CHAPTER – 5

➢ PROBLEMS AND PROSPECTS IN SOCIAL MONITORING

➢ ACCESS TO PUBLIC GOODS AND SERVICES

➢ SOCIAL CAPITAL

➢ SLOWER STEADY PACE IN POVERTY REDUCTION
CHAPTER – 5

PROBLEMS AND PROSPECTS IN SOCIAL MONITORING

It is sometimes argued that it is not possible to make any headway against poverty with the present mixed or mixed-up economy system, thought it is possible to deal with poverty under either the pure capitalist or socialist pattern of the economy. It must be stated, however that the conquest of poverty is perfectly feasible within the frame work of a polity based as at present on a democratic set-up combining features of the socialist and capitalist systems. The assumption of a basic change in the political framework, is at any rate, a counsel of despair. Also, the pure capitalist assumption posits attainment of a growth rate of the economy, which if it is to percolate to the lower reaches of the economy inhabited by the poor, must be of an order and continuing for a period that are beyond the practical range of achievement.

As regards an action programme against poverty, the steady pursuit of economic growth must remains its sheet anchor. Economic growth in various developed countries is
known to have worsened economic inequality – and therefore, relative poverty over an initial period and promoted equality thereafter. But the evidence of economic development in developing countries during the last quarter century – inadequate as it is does not support the assumption that economic growth hinders alleviation of poverty indeed economic development furnishes the main sinews to the State by way of resources investment in programmes and projects to aid the poor. Besides, for the long term, a reduction in the proportion of population dependent on agricultural and other primary occupations with a corresponding increase in the industrial and tertiary sectors of the economy is a tested and proved strategy for improving average living standards and this is related to the general development and growth of the economy, which must, therefore, remain a main plank of the anti-poverty programme.

Through economic development, improvement in living levels and spread of education, especially female education, have been the best decelerators of population increase the serious threat posed by the population upsurge to the already
despicably low living standards the birth rate is observed to be higher among the poorer people—suggests the urgency of stepping up the tempo of the campaign for family planning.

It is necessary for reducing poverty to aim deliberately at better distribution of the benefits of growth by broadening the base of the productive process itself through providing the widest possible opportunities to the poor for participation in production, rather than rely on redistribution through fiscal transfers and welfare measures of income and wealth after these have been first produced under a system which fosters a high degree of inequality.

The point has been made that the composition of the GNP is at present weighted in favour of the ‘wants of the few’ and against the need of the many so as to make for shortages and high prices of essential articles of mass consumption at the same time as the demands of the relatively rich for luxury and semi-luxury articles are more readily and cheaply met, with over-capacity put up through over-investment for them. There is, indeed scope for allocating and re-directing more resources for increased production of necessary goods of
mass consumption. It is important, however, simultaneously to reinforce buying power for such goods through use of the productive system itself to generate more demand for them. Unless the two processes of increased production of essential articles of mass demand and broadening of demand for them are coordinated, schemes of compulsory regulation of production and re-diversion of demand into 'desired' channels are likely to belie the expectations held of them. Experimentation with successive standard cloth schemes should be enough warning about the need for more imagination in choice of goods for deliberate measures to increase production and supplies. The weight of subsidies on the economy is heavy already.

The general development of the economy and of industry and consequent reduction in dependence on agriculture are slow processes, the proportion of population dependent on agriculture having been static for a long time. The ability of large-scale industry and the organized sector to provide additional employment is also poor. The predominant numbers of the poor, again, being rural and agricultural, it will remain
necessary, for quite sometime, in order to improve the lot of
the poor and very poor to focus measures on improving
agriculture and agricultural production. These can provide vast
opportunities for more employment and better employment,
and therefore for additional incomes for the poor and for
increase in supplies of goods and articles which go to improve
the levels of living of the poor in real terms.

