CHAPTER I
INTRODUCTION

The economic status of a society or community refers to its position as to where it stands on the ladder of financial position. Most important determinants of economic status of a society are its per capita income, the standard of living, the level of consumption etc. Different indicators of the levels of living presents the “Macro” as well as “Micro” level dimensions of the process of development. While per capita income and per capita consumption expenditure are some of the macro level indicators of development, the distribution of household expenditure is a micro level indicator. The standard of living of a household can be understood from the consumption pattern, and the quality of consumption budget clearly indicate the level of welfare of the household. Food consumption pattern of household is an important barometer of individual welfare and well-being in any country.

Human life is ultimately nourished and sustained by consumption. World consumption has expanded at an unprecedented pace during the 20th century. The benefit of this consumption has spread far and wide. More people are better fed and housed than ever before. Living standards have risen. These achievements relate to human development through consumption. Consumption clearly contributes to human development when it enlarges the capabilities and enriches the lives of people without adversely affecting the well-being of others.

But the links are often broken, and when they are, consumption patterns and trends are inimical to human development. Today’s consumption is exacerbating inequalities. And the dynamics of the consumption-poverty –inequality environment nexus are accelerating. If the trend continues without change - not redistributing from high income to low-income consumers, not shifting priority from consumption for conspicuous display to meeting basic needs - today’s problems of consumption and human development will worsen.

Consumption must be (a.) shared: ensuring basic needs for all, (b) strengthening: building human capabilities, (c) socially responsible: so the
consumption of some does not compromise the well being of others, and (d) sustainable: without mortgaging the choices of future generations.

Abundance of consumption is no crime. It has, in fact, been the lifeblood of much human advance. The real issue is not consumption itself but its patterns and effects. Consumption patterns today must be changed to advance human development tomorrow. Consumer choice must be turned into a reality for all.

1.1 Consumption categories

Consumption categories are formed mainly on the basis of the commodities involved. Broadly speaking there are two categories: Food and non-food consumption. Consumption to gratify hunger and thirst needs is food consumption. The consumption that is not related to the above but meant for satisfaction of health, education, travel and recreational needs is regarded as non-food consumption. However this categorization does not provide any idea about the essential and non-essential character of commodities in human consumption. We cannot say that non-food consumption meant for satisfying the needs such as clothing, shelter, health and education is non-essential.

There is yet another classification purely based on the types of needs. According to this classification we can distinguish between essential and non-essential consumption commodities. They are the categories of primary and secondary consumption. Primary consumption involves the fulfillment of needs that arise out of physiological bodily functions like thirst and hunger. These needs are also called biogenic needs. Considering the basic nature, the needs for shelter, clothing, health and education can also be included in the category of primary consumption, the secondary consumption comprises the gratification of a more sophisticated structure of physiological needs which relate to social, cultural and intellectual interests.

Nevertheless, the above two categories remain inconclusive because human needs are of varied nature and subjective to the individual consumer. This inconclusive and subjective nature of needs creates constraints to form rigid and
exclusive categories of consumption. This conceptual fluctuation is the major limitation to studies pertaining to consumption.

1.2 Nature of Consumption

The dynamic nature of human needs gives consumption a dynamic character. Human needs are always subjected to continuous change. The dynamic character of consumption depends on the nature of the society and economy. Variations in consumption are visible in different societies, as there exists a difference in environmental, social, economic and cultural contexts. Human wants get transformed as the society grows and in turn cause substantial changes in the outlook of the people towards consumption of commodities.

1.3 Factors affecting consumption options

Individual consumers are assumed to be in the best position to judge their own needs and preferences and to make their own choices. It is fair to presume that people know what they are seeking and have reasons for their preferences when they opt for one consumption pattern over another.

Before being able to make any such decisions, however, the consumer must at least be presented with choices. Yet millions of people face too narrow a range of consumption options, which prevents them from enlarging their capabilities. The existing distribution of consumption options points to serious shortfalls affecting people in every society who lack access to a range of essential goods and services. They may not be able to get enough food, may lack health care services or may have little access to transport beyond their own feet. There are many factors causing these constraints on consumption options. Income is not the only one. Other factors include the availability and infrastructure of essential goods and services, time use, information, social barriers and the household setting.

1.3.1 Income

Income is an important means of widening the range of consumption options, especially as economies around the world become increasingly monetized.
Income gives people the ability to buy diverse, nutritious foods instead of eating only their own crops, to pay for motorized transport instead of walking, to pay for health care and education for their families, to pay for water from a tap instead of walking for many hours to collect it from a well.

The increasing dependence of much consumption on private income means that changes in income have a dominant influence on changes in consumption. When incomes rise steadily consumption rises for most of the population. But for the same reason, when incomes decline, consumption also falls sharply, with devastating consequences for human well being.

1.3.2 Availability and infrastructure of essential goods and services

Consumption options depend on the range of goods and services available - from the market and state provisioning, from home production and common resources. Many of the most basic essential goods and services - water, sanitation, education, health care, transport and electricity - cannot be provided without an infrastructure.

Traditionally, these services have been provided first by the community and then by the state. As markets develop and the technology improves, the services increasingly are being provided by the private sector in areas where profit can be made. Yet it is still the state that must ensure that, by whatever means, access is available to all - rural as well as urban, poor as well as rich.

Even as markets increasingly take over services previously supplied by the state, there is complementarity between public and private goods. Yet in many countries and regions there is now a large and unhealthy imbalance, leading to great social inequality. This was the forceful thesis presented by John Kenneth Galbraith in his seminal work, The Affluent Society, about 40 years ago.

1.3.3 Time use

Opportunities to consume can be severely limited by lack of time. Women, spend many hours a day meeting the household’s needs and have no time left for education, better health care or community activities. Similarly, overworked
labourers may receive an adequate wage, but they often work long hours and are denied the opportunity of regular leave.

1.3.4 Information

Information is the key to raising awareness of the range of consumption options available and enabling the consumer to decide which choices are best. Without information, there is no way of knowing what goods and services are available in the market, and what services are being provided by the state and are, by right, available to all. Advertising and public information campaigns play an important role in this respect.

