CHAPTER - II

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This chapter deals with the review of studies pertaining to the pattern of household asset and income distribution, consumption pattern, nature and extent of poverty, inequality, and unemployment. The studies related to the socio-economic condition of the people of India in general and Himachal Pradesh in particular have been studied with the intention to have an overview of the research work already done in this field. The methodology limitations of these studies are also studies in order to incorporate improvements in the methodology of the present empirical investigation so as to eliminate the limitation to the maximum possible extent. This chapter has been divided into six sections. The studies related to the socio-economic conditions and characteristic of rural household have been discussed in section 2.1, whereas, section 2.2 deals with the studies related to the pattern of assets distribution. The studies related to the distribution of household income and consumption expenditure has been reviewed in section 2.3 and Section 2.4 deals with the studies related to the pattern of employment and extent of unemployment. The studies related to poverty and inequalities has been reviewed in section 2.5 and section 2.6 deals with the studies related to the implementation of various rural development programs in India in general and Himachal Pradesh in particular.

2.1 Review of Studies Related to Socio-Economic Condition:

Government of Himachal Pradesh (1966) conducted a socio-economic study of Pangi sub-division in Chamba district of Himachal Pradesh, in order to study the extent and purpose of debt among the sample households. The results of the study revealed that out of 200 sample households; 61 households were under debt to the tune of Rs.21,757.50.
Thus on an average the amount of loan per indebted family had been worked out Rs.356.68. About 72.5 per cent households took loans mainly for meeting out the household requirements, 3.25 per cent for educational purpose, 9.68 per cent for marriage, and death ceremonies, 6.45 per cent for medical care and 8.06 per cent of the sample households had taken loans for other purposes.

**Agro Economic Research Centre (1974)** conducted a study of 178 households of Zawar tribes of Rajasthan, with a view to analyze the sources, purpose and extent of debt among the tribal's. This study revealed that 25 percent households were in debt. The burden of debt was Rs 473 per debtor household. It was found that 56 percent of loan was supplied by the money lenders and traders. It was reported that 65 percent loans was taken for unproductive purposes such as household expenditure (i.e. 39 percent) and marriage expenditure (i.e. 26 percent). Only 35 percent loan was taken for productive purpose i.e., farm expenses.

**Chowdary and Bhattacharjee (1976)** conducted an empirical investigation of 120 participant and 35 non-participant households scattered on eight villages of four development blocks in Bihar, with a view to study the sources and extend of indebtedness. They concluded that indebtedness affected nearly about 38 percent and 34 percent of the participant and non-participant farmers respectively and the extent of amount borrowed was much higher for participant farmers (i.e. Rs.189). For the participant farmers blocks, co-operatives and banks were the important sources of borrowing, which accounted for 24.00, 24.00 and 48.00 percent of the total loans respectively. The non-participant farmers, cultivators and grain goals accounted for 69 and 29 percent of the total loans from blocks and co-operative societies respectively. The participant farmers incurred loans mainly for cultivation, fertilizers, pumps sets and drought cattle, while the non-participant farmers incurred loans mainly for consumption.

based on the data collected from 150 sample households through Census Method. The results of the study revealed that the agriculture was the main occupation and about 79.3 percent workers were directly or indirectly engaged on it. Along this, sheep and goats rearing was the main traditional occupation of the people in the villages. There were no veterinary facilities available in the village and no assistance is obtained from the Government for improved animals. Only 12 households were engaged in the household industries like weaving of woolen products, tailoring and black smithy. Almost all the households spin and weave the woolen clothes for them. Nearly 68 per cent of the household had only one living room and 99 per cent household had no separate kitchen. The villagers were superstitious and they are not ready to use medicine. The main source of the loans was the landlords and moneylenders and about 21.3 per cent households were under debt. There were no provision of water supply either by Panchayat or the Public work department and the village had not been electrified.

**Government of Himachal Pradesh (1983)** conducted a socio economic survey of Gujjars of Chamba district of Himachal Pradesh. The result of the survey revealed that about 4.17 per cent of the sample household earned annual income of Rs.1000/- to Rs.1500/- from animal husbandry, 9.47 per cent of the families earned income between Rs.1501/- to Rs.3000/- , 11.83 per cent families earned between Rs.3000 to Rs.6000 and another 35.50 per cent families earned Rs.6000 to Rs.10000. A few families had income higher than Rs.15000 annum. The average annual sale proceeds of Gujjars families from animal husbandry had been estimated at Rs. 6369.82. Their averages income from land was extremely limited and on an average it came to Rs.100 per family. The annual consumption expenditure of Gujjar families had been estimated at Rs. 3337.44. The percentage of consumption expenditure on cereals had been worked out 47.47 percent, followed by sugar and gur, i.e. 10.90 percent. Vegetables accounted for 4.50 percent and pulses accounted for 3.89 per cent. Whereas, the percentage expenditure on spices, beverages, tea, kerosene, clothing, footwear, medicines, festivals and
other items were accounted for 2.95, 3.37, 7.56, 3.43, 4.51 per cent respectively.

**Government of Himachal Pradesh (1984)** conducted a study on the socio-economic conditions of Gaddis in Kangra district based on the primary data collected from 118 households. The results of the study revealed that agriculture being predominant occupation of Gaddis in district, was the major source of the income and it constituted 41.77 per cent of their total income and followed by the livestock product, 35.77 per cent. Wage earning was the third, major source of income for livelihood as it contributed 14.78 per cent of total income, whereas the share of trade and Business was 0.48 per cent of total income. Out of the total consumption expenditure food items were accounted 69.85 per cent in which 34.97 per cent alone were spent on cereals, whereas, expenditure on non-food items was 30.15 per cent of the total consumption expenditure. The percentage expenditure on cloth and footwear was the highest i.e., 68.99 per cent followed by miscellaneous goods and services, durable goods, rents and taxes. The result of the study further revealed that 35.50 per cent of the households were found under the debt which was taken to meet out mostly unproductive purposes (mainly for the consumption expenditure, marriage, birth and death ceremonies and other social obligations) from local money lenders but Gaddis did not prefer to take loans from the Banks and the Government Agencies because of the high level of illiteracy, lack of awareness and tough terms and conditions of loans. Literacy was very low, i.e.15.90 per cent mainly due to the financial difficulties, migrations, their requirement as helper in agriculture and livestock rearing.

**Government of Himachal Pradesh (1984)** conducted a socio-economic survey of 147 households in Bharmour tehsil of Chamba district. The result of the study indicated that out of 147 sample households, 17 households i.e. 11.5 per cent had derived their annual households income of Rs.17,770 by selling crop produce, 14 households i.e. 9.5 per cent have derived their annual household income of Rs.16,000 from livestock, poultry, whereas, fishery farming accounted for Rs.1150 for per household annual income.
The average annual per household income of Rs.399.09 had been earned from other sources by 141 households. The income from horticulture production was negligible. The average expenditure incurred on agriculture and livestock had been worked out Rs.489.75 by 131 households. It had been observed that 131 households incurred expenditure on agriculture and livestock, whereas, 31 household derived net income from these sources. Out of 147 sample households, 53 households (i.e.36.1 per cent preferred diary activities by rearing milch cattle of improved variety and (18 i.e. 12.2 per cent) household showed interest in poultry farming.

**Kamal (1984)** conducted a study on Pangwal of Himachal Pradesh to find out the effect of the socio-political of economic effort for their integration in the Indian society, based on the data collected from the 300 respondents from eight villages. He concluded that Hindu constituted the majority in the region. There was mutual interest between the higher and lower castes in the performance of responsibilities. Pressure on land was high and size of the holding was small, land food production was only for self-use. He has also highlighted the socio and political consciousness. He concluded that various steps have been taken out by the Government of Himachal Pradesh to facilitate the process of integration.

**Thakur, Sharma and Kaur (1989)** conducted a study on the socio-economic condition of the scavengers in Shimla district of Himachal Pradesh based on primary data collected from 50 sample households to study the nature and pattern of the household income, employment and consumption expenditure as well as to evaluate the effect of Anti-poverty Programs on the levels of living of the households. They concluded that in higher income group due to the higher literacy percentage, the spouses earnings constituted the major source of the family income in the case of government services. On the other hand, the non-Government sectors the low income group contributed higher percentage of the income mainly due to that the family members are engaged in non government services. They further concluded that the percentage of the male and female workers engaged in the Government services showed an increasing trend, whereas, the family
human labor working on wage bases shows a decreasing trend with the increase in the level income due to the higher literacy percentage among the women in the higher income group. Among the sample scavengers households the better-off benefitted more as compared to poorest from the Anti-Poverty Programs.

**Manohar (1991)** conducted a study on socio-economic upliftment of the Gujjar tribe of Himachal Pradesh. He concluded that illiteracy was a common feature amongst the Gujjars. Most of the Gujjar tribes were under debt because of the unawareness about the modern techniques of dairy farming. He found that the legal measures for the promotion of welfare of the Gujjars were rather slow and as the result majority of the Gujjar were below the subsistence level. The main reason for the unsatisfactory progress was the lack of proper allocation and implementation of the various welfare schemes and policies and their nomadic and unsettled life. He suggested that the additional land should be provided for the construction of sheds for their cattle. More colonies should be built to bring an end to their nomadic way of life.

**Thakur (1991)** conducted a study to examine the socio-economic conditions and characteristics of the economically weaker sections in Bilaspur district of Himachal Pradesh based on Primary data collected from 137 households which constituted marginal and small farmers, agricultural labourers and backward classes in the rural areas. She concluded that the household in the rural area with uneconomic size of holding supplemented their income by working as labourers on wage basis. The per capita value of household assets was lower among the households falling on the marginal size of holdings. The percentage share of agriculture income to the total household income increased with an increase in the size of holdings, whereas the percentage share of wage income decreased with an increase in the size of holdings. The percentage of unemployment was higher among the households falling on the marginal size of holding group. She further concluded that the percentage of expenditure on food item decreased with an increase in the level of income. The income of the sample household falls
short of their consumption expenditure, hence all the sample households were living below the poverty line. The weaker section were confronted with a number of socio-economic problems, such as high dependency ratio, low literacy percentage, low income, high consumption expenditure, unemployment and high incidence of indebtedness in the rural area of district Bilaspur.

Baglakoti and Daivvalbhai (2006)\(^2\) analyzed the trends in inequalities in the level of income and growth of the major seventeen states economies of India for the period 1980-81 to 2000-01. Their analysis revealed divergence of state income, especially after the initiation of income reforms since 1990-91. Growth and disparities seemed to be positively associated with increased disparities. The ranking of state in terms of their per capita net state domestic product has changed very little overtime indicating that rich states have remained rich and poor once poor. The analysis of growth rates in income revealed that Gujarat, Himachal Pradesh and Tamil Nadu enjoy high income, high growth rates throughout while Assam, Bihar and Madhya Pradesh, Orissa and Utter Pradesh remained as low income, low growth Rates.

Kumar (2007)\(^3\) conducted a study on inter-district of Himachal Pradesh for the period 1991-2001 with the help of sectoral principal component analysis and twenty development indicators. He concluded that the process of development has been more favourable to high hill districts as compared to mid and low hill districts. Unlike other states where tribal areas are generally backward, in Himachal Pradesh such areas, despite having the harshest climate, are said to be doing better than many mid and low hill districts. Favourable agro-climatic condition to each crop farming was responsible for the high overall development in these tribal and mid to high hill districts.

Chakraborty (2009)\(^4\) conducted a study on inter-state and intra-state disparities and concluded that inequality in per capita state domestic product in India tends to increase, State level indicators of human development show decreasing dispersion for the obvious reason that
standard outcome indicators of health or education have natural upper limits. It means that instead of worrying about disparity in social indicators we should rather focus on disparity in per capita income. He observed that there are certain relevant aspects of disparity in non-income dimensions across and within states. In the context of resource allocation by a federal government among the subnational entities, the paper examined the ethical implications of two well-known allocation rules; population-weighted utilitarianism and argued that the implications are not the same across evaluative spaces. He examined that the actual resource allocation for human development in India conforms to some normative criteria.