To make a visible impact on the real levels of living of the
poor it is necessary to push ahead with measures impinging
on the structure and organization of agriculture directed to
increasing the intensity and improving the efficiency of
cultivation, with more inputs, increased yields and greater
output. The structural aspects of needed agricultural change
include more earnest implementation of land reform
measures, more vigorous consolidation of fragmented
holdings and strengthening of the institutional framework for
reinforcing the position of small and marginal farmers
regarding their access to essential inputs and facilities e.g.
water, fertilizers, pesticides, credit and markets based on
recognition of the viability and high relevance for reliving
poverty of successful, small-scale agriculture. The trend of Governmental policy continued over a long period in this direction is thus very appropriate as is the redoubled stress on development of occupations ancillary and subsidiary to agriculture e.g. dairying and animal husbandry, poultry farming, forestry, fisheries and piscicultur. Against this background with the advantages of hindsight’s as it yields, what are the directions and lines of attack on poverty, which might help eliminate at least its worst forms within, say a decade and eradicate it by about the end of the century? Any nearer targets, though more alluring, are likely to be elusive.

First and foremost, the objective of eradication of poverty must be integrated with the goals of planned development, and acknowledged as its central and prime aim. It must be recognized, too, that attainment of this objective entails a continuing, relentless war, with a series of hard-fought battles against what is at once a scourge and malaise.

It follows that reasonable political stability and national consensus with continuity at the Centre and in the States of Governments willing to adhere to at least the main elements of
the programme for removal of poverty, all-be-it with flexibility in its design and strategy having a hard core of common content are a sine qua non of victory in the struggle against poverty, fruit growing, bee-keeping etc.

The building up of productive assets in the farms and the countryside affords considerable opportunities for additional work and employment in works such as minor irrigation and irrigation channels, bunding and terracing, land reclamation, soil conservation, link roads, community facilities like schools, hospitals etc. besides rural housing. The designs for such local works or housing have to be increasingly innovative and simpler and based on utilization of local materials and resources. Activities in the these directions have thus to be strongly supported by local R & D directed to enhancing employment generation and improving the effectiveness of contribution of rural infrastructure and rural public and community works to increase of national wealth and national income.

In general, for durable improvement in the conditions of the poor creation of productive work and employment
opportunities for building up income-generating assets, for which the beneficiaries are also willing to make, a contribution, is much more promising of results that employment in projects of the make-work type. Instances of the latter type of projects which are hastily got up without regard to their real and lasting worth or contribution to welfare of the community abound in pseudo local works which run down the drains with every successive rainy season.

Recent years have witnesseded a spate of schemes for betterment of the very poor and under-privileged. A few of them have made a notable impact. Among these are the employment guarantee scheme of Maharashtra and the Antodya scheme of Rajasthan and other States. These schemes have deservedly received much notice perhaps less for the results already achieved, which are yet provisional, than for their potentiality for wider application under proper conditions and safeguards for execution. These are a good deal of room for new initiatives, including by voluntary agencies for rural development. As in industry, the concept of an autonomously growing, cumulative process of
development, starting from small beginnings, is highly relevant, and the combined operation of science and technology and local R & D should be directed to developing techniques of making an integrated impact of various services, facilities and activities toward rural development for combating poverty, applied consistently and in a concerted way over an extended period.

Various types of approaches to rural development of the package and comprehensive kinds, more or less intensive of extensive in operation, have been experimented with. With the wide diversity in environment for rural development, there is room for different approaches. In all of them, however, it is vital for achieving permanent results, to ensure the participation and involvement of the local people, including in particular the poor themselves. This sounds platitudinous, as from the First Plan itself thirty years ago we have extolled the merit of planning from the bottom upwards, and nowhere has this been more relevant than in the sphere of works of local benefit. But practice has fallen far short of precept in this respect.
There is then the problem of effective administration and organization of programmes for the poor, alike of designing projects with a view to a specialized impact and of designing methods and procedures of operation and enlisting resources of leadership, commitment and dedication, so as to maximize the contribution of these programmes to rural development for relief of rural poverty. These may often no quick or short cuts to the goal, the way to which lies through difficult terrain.

