policy must be nuanced and much more research is required, one clear message does emerge. This is that the scale of resources needed to tackle contemporary chronic poverty must not merely achieve the promises made at Monterrey in 2002, but move beyond them. Historically, chronic poverty (including premature death) was the lot for much of humanity. With the resources and knowledge available today, however, there is no excuse for hundreds of millions still living in chronic poverty. Knowledge and action must proceed hand in hand to ensure that poor people do not stay poor.

NOTES

1. Although the contemporary orthodoxy talks of "partnerships" between the state, private sector and civil society it is underpinned by a neoliberal vision that sees the private sector as the most effective means of achieving economic growth and improved welfare. The state and civic action are allocated supplementary roles. For an example, see the initial draft of the World Development Report 2004 (Devarajan & Reinikka, 2002). This argues that increased public expenditure will not improve services for poor people despite the fact that in China and India the two countries that account for the bulk of MDG achievement being close to target in the 1990s the state has played a central role in service provision to the poor.

2. It should be noted that the methodology that UNCTAD (2002) uses and the validity of the idea of chronically poor countries are both being challenged.

3. The reader should note that this is theoretically possible but operationally difficult because of the data required and queries about which indicators to use and how to weight indicators. There is a need, however, for experimentation with such measures and the construction of scoring systems that can capture key aspects of deprivation but are easy to collect accurate data about.

4. For a discussion of how this categorization can be adapted to incorporate the severity of poverty see Figure 3 in Hulme, Moore, and Shepherd (2001, p. 13). The reader should note however, that this categorization needs further development. For example, a dramatic, short-term downturn or "spike" in the welfare of a churning poor or occasionally poor household could lead to an event (e.g., wasting of children, a preventable

impairment or death) that has long-term negative implications for an individual or household and is thus chronic.

ity on performance grounds, but implementation has been slow.

12. International Conference on Financing for Development, Monterrey, Mexico, March 18-22, 2002. The Monterrey Consensus urged all donors to meet the 0.7% target and the United States and European Union committed themselves to significantly increase aid levels, generating an estimated US\$12 billion a year. See DFID evidence to the UK Parliamentary Select Committee on International Development. Annex A.

13. It should be noted that private sector provision of basic services is likely to need a public regulatory authority to oversee standards. Creating regulatory capacity within the state may be more problematic than improving public service delivery.

14. In South Africa (Aliber, this issue; Lund, 2002) the noncontributory old age pension helps protect many households from a descent into chronic poverty and/or keep them above the poverty line. In contrast, universal food subsidies in Sri Lanka provided social protection but at an unsustainable cost (Hulme & Sanderatne, 1995). Similarly, while some targeted schemes, such as food stamps in Sri Lanka, are riddled with Type 1 and 2 error (Hulme & Sanderatne, 1995) others reach the poor and needy effectively (Munro, 2000).

15. For an example of these see Martin and Hulme (this issue).

16. For example, as mentioned earlier, the shocks created by the rapid implementation of structural adjustment policies are the very mechanisms that drive people into chronic poverty.

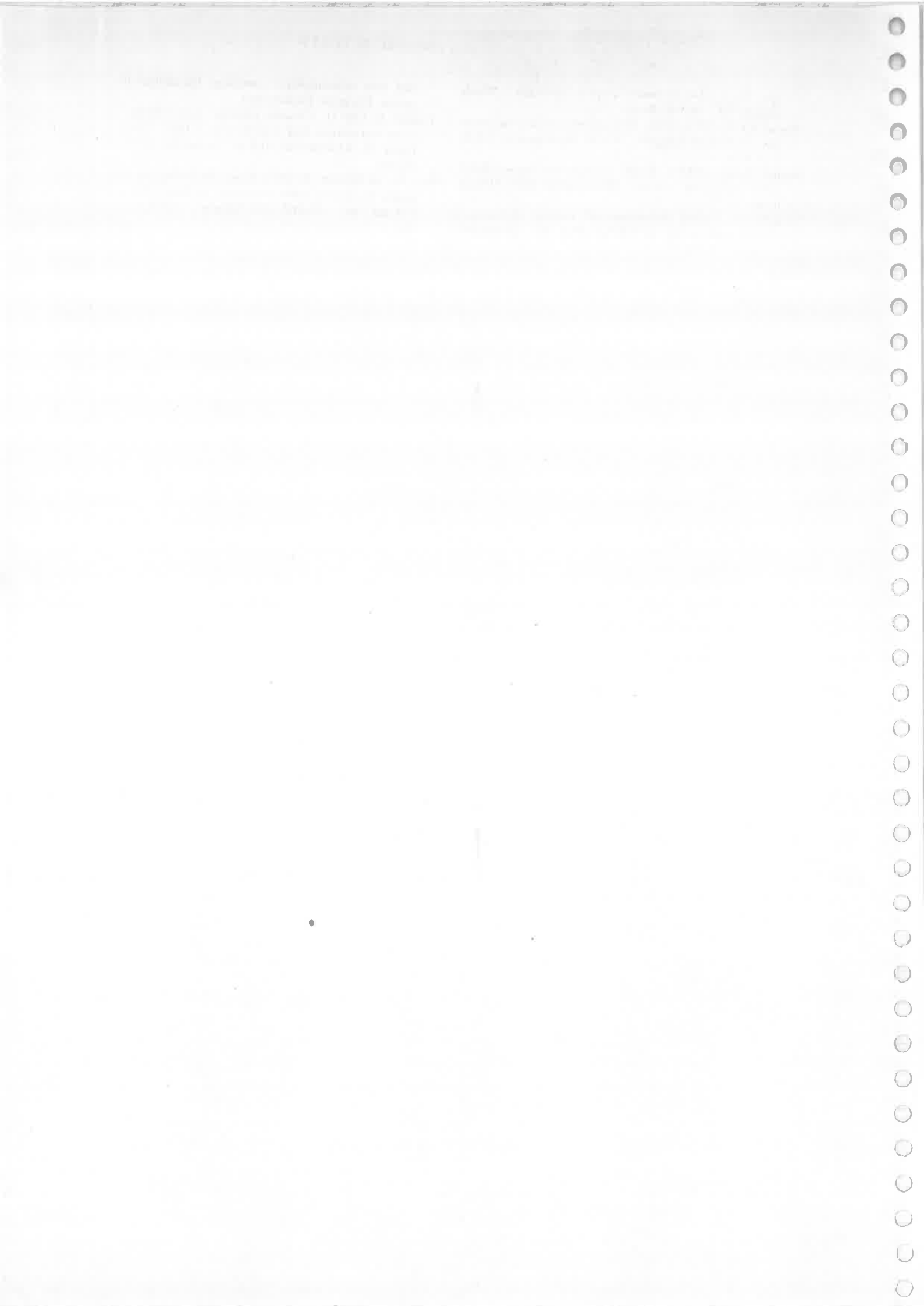
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Chronic Poverty in India: Incidence, Causes and Policies

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Summary. — Viewing chronic poverty in terms of extended duration, severity and multidimensional deprivation, this paper uses existing literature to draw attention to those people in India for whom poverty is intractable. Two sets of approaches are used: an area-based approach and an historically marginalized groups-based approach. The area-based approach maps the location of the chronically poor by identifying states and regions that have been especially vulnerable to poverty in terms of severity and multidimensionality. It focuses on drylands and forest-based regions. The historically marginalized groups approach draws attention to groups who have suffered multiple deprivations for long periods. Chronic poverty is disproportionately high among casual agricultural laborers, scheduled castes and scheduled tribes. In conclusion, the paper briefly reviews the factors that contribute to chronic poverty and the efficacy of policies to reduce such deprivation.

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Key words — Asia, India, poverty, social welfare, nutrition, vulnerability

1. INTRODUCTION

Over the last five decades, India has made systematic efforts to alleviate poverty through increasing economic growth, direct attacks using targeted programs, land and tenancy reforms, participatory and empowerment-based approaches and the provision of basic services. During the period between 1973–74 and 1999–2000, the incidence of poverty expressed as a percentage of people below the poverty line declined continuously from 54.9% to reportedly 26% (Table 1). The pace of reduction in poverty varied considerably during this period with a large decline in the percentage of the population in poverty throughout the 1980s, a slowdown in the pace of poverty reduction in the early 1990s, and a reported but contested sharp decline in poverty, of 10% in the second half of the 1990s. No such secular decline occurred in the numbers of those in poverty. The number of people below the poverty line increased by 8

million during the 1970s, decreased by 21.8 million during the 1980s, increased by 13 million during the early 1990s and reportedly decreased by a massive 60 million during the mid to late 1990s. There is considerable skepticism about the accuracy of the poverty estimates because of changes in methodology for data collection.¹

The track record of different states of India in decreasing the proportion of their population

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Table 1. *Incidence of poverty in India—percentage of population and number of people below the poverty line 1973–74 to 1999–2000*

Year	Percentage population below the poverty line	Number of poor (millions)
1973–74	54.9	321.3
1977–78	51.3	328.9
1983	44.5	322.9
1987–88	38.9	307.1
1993–94	36	320.3
1999–2000	26.1	260.2

Source: Government of India Planning Commission Draft Ninth Five Year Plan (1997–2002) and Government of India (2001c), Poverty Estimates for 1999–2000, Press Information Bureau, February 22, 2001.

in poverty has varied considerably. In several instances, better-off states remained relatively affluent and reduced poverty, while poorer states remained poor and made less progress in poverty reduction. There are also cases where poorer states made major progress.

In Kerala, for example, rural poverty declined at 2.4% per annum between the early 1970s and early 1990s. Other states where poverty incidence fell substantially (as a percentage of the original level) include West Bengal, Andhra Pradesh, Orissa, and, to a lesser extent, Gujarat and Tamil Nadu. Notably poor performers include Bihar and Uttar Pradesh (World Bank, 2000, p. 12).

A growing rural poverty differential can be noted between India's five lowest income states (Bihar, Uttar Pradesh, Madhya Pradesh, Orissa, and Rajasthan) and other large states (World Bank, 2000, p. 17). The gap was 7–8% in the 1980s. By 1997, the gap in poverty incidence between the two groups of states had reached nearly 18%, and poverty incidence in the low-income states was over 50% higher than poverty in other large states.

The focus of this paper is on the chronic poor in India, those who experience poverty for an extended period of time,² or all of their lives and/or whose poverty is transmitted to the next generation (Hulme & Shepherd, this issue). Surprisingly, given the scale of research on poverty in India, there has been little systematic work exploring poverty dynamics. When disaggregating the poor, the literature commonly focuses on those who are severely poor, in terms of how far below a poverty line their income or consumption lies, within the implicit assumption that those who are extremely poor

are also those who are poor for long periods of time.

In this paper we review the available data on chronic poverty in terms of duration, severity and multidimensional deprivation. The potential link between the severity of poverty and the duration of poverty is of particular importance to our arguments. In contrast to research findings from South Africa (Aliber, this issue), we posit that in India (and especially rural India) there is a close correlation between those experiencing severe poverty at a moment in time and those who suffer poverty for extended periods of time. As is shown by the official survey data, the severely poor have very few natural, physical or financial assets and are heavily dependent on their human and social capital to survive and/or improve their livelihood position. Accumulating capital through the application of their human capital in the labor market is very difficult as, with their low levels of education, most severely poor people are dependent on poorly paid, high drudgery, irregular casual employment. Social networks are commonly based on relations to kin and neighbors, who are similarly poor and can assist with survival but not with "escape" from poverty. Other linkages are in the form of patron-client relationships. These are often essential for the survival of the poor but across South Asia the price of the social protection they afford is "staying poor" (see Wood in this issue). The evidence that a high proportion of India's extreme poor come from scheduled tribes or castes and/or are women also indicates the role that social exclusion plays in blocking off any means to improve their position (see Section 4 of the paper). Finally, migration might provide an "escape route" from extreme poverty but, as is discussed later, the extreme poor are the least likely to be able to take advantage of improving their livelihoods through circular or long-term migration.