1.3.5 Social barriers

Income cannot always remove barriers to access to opportunities. This is particularly so when considerations of gender, class, caste or ethnicity limit people’s freedom to consume the goods and services they want. For example, people belonging to certain ethnic groups might be denied equal access to education, employment and other basic social services by the state, regardless of how much they earn.

1.3.6 The household- decision-making and upbringing

Much analysis of consumer decision-making assumes that the person making the decision is the one who will directly benefit from the consumption. This is far from the truth in many cases. A great deal of household consumption decision-making is in the hands of one person—often the mother or the father of the family. Although this may lead to good outcomes, it can also be a source of inequity within the family. Household values have a wider effect on the consumption options of individual members. The education and upbringing given to children early in life play a critical part in establishing their ability to make good use of the options available for living a full and fulfilling life. The remarkable expansion and diversification in consumption options have made it more difficult for consumers to make informed choices.

1.3.7 Globalisation and Consumption

As a result of increased purchasing power and opportunity to purchase, a change was manifest in the activity of consumption. The definition of what
constitutes a ‘necessity’ is changing, and the distinctions between luxuries and necessities are blurring.\(^5\)

Globalisation is integrating not just trade, investment and financial markets; it is also integrating consumer markets around the world and opening opportunities. This has two effects—economic and social. Economic integration has accelerated the opening of consumer markets with a constant flow of new products. There is fierce competition to sell to consumers worldwide, with increasingly aggressive advertising. On the social side local and national boundaries are breaking down in the setting of social standards and aspirations in consumption.

As a consequence, a host of consumption options have been opened for many consumers—but many are left out through lack of income. And pressures for competitive spending mount. ‘Keeping up with the Joneses’ has shifted from striving to match the consumption of a next door neighbor, to pursuing the life styles of the rich.

Some disturbing trends are observed. Pressures of competitive spending and conspicuous consumption turn the affluence of some into the social exclusion of many. When there is heavy social pressure to maintain high consumption standards and society encourages competitive spending for conspicuous displays of wealth, inequalities in consumption deepen poverty and social exclusion.

1.4 Human Development in Kerala

The development experience of Kerala has been unique and reflects among several other things in its consumption patterns as well. It has received worldwide acclaim for its unique features often hailed as the “Kerala model of development”. Admittedly, Kerala’s development experience is unique in the sense that a high level of quality of life co-exists with a relatively low per capita income. This small state with a per capita income of about 160\(^{th}\) of the per capita income of the United States and an unemployment rate of about five times of that of the U.S has achieved a level of development almost comparable to that of the U.S in terms of achievements in health and education. Kerala, the southern most state in India, is widely acclaimed for its unique pattern of social development. Significant progress
accomplished by the state in many spheres of social life, serves as a model to many other societies. Education, health and demographic indicators are but a few examples of the nature of social development in Kerala. No similar development has been witnessed in any other Indian States so far. The state has several distinctive socio, economic and demographic features. Very often Kerala is equated with other developed countries.

The quality of life of people in Kerala is much above the average for the country. Kerala is at the top in the country in human development. The Human Development Index in Kerala [0.638] is much higher than the same for India [0.472]. Human Poverty has been estimated to reflect the level of deprivation. Kerala is far ahead in the Human Poverty Index [19.9] of even the economically better off States. The HPI for all India was 39.4. The prevalence of poverty in Kerala and India shows that Kerala stood only next to Punjab and Haryana with 12.7% below poverty line while for All-India 26.10% were below poverty line.

Notwithstanding the enviable progress and unique features, Kerala remains to be one of the poorer regions among the states in the Indian Union. With regard to per capita income and its growth rate Kerala’s position is below the national level and that of many other Indian States. In terms of economic growth and industrial production the state is still backward. Contrary to the lack of economic growth, the living standards of the people of Kerala is comparatively high. What we see in Kerala is a paradox, poor economic growth and high standard of living. Consumption standard of its people is marked by a significant increase in the level of consumption, of both food and non-food commodities. Compared to all India and most of other states, people in Kerala allocate a considerable part of their income to the consumption of non-food and non-essential items. But in developed economies, such a trend was an outcome of industrialization. In those countries consequent upon industrial growth, the purchasing power of the people increased tremendously. This in turn improved both the level of consumption and the standard of living. Contrary to this experience of developed economies, Kerala society manifests, the same kind of consumption standards without any substantial production base.
1.5 Statement of the problem

The 20th century's growth in consumption, unprecedented in its scale and diversity has been badly distributed, leaving a backlog of shortfall and gaping inequalities. Consumption per capita has increased steadily in industrial countries (about 2.3% annually) over the past 25 years, spectacularly in East Asia (6.1%) and at a rising rate in South Asia (2.0%) Yet these developing regions are far from catching up to levels of industrial countries, and consumption growth has been slow or stagnant in others. The average African households today consumes 20% less than it did 25 years ago.

The poorest 20% of the world's people have been left out of the consumption explosion. Well over a billion people are deprived of basic consumption needs. Inequality in consumption is stark. Globally, 20% of the world's people in the highest-income countries account for 86% of total private consumption expenditure—the poorest 20% a minuscule 1.3%. More specifically the richest fifth consume: 45% of all meat and fish, and the poorest fifth 5, the richest 5th consume 58% of total energy and poorest fifth less than 4%, the richest 5th have 74% of all telephone lines, and the poorest fifth 1.5%, the richest 5th consume 84% of all paper, the poorest fifth of 1.1%, The richest 5th own 87% of the world's vehicle fleet, the poorest fifth less than 1 percent.

In India also the existence of large disparities in living standards between regions and between classes of people is found. Wide economic disparities have been observed between the rich and poor especially due to the low rate of economic change among the poor section of the population who generally fail to make use of the development programme. The inequalities that persist between poor people and rich women and men, rural and urban and among different ethnic groups are seldom isolate, instead they are interrelated and overlapping. Now economic growth and industrial production has given rise to many serious problems. Widespread disparities are being observed in the levels of living of different sections of the society. The fruits of development have not been distributed equally among them.
All poor have not benefited equally from anti-poverty programmes. Certain sections of society especially the scheduled Castes still suffer from vulnerability. They are victims of illiteracy and rampant poverty. The policy of protective discrimination was followed to reduce vast inequalities between the Scheduled Caste and other strata of society. The outcome of social and economic reforms is uneven and far from satisfactory as far as achievement of the stated goals is concerned.