Coincidently with intensified interest in agriculture, there has been a welcome shift in policy towards small industry, including the cottage and handicraft types of industries, which are to be developed in a big way Small and large industries are often viewed as alternative, competitive approaches, both for income and employment generation. And so they are in good part. The competitive aspect keeps the two sectors on edge and is important to guard their efficiency. Equally important, however is their complimentarily, each sector having its contribution to make to meeting mass consumer demands and both having a role to play in economic
development and growth for keeping poverty at bay? Profile of
the poor: poverty of resources access and relationships

Conceptually, poverty is a result of low levels of assets, coupled with low returns on these assets. Almost by definition, the poor have very few assets to draw on beyond their own labour. In addition to bring deprived critical material assets such as land, they also lack education skills and good health. In this sense they can be said to suffer from poverty of private resources. In addition, the poor have limited access to such public assets such as community infrastructure, basic services and government programmes. In this sense they suffer from poverty of access to public foods and services. Finally, they are often deprived of informal systems of support and social and political capital – a poverty of social relationships. Policy-makers must take all these deprivations into account in order to combat poverty in the state.

Private, public and social assets

Labour is the most important and abundant asset of the poor. However, it provides the overwhelming majority of those living below the poverty line in UP with only tedious.
breaking, low-paid jobs with to permanent tenure. In consultations with the poor, better jobs-especially jobs outside the agriculture sector and with security of tenure were cited repeatedly as the most important priority for urban and rural poor households alike. However, the reality is that agricultural employment in U.P., which has been rising in recent years, occupies three quarters of the labour force, and that a high proportion of the rural poor work as casual labourers the lowest paid and lowest status occupation in the state.

As in many other parts of India, casualisation of the work force is on the rise in UP (Srivastava and Lieten 2000). In 1993-94, nearly two-thirds of rural households who were dependent on earnings from casual labour in the agriculture sector were below the poverty line, as were over half of the households dependent on casual labour earnings outside the agriculture sector. For these households, poverty levels remained virtually unchanged from the mid-eighties to the mid-1990s (1983-84 to 1993-94) a period when, in contrast, poverty fell sharply for farm households, self-employed households in the rural non-farm sector and for households
with salaried employment. These trends continued through the latter part of the 1990s; rural poverty is increasingly associated with casual labour in agriculture as well as in the rural non-farm sector.

The urban poor are more likely to be involved in casual wage labour, or work in the informal sector, both associated with high levels of poverty. In 1993-94, 11 percent of urban households were primarily dependent on casual work and two-thirds of these households lived below the poverty line. By 1999-00, 16 percent of the population were dependent on casual work and two-thirds of them still lived below the poverty line. In contrast, the self employed are evidencing significant gains in terms of rising incomes and falling poverty.

After labour, land is the most crucial asset for the rural poor; poverty falls as land ownership rises. However, many of the poorest households, own little or no land, and land holdings in UP have become more fragmented overtime, with implications for the structure of rural poverty. In 1983, 27 percent of the population, corresponding to 30 percent of the rural poor, owned less than a half hectare of land. By 1993-94,
the number of households owning less than a half hectare had risen to 43 percent and accounted for 54 percent of the rural poor. By 1999-2000 nearly two-thirds of the rural population, or 62 percent of the poor owned less than a half hectare of land far less than what is needed to provide for a families subsistence needs. The trend toward rising poverty among landless and near-landless households suggests that either the rural non-farm sector has failed to provided employment, or that the poor lack the education or skills to take advantage of the opportunities available. Both hypotheses are probably true.

Because rural power is traditionally associated with land ownership, land is more than a material assets in UP. It is also a political arbitrator. Rural landlords control the livelihoods of those working on their land and have historically used these relationships of dependency to maintain economic, social and political dominance. And while land ownership is becoming less closely linked to power, rural elites continue to have influence in many spheres of rural life and politics.
Human capital is also an important asset for the poor. While land is difficult to redistribute, education is provided by the public sector and should be universally available in the state. Indeed, 'Education for All' is an important national as well as state-level objective. Schooling can play a potentially powerful role in promoting economic mobility and reducing poverty, and the poor are not likely to benefit from reform-led growth unless they have the skills and education to take advantage of the opportunities it offers. Concomitantly, in many regions of UP, lack of educational opportunity deepens a vicious cycle of poverty and illiteracy.