2. THE SPATIAL DISTRIBUTION OF CHRONIC POVERTY IN INDIA

Almost half of India's poor and one-third of India's population are concentrated in three states. These are Uttar Pradesh (including Uttaranchal), Bihar (including Jharkhand) and Madhya Pradesh (including Chhatisgarh) (Table 2). Three other states—Maharashtra, West Bengal and Orissa—account for 22.5% of those in poverty. Almost 72% of India's poor, and

Table 2. Incidence and concentration of income poverty in selected states of India

State	State share of India's		Percentage of the population of the state that is in poverty		
	Poor	Total population			
	1999-2000	2001	1973-74	1993-94	1999-2000
Assam	3.63	2.59	51.21	40.86	36.09
Bihar ^a	16.36	10.69	61.91	54.96	42.6
Madhya Pradesh ^a	11.47	7.91	61.78	42.52	37.43
Maharashtra	8.76	9.42	53.24	36.86	25.02
Orissa	6.50	3.57	66.18	48.56	47.15
Uttar Pradesh ^a	20.36	17	57.07	40.85	31.15
West Bengal	8.20	7.81	63.43	35.66	27.02
All India	100.00	100.00	54.88	35.97	26.1

Source: Government of India, Poverty Estimates for 1999-2000, Press Information Bureau, February 22, 2001 and March 1997 and Government of India, 2001 Provisional Population Tables.

^a Including the districts in the now newly formed states.

half of the population, are located in six states. While the share of the poor exceeds the share of the population in all these states, except Maharashtra, in the case of Bihar, Madhya Pradesh and Orissa the relative share of those in poverty is *substantially* larger than their share of India's population.

Between 50% and 66% of the population of seven states (the six mentioned above and additionally Assam) was living below the poverty line in 1973-74. Twenty years later 35-55% of their population was still in poverty. Orissa has made the least dent in poverty during the 1990s with 47% of state's population in poverty in 1999-2000. In Bihar, Orissa, Madhya Pradesh, Assam and Uttar Pradesh persistently high levels of poverty, in excess of 30%, has occurred for several decades.

(a) Chronic poverty: long duration

The distinction between the chronically poor and transient poor is seldom made in the literature on poverty in India. Determination of poverty as chronic or transient requires that the same households are tracked over time through a survey panel data set or qualitative approaches. Two panel data sets that have been extensively used in India are the National Council of Applied Economic Research (NCAER) panel data for rural households and the ICRISAT panel data for semi arid areas. Some of the major findings from these are given below.

Gaiha (1989b) used data from a panel survey of 4,118 rural households, carried out by the NCAER in 1968-69, 1969-70 and 1970-71. He

identified the chronically poor as households that were below the poverty line in each of the three years under consideration. The chronically poor were characterized not so much by low per capita income/expenditure in any year as by low variation in income/expenditure (in absolute terms) over time. This low variation was due to low or negligible endowments (e.g., cultivable land, labor power, skills) and/or inability to augment substantially the earnings from such assets. His analysis showed that:

—About 47% of the poor in 1968 (on an income criterion) were chronically poor.

—The chronically poor were not necessarily the poorest.

—Casual agricultural laborers were the largest group and cultivators the second largest among the chronically poor.

—The bulk of the chronically poor was either landless or near landless and were characterized by a higher dependency burden and illiteracy.

—Most of the chronically poor (over 79%) depended on wages. This implies that much of the change in the household income of the chronically poor depended critically on how the wage component changed over the period in question.

Additional findings using longitudinal data (Singh & Binswanger, 1993) collected from 218 rural households in six villages in three agro-climatic regions of India's semi-arid tropics (SAT) for a period of nine cropping years from 1975-76 to 1983-84 were that:

—Poverty was closely associated with the household resource base—poorer quality land, lower risk bearing capacity, stronger

subsistence orientation and a preference for coarse grains in their cropping pattern.

—Poor households who remained poor neither accumulated wealth nor reduced liabilities.

—In the regions studied, poverty is clearly not a permanent characteristic of a household.

Many of those who are not able to move out of poverty or are in persistent poverty tend to be stuck in a low wage/high drudgery/tough job groove with little opportunity for escape. Sainath (1996) profiles the situation of a laborer named Ratnapandi who climbs date palm trees every day to tap them for juice. He works 16 h a day on trees he does not own, risks his neck, shins up using his hands and legs and earns as little as Rs. 5 (or US\$0.14) a day. These are the toughest jobs with the lowest pay and the maximum danger. There are no recent data and analysis on chronic (duration) poverty using panel data in India so future work in this area will fill an important gap.³

The issue of dependence on wage income and low wage rates, especially among casual agricultural laborers, has emerged as a major factor in explaining chronic poverty in rural India (Datt & Ravallion, 1998a,b, p. 79–80; Dev, 1988, p. 14). Between 1974–75 and 1986–87, the wages of agricultural workers adjusted for inflation, grew at a remarkable average rate of 5.35% and this contributed to a sharp reduction in poverty during this period. Between 1987–88 and 1990–91, real wages rose at 2.5%. In 1991–92 these declined by an average of 6.3% and decreased in 11 out of 17 states. This corroborates the increase in poverty in 1992 (Papanek, 1996). Bhalla (2000a) also identifies agricultural laborers and construction workers as the poorest segments in rural India.

Large regional variations occur in wages. For instance, Acharya (1989, p. 133), finds that the ratio of maximum to minimum wages for males in different states is three to four and even higher for female wages. He attributes this to the general immobility of people and resources on the one hand and differential productivity (and demand) on the other (p. 137). Wages paid to agricultural labor in 10 states (that account for three-fourths of agricultural labor households in rural India) are less than three kilograms of cereals per day leaving very little surplus over consumption for meeting food and nonfood needs (Parthasarathy, 1995, p. 163).

Since prices affect the purchasing power of incomes and wages, higher prices of food and

Table 3. Annual average growth in wage rates of unskilled agricultural male laborers (percentages)^a

	Nominal	Real
1980/1–1990/1	12.0	4.6
1990/1–1997/8	12.2	2.4
1993/4–1997/8	12.7	2.5
1980/1–1997/8	12.1	3.2

Source: World Bank (2000, p. 17).

^a Consumer price index for agricultural labourers used to deflate nominal wages exponential trend growth rates were calculated using ordinary least squares.

other essential items are likely to aggravate rural poverty unless the poor are protected from such price increases (Gaiha, 1995). A sudden rise in consumer prices especially increases the hardships of low-income households as they are forced to buy on a daily basis even when prices are high (Gaiha, 1989b). Given the stickiness of money wage rates in the face of inflation, for the vast majority of the rural population, an increase in prices erodes real incomes and pushes them below, or further below, the poverty line (Saith, 1981). In real terms the rate of growth of daily wages in rural areas slowed in the 1990s, suggesting that agricultural growth in that period may have contributed relatively little to poverty reduction (Table 3).

In view of the high incidence of chronic poverty among agricultural households the income of the chronically poor is critically dependent on increases in real wages. Setting minimum wages, their periodic revision and the use of bargaining power to demand their effective implementation are extremely important especially during the slack season when wages fall (Parthasarathy, 1995). While the “kulak” lobbies are able to exercise power over their political representatives to force increases in the prices at which food grains are procured by the state (Saith, 1981) agricultural labor households lack the political power to access state entitlements or achieve increases in real wages.

(b) Chronic poverty: severity

(i) Severe income/consumption poverty

Of the 260–320 million people who live below the poverty line (depending on whether the 1993–94 or 1999–2000 estimates are used) a large subset consists of those who are severely below the norms identified as necessary for survival. In 1993–94, the poverty line was set at

Rs. 205.84 per capita per month for rural and Rs. 281.35 for urban areas. Some 15% of the rural population and almost 15% of the urban population were estimated to be earning incomes that were less than three-quarters of the poverty line. Roughly 134 million people can be considered to be chronically poor in terms of the severity of their poverty. The incidence of severe rural and urban poverty was higher than average in most of the higher level income poverty states.⁴ In other words, severe poverty is spatially concentrated in some regions of higher level income poverty states and spatial poverty traps exist at the regional level even in the more developed states.

Half to two-thirds of people residing in rural areas of 10 regions (Table 4) lived in poverty (and between 22% and 42% in severe poverty). The proportion of those who were very poor was largest in South Western and Southern Madhya Pradesh, Southern, Central and Eastern Uttar Pradesh, Southern Orissa, Inland Central Maharashtra and Southern (now Jharkhand) Northern and Central Bihar. The

squared poverty gap was the highest for these ten regions and ranged from 3.97 to 9.68 (Table 4). Almost half (48.4%) of those suffering from the incidence of severe poverty in rural India are located in these 10 regions. Similarly, urban poverty was severest in the 10 regions comprising Inland Central, Inland Eastern and Inland Northern Maharashtra, South Western, Central and Southern Madhya Pradesh, Southern Uttar Pradesh, Inland Northern Karnataka, Southern Orissa and Southern Tamil Nadu. From 46% to 73% of the population of these regions was below the poverty line (and 25% to 43% in severe poverty). The squared poverty gap ranged from 4.9 to 11. Of those who are severely poor in urban areas 29% are located in these ten regions (Table 4).

At a regional level spatial poverty traps can be identified in several parts of Madhya Pradesh, Uttar Pradesh, Orissa, Bihar and Maharashtra. If we map the regions on the basis of severe poverty the heartland of chronic poverty, in the severity sense, seems to be constituted by the central Indian (and virtually

Table 4. *Regions with high incidences and concentrations of severe poverty 1993-94*

State/regions	Very poor	Poor	SPG ^a	Percentage of India's severely poor
<i>Rural</i>				
South Western Madhya Pradesh	42.24	68.2	9.68	2.04
Southern Uttar Pradesh	39.7	66.74	7.96	2.19
Southern Orissa	34.08	69.02	6.83	1.77
Inland Central Maharashtra	28.91	50.02	6.69	3.01
Southern Bihar	31.57	62.44	5.51	5.66
Northern Bihar	27.62	58.68	5.07	9.99
Central Uttar Pradesh	26.79	50.2	4.94	5.15
Central Bihar	24.66	54.03	4.41	5.95
Southern Madhya Pradesh	22.37	46.36	4.09	1.55
Eastern Uttar Pradesh	23.2	48.6	3.97	11.05
Total				48.36
<i>Urban</i>				
Inland Central Maharashtra	42.62	60.13	11.00	3.69
South Western Madhya Pradesh	36.6	57.14	8.83	2.28
Inland Eastern Maharashtra	38.99	59.32	8.62	5.32
Southern Uttar Pradesh	37.54	72.52	7.93	1.67
Inland Northern Karnataka	36.49	57.63	7.68	5.92
Central Madhya Pradesh	32.93	53.68	7.15	2.25
Inland Northern Maharashtra	32.28	56.94	6.64	2.76
Southern Orissa	33.53	45.64	6.29	0.51
Southern Madhya Pradesh	27.9	51.23	5.54	1.09
Southern Tamil Nadu	24.82	48.13	4.90	3.62
Total				29.11

Source: Based on Datta and Sharma (2000).

