CHAPTER II

REVIEW OF LITERATURE

The term level or content of living was used by Belshaw to denote all elements, material as well as immaterial, in the well-being of an individual or a group. It includes goods or services as well as immaterial benefits such as political security and pleasures of family life. It is however difficult to quantify the immaterial benefits. The term level of living is therefore used as synonymous with levels of consumption which has a focus on aggregate of goods and services used.

Level of Living:

Level of living is an important indicator of the prosperity or otherwise of a region or community. There is however no single indicator to measure the level of living. If someone chose 'housing conditions' or 'extent of literacy' it is only to study that particular aspect more thoroughly. Most researchers studied in detail the components of food, clothing, housing, medical, education, etc. to examine the levels of living of an area or people.

U.N. Statistical Commission for measurement of standard of living adopted the following component.

1) Health:
   a. Expectation of life at birth
   b. Infant mortality rate
   c. Crude annual death rate

2) Food Consumption:
   a. National average food supplies
   b. In terms of calories at retail level
   c. In terms of protein at retail level
   d. Percent of total calories derived from cereals, sugar, etc.

3) Education:
   a. Adult literacy rate
   b. Total school enrolment ratio
   c. Higher education enrolment ratio

4) Employment and Labour Conditions:
   a. Proportion of persons employed in total labour force.
   b. Ratio of male labour force to total force.
   c. Relative wages in selective occupations.

5) Housing:
   a. Percent of population living in dwellings.
   b. Percent of occupied dwellings with three or four rooms.
   c. Percent of occupied dwellings with pipe water.

6) Social Security:

7) Clothing:
   a. Type of clothing such as woollen, cotton, silk etc.

The Indian Society of Agricultural Economics at its twenty-second annual conference held in 1963 at Ahmedabad, had discussed 'Levels of Living in Rural Areas (including Tribal Areas)' as one of its subject. Altogether nineteen papers on this subject were chosen for discussion on the occasion.

Faruqi (1963) brought out the economic conditions, occupation, source of income, expenditure on various items of consumption of the tribals of Bhimpur in Betul district of Madhya Pradesh. Aurora (1963) studied levels of living of a tribal village Bamanta in Jabua district. He described their rate of mortality over a period, sanitation, housing, food and drink, clothing and consumption pattern. Four other papers examined data over time to find out whether there has been a change for the better in the levels of living of the rural population over the last five, ten or more years. Kahlon and Johl (1963) examined the changes in the levels of living of peasant proprietors in Punjab during a decade. Their data related to family budgets of 23 families representing a cross-section of peasant proprietors spread all over the state. The material permits them to understand

changes in the proportionate expenditure on different items of food and other non-food items. They also analysed the coefficient of correlation between income and (a) food groups, (b) clothing, (c) fuel, light, housing and (d) sundries at a point of time. Pande (1963) gave an interesting account of the regional differences of Eastern, Western, Central and Hill region of Uttar Pradesh with respect to consumption levels and various items of consumption. He had in his armament the quantitative consumption and also compared the pattern of expenditure of cultivators and agricultural labourers. Finding the annual variations erratic, Pande posed a question whether a five-years period is not really too short for studies of trends in the rural consumption and consumption pattern. Piplai and Maitreya (1963) also felt, while examining the data of the 8th and 15th rounds of the National Sample Survey, that a period of five years may not be sufficiently long. Padki (1963) examined only one important aspect of living, viz., housing conditions and the type of construction, by caste groups, between 1900 and 1951 and after in relation to a coastal village of Maharashtra.
Another group of authors devoted themselves to studying differences in the levels of living between villages with different environments, such as crop-complex, development or irrigation, stage of commercialisation of agriculture, remoteness or nearness to an urban or-industrial area and a different social-group such as Rajputs, Brahmans, etc. Deshpande and Sapre (1963) chose to study the extent of literacy and compared percentage of literacy, female literacy etc. between the prosperous and the 'not so prosperous'. If the share of cash crop in the total agricultural produce was more than 25 per cent, it was termed as prosperous. These villages had good irrigation facilities, higher per capita incomes and lower percentage of backward and depressed classes. Yeswanth (1963) did not demarcate the villages studied of Andhra, Kerala and Madras into two simple groups as Deshpande; instead he ranked them according to per capita income. The top village Uppattur is a highly commercialised village with chillies as the predominant crop, next two are canal irrigated whereas the bottom villages are invariably dry. John and Gupta (1963) describe living conditions of two villages, Piprodh in Jabalpur and Sagoni in Sagar districts of Madhya Pradesh. Piprodh is within the influence of industrial complex of Katni. There is no industry worth the name or near-by at Sagoni.
They suggested that the location of industry in and around the rural area influences the levels of consumption of the people giving them twist towards urban pattern of consumption. Muthiah (1963) studied three villages all in the vicinity of Bhopal but with different type of population and attempted inter-villages comparisons of levels of living.