Poverty is strongly associated with levels of formal education. This is most strikingly the case in urban areas, but the relationship holds in rural areas as well. In 1993-94, 59 percent of urban households headed by illiterates were poor, in contrast to only 7 percent of households whose heads had completed tertiary education. The link between poverty outcomes and education was marginally weaker in rural areas, where 51 percent of "illiterate" households and 20 percent of households whose head had a tertiary education
were poor. However, by 1999-2000, the link between poverty and education had become stronger in rural areas: 52 percent of illiterates were poor, as compared to only 9 percent of households whose head had a tertiary education. More research remains to be done on this topic. However, these results suggest that even a little education does help to open economic opportunities in rural areas. Because of a threshold effect in UP's urban areas, much higher levels of education may be necessary to open up employment opportunities there.

The urban Poverty Study, which carried out in poor, unrecognized settlements and included focus groups with urban youth, helps to explain these findings. While many young people are literate, surprisingly few aspire to more education, and many do not see how having more education would help them get better jobs. Rather, respondents stressed the importance of work skills, informal training, and personal contacts. It was not that education did not matter, but rather that the kinds of jobs open to young people living in very poor and marginalized urban setting do not require or reward higher levels of education. Poor parents in some of the rural fields
studies voiced similar views. As noted earlier, average enrolments have been rising in the state. Comparisons between the NSS 42\textsuperscript{nd} Round (1986-87) and 52\textsuperscript{nd} Round (1995-96) indicate that rural primary school enrolment rates for 7-12 year old girls for the poorest 40 percent of households almost doubled over 10 years from around 20 percent of the relevant age group to an estimated 40 percent (Deaton 2000). More recent estimates from the NSS 55\textsuperscript{th} Round state sample show continuing improvement, particularly in education levels of girls and SC/STs in the relevant age group. By the end of the 1990s the gap between boys and girls enrolments had virtually closed in urban areas and narrowed considerably in the countryside. Despite this, still less than 60 percent of children from the poorest 20 percent of the population were enrolled in school, and school enrolments for poorest quintile living in urban areas were even lower than rural enrolments.

Good health is another productive asset that can be hard for the poor to attain or maintain. Often linked to inadequate calorie intakes and malnutrition, poverty increases the risk of getting sick and exacerbating illnesses. Lower income
settlements in urban areas are often clustered in waterlogged, material zones, or in areas where poor sanitation makes exposure to waste water and raw sewage all but inevitable. A recent study in a very poor area of southern U.P. found that low income informants know little of disease etiology and presentation, even by developing country standards. The higher risks associated with poverty are reflected in the gap between health status indicators for the rich and poor in India as a whole. Survey data from the first National Family Health Survey (NFHS-I) in 1992-93 indicates that infant and child mortality rates among the poorest 20 percent of the national population are 2.5 times higher than among the wealthiest 20 percent. Since the cost of treating major health problems is one of the shocks that plunges many of its citizens into destitution, it is imperative that India's health system be better prepared to address the special vulnerability of the poor to infectious diseases and malnutrition. Based on National Family Health Survey (NFHS-I, 1992-93), children's health in UP is noticeably affected by poverty to the point that stunting is widespread. In addition unlike all-India estimates, children
from all economic strata are likely to be stunted, a reflection of a poor general environment, e.g. one lacking clean air and water and sanitation, as well as the inadequacy of health services, for rich and poor alike. Also, children from the poorest households are particularly likely to be un-immunized or only partially immunized. In UP, an estimated 60 percent of children from the poorest 40 percent of the population had never been immunized, compared to 45 percent at the all-India level. Unfortunately, while NFHS-2 results have recently been released for UP, wealth-based tabulations are not yet available.