^aSquared poverty gap.

contiguous) regions of South Western Madhya Pradesh, spreading in the southern direction into all of Inland Maharashtra except the western segment and in the northern direction into Central and Southern Madhya Pradesh, Southern, Central and Eastern Uttar Pradesh, Bihar and Orissa. Urban poverty is also severe in Inland Northern Karnataka and Southern Tamil Nadu.

(ii) *Hunger and lack of availability of two square meals a day*

In the developing world, 790 million people do not have enough to eat. India alone has more undernourished people (204 million) than all of sub-Saharan Africa (FAO, 1999). Within the 204 million people identified as undernourished in India is a subset that is unable to access even two square meals a day. Estimates of those unable to access two square meals a day, can be considered as the starkest indicator of severe poverty. Chronic food insecurity may lead to malnutrition, which causes reduced physical capacity and stunting, inhibits learning, and may have long-term nutritional, health and productivity-related effects for present and future generations (Moore, 2001; Harper, Marcus, & Moore in this issue).

Hunger and undernutrition is a serious problem in rural India as 4.2% rural and 1.1% urban households reported getting two square meals a day only in some months of the year. Just under 1% of households reported not getting two adequate meals a day at any time of year.⁵ Hunger is especially severe in rural Orissa, (where estimates are over 15%) West Bengal, Kerala, Assam and Bihar. Nonavailability of two square meals a day peaks in the summer months from June to September with longer duration suffered in West Bengal and Orissa. If we narrow our attention only to the lowest expenditure group in rural areas then the incidence of hunger among such groups assumes extremely high proportions in Assam, West Bengal, Bihar, Orissa, Maharashtra and Uttar Pradesh. In addition to these higher level income poverty states, significant hunger is reported from even relatively more developed states such as Kerala, Karnataka, and Tamil Nadu (see Mehta & Shah, 2001; Tables 10 and 11).

Despite the accumulation of massive stocks of foodgrains (50 million tons) in the godowns of Food Corporation of India, and considerable expenditure on holding these stocks, these have not been utilized to alleviate starvation.

Starvation-related deaths are reported by the media at regular intervals and questions are raised about why these stocks are not used in Food for Work programs. Reports of people dying from lack of food in Orissa resulted in the National Human Rights Commission issuing a notice to the Orissa government asking it to explain what steps it was taking to prevent further deaths.

(c) *Chronic poverty: multidimensional or non income measures of poverty*

Poverty has many dimensions (Hulme *et al.*, 2001) and the poor suffer deprivation in multiple ways and not just in terms of income. Several forms of human deprivation, including poor survival chances, unjust employment of children, child prostitution, bonded labor, environmental pollution, domestic violence, and social exclusion arising out of caste and gender discrimination, are not related to income in a predictable manner (UNDP, 1997). The poor also lack access to assets such as credit, literacy, longevity, voice, land, water, and forests. India has a growing literature on human and gender development indicators and these improve on the purely income based indicators as measures of well-being. The Human Development Index (HDI) is an average of three indices representing income, longevity and literacy (see Mehta & Shah, 2001). Table 5 compares the rank positions of 16 states in terms of their HDI scores and the percentage of their population recorded as below the official poverty line.

The incidence of income poverty and poor performance on human development indicators follow a similar pattern for most of India's 16 large states. The exceptions are Andhra, Rajasthan, Maharashtra, Kerala, West Bengal and Uttar Pradesh. Low attainments on literacy result in low HDI ranks for Andhra, Rajasthan and Uttar Pradesh. Conversely, Maharashtra, Kerala and West Bengal improve their ranks on HDI relative to poverty incidence largely due to high levels of literacy.

(i) *Infant mortality and female literacy*

Areas with persistently high levels of infant mortality can be considered to experience chronic poverty.⁶ Lack of access to inputs such as food and health care due to low income/assets/purchasing power are associated with higher probability of a new born child dying between birth and one year of age times 1000 (IMR Q1). Using information obtained from the 1991

Table 5. *State ranks: HDI and population below the poverty line*

State	HDI	Percentage of population in poverty	Difference in rank
Col 1	Col 2	Col 3	Col 2-3
Andhra	10	2	8
Assam	11	13	-2
Bihar	14	16	-2
Gujarat	5	3	2
Haryana	4	4	0
Himachal	7	7	0
Karnataka	8	8	0
Kerala	1	5	-4
Madhya Pradesh	15	14	1
Maharashtra	3	11	-8
Orissa	12	15	-3
Punjab	2	1	1
Rajasthan	13	6	7
Tamil Nadu	9	9	0
Uttar Pradesh	16	12	4
West Bengal	6	10	-4

Source: Kumar (1996) and Planning Commission Press Release, March, 1997.

census, Rajan and Mohanachandran (1998), have estimated infant mortality rates for the states and districts of India. The average IMR (Q1) for India in 1991 was 74. Sharp interstate disparities existed with IMR estimates as high as 108 for the state of Orissa and 107 for Madhya Pradesh and as low as 37 for Kerala (see Mehta & Shah, 2001; Table 15). Even sharper disparities occur at the district level. Estimates of IMR (Q1) show a massive spread from 23 for Hyderabad in Andhra Pradesh to 154 for Shivpuri in Madhya Pradesh. Of par-

ticular concern is the fact that there were 39 districts with IMR estimates far worse than or the same as Orissa's of 108.⁷ All the districts of Madhya Pradesh and Orissa had IMR levels above the all-India average.

Basic education, especially female education, has a powerful influence on fertility and infant mortality. Maternal education results in increased knowledge about nutrition, hygiene and health care. Basic education helps mothers to take advantage of public health-care services, thereby reducing child mortality (Murthi, Guio, & Dreze, 1996). In India, there is a clear association between levels of female literacy and IMR with most states clustering around the diagonal. States with high female literacy are not characterized by high infant mortality in even a single case. But Andhra Pradesh has succeeded in attaining low IMRs despite low female literacy. The hypothesized negative association between the two indicators has emerged clearly in the case of Kerala on the lower end and Orissa and Madhya Pradesh on the upper end of the spectrum. The pattern emerging from Table 6 thus confirms the expected positive impact of female literacy on reducing infant mortality.

The decline in IMR in Andhra Pradesh despite low female literacy occurred due to health related interventions: care to a very high percentage of mothers even in rural areas and among illiterate groups; availability of vaccination and health facilities to most of the children in the state; access to food-grains and the subsidized rice scheme which covers almost 80% of rural population since 1983; and, the Integrated Child Development Services (ICDS) program for which Andhra Pradesh government spends almost double the amount spent by Karnataka and Uttar Pradesh. All these have had significant impact on the health status of women and children (James, 1999).

Table 6. *Distribution of Indian states by female literacy and infant mortality rates*

Infant mortality rate (Q1)	High > 80%				Medium 46-55%		Low 35-45%		Very low < 35%	
	Very low < 40	Low 40-55	Medium 56-75	High 76-100	Very high > 100	Kerala	Tamil Nadu, Punjab Maharashtra Gujarat, Himachal, W. Bengal	Haryana Karnataka	Assam	Andhra Pradesh Bihar Rajasthan, Uttar Pradesh Orissa, Madhya Pradesh

Source: Mehta (1998, p. 17).

Table 7. *Estimates of multidimensional deprivation in selected regions of India*

State	Region	Male rural wage (Rs.) 1995	Child mortality (deaths per 1000) 1991	Female literacy % 1991	Total literacy % 1991	Electricity % house holds 1991	Toilet % house holds 1991	Post and telegraph services % villages 1991
Bihar	Central	32.20	72.28	22.53	39.77	6.53	7.74	18.12
Bihar	South	31.16	69.8	16.31	32.66	7.65	3.56	9.17
Bihar	North	26.49	76.05	15.71	30.39	3.88	3.98	22.68
Karnataka	Inland	27.53	63.87	28.25	43.02	36.47	1.63	44.08
	North							
Madhya Pradesh	Central	21.79	127.77	24.33	38.65	37.1	8.45	11.14
Madhya Pradesh	South	22.47	133.21	21.98	35.77	48.07	5.41	14.72
	West							
Madhya Pradesh	South	18.54	123	27.37	42.24	36.72	3.3	13.02
Maharashtra	Inland	20.92	74.89	38.71	52.96	64.83	3.2	35.05
	North							
Maharashtra	Inland	20.86	60.23	27.2	45.74	48.63	18.5	25.51
	Central							
Maharashtra	Inland	29.01	93.38	47.17	59.86	57.31	7.87	23.46
	East							
Orissa	South	24.67	123.25	11.01	23.56	20.4	3.77	11.83
Uttar Pradesh	Central	22.9	98.43	18.95	34.92	8.74	1.42	17.82
Uttar Pradesh	East	27.67	92.33	15.12	35.33	10.32	3.26	13.98
Uttar Pradesh	South	25.99	101.54	16.63	36.34	7.47	3.71	23.83
Tamil Nadu	South	29.27	55.63	48.68	63.53	47.47	7.11	56.33
Maximum		80.25	35.39	87.96	91.06	85.88	48.69	99.11
Minimum		17.9	135.66	9.37	23.56	3.88	2.11	9.17

Source: NIRD (2000).

(ii) *Estimates of multidimensional deprivation in selected regions*

Table 7 provides estimates of variables that reflect multidimensional deprivation, for the 10 rural and 10 urban regions identified as having a greater incidence of households in severe poverty. These include estimates of the prevailing wage, incidence of child mortality, literacy, access to infrastructure such as electricity, toilet facilities and postal and telegraphic communications. The rural wage rates in these regions are uniformly one-third to one-fourth of the maximum wage rate and tend to be close to the minimum for any region in the country. (The maximum and minimum values of the different indicators are given in the last two rows of Table 7). Relative to the best performing region, estimates of the different variables for the regions listed below are 1.7–3.8 times higher for child mortality and one-sixth to one-third lower for female literacy (except

for two regions). Similarly access to public provisioning of infrastructure such as electricity is one-tenth for five rural and two urban regions, toilet facilities between 6% and 16% and postal and telegraphic communications between 9% and 44% of the estimate for the best performing region.

Several of the higher level income poverty states such as Uttar Pradesh, Madhya Pradesh, Bihar, Orissa, and Assam also have the worst record on multidimensionality indicators. Data pertaining to infant mortality rates reinforce this further with extremely high state averages of infant mortality for Orissa and Madhya Pradesh and for a large number of districts in Uttar Pradesh and Rajasthan. But, some states, such as Andhra Pradesh, have successfully achieved low levels of infant mortality through health and nutrition-related interventions. High literacy seemed to play an important role in decreasing IMRs in most states. Data for most

of the regions that have a higher incidence of severe poverty reflect low wage rates, on the one hand, and on the other, substantially worse estimates of multidimensional indicators such as child mortality, female literacy and access to public provisioning of infrastructural facilities relative to the best performing regions. This corroborates the hypothesis that those vulnerable to severe and long duration poverty tend to suffer deprivation in multiple and mutually reinforcing ways. The dynamics of this multidimensionality has yet to be understood fully.

Chronic poverty in the durational sense persists as a "hard core" in almost all states of the country. But, the proportion of the poor who suffer long-term, or intergenerationally transmitted poverty is likely to be significantly higher in areas with higher incidences of severe poverty and multidimensional deprivation.