In spite of the various Constitutional safeguards and all the different schemes for their upliftment the Socio economic condition of Scheduled Castes are found to be much lower than that of the rest of the society. According to the 1991 census, 64% of Scheduled castes are agricultural labourers, who, without having land possession, have to work as agricultural labourers for subsistence without any security. And according to the Ninth Plan Draft Paper, the majority of Dalits (77%) are absolute landless in India. The Scheduled castes and Scheduled tribes constitute near about one fourth of the population in India but control only 17.9% of the agricultural land. Around 87% of the Scheduled caste landholders belong to the category of small and marginal farmers. Less proportion of land ownership keeps them in abject poverty, making them socially vulnerable.

The condition of scheduled castes in Kerala has remained more or less similar to that in other States in spite of the Kerala model of development. Special provisions have been made for the socio-economic uplift of the Scheduled castes communities in Kerala from time to time since the promulgation of the Constitution of India. While the phase of progress of certain sections amongst Scheduled Castes is encouraging, that of certain other sections among them is very poor.

The commission on the socio-economic conditions of the scheduled castes and scheduled Tribes in Kerala found that there are inter community and regional imbalances even among the Scheduled Castes in the state. The findings of the survey had brought to light the deplorable conditions of scheduled castes in Kerala. It showed that the literacy among Scheduled castes was very much below the general level of literacy. It was found that there are many hurdles for their children to peruse their studies; the most important being the financial handicap. No appreciable change in their
occupation pattern was observed from that of the early times. They were found associated with only humiliating, inferior, unclean work. A large percent of them were either agricultural labourers or unskilled workers except in the case of certain castes which follow traditional occupation like cloth washing, basket making, and earthenware making on the whole it is seen that very few are able to separate their bond with their age-old occupations and enter into new areas of employment. The economic status of the Scheduled castes were found to be very poor. As per the survey most of the scheduled caste had no land of their own. Even in the case of those who owned their own land, the extent in most cases is 10 cents or so.

Regarding the nature and type of houses occupied by scheduled castes it was seen that less than 10% live in pucca houses. The schemes for giving grants and loans for the construction of the houses for them have not found made any appreciable impact on their environmental and living conditions.

The level of income of the Scheduled castes was found very poor. These households were engaged in low paying occupations and most of them do not get sufficient income for their subsistence. The socio economic survey showed that a large % of the households are getting Rs. 200 or less per month. The condition of the majority of the households is deplorable as revealed by the survey. A monthly income of Rs.200 or less means a per capita income of Rs. 40 or less as the average household size was more than five. Households below poverty line were found to be 50% in most of the Scheduled castes as per the report. Regarding investment the survey also found that no household or less than 5% have bank deposits. Majority of them being below the poverty line cannot naturally think of nothing but mere survival.

The survey also ascertained the items consumed by each household during one month. The items used by all the households are Cereals, Spices and Salt. Nutritious items like Egg, Milk, Ghee and other luxurious item are not found popular with these households. Even if they are having cattle or poultry the products were to be exchanged for other cheap varieties of food like Tapioca or other Tubers.14 Their low-income levels compels them to remain in the low level of living.
In Kerala Scheduled Castes constitute 9.6% of the total population while the % of agricultural land they owned is 2.80%. Their average landholding was only 0.07 percent, which was significantly worse than the National average, with only the Punjabi Scheduled castes being behind in share of land holding. The national average of 0.49 hectares for Scheduled castes was significantly lower than that of the general population.

Overall, monthly expenditure of Scheduled castes in Kerala was found about three-fourth of that of general population and this had fallen to 68.2 per cent for urban Scheduled castes in '87-88. Statistics on employment and unemployment showed that Kerala Scheduled Castes still suffer disproportionately.

Selected indicators of development for Scheduled castes show that the percentage of population below poverty line among them is much larger (36.43%) as compared to the general category of households (25.76) in Kerala. Among them a large section of population continues to be out side the reach of development programs in spite of all the different schemes introduced for their upliftment. A successful implementation of the strategies of development for Scheduled castes in the last five decades would have by now reduced the socio, economic differentiates to a nearly zero level, but the reality is different. The trickle down theory has failed to raise the living standard of the poor and vulnerable section.

The economic disability imposed by poor asset possession and a host of socio-cultural features have rendered their participation in the development process less than average. The low-income level of Scheduled Castes compels them to remain in the low level of living. The findings of the report showed that the living conditions of the Scheduled caste s were very deplorable in the state as compared to that of the General population and ‘Kerala model of development’ had not made any appreciable impact on their lives.

1.6 Significance and Relevance of the study

Today Scheduled Castes are somewhat an enlightened lot but social inequalities still exist. A slow pace of reforms is taking place for improving their
condition though much work remains to be done to put them back into the mainstream society, and make them politically, socially and economically equal. There is a scarcity of good publication on the state of the Scheduled castes. Truly they have been marginalized as objects of our country rather than being treated as its subjects. Inspite of forming a large proportion of the population they have just been receiving minor reference in earlier studies.

There are not many studies of the consumption levels of Scheduled Castes at the macro level. This is because the National sample Survey organization, which is the only official agency that collects such data for the whole country, does not generally publish date separately for Scheduled castes.\textsuperscript{18}

The Scheduled castes have been studied as Socio-economic group by several researchers such as Singh (1982) Joshi (1981), Subramanian and Deaton (1991).\textsuperscript{19} They were mainly concerned with sociological and political aspects. Micro-level studies with a focus on economic aspects have been under taken by Sundari (1981), Saradamoni, Nayak (1984),\textsuperscript{20} Bhattacharya (1986) and Sagar (1994).\textsuperscript{21} Most of these studies are based on secondary data, like the Census, Reports of the Commission for SC/ST (1982).\textsuperscript{22} Most of the few economic studies on the Scheduled caste concentrate on their educational and occupational structure and deal with its effects on their welfare.

While studies abound on the consumption expenditure among rural and urban households for various expenditure classes, little effort has been made to study the consumption expenditure pattern for Scheduled Castes in rural and urban sectors. The present study on the consumption pattern of these households in Kerala is an effort to collect research and evidence on their present conditions.

