CHAPTER-IV
CHAPTER - IV

POVERTY MEASURES AND RURAL DEVELOPMENT

Poverty has become one of the biggest challenges of the modern world. It is a worldwide problem. It exists even in the developed world. Over one billion people in the world are estimated to be struck in poverty and nearly half of the world’s poor live in South Asia, a region that accounts for roughly 30 per cent of the world’s population including India. The phenomenon of poverty is not of recent origin. Historically its origin can be clearly traced to the birth of feudalism which institutionalised property and consequent economic inequalities. Although poverty existed for centuries it assumed alarming dimensions and character in the recent past partly due to the growing consciousness of the part of the poor about their living conditions and realised that the causes for their poverty are located in the socio-economic structure of the society. Alleviation of poverty has been an important objective of development policies and programmes all over the world including India. This has a very close link in the generation and providing employment to the people particularly in the rural areas where people’s standard of living is very low. The issue of poverty and unemployment being inter related, eradication of absolute poverty is closely associated with planning for ‘full employment’ at fair wage. In a society where population growth and additions to labour force have been continually rising, achievement of the poverty alleviation or eradication goal on a sustainable basis warrants multi pronged approach. The declining land-man ratio in a predominantly agri-based society, the choice of technologies and shift in demand curve for labour, significantly effect the structure and functioning of labour markets. The steeply falling shares of agriculture in total domestic product and the insignificant reduction in the share of labour force from it, might have effected the livelihood system of working population in rural areas.

Assessment of performances of a poverty alleviation programme requires the measurement of poverty before and after and with and without the programme. The measurement of poverty is also required for many other purposes such as intra and international comparisons of levels of poverty or lack of economic development, determining the credit worthiness of an individual or a country and also for setting the terms and conditions of development aids.
The measurement of poverty is beset with various conceptual, methodological and empirical problems. "Conceptually, it is difficult to define poverty in operational terms that are universally acceptable. "Methodologically, there is no consensus among scholars about the least indicator or measure of poverty. And empirically, given the choice of a particular measure of poverty, it is very difficult to collect reliable data necessary for computing the value of the indicator or the measure chosen. Inspite of having such numerous problems in connection with the measurement of the poverty, policy makers, planners and scholars have attempted to measure poverty and used the poverty measures to monitor changes in the level or incidence of poverty for other purpose."(Kartar Singh, 1998).

There is no universally acceptable definition of poverty, although there are several connotations and definitions in vogue. Poverty implies a condition of life characterised by deprivation of some sort and perceived an undesirable by the person(s) concerned or others. It is a multidimensional concept. Generally, there is consensus among scholars about poverty being conceived and defined as absolute or relative terms. Absolute poverty implies a person’s lack of access to objectively determined, reasonably adequate quantities of goods and services to satisfy his/her material or non-material basic needs. The material basic needs includes food, clothing, shelter, health care, basic literacy and security of life and property and the non-material basic needs comprise such intangible things as a sense of belongings, self respect and economic, social and political freedom. The access to basic needs depends on the person’s ability to self produce, provide and to purchase the goods and services, needed to satisfy the basic needs and availability in the market of those goods and services that cannot be self produced or provided. Ability to purchase apparently depends upon the present disposable income of the person concerned. Some of the basic goods and services such as education, health care and security of life and property could be provided free or at a lower than the market price by a local state or the central government. And thus their availability could be augmented without any increase in personal disposable incomes. On the other hand, relative property means that a person's access to basic needs of life is relatively lower as compared to some reference group of people. Between the two households or two persons, one may be considered poor while the other in comparison may not be so, even
though both may be in a position to fulfil their basic material needs. To estimate the number of people below the poverty line, according to this approach, the whole population of the country is stratified on the basis of income and then the standard of the highest and lowest income groups are compared. Persons having a standard of living below a certain cut-off point, fixed in the light of income distribution of the population are viewed as poor. As for example, the poverty level may be fixed at half the median point of the distribution or it may be measured in terms of full dispersion between the highest and lowest standards. However, some scholars do not accept the distinction between absolute and relative poverty. Because the needs which are believed to be basic or absolute may be shown to be relative and that poverty must be regarded as a general form of relative deprivation which is the effect of maldistribution of resources. However, any measure of relative poverty is, in fact, a measure of inequality in the distribution of income. In this sense, poverty may be considered to exist even when all the households in an area or region are in a position to fulfil their basic needs. It may exist as much in a rich country as in a poor one. Many of the developed countries have reached a state where all their citizens have attained standards of living higher than the prescribed minimum, yet considerable inequality prevails in the distribution of income and wealth. Hence, absolute poverty is more important than the relative poverty.