(d) *Chronic poverty in less-favored areas*

The above analysis clearly indicates a concentration of persistent, severe and multidimensional poverty in rural areas of ten regions spread over Bihar, Orissa, Madhya Pradesh, Uttar Pradesh and Maharashtra. In terms of numbers, a majority of poor people live in rural areas of these regions. While these regions constitute major spatial poverty traps in India, pockets of poverty exist even in the states and regions that generally do not exhibit severe poverty.

Prima facie, the phenomenon of chronic poverty, including high degree of uncertainty of livelihood base, seems to have emanated from structural factors that are reinforced by the low endowment of "geographical capital". This is manifested in terms of adverse agro-climatic conditions, inadequate infrastructure, physical isolation, and social alienation in these regions (Bird, Hulme, & Shepherd, 2001). Together these factors seem to widen the existing gulf between the mainstream economic system and the lagging regions forming spatial poverty traps in some less-favored areas (LFAs).

In India two particular types of area⁸ are usually viewed as less favored on the basis of agro-ecological and socioeconomic conditions (Table 8). These are:

—the large tracts of dry land regions characterized by frequent failure of crops and sporadic employment opportunities, leading to high level of unprotected risks of livelihood security among the poor; and

—the "forest-based" economies, especially in hilly regions with predominance of tribal populations with limited access to natural resources, information and markets.

This characterization of LFAs can be justified since agricultural growth has been shown to be the most crucial factor for reducing rural poverty directly and also for indirectly fostering the conditions of pro-poor growth in the (urban and rural) nonfarm sectors (Ravallion, 2000).

The role of agriculture in reducing rural poverty has been well demonstrated by the growth experiences during 1980-83 to 1990-93 in some of the high potential but lagging states such as West Bengal, Madhya Pradesh and Rajasthan (Bhalla, 2000). This period marks a turning point in India's agriculture with an unprecedented growth of 3.5% per annum, and a relatively better regional spread of this growth. Unfortunately, agriculture failed to show any buoyancy in the post-reform period, with an average growth rate of only 2.32% between 1990-91 and 1997-98. Consequently, expectations regarding rural poverty reduction were not met. While there is still a substantial amount of optimism about irrigated agriculture having reached a "take-off" stage (Radhakrishna, 2002), the challenges of how to increase the productivity of dry land agriculture still need to be resolved.

According to the available estimates (Méhta & Shah, 2001), agricultural growth in some of these states seems to have been associated with significant reduction in poverty between 1973-74 and 1993-94. These include West Bengal, Rajasthan, and Madhya Pradesh where incidence of poverty declined by 44%, 41%, and 31% respectively. Nevertheless, the extent to which poverty reduction is attributable to agricultural growth in these states needs careful examination. This is particularly important because there exists counterevidence in the case of Orissa where poverty reduction is quite substantial, i.e., 27% (though, lower than in other states with high poverty levels) despite its poor performance in agriculture especially, in the 1990s. Besides, as Gaiha (1989a) argues, growth alone is not sufficient for poverty reduction; employment generation, an effective public distribution system and better governance are also needed to shift the chronically poor out of low-income traps. The dynamics of poverty reduction in rural areas thus, go beyond growth performance. Growth may be a

Table 8. *Factors affecting chronic poverty in less-favored areas of India*

States and factors	Less-favored areas	
	Dry land regions	Forest-based regions
Major states/regions	Rajasthan (92%) ^a , Gujarat (88%), Maharashtra (81%), Karnataka (68%), Andhra Pradesh (65%), Tamil Nadu (61%)	Assam (31%) ^b —Hills, Orissa (30%)—South, Madhya Pradesh ^c (30%)—South Western, Bihar ^d (15%)—South, Uttar Pradesh (Uttarakhand—(80%)). North East States—Entire Region
Social alienation	Higher proportion of scheduled caste households	Predominance of scheduled tribes
Structural	Ryotwari land relation Low incidence of landless and semi landlessness	Feudal land relations High incidence of landlessness
Population growth and access to natural resources and modern production technology	Large but less productive land holdings Higher degree of commercialization and neglect of common property resources, break down of collective institutions Low population pressure due to high outmigration Low untapped agronomic potential Over utilisation of natural resources viz; water, CPLRs	Limited access to forest resources; high dependence of common property resources; collective institutions Subsistence crops, low level of input use High population pressure Moderate to high agronomic potential moderate use of natural resources viz; water, forests
Sectoral and infra-structural development	Relatively more diversified economy with developed industrial and/or mining sector	Less diversified economy despite substantial mineral resources
Access to markets	Better development of physical infrastructure like road, electricity, communications and input-output markets for farm sector	Low development of physical infrastructure and markets
Policy support	Special programmes for nutrition security in Tamil Nadu, Andhra Pradesh; employment guarantee schemes in Maharashtra; good network of drought relief in Gujarat Generally weak public distribution system	Very little impact of state level Extremely weak public distribution system
Coping strategy	Workforce diversification in industrially developed states High incidence of inter-state migration from less industrialised states Increased private investment in ground water	Limited avenues for workforce diversification Relatively Lower Incidence of inter-state migration Negligible private investment in agriculture
Nature of poverty	Poverty with non-sustainable coping up strategies because of the higher depletion of natural resources and significant social cost of outmigration	Chronic poverty with significant scope for increasing the total earnings from the given land and water base and improved management of forests with participation of the poor

^a Indicates area under dry land Conditions.^b Indicates area under forests.^c Includes Chhatisgarh.^d Includes Jharkhand.

necessary but not a sufficient condition for poverty reduction in such areas.

In the absence of agricultural growth economic diversification may also reduce poverty only to a limited extent. This is reflected by the fact that during the second half of the 1990s, employment growth in rural areas was negative. Moreover, employment growth in the urban areas was partly explained by the shift of nonfarm employment from rural to urban locations (Bhalla, 2000b). The damaging impact of slowing agricultural growth, especially in the erstwhile high-growth states, has led to a reversal of the trends in workforce diversification in rural India. This has been aggravated by the relentless build up of demographic pressures except in Punjab, Haryana, Kerala, and West Bengal (Bhalla, 2000c). In fact, workforce diversification *per se*, is not a panacea for the rural poor. As noted by Bhalla (2000c) "when all fails, under-employed farm workers gravitate to construction labor as the last resort."

A broad typology, of the factors determining the extent and nature of chronic poverty in dryland areas and forest-based economies is presented in Table 8. Certain inherent differences in the three important components of geographical capital viz; agronomic, physical infrastructure and social structure occur across the two sets of regions. In what follows we identify some of the important indicators of geographical capital for states which can be broadly categorized as drought-prone or forest-based regions. To a large extent, they represent low and high potential regions respectively, as defined by Fan, Hazell, and Thorat (2000) based on their classification of districts within the 20 agro-climatic zones in India.

The incidence and dynamics of poverty in these two types of less-favored areas are complex and are influenced by a web of structural, agronomic, social and physical factors. Ironically, drought-prone areas do not exhibit high rates of poverty despite their relatively weak agronomic base, whereas there is a high incidence of poverty in the relatively better endowed forest-based states/regions. *Prima facie*, the low incidence of poverty in drought-prone regions can be attributed to two sets of factors: agronomic conditions, such as favorable land relations, larger landholding size, higher proportion of high value commercial crops, out-migration and public works programs; and the predominance of coarse cereals such as millets, maize, ragi, having a higher calorie content, in

the consumption basket of low-income households. The sustainability of agricultural growth in the drylands is however, worryingly limited by overexploitation of groundwater and other technical factors.

In contrast, the high incidence of poverty in the forest-based regions is related to low levels of infrastructural development, the erosion of entitlements of poor people to access and utilize natural resources and social exclusion. These factors reinforce each other with people from scheduled tribes experiencing problems in accessing resources and this is exacerbated by physical and social isolation. The residents of such areas even find it difficult to diversify income sources through migration as this entails long, and therefore expensive, journeys. In addition, they have low educational levels and limited social networks to use to identify areas to seek jobs and to get shelter and support after a journey.

It is not the agronomic and demographic conditions *per se*, which influence rural poverty in the forest-based regions. Rather, it is problems of access to productive resources—agricultural land, farm inputs, and minor forest products—which traps households in poverty. As large numbers of households in the forest-based regions do not have entitlements to natural resources, they end-up with low income and expenditure levels. About 84% of "tribals" in India live in forests of different types, acquiring an enclave status characterized by resource depletion (for details see, Raza & Ahmed (1990, p. 38) and Shah *et al.* (1998, p. 151)). Problems of entitlement are further aggravated due to relatively lower human capabilities of households in the forest-based regions.

The above analysis draws attention to two important points:

—The states, which were under the Zamin-dari regime and which have not experienced a "green revolution" and have low level of industrialization and market/infrastructural development, have remained in poverty. Overall therefore, "drier states (in the west) have lower poverty proportions than the wetter ones (in east). Within these contours, all suffer, if the monsoon fails, and vice versa" (NIRD, 2000, p. 9).

—While migration is an important coping strategy for drought-prone areas, its outcome depends heavily on the overall economic development and scope for occupational diversification in the wider region. It appears that

declining family size, migration and breakdown of traditional family structures that provided support, this group of the population is increasingly vulnerable to poverty and to spending the last years of the lifecourse in chronic poverty.

The 1991 census showed that approximately 7.6% of India's rural and 6.3% of India's urban population was above the age of 60. Some 6.8% males and 6.9% females in rural and 6.2% males and 6.6% females in urban areas were in the category of the aged. One estimate projects the total number of elderly persons in India at 130 million by 2021 in comparison with 55 million in 1991. This has significant implications for social security policies (Rajan, Mishra, & Sarma, 2000).

High levels of economic dependence at low household income levels mean that meagre resources need to be stretched thinner and thereby increase vulnerability to poverty of physically and financially dependent older persons. Inadequate financial resources are a major concern of the Indian elderly (Desai, 1985 cited in Rajan *et al.*, 2000) and more so among the female elderly (Dak and Sharma, 1987 cited in Rajan *et al.*, 2000). In many situations, the rural elderly continue to work though their number of working hours comes down with increasing age (Singh, Singh, & Sharma 1987 cited in Rajan *et al.*, 2000). Economic insecurity was the sole concern of the elderly in barely sustainable households in rural India (Punia & Sharma, 1987 cited in Rajan *et al.*, 2000). The worries of the elderly are on two interrelated fronts: fears of sickness or disability and financial worries.

(d) *The disabled*

It is estimated that there were about 16 million physically disabled persons in India in 1991 compared with 13.7 million in 1981 (Government of India, 2001c, p. 179). The estimates show that among the different types of physical disabilities, the number of persons having locomotor disability was highest (almost 50%) followed by visual and hearing disability. Clinical evidence based estimates imply that these are likely to be underestimates. Alternative estimates place the number of disabled at more than 32 million in 1991 (Thomas, 1992a and Helander, 1993 cited in Erb & Harriss-White, 2002, p. 4).

Recent research on disability provides evidence of a close and positive relationship

between disability and poverty in that mechanisms of poverty such as malnutrition, exposure to disabling diseases, inadequate access to health care and higher probability of work-related accidents, lead to disability (Erb & Harriss-White, 2002, p. 5; Harriss-White, 1999). Hence poverty which is an "economic disability" (Sen cited in Harriss-White, 2002) leads to "social disability" (exclusion and stigma) and medicalized (physical) disability. Chronic sickness and disability affect both short-term and long-term poverty. Data from three villages in northern Tamil Nadu show a positive association between disability and poverty (Sen cited in Harriss-White, 2000).