ACCESS TO PUBLIC GOODS AND SERVICES

As highlighted by the above discussion on health outcomes, government policy operates to reduce poverty both indirectly by enhancing growth, and directly through the delivery of basic services, particularly in health and education and effective safety-net and antipoverty programmes. Spending on roads, agriculture research, and education have been shown to make particularly strong impacts on rural productivity and poverty reduction in India. Power and
irrigation are likewise important for enhancing rural productivity, while health and rural development projects implemented primarily as antipoverty programmes, are designed to address poverty directly. There is indeed widespread evidence that local public goods – e.g., roads, communications systems, irrigation, schools and health facilities, exert a strong influence on returns to private capital (Jalan and Ravallion 2000). However, while agriculture terms of trade have improved in the 1990s, they have not resulted in improvements in productivity or levels of output, nor in lower rates of poverty. Non-price incentives, such as under-investment in infrastructure and problems linked to the business environment, are in large part responsible for this lagging response by the agricultural sector. Compared to better performing states, levels of infrastructure development are low in Uttar Pradesh. For example, per capita consumption of electricity was only 194kWh in UP but 332 kWh per capita in Andhra Pradesh and 338 kWh in Karnataka. As of March, 1999, UP had 1.21 telecom connections per 100 inhabitants, whereas Andhra Pradesh had 2.36 and
Karnataka, 3.25 per 100 inhabitants (Kurian 2000). Inadequate infrastructure and in particular, the decreasing availability and reliability of power supply and water for irrigation, have lowered productivity in both agriculture and industry. This has contributed to lower rates of poverty reduction in addition, government spending on infrastructure, social sectors, and rural development has been sluggish in recent years, and O and M significantly undefended. Not only are spending levels low, but weak institutions also reduce the efficiency of spending, in addition to produce outputs that are themselves poor as measured in delivery of services. In other words, higher spending does not necessarily mean better services.

Whether under funded or underserved, the region, of UP with high concentration of poor people tends to have lower endowments of infrastructure and other basic services. The UP/Bihar Poverty Study assessed the status of community infrastructure as well as geographic access to such basic facilities and services as electricity, drinking water, public schools public and private health care providers, the
Anganwadi Center (integrated Child Development Services) and the PDS fair price shop. Even within a village, poor and socially disadvantaged households tend to live further from basic services such as hand pumps and public well, sanitation systems, public health facilities and schools, the PDS ration shop and public transportation facilities. Few have piped water or other sources of drinking water on their premises, and although the majority of villages in India are electrified, few poor and socially disadvantaged households are connected to the electricity grid.

Early tabulations from the NSS 55th Round highlight continuing inequities across UP between the access enjoyed by the poorest and wealthiest households to basic community services and housing amenities. In rural areas, the poorest households are far more likely to live in housing made of temporary materials, and most lack access to electricity, water, and sanitation. Disparities also are evident in Up's cities and towns. Many of the poor still live in temporary housing and over 40 percent do not have access to electricity, even for basic lighting. Generally, many of the poorest urban
households live in ‘unrecognized’ settlements, without access to public services or facilities of any kind.

Notably, according our evidence, even when a facility such as a public tap or well was physically available, many of the poor, especially those from lower-castes, were either discouraged or actively prevented from using it. Indeed, as illustrated by Box 6, social access is as important in many parts of rural UP, as is physical access.

The urban poor, many of whom live in unrecognized settlements lacking services of any kind, face similar problems. In many communities, the biggest drawback is lack of access to clean potable water and sanitary facilities such as public toilets. Many respondents were aware of the role of poor sanitation and contaminated water in causing illness, but few thought they had any control over the situation. Women often complained of having to walk long distances to tetchy water from public taps.
SOCIAL CAPITAL

In our discussion of assets which are in short supply among the poor, we turn finally to social capital – the stock of relationships, network, and institutions that an individual or households invests in and can call on for assistance and support when needed. Social capital can be utilized in different ways. It can serve a 'protective' function – for example, rural consultations identified cases in which associations were formed amongst groups of scheduled castes for purpose of mutual protection, such as when SC women travel together when they went to the forest to collect firewood. Social ties also can be used for 'productive' purpose and economic advancement. An example of this is caste association which help members obtain labour contracts or jobs. The poor in UP were found to have less social capital, and in particular fewer horizontal social ties, and to more frequently utilize protective rather than productive forms of social capital. Most networks are open only to those who have something to contribute, which means that the poor are generally excluded. Occasionally, however, poor individual have banded together
and built their own networks and organizations, often with the help of a local NGO. One example of this is the recent upsurge in savings groups set up for poor women, which are being organized through the facilitation of government programmes as well as non-government organizations. Women in the group contribute a very small sum of money on regular basis; the aggregate savings are eventually deposited in an account in a local bank, which helps to establish a link with formal financial institutions. Women in the group can then borrow from the aggregate saving in times of need, and some groups have even used the accumulated savings to set up a joint business.

