CHAPTER VII

MAJOR FINDINGS, SUGGESTIONS AND CONCLUSION

The present study which looks into the poverty levels among the selected farming communities has been attempted to analyse the living conditions of the marginal farmers and landless agricultural labourers, to assess their location and season based poverty levels, and to identify the indicators of their living conditions in the sample villages in the selected Madurai District in Tamil Nadu. A sample of 400 households (200 marginal farmers and 200 landless agricultural labourers under irrigated and unirrigated conditions) were randomly chosen. Data was collected from secondary and primary sources. Emphasis was given to analyse the living conditions, inequality in levels of living, poverty, levels of poverty and indicators of poverty among the selected farming household operating at the grassroots level. Analysis and discussions were carried out with the application of statistical tools like coefficient of variation, Gini ratio, Lorenz Curve. The major findings that emerged from the analysis and discussions are presented here:
A. Levels of Living - Marginal Farmers and Landless agricultural Labourers:

The living conditions of the marginal farmer households under irrigated conditions are in a relatively advantageous position than those of their counterparts under unirrigated conditions in terms of indicators of living like (a) level of education, (b) number of supporting dependents, (c) level of employment, (d) household income, (e) consumption expenditure on clothing, education, recreation, festivals and rituals, and (f) assets and livestock possession. However, both the categories of the marginal farmer households have similarities in having a high propensity to consume and lesser days of employment, and this could be attributed to the seasonal operations in agriculture.

The analysis of the living levels among the sample landless agricultural labourers revealed that the living conditions of the landless agricultural labour households under irrigated conditions are comparatively better than those of their counterparts under unirrigated conditions in terms of the indicators of living like (a) level of employment (b) household income, (c) number of supporting dependents, (d) level of education, (e) consumer expenditure on
clothing, education, recreation, festivals and ritual and (f) assets and livestock possession. It is found that irrigation is one among the many factors contributing to the difference in their living in terms of (a) the size of their families, (b) level of illiteracy, (c) willingness to work, (d) a higher propensity to consume, (e) a lesser propensity to save and (f) lesser days of employment.

In sum, it is found that there exists variations in the levels of living among the two selected farming communities. It is also found that the marginal farmer households' levels of living are relatively better than the living levels of the landless agricultural labourers. The main reason for such a variation is possession of land by the marginal farmers.

B. Identification of Poor by Poverty Levels and Indicators of Poverty:

By applying the poverty identification criterion (Rs. 6400 annual income per family of average size 5) to the sample households, it is found that a majority of the farming communities 356 (89 percent) have been identified as poor and the rest of them 44 (11 percent) have been labelled
as non-poor. It is also found that the incidence of poverty was greater (100 percent) among the landless agricultural labourers than among the marginal farmer families. In the case of the marginal farmers, only 66 percent of the families under irrigated conditions and 90 percent of the families under unirrigated conditions live below the poverty line. Further it is revealed that the inequalities in income are more among the identified poor families and particularly, high income inequalities are found among the landless agricultural labourers and marginal farmers of unirrigated conditions as revealed by the results of the application of Lorenz Curve and Gini-Ratio techniques. This variation in the incidence of poverty among these two farming communities is attributed to (i) the landlessness of the labour households, (ii) their limited sources of income, and (iii) lack of education and specific skills.

Again, a further analysis on the incidence of poverty based on locations and seasons among the sample households brought out the variations in the incidence of poverty among them. It is found that poverty is widely prevalent in unirrigated conditions particularly among the agricultural labourers (100 per cent) than in irrigated conditions (83 per cent). It is also noticed that even among the same group
operating under different locations, the incidence of poverty varies. It is found that the majority of the marginal farmer families (90) are identified as poor under the unirrigated tract, whereas the corresponding number of families under the irrigated tract is only 66. This could be mainly attributed to (i) availability of irrigation for agriculture, (ii) inequality in land possession and (iii) variations in their living conditions (due to variations in agriculture seasons which bring about changes in the levels of poverty).

It is found that the incidence of poverty among the sample households has increased by 15.75 percent due to variations in agricultural seasons (from cropping season to off-season). And this finding confirms the fact that the farming communities are "better off" during the cropping season and their condition is bad during the off-season. The major reasons for this "poor status of farming communities" are: (1) availability of less number of employed days due to off-season and (2) majority of the employment oriented government programmes are implemented during the agricultural season and not during off-season.

Further, as against the static line of poverty, an exercise on the refixation of poverty norms in tune with the
present price level revealed that the incidence of poverty among the farming community was the maximum at 99.50 per cent.

It is also found that there are variations in the levels of poverty among the identified farming communities, such as destitutes, very very poor, very poor and poor. A further analysis of the intensity of variations in their poverty levels, with the application of composite index on the indicators of poverty levels points out that the intensity of poverty levels among non-land based households under both irrigated and unirrigated conditions was found to be greater than the intensity of poverty levels among the land based farming households. It could also be noticed that even the degree of variation in the levels of poverty among the landless agricultural labour households is found to be greater than other households. These findings confirm that the landless agricultural labourers' lives have been punctuated by utter poverty and destitution.