The NSS 36th Round in 1981 showed that certain states have much higher than average concentrations of disabled people. The prevalence of locomotor handicap is strongly associated with agriculturally advanced regions; that of deafness and dumbness with northern regions and Himalayan valleys. The incidence of leprosy is strongly concentrated in tribal regions of Bihar and West Bengal and in Tamil Nadu and Andhra Pradesh in the south. This concentrated distribution is attributed to environmental factors (lack of iodine), diseases (poliomyelitis and lathyrism), social and economic factors (low levels of urbanization, high levels of food insecurity and poverty).

(e) *The destitute*

As in most parts of the world, relatively little is known about India's destitute and homeless. Such people are not usually recognized as "households" by censuses and surveys and their mobility and social position make them difficult to research. But casual observation of public spaces in the country's urban areas, particularly its railway stations, suggests that some millions of people are destitute. Erb and Harriss-White (2002), has explored the processes by which poor people lose virtually all assets, apart from their right to their body and not always that is retained. Destitution can be viewed as extreme and multidimensional capability deprivation. Economic processes (such as loss of income and physical assets due to ill health, natural disaster or displacement), social processes (such as loss of group membership because of transgressing a social norm or widowhood) and state action (the criminalizing of vagrancy and the failure of public social protection programs) often combine to detach individuals, and sometimes family units, from

rights of shelter and from membership of a social group.

While the state has a legal obligation to provide support and shelter for the destitute this is "...observed in the breach ... a mere Rs. 1 crore (US\$250,000) has been allocated to cater for the needs of homeless people throughout India" (Erb & Harriss-White, 2002, p. 7). Surprisingly, the country's large and energetic network of nongovernmental organizations (NGOs) does relatively little work in assisting the destitute (Erb & Harriss-White, 2002). Both understanding the nature of destitution, and experimenting with ways of supporting the destitute, remain frontiers for poverty research in the country.

4. THE PERSISTENCE OF POVERTY: CAUSES AND POLICIES

The records of different states of India in decreasing the proportion of their population in poverty have varied considerably. While some states have substantially reduced the incidence of poverty, other states made less progress. While different sets of factors explain a state's success or failure in poverty reduction, particular factors are generally associated with reducing poverty. These include higher growth rates, lower rates of inflation, relative prices, public development expenditure, initial conditions of human and physical infrastructure, higher initial irrigation intensity, higher literacy rates and lower initial infant mortality rates (Ravallion & Datt, 1996; Sen, 1996). Bhalla and Gurmail (1997, p. A-15) attribute the fact that Bihar and Orissa are still lagging in terms of growth to the low level of input use especially of fertilizer and credit, the weak input delivery system, lack of research and development, lack of appropriate extension services, and especially in Bihar, the outdated tenorial relations. Kurian (2000) refers to the scarcity of water due to lower precipitation and lack of other perennial sources of water as causing "backwardness" in parts of Maharashtra, Andhra Pradesh and Karnataka. Kurian also associates the backwardness of certain regions in Gujarat, Madhya Pradesh, Bihar and Orissa with the neglect of such regions by the ruling elite.

The substantial reduction in poverty in West Bengal could be attributed to institutional reforms brought about by the Left Front government. These include "land reform" (in par-

ticular, Operation Barga), effective political decentralization through the Panchayati Raj, implementation of poverty alleviation programs through the panchayats, and political mobilization of the rural poor through *kisan sabhas* and political parties' (Tendulkar & Jain, 1996). Also important was the rapid agricultural growth because of notable increases in area under irrigation through substantial private investment in pump sets and tube wells (Bhalla & Gurmail, 1997). Of the difference of 1.8% per annum between the rates of poverty reduction in Kerala and Madhya Pradesh, fully 1.6% per annum could be attributed to the fact that Kerala began with higher female literacy (1%) and lower infant mortality (0.6%) (Datt & Ravallion cited in Sen, 1996).

In both rural and urban areas the broader enabling environment does not adequately support the needs of the poor. Rural poverty can be associated with isolation, lack of roads, poor infrastructure and limited institutional presence while urban poverty is generally associated with poor quality housing, overcrowded, unsanitary slum settlements, ill-health related to spread of infectious diseases, exposure to environmental hazards and fear of eviction from illegal squatter settlements (Loughhead, Mittal, & Wood, 2000, pp. 7-9).

The vast and rich literature explaining the causes of poverty in India and possible mechanisms for reducing it can be divided into three major strands. First, the structuralist view which argues that a major part of the poverty in both rural and urban India is due to the unequal distribution of the basic factors of production especially, land and capital. This shapes the nature as well as composition of growth which excludes rather than includes the asset-poor from the processes of growth. Assetlessness also leads to further disempowerment as the poor are unable to build up human capabilities in terms of education and health. Social stratification aggravates the situation further. Eradication of poverty would therefore aim at redistributing productive resources, changing the composition of growth and breaking social barriers.

The second strand takes a view that although distributive aspects are important, there is little that can now be achieved through land distribution and related policies given the political economy within which policies are formulated. According to this view point, poverty could still be eradicated by modifying the present pattern of growth to be more equitable across sectors,

Table 9. *Poverty-related policy approaches and perspectives*

Policy approach	Perspectives on poverty		
	Structural	Efficiency of growth	Residual
Distributional justice through	Redistribution of assets leading to social, economic and political empowerment and increased state intervention	Development of inputs and credit markets among the poor regions and communities	Direct targeting through social security and safety net measures
Changing the composition of growth in terms of	Local resource-based and focusing on the subsistence needs	Improving the efficacy of growth	Higher growth should lead to more resources for providing social security
Sectoral priorities	Balance between agriculture and capital goods sector	Agriculture led growth	Not specific
Employment generation	Sectoral shift from primary to secondary and tertiary sectors	Agricultural growth will absorb more labour	Special employment programmes
Social capability	Through better distribution of assets and state intervention	Growth will take care of the needs of the poor for health and education	Targeting of services to the poor and the vulnerable groups

regions, and communities. This could be achieved by developing markets and institutions that could reach the relatively marginalized sectors, regions and communities. Given this, if growth accelerates it will percolate down to the poorer segments because of the better markets, institutions and perhaps technology.

The third strand views poverty especially in terms of multidimensionality as well as vulnerable groups, as an aberration in the growth process. It argues that while it is politically difficult and much more time consuming to correct the distributional inequities and to change the composition of growth, the effective solution lies in providing safety nets and targeting of social security to the poor. There is a significant amount of overlap between these different perspectives on causes of poverty (Table 9).

India's policies for poverty eradication have a mix of all the three approaches as indicated by the long list of anti-poverty measures undertaken by the government over the last five decades. These can be grouped into five main categories:

- (a) land distribution and land reforms;
- (b) area-based community and rural development programs with a specific focus on marginal and small farmers;
- (c) individually targeted approaches providing access to productive capital and skills

for the poor and vulnerable—women, scheduled castes and tribes and the landless;

- (d) measures providing social security to the poor through special employment programs, relief works programs, distribution of basic commodities like food, clothing, and housing;
- (e) special schemes for education among the socially marginalized groups, such as scheduled castes and tribes, subsidized primary education, especially for girls, and special nutrition programs for mothers and children.

The relative importance of the different programs has changed over time. The political economy of the anti-poverty programs, especially since the early 1980s, has made it almost mandatory for each in-coming government to offer a new package of what can be described as "doles." This has created a vested interest among the bureaucracy, as these programs provide opportunities for rent-seeking and the consolidation of power. Consequently, the budget allocation for the "anti-poverty sector" soared to an unsustainable level of Rs. 350 billion (US\$7 billion) by the end of the last century. Yet poverty persists!

At the present time poverty eradication policies face three main challenges:

- (i) reducing the burden of budgetary subsidies;
- (ii) improving the effectiveness of the anti-poverty programs especially the health and nutrition programs by minimizing the errors of exclusion; and,

(iii) revamping agricultural growth especially in the lagging regions through technological-institutional-market support, and thereby increasing agricultural wages, on the one hand, and promoting nonfarm employment on the other.

It is sometimes argued that in the absence of effective implementation of special anti-poverty programs, such as Integrated Rural Development (IRDP), it would be better to reallocate the budgetary resources to regular programs for rural development. This is highly debatable and also politically difficult. Perhaps what is required is that we strengthen the implementation process through decentralization of power, participation of all the stakeholders, information sharing and institutional support.

5. CONCLUSION

The vast literature on poverty in India has only a minor focus on chronic poverty in terms of duration: this issue is a priority for future research. From the materials that are available on the duration, severity and multidimensionality of poverty in the country it seems clear, however, that tens of millions of households experience chronic poverty: they have been capability-poor for many years and that poverty is likely to continue. The chronic poor, as with the poor, are predominantly rural and are spatially concentrated in a number of states and regions—Madhya Pradesh (South western and Southern), Uttar Pradesh (Southern, Central, Eastern), Orissa (Southern), Bihar (Southern, Central and Northern) and Maharashtra (Inland central). While they are found in all states and agroecological zones there are good grounds for suspecting that people in forest-based economies exhibit high levels of chronic poverty which is often transmitted from generation to generation.

Chronic poverty rates are disproportionately high among historically marginalized groups such as scheduled castes and scheduled tribes, the elderly, women and the disabled. People dependent on income from casual laboring in agriculture and construction are also more likely to experience long-term poverty. A common characteristic of many of the chronic poor in India is that they experience several forms of disadvantage at the same time—for example, low caste widows with ill-health and living in remote rural areas. While many of the chroni-

cally poor have access to minimal shelter and social networks some “lose” even these rudimentary elements of social security and become destitute. Once destitute the likelihood of improving one’s economic and social position is very low and the likelihood of mortality rapidly rises.

Poverty researchers on India have adopted different theoretical frameworks ranging from the structuralist, to the “failure of growth” to the residualist. The Indian government has woven ideas from all three analyses into a complex web of policies that seek to redistribute assets to the poor, provide basic services, link them more effectively to processes of economic growth and meet their social protection needs. While there have clearly been achievements from public and private action, most obviously through declines in the incidence of income poverty and reductions in infant mortality, hundreds of millions of people remain in poverty. Ironically, for some groups, the most obvious are the destitute. State action can at times impose more costs than it provides benefits. If the Government of India, and the international development agencies that assist it, are to move toward the achievement of the ambitious goals they have set, then understanding chronic poverty, and identifying ways of reducing it, must become a central element of the poverty-reduction agenda.

6. FURTHER READING

Adelman, Subbrao, and Vashishtha (1985), Alternative Survey Group (2001), Amis (2001), Balakrishna and Rangacharyulu (1999), Baulch and Hoddinott (2000), Bhalla (1997), Bhatia and Dreze (1998), Chaudhri (2000a), Chaudhri (2000b), Chelliah and Sudershan (1999), Dev (2000), Dreze (2001), Government of India (various years, 1985, 1993, 1997–2002, 2000, 2001a, 2001b), The Hindu (2001), CERFE (2001), Jain, Sundaram, and Tendulkar (1988), Jayaraman and Lanjouw (1999), Kabeer (1995), Mehta (1996a,b, 2000b), Measham and Chatterjee (1999), Mooij (2000), NDTV.com (2001), NSS (1994), NSS (1996), NSS (1998a, 1998b), Padhi (1998), Pattnaik and Brahmachari (1996), Prabhu and Sangita (1997), Rajuladevi (2001), Roy (2000), Ravallion (1998), Roy (1996), Saxena (2000), Sen and Dreze (1999), Sen and Sengupta (1983), Shah (2001, 2000), Sharma (1995), Sridhar (2001),

Suryanaryana (1996), Swaminathan (2002), Tendulkar and Jain (1996, 1995), Times of India (2001), UNDP (1995, 2001), World Bank (2001) and World Food Programme (2001).