But the general picture remains bleak. Drawing on qualitative fields studies buttressed by analysis of household surveys, we find that poor households rarely enjoy and advantageous ties or contacts outside their own poor neighborhoods. Their social capital is primarily restricted to patron-client relationships with landowners/employers and occasional exchanges with equally poor households in times of need, and is therefore rarely of the type that will lift them out...
of poverty. However, even potentially exploitative linkages are worth maintaining as possible sources of limited assistance in a short-term crisis. Such assistance may include a sack of grain in times of scarcity or a short-term loan to purchase food. Moreover, the poor generally have limited influence in the political sphere. In contrast, the better-off tend to possess a strong network of high-value ties and contacts that help not only to mitigate risk and improve overall welfare levels, but often also to enable the better off to capture more than their fair share of public resources. In the aforementioned studies, higher caste and well-off households, unlike poor and SC/ST households, were found to have useful contacts outside the village. Links with political party officials, for example, helped wealthy households to secure recognition of questionable land rights and to ensure that community infrastructure improvements would be located in the affluent neighborhoods. Close relations between richer households and both political and administrative arms of government are often used to undermine democratic processes.
Data relating to consumption are available from quinquennial surveys conducted by the National Sample Survey Organization (NSSO) on the basis of which incidence of poverty are prepared. The latest NSS data on consumption pertain to the year 1997, collected under its 53rd round. However, relevant detailed processed data, are available for the year 1993-94, which relate to 50th round has been used in estimating the incidence of poverty for the terminal year (2006-07) of the Tenth Plan.

Prior to quantifying the magnitude of poverty reduction and outlining the strategy therefore, the fact does need reiteration that any meaningful dent on poverty alleviation is only possible in a framework which makes not only a substantial growth in income but also ensures reasonable step-up in the consumption of weaker and vulnerable sections of the society. Because of the fact that poverty persists as the gains from the growth do not equitably reach the poor and the poor, in turn are unable to make a significant contribution to growth. Hence, while designing plan for poverty reduction in the next quinquennium, the past experience regarding the
percolation of benefits of growth to the targeted and needy sections of the society, which happened only marginally, has to be the prime consideration. The exercise was, therefore, carried out with two important assumptions. First, in view of the targeted growth rate of 8% in the Tenth Plan, the growth rate in consumption has been assumed at 3.5% per annum against observed consumption growth of 3% per annum during 1987-93 period. Secondly, the rural urban disparity has been taken as 1.30 against 1.40% in 1997. These assumptions are based on the indications made available through studies carried out at All-India level which revealed that growth process has benefited the urban areas rather than the hinterlands of India. Wherein reside the poor masses. Almost similar indications are revealed from the growth pattern of the State's economy as well. The estimates of poverty, which has emerged from the exercise based on the aforesaid assumptions, are presented below:-
Poverty Estimates for the Terminal Year (2006-07) of the Tenth Plan

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Incidence of Poverty</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Base Year (2001-02)</td>
<td>At the end (2006-07) of the Tenth Plan</td>
</tr>
<tr>
<td>Population below poverty line (%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Rural</td>
<td>29.35</td>
<td>22.80</td>
</tr>
<tr>
<td>b) Urban</td>
<td>30.13</td>
<td>27.42</td>
</tr>
<tr>
<td>c) State</td>
<td>29.51</td>
<td>25.41</td>
</tr>
<tr>
<td>Population below poverty line (lakh no)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Rural</td>
<td>413.81</td>
<td>358.38</td>
</tr>
<tr>
<td>b) Urban</td>
<td>111.57</td>
<td>113.19</td>
</tr>
<tr>
<td>c) State</td>
<td>525.38</td>
<td>471.57</td>
</tr>
</tbody>
</table>

**Source:** Statistical abstract. Govt. of U.P.

It would be seen that the incidence of poverty would come down to 25.41% in 2006-07 from 29.51% in 2001-02. a reduction of about 5% has also been targeted at the country level during the Tenth Plan period. On account of reduction in the incidence of poverty the number of persons below poverty
line in the State would reduce to 471.57 lakh from 525.38 lakh in the corresponding period.