**Sindhu (2010)** conducted a study on the wage disparity in the Indian industry and observed that wage structure in Indian industry has undergone considerable changes over the years. The process of economic reforms and globalization in the Indian economy has led to restructuring of the industrial sector in India. Presently the domestic industries in India are competing with the multinationals in the labour as well as product markets. The process of modernization coupled with the induction of skilled workers and professional managers in the system has led to rise in labour productivity as well as wage rates, considerable variations in labour productivity led to the widening of wage disparities within and across the sub-sector over the period of time. Thus the Study concludes that wages in industrial sector in India are determined by labour productivity.

### 2.2 Review of Studies Related to the Distribution of Household Assets:

**Barman and Sharma (1970)** conducted a study on the mode of tribal Agriculture in India and concluded that traditionally, the dominant mode of Agriculture among tribal was shifting cultivation. The wet cultivation is a more recent development among the tribal people, particularly in central and western India. The up-land cultivation is also frequently formed to be inadequate to provide full sustenance of the population concerned and it is supplemented by Agricultural labour, collection of forest produce and other
sources of livelihood. It was further stated that in the tribal villages the average holding size varies from 1.00 acres to 8.00 acres, but in the majority of village, it was found to be below 5 acres. The distribution of holdings among various size groups shows that the majority of households have holding up to 5 acres barring the tribal villages of Rajasthan and Gujarat where their dispersal was also observed among holding exceeding 5 acres.

**Reserve Bank of India (1972)** in its all India rural debt and investment survey 1971-72, found that the co-efficient of concentration of assets among rural household for Himachal Pradesh was the second lowest in India. Among rural assets, land is the most productive component. The area owner around the wholly owned and self-operative holdings accounted for 87.06 per cent of area under all operational holdings in 1970-71, when the size distribution of such owned land was studied. Gini concentration ratio had been worked out 0.6553, 0.4523 and 0.5466 for Himachal Pradesh, Punjab and Haryana respectively. These results indicated that inequalities in the distribution of ownership holding were greater in Himachal Pradesh than Punjab and Haryana, mainly due to the fact that while in the state owned holding of the size class of 50 hectares and more accounted for 6.8 per cent while in the Punjab and Haryana these constituted for only 0.6 and 0.9 per cent respectively. However this inequality causes by majority of the owned holding falling in the category being situated in only three district of the state, viz; Kangra, Hamirpur and Una and in the rest of the districts distribution of owned land appeared to be more equitable.

**Agro Economic Research Center (1974)** conducted a village study of village Zawar in Rajasthan and concluded that a village had a total owned area of 145 hectares distributed among 161 households. The small cultivators owned 45 percent of land and accounted 65 percent of the total households, whereas 24 percent of the total households on medium size group claimed 44 percent of the total land. The average owned land per household had been worked out 0.82 hectares and about 65 percent of households, whereas, 24 percent of total households on medium size group claimed 44 per cent of total land. The average owned land per household
had been worked out 0.82 hectares and about 65 per cent of households had land below this overall average. The per household operated area had been worked out 0.88 hectares. The extent of irrigation was very small in the village as only about 7 percent of the total operated area received irrigation mainly through wells. The survey further revealed that there were 1755 heads of livestock in the village out of which 61 percent were milch, 17 percent drought, 21 percent young stock. About 97 percent of the total cultivating households have kept live stock. Among milch animals, goats population alone formed 37 percent of the total animal population. The ownership pattern of livestock showed that number's of animals per household increases with an increases in the size of holdings.

**Rao (1975)** conducted a study on small farmers in building up small asset structure based on data collected from 90 sample from the selected village in the Narasipatnam Taluk in Visakhapatnam district of Andhra Pradesh. He concluded that small farmer were not in the position to produce any surplus with the result that they were handicapped in the building up the sound assets structure.

**Basu (1976)** conducted a study on ownership and access to assets of rural households in India, with a view to investigate and determine the degree and inequality among the richer households in the country through Gini-coefficient, T-index, Kuznets's Index. He concluded that concentration ratio of assets distribution was as high as 0.6611. About 50 per cent of rural household has assets worth less than Rs.5000 each, and share was only 8 per cent of the total. As compare to these, the top 50 per cent had about 92 per cent of the total assets. The relative disparity in the asset holdings between the top 50 per cent and bottom 50 per cent was reflected in the single fact while the farmer had an average assets holding of Rs. 20,900 per household, the lower 50 per cent had assets worth only Rs.1838 per households. The overall concentration ratio of assets accumulation, at all India level for top 50 per cent, increased normally from 0.4566 in 1962 to 0.4657 in 1971. But, at the state level, there has been some increase in the inequality as measured by the Gini coefficient. The variation in land
ownership of the top 50 per cent of the rural household by the state, observed from the concentration ratio which was the highest in Delhi and Rajasthan to have little concentration, in land holding among the top 50 per cent group.

Pathak, Ganapathy and Sharma (1977)\textsuperscript{21} conducted a study on the shifts in the pattern of asset holding of rural households in India during 1961-62 to 1971-72 through log-normal distribution to examine the change in concentration of asset holdings over the two periods through Theil’s Entropy, Kuznets index in Gini-coefficient. He concluded that top 10 per cent of rural household had a lion’s share (i.e. 62.00 per cent) of total value of assets while the lowest 10 per cent have only 0.21 per cent of the total assets. The share of the top asset holders had registered varying increase in most of the states. The study further concluded that the average value of the assets per rural household showed an increase of 11 per cent over the period for all India level. The asset distribution in Tamil Nadu, Punjab and Andhra Pradesh exhibit a very high degree of inequality and an increase in it over this period. Whereas Kerala, Maharashtra and Jammu and Kashmir showed a market fall inequality over the decade.

Iyengar and Indrakant (1980)\textsuperscript{22} have estimated asset elasticity in rural households during the period 1961 and 1971 based on data collected by Reserve bank of India’s, All India Rural Debt and Investment Survey and National Sample Survey. The results of the study showed that productive assets accounted for 75 per cent of total assets. The degree of inequality in the distribution of productive assets was relatively greater than in the case of other assets. The elasticity of land, livestock and durable were higher as compared to those of implements. The study further revealed that the elasticity of building was higher for artisans as compared to cultivators. The study concluded that the inter-temporal comparison of asset elasticity remained more or less unchanged.

Rao (1981)\textsuperscript{23} conducted an empirical investigation in Tumkur district in Karnataka and concluded that share of the scheduled tribes in the total land
available for cultivation was about 10 per cent, even they formed majority in population size in the area under study. The further concluded that the ownership of the other assets viz., livestock, agricultural implements, farm assets such as irrigation well was lower among households belonging to scheduled groups. Further, the ownership of milch animals was also lower among the scheduled tribe as compared to the dominant peasant groups but in terms of ownership of sheep and goats they were better placed.

Pathy (1984) conducted a study on the tribal Peasantry in Gujarat based on the primary data collected from 1045 households from five selected villages in 1979-80. He concluded that ownership of land was highly unequal. The pattern of the distribution was such that only one third of the total households can live on the land and among them a third of them can have surplus over and above their requirements. Further, about 40 per cent have to supplement their land income and rest had to depend on sources outside of their farm. Around 4 per cent households were landless and degree of inequalities in land ownership from village to village.

Chopra (1984) conducted a study on the degree of inequality in the ownership of different kind of assets in Punjab based on the data collected from cost of cultivation survey of the Ministry of Agriculture in the seventies to identify the possible factor of inequality in asset distribution by using Gini coefficient and decomposition analysis Technique. He concluded that land comprised 86 per cent of the value of total assets and its distribution becomes an important factor by modern implement, machinery, farm buildings, irrigation structure, livestock and traditional implements respectively. He further concluded that inequality in land was higher both in small and large household categories. The inequality in irrigation structure and farm building was higher on large size of holdings, whereas, inequality in traditional implements and livestock was higher in small holding groups.

Bose (1985) conducted a empirical investigation of 10 developed as well as backward tribal villages; scattered over five district of west Bengal with a view to analyses classes and class relations. The average size of the
household for the sample as a whole had been worked out 5.1. The literacy percentage among the tribal had been worked out 9.4 per cent. He concluded in the sample as a whole about 32.4 per cent household were landless, 27.9 per cent owned land less than 1.00 acre and 25.2 per cent owned land less than 3.00 acre. About 87.3 per cent of the households were either part time or full time agriculture laborers. The average land holding of different classes were differing from village to village due to the availability and non availability of irrigation facilities. The rich peasants who were only 1.10 per cent of the total sample households owned 46.3 per cent of land. Out of the total uncultivable land about 85 per cent was with the poor peasant. He concluded that extent of land inequality was higher in those villages, where there were rich peasants. The rich classes were better placed in terms of ownership of livestock. There were many poor households without a pair of bullocks and as a result of it, they had to depend on other better off households for bullocks and even for implements such as ploughs, levelers and thinners etc.

**Kunhaman (1985)** examined the extent of intra regional variations in the level of socio-economic development of the hill tribes of Kerala. The study is based on the socio-economic survey of tribals conducted by the state bureau of Economics and statistics during 1976-1978, in seven districts, which had 94 per cent of tribal households to the total number of tribal households in the state of Kerala. He stated that the proportion of landless was very high among the tribal households of northern districts and negligible among the tribal households of southern districts. In the state, 30 per cent households were landless about 62 per cent of tribal households possessed less than two acres of land and fell in the category of marginal farmers and 29 per cent of the tribal households fell in small size of holdings. He concluded that 91 per cent of the cultivating households in the state had to offer themselves in the labour market to supplement their income. Only 9 per cent of the cultivating households operated an average area of more than 5 acres and derived the major proportion of household income from self cultivation. The tribal households of southern districts had land holdings more than double
to that of the tribal of northern districts. He remarked that the important aspect of tribal agriculture in Kerala was the complete disappearance of shifting cultivation as about 0.2 per cent of the total tribal work force was engaged in this form of agriculture. Ragi was the major crop; cultivated by the tribals, indicating the persistence of the traditional consumption habits of tribals. Millets, staple items of tribal agriculture claim only a small proportion in the state. Investment by the tribals was closely linked with the area of land operated. In the northern districts, where the tribals suffer from disadvantages of very high levels of landlessness and illiteracy as well as excessive dependence on the agricultural labour market, the wage differentials were very high. Whereas, in the southern districts due to better land holdings, high levels of literacy and lesser degree of dependency on the agricultural labour market, the wage differences were low. Thus, the inter-regional differences within Kerala which emerged in the course of earlier historical evaluation of hill-tribes has been perpetuated and possibly even aggravated.

Trivedi (1985) conducted an empirical investigation in the tribal region of Rajasthan and on the basis of primary information collected from the samples of 160 households he concluded that in the area under study, land was an important source of earning livelihood. About 80.9 per cent of tribal households owned land less than 5.00 acres and 7.00 per cent household fell in the category of landless. He further stated that 50.36 per cent of scheduled cast and scheduled tribes taken together had irrigated land varying in 0.5 per cent to 25 per cent.

Hanumantha and Muthurayppa (1986) conducted a study on the conditions of scheduled population in 10 districts of Karnataka. They concluded that majority of households belonging to scheduled group did not own any land and among those who owned some land the size of the holding was very small. The scheduled groups who constituted about 15 per cent of the total population owned only 7 per cent of the total operational holdings. According to 1961 Census, nearly two-third of these groups owned less than 5.00 acres of land. The size of the agricultural holdings was respectively
smaller in the case of scheduled groups. The position of scheduled tribes appeared slightly better than that of scheduled castes in terms of the size of holdings. The scheduled tribes were residents in forests and hilly tracks and the availability of land for cultivation was small. The asset ownership position of scheduled tribes was very low and economic condition did not permit them to use modern inputs.

Mahapatro (1987) conducted an empirical investigation on the tribal of Karapul district of Orissa and on the basis of the primary information collected from a sample of 373 households, scattered over 17 villages of 3 selected blocks, he concluded that out of the total land cultivated by the tribal households 60.16 per cent of the total gross cropped area was covered under paddy. The oilseeds accounted for 3.41 per cent and double cropped area was only 13.45 per cent of the net sown area. This shows that cropping pattern was highly traditional. The per hectare consumption of fertilizer was as low as 0.25 kg. The land alienation over the year had been found as the single major factor for reducing the tribal to the status of landless laborers. He remarked that 17.94 per cent of the tribal households followed the practice of shifting cultivation.