Sengupta (1963) too selected three villages situated in widely differing socio-economic complexes for his study. Two of these were more or less homogeneous in caste terms, while the third one was marked by a distinct social stratification. Binanai in Cooch Bihar consists mostly of Muslims and Rajbansis, Mohisgot in the industrial Howrah district is a mono-caste village, mostly the fishermen, while Sahajapur represents wide assortment of social groups. He then examined the level and functioning of the economy in the three villages. These include proportion of working force, agriculture as an occupation, land-men ratio, size of operational holding, crop intensity, proportion of cash crop to total sown, per capita income, etc. Despite its nearness to urban area, Mohisgot showed a level of living almost as low as Binanai, belonging to a backward region of Cooch Bihar for, both villages belonged to
to scheduled caste people. He found that the expected 'demonstration effect' was not there in spite of nearness to urban milieu. Shastri (1963) too examined three villages, one each in North Bihar, South Bihar and Chotnagpur and then examined the consumption pattern by size of holdings and by caste-groups. Misra, et al. (1963) took only one village as a type study while Gupta (1963) selected a 2 percent sample of villages in Budaun district. Krishnamurthy (1963) ventured into a methodological study and attempted an exercise in deriving weights for different items to from what she calls 'economic status index'.

Shah and Bodi (1963) depended on the data collected through the Agro-Economic Research Centres' resurveys of three villages of Sohulpur Gara (U.P.), Kashipur (West Bengal) and Vadamaipurm (Tamil Nadu). The data relates to distribution of gross income by sources, consumption expenditure on cereals, pulses, vegetables, fruits and other non-food items, literacy etc., between 1954-55 and the resurvey year 1958-59. Though the overall change noticed was small but indicated that the incomes at village level generally increased though large increases were evident in occupations other than cultivation. Consumption expenditure revealed a shift
in favour of food items as compared to non-food items. A survey of consumer durables in Kanther Tarang inhabited by Mikir tribals brought to the notice the increasing penetration by urban forces in the nature of utensils possessed.

Drewnowski (1970) in his study "Studies in the Measurement of Levels of Living and Welfare" introduced general distinction between levels of living and levels of welfare. The former are measured by indication of the flow of goods and services to the individuals of a society over a period of time, affecting their welfare such as food, health, services, education, housing etc. The level of living index was designed as a unitary index combining the several indicators of the flow. Population has recurrent needs and such needs are satisfied with the flow of goods and services obtained by the population at the rate of so much per unit of time. As satisfying needs are receiving welfare therefore, the flow of goods and services brings in flow of welfare to the population. This size of flow or satisfied needs is measured per unit of time. It is that flow of welfare which is called level of living. Thus level of living is the instrument to measure. It expresses the monetary value of good and services which are supposed to generate the level of living.

11. ibid, pp. 1-20
Variable Quantification:

A rise in the level of living is a criteria by which the achievements of development ought to be assessed. It is extremely awkward not to be able to give it a numeral expression. Level of living variable quantification is essential because if this cannot be done then comparison of level of living through time or between countries cannot tell whether the level of living has risen or whether it is higher. Jan Drewnowski in his study 'the Level of Living Index: New Version' constructed a levels of living index with seven components.