1.7 Objectives of the Study

a) To examine consumption pattern among the SC population.

b) To examine the differences in the average consumption expenditure of different decile groups of sample SC population.
c) To examine the consumption expenditure elasticity of items in the consumption basket of SC households.

d) To analyze the variations in expenditure of SC households on food, non-food and total expenditure.

e) To examine the association between consumption expenditure and variables such as income, education, occupation and area of residence.

1.8 Hypotheses

a) There is significant difference in the consumption elasticity of different items among SC households.

b) There is a significant difference in the average consumption expenditure of different decile groups.

c) There is significant association between consumption expenditure and income, education, occupation and area of residence.

1.9 Data and Sampling frame

A multi stage sampling procedure was adopted for selecting the sample units. Scheduled castes constitute 9.92 percent of the population of Kerala. While 10.98 percent of the rural population are SC’s only 6.96 percent in urban areas are SC’s. In 6 districts of Kerala viz., Idukki, Kollam, Palaghat, Pathanamthitta, Trichur and Trivandrum the percentage of SC population is higher than that of the state average. From these districts Idukki district was selected at random using lottery method to study the consumption pattern of SC households. The district was divided into rural and urban areas with Panchayats constituting the rural areas and Municipalities constituting the urban areas. Panchayats with SC population greater than 10% were identified. From among them one Panchayat was selected at random. There being only one municipality in the district, that was selected for the study. In the selected panchayat and municipality, 5 wards each with the highest percentage of SC population were selected at random. Sample of 100 households were selected at random from the selected wards in both the Panchayat and Municipality, in proportion to the SC population in each ward. Thus primary data were collected from a total of two hundred households.
1.10 Methodology and Tools of Analysis

The present study of consumption expenditure pattern of scheduled castes in Kerala investigates the following aspects. (1) The consumption pattern among the Sc population (2) The average consumption expenditure of different decile groups of sample Sc population (3) The consumption expenditure elasticity of items in the consumption basket of Scheduled castes (4) The differences in the expenditure of Sc’s between food, non-food and total expenditure (5) The association between consumption expenditure and variables such as income, education, occupation and area of residence.

1.10.1 To examine the consumption pattern among Sc population

Examination of consumption pattern among Scheduled caste population is done by analysing distribution of population by Monthly Per capita Consumption Expenditure, the movement in budget shares on each item of expenditure, distribution of total MPCE for food and non-food, rural urban differences in MPCE, consumption out of different sources namely purchases, home grown stock and gift or loan, changes in value of consumption, possession of durable goods among different MPCE classes, trends in average consumption expenditure and consumption pattern based on NSSO data for the period 1983-1993-94. Using primary data collected from 200 sample households. This was done separately for rural and urban samples.

1.10.2 To examine the average consumption expenditure of different decile groups of sample population.

Differences in consumption pattern of poorer and richer segments of population ranked by MPCE has been attempted by using appropriate deciles of the MPCE distribution of class limits. Separate sets of consumption estimates for different decile groups of sample population are presented. Thus differences in the consumption pattern of poorer and richer segments of the sample population (ranked by MPCE) is studied by examining the differences in their average MPCE on each item of expenditure namely food and non-food. This includes the average MPCE for 10 decile groups or classes of MPCE starting from bottom 10 percent and ending with
the top 10%. Graphical representation of consumption pattern of lowest and highest spending brackets is provided. Consumption pattern of the different decile groups are further studied by estimating proportion of expenditure on food and non-food items and comparing the results. This is done separately for rural and urban sectors.

1.10.3 To examine the consumption expenditure elasticity of items in the consumption basket of Sc households.

Consumption expenditure elasticity of each food and non-food items in the consumption basket of Sc Households is examined by using the Engel elasticity expenditure separately for the rural and urban sample. A detailed explanation of the Engel theory and the theoretical background of the present study are presented in the section 2.4 of chapter II. For the estimation of expenditure elasticity, four functional forms have been selected namely, linear, double log, log inverse, and log-log inverse functions.

a. Linear: \[ E_{ij} = \alpha + \beta E_j + u_j \]

b. Double log: \[ \log E_{ij} = \alpha + \beta \log E_j + u_j \]

c. Log Inverse: \[ \log E_{ij} = \alpha + \beta \left( \frac{1}{E_j} \right) + u_j \]

d. Log-log Inverse: \[ \log E_{ij} = \alpha + \beta \log E_j + \gamma \log E_j + u_j \]

Where \( E_{ij} \) is the MPCE of the \( i^{th} \) item by \( j^{th} \) household \( E_j \) is the total monthly per capita expenditure of \( j^{th} \) household. \( \alpha, \beta \) and \( \gamma \) shows parameters to be estimated and \( u \) is the random disturbance term.

1.10.4 To analyse the variations in expenditure of Sc households on food, non-food and total expenditure.

Examination of the relative shares of expenditures on each food and each non-food items among Schedule Caste households has been done by estimating Engel ratios based on primary data for rural and urban sample in general and also separately for different MPCE classes. First Engel ratios for each item of expenditure to total expenditure has been estimated for each item of food and non- food for rural and
urban sample separately. Then sample households have been grouped into 5 comparable expenditure classes. Engel ratio for each item of food, and non-food is estimated for each expenditure class. Further an ‘F’ test was carried out for finding out rural urban variation in the distribution of MPCE for food, non-food and total expenditure separately for the sample households.

1.10.5 To examine the association between consumption expenditure and variables such as income, education, occupation and area of residence.

Examination of the differences in the expenditure on non-food items among SC households belonging to different income levels, education levels, occupation categories and geographical regions has been done by finding out the association between Monthly Per Capita Consumption Expenditure and each of those variables using ‘$\chi^2$’ test. As per the results of the ‘F’ test rural-urban differences were found not significant for food items and significant for non-food items and also for total expenditure. Hence association of MPCE to various determinants has been estimated by taking expenditure only on non-food items.

For estimating association of income and expenditure on non-food items. Scheduled caste households are classified in to three per capita income classes: lower class (Rs.1-400), Middle class (Rs.400-600), and upper class (Rs.>600). Besides sample households have been grouped into two per capita expenditure classes on the basis of expenditure on non-food items. The classes are Rs.1-200 and >Rs.200. $\chi^2$ test was carried out to find association.