Bhalla (1987) conducted a study on the distribution of land and other productive assets in agriculture. He concluded that Gini co-efficient in Punjab, Haryana and Uttar Pradesh were noticeably below those for all states in respect of building, livestock and transport equipment. The degree of inequality in the ownership of farm machinery was much higher as compared to other assets in other most states during the period under study.

Chand (1987) conducted a study on the extend of inequality in the extent of inequality in the distribution of assets based on the primary data collected form sample farmers of six village in Himachal Pradesh During 1985-86. Gini-coefficient, Coefficient of variation and standard deviation of logarithms were applied to measure the inequality in the distribution of capital assets. He concluded that the degree of inequality in the distribution
of land and agricultural implement and machinery in Jedeog village was low and Sainji village suffered from a high degree of inequality in the distribution of livestock and land holdings. The degree of inequality in the distribution of agricultural implement and machinery livestock was the highest for medium and least in the small farmers.

**Dadibhani (1987)** conducted a survey on the agrarian structure and assets distribution in Karnataka to study the changes in the structure of operational holdings and inequality in the distribution of assets among different size categories between 1970-71 and 1980-81. He concluded that overall average size of holding had declined from 3.20 hectares in 1970-71 to 2.73 hectares in 1980-81; it remained stable for all size groups except for the large size. The inter-class concentration indices revealed that farmers having land four hectares and above improved their position in 1980-81. There was high inequality in the distribution of operational holdings. The Gini-coefficient ratios were very high for agricultural implement and pump set, it was low far milch cattle, draught animals and for irrigated area, these ratios stood at the intermediate level in the sample village.

**Dantwala (1987)** conducted a study on the changes in the distribution pattern of land and non-land assets in India during 1971-81. He concluded that and share of non-cultivator household in the total rural assets had increased. Whereas, the share of land and livestock in total rural assets have been declined. The share of durable household assets had increased sharply during the period under study. The share of non-agricultural productive assets in total assets remained insignificant. This indicated that rural economy doesn't showed much diversification in non-agricultural sector.

**Guliani and Singh (1987)** conducted a study on district wise temporal changes in the number and area of operational holdings in the Haryana during 1970-70, 1976-77 and 1980-81 based on secondary data collected from three Agricultural Censuses of the state. They concluded that the number of operational holdings had increased by 5.70 per cent in 1976-77
over 1970-71 and the increase was less by 0.01 per cent in 1980-81 over 1976-77. The area under operational holdings had increased only by 0.42 per cent during 1970-71 to 1976-77 but it decreased by 7 per cent during 1976-77 to 1980-81 due to repaid industrialization and urbanization. On the other hand, the district-wise study revealed that the number of operational holding increased in all the districts in 1976-76 over 1970-77 over 1970-71 except Ambala, Gurgaon and Hisar districts, and also increased in 1980-81 over 1976-77 in all districts except Gurgaon and Jind. This showed the need for intensive and multiple cropping to raise the agricultural production as land under cultivation is decreasing.

Haque (1987) conducted a study on the pattern of ownership and operational holding in India between 1971-72 and 1981-82, based on the data collected from National Samples Survey for the year 1971-72 and 1981-82 respectively. He concluded that the concentration ratio of ownership and operational holding showed rising trends in many regions between 1971 and 1981 due to revised ceiling laws in various regions. The rising proportions of landless, semi-landless and marginal households in the majority of the states should be a matter of serious concern for our planners as the rates of labour absorption in both the agricultural and non-agricultural sector of regions were not adequate to meet the challenge posed by the rapid growth of landlessness. It has to be tackled through more radical redistribution of land and planned industrialization and diversification of the rural economy.

Krishnan (1987) examined the income and assets stock of 64 poor agricultural labour sample households of chittilencherry village of Palghat district in Kerela, with a focus on the impact of state policy. He concluded that the poor households were characterized by large family size, low educational level and a large underemployed labour force. The average value of assets per household excluding land worked out to Rs.7657 and productive assets accounted for only Rs.355. The average land ownership per household was 11 per cent. In productive asset formation the Integrated Rural Development Programme (IRDP) made a limited contribution. He
realized the importance of proper planning of the programmes and the need for a corruption free delivery system for the poor.

**Marothia (1987)**[^38] analyzed the structural changes which occurred in the ownership of land and farm productive assets in three villages of Raipur district of Madhya Pradesh from 1981-82. He concluded that the structure of land holdings and productive farm assets had shown some mixed signs of change in the study area. Farmers in all size-groups derived significant gains on their holding of productive farm assets. Even though the differences in asset holdings were large, the direction of change was toward equalization. He suggested that a feasible program of consolidation of scattered farm holdings should be taken up to make rational use of the land resource in conjunction with other growth promoting inputs and production farm assets in the study area.

**Narayana (1987)**[^39] analyzed the deployment of agricultural surplus for asset formation in rural households in India, based on the data taken from decennial rural debt and Investment survey conducted over a period between 1961 and 1981. He concluded that assets holdings of rural households across the states have showed disparate growth over the period. The number of states reporting value of assets near the all-India average which was large in 1961 had come down by 1981. And the number of states reporting below average value of assets had almost doubled. These poorly endowed states were reporting either stagnancy in coefficient during the period. He further concluded that the disparity in asset holding among the states seems to be decreasing which was due to disparity in asset holding among the states seems to be increasing which was due to the disparate agricultural growth.

**Sarkar and Mukhopadhyay (1987)**[^40] examined the nature and extent of change in the quantum of productive assets along with the distribution in different states of India from 1971-72 to 1981-82. They concluded that the asset structure of households in rural India has become most diversified in the eighties, indicating increased level of diversification in its income earning
activities. There was substantial increase in the real value of assets of the rural households in different states of India associated with considerable decrease in the inequality in the distribution of productive assets in a number of States.

Satyanarayana (1987) examined the progressive change in the possession, composition and distribution of assets among rural households in India from 1971-72 and 1981-82, also highlighted the changes in the ownership of assets and the nature of indebtedness in the rural areas. He concluded that asset- liability position of rural households improved in the decade 1971-72 to 1981-82 showed the increase in the assets ownership, reduction in the proportion of indebted households and enhancement of average debt per household. However, the debt to asset ratio decreased over the period in many states. The relative position of states as indicated by the assets and liabilities of rural household were not changed significantly. The absolute level of assets and liabilities and their growth rates were found to be the least in Assam and Bihar, indicated growth in regional imbalances. The concentration of ownership of assets among asset group reduced marginally. The composition of assets was not changed substantially.

Sharma, Moorti and Thakur (1987) conducted a study on the structure and distribution of assets and the degree of inequality in the distribution of household income of Bhawarna block in Kangra District of Himachal Pradesh during 1985-86. They concluded that among different kind of productive assets, the share of farm building was highest followed by draught animals. The share of unproductive assets was only 8.48 per cent. Further, unproductive asset was more unequally distributive as compare to productive assets. Among productive assets, draught animals and cultivated land was more equally distributed compared to dairy animals, traditional implements and farm building. He further revealed that degree of inequality was more on small farms as compared to large farms. As far as distribution of income from different sources was concerned, income from dairy and agriculture was less unequally distributed than income from non-farm sources.
Singh, Dhaka and Sharma (1987)\(^43\) analyzed the structure and pattern of investment and the extent of changes in various productive farm assets of rural Karnal during 1977-78 and 1984-85, based on the data collected from socio-economic surveys and survey method during two different periods. They concluded that while the share of investment in the assets of crop farming declined, the share of investment in dairy farming increased during the period. The per farm investment in irrigation structures, tractor, cattle shed and store and dairy equipment has registered a significant increase in 1984-85 as compared to 1977-78. They further concluded that overall net investment in crop and dairy farming was highest in 1984-85 over 1977-78. The small farms registered in highest percentage increase in per capital investment followed by the marginal farms. The values of coefficient of variation of all the categories of farms were higher in 1984-85 than those of 1977-78. The coefficient of variation was lowest on the small farms among all other farms.

Sharma and Thakur (1988)\(^44\) conducted a study in Sadar block of Bilaspur district in Himachal Pradesh based on primary data collected from 89 sample households to study the distribution of household assets and resultant pattern of employment and income. They concluded that productive assets contributed major share in the total value of household assets directly affect the pattern of household employment and income but the effect of household durable on income and employment was negligible. They further suggested that to reduce the inequalities in the distribution of household rural productive assets and to raise the income, employment, more irrigation facilities, more investment in household and cottage industries and issuing of double duration milch cattle should be made.

Kaushik (1991)\(^45\) conducted a study on the changes in the distribution of assets among rural households in Himachal Pradesh during 1971-72 to 1981-82 based on secondary data collected from all India Debt and Investment Survey and National Sample Survey. She concluded that there was no change in the composition of rural assets during the period. The share of land and durable household assets has increased, while the share
of livestock has declined. This showed that rural economy of Himachal Pradesh has not shown much diversification by the way of non-agricultural activities. The share of cultivator households in total rural assets has fallen as compared to non-cultivator households. The relative improvement in assets distribution among cultivator households was made possible largely by a reduction in the inequality in land holding distribution, with the large farms losing in the favour of small and medium farms.

**Sharma, Sharma and Bala (1994)** conducted a study on the inequalities in the distribution of farm assets in Himachal Pradesh based on the primary data collected, from 400 samples farmers of four districts of the state. They concluded that land and farm building was the largest contributor to the total asset distribution in all the four districts as well as in both the categories of farms. On per hectare basis the value of farm assets was found to be higher on the small farms and also highest in Una district in the case of large farms, the major contributors were farm buildings and modern assets. They further concluded that land was the most important contributing factor to total assets of farmers followed by farm assets. The ownership of modern assets was very low which caused sub-optimum use of other resources. They suggested that to enhance their use, the machinery and equipment which are economical for small holdings may be development and provided to the cultivators also to increase the contribution of diary animals to total assets. This would not only help to increase the supplementary income from dairying but also to reduce the inequalities on the farms.

**Thakur and Sharma (2008)** conducted an empirical investigation on the distribution of household assets and the resultant pattern of income and employment among the weaker sections in the rural areas of Haryana based on primary data collected from 300 sample households. They concluded that this study established the interrelationship between the values of household productive assets, gainful employment opportunities and household income. Among the landless and smaller size of holdings owing to the lack of sufficient productive assets (i.e. mainly land, livestock and machineries), the
family human labour days are either unemployed and/or underemployed, which resulted in meagre household income. Their household income falls short of their consumption expenditure and the deficit is met generally by taking loans mainly from the village moneylender at a high rate of interest. Whereas, contrary to it, the households falling on the larger size of holdings have sufficient productive assets which provide gainful employment opportunities to the family human labour which ensure regular and sound source of household income with the help of which they can afford to maintain a good standard of living.

Sharma and Devi (2013) conducted an empirical investigation on the distribution of household assets and resultant pattern of income among the tribals areas of Himachal Pradesh based on primary data collected from 150 sample households. They concluded that productive Assets are more in tribal areas because in tribal areas land availability is very high. Most of population depends on agriculture/horticulture that's why more implement and machineries are used. In the sample area the variation in the levels of living is high due to uneven productive resources mainly land. The distribution of land is such that only a small part of it is owned by the majority of the household.