4.1 POVERTY MEASUREMENT CRITERIA

The magnitude of poverty at any given point of time depends on the criteria or norm used to define poverty and to determine the poverty line. There are two criteria or norms usually employed to define the poverty line.

1) The norm based on the concept of a minimum level of living. A number of research scholars have attempted to estimate the cost of providing a nutritionally adequate diet. For example, Dandekar and Rath (1971), on the basis of average calorie intake of 2250 calorie per capita per day estimated the poverty line corresponding to a consumer expenditure of Rs.15.00 per capita per month for rural households and Rs.22.50 for urban households at the 1960-61 prices with the calorie intake of 2460.

2) The second norm was based on the concept of a minimum level of living in which a study group set up by the Govt. of India in July 1962, deliberated the question of what should be regarded the nationally desirable minimum
level of consumer expenditure. The group recommended that per capita monthly consumer expenditure of Rs.20, at the 1960-61 prices should be deemed national minimum. This does not include the expenditure on health and education, which is expected to be provided by state. Hence, of course, no distinction was made between rural and urban living costs and therefore the basis of estimate is not known.

The commonly used measures of poverty can be classified into two groups, namely, single variate or unidimensional measures and multivariate or multidimensional measures.

4.2 SINGLE VARIABLE OR UNIDIMENSIONAL MEASURES

In this category there are many measures of which the prominent two are: poverty ratio and housing index.

1) Poverty ratio: This is the most commonly used single variate measure of poverty in India. This measure estimates the percentage of population below a specified poverty line. To define and determine the poverty line is that given the diversity of basic necessities of life and intra-regional and inter-regional variations in the mix of basket of basic necessities, the poverty line is expressed in monthly term. Since it is not possible to have any meaningful physical common denominator to aggregate the different elements of basic necessities of life, the monthly measure is the most appropriate in this regard. There has been a lot of debate on how poverty line should be determined and updated. For quite some time, the Planning Commission followed a method recommended by a Task Force on the projection of minimum needs and effective consumption demand in 1979. Following this method, the Planning Commission estimated the poverty line on the basis of all India consumption of basket for 1973-74 at Rs.49.09 and Rs.56.64 per capita per month for rural and urban areas respectively at the 1973-74 prices. This method required an upward adjustment of the data of household consumption obtained through National Sample Survey (NSS). The adjustment was recommended to close the gap between "Sum Total of Household Consumption (STHC) as estimated from the NSS data and the estimates of "National Private Consumption Expenditure"(NPCE) as per the National Accounts Statistics (NAS). But after a careful examination of both sets of data – NSS data and the NAS data, it was found that the two sets were not comparable and that there was need to look afresh into various
methodological issues involved. Consequently, the Planning Commission constituted in 1989 an Expert Group on estimation of proportion and number of poor. The group, in its report submitted in 1993, accepted the definition of the poverty line used by the Task Force but recommended changes in the methodology of estimation of proportion and number of poor. The expert group made estimates of poverty at national and state levels using the state specific poverty lines and based on the data from the quinquennial records of NSS for the years 1973-74, 1977-78, 1987-88 and 1993-94. The Expert Group recommended that the adjustment of the NSS data on the basis of NAS data was uncalled for that the state specific poverty lines should be used as against the all India poverty line for rural and urban India. The expert group also recommended that for updating the poverty lines state specific cost of living indices for rural and urban areas should be used instead of only the all India index for both rural and urban areas as used by the Task Force. The group suggested that updating of the rural poverty line, the Consumer Price Index for agriculture labour to be used and a simple average of weighed commodity indices of the Consumer Price Index for industrial workers. And the Consumer Price Index for urban non-manual employees to be used for updating the urban poverty line. The Planning Commission accepted in March 1997, the methodology recommended by the group with a slight modification that only the 'Consumer Price Index for industrial workers' would be used for estimating and updating the urban poverty line. So with effect from April'1997, a modified Expert Group Methodology has been used for estimating and updating poverty line for rural and urban areas.