SLOWER STEADY PACE IN POVERTY REDUCTION

Uttar Pradesh has been a fall in the incidence of poverty from about 41 percent in 1993-94 to 31 percent in 1999-2000. However, this achievement is far below the all-India figure of 24 percent. The differences in poverty levels with respect to national figures are more pronounced in urban areas compared to the rural areas (Table - 2). Rural poverty has gone down by 11 percentage points as against a fall of 4 percentage points in urban Uttar Pradesh. This is not surprising given the consistent growth in agricultural sector as against a decline in the growth rate in the tertiary and industrial sectors.
### Table – 2

**Percentage of Population below the Poverty line**

<table>
<thead>
<tr>
<th>Year</th>
<th>Combined (Rural &amp; Urban)</th>
<th>Rural</th>
<th>Urban</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Uttar Pradesh</td>
<td>India</td>
<td>Uttar Pradesh</td>
</tr>
<tr>
<td>1973-74</td>
<td>57</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1987-88</td>
<td>42</td>
<td>39</td>
<td>39</td>
</tr>
<tr>
<td>1993-94</td>
<td>41</td>
<td>36</td>
<td>42</td>
</tr>
<tr>
<td>1999-2000</td>
<td>31</td>
<td>26</td>
<td>31</td>
</tr>
</tbody>
</table>

**Source:** (Basic Data) National Human Development Report, Planning Commission, March 2002.

At sub-regional level approximately 44 percent of total people in divided Uttar Pradesh during 1999-2000 lived in eastern part of the state. The corresponding figures for western, central and Bundelkhand were 28, 24 and 4 percent respectively. In terms of reduction in poverty, Bundelkhand has been the leader where percentage of poor people below poverty line went down from about 69 percent in 1993-94 to 24 percent in 1999-2000. During the same period, poverty in the eastern region went down from about 48 percent to 36
percent, in central region from 47 percent to 40 percent and in western region from 30 percent to 24 percent.

Table – 3

Comparative Growth Rates in Income

<table>
<thead>
<tr>
<th>Plan Period</th>
<th>Annual Growth Rate of Total Income</th>
<th>Annual Growth Rate of per Capita Income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>India</td>
<td>U.P.</td>
</tr>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>1st Five Year Plan (1951-56)</td>
<td>3.6</td>
<td>2.0</td>
</tr>
<tr>
<td>2nd Five Year Plan (1956-61)</td>
<td>4.0</td>
<td>1.9</td>
</tr>
<tr>
<td>3rd Five Year Plan (1961-66)</td>
<td>2.2</td>
<td>1.6</td>
</tr>
<tr>
<td>Three Annual Plans (1966-69)</td>
<td>4.0</td>
<td>0.3</td>
</tr>
<tr>
<td>4th Five Year Plans (1969-74)</td>
<td>3.3</td>
<td>2.3</td>
</tr>
<tr>
<td>5th Five Year Plans (1974-79)</td>
<td>5.3</td>
<td>5.7</td>
</tr>
<tr>
<td>6th Five Year Plans (1981-85)</td>
<td>4.9</td>
<td>3.9</td>
</tr>
<tr>
<td>7th Five Year Plans (1985-90)</td>
<td>5.8</td>
<td>5.7</td>
</tr>
<tr>
<td>Two Annual Plans (1990-92)</td>
<td>2.5</td>
<td>3.1</td>
</tr>
</tbody>
</table>
### Table 4

**Average Annual Growth Rates: Uttar Pradesh**

<table>
<thead>
<tr>
<th>Period</th>
<th>Main Sectors</th>
<th>State Income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Agriculture &amp; Animal Husbandry</td>
<td>Manuf acturing</td>
</tr>
<tr>
<td>1950-51 to 1970-71</td>
<td>1.5</td>
<td>3.5</td>
</tr>
<tr>
<td>1970-71 to 1980-81</td>
<td>2.0</td>
<td>5.0</td>
</tr>
<tr>
<td>1980-81 to 1990-91</td>
<td>3.2</td>
<td>9.6</td>
</tr>
<tr>
<td>1980-81 to 1997-98</td>
<td>2.5</td>
<td>6.9</td>
</tr>
<tr>
<td>1993-94 to 2001-02</td>
<td>2.8</td>
<td>3.9</td>
</tr>
</tbody>
</table>

* Based on 1970-71 Series

$ Based on 1980-81 Series

a Based on 1993-94 Series

Source: Economic survey. Govt. of India.