2.3 Review of Studies Related to the Distribution of Income and Consumption Pattern:

Mukherjee and Chaterjee (1967) conducted a study on the changes in the distribution of income and consumption expenditure during 1950-65 to access trends in inequality on the basis of NSS data as well as the behaviour of inter-sectoral disparities as revealed by National Income Estimates. They concluded that there was reduction in the disparity of the distribution of consumption expenditure both in rural and urban areas and for the country as a whole. However, in real terms, they found a tendency for disparities to increase. On the contrary Swamy (1967) concluded that inequalities remain more or less stable in rural area but increased in urban area. The proportion of urban population rose resulting into overall inequalities also tended to increase during the period under study.
Bhatti and other (1972)<sup>50</sup> studied the level of income, saving and economic rational of investment in tribal agriculture of Nainital Tarai based on primary data collected from 40 tribal and two non-tribal farms scattered over four tribal and two non-tribal villages. They concluded that non-agricultural income constituted minor part of the total household income of the tribal farms was less than those of non-tribal farms. The tribal and non-tribal farms saved about Rs.0.27 and Rs.0.39 respectively for every additional increase of one rupee in their disposal income. They suggested that the marginal propensity to save on the tribal farms was higher as compared to non-tribal farms which could be available for further investment in agriculture.

Bhatti (1973)<sup>51</sup> conducted a study on income, saving and investment pattern in an agriculturally progressive area of Himachal Pradesh based on primary data collected from two blocks of district Kangra. He concluded that out of total gross income agriculture and allied activities accounted for 67.54 per cent and rest accounted for non-agricultural activity. There was direct relation between income animal husbandry and size of holding, but an inverse relation was found between income from agriculture and size of holdings. Regarding consumption pattern, more than 70 per cent of family budget accounted for food items. As the income of households increased the expenditure on cereals decreased but on other food items such as pluses, milk products, meat etc. increased. The average value of net asset formation was Rs.338.46 per sample households. Only 10.48 per cent of total investment was made in productive agriculture sector, the major share went to non-agricultural sector mainly through residential houses. He further concluded that savings were estimated by current account method and there was no trend in gross/net savings except in higher size groups.

Agro Economic Research Centre (1973)<sup>52</sup> conducted a comparative study of retrieval colony and the six selected villages in Andhra Pradesh and stated that the tribal grow mostly food crops and the produce was mainly, meant for domestic consumption. The agriculture produce was not even adequate for many tribal household to sustain them throughout the year. About 12 per
cent of the agriculture produce however flows into the market not because they were forced to part with it, either in lieu of loans taken from the traders in the previous years or to meet out the other immediate domestic needs. The average per household income had been worked out Rs 636.87 in the tribal colony and Rs 726.13 in the six villages, whereas, the per capita annual income had been worked out Rs 126 in the colony and Rs 139.70 in the six villages during 1969-70 has against the per capita annual income of Rs 448.65 in the state of Andhra Pradesh as a whole. Agriculture was the major source of household income in the colony as well as in the six villages. The agriculture wages accounted for 13 and 17 per cent of the total household's income and the income by way of non-agricultural labour accounted for 16 per cent and 8 per cent in the Tribal Colony and the six villages respectively. The percentage share of household income derived from services had been worked out relatively higher in the six villages as compared to the Colony. The negligible share of household income i.e., only 1.00 per cent came from the collection and scale of minor forest produce in the Tribal Colony as against 10 per cent in the six villages. The business activities have been contributed about 2 per cent and 7 per cent of the total household income in the Colony and six villages respectively.

Agro-Economic Research Centre (1974) concluded a village study of Zawar tribal Rajasthan and the basis of this information collected from 178 household, have concluded about 29 per cent of the total sample of households earned an annual household income less than 750/-, 46 per cent household fell in annual household incoming group 751-1500 and the remaining 25 per cent households earned on annual household incoming of income of Rs.1500 and above. The total farm expenditure per hectare was Rs.79.54 and this expenditure indicated a decreasing tendency with an increase in the size of holdings. The per hectare surplus for the sample village as a whole had been worked out to Rs.205 and the surplus obtain from the farmers is different holdings was more or less equal. Broadly, the share of income from livestock indicated a decreasing tendency with an increase in the size of holdings. There was a positive relationship between the size of holding and per household as well as per capita net income. The
per person daily earning from agricultural labour had been worked out Rs.2.48. The non agricultural labour was the most important occupation, which accounted 52 per cent of the total village net income followed by the agriculture sector (including cultivation and livestock which contributed nearly 39 per cent of the village income) whereas, services contributed 4 per cent and trade 2 per cent only. The per capita net income of the village had been worked out Rs.213. Thus, the majority of households in the Zawar village was neither extremely not too poor nor not too rich and in future and the income levels of the sample households was expected to increase due to further expansion of Zawarmines.

Bhatia (1974)\(^\text{54}\) conducted a study on income and consumption pattern of Himachal Pradesh based on the data collected by labour Bureau, Shimla through a family living Survey among the industrial workers in 1965. He concluded that the average money income per family of workers was about Rs.168 and per capital average monthly expenditure on all consumption goods and services was about Rs.160 and per capital expenditure was about Rs.55. He further indicated that out of the total consumption expenditure of Rs.160, the average monthly consumption expenditure per family on various commodity groups was Rs.141.90, average monthly consumption expenditure on total food items was Rs. 84.72.

Chatterjee and Bhattacharya (1974)\(^\text{55}\) conducted a study on household budget data of National Sample Survey from 1951-52 to 1967-68 to examine disparities in levels of living measured by per capital household consumption in rural and urban India. They concluded that there was a reduction in the disparities in the size distribution of per capital total consumer expenditure (TCE) in rural and urban India and among different states. They further concluded that the distribution of total cereals consumed in physical terms among different groups of population hardly showed any reduction in disparity for the rural and urban sector of the country.

Government of Himachal Pradesh (1974)\(^\text{56}\) conducted a survey on the household consumption expenditure in rural and urban area of Himachal
Pradesh. The result of the study revealed that the percentage of households failing under top four per capita expenditure classes (i.e. Rs.75.00 and above) was found to be 25.6 per cent in rural area and 74.3 per cent in urban areas. While the percentages of households falling under bottom four per capita expenditure classes (i.e. Rs.26.00 and below) was only 1.08 per cent in rural and about 1.43 per cent in urban areas. In rural areas the per capita monthly consumer expenditure on food-items accounted for 72.5 per cent of the total monthly per capital consumer expenditure, while in the urban areas it was 64.9 per cent of the total monthly per capita consumer expenditure. A large chunk of the per capita monthly expenditure on food-items was constituted by cereals in both rural and urban areas.

**Chowdhary and Bhattacharjee (1976)** conducted a comparative study of 120 participant and 35 non-participant households scattered in 8 villages of four Development Blocks of Bihar, with a view to study the consumption pattern among them. They found that per capita weekly consumption on food item was Rs.11.49 and Rs.64 of participant of non-participant tribal farmers respectively. The expenditure on cereals accounted for 69 per cent of the total household consumption expenditure and the diet was considered to be of poor standard as it contained very little protein and milk, whereas, intoxicants formed a major part of household consumption.

**Apte (1976)** conducted a study of 15 villages in Kolaba district of Maharashtra in 1975-76, with a view to study the existing resources, pattern employment earnings and institution in the sample areas. He concluded that the agricultural labour was the main occupation of 72 per cent of the sample of Katkari and thakur families, 18 per cent named agriculture and the remaining 10 per cent collecting firewood from neighboring forests for sale. About 65 to 75 per cent of Katkaris, Thakurs and other adivasies were illiterate. He worked out the average per capita annual income Rs.400 for the year 1974-75.

**Gupta (1976)** conducted a study with a view to analyses the availability of productive assets as well as their distribution among the different sections
in the population of Dharampur Block in Gujarat. The required information had been collected from a sample of 106 household, scattered over six villages. He concluded that out of 106 household 87 (i.e. 82 per cent) households had per month household income below Rs.60 (at 1974-75 prices). As many as 67 (i.e. 63 per cent) households reported that nearly all adult members of their family remained without food on an average for 23 days in a year. The consumption of all essential item particularly food, was pitiably low among households with holding of 5.00 acres or less. On an average, tribals in the study area consumed daily 360 grams of cereals and 20 grams of pulses. The consumption of other food items was less than the prescribed quantity for a balanced diet. In terms of money the daily expenditure on food and fuel of the Dharmpur tribals was Rs.1.11 per household. Out of 398 members belonging to 67 starved households as many as 200 starved throughout the day of some days and in addition missed one meal some more days. The second category of starvation included 36 persons, who on an average starved for 12 days a year and another 46 persons had only one meal daily for 22 days. The incidence of starvation in terms of land holding groups showed inverse relation between the size holdings and the duration of the starvation. In addition to the expenditure on food and fuel, a household had spent annually on an average of Rs.152 on clothing Rs.55 on ceremonies and Rs.3 on health and education during the year 1974-75.

Deshpande (1982) conducted a study of 153 tribal workers in 1975, in the Thane district of Maharashtra, with a view of study consumption pattern among them. He concluded that the consumption pattern of the sample household was determined mainly by the cropping pattern. The diet requirement differed according to the nature of the activity, food, habits, health conditions, age, sex, climate etc. The diet requirement also differed from individual to individual even within the same class formed according to profession, age group, health condition etc. Even in the case of an individual, it differs from time to time. He remarked that a healthy active man, who engages in moderate physical activity, lives on a range of intakes
which can be placed between 1900 to 3500 calories per day. He further concluded that very large number of workers got less than 1900 calories per day. Thus, the consumption pattern of Adivasi workers showed the extent to which starvation exist.

Nayak and Prasad (1984)\textsuperscript{61} conducted a study of scheduled castes and scheduled tribes of Karnataka, based on National Sample Survey (NSS) data of 28\textsuperscript{th} and 32\textsuperscript{nd} Round, with a view to the examine the inequalities in the levels of living of scheduled castes and scheduled tribes and the non-scheduled castes and non-scheduled tribes during 1974-75 and 1977-78. By using the Lorenz Ratio, they concluded that the inequalities in real consumption was respectively less within the scheduled castes and scheduled tribes has compared to the non-scheduled castes and non-scheduled tribes in all cases and inequalities in consumption expenditure increased over time. The ‘Lorenz Ratios’ for scheduled castes and scheduled tribes increased by 13.47 per cent and 34.48 per cent over a period of four years in the rural and urban sectors respectively. Whereas, for non-scheduled castes and non-scheduled tribes, this increase had been recorded much lower i.e. about 5.59 and 2.81 per cent for rural and urban sector respectively. They concluded that a well recognized hierarchy exists among scheduled castes and scheduled tribes, both in terms of social and economic status. Thus, the above percentage clearly shows that Government benefits for the scheduled castes and scheduled tribes had mainly been received by the better-off scheduled castes and scheduled tribes and resulted in a large increase in the inequality among scheduled castes and scheduled tribes. They remarked that disparities in educational level were probably one of the major causes for disparity in consumption level.

Gupta (1984)\textsuperscript{62} on the basis of NSS consumption data of 26\textsuperscript{th} and 28\textsuperscript{th} round of Tripura Tribes, concluded that during 1971-72, the share of lowest 20 per cent in the total consumption in the rural areas was 11.2 per cent, while the share of highest 20 per cent in the total consumption accounted for 28.1 per cent. The 98.78 per cent of tribal population was lived in the rural area. The percentage of people below the poverty line increased from
63.20 in 1969-70 to 83.80 in 1973-74. He remarked that tribals had lost their land in Jhooming or shifting cultivating and they had not benefited from the developmental activities as a result of it, a large number of them become pauperized.

Pathy (1984)\(^3\) conducted a empirical investigation of 1047 sample households, scattered over 5 selected villages in different Tulukas during 1979-80, with a view to analyzed the pattern of income distribution in the tribal area of Gujrat. He worked out the average annual household income Rs.2880/- and per capita income per month Rs.36/- for the area under study. This indicated that majority of the tribals lived below the poverty line. He stated that Rs.3000 annual household income was roughly considered as the minimum requirement of the subsistence, than 71 per cent of the households lived below the poverty line, and about 12 per cent sample households has annual household income of more than Rs.5000/-. He concluded that in tribal groups, income distribution among all communities in the selected villages was quite uneven.

Stanislaus (1984)\(^4\) conducted a study on the size distribution of the income of rural households in Thiruchirappalli district of Tamil Nadu for the year 1975-76 to 1978-79 to study the impact of new technology on the distribution of income among farm household. Using Gini-coefficient and Lorenz curve, a small cross section sample of non-farm households facilitates comparison of Inequality in income distribution. He concluded that the income distribution was positively skewed, the large number of small farmers got the least share in income but small number of large farmers got a large share in all four years. He further concluded that Lorenz Curve and Gini ratio widened income inequality among farm households over the year and new technology contributed more than the farm size, to the increasing income disparities.