It is found that the following are the important indicators of poverty levels identified among the selected farming communities. They are: (i) large family size, (ii) higher dependency ratio, (iii) less number of employed days,
(iv) poor housing conditions, (v) illiteracy and education up to higher secondary level and prevalence of educated unemployed, (vi) higher level of consumption expenditure (vii) greater percentage of propensity to consume, and (viii) low per capita income.

Policy Implication:

The prevalence of poverty is very extensive in the rural areas and intensive among the marginal farmers and landless agricultural labourers and eradicating it cannot be brought about by a single solution alone. It requires a complex system of inter-locking policies. The following policy implications emerged out of the study.

A. A rural development package must include improvement in irrigation facilities specifically minor irrigation facilities, provision of credit and subsidies, market-support facilities, land development, and education and expansion services. For a realistic rural development, reduction of poverty must be the first step, and this can be achieved through three broad tasks.

Firstly and importantly, wide and sectoral economic policies must encourage rural development including wage
employment generation. Experience and analysis indicate that this requires moderate taxation of agriculture and relatively undistorted product and factor markets. It also requires public provision of infrastructure and an environment that makes technical change accessible to small farmers and poor farm based families.

Secondly, specific policies are which will ensure the development of the poor by facilitating their access to land, credit, and public infrastructure and services. Land transfers may also reduce poverty, but they succeed which other policies to increase and secure the access to basic needs are implemented. Subsidized credit programmes have failed to reach the poor, but approaches such as group lending offer a promising alternative. Flexible programmes that involve the intended beneficiaries, build institutions, employ non-governmental organisations and local group, and respond to the local needs are the best way of moulding infrastructure, services, and technology to the needs of the poor.

As such, resource-poor regions, where poverty and environmental degradation are interrelated, need a different approach. Since the potential for growth in these regions is limited and the population is increasing, policies that
facilitate out-migration are essential. But in many of these regions additional investment, which is likely to require government subsidies, will still be necessary to meet the basic needs, maintain or increase yields, and preserve natural resources.

B. Different authors have used different norms for measuring poverty, and the results of such studies have made the concept of poverty a confusing one. Framing policies based on such measures could not yield the desired results. Hence, it is necessary to fix a composite norm taking into consideration the regional, seasonal, social and economic variables for identifying the poor, studying the levels of poverty and formulating programmes for them. The strategies and policy measures developed should be an integrated one to improve the different variables so as to lift the poor above the poverty line. The individual approach will not help in solving the problem of poverty.

C. The agricultural sector in rural India suffers from all kinds of unemployment, particularly disguised unemployment among the marginal farmers and landless agricultural labourers. This excess labour force in the farm sector needs to be shifted to more remunerative and durable non-farm
activities. Employment oriented farm and non-farm development strategy should pay attention to stepping up cropping intensity, irrigation facilities, use of high yielding varieties of seeds, use of fertilisers, insecticides, pesticides and adoption of modern agricultural practices and implementation of minimum wages apart from emphasis on women education would solve the problem of the marginal farmers and landless agricultural labourers considerably.

D. The speedy implementation of effective land reforms and provision of quality inputs to the marginal farmers and landless agricultural labourers will have a positive impact on farm employment.

E. Creation of more wage employment including off-farm wage employment (since Anna District, originally part of Madurai District is being considered for non-farm sector employment generation, including Horticultural Estate, viable bank schemes could be generated for absorbing more labour. Serious thought must be bestowed in this area) and more employment days during the off-season, specifically between January and June, would be another important step. The compensatory public expenditure exercise of the government to create jobs for the suffering could be taken seriously during this season. In fact, the Government departments may
not find it difficult to operate schemes involving money between January and March when the year-end unspent funds are available. But between April and June it is real hardship for the poor, as the Government departments would still be awaiting the budget sanction. Hence April to June is the critical period.

F. Provision of functional literacy to the aged, and education to the children of the families of the poor would go a long way in awareness creation.

G. Effective distribution of essential items (rice, maida, sugar, kerosene, etc.) to the marginal farmers and landless agricultural labourers in the rural areas is suggested for improving conditions, reducing poverty and promoting the welfare of the poor.

Conclusion:

There is no dearth of programmes specifically directed towards the poor for their upliftment. The Planning Commission has conceptualised a number of programmes under various heads of social consumption, minimum needs and employment and income generation. Still, the struggle to lift the poverty curtain is certainly the most formidable challenge
of our times and improving the living condition of the rural poor appears to be a major task. Against this backdrop, the varying levels of poverty must be looked at, not merely from the static poverty line angle but from a changing poverty band perspective. This would also help the planners to identify poverty pockets location-wise and season-wise. As such a positive and affirmative action is needed to push up the people for a brighter life.