For finding out the association between educational standard of the head of the household and expenditure on non-food, SC households are classified in to 3 groups on the basis of education of the head of the household namely, below. Std V, Std V – Std X, and >Std X. Similarly per capita expenditure on non-food was classified in to four categories, Rs.1-100, Rs.100-200, Rs.200-300 and >Rs.300. $\chi^2$ test was applied to find association.

For finding out association between non-food expenditure and occupation sample households are grouped into seven occupation classes in rural and urban
sectors. The % of households in each occupation category showed that a larger % of SC households fall in certain categories such as 'other labourers' and 'agricultural labourers' in both rural and urban areas and the % in the other categories such as 'farmers', 'self-employed' and 'employed' were found comparatively much lesser. Hence for the purpose of finding the association between occupation level and expenditure on non-food items households of certain occupation categories with lower % of households in the sample are being clubbed together with the adjacent class. Thus the sample Scheduled caste households are classified in to 3 occupation categories on the basis of occupation of the head of the household: agricultural labour households, other labour households and salaried class households. Also the 200 sample households have been grouped into 4 per capita expenditure classes on the basis of expenditure on non-food items. The classes are Rs.1-100, Rs 100-200, Rs200-300 and >Rs 300. X² test was applied to find association between occupation and expenditure on non-food items.

To find the association between place of residence factor and per capita expenditure on non-food items Sample scheduled caste households have been classified into two categories based on their place of residence namely, rural and urban. The 200 sample households have been grouped into 4 per capita expenditure classes on the basis of expenditure on non-food items. The classes are Rs.1-100, Rs 100-200, Rs200-300 and >Rs 300. X² test was applied to find association between place of residence and expenditure on non-food items.

Per capita Expenditure on each food and non-food item has been studied for identifying necessary and luxury items in their consumption baskets. Possession of durable goods by scheduled caste households has been analysed to study the tendency of luxuries consumption among Scheduled castes.

1.11 Relevance of selecting Idukki as sample area.

As per census of India 2001 Scheduled castes constitute 9.91% of total population of Kerala. The Rural Urban distribution of Scheduled castes in Kerala shows that in all the districts the great majority of Scheduled castes live in rural
areas. \cite{23} Of the total Scheduled caste population in the State 81.48% live in rural areas and only 18.52% live in urban areas.

Idukki district was chosen, as the area of study. Among the districts in Kerala Idukki district has the highest % of scheduled castes living in rural areas [namely 98%]. The distribution of Scheduled castes in the district is the most typical in comparison to that in the State. In Kerala while 11% of rural population are Scheduled castes; only 6.96% of population in urban areas is Scheduled castes. The proportion of Scheduled castes in total rural population is 14.98% and in urban areas 6.02 % in the district. Idukki is one among six districts in Kerala where the % of Scheduled castes is above the State average.

As per 2001 census the literacy rate of the District is 88.58 % with a male literacy of 92% and female literacy of 85%. Female literacy of Idukki District is very backward as compared to other districts. The literacy rate for Scheduled castes in the districts is only 74%. While the same for Scheduled castes in the State as a whole is 82.4%.

In the State among Scheduled castes 41.21% are workers and 58.79 non-workers. The % distribution of Scheduled caste population into main workers, marginal workers and non - workers in the different districts show that Idukki has the highest percentage [47.55%] of workers among Scheduled castes which is greater than the corresponding State average [41.21%]. In the district among Scheduled castes majority of workers belong to plantation works namely cardamom and tea plantations works. While the % of males in total workers in Idukki district is 53.51, that of females 41.57. For the State as a whole the corresponding figures are 50.96 and 31.73 respectively. The male and female work participation is the highest in the district among Scheduled castes in the State.\cite{24} Hence Idukki district was selected to study the socio-economics status of Scheduled caste communities and their consumption pattern.

1.12 Profile of the study area

The forgoing analysis of secondary data in chapter IV, V has revealed that the Scheduled castes in India have a much lower income and hence lower consumption standards than the rest of the society.
The economic development of a region is conditioned by the economic and non-economic factors; the importance of latter has considerably increased in recent years. The attitude, motivations and composition of the community pay a predominant role in shaping the economic development of a region. Naturally, households within a region differ in many respects, in location, in size, in occupational structure, in the average income, savings and living standards. All these characteristics economic, social and demographic in the aggregate, explain the differences among the various households. An extensive analysis to identify the relative importance of the factors determining the levels of income and consumption pattern has to deal with factors such as family composition, Education, age structure, occupational structure of the households etc. In other words the relation between income and consumption changes significantly from one household to another due to the interaction of these factors.

The consumption pattern of general households in India and Kerala has been discussed using the available secondary data from different sources in chapter III for rural and urban areas. Chapter V has given analysis of consumption pattern of Scheduled caste households in India and Kerala based on data from NSSO for the period 1983 to 1999-2000. To examine the different objectives of our present study, primary data have been collected through a sample survey. The primary data so collected has been used in analyzing the following aspects in this chapter.

a. Socio Economic background of sample households.
b. Consumption pattern of Scheduled castes in the sample area.

Household is the unit of the study. The data were collected from the member of the family who made all the major expenses for the respective family. In most cases the member was the Head of the household. The concepts and definitions used in this study are the same as those followed by the National Sample Survey. Before discussing the results of this sample survey, this chapter gives a brief analysis of the salient features of demographic and socio-economic characteristics of sample areas and sample households.
1.13 Idukki. District.

1.13.1 General

"Idukku" means constriction. Periyar which is one of the largest rivers of Kerala, flowing through Idukki gorge formed between the two high massive rocks called "Kuravan" and "Kurathi" the site of the gigantic Idukki arch dam. Idukki District named after the mighty Idukki Mala and also after the hydroelectric project, has been formed by carving out portions from the erstwhile Ernakulam and Kottayam Districts. The double curvature Arch Dam is the highest of its kind in Asia and in regard to heights it comes the second in the country. The district came into existence on 26th of January 1972. The District is Bounded on the north by Thrissur district and Coimbatore district of Tamil Nadu State, on the east by Madurai, Ramanad and Thirunelveli districts of Tamil Nadu State, on the south by Pathanamthitta district and on the west by Kottayam and Ernakulam districts. The district lies between 9 degree 15 minutes and 10 degree 21 minutes of north Latitudes and 76 degree 37 minutes and 77 degree 25 minutes of Longitudes.