Thakur (1985)\(^5\) worked out the inequalities in the distribution of income and consumption expenditure of 109 sample households of rural Himachal Pradesh. He concluded that 35 per cent of the population was sharing 20
per cent of the total income, whereas, top 5 per cent of the population was sharing the 20 per cent of the total income. On the other hand, 70 per cent of the population was spending about 80 per cent of the total consumption expenditure on the food items. He concluded that the value of the poverty estimates with 'head count ratio', Gini-coefficient and Sen’s measure of 1973 and 1976 was 61.15, 19.40, 29.24 and 27.02 per cent respectively.

Thakur (1986) concluded a study on Santhal Tribes of Bihar and stated that the income of general population was so little that their remains hardly any room for additional expenditure after meeting the basic need. He remarked that there were rigid social and cultural conventions which compel even the poorest tribals to spend money on marriage, birth and death ceremonies. The expenditure on food for the Santhal accounted for about 63 per cent to the total household expenditure while the expenditure on non-food items has accounted for the residual i.e., 37 per cent. The percentage of expenditure on food-items normally decreases with an increase in household income. The expenditure on non-food items (such as fuel and light, clothing, intoxicants, medical, education, repayment of loans etc.) accounted about 37 per cent and 36 per cent for the tribal’s and non-tribal’s respectively. He remarked that per capita expenditure on intoxicant was quite high among tribals, whereas, contrary to it, the non-tribals spent double on education in comparison to tribals.

Rayapaa and Mutharayappa (1986) conducted a study of 10 districts of Karnataka with a view to analyses the sources of the household income among the scheduled groups. They stated that the scheduled groups in the social structure are placed at the bottom and about 90 per cent of the households belonging to scheduled tribes earned less than Rs.50 per month. This happened mainly due to the lower wages received by them for wage work as well as due to the inadequate and inferior assets owned by them. The main sources of household income were wage work including agriculture and allied activities. There were regional variations in wage paid for casual labour or attached labour. The average daily earnings of male agricultural wage labourers were found to be higher than the wage earners
among the small cultivators. The households with small holdings were better-off than the landless agricultural labourers.

Sarkaria (1987)\textsuperscript{68} conducted a study on the changes in the income and assets of different size class of land holdings based on the primary data collected from the cultivators spread over four randomly selected villages of two blocks of Amritsar district in Punjab to examine the trends in the composition of farm and non-farm assets related to three time periods mainly 1975-76, 1980-81 and 1985-86. He concluded that the operational holding during over the years decreases due to the sub-division and fragmentation. Cropping intensely improved over the years and varied inversely with the farm size. Cropping pattern over the years became biased towards the cultivation of the cereal crops and income and costs of different size of classes of the farmers increased over the years.

Shankar (1987)\textsuperscript{69} conducted a study based on primary data collected from 390 sample households of three villages of Eastern Uttar Pradesh during the period of 1983-84. He concluded that the average size of holdings in the sample villages was 2.6 acres. Landless formed 6 per cent of the households. Sub-marginal farmers constituted 19 per cent of households and 60 per cent of households belong to marginal category. Nearly 70 per cent of the assets of the households were in the form of land. Financial assets accounted for less than one per cent of the total assets. The assets of top two percent were equal to assets of the bottom one-half of the households. Agriculture accounted for 51 per cent of average income per household followed by the services. Twenty five per cent of the households were indebted but the number of indebted households among the landless labourers constituted 57 per cent. The average debt per indebted households was Rs.3015. Significantly, 60 per cent of the debts were incurred for agricultural purposes. Only 23 per cent of the debts were for consumption purposes.

Sharma(1987)\textsuperscript{70} conducted a study of Bharmaur Tehsil of Chamba district Himachal Pradesh based on the primary data collected from the 150 sample
households, to study the source of income and consumption as well as income and consumption inequalities and pattern of employment on different farms by using Gini ratio, standard deviation of power and coefficient of variation techniques. He concluded that sheep was the main source of income and employment for the Gaddi tribe, most of the consumption expenditure was on the food and clothing and consumption inequality was higher than the income inequality. The proportion of the female labor was high as compare to the male labour in all category of the labour in the farm. He suggested that to raise the standard of living of Gaddi tribe concluded to de thought providing super breed Sheep and Goats and ensure proper marketing facilities for woolen products.

Julka and Soni (1988)\textsuperscript{71} conducted a study on the inequalities of income, land ownership and associated assets among the cultivating households of Punjab, based on the primary data collected from 252 cultivating households of the district Patiala. They concluded that top 10 per cent of households accounted for over 38 per cent of net household income, whereas, bottom 10 per cent accounted 0.5 per cent net household. The widespread inequalities in income in rural areas have their genesis in the unequal distribution of land and other productive assets. For reducing income inequalities, there was redistribution of the productive resources. The distribution of milch cattle and provision of assured employment were of limited use as policy measure for reducing income, inequalities. Therefore, land distribution being the single dominant contributory factor of the income inequality need immediate attention.

Sharma and Moorti (1990)\textsuperscript{72} conducted a study on the pattern of income distribution and inequality in the income distribution and also various sources of household income among different categories of the farms in Kinnaur district of Himachal Pradesh based on the primary data collected from 128 sample households scattered over eight villages with the help of Gini co-efficient, Lorenz Curve, and co-efficient of variation, they concluded that small farms constituted a homogenous class of farms, whereas, on other hand medium and large farms constitute a heterogeneous group with
wide disparity in their household income. Crops, husbandry, horticulture, livestock were the important sources of the household income contributed more than half of the household income.

Chaudhary (1992)\textsuperscript{73} conducted a study on the inter-state and intra-state variations in the standard of living in term of State domestic product and household consumption expenditure during 1967-68, 1977-78 and 1985-86 with the help of Gini ratio and coefficient of the variation. He concluded that the States which ranked high with respect to the per capita State Domestic Product (SDP) ranked in case of per capita consumption also i.e., Punjab, Maharashtra and Gujarat. Contrary to it, the states which have low per capita SDP had also low per capita consumption i.e. Orissa, Bihar and Assam. The inter-state disparities were higher for the per capita income than for per capita household expenditure. It was observed that irrespective indicator used, i.e., per capita income or expenditure, rates of the growth varied widely between the states and within the States overtime.

Sharma (1992)\textsuperscript{74} conducted a study on the variations in the levels of living in the tribal economy of Himachal Pradesh based on primary data collected from 200 sample households scattered over eight villages of district Kinnaur. He concluded that there was wide spread inequalities in the distribution of household assets, income and consumption expenditure among the different holding groups which resulted in wide variations in the levels of living of the tribals. He suggested to reduce the inequalities between the rich and poor and to raise the levels of living, increased availability of productive assets, skills, formation, infrastructural and human resource development should be made.

Shankar (1993)\textsuperscript{75} conducted a study on agricultural labour households in three villages of Eastern Uttar Pradesh to study the levels and sources of income, consumption and indebtedness during 1991-92, based on primary data collected from 50 sample households. He concluded that in the case of landless labourers agricultural wages accounted for 36 per cent of income and share of non-agriculture wages accounted for 64 per cent of the total
income. As regards those owning land, agricultural wages accounted for 27 per cent of income, non-agricultural wages accounted for 43 per cent of income. Taking all the households together, agricultural wages accounted for 40 per cent of the income, the share of non-agriculture wages was 51 per cent. There was no beneficiary under the IRD among the land less households. Per household asset was worth Rs.16876 and per household income was Rs.5456. As regard consumption expenditure, about 88 per cent of the expenditure was on the food. On the average, only half of the sample households cross the poverty line. Thirty six per cent of the households were indebted and the average debt per indebted household was Rs.580. About 47 per cent of the debt was incurred for the productive purposes.

**Birthal and Singh (1995)** conducted a study to examine the structure of the rural income unequally based on the data collected from 150 sample households selected from the three village of Moradabad district of Western Uttar Pradesh. They concluded that the agriculture was the main source of the income and accounted for 47.88 per cent of the total income, followed by the livestock (i.e. 20 per cent) and farm labour (i.e. 8.11 per cent). The non-farm sources together (i.e. Salary, business and aircraft and wages) contributed about 24 per cent to the total income. The Gini indices by sources showed that the salaried income was mostly unequally distributed with an index value of 0.91, followed by a non-farm (i.e. 0.85) and the farm labour (i.e. 0.76), whereas the income from the livestock was the most equally distributed (i.e. 0.47) followed by the agricultural income (i.e. 0.54). The Gini index for the total income (i.e. 0.27) showed that the total income was more equally distributed than the source. They suggested the need for the effective implementation of the land reform measures, development of the small farms, subsidiary activities, increasing opportunities for employment in and outside agriculture to narrow down inequalities in the rural income distribution.

**Ye, Binzhen and Hongbin (2010)** conducted a study on income inequality, Status seeking and Consumption. Using the Chinese urban household survey data between 1997 and 2006, they concluded that income
inequality has a negative (positive) impact on households' consumption (Saving), even after they control for family income. They argue that people save to improve their social status when social status is associated with pecuniary and non-pecuniary benefits. Rising income inequality can strengthen the incentives of status-seeking savings by increasing the benefit of improving status and enlarging the wealth level that is required for status upgrading. They also concluded that the negative effect of income inequality on consumption is stronger for poorer and younger people, and income inequality stimulates more education investment, which are consistent with the status seeking hypothesis.

Roy and Satyaki (2011)** conducted a study on Trends and Patterns in consumption Expenditure: A Review of class and Rural-Urban Disparities to capture the changing patterns of consumption expenditure of three broad classes, namely the ‘upper’ ‘middle’ and ‘bottom’ classes in the rural and urban India. In contrast to what is generally held that differences in consumption of necessaries across classes decline more the economy grows. They argue that there had been hardly any sign of convergence. Furthermore, in the cases of most of the food and non-food items, especially, education and medical service the consumption expenditure in real terms is showing trends of a widening gap between the upper and the bottom classes.

2.4 Review of Studies Related to Employment and Unemployment:

Gill (1960)** conducted an empirical study of surplus labour in Punjab agriculture. He assumed full employment norms of 315 days per worker per year according to time criterion. He concluded that 28 per cent of labour force in Punjab was surplus but he has deflated the labour supply to over estimate the extent of unemployment.

Majumdar (1961)** conducted a study on Karnataka region based on data collected from 225 sample households selected randomly form nine villages, to study the extent of disguised unemployment amongst the small cultivators. He concluded that 71.4 per cent of farmers were having less
than normal employment and 52.7 per cent of farmers having less than half of the normal employment, whereas, about 31 per cent of the total farm workers in Karnataka region were disguisedly unemployed.

Parsad (1972)\textsuperscript{81} conducted a survey of five village of Uttar Pradesh to find out the extent of unemployment and underemployment. He assumed 300 days in a year as full employment norm for all the workers in the age group of 14 to 60 years. He concluded that farmers of these villages could be employed in agriculture only for 46 per cent days during the year.

Krishna (1973)\textsuperscript{82} conducted a study in 4 villages of Rajasthan on the basis of data relating to 487 male workers to estimate the extent of unemployment by using three criteria i.e. time, income and willingness. Workers who were gainfully occupied for less than 36 hours in the week were defined 'idle', worker earning an income of less than Rs.60 per month were defined as poor and workers who were willing to work more in prevailing conditions were defined as 'willing'. He concluded that poor (i.e. 33 per cent) were clearly more numerous than the idle (i.e. 28 per cent) and willing (i.e. 14 per cent). Those who were idle as well as poor were only 12 per cent. Less than a fifth of the poor and less than a third of idle were willing to work more. He further showed that those who were idle, poor and willing were only about 5 per cent of total male working force in these villages.