NOTES

1. Serious flaws in the methodology adopted for the latest survey have been alleged. A large number of issues have been raised in the literature regarding the correspondence between official poverty lines, calorie-based nutritional needs; the accuracy of price deflators used; the appropriate recall period used in surveys; and the large differences in the value of consumption expenditure estimated by different national agencies (Palmer-Jones & Sen, 2001).
2. Hulme, Moore, and Shepherd (2001) propose that a period of five years is appropriate for the assessment of chronic poverty.
3. The Chronic Poverty Research Centre (CPRC) in India is longitudinally tracking chronic poverty through existing panel data sets at the macro level and creating new panel data at the micro level.
4. Rural poverty was especially severe in five out of seven high income poverty states. These were the states of Bihar, Orissa, Uttar Pradesh, Madhya Pradesh and Maharashtra. The incidence of severe urban poverty exceeded the all India average in Madhya Pradesh, Orissa, Karnataka, Maharashtra, Tamil Nadu, Uttar Pradesh and Andhra Pradesh.
5. It should be noted that such household surveys usually fail to interview the destitute and homeless who are likely to experience food insecurity at higher levels than the wider population.
6. As Hulme & Shepherd (this issue) point out the preventable deaths of infants can be considered one of the most extreme forms of chronic poverty as the child experiences total capability deprivation for all of the "lost" years.
7. These include 24 districts in Madhya Pradesh, six in Orissa, six in UP, two in Arunachal Pradesh and one in Himachal Pradesh.
8. In addition, the mountainous Himalayan areas are geographically remote, have agro-ecological limitations and are often socioeconomically disadvantaged. They are not reviewed in this paper.
9. Government of India, Ministry of Labor, *Annual Report, 2000-01* states that as of March 31, 2001, 2,80,411 bonded laborers have been identified in 13 states and 2,56,825 have been reportedly rehabilitated.

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1. The purpose of this document is to provide a comprehensive overview of the current state of the project and to identify the key areas that require attention.

2. The project has been initiated to address the growing need for a more efficient and effective system of data management.

3. The project is currently in the planning stage, and the following tasks are being completed:

4. The project team is working to develop a detailed project plan that will outline the scope, objectives, and timeline of the project.

5. The project team is also working to identify the resources that will be required to complete the project.

6. The project team is currently in the process of developing a budget for the project.

7. The project team is also working to identify the risks that could impact the project and to develop strategies to mitigate these risks.

8. The project team is currently in the process of developing a communication plan that will outline the frequency and content of project updates.

9. The project team is also working to identify the stakeholders that will be impacted by the project and to develop strategies to engage these stakeholders.

10. The project team is currently in the process of developing a project charter that will outline the project's purpose, objectives, and scope.

11. The project team is also working to identify the key performance indicators (KPIs) that will be used to measure the success of the project.

12. The project team is currently in the process of developing a project management plan that will outline the project's organization, roles, and responsibilities.

13. The project team is also working to identify the project's dependencies and to develop strategies to manage these dependencies.

14. The project team is currently in the process of developing a project risk management plan that will outline the project's risk management strategy.

15. The project team is also working to identify the project's communication needs and to develop strategies to meet these needs.

16. The project team is currently in the process of developing a project closure plan that will outline the project's end state and the steps that will be taken to close the project.

17. The project team is also working to identify the project's lessons learned and to develop strategies to apply these lessons learned to future projects.

18. The project team is currently in the process of developing a project report that will provide a comprehensive overview of the project's progress and results.

19. The project team is also working to identify the project's impact and to develop strategies to maximize this impact.

20. The project team is currently in the process of developing a project evaluation plan that will outline the project's evaluation strategy.

21. The project team is also working to identify the project's future opportunities and to develop strategies to pursue these opportunities.

22. The project team is currently in the process of developing a project sustainability plan that will outline the project's sustainability strategy.

23. The project team is also working to identify the project's future challenges and to develop strategies to address these challenges.

POST OFFICES, PENSIONS AND COMPUTERS: NEW OPPORTUNITIES FOR COMBINING GROWTH AND SOCIAL PROTECTION IN WEAKLY INTEGRATED RURAL AREAS?

John Farrington, N.C. Saxena, Tamsyn Barton and Radhika Nayak

India's efforts in targeting a wide range of social protection measures towards different categories of poor people at first glance appear to be a model for other countries as they prepare their own Poverty Reduction Strategies. However, implementation constraints – especially in areas weakly integrated into economic institutions and infrastructure – are severe. After reviewing briefly the complexities of targeting and delivery in India, the paper examines why there is an apparently inexorable trend towards an increasing number (of increasingly complex) government schemes for transferring resources to the poor, how they are affected differently by misappropriation, and how and why implementation constraints are particularly severe in weakly integrated areas. This paper argues that over-elaborate targeting militates against local transparency and gives local officials too much discretion, and so is part of the problem. It suggests that cash transfers paid through certain channels (e.g. the Post Office) for specific purposes such as pensions and allowances are less corruptible than many 'in kind' transfers. They may help in reducing under-nutrition and stimulating the local food economy by reducing 'demand deficits' and merit greatly increased funding. Stressing simplicity of targeting and automaticity of delivery, the paper suggests it may be better to identify delivery systems that work, and then, with certain safeguards, design schemes around them, than design schemes incorporating the latest concepts of poverty reduction and targeting, which then prove problematic in delivery. This discussion has to be located within the prospects for enhanced automaticity of transfers now offered by computerisation.

Policy conclusions

- There has been some success in merging Centrally Sponsored Schemes, projects and programmes in India (henceforth, CSS) to bring their number down from 360 to around 180, but upward pressure persists, as politicians shun the adverse publicity associated with scheme closure, but covet the acclaim of opening new ones.
- CSS are sophisticated in the ways they are designed and targeted, but they suffer serious misappropriation of funds, and many deliver under 50% of allocated resources to intended beneficiaries.
- Public acquisition of food through the Food Corporation of India (FCI), and its subsidised distribution through the Public Distribution System (PDS), is inefficient and leakage-prone, each rupee-worth of food received by intended beneficiaries costing a further one to two rupees to acquire, store and deliver, depending on levels of leakage.
- Rights-based approaches, which aim to improve poor people's access to their entitlements, have had some positive impact, where there has been critical mass.
- The volume and composition of social protection measures requires careful planning, to ensure that the rights of citizens (e.g. to food) – especially of those who cannot engage fully in economic activity – are met, but without 'crowding out' the contribution to wellbeing that economic growth can make, nor displacing traditional social protection mechanisms.
- There are powerful arguments for shifting attention from design to implementation mechanisms. Recurrent features of relatively successful schemes are: small, regular payments (which attract less misappropriation than large, one-off payments), high levels of automaticity (with correspondingly reduced discretion among local officials), and strong awareness among intended beneficiaries of their rights (which argues strongly for simplicity of design).
- National Old Age Pensions transferred through the Post Office or bank accounts exhibit many of these characteristics, and there is scope for switching roughly one-fifth of all resources spent on other CSS and the PDS into this and related pensions/allowances. Direct transfers of this kind would place an additional US\$2bn directly into the hands of disadvantaged groups, equivalent to an additional demand for some 8m tonnes of foodgrain from local farmers, many of whom are weakly integrated into wider markets.
- The expansion of direct transfers of this kind would benefit from a streamlining and computerisation of the current complexity of identity cards issued for 'ration' purposes.
- Direct transfers through a central agency, such as the Post Office or certain banks, is particularly beneficial for the weaker States, where fiscal crisis and weak infrastructure prevent them from drawing down additional allocations of food from the FCI.
- The Indian evidence suggests that other countries considering new social protection arrangements should (a) distinguish carefully between those able and unable to engage directly in productive activity, but keep categories of beneficiaries easily identifiable; (b) use some combination of targeting criteria such as age and location, or use self-targeting mechanisms such as wage-rates, noting that income/expenditure criteria are problematic; (c) limit the number of schemes so that they can be monitored properly; (d) ensure that social protection is geared towards the types of vulnerability (old age, disability, acute risk) which market-led growth is unlikely to address, so that social protection complements growth; (e) identify robust implementation channels incorporating high degrees of automaticity and transparency and ensure that schemes are designed in ways compatible with these; and (f) seek to exploit complementarities between social protection and local productive activity (e.g. in agriculture).

Scope of the paper

Definitions of social protection (SP) vary, but most focus on efforts to reduce the effect of chronic conditions (e.g. old age) or acute risk (e.g. drought or economic shocks) on vulnerable groups. SP can be through people's own efforts, such as individual or collective savings, or social action, or be undertaken by government. This paper focuses mainly on the latter, i.e. on public policies and actions immediately

protecting and promoting livelihoods (such as employment schemes, old age pensions, disability allowances, nutrition programmes). Investments in human capital through basic services such as health and education lie outside the scope of the paper. Nor is the paper concerned with efforts to extend to the informal sector the types of social protection normally associated with formal sector employment (such as health insurance or contributory pension schemes). These

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are all major topics in their own right and merit more detailed treatment than can be given here.

The paper does not enter the wider discussion of whether SP is the best investment for poverty reduction, as against investment in productive infrastructure.¹ The related question of whether social protection 'crowds out' the benefits from growth is discussed briefly in Box 1.

The poverty context

Poverty in India is officially measured in terms of the expenditure necessary to achieve specified levels of calorie consumption, namely 2400 calories/day in rural areas and 2100/day in urban. Official statistics suggest that 26.1% of the population in 1999/2000 fell below this poverty line, but more realistic estimates put this at around 30% (see Saxena and Farrington, 2003). Even so, this represents a substantial reduction from 56.4% in 1973-4 and 36.2% in 1993-4. Around 70% of the poor live in rural areas, and 70% of these are primarily dependent on agriculture. The largest single category of the poor are those depending mainly on agricultural labour (approx. 40%), with limited capacity to produce their own food. Scheduled castes and tribes are disproportionately represented among the poor. Malnutrition is widespread, with 207 million people in 1996-8 unable to access enough food to meet basic nutritional needs, and over 50% of children below five years underweight, with girls suffering particularly badly.

Poverty reduction schemes

The Government of India currently commits some US\$5.5bn to a number of poverty-reduction schemes, projects and programmes. These 'Centrally Sponsored Schemes' (CSS) are centrally designed, but implemented by the States, with the States generally contributing 25% to their cost. The four broad types of these falling under the Rural Development Department, with a total budget of around US\$3bn, are outlined in Box 2. It is important to note that some do not explicitly contain a poverty criterion, but even those targeting, for instance, degraded watershed rehabilitation, will inevitably focus on areas containing large numbers of poor people. In addition, the government addresses poverty through a Public Distribution System (PDS). This has over 450,000 'fair price shops' nationwide, intended to serve some 160m families with subsidised food. Together with a storage and acquisition system (based on minimum support prices for select commodities to – in effect – a select group of farmers), this costs a total of around US \$5.0bn. Together, CSS and PDS amount to almost 2% of GDP, and some 20% of central government tax revenue.