The district consists of Devikulam, Udumbanchola and Peemedu taluks of the erstwhile Kottayam district, and Thodupuzha taluk (excluding two villages Manjallore and Kalloorkadu) of the erstwhile Ernakulam district. Idukki the second largest district of the State has an area of 4517.9 Sq. Km which constitute 11.6% of the total area of the State.

It extends by 115 km. from south to north and 67 km. from east to west. This is a district of great natural beauty with large number of streams, Ereen wooded hills and forests, fertile valleys and luxuriant vegetation. The district headquarters at Painavu is formed in the Idukki project area. At the time of formation, the district headquarters started functioning at Kottayam and from there it was shifted to Painavu in Thodupuzha taluk in June 1976.

The district is highly heterogeneous in the matter of its people, in their culture, climate, cropping pattern, Physiographic features etc. Nearly 96% of the total area of the district comes under the high land area covered by rugged mountain ranges, hills and deep valleys. The district generates more than 50% of hydroelectric
power of the State. Both rain-shadow and rain sodden areas exist in the district. A lowland area is totally absent in the district. There is only a small strip (4 %) of midland area towards the western part of Thodupuzha Taluk. As per official figures forests cover more than 50 % of the area of the district. But the actual area under forest may be around 30 % due to illegal deforestation. Perennial crops like cardamom, tea, rubber, coconut, pepper etc dominate the agricultural sector. Area under paddy is very limited in the district.

District wise distribution of per capita income shows that among the districts of Kerala Idukki has the third largest per capita income, the first being Ernakulam and second Waynad. During 2001-02, however the lowest growth rate in per capita income was recorded in Idukki district. [8.6%]. Even though Idukki is having high per capita income, still it is the most backward of all the districts in Kerala in respect of the communication, Medical and Education facilities, developmental activities, power distribution, housing, and industrial development, the main reason being its isolation from the main stream of activity in the state.

1.13.2 History

We have very little authentic knowledge, which throws light into the ancient history of Idukki district. Even though there is no clear evidence whether men of the Paleolithic age lived here there is evidence of Stonage civilization.

Karikkode near Thodupuzha was the head quarters of Vadakkumkoor Raja. There is the remains of a fort at Karikkode. Near this fort there is a Devi temple said to have constructed by the Vadakkumkoor Raja. There is also another Temple by name Annamala Temple constructed in Chola style. The Church at Muthalakodam, near Thodupuzha is believed to have been constructed before 13th Century. The Ninnar Mosque near Karikkode is said to have been constructed by the Vadakkumkoor Raja for his Muslim soldiers. Thodupuzha was also a nerve center of business. There is historical evidence to prove that from ancient time onwards ivory, teak, rosewood, sandalwood, peacock etc., were exported to foreign countries.
Historians believe that Kuzhumoor, the capital of Chera Kings of the Sangam Age, is the Kumily in Peerumade taluk. It is assumed that portions of Meenachil taluk and the whole of High Range were included in the Thanthuzhynad under the Kulasekhara Empire (A.D.800-1102). For some time these regions were under the reign of the Thekkumkoor Kingdom. It was proved that Vennimala, one of the capitals of the Thekkumkoor Rajas, was in Idukki district. Manavikrama Kulasekhara Perumal established Poonjar Kingdom. Manavikraman brought Poonjar in Meenachil taluk and the High Range from the Thekkumkoor Raja. Thus major portions of Idukki district came under the rule of the Poonjar Raja.

Marayoor, Kanthalloor, Kizhanthaluva, Vattavada and Karayoor 'gramas' were believed to be part of ancient Anchanad on the north of High ranges. Kannan Thevar was the 19th Century tribal headman of Anchanad. It is said that travelers from Madhurai to the west coast passed through these villages and named these hills after him.

The modern history of the district starts with the advent of European planters to this region. In 1877 Kerala Varma, the Raja of Poonjar, sold 227 sq. Miles of Kannan Devan Hills to John Daniel Munroe, a British planter. The tract was largely unexplored and covered with thick forests. There were no means of communications. In 1878 the Maharaja of Travancore confirmed the sale. J.D Munroe formed the North Travancore Land Planting and Agricultural Society.

The members of the society developed their own estates in various parts of the High Ranges. A.W Turnor at Devikulam area undertook the first cultivation in 1877. The pioneers tried many crops such as Coffee, Cinchona, Sisal and Cardamom, before discovering tea as the crop best suited for this area. Tea was first planted by A.H Sharp at Parvathi, now in Seven Mallay Estate by clearing 50 acres on a dense forest. In 1895 Finlay Muir & Company now known as James Finlay and Company Ltd. purchased that area. The Kannan Devan Hills Produce Company Limited and the Anglo-American Direct Tea Trading Company Ltd. owned 28 estates in these areas.
With the entry of large business houses possessing capital and technical skill, the pace of development was accelerated. Experienced tea planters were brought from Ceylon and large areas were planted with tea. Roads were opened, transport organized, houses and factories built and production rose rapidly in the succeeding years. The Tea Companies for their industrial use initially constructed the Pallivassal Hydro-electric Project, the first Hydro-electric Project of the State. Later Messrs. Tata Finlay Ltd., companies incorporated in India, purchased the Tea Estates from them and are running them now, under the name Messrs. Tata Finlay Ltd. Their operations are mainly confined to Munnar - Devikulam area. After the implementation of the Land Reforms Act, about 70,000 acres of Kannan Devan Hills Village were resumed from the Company as excess land with out any compensation. It is also a bare fact which should not be forgotten that the deforestation process started in the High Ranges with the advent of Plantation industry by the end of 19th century. The ever green forests were totally destroyed and substituted with the present greenish carpet of tea leaves.