Agro Economic Research Centre (1975)\textsuperscript{83} conducted a study of 1095 sample households; scattered over eight tribal villages in to the Development Blocks of Chhindwara district of Madhya Pradesh. This study revealed most of the farm holdings did not offered adequate employment and income. The people always look for far-off farm employment opportunities. Some agricultural and non-agricultural employment was locally available either on larger holdings and other public works. The sample households availed employment for 9348 days in agricultural wage work, for 1120 days in non-agricultural activities and for 1934 days in public works. Among migratory labour force there were 16 families with 30 workers having farms less than
10 acres and 13 families with 14 workers having farms less than 10 acres. The total employment days for 44 workers come on 41 days per workers.

**Mitra (1976)** conducted a study in Ferozpur district of Punjab to estimate the surplus labour in agriculture based on the data collected from Economics of farm Management for the year 1967-68 to 1969-70. By assuming a worker would work 8 hours in a day, he concluded that the surplus labour in the agricultural sector of the district was 20.57 per cent, 20.04 per cent, and 17.16 per cent during the year 1967-68, 1968-69 and 1969-70 respectively. He further concluded that the extent of the total seasonal surplus in all farm size groups in that area was 85.79 and 73.73 during the years 1968-69 and 1969-70 respectively.

**Gupta (1976)** concluded a study with a view to analyze availability of the productive assets as well as their distribution among the different sections of the tribal population of Dharmpur Block in Gujarat. The required information has been collected from a sample of 106 households scattered over six villages. He concluded that landless workers found employment for 159 days in a year, marginal size of holding groups for 183 days, small holding group 190 days, medium holding group for 207 days and the workers falling on the large size of holdings found employment for 165 days in year. He remarked that the household incomes were more closely related to the level of employment than the size of holdings.

**Bardhan (1977)** studied the changes in the composition of rural work participation and the distribution of employment at the micro level. He concluded that there was a genuine decline in worker participation rates between 1961 and 1971, and the decline has been more drastic in the rural area than in the urban areas and among rural women in particular. The decline in rural worker ratio was rather uneven regionally and occupationally. It was relatively less in Kerala and more in the western States. The change in the occupational distribution was very significant. While there was a large decline in the proportion of workers self-employed
and engaged as unpaid family worker in cultivation, proportion of working as agricultural labourers went up considerably.

Mishra (1978)\textsuperscript{87} conducted a study on employment creation in rural areas with a view to show how poverty and inequality may be reduced with the process of employment expansion. He concluded that the process of employment creation depends on the approach of planning by putting stress on the expansion of consumers and wage good sector and labour oriented development programs and schemes. The process of employment generation made possible by integrating it into the socio-economic conditions of production in the institutional setup of the economy but also reduce poverty by strengthening the resource base with assets.

Royappa and Grover (1979)\textsuperscript{88} made an attempt to study the employment planning for scheduled castes and scheduled tribes in India. They concluded that the level of literacy among the scheduled groups was very low and these scheduled groups own very few assets. The nature of activities the worker were engaged in, were more traditional and less remunerative among the tribals. The Census data indicated that work force participation rate was higher among scheduled groups. It had also been concluded that person belonging to weaker sections in general and scheduled castes and scheduled tribes in particular did not require additional employment except in the case of marginal workers. Provision of seasonal employment may be relevant in certain cases. But provision of new employment opportunities may be more relevant aspect of the problems. Moreover, majority of these new employment opportunities should be confined to agriculture, agro-based industries, cottage industries and forestry etc.

Rathore and Singh (1980)\textsuperscript{89} analyzed the employment pattern of rural woman in livestock rearing in Himachal Pradesh. They concluded that the proportion of time devoted to crop production and livestock rearing by farm women worked out to be 24 and 73 per cent respectively. The participation of women decreased with an increase in income and status of family which was largely determined by farm size. Animal husbandry in the hills could be
made profitable provided livestock development program, must profitable provided livestock development program, must include breeding and supply of animals suited to the local conditions, range management, pasture development, fodder production, etc. At present a good amount of the family labour time was used in tending of cattle which keeps the female members busy throughout the year. This was mainly because of lack of alternative employment opportunities. Therefore, emphasis should be given to the development of suitable rural works programmes in the hill areas. Also appropriate labour intensive crop technology be developed so that surplus labour can be gainfully utilized.

**Sirohi and others (1980)** conducted a study on the possibilities of increasing income and labour employment through the introduction of poultry and diary enterprises, of increasing income and diary enterprises, based on the data pertaining to a sample of 72 farms in Union Territory of Delhi by using linear programming technique. They concluded that with liberal credit facilities and resource optimization, the poultry and dairy enterprises increase the labour employment substantially besides augmenting income on marginal and small farms. The largest increase in labour utilization was noticed in the case of marginal farms followed by small and medium farms.

**Rath (1980)** stated that the 'time criterion' of measuring unemployment has been considered particularly useful and relevant in the control of Plans to relive rural unemployment and underemployment. By used the data of farm Management Survey for the period 1954-55 and 1970-71 of the two adjacent districts of Maharashtra, Akola and Amravati. He concluded that the usual method of applying the 'time criterion' for the measurement of unemployment in rural area resulted in the under estimation of extent of underemployment. He stated that 77 per cent of the days of the year were spent in the productive work by the male workers in the two districts, out of which 28 per cent was spent in only looking after farm cattle, the other farm, non-farm and wage work together accounted for only 49 per cent of the whole year. He suggested that probably a large proportion of the days
spent exclusively in looking after livestock was more in the nature of doing something since there was nothing better to do. According to expert committee, all these days have been counted as (full) days spent in attending cattle. If however, one follow the current method of the National Sample Survey (NSS) of measuring intensity of work by computing 4 hours or less as half a day and more than four hour as a full day, then this work will appear to occupy only 81 per cent (instead of 28 per cent ) of the year . It is difficult to say how the farmers have characterized the residual 7 per cent times – as unemployment, domestic work and/or mixture of the two. He further stated that the NSS data relating to self-employment in household enterprises farm and non-farm are available in aggregated form information relating to even the broad categories, of farm work are not separately either wage labour or non-farm occupations are not covered. Hence, the studies based on this data also lead to underestimation of rural under employment.

Hanumantha and Grover (1980)\(^2\) on the basis of Census data, stated that work force participation rate in 1971 was informally lower than 1961 among the general population and the scheduled population as well as between males and females. In 1981 Census, the workforce participation rate (including marginal workers) was more or less close to the 1961. Generally workforce participation rates were higher among the scheduled tribes when compared with general population. This was also true to both males and females. This phenomenon of higher participation rate among scheduled tribes held true not only at the national level but also at the State and village level.

Yadav and Mishra (1980)\(^3\) examined the impact of the Tribal Development Programmers on Employment Income and Assets formation in Bastar district of Madhya Pradesh based on primary data collected from 50 families (25 beneficiaries and 25 non-beneficiaries) for the period 1974-75 to 1978-79. The employment opportunities of beneficiary and non-beneficiary families had increased during the period of study. They concluded that employment of beneficiaries had increased by 26.17 per cent against 13.40
per cent for the non-beneficiaries during the period of 1974-75 to 1978-79. During the same period more employment opportunities had been generated in almost all occupations. The increase in the employment opportunities in crop production accounted for 20.57 per cent, in case of beneficiaries against an increase of 5.05 per cent for the non-beneficiaries. The increase in non-farm employment was 33 days (i.e. 25 per cent) for the beneficiary families against 15 days (i.e. 9.79 per cent) for the non-beneficiary families. The total income of an average beneficiaries increased by 36.87 per cent while that of non-beneficiaries rose by 20.99 per cent. The farm income of the beneficiaries increased by 31.45 per cent, against an increase of 10.53 per cent in the case of non-beneficiaries. The non-farm income of the beneficiaries rose by 49.66 and 47.99 per cent respectively. The total value of assets of an average beneficiary family was Rs.8,782 in 1974-75 and it increased to Rs.9,554 in the year 1978-79 showing an increase of 8.79 per cent during study period. However, there existed scope to widen employment and increase opportunities to the tribal families by alerting certain programs.

Kushwaha and Thakur (1984) conducted a study on the extent of unemployment and underemployment in rural areas of Himachal Pradesh based on the primary data collected from 109 sample households by applying multi-dimensional approach. They concluded that the percentage of underemployed was the highest on the smallest size of holdings, and indicates a decreasing trend with an increase in the size of holdings. On the other hand, the percentage of seasonal unemployment was lower on the marginal holdings and higher on small and medium size holdings. Similarly Thakur (1984) worked out the inequalities in the distribution of income and consumption expenditure of 109 sample households of rural Himachal Pradesh. He concluded that 35 per cent of the population were sharing 20 per cent of total income, whereas, top 5 per cent of the population was sharing 20 per cent of total income. On the other hand, about 70 per cent of the population was spending about 60 per cent of the total consumption expenditure on food items. Thakur concluded that the value of the poverty
estimates with the head count ratio, Gini Co-efficient and Sen's measure of 1973 and 1976 was 61.15, 19.40, 29.24 and 27.02 per cent respectively.

**Bhalla (1987)** conducted a study on the employment and the distribution of land and other productive assets in agriculture. He concluded that Haryana, Madhya Pradesh, Punjab and Rajasthan belong to low labour absorption as compared to Andhra Pradesh, Bihar, Orissa, Tamil Nadu and West Bengal. Because of change in labour intensity, change in area and cropping pattern, there was rise in total employment in all the states except Madhya Pradesh and Tamil Nadu.

**Paul (1993)** examined the temporal and regional variations in the level of unemployment in India by using NSS 32nd and 38th rounds Survey data on unemployment and employment, with the help of person rate of unemployment (PRU), time rate of unemployment (TRU) and the Index (I). He concluded that all the measures of unemployment except PRU showed an increase in the level of unemployment in 1983 over 1977-78. The level of unemployment in the rural sector was lower than the urban sector. The level of unemployment among female was higher than the males in both the sectors, showing that the job opportunity for females were relatively less than the males (34 per cent in rural sector and 23 per cent in urban). About 18 per cent of total labour force was found to be underemployed in 1983. The agricultural and non-agricultural labour households contributed about 70 per cent total employment in the rural sector. He further concluded that agricultural productivity and the percentage share of wage-based households in labour market were found responsible for inter-state variations in the level of rural unemployment. In the case of urban sector, the percentage share of self-employment households in labour force was single important determinant of inter-state variations in the level of unemployment.

**Thakur, Chaudhary and Singh (1993)** conducted a study on the relationship between employment and wage productivity of agricultural labour on different size groups of farms in developed and underdeveloped
agriculture based on primary data collected from 200 sample households of 4 villages from 2 blocks of two district in Bihar. They concluded that there were comparatively more opportunities for human labour employment in developed agriculture. Among the different size group of farms, per worker employment generation was comparatively higher on small size group of farms than landless, marginal and large households, indicating potentiality of small households in the generation of employment through agriculture and allied activities. The service employment was comparatively higher on larger household and lower on smaller households indicating poor access of the worker section of society to service employment.

Unni (1996)^8 conducted a study on non-agriculture employment and rural livelihood. She concluded that the return to labour productivity in non-agricultural sector was relatively higher than agriculture sector. She also suggested the continual shift of the male workforce in rural area to non-agriculture sector. Further she argued that the non-agriculture activities have a positive impact on rural livelihoods in various ways but it increases the degree of inequalities in the distribution of rural income.

Kundu (1997)^9 conducted a study in order to know the trends and types of employment for males and females in urban and rural areas at national level based on secondary data. He observed a decline in work participation rate of adult males and increase in share of women in work force, particularly in urban areas. He also observed that during study period percentage of work force in agriculture has gone down both for male and female in rural and urban areas. In manufacturing, Percentage of workers has gone down in urban area but for rural area this remained more or less constant. The share of construction workers has increased both in rural and urban areas.