The newly-released Tenth Five Year Plan suggests that leakage in numerous CSS lies between 20% and 70%. The generic difficulties facing centrally sponsored schemes (CSS) are

grouped under 5 heads in Box 3.

Misappropriation of the resources channelled through CSS takes two broad forms: *politically motivated misappropriation* generally involves the allocation of scheme resources as a reward to existing supporters and/or as an attraction to new ones. More orthodox *rent-seeking* takes many forms, including demands by officials for 'special payments' to provide signatures (or even application forms), the inclusion of non-eligible persons (e.g. those above the poverty line) against payment, and arrangements with contractors to distort scheme provisions (e.g. using machinery instead of labour) and then share the 'surplus'.

The evidence (e.g. Nayak et al., 2002) suggests that both types of corruption vary in scope and intensity among different types of scheme according to the following characteristics:

- i) Schemes having a large component of individual subsidy, or large individual transfers, attract the attention of politicians and officials bent on diverting funds away from their purposes and their intended beneficiary group.
 - ii) By contrast, small, regular payments (such as pensions) are generally seen as less worth the trouble of embezzling or diverting, and schemes offering these are generally robust in implementation, especially where they are routed through relatively non-corrupt channels such as the Post Office. With these, the main difficulty is to ensure that officials responsible for registration do not exclude a high proportion of those eligible, or include those ineligible.
 - iii) Involvement of the private commercial sector in any aspect of implementation requires very close monitoring – the evidence suggests highly imperfect markets, with widespread collusion between middlemen and local officials in falsifying invoices and in a range of other malpractices.
 - iv) The creation of sufficient local 'ownership' of capital assets to ensure adequate maintenance is exceptionally difficult for technical departments in the public sector to achieve (as for instance in the case of water pump maintenance). Whilst recent public sector approaches (e.g. in microwatershed development) have attempted to break old top-down moulds, much remains to be done to root out embedded rent-seeking.
- Other difficulties are more specific to certain types of scheme. For instance:

- In relation to *self-employment* schemes, despite recent new approaches (as in micro-watersheds) to incorporate local perspectives, schemes remain supply-led with rent-seeking militating against local ownership of the assets created. Further, programmes for upgrading skills have only recently been incorporated with the launch of SGSY

Box 1 'Crowding out' and related arguments

Some economists fear that poverty alleviation resulting from social protection may be unsustainable because it depends on a continued flow of resources from the state, by contrast with poverty reduction driven by the benefits of enhanced production. However, where a national constitution has social objectives such as minimum entitlements for all, it is important to make provisions for vulnerable groups (the elderly, the sick, children, women with many dependents) who will have little labour to sell in the market economy, and will traditionally have had to rely largely on indirect benefits, including gifts from friends and relatives. Where such informal sharing mechanisms work well, it is important that 'modern' social protection should not disrupt them. However, there is evidence that in many developing countries these informal mechanisms are becoming less and less reliable, especially for those with limited social networks.

Box 2 Broad types of Centrally Sponsored Scheme (CSS) within the Rural Development Department

These include:

- those aiming simply to transfer resources to the poorest (including the National Old Age Pension Scheme (NOAPS), the National Housing Scheme, and many schemes having a food distribution component);
 - those aiming to build the assets of the poor, (including the Accelerated Rural Water Supply Programme (ARWSP) and the Drought Prone Areas Programme (DPAP));
 - those having employment creation for the poor as a major objective (including the Complete Wage Employment Scheme (SGRY), and the Employment Assurance Scheme (EAS)), and;
 - those aiming to enhance self-employment possibilities (including the Integrated Rural Development Programme (IRDP – now SGSY) and the National Credit Fund for Women).
- Source: Nayak et al (2002).

- as successor to IRDP. Delivery of credit by the banks remains indifferent, with overcrowding of lending in certain enterprises such as dairy, and the capacity of government and banks to implement the IRDP being outstripped by the increase in its scale. A fundamental design flaw is that the *subsidised* acquisition of assets attracts those with little entrepreneurial flair or experience – good entrepreneurs are more concerned with the availability of credit when they need it than with its cost.
- Evaluation of the programmes for *wage employment* also reveal serious weaknesses. Central norms for overall allocation, such as 40% of funds for watershed development and 20% for minor irrigation, have not been followed. Records are systematically distorted to show higher than actual employment, such that only Rs10 to Rs15 of every Rs100 in wage schemes actually goes to labourers, against the Rs60 intended. The rest is illegal income for bureaucrats, contractors and politicians.
 - Leakage has been reduced where the poor have been made aware of their rights and have been able to access information for monitoring scheme performance. There are growing pressures in this direction, but to respect rights over a long period requires sustained effort (Box 4). A further general problem of employment schemes is that the requirement to enhance community infrastructure through the labour-days created, though laudable, concentrates efforts on a very limited range of activities, such as earthworks or bush-clearing, or the rehabilitation or maintenance of roads, where capital or heavy equipment requirements are substantial, the complexity of matching capital inputs with the provisions of employment schemes means that the effort is rarely made.
 - Schemes involving *food provision*, in the form of school midday meal provision, have had some positive effect on school attendance, especially among girls. But they require resources (personnel, kitchens, materials) to cook the food. The Public Distribution System (PDS) overall

has generated some benefit, especially in States where it has been reasonably well-administered. But, in general, food transfers are expensive – distribution of Rs100-worth of food costing a further Rs100–Rs200, depending on levels of corruption. Much food is illicitly sold off before it reaches intended beneficiaries, and collusion between traders and officials has recently allowed a 'recycling' of much food back into the guaranteed purchase system, a process facilitated by inappropriate pricing structures (Deshingkar and Johnson, forthcoming). The acquisition of grain from the Food Corporation of India stores is the responsibility of State governments. The poorer States (containing the majority of rural poor) typically 'lift' under 50% of their existing entitlements, and have been unable to take advantage of higher recent allocations – a situation which will be exacerbated as fiscal crisis spreads and deepens across the States. The interface between fair price shops and rural people is weak: information on the arrival of PDS supplies generally reaches people only on the same day, and until recently they had to purchase a full month's supply at a time, a requirement which the majority of poor people had no prospect of meeting. The PDS is also widely perceived to be biased towards urban areas where storage and delivery infrastructure are better (Saxena, 2002).

Trimming down the CSS and PDS

One important general interpretation of the above evidence is that, contrary to widely-held views, transfers in kind are no less prone to corruption than cash transfers. Another is that transfers in kind (i.e. as food) cost more to administer than the value of the product transferred. Against a background of deteriorating public finance at State and Central levels, there are growing concerns among some senior officials to reduce the volume of resources allocated to the CSS and PDS. However, both are popular among politicians, and the assumption here is that any reform will, at best, be gradual. Rapid change is also inhibited by the sensitivities of centre-State relations. Box 5 illustrates the complexities of trying to change policy in relation to one CSS.

However, if the government is serious about tackling poverty effectively, then it needs a new medium-term vision to guide reform. The need for this has already been aired thoroughly for the PDS (Gol, 2001) and is not re-examined here. Instead the focus is on the types of criteria by which CSS might be reformed:

- a) Substantial reduction in central allocations is called for where public involvement is inappropriate, as in many *self-employment* schemes: governments have little capacity to identify economic opportunities, and the

Box 3 Generic difficulties reported across Centrally Sponsored Schemes

- *Design*: centralised designs produce schemes which are not well adapted to many local conditions, and for the States to adapt them would involve considerable effort in local redesign. In many cases, beneficiaries are identified by reference to a 'poverty line'. This is open to subjective interpretation, and there is deliberate and widespread error of inclusion and exclusion.
- *Implementation*: is generally by the States, who are (financially) minority stakeholders. Implementation is poorly monitored, difficult for the centre to influence, and subject to a wide range of politically motivated misappropriation and/or rent-seeking. Centre/State sensitivities inhibit close investigation by the centre of misappropriation.
- *Funding*: disbursement from the centre to States is often late in the financial year; where it is not, the States, driven in part by impending fiscal crisis, tend to use CSS funds to cover immediate general costs (such as public sector salaries) and then only (if at all) release the funds for the intended purpose very late in the year.
- *Monitoring*: further tranches are released on certification that earlier funds have been used for the intended purpose, not on some measure of their effectiveness. There are vested interests throughout the public sector hierarchy to ensure that no negative reports on the performance of schemes are made.
- *Governance*: the fact that there are so many CSS makes it difficult for the lowest-level officials, let alone intended beneficiaries, to know what the provisions of all of them are, and this threatens standards of governance.

Sources: Various, including Report of the Comptroller and Auditor General, Government of India (1999) and Gol (2002).

Box 4 Sustaining rights to entitlements

The Maharashtra Employment Guarantee Scheme (MEGS) is perhaps the most-quoted effort to guarantee the rights of labourers to a certain number of days of work per year. However, the Maharashtra scheme arose from specific political conditions where the governing party was committed to rural poverty reduction, and the tax base from major cities in the State (Mumbai and Pune, among others) was sufficient to support this vision. Reduced budgets for the scheme from 1980 led to reduced participation, and the hike in 'guaranteed' wage rate to exceed the market rate in 1988 led to an increase in participants above the poverty line (to 72% of the total). The scheme has in any case been difficult to administer, with multiple application forms and complicated wage determination formulae, offering scope for local officials to defraud less literate workers. It is doubtful, therefore, whether MEGS provides a general model, though it does offer useful principles.

provisions made are generally too formulaic to cater for local conditions, too undiscerning over eligibility – so that many with inadequate capacity or inclination for entrepreneurship are included – and highly prone to collusion between local officials and ‘approved’ traders. Here, government could usefully facilitate and regulate the private sector better, rather than try to take on its role.

- b) Streamlining and stronger client-orientation are required where there is some evidence that schemes benefit the poor. This applies to *employment-generation* schemes, especially in areas prone to climatic uncertainty, but with improvements in the release of funds, locally appropriate setting and payment of wages (and appropriate comparability between wages for men and women), and better identification of the works to be undertaken. The timing of food provision for employment generation is crucial and merits closer attention: if mis-timed, it can adversely affect local markets and/or arrive when no longer needed by the poor. Improved monitoring is also essential, if possible with the involvement of rights-based or community based organisations, in the MKSS mould (Box 6).
- c) Much the same applies to *environmental regeneration* schemes, with particular attention to improved institutional arrangements for e.g. watershed rehabilitation and for ensuring transparency to local people.
- d) A substantial increase in central funds for *resource transfer* schemes, especially to the various components of the National Social Assistance Scheme, but with a reduction in the share allocated to schemes involving lump-sum payment (such as the National Housing Scheme), which are socially divisive, since only very few are eligible in any one locality, and are highly prone to political misdirection and other rent-seeking.

A working model: Post Offices, pensions and computers

As the basis for a new medium-term vision on social protection, this paper suggests building on a model which has already worked well in a number of States. This is the National Age Pension scheme (NOAPS). Some US\$100 m/yr is currently allocated to this by central government on the basis of two assumptions: first, that 50% of those above the age of 65 and below the poverty line are looked after by their relatives and so do not require a pension, an assumption

Box 5 The complexities of policy change: the case of India's National Old Age Pension Scheme (NOAPS)

The NOAPS formed part of the National Social Assistance Scheme announced in 1995/6 and was a CSS under the Ministry of Rural Development (MoRD). Requests by the then Secretary of Rural Development to increase funding for pensions were rejected by the Planning Commission, but, following a request to the Prime Minister's Office to increase pensions for hunger-prone districts, they were doubled for three districts in Orissa only, where field officers reported a reduction in abandoning of old persons and in hunger-related death. The then Secretary of Rural Development moved to become Secretary to the Planning Commission, and requested MoRD to submit a proposal for increased funding for NOAPS. However, MoRD promptly transferred the scheme entirely to the States, and, fearing for the scheme's survival, the Planning Commission made it an 'earmarked' scheme with effect from 2002/3, and will make the funds available (largely on loan instead of grant) via the State Finance Departments instead of direct to the districts. This will undoubtedly lead to delayed payment, and possibly to diversion of funds to other uses. It will require a high-level initiative to bring the NOAPS back to central control and automate it in the ways suggested in this paper.

which is unlikely to be valid, certainly in the more difficult rural areas, and second, that the States will supplement the Rs75 (US \$1.60)/person/month provided by central government. In fact, the nominal State supplementation varies between Rs25 and Rs125 (US \$0.54–2.70)/person/month, and in practice, fiscal crisis in the States means that its payment is not guaranteed.

The essence of the argument is that:

- Those unable to engage fully in the productive economy (i.e. those who cannot sell much labour because of old age, sickness or responsibilities of care for dependant) are relatively neglected categories since almost all of the US \$5.5bn/yr for poverty focused and rural development CSS goes into economic activities.
- Where these categories are earmarked for the same benefits as other categories of the poor (as, for instance, in the PDS), the predominant delivery mechanisms, based on transfers of food, are very costly.
- Although firm data are not readily at hand, casual observation suggests that these categories are disproportionately represented among the poor.

Certainly, in parts of Orissa where pensions were doubled for a period, anecdotal evidence suggests both a reduced rate of hunger-related deaths, and less abandoning of the elderly. This suggests that increased pension payments would raise the status of the elderly, increase the consumption of food by the undernourished (possibly with positive spinoff to extended family) and, since their propensity to spend on food is likely to be high, strengthen demand in local food markets.

To summarise, the factors contributing to the success of cash transfer schemes such as pensions include the fact that:

- Pensions are paid in monthly amounts, which are generally too small to attract rent-seeking or politically motivated misappropriation.
- The NOAPS provides for payment either via the Post Office or bank account on a monthly basis, or via local government officials, the latter being more prone to distortion for political and personal gain. It may therefore be appropriate to restrict payment to Post Office or bank channels only, or through locally appropriate mechanisms such as women's groups in Andhra Pradesh. The enhanced provision of financial services figures strongly in a recent World Bank review of options for modernising the Indian Post Office (Box 7). Certainly, the scope for discretion by local officials resulting in long waiting periods for registration, bribes and inappropriate inclusion or exclusion is substantial, and needs to be reduced. Once those eligible have been registered, there is a high degree of automaticity and transparency in payments.
- A continued role for the centre in defining and controlling

Box 6 Mazdoor Kisan Shakti Sangathan (the Organisation of Labourer and Peasant Power – MKSS)

Established by a former IAS officer, Aruna Roy, MKSS began to organise 'public hearings' in 1991 with the aim of exposing 'ghost projects' – i.e. projects which for which government funds had been claimed but which did not exist on the ground. Village people themselves are the core membership of MKSS, and its basic philosophy is that corruption will not be curbed unless records of expenditure are publicly made available. A series of public hearings in Janawad, Rajasthan, led to the arrest of local officials on corruption charges – an almost unprecedented event since the usual punishment for publicly exposed corruption is transfer to a less remunerative post. Pressure from this and similar cases on the Chief Minister of Rajasthan eventually led to the passing of a Right to Information Act

implementation mechanisms (the Post Office is mandated to central government, not to the States) could help to redress some of the tendency for poverty to remain high in the weaker States.

- Pensions can be targeted to particularly vulnerable subsets of the population. In drought-prone rural areas, practically all those of 65 years or more are below the poverty line and especially vulnerable, so that within officially recognised drought-prone districts, all might be included in the scheme. This would greatly add to simplicity and transparency, since the only criterion for eligibility would be age. Similarly, mother and child allowances (such as in the Integrated Child Development Services Programme) might become automatic via the Post Office in much the same way, although the risks of non-poor capture may be greater in this case.

There are strong arguments to suggest that these favourable characteristics of pensions funds can be exploited by a substantial increase in funding, with little danger of creating wastage. As a first step, the allocation could be doubled by extending the scheme to all (not just 50%) below the poverty line. Further, the individual pension allocation is extremely low, and inadequate to provide even the barest subsistence. To increase it fourfold for all over 65s below the poverty line would require some US \$800m/yr in total. If the age limit were lowered to 60, this would increase the number below the poverty line and eligible for pensions by around 66%. If widows were systematically given a pension (there is currently wide variation in this from State to State), and single-parent families were given an allowance, the budget requirement would rise to around US \$2.0bn. An expansion of mother and child allowances might permit the useful allocation of a further US \$0.5–US \$1.0bn to direct transfers.

Computerisation can do much to strengthen the automaticity of transfer processes. Many district-level development offices are now equipped with computers, and in some of the more progressive States, these have broadband access to State government databases. If the central government looks ten years ahead, to pursue the following objectives in the Indian context would be both equitable and feasible:

- Link the payment of pensions and allowances to computerised records of births, deaths and marriages;
- Ensure that the personal discretion of local level officials or politicians over beneficiary selection is kept to a minimum;
- Provide all adults with a printout of their personal identification details as held on the computer;
- ensure that the various rights enshrined in these records to claim benefits, to vote etc. are 'portable' – i.e. can be used by migrants wherever they are;
- consider the range of information to be stored in the light of civil liberty issues (cf. the debate in Thailand over whether data on HIV status should be gathered and stored);
- ensure that records are periodically updated (ideally, through updates sent via broadband; as an interim

measure, by mailing out CD-ROMs);

- put in place safeguards on access to data, manipulation of data, virus protection and so on.

The arguments to keep such a computerised system under central government control, and to make its implementation a central responsibility, are overwhelming, not least since the less progressive States are the ones with greatest poverty, are the ones where such change away from the rent-seeking embedded in local discretion is most urgently needed, and yet would be the slowest to use their own resources for changes of this kind. Such a system will not be entirely 'watertight' – there will remain problems of elite capture and leakage – but careful piloting, and some experimentation with the 'watchdog' roles that civil society organisations can play, will create mechanisms that deliver a far higher portion of intended benefits to the poor than do present ones.

Addressing demand deficiencies in weakly-integrated rural areas

Economists generally interpret the amount that people spend as an expression of demand for particular goods or services. However, people having very low incomes may not be able to afford – either seasonally or chronically – even such basic necessities as sufficient food. The evidence on under-nutrition presented early in this paper points to such demand deficiencies.

The most pervasive approach to this problem in India has been to enhance supply. This has been pursued through a range of production-orientated policies, including publicly-funded irrigation and agricultural extension services, and guaranteed purchase schemes. But a number of social protection programmes have also sought to enhance the supply of food. The CSS, for instance, have included the provision of food – i.e. as 'food for work' – as part of employment generation schemes (though some cash wages are also paid). This is aside from PDS interventions, which are also entirely supply-focused.²

Clearly, acute food crisis following e.g. drought or flooding will require emergency supplies to be brought in from outside, but in the majority of cases, the most appropriate course will be to enhance local purchasing power in local markets. This will act as an incentive to, rather than reduce, local farm production (as badly-timed food transfers might), with positive employment and income multipliers. Available data suggest that to switch some US \$2.0bn into cash transfers would generate an increased demand for 8m tonnes of foodgrain. This US \$2.0bn, although a substantial sum, is a small part of the aggregate US \$10.5bn currently allocated to the acquisition of food at minimum support prices, its storage and distribution through the PDS, and to CSS. It could be saved by some paring down of the currently excessive acquisition/storage/distribution system, and by some reduction in the less efficient CSS. The 8m tonnes of foodgrain are estimated in aggregate to be adequate to close the 'food gap' (Farrington and Saxena, 2003), but whether demand stimuli of the kind described here would meet locally differentiated food deficits would require careful monitoring and course-corrections, possibly on both demand and supply sides.

Box 7 The Reform of India Post

A recent report prepared by the World Bank noted that 137,000 of India Post's 154,000 branches are in rural areas, and that it administers 114 million savings accounts. The study noted the trustworthiness of the Post Office and recommended a new legal framework to ensure commercial flexibility. It also envisaged the expansion of electronic connectedness, and of the range of financial services provided, as well as expansion into e-commerce and e-government.
Source: World Bank (2002).

Relevance of the India findings to other contexts

Inevitably, ways of addressing poverty have to be tailored to specific contexts, so that the scope for generalisation is limited. However, a few general lessons suggest themselves:

- i) food security problems – and many of the wider problems of poverty – tend to be addressed predominantly by increasing the supply of goods and services. Where the focus is on enhancing local food production, those unable

to engage fully in the productive economy will not benefit much unless food prices fall substantially. Where it is on food re-distribution, they may benefit, but this is a high-cost solution, and poorly-timed redistribution can impact negatively on the local agricultural economy.

- ii) The argument that cash payments are more prone to corrupt administration than payments in kind (e.g. as food) needs to be revisited: the latter have been widely misappropriated, and there are at least some circumstances in which cash payments can be targeted and delivered efficiently.
- iii) There are a number of general lessons about the identification of target groups: for *acute* problems (such as drought) perhaps the most robust criterion is a geographical one, combined where possible with rapid assessments to generate more focused targeting, so as to provide food aid as equitably as possible to those who need it. For *chronic* poverty, to use some 'poverty line' as a criterion poses serious difficulty – it is difficult to identify who is above or below the line, individuals in any case drift above and below, and official lists (even if they were accurate) of those above and below are generally out of date. The upshot of all this is that there is wide scope for discretionary decisions by local officials, facilitating corruption and the wide-scale exclusion of the eligible and inclusion of the ineligible. Other criteria such as age, caste or marital status (in the case of pensions) might be more robust, though repeated updating will be needed – Ideally, in conjunction with improved registration of births, deaths and marriages. Ideally, criteria of these kinds would best be incorporated into a computerised system of personal identity cards. Whilst technically feasible, and offering great scope to reduce rent-seeking by local officials, to introduce and maintain such a system in India would be a gargantuan task.
- iv) With an income-elasticity of demand for food of typically around 0.75, to allocate some 0.5% of GDP (i.e. US \$2.0–2.5bn/yr) to cash transfers to the poor in India will, apart from reducing their specific poverty, boost demand for foodgrains by something approaching 5% (i.e. around 8–10 m tonnes/yr). Whilst these figures are approximate, they do provide some general indication of the kinds of increase in location-specific agricultural demand achievable in other countries where a majority of the poor are located in weakly-integrated rural areas. Of course, there must be some capacity for agriculture to increase supply in response, if such additional demand is not to be merely inflationary, and improved technology will have an important role here. But it will be one of several components of strengthening local markets not, as so often in the past, presumed simply to be "the answer" to poverty and hunger.

¹ For instance, against some US \$10.5bn spent annually on SP as defined here, central government provision for investments in irrigation is under US \$0.5bn, and in afforestation under US \$0.1bn.

² It is important to note that redistributive schemes of these kinds involve the purchase of food in well-integrated areas, and their redistribution in (usually) weakly-integrated areas.

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