1.13.3 Administrative units

Under the revenue administrative system the district is divided in to two revenue divisions namely Devikulam and Idukki. The Devikulam revenue division consists of three Taluks namely. Devikulam, Udumbanchola and Peerumade and Idukki revenue division consist of Thodupuzha taluk only. There are 8 Development Blocks and 51 Panchayats in the district. There is only one Municipal town in the district that is Thodupuzha. Thodupuzha is the only Municipality.

1.13.4 Topography and Geographical features

Idukki, the hilly district of the State, has many unique topographical and geographical characteristics. There are 14 peaks in the district, which exceed a height of 2000 metres above M.S.L. Anamudi (Anamala) the highest peak south of Himalayas is in the District. The estimated height of the peak is 2817 metres. As the district lies mostly in the highland, it is covered with dense forest, steep hills, and deep valleys. Because of the undulating topography large area of the district is not suitable for scientific cultivation.
Periyar, Thaliar and Thodupuzhayar are the three important rivers of this district. Periyar that is 227 KM long is the second largest river of Kerala. It originates from Sivagiri in the southeast part of the district touching all the taluks of the district. The Periyar is harnessed at various points in its course for generating electricity and for irrigation purpose. There are a few natural lakes in the district. They are Eravikulam and Devikulam lakes in Devikulam taluk and Elavizhapunchira, in Thodupuzha taluk. Because of the peculiar topography, transportation and communication facilities are poorly developed in the district. Two types of the soil are found in the district. The highland area is covered by forest soil (Alluvial soil) and the other parts by laterite soil.

The climate in the district undergoes a sudden variation as we go from west to east. The western parts of the district comprising midland area experiences moderate climate, temperature with minimum seasonal variation. The eastern parts of the district located in the highland have a comparatively cold climate with temperature varying between minus 1 degree C to 15 degree C in November/January and 5 degree C to 15 degree C during March/April. As common to other parts of the State, Idukki district also experiences both the southwest monsoon (Edavappathy) and North-East Monsoon (Thualavarsham).

1.13.5 Area and Population.

A major portion of the area of the district (97%) lies in the highland region. 87% of the population of the district is in the high land region and 13% in the midland region. This district has no low land and only Thodupuzha taluk has 184 sq.kms. of midland.

According to 2001 Census the population of Idukki district is 11,28,605 of which 566405 are males and 562200 are females. The sex ratio is 993 females per 1000 males. The sex ratio of the state as per the census report of 2001 is 1058. The sex ratio of the district is lowest among the districts except Waynad. Idukki is one of the two districts where sex ratio is in favour of males. Idukki district has the lowest density of population in the State. According to 2001 census the density of population in Idukki district is 252 as against 819 for the State as a whole.
This district accounts for 3.8% of the State's population. In other words, 3.8% of the total population of the State live in 11.6% of the total area of the State. The density of population in the rural area of the district is 207 persons per sq.kms. The density of urban population of the district is 755 per sq. kms. Idukki is one of the least populated districts. During the last decade population of the district has increased by 11.22% as against 14.32% for the State.

While the % of total workers in the state as per Census 2001 was 32.3 that in the district was 43.3. The distribution of main workers in the district is different from that in the State as a whole. Among the main workers for the State as a whole, 25.55% are agricultural labourers. Cultivators constitute 12.24%, Other services 15.18%, Trade and commerce 12.64% and manufacturing 12%. But for the district, Live stock, Forestry Fishing, and plantation works account for 35.24%, Agricultural labourers 22.16%, and Cultivators 19.43%. There is no other category of workers in the district constituting more than 10% of main workers. The work participation rate for the district is 38.75, for males 55.8 and for females 21.75. This is much higher than the work participation rate for the state of 32 and 50.54 males and 14.7 for females.

About 4 decades ago almost all the present growth centers in the highland region were thick forests. The migration to the highland region started before the formation of Kerala as a consequence to the 'Grow More Food Campaign' in the State, due to the pressure of land in the neighboring districts and due to the sponsorship of other agencies. Since most part of the district is covered with dense forests and plantations there is lesser area for habitation. There is also large-scale conversion of forest areas into arable lands for past two decades. The establishment of the gigantic Idukki Hydro-Electric Project in Thodupuzha taluk also has influenced the growth of population in the district. The inability of the industrial sector in the district and neighboring areas to absorb the labour force also acted as a catalyst for the large-scale encroachment of forest areas.
1.13.6 Demography

Scheduled Caste population assumes some important position in the district. Idukki is one among the 6 districts of the State where the % of Scheduled Caste population is higher than that of the State average. As per 2001 Census 9.92% of the total population of the state belong to Scheduled Castes. While 15% of rural population of the district is Scheduled Castes only 6.02 % of population in urban areas are Scheduled Castes. Of the total Scheduled caste population in the State 81.48% live in rural areas and only 18.52% live in urban areas.

Idukki is one of the districts in Kerala where linguistic minority exists. The linguistic minority of the district is mainly the Tamilian population, whose number will be more than two lakhs. They are mainly workers in the tea and cardamom plantations there has always been a harmonious atmosphere in all the areas where there are larger % of linguistic minorities, as is the tradition of Kerala from time immemorial.

Vazhathoppe Panchayat is one among the 6 Panchayats under the Idukki Block in Idukki district. There were 21 Panchayats with Scheduled caste population greater than 10% in Idukki district. As explained in Data and Methodology section one Panchayat was selected for the presented study. Similarly all the urban areas of the district were identified. There being only one Municipality in the district that was selected for the study. In the selected Panchayat and Municipality, 5 wards from each with the highest % of Scheduled caste population were selected. From the list of scheduled castes from the wards, Sample of 100 households each were selected at random from the Panchayat and Municipality, in proportion to the Scheduled caste households in each ward. The basic demographic indicators of the sample area is given in Table 1.1
Table 1.1 Demographic indicators of sample area

<table>
<thead>
<tr>
<th>Area</th>
<th>Area in sq.km</th>
<th>Density of population</th>
<th>Sex ratio</th>
<th>Population</th>
<th>Literacy rate</th>
<th>Work participation rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>P M F</td>
<td>P M F</td>
<td>P M F</td>
</tr>
<tr>
<td>Idukki District</td>
<td>5019</td>
<td>252*</td>
<td>993*</td>
<td>1128605* 566405* 562200* 88.58* 92.11* 85.04* 38.75 55.8 21.75</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kerala State</td>
<td>38663</td>
<td>819</td>
<td>1058*</td>
<td>31838619* 15468664* 16369955* 92 94 88 32.1 50.5 14.7</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Census of India 2001, paper 3, Kerala.