Krishana (2002)^10 discussed some aspects of agricultural growth, employment and poverty in India. He concluded that the slow growth of rural non-farm section failed to create sufficient jobs for employing the large surplus agricultural labour and suggest for reorienting policies for the growth of non-farm sector which is essential for long term poverty alleviations. Large number of the rural poor, particularly in the marginal
environment survived at the brink of subsistence depending upon uncertain employment and meager wage. The real challenge lies in increasing their purchasing power by expanding remunerative employment. However it is widely accepted that India need an agricultural growth rate of 4.02 to 4.5 per cent in order to significantly reduce poverty. At this growth rate agricultural development would diversify into animal husbandry, dairying, fisheries, floriculture, horticulture etc. This would spur the growth of agro-processing industries in the rural areas helping to meet the domestic as well as an export demand. He suggested that the strategy combining the promotion of agricultural growth, productive non-farm employment and high level of social development would be needed to trigger of labour intensive growth in the rural areas. Poverty alleviation programmes should be beyond their present minimal concern of providing productive safety nets. It is desirable that a new set of measure for human development is placed on the national agenda with local institutions and labour union taking the initiative for their effective implementation.

Bhanmik (2003) examined the magnitude and growth of unemployment in India following the adoption of economic liberalization/reforms policies. The main source of data in this study has been the surveys on employment and unemployment as conducted by NSSO. He concluded that there was significant increase in the number of unemployed in all India in the post economic reforms period. The segments of the labour force (male/female) representing rural areas suffered relatively more in term of increasing unemployment during the post reforms period in India. He suggested that there is an urgent need for more active intervention by the government towards employment promotion since the problem of unemployment in India could not be addressed adequately through attainment of higher economic growth alone under the regime of economic liberalization.

Sharma and Thakur (2005) conducted an empirical investigation of 200 sample households based on primary data, with a view to estimate the disparities in the distribution of household assets and resultant pattern of employment and income among Gaddis of Kangra district in Himachal
Pradesh. They concluded that there existed high concentration of land in the hands of few and as a result of it, small and uneconomic sizes of holdings are widespread among the Gaddis in Himachal Pradesh. This has led to low utilization of land, labour, low earnings, inadequate consumption and unequal distribution of household productive and durable assets resulting in disparities over a wide spectrum.

Sharma (2007) conducted a study on the Labour utilization pattern and unemployment among 200 Gaddis sample households on the different size of land holdings scattered over 8 villages selected randomly from 2 development block of Kangra district in Himachal Pradesh. He concluded that there existed wide variations in the employment opportunities among the sample households. The better of household were engaged in gainful activities on their own farms, whereas, the poorer one were suffering from involuntary unemployment and underemployment, the magnitude of which was very high among the households from both the marginal and small size of land holdings. Therefore to increase gainful employment opportunities to the sample household, the planning strategy for rural development should be judicious mix of beneficiary oriented programmes, human resources development infrastructure development and effective implementations of the gainful employment generating policies and programme according to the needs and requirements of unemployed workers.

Mukherjee and Majumder (2011) conducted a study on occupational pattern, wage rates and earning disparities in India. They concluded that the Inequalities in livelihood among socio-economic groups are caused by disparities in job availability, type and sector of employment and earning there from and transcend the boundaries of current generation through their impact on capability formation. Their conclusion explores issues of occupational distribution, wage rates, and total earning in the Indian labour market over the last decade across social classes, regions, and gender and job types. The relative roles played by discrimination during entry and wage setting and that by endowment in explaining the occupational and earning disparities have been examined through decomposition technique. The
findings suggest increasing disparities in recent times caused by both Discrimination and endowment gaps.

2.5 Review of Studies Related to Poverty and Inequality:

Bardhan and Minhas (1970)\textsuperscript{105} have attempted to assess the change in the incidence of poverty between 1960-61 and 1967-68 following by very different procedure. On the bases of income recommended by the study group i.e. Rs.240/- per annum for the urban area and the rural population, takes slightly lower figure of Rs.200/- per annum on the ground that urban cost of living trends to be somewhat higher at 1960-61 prices. Using the latter figure Minhas founded that between 1956-57 and 1967-68 the number of the poor people decreased from 173 million to 154 million, while the proportion of the rural population, declined from 52.4 per cent to 37.1 per cent. The number of the poor has fallen from 215 million in 1958-57 to 210 million in 1967-68, while the proportion declined from 65.0 per cent to 50.6 per cent using Rs. 240 per annum. He further concluded that the proportion of the population below a specified minimum consumption standard has decline steadily. Bardhan (1970) analyzed led him to opposite conclusion. Bardhan used a different minimum level of income of Rs.15 per capita per month for the rural area and Rs.21 for urban area at 1960-61 prices on the ground that rural prices were generally lower than the urban prices. Bardhan estimated that 38 per cent persons in rural areas and 44 per cent people in urban areas fall below poverty line. On the basis of the same minimum norms both for the rural and urban areas, Bardhan suggested that in 1968-69 (at 1960-61 prices) as many 54 per cent of the rural population and 41 per cent of the urban population fall below the poverty line. Thus Bardhan's time series profile of the rural and urban poor showed a sharp rise in the incidence of poverty over time.

Dhandekar and Rath (1971)\textsuperscript{106} had established a rural consumption expenditure among different size of holdings during 1960-61. They concluded that bottom 30 per cent of the rural population with per capita per month consumption expenditure less than Rs.15 accounted for 13 per cent of the total consumption expenditure. On the other hand, top 37 per
cent of the population with per capita per month consumption expenditure above Rs.21 accounted for about 76 per cent of the total consumption expenditure. The remaining 25 per cent households with per capita per month consumption expenditure between Rs.15 and Rs.18 spent about 11 per cent on consumption.

Bhatty (1974) conducted a study based on data collected by National Council of Applied Economic Research in a Survey during 1968-69, estimated the inequality and poverty in the rural India, with the help of Gini coefficient technique. He concluded that inequality in income distribution was found to be highest in Gujarat and lowest in Orissa. Income among cultivators was most unequally distributed and among agricultural labourers that least in all states except Punjab and Haryana. He further concluded that inequality in the distribution of per capita consumption expenditure was less than the inequality in the distribution of income in all states and all the three category of rural population. The poverty coefficient for the rural population was highest in Gujarat and lowest in Punjab.

Sandhu and Mahajan (1980) conducted an empirical study in order to estimate the key determinants of disparity in farm income of Batala Block of Punjab and Marh Block of Jammu and Kashmir in adopting the new Agricultural strategy (NAS). They concluded that large farmers gained much more than the small and marginal farmers. The contribution of farm size to inequality in farm income was 81.29 percent on the Batala farms and as much as 101.39 percent on Marh farms. Farm size was one of the most important factors responsible for causing disparity in farm income of small and large farms. They further stated that the degree of inequality caused by farm size was greater in Marh Block than that of Batala Block. It showed that the extent of farm income inequality can be reduced by redistribution of land in favour of small and medium farmers in marh block.

Mukherjee and Kishore (1982) conducted a study on poverty in Himachal Pradesh based on National sample Survey data of consumer expenditure for the year of 1973-74. They concluded that the value of minimum calories requirement (i.e. 2400 calories per person per day) come
out Rs.34.57 per capita per month and the percentage of the rural poor falling below this minimum has worked out to be 45.65 percent. The average total monthly consumption expenditure of these poor households has been worked out 49.14 per cent out of which 34.57 per cent was on the food-items and the remaining amount of Rs.11.60 accounted for non-food like fuel, light, cloth, health and education etc.

**Sharma (1982)** conducted a study on the rural poverty and inequality in Himachal Pradesh by applying the normative approach to the national sample survey consumer expenditure of 1972-73 (i.e. 2391 households) and 1973-74 (i.e. 368 households) by deflating/inflating the poverty line expenditure (the value of minimum calorie requirements i.e. 2400 calories per person per day) by the price rise or fall between 1972-73 and 1973-74, he worked out the value of poverty index (per capita per month) to be Rs.46.50 and 55.86 respectively. The extent of rural poverty on the basis of the value of poverty index during 1972-73 and 1973-74 had been calculated equal to 31.53 and 47.01 per cent for the two years respectively. He concluded that the co-efficient of the concentration of the consumer expenditure to be 0.288 and 0.289 per cent for the year 1972-73 and 1973-74 showed a relatively less skewed size distribution of consumer expenditure in rural areas of the state.

**Paul (1984)** conducted a study in Punjab based on the household level wealth data during 1970-71, to examine the occupation wise disparities in the distribution of wealth and consumption expenditure and relationship between the wealth and poverty between the rural and urban sector. He concluded that the wealth was more unequally distributed in urban occupations than in rural occupations and further wealth was more unequally distributed than consumption expenditure in all occupation groups. The relationship between wealth and poverty was found to be relatively weak.

**Khosla, Sharma and Bhatti (1985)** conducted an empirical investigation of Bharmaur sub-division in Chamba district of Himachal Pradesh, in order
to find out the nature and extent of poverty among the tribals. They adopted two criteria viz., (1) A Severe Index of Poverty and (2) Soft Index of Poverty. They concluded that according to 'Serve Index of Poverty' those households were deemed to be suffering from poverty who did not use tap water and electricity, they had inadequate living space (two persons or more sharing a room). They did not possess even one of the consumer durable, (i.e. Radio, Chairs, Tables, watches, Bicycles, Scooter, Motor-cycle etc.) and can either never afford to consume milk, egg, meat and fruits but could do so only occasionally. Among the sample households, 41 (i.e. 15 per cent of the sample households) possessed these characteristics. According to Soft Index of Poverty those households were poor which had inadequate living space (two or more persons sharing a room), which did not possess even one of the above consumer durables which could either never afford to consume milk, meat, and fruits or could do so only occasionally irrespective of the fact whether they use tap water and electricity or not. On the basis of this criterion 70 households (i.e. 25 per cent of the total) were found to be suffering from poverty.

Sharma (1985)\textsuperscript{113} conducted a study on the poverty in Himachal Pradesh. He worked out the population below absolute poverty line with the help of two criteria viz; (i) consumption criterion, and (ii) asset criterion. Converting minimum calories intake on 2400 per person in rural area and 2100 per person in urban areas into per capita consumption expenditure and the number of the persons below this minimum were considered below poverty line in the consumption criterion. By using the value of assets at Rs.2500 per household as the dividing line, he concluded that in the rural areas of Himachal Pradesh in its rural sector only 5.2 per cent households owned assets worth less than Rs.2500 each.

Sharma (1994)\textsuperscript{114} conducted an empirical investigation with a view to estimate the extent of inequalities with respect to the distribution of household assets, income and consumption expenditure by size class of holdings based on primary data collected from 200 sample households in
the tribal areas of district Kinnaur of Himachal Pradesh. By calculating the Lorenz ratios and Gini-coefficient he concluded that the distribution of household assets was highly skewed. The smaller farmers shared the lowest percentage of the total value of assets, income and consumption expenditure, whereas the large farmers enjoyed the lion’s share. By using the normative plus approach (i.e. the income needed to meet out the minimum food and non-food requirements) as well as the measures of related poverty (i.e. Head Count Ratio, Gini Co-efficient, Sen’s measure of poverty, 1973 and 1976) he worked out that the percentage of poor both in absolute number as well as in relative terms was the highest on the smallest size of holding groups and it indicated a decreasing tendency with an increase in the size of holdings. The per capita burden of debt has been estimated highest on the marginal size of holdings and it indicates a decreasing tendency with an increase in the size of holdings. He pointed out that the household falling on the smaller size of holding have taken loan mainly from the village money lenders at a very high rate of interest especially to meet out their non-productive domestic requirements viz household consumption, treatment of prolonged illness, expenses on religious and marriage ceremonies etc. and as a result of it these household fallen into debt trap; where as contrary to it the household falling on the larger size of holdings have taken loan mainly from banks at low rate of interest in order to make investment in productive activities, which further multiplied their household income. Finally he stated that the anti poverty programmes which have been implemented in order to reduce the disparities between the tribal ‘poor’ and ‘not poor’ proved their functioning contrary to the objectives and expectations is the most better of household benefited the most and worse of benefited the least under the Poverty alleviating programmes. But due to sharp variations in topography, climate and socio-economic conditions and characteristics between the tribals and non-tribals of Himachal Pradesh, the empirical findings of this study cannot be applied with hundred percent precision to the state as a whole in general and to the non-tribal areas of the state in particular.
Dev (2000) examined the impact of economic reforms on poverty, income distribution and employment. He confirmed that in the post reform period, rural poverty reduction has been checked on the other hand urban poverty recorded a significant decline in the 1990s. The inequality in consumption distribution was higher in the post reform as compared to pre-reform period. In the 1990s poorer states like Bihar, Madhya Pradesh, Rajasthan, Uttar Pradesh and Orissa have not shown reduction in poverty while richer state like Andhra Pradesh, Gujarat, Karnataka, Kerala, Maharashtra, Tamil Nadu, West Bengal and Punjab recorded a decline in poverty. The states, which have high employment elasticity and/or high labour productivity in agriculture, were able to reduce poverty during the period 1983 to 1993-94. The second generation of reforms should concentrate more on agriculture growth and rural infrastructure. The impact of direct programmes seems to be modest in a normal year. However these programmes have relevance even now. There is a need for involving panchayats and NGOs, Self help group community based organization of strengthening government employment programmes. For poorer states the per capital expenditure in education and all social services declined considerably in the post 1991 period while rich state have not shown any decline in education expenditure. There is also need for developing local level institutions for helping the small and marginal farmers and landless labourers as grown process has marginalized some of these sections of the society.