1) Nutrition:
   a. Calories intake
   b. Protein intake
   c. Percent of non-starch

2) Shelter:
   a. Services of dwelling
   b. Density of occupancy
   c. Independent use of dwellings

3) Health:
   a. Hospital
   b. Access to medical care
   c. Extent of preventive action

4) Education:
   a. School enrolment
   b. School output ratio
   c. Teacher-pupil ratio

5) Leisure:
   a. Leisure

6) Security:
   a. Security of the person
   b. Security of the way of life

7) Environment:
   a. Communication
   b. Travel
   c. Sports participation
   d. Cultural activities
   e. Clothing
   f. Physical environment

Santra\textsuperscript{13} (1970) examined 'Inter Regional and Intra Regional Inequalities in Household Expenditure in India.' Regional variation has been examined with the help of Lorenz Curve and Gini-Co-efficient. He also used funds of expenditure approach for studying the levels of living variation. It was found that a high inequality in an economy with large per capita consumer expenditure implies less human hardship than the same level of inequality with low per capita expenditure. The people of Punjab with lower inequality and higher average per capita expenditure are certainly better off than those of Rajasthan and Mysore with higher inequality but lower per capita expenditure. Similarly in Maharashtra and West Bengal though inequality is the same, yet the level of living in West Bengal is higher than that of Maharashtra.

Ojha\textsuperscript{14}(1970) studied "A Configuration of Indian Poverty, Inequality and Levels of Livings". He focussed attention on the linkage of inequality in income with levels of living in a society. He found that income inequality is an insufficient measure of level of poverty in a society. Furthermore it gives a relative position, which is also in an affluent society like USA. To measure index of absolute poverty Ojha used indicator of levels of living i.e. food consumption which is measured by average calories intake per person. Ojha examined levels of living in rural and urban India based on average calorie intake.

Gupta\textsuperscript{15}(1973) examined consumption pattern in India. Inter regional variation from cross sectional data because such a data assumes constancy of prices. Gupta analysed consumer behaviour to set out a relationship between quantity or amount of item expenditure and disposable income(i.e. total expenditure). In this study instead of


using disposable income total expenditure is used. The reason for using total expenditure are (a) non- availability of data on income (b) most of the similar studies use total expenditure instead of income and hence the results are comparable (c) income of most people are variable, being dependent on agriculture and hence the total expenditure preferred. Gupta used per capita total expenditure as proxy variable for income. Engel’s Curve has been compiled by using the method of least square. Regional variation in consumption has been examined with regression models and regression coefficient has been tested with covariance test. Gupta found that household size and age of the head of household influences consumption pattern.

Rath16 (1973) examined the levels of living in rural areas of various states in India by using only per capita consumption expenditure. He observed that prices of various commodities entering into consumption estimates are not the same in every state. Rath attempted the same after making due allowances for difference in the price level of commodities entering into consumption. He formulated the

Lespser's Quantity Index expressed as estimated per capita expenditure for any state as percentage expenditure of Andhra Pradesh. If the index is lower than Andhra Pradesh, the levels of living is low and vice versa.

Ganguli and Gupta\(^7\)(1976) examined levels of living in India based on consumer expenditure approach. They used National Sample Survey data for the purpose and found that usually a high proportion of expenditure on total food indicates the relatively low levels of living. Similarly for higher levels of living, smaller proportion is spent on food and within the food group, a smaller proportion of expenditure on cereal products.

Muthayya\(^8\)(1977) studied the indicator of rural levels of living and suggested that while determining the level of living, a distinction should be made between basic human needs or necessities and higher needs or comforts. He also argued that in case of rural areas, basic needs like food, clothing, and shelter are major. He also suggested that caste, land holding, value of assets, material possession, health and nutritional status,


family size, and children attending school as indicators of rural levels of living. Besides this rural levels of living variables should be borrowed from almost all the social sciences.

Commerce Research Bureau (1981) studied levels of living in India as a whole and for states like Gujrat, Bihar and Assam. They used various indicators such as literacy, urbanization, proportion of workers, population below the poverty line in rural and urban areas, unemployment, per capita income, health, per capita availability of cereals, pulses, milk etc. proportion of expenditure on food, fuel, light and water, etc. They found that though literacy has increased yet their quality is poor; real income of agricultural labour has fallen, asset holding of poor was very low. The per capita availability of pulses, milk, cotton cloth declined whereas there was substantial increase in the availability of man made fibre, sugar and tea. The use of luxury items increased though population suffered from protein deficiency. Similarly in Assam and Bihar though the economy has picked up and the per capita

income have shown rise but there has not been significant impact on living standard of the people. In Gujarat they found improvement in the quality of life both in rural and urban areas. Large number of people have been able to afford better intake. The vast growing net work of health and social service along with the development in other spheres, have put more money in the pockets of people and improved the coverage and quality of services.