There are quite a few other commonly used single variate measures of poverty or human development apart from per capita income or Consumption Expenditure. They include (a) Life expectancy at birth, (b) Literacy Rate, (c) Birth Rate, (d) Death rate, (e) Infant Mortality Rate. The following table explain the extent of poverty under these indices:

**Table-4.1: Number and percentage of population below poverty line (BPL) in India estimated by using the Expert Group Methodology.**

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Poor (In Million)</th>
<th>Percentage of Poor</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rural</td>
<td>Urban</td>
</tr>
<tr>
<td>1973-74</td>
<td>261.29</td>
<td>60.65</td>
</tr>
<tr>
<td>1977-78</td>
<td>264.25</td>
<td>64.65</td>
</tr>
<tr>
<td>1983</td>
<td>251.96</td>
<td>70.94</td>
</tr>
</tbody>
</table>
Table-4.2 : Basic Indicators of Human Development In India, 1951 to 1995.

<table>
<thead>
<tr>
<th>Year (Year)</th>
<th>Life Expectancy at Birth.</th>
<th>Literacy Rate (Percent)</th>
<th>Birth Rate *</th>
<th>Death Rate ** (Per Thousand)</th>
<th>Infant Mortality Rate. (Per Thousand)</th>
<th>Per capita NNP at 1980-81 Price Rs.***</th>
</tr>
</thead>
<tbody>
<tr>
<td>1951</td>
<td>32.1</td>
<td>18.3</td>
<td>39.9</td>
<td>27.4</td>
<td>146</td>
<td>1127</td>
</tr>
<tr>
<td>1961</td>
<td>41.3</td>
<td>28.3</td>
<td>41.7</td>
<td>22.8</td>
<td>146</td>
<td>1350</td>
</tr>
<tr>
<td>1971</td>
<td>45.6</td>
<td>34.5</td>
<td>36.9</td>
<td>14.9</td>
<td>129</td>
<td>1520</td>
</tr>
<tr>
<td>1981</td>
<td>50.4</td>
<td>43.6</td>
<td>33.9</td>
<td>12.5</td>
<td>110</td>
<td>1630</td>
</tr>
<tr>
<td>1991</td>
<td>59.4</td>
<td>52.2</td>
<td>29.5</td>
<td>9.8</td>
<td>80</td>
<td>2222</td>
</tr>
<tr>
<td>1995</td>
<td>NA</td>
<td>NA</td>
<td>28.3</td>
<td>9.0</td>
<td>74</td>
<td>2449</td>
</tr>
</tbody>
</table>


** Data for 1951 and 1961 relate to the decades 1941-50 and 1951-60, respectively and the estimate for 1971 and 1981 onwards are based on the sample Registration System.

*** Relate to the financial years 1950-51, 1960-61 and so on.

The Seventh Finance Commission (1978) used a broad concept of poverty line, the Augmented Poverty Line (APL), which included besides household consumer expenditure an estimate of benefit of public expenditure. The APL was computed first for every state by adding to the per capita monthly public expenditure by the State Government in 1970-71 prices under the heads:

i) Health and family planning,

ii) Water supply and sanitation,

iii) Education,

iv) Administration of police, jails and courts,

v) Roads and

vi) Social welfare.

To this state specific norm, the highest per capita monthly public expenditure among the state in India in 1970-71 prices was added to arrive at the APL. Then the commission estimated the number of people below the APL for 15 states including Assam and found that 277 million people lived below the APL in 1970-71. These poor people accounted for about 52 per cent of the total population of the 15 states.
A major weakness in the measurement of poverty is the use of family rather than the individual as the natural unit of consumption behaviour. In calculating the income necessary for meeting the minimum needs of the families of different sizes, some methods of correspondence of family income with individual income is needed. It is generally calculated by dividing the family income by the number of family members. However, it overlooks the economies of scale that operate for many items of consumption and that also children’s need are quite different from adult’s needs. To cope with this problem, each family can be converted into a certain number of equivalent adults by using some equivalence scale. This equivalence scale to be converted into equivalence of needs for the reason that the consumption pattern varies from family to family and age to age.