Thakur and Singh (2006) conducted a study on the absolute poverty among the different socio-economic groups in the rural areas of two districts of Himachal Pradesh based on primary data collected from 250 sample households. They concluded that the percentage expenditure on food-item showed a decreasing tendency whereas, the percentage expenditure on non-food items showed an increasing tendency with an increase in the size of holdings on the different socio-economic groups of different size class of holdings. The percentage of poor was the highest among the smaller holding groups as compared to larger holdings groups mainly due to the lack of productive assets, meager household income higher burden of debt
payments, higher illiteracy and dependency ratio lack of gainful employment opportunities etc. They further concluded that the percentage of poor was the highest among the scheduled caste household on account of their inferior and smaller size of land holdings; dependence mainly on casual wage work, engaged in low paid occupations, higher illiteracy and dependency ratio etc. which resulted into higher percentage of poor among these households as compared to general caste and scheduled tribe household in the rural area of Himachal Pradesh.

Sharma and Sharma (2007)\textsuperscript{117} conducted an empirical investigation on disparities in the distribution of household asset and resultant pattern of income in the low hill zone agrarian economy of Himachal Pradesh based on primary data collected from 296 sample household on the different size of holding of 27 villages scattered over 9 Panchayats selected randomly from the three development blocks of Una districts of Himachal Pradesh. They concluded that there exists high concentration of land in the hand of few and as result of it small and uneconomic size of holding are widespread in the low hill zone agrarian economy of Himachal Pradesh. This has led to low utilization of land, labour, low earning, inadequate consumption and unequal distribution of household productive and durable assets, resulting in disparities over a wide spectrum. Therefore, in order to reduce the inequality in the distribution of household productive asset and household income of the poor household, planning strategy for rural development should be judicious mix of beneficiary oriented programmes, human resources development through increased availability of productive assets skill formation and gainful employment opportunities.

Himanshu (2007)\textsuperscript{118} conducted a study on recent trends in poverty and inequality based on 61 round data from the NSS Report. His preliminary estimates from the published reports of the 61\textsuperscript{st} round of the National Sample Survey suggested that while poverty did reduce during 1993-2005, the annual rate of reduction in this period was lower than in the 1970s and 1980s. More importantly, the bulk of this decline occurred in 1999-2005,
with little or no reduction in poverty in 1993-2000, confirming the earlier consensus that the 1990s were indeed the last decade for poverty reduction. He concluded on a mutually comparable basis. Uniform Reference Period (URP) poverty from Consumer Expenditure Survey (CES) has come down in all the state between 1993-94 and 2004-05, but the annual poverty reduction is slower than in the previous decade of 1983 to 1993-94. Indeed poverty reduction after the early 1990s has been slower than in the 1970s or 1980s. Second he concluded that poverty seem to have reduced sharply between 1999-2000 and 2004-05. Although further analysis is required with Mixed Reference Period (MRP) data from the 61st round consumer expenditure survey (CES) when this become available, the two conclusions above imply that there actually very little poverty reduction between 1993-94 and 1999-2000.

Jayadev, Moti Ram and Vakulabharanam, (2007) conducted a study on the pattern of wealth disparities in India during the liberalization era. They used micro data from the All India Debt and Investment Survey (AIDIS) (in 1991-92 and 2002-03) collected by the National Sample Survey Organisation (NSSO). They focused on two different measures of wealth: household per capita net worth and household per capita assets. They concluded that there have been increased in wealth levels in the country across virtually all groupings, accompanied by a small but perceptible rise in the level of interpersonal wealth inequality, whether examined by summary measures such as the Gini-coefficient or by Central shares of wealth. They further concluded that there has been sharp difference in the growth rate of wealth holdings in the middle and upper income states on the one hand and poor state on the other, suggesting divergence in wealth outcomes. Faster growing states have seen large increase in wealth inequality. Finally, there are large difference in the level of wealth holdings according to socio-economic categories.

Dev and Ravi (2007) conducted a study on Poverty and Inequality on all India and state from period 1983-2005, with published data available from
61st round (2004-05) of the National Sample Survey. They concluded that in spite of higher overall growth, the extent of decline in poverty in the post reform period (1993-2005) has not been higher than in the pre-reforms period (1983-1993). Secondly inequality has increased significantly in the post reform period and seems to have slowed down the rate of poverty reduction. However changes in poverty in the two sub-periods of the post reforms era, based on mixed reference period data from the National Sample Survey, showed that the extent of decline in 1999-2005 seem to have been higher than in 1993-2000.

2.6 Review of Studies Related to Rural Development Programmes:-

Yadav and Mishra (1980) examined the impact of the tribal development programmers on employment, Income and Assets formation in Bastar district of Madhya Pradesh during 1974-75 to 1978-79 based on the data collected from 25 beneficiary and 25 non- beneficiary families. They concluded that the employment opportunities of beneficiary as well as non-beneficiary families had increased in all the occupations during the period of study. The employment opportunities in crop production accounted for 20.57 per cent in the case of beneficiaries and 5.05 per cent in non-beneficiaries case. The increase in non-farm employed was 20.25 per cent for beneficiary and 9.8 per cent for non- beneficiaries families. The farm income of the beneficiaries and non- beneficiaries increased by 31.45 and 10.53 per cent and the non- farm income increased by 49.66 and 47.99 per cent respectively. The total average beneficiary increased by the 36.87 per cent while it increased by 20.99 per cent in case of non- beneficiaries. The total value of assets of an average beneficiary family increased by 8.79 per cent during the period. They suggested that by altering certain programmes, there has been further scope to employment and income opportunities of tribal families.

Khanna and Subramanian (1981) conducted a study to review the progress of the Antodaya Programme started by Rajasthan Government in mid 70's based on data collected from 50 beneficiaries chosen randomly
from two blocks in 1981. They concluded that only a few families could improve their conditions through a large number was assisted. The scheduled castes and schedule tribe’s were benefited much, though the beneficiaries were selected irrespective of their cast and religion.

Narayananmoorthy (2001)\textsuperscript{123} made an attempt to study the incidence as well as extent of indebtedness among the agriculture labour households belonging to scheduled cast by using the state wise cross section data pertaining to five time points (1974-75, 1977-78, 1983, 1987-88 and 1993-94) available through Rural Labour Enquiry Reports. The study covered the 17 major state of India. He concluded that the share of institutional debt in the total debt of scheduled cast agriculture labour household was increased from 5.76 per cent in 1974-75 to 30.10 per cent in 1993-94. Similarly the share of debt for productive purposes to the total debt of same group has also increased from 8.81 percent to 21.63 per cent during the same period. While the incidence of indebtedness has declined between 1974-75 and 1993-94 in most of the states, the same was found to be higher than the national level average among the agriculturally advanced states at all time points. The average amount of debt had increased from Rs. 556 in 1974-75 to Rs. 860 in 1993-94 at the nation level. It appeared from the analysis that the extent of indebtedness of agriculture labour household was higher in those states that had higher percentage of landless labour household.

Puri (2006)\textsuperscript{124} examined that National Rural Employment Guarantee Acts is a revolutionary step for Indian poor. Since independence, it was being demanded that right to work should be included in the list of fundamental rights. It was a matter of concern for all governments that in spite of their best efforts, the problem of unemployment and poverty never came under control. It is noteworthy that a large number of rural youth have been migrating to the cities since independence. Therefore NREGS is being implemented to enhance the livelihood security of people in rural areas by generating wage employment through works that develop the infrastructure base of the area. The objective behind this is to rejuvenate natural resources
to stimulate the local economy and to stop local population from migration to the cities.

CAG (2007)\textsuperscript{125} has been a spate of comments mostly critical following an audit of the National Rural Employment Guarantee programme by the Comptroller and Auditor General of India. This audit has revealed several weaknesses of this anti-poverty programme as well as huge leakages. For example, a bare 3.2 per cent of registered households in 200 of India's poorest districts managed to get the guaranteed 100 days of employment in a year. The average employment provided was 18 days per needy household.

Rao (2008)\textsuperscript{126} conducted an exploratory sample case study in Raichur district of Karnataka and Anantpur district of Andhra Pradesh in May-September 2007 to assess the process of implementation of NREGS. Data observed that in Anantpur district on the average only about 40 per cent job card holders applied for work and of them only 5 to 6 per cent worked for 100 days during the last two years of implementation of NREGS. The irony is that in Anantpur district as a whole more than 40 per cent labour got their wages after four weeks, registered most delayed district in the state. In contrast, in Karnataka, the decline in demand for work from registered card holders in 2007-08 to mere 10 per cent in Lingsugur Block indicated that the NREGS has came to a grinding halt in Raichur district. There is no activity at work sites in the district particularly in sample villages during 2007-08. The evidence indicated that three factors – awareness, enthusiasm among the officials and use of information technology are the key factors for the effective implementation of the NREGS in the sample districts. The study concluded that in a country where swathes of rural territory are under mono crop cultivation with high seasonal unemployment which drives them into the arms of moneylenders and ultimately into the mire of debt-trap – this act can provide much needed succor.

Ghosh (2008)\textsuperscript{127} conducted a study based on the result of the social audit process which took place in Jharkhand state for social audit and mass hearing exercise in may 2007. He suggested that social audit is an effective
tool which returns to the poor and deprive people its right of ownership along with democratic awareness. He highlighted various shortcomings in the implementation of the scheme and suggests that social audit is such a process which promotes awareness and also ensures peoples participation. For ensuring transparency and accountability, people's involvement is must and it will trickle down to lower levels only when the process of social audit is adopted and done through citizens groups and Gram Sabhas. Finally he suggests that the process of social audits should be done on regular basis and the rural people should involve themselves fully in it for verifying the schemes.

**Appu (2009)** examined that despite all its failings and shortcomings NREGA has proved to be a boon to the rural poor. It is now necessary to expand and re-orient the scheme in the present context. He suggested that the need of the hour is to bring some fundamental changes in NREGS. The present approach aimed at providing immediate employment should yield place to be a systemic well-planned and well coordinated efforts. He recommended that for the better and effective implementation of the schemes National rural development board clothed with statutory powers should be set up. It should be a lean organization responsible for policy planning and overall guidance. Secondly, he suggested that because Block Offices has a central role in the scheme, therefore Block Development Officer should be of a higher caliber. Finally, young officers should be recruited for a fixed periods.

**Ambsta (2009)** examined that NREGS acquires great significance as it marks a historic opportunity for pushing ahead with governance reforms in rural India. He suggested some important points for the better and effective implementation of NREGS. He suggested that human resource development, better use of information technology, independent evaluation, social audit and effective grievance redress can begin to make NREGS perform to its potential. He also suggested that to perform all these function a national authority for NREGS (NAN) should be set up as an autonomous body. The
function of coordinating the implementation and monitoring of the
programme by the states would remain with the department of Rural
Development, as at present. Finally he suggested that for evaluation and
social audit a separate department should be established free from the
executing department.
REFERENCES


125) For detailed see CAG Audit in *Economic & Political Weekly*, January 26, Bombay, 2008.