Table 1.2 Demographic indicators of Scheduled castes

<table>
<thead>
<tr>
<th>Area</th>
<th>Sex ratio for Sc's</th>
<th>Sc population in 2001</th>
<th>Literacy</th>
<th>Work participation rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>P M F</td>
<td>P M F</td>
<td>P M F</td>
<td>P M F</td>
</tr>
<tr>
<td>Idukki District</td>
<td>1014</td>
<td>16407764 81460 82630 73.98 82 65.85 47.55 54.2 41.57</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kerala State</td>
<td>1050</td>
<td>3158143 1539979 1618051 82.4 85.59 75.88 41.31 53.82 30.77</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Census of India 2001, paper 3, Kerala.

Table 1.3 Demographic indicators of Scheduled castes in the study areas

<table>
<thead>
<tr>
<th>Area</th>
<th>Sex ratio for Sc's</th>
<th>Sc population in 2001</th>
<th>Literacy</th>
<th>Work participation rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>P M F</td>
<td>P M F</td>
<td>P M F</td>
<td>P M F</td>
</tr>
<tr>
<td>Vazhathoppe Panchayat</td>
<td>978</td>
<td>1802 882 920 74.32 76.8 71.89 40.22 54.62 23.87</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thodupuzha Municipality</td>
<td>1028</td>
<td>1869 903 966 74.23 75.87 72.69 36.26 52.64 19.38</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Census of India 2001, paper 3, Kerala.

This Panchayat comes under Idukki Block, which is in Thodupuzha Taluk. The Panchayat is bounded by Kanjikuzhy Panchayat in North, Arakkulam, Velliamattom and Udumpannoor Panchayats in South, Mariyapuram Panchayat in East and Udumpannoor and Kanjikkuzhi Panchayats in West.

28% of the total geographical area of the Panchayat is forest area. Agriculture is the main occupation of the people in the Panchayat. The crops are Cardamom, Pepper, rubber coconut, cocoa, paddy, coffee, ginger tapioca, banana, Vegetables etc.
The Panchayat has a total area of 199.84 Sq.Hecto. The total Scheduled Caste population of the Panchayat is 1723, which constitute 10% of the total population of the Panchayat. The no. of males are 851 and that of females 872. In Vazhathoppe Panchayat there are 2 Scheduled castes colonies with a total of 50 Scheduled caste households.

The sex ratio of the district is 993 and that of the State is 1058. The sex ratio of the Panchayat is 978. The density of the Panchayat is 87 per sq.km. The literacy rate in the Panchayat is 92.65, male literacy is 94 and female literacy is 88.

The work participation rates in the Panchayat is 40, the rate for males is 57 and for females 22. The % of main workers in total workers is 88.71. The % of marginal workers is 11.29.

Thodupuzha Municipality has an area of 35.43 sq.kms. The Municipality has a density of 1148 per sq.kms. The total Scheduled Caste population of the Municipality is 1869, which constitute 5% of the total population of the Municipality. The number of Scheduled caste males is 903 and the number of Scheduled castes females 966. The sex ratio of the Municipality is 1003. Kerala is gender sensitive. Kerala is the only State where sex ratio is above the equality rate – breaking records of 100 years with 1058.

The literacy rate of the Municipality is 94% with 96% for males and 91% for females. The literacy rate is much higher than that of the district. The work participation rate is 31 for total population and 51 for males and 11 for females. The % of main workers is 97.27%. The % of marginal workers is 2.73. It is a second grade Municipality. There are 2 Scheduled castes colonies with 76 Scheduled caste households. The Municipality comes under Idukki block, in which there are 15 Scheduled caste colonies with 311 Scheduled caste households.

1.14 The Plan of the study

The broad arrangement of the study is as follows:

a. The first chapter introduces the topic of the study emphasizing the relevance of the study and also profile of the study area.
b. The second chapter contains the review of various related studies and the theoretical framework.

c. The third chapter is devoted to the consumption pattern of General households in India and Kerala other than Scheduled Castes

d. The fourth chapter gives a brief profile of the scheduled caste community in Kerala.

e. The fifth chapter is devoted to the consumption expenditure pattern of Scheduled Castes in Kerala using the secondary data.

f. The sixth chapter is devoted to the analysis of primary data regarding the consumption pattern of Scheduled Castes in Idukki district using statistical tools.

g. The last chapter deals with the summary of the findings and conclusions of this study.

1.15 Limitations of the study

The major limitations of the study on Consumption Pattern of Scheduled Caste households is that the quality of the estimates depends on the reliability of the data collected on each item of expenditure may have errors due to memory lapses of the respondents since no attempt was done to collect data by providing prior information for respondents regarding the survey Besides errors arising out of lack of co-operation of the respondents, deliberate understatement, overstatement or evasion of information etc might have affected the results.

In the analysis of consumption expenditure pattern no provision was made for differences in household size and, age structure of sample households. Expenditure patterns have been compared ignoring these household characteristics

There may be wide differences between consumption pattern of the different sub groups within the scheduled castes which has not been attempted.

NSS data on consumer expenditure is likely to have non-sampling errors and biases in various degrees. It is very difficult to assess the quality of NSS data especially in the absence of comparable other sources of data. Any discussion of the accuracy of NSS estimates will require a great deal of further research.
NOTES AND REFERENCES

4. Ibid.
8. NHDR, (2001), Planning Commission, Rank at national level.
18. Note: Data on consumer expenditures in detail of Scheduled Castes- their size, as well as composition separately and in complete exclusion of the households
belonging to other social groups was provided by the NSS 38th round enquiry (January-December 1983) which provides a firm basis for assessing the levels of living of the Scheduled Castes, for all India and various states. Besides NSSO over its 43rd and 50th rounds i.e., (July 1987- June 1988) and (July 1993-June 1994) has provided data on consumer expenditures of Scheduled Castes. Unfortunately NSS did not publish data on the consumer expenditures of Scheduled Castes for its latest rounds viz.55th round that is 1999-2000.

31. Ibid.