Estimation of the poverty line also suffers from other limitations such as non-inclusion of freely available public consumption goods and services. The minimum nutritional requirement usually reckoned in terms of calories varies with age, gender, occupation, region etc. of individuals. Given the current data availability, it is not quite easily possible to take such variation into account. Hence, a simple norm is used. But a uniform norm for the country as a whole does not give considerations to inter regional variations.

4.3 HOUSING INDEX

Gibbons (1997) proposed the Housing Index as a cost effective measure or tool for identification of the poor. He asserts that this index has been found valid and useful in a number of countries such as China, Vietnam, Philippines, Indonesia, India and Bangladesh and that the index can help in identifying about 80 per cent of the poor very quickly. The Housing Index has three components, namely a) Size of the house, b) Physical Condition of the house as reflected in the materials used in the construction and c) the type of materials used for making the roof of the house. All the three dimensions of the index can be looked at and assessed through going up and down the lanes in the village. According to Gibbons, the material of the roof is a simple but powerful indicator of poverty in most countries in Asia. In those countries, the poor lives in houses having thatched roof, or roofs made out of wooden bamboo or things or plastic sheets that have holes and the roofs leak and create health problems. Nobody wants to live in such houses unless one has to. So the people living in such houses are really very poor.
With this if a small size of a house and very simple building materials such as mud, jute, sticks and such other things are combined, then it will be very close to identify most of the very poor. However, Gibbons admits two limitations of this index. First, some poor people live in the bigger and good houses because they inherited those houses but now they no longer have any income. Second, in many countries including India, the government provides reasonably good houses to the poor free of cost. So, in those areas this index cannot identify the poor. To overcome these and other similar limitations there is an appeal procedure. The poor people living in good houses could appeal to the field assistant and convince him or her that they are not rich. A senior officer could later on interview such people and take the final decision in the matter. In such cases, use of the Participatory Rural Appraisal (PRA) method of wealth ranking has been found to be useful. In the PRA method all the villages are brought together to find out who are the very poor, poor, not so poor and not poor at all. The two methods, housing index and PRA, were found to be comparable in terms of cost effectiveness and time taken.

The housing index has a serious limitation in the sense that, it cannot be used for making international and even intra national comparison. Because, the type of houses vary widely from country to country or from state to state within the countries. But primary purpose of this index is to identify the poor in a particular area for reaching some benefits or services to them. For this purpose, this index has much convenience.

Another limitation is that there is no way to combine three components into a single index. Hence, the nomenclature 'housing index' is somewhat misleading.

**4.4 MULTIDIMENSIONAL OR MULTI VARIATE MEASURES**

Instead of defining poverty in terms of single variates, such as, life expectancy, infant mortality and per capita expenditure or income, in singular terms, one could use a number of composite indicators. This could be constructed by combining several single variate measures such as per capita income, basic literacy and life expectancy into a single index or indicator. Following this approach, several composite indicators have been proposed by scholars. Three such measures are the Physical Quantity of Life Index(PQLI), the Human Development Index(HDI) and the Human Poverty Index(HPI).
4.4(1) PHYSICAL QUALITY OF LIFE INDEX (PQLI)

Moris and McAlpin (1982) developed a measure that can help policymakers determine the extent to which their policies actually benefit greater or smaller proportion of their societies. This measure is called the Physical Quality of Life Index (PQLI). PQLI is a measure of quality of life supplements per capita real GNP, which is the most widely used measure of economic growth. It measures the progress that is or is not being made in satisfying certain basic needs of the poorest people, though it does not incorporate everything measurable welfare. It has three components, viz. Infant mortality, life expectancy at age one and basic literacy. These three component indicators lend themselves to intra and international comparisons, simple to compute and understand, fairly sensitive to changes in distribution of benefits of development. The three component indicators of PQLI do not have any common element that values them all. Instead, a simple index system is used to combine them into a single index – PQLI. For each indicator performance of individual states or countries is evaluated on a scale of 0 to 100 where 0 represents an absolutely defined 'worst' performance and 100 represents the 'best' performance. Once the performance for each indicator is scaled to this common measure, a composite index is calculated by averaging the three indicators giving equal weight to each of them. The resulting PQLI is thus also scaled 0 to 100.

Moris and McAlpin have computed PQLI for 150 countries. The range for each component index was based on the examination of historical experience of the countries concerned. The literacy index ranged from 0 literacy to 100 per cent literacy for the population aged 15 and above, the infant mortality rate from 229 to 700 per birth and life expectancy at age from 38 to 77 years. PQLI measures the combined effect of nutritional status, and public health and education facilities, but not the effect of family income. In the 1970's India's PQLI was 43 whereas the highest volume of the index was 94 for USA. After the introduction of the Human Development Index, use of PQLI as a measure of poverty has of little significance.

4.4(ii) HUMAN DEVELOPMENT INDEX (HDI):

Beginning with the year 1990 the United Nations Development Programme decided to bring a report on human development stressing the fact that people must be at the centre of all development. The Human
Development Report, 1990, was the first of such exercise. The report addressed the question of how economic growth does or does not promote human development. It discusses the meaning and measurement of human development, process a new composite index of human development, summarises the record of human development over the past three decades and set forth strategies for human development in the 1990's (UNDP, 1990). The report defined human development as the process of increasing people's options. It stressed the most critical choices that people should have included the options to lead a long and healthy life, to be knowledgeable and to find access to assets, employment and income needed for a decent standard of living. Development thus defined cannot be adequately measured by income alone. The report therefore, proposed a new measure of development, the Human Development Index (HDI), composed of three indicators; life expectancy, adult literacy and income. The subsequent Human Development Reports have made some refinements in the procedure of defining the component indicators and computing HDI. The refinements include adjustment of income for differences in purchasing power and disparities in income distribution, combining adult literacy and mean years of schooling into an index of educational attainment and computing disaggregated HDI for males and females and for different population groups. In addition, HDI has also supplemented by a human freedom index and indicators of human securities for selected countries.

The Human Development Index for 1994 was calculated on a different basis from that in the previous years. The maximum and minimum values were fixed for the variables – life expectancy (85.0 and 25.0), adult literacy (100 per cent and 0 per cent), mean years of schooling (15 years and 0 years). And income adjusted for difference in purchasing power and expressed in terms of Purchasing Power Parity (PPP), ($40,000 and $200). For income, the threshold value was taken to be the global average real GDP per capita of PPP $5,120. Multiplies of income beyond the threshold value were discounted using a progressively higher rate (UNDP 1994). The Gender Related Development Index (GDI) and Gender Empowerment Measure (GEM) introduced in Human Development Report (1995), are composite measures reflecting gender inequalities in human development. While the GDI captures achievements in basic human
development adjusted for gender inequality, the GEM measures gender inequality in economic and political opportunity.

The minimum and maximum value of component variables were fixed without reference to particular countries i.e. the values were the norms. The minimum values were those observed historically going back about 30 years and the maximum were the limits of what can be envisaged in the next 30 years. This permitted more meaningful comparison across countries and overtime.

HDI has been used (a) to stimulate national political debate, (b) to give priority to human development, (c) to highlight disparities within countries and (d) to open new avenues for analysis. HDI is by far the most widely accepted indicator of human development and lack of development or poverty. In 1997, India's HDI was 0.545(value) and its rank was 132 among 174 nations of the World. Canada has the highest HDI 0.932 and Sierra Leone the lowest 0.254. In the same year, India's life expectancy rate at birth was 62.5 years, Adult literacy rate 53.5 per cent, combined first, second and third level gross enrolment ratio 55 per cent, real GDP per capita (PPP$) 1670, life expectancy index 0.63, Education index 0.54, GDP index 0.47 while real GDP per capita (PPP$) rank minus HDI rank (-1) in comparison to the highest Canada's life expectancy at birth 79.0, Adult literacy rate 99.0 per cent, combined first, second and third level gross enrolment ratio 99 per cent, real GDP per capita (PPP$)22480, life expectancy index 0.90, Education index 0.99, GDP index 0.90 while real GDP per capita (PPP$) rank minus HDI rank (12) over the same period. From 1998 onwards, a new formula for HDI has been evolved and hence there have been changes in the indices of HDI and other variables. The observations have been made in this context with reference to India.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>New formula</td>
<td>Old formula</td>
<td>Life expectancy</td>
<td>Adult literacy</td>
</tr>
<tr>
<td>132 India</td>
<td>-</td>
<td>.451</td>
<td>.545</td>
<td>6</td>
</tr>
</tbody>
</table>
4.4(III) HUMAN POVERTY INDEX (HPI)

Human Development Reports (1997) introduced a concept of human poverty and formulated a composite measure of it – the human poverty index (HPI). While the HDI measures average achievements in basic dimensions of human development, the HPI measures deprivations in those dimensions.

Table-4.3 : The basic dimensions of human development reflected in the human development indices and the indicators used to measure them.

<table>
<thead>
<tr>
<th>Index</th>
<th>Longevity</th>
<th>Knowledge</th>
<th>Decent standard of living</th>
<th>Participation or Exclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>HDI</td>
<td>Life expectancy at birth</td>
<td>1. Adult Literacy Rate. 2. Combined enrolment ratio</td>
<td>Adjusted per capita income in PPP$ based on female and male earned income shares.</td>
<td>-</td>
</tr>
<tr>
<td>GDI</td>
<td>Female and Male life expectancy at birth</td>
<td></td>
<td>Adjusted per capita income in PPP$ based on female and male earned income shares.</td>
<td>-</td>
</tr>
<tr>
<td>HPI-1</td>
<td>Percentage of people not expected to survive to age of 40</td>
<td>Adult literacy rate</td>
<td>1. Percentage of people without access to safe water. 2. Percentage of people without access to health services. 3. Percentage of under weight children under five.</td>
<td>-</td>
</tr>
<tr>
<td>HPI-2</td>
<td>Percentage of people not expected to survive to age of 60</td>
<td>Adult functional illiteracy rate</td>
<td>1. Percentage of people living below the income poverty line (50% of median personal disposable income)</td>
<td>Long term unemployment rate (12 months or more)</td>
</tr>
</tbody>
</table>

* - For developing countries; ** - For industrialised countries.

The HPI is based on three types of deprivation (UNDP, 1997) PP 17-23

a) Survival deprivation, as measured by the percentage of people (in a given country) not expected to survive to age 40 years (P1);

b) Deprivation in education and knowledge as measured by the adult literacy rate (P2);

c) Deprivation in economic provisioning (P3), which is computed on the mean of three variables namely population without access to safe water (P31), population without access to health services (P32), and under weight children under the age 5 years (P33) – all three expressed in percentage. HPI is then
obtained on the cube root of deprivation. This is a ‘power mean’ of order three. The power mean of order is the simple mean of the average of value.

While comparing the human poverty index for developing countries, the composite variable $P_3$ is constructed by taking a simple average of the three variables $P_{31}$, $P_{32}$ and $P_{33}$. Thus,

$$P_3 = \frac{(P_{31} + P_{32} + P_{33})}{3}$$

Following technical note 1 in human development Report 1997, the formula for the HPI-1 is given by:

$$HPI = \{1/3(P_{31}^3 + P_{32}^3 + P_{33}^3)^{1/3}\}$$

As an example, we compute the HPI-1 for the country Panama.

<table>
<thead>
<tr>
<th></th>
<th>$P_1$</th>
<th>$P_2$</th>
<th>$P_{31}$</th>
<th>$P_{32}$</th>
<th>$P_{33}$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Panama</td>
<td>6.4</td>
<td>8.9</td>
<td>7.0</td>
<td>18.0</td>
<td>7.0</td>
</tr>
</tbody>
</table>

Step One >> Calculating $P_3 = \frac{7+18+7}{3} = 10.7$

Step Two >> Calculating the HPI-1 = $[1/3 (6.4^3+8.9^3+10.7^3)]^{1/3}$

$$= [1/3 (262.144+704.97+1255.04)]^{1/3}$$

$$= [1/3 (2192.15)]^{1/3}$$

$$= (730.72)^{1/3}$$

$$= 9.0$$

4.5 COMPUTING THE HUMAN POVERTY INDEX FOR INDUSTRIAL COUNTRIES

The human poverty index for industrialised countries HPI-2 concentrates on deprivations in four dimensions of human life, quite similar to those reflected in the HDI – longevity, knowledge, a decent standard of living and social exclusion. The first deprivation relates to survival – vulnerability to death at a relatively early age. The second relates to knowledge – being deprived of the world of reading and communication. The third relates to a decent standard of living in terms of overall economic provisioning. And the fourth relates to non-participation or exclusion.

In constructing the HPI-2, the deprivation in longevity is represented by the percentage of people not expected to survive at age 60 ($P_1$), and the deprivation in knowledge by the percentage of people who are functionally illiterate as defined by the OECD ($P_2$). The deprivation in standard of living is represented by the percentage of people below the income poverty line, set at
50 per cent of the median disposable personal income (P<sub>a</sub>) and the forth deprivation is non-participation or exclusion is measured by the rate of long term (12 months or more) unemployment (P<sub>4</sub>) of the labour force. Following technical note 1 in Human Development Report 1997, the formula for the HPI - 2 is given by:

\[
HPI-2 = \left(\frac{1}{4}(P_1^3 + P_2^3 + P_3^3 + P_4^3)\right)^{1/3}
\]

As an example, we complete the HPI - 2 for the United States:

<table>
<thead>
<tr>
<th>Country</th>
<th>P&lt;sub&gt;1&lt;/sub&gt;</th>
<th>P&lt;sub&gt;2&lt;/sub&gt;</th>
<th>P&lt;sub&gt;3&lt;/sub&gt;</th>
<th>P&lt;sub&gt;4&lt;/sub&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>12.6</td>
<td>20.7</td>
<td>19.1</td>
<td>0.5</td>
</tr>
</tbody>
</table>

Constructing the HPI-2:

\[
HPI-2 = \left[\frac{1}{4}(12.6^3+20.7^3+19.1^3+0.5^3)\right]^{1/3}
\]

\[
= \left[\frac{1}{4}(2000.4+8869.7+6967.9+0.125)\right]^{1/3}
\]

\[
= \left[\frac{1}{4}(17838.1)\right]^{1/3}
\]

\[
= (4459.5)^{1/3}
\]

\[
= 16.5
\]

With this methodology i.e. HPI - 2, India’s HPI in 1997 was found to be 35.9 with the rank 59 among 174 nations, given the variables, as -

i) People not expected to survive to age 40 (as % of total population) = 16.1

ii) Adult Literacy Rate(%) = 46.6

iii) Population without access -
   a) to safe water (% , 1990-1997) = 19
   b) to health services (% 1981-1992) = 25
   c) to sanitation in (% , 1990-1997) = 71

iv) Underweight children under age five(%, 1990-1997) = 53

v) Rural SDP per capita (PPP$) –
   a) poorest 20% (1980 – 1994) = 527
   b) Richest 20% (1980 – 1994) = 2641
   c) Richest 20% to Poorest 20% (1980 – 1994) = 5.0

vi) Population below poverty line (%) –
   a) $1 a day (\{(1985PPP$)\} \rightarrow (1989-1994)) = 52.5
The measurement of poverty is beset with numerous conceptual, methodological and empirical problems. Despite those problems, scholars, planners, and policy makers have attempted to measure poverty. Measures of poverty that are commonly used can be classified into mainly two groups, viz, unidimensional or single variate and multidimensional or multivariate. The poverty ratio or the Head Count Ratio is the most commonly used measure of poverty but as it is single variate measure computed on the basis of income or consumption expenditure it cannot cover the multidimensional nature of poverty. On the other hand, the Housing Index seems to be a simple and cost effective measure that can be used to identify the poor in a particular area, but it cannot be used for international comparison. The multidimensional measures include the Physical Quality of Life Index, the Human Development Index, Human Poverty Index, Gender Related Index, Gender Empowerment Index. Despite its limitations the Poverty Ratio is the most widely used measure of poverty in India over the years and several refinements have been made in estimating it. However, there is a lot of work to do in this regard to improve the reliability of income or consumption data used to estimate this measure and to make the measure region specific and gender specific.

The long-term objective of development is to improve the quality of life. Therefore, the study on living standard should go beyond the consumption levels of goods and services and its distribution and poverty and it should also examine the role of non-economic factors such as social development essential for improving the quality of social fabric. “In fact social development with a time lag, becomes a critical input for rapid expansion of the economy” (K. Hanumantha Rao, 1998). In India, some of the important studies on the measurement of living standard are those made by Planning Commission, Ganguli and Gupta. Hanumantha Rao, Rohini Naiyyar. These works essentially aimed at the changes - both in direction and magnitude in living conditions of people during different periods of planning.

To identify a set of indicators to measure the changes in quality in life which constitute the level of living has been spelt out clearly. Some of the terms of levels of living are as –

i) A state of being happy, healthy and prosperous,

ii) It refers to a scale of aspirations of a group of goods and services which are either privately purchased or collectively consumed (Public Utilities),

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iii) An average value of some measure(s) of actual consumption standards and the dispersions around that (these) measure(s), concepts of levels of living and consumption are viewed as related and consider the existing situation or experiences in contrast to the desired ones.

iv) Satisfaction of sociological and cultural aspirations – the scientific and other developments taking place in a society should lead to qualitatively higher standard of living. The fulfilment of biological, social and aesthetic needs may act as a dominant driving force for improvements on a continuous and sustainable basis in the standards of living in a society.

These definitions broadly indicate that social welfare is related to the consumption of goods and services, (kind and quantity) vis-a-vis certain derivable standards deemed necessary for a decent living. The basket of goods and services cover monetary and non-monetary items. The provision of these goods and services should result in eradication of poverty and rise in overall economic status and facilitate improvements in social and human development. The fulfillment of the material and socio-cultural needs will act as a stimulus for attaining qualitatively superior standard of living.

For studying the level of living in rural India, the areas of concern are:

i) Consumption levels,

ii) Poverty and Economic well being and

iii) Social Development.

A set of indicators are given to describe or promote an overall understanding of the changes taking place in quality of life and in which information on some inputs like process, output, ultimate results are ascribed.

Areawise indicators of levels of living are:

1) Consumption expenditure levels, pattern and disparities :-
   - Per capita Consumption Expenditure (PCE) at current and constant (1960-61) prices.
   - Per capita Consumption Expenditure vis-à-vis Poverty Line (PL).
   - Gini – Co-efficient of Inequality in Consumer Expenditure.
   - Share of Top and Bottom Deciles in Consumption Expenditure.
   - Per capita Cereal Intake.
   - Share of Food in Total Consumption Expenditure.
   - Share of Food Grains in Total Consumption Expenditure.
2) Poverty and Economic well being :-
   - Percentage of Poor and Ultra Poor,
   - Poverty Gap(PG) as a percentage of the Poverty Line,
   - Percentage Distribution of Persons Across Economic Categories,
   - Overall Index of Economic Well – Being,
3) Social Development :-
   - Health Status,
   - Crude Birth Rate,
   - Crude Death Rate,
   - Infant Mortality Rate,
   - Expectancy of Life,
   - Educational status,
   - Literacy Level(general & females),
   - Human Development,
   - Human Development Index.

4.6 CONSUMPTION EXPENDITURE LEVELS AND DISPARITIES

Expenditure is more efficient indicator of welfare than income, as because it reflects actual levels of consumption of goods and services. For making meaningful inter period and inter state comparisons, the consumption expenditure should be expressed in real terms using an appropriate price deflator. A set of statistical measures is needed to depict the distribution of expenditure data across various deciles. In various studies a number of indicators have been employed. These include :

i) Per capita Consumption Expenditure(PCE) at current and constant prices,

ii) Gini-co-efficient of inequality in consumption expenditure(G),

iii) The share of the top 10 per cent (T-10) and Bottom 30 per cent (B-30) in total Consumption Expenditure,

iv) Per capita Consumption Expenditure (at constant prices) of T-10 to that of B-30.

The need for multiple indicators arises due to certain limitations of each of the measures. The set of indicators will have to be supplementary to one another and together describe the levels and disparities in Consumption Expenditure.
In the study of living standards attention is paid to nutritional aspects and qualitative change in the consumption pattern. The nutrition aspects are examined through:

i) Per capita calorie intake,