Special correspondent\(^{20}\) (1981) of Commerce Research Bureau of Shimla has studied level of living in Himachal Pradesh with the help of male and female literacy, rural urban literacy, proportion of workers, population below poverty line, rural and urban unemployment, per capita income, structure of state domestic product, health, and per capita availability of cereals, pulses, milk.

He found that Himachal Pradesh is comparatively better in terms of proportion of people below the poverty line. The net domestic product (at current prices) of Himachal Pradesh between 1970-71 and 1979-80 increased. During this decade there has not been much change in the degree of urbanisation and the State continues to be predominantly rural. A bulk of the total work force in Himachal

Pradesh continues to live on agriculture. Unlike many other states, in Himachal Pradesh small landholders in a dominant class both in terms of number and the area. During the past several years education facilities have improved to a large extent. The medical facilities in the State over the years have shown improvement. The number of medical institutions have gone up.

Kartha21(1981) studied level of living in Kerala with the same set of variable and found that in case of Kerala rapid strides were made in industry, agriculture, and the social services even though the progress was not very satisfactory. Problem of unemployment has resulted in low family incomes, correspondingly low private consumption even in respect of essential goods. In Kerala the educational and health facilities recorded a phenomenal growth.

Mukherjee22(1981) studied level of living in Uttar Pradesh for rural and urban areas with the help of various indicators such as population below poverty line, unemployment, structure of state domestic products, proportion of


workers, literacy, facilities of health, availability of cereals etc. He found that growing poverty coupled with unemployment is the biggest drag on economy of Uttar Pradesh. In fact, the spiralling prices and fall in the state's per capita income have considerably reduced the purchasing power and the living standard of the people except those of the well-to-do section. The per capita monthly expenditure in urban areas is as much as 27 times that in the rural areas. There is a visible disparity between the consumption of rural and urban areas. The diet of people are below the standard of nutrition. Those below the subsistence level are compelled to take up any type of job even if it fetches a nominal return. Unemployment continues to grow among the educated.

Ballal23 (1982) examined the determinants of levels of living in general. He argued that the levels of living is generally evaluated in terms of real income of the people, working conditions of the labourers in industry, agriculture and tertiary sectors, and the facilities available to them. While judging the levels of living of rural masses, the factors like population pressure on

---

agriculture and the magnitude of disguised unemployment became very important factors as they affect the level of economic affluence of rural regions. The pattern of expenditure of the people on necessities and other consumer items also reflects the levels of living of a particular area. As the level of living rises, the proportion of the real income that would be spent on basic necessities and civic amenities tend to diminish. Extending the basic needs like food, clothing, shelter, water, health, sanitation, education etc. even to the people in the lowest rung of society becomes a most crucial factor in measuring the levels of living. The other important factors which testify the rising levels of living are decline in both mortality and birth rates, increase in literacy rate, decrease in the gap between the rich and the poor, life expectancy, the extent of eradication of dreadful diseases, the availability of drinking water in both rural and urban areas, transport facilities, energy consumption, etc.

Thus all these studies have examined level of living in rural and urban areas, in various regions, zones, village, occupation, social groups, community and classes etc. Beside this, comparative analysis of levels of living have also been attempted by various
authors in the areas of rural and urban, inter and intra village comparison, inter regional, inter occupational studies etc. All these authors employed various indicators such as health, food, consumption pattern, employment and labour conditions, housing, social security, clothing, recreation, travel, assets, size of holding, proportion of working force, occupation pattern, structure of the economy, dependency ratio, rural and urban literacy, male and female participation, availability of facility like health, education, drinking water, light, post office, banks, unemployment rate, life expectancy, birth and death rate, crimes, transport facility etc.

All these studies resorted to funds of expenditure approach. In tribals areas of India a few studies were conducted on level of living but none on the tribals of hills. But most of the studies are on socio-economic aspects or village studies. Therefore, keeping this in view, this study was attempted to examine the levels of living of Himachal Tribals.

24. Tribal India lives in hills, forest and isolated regions. Therefore, backwardness of these areas are attributed to the peculiarity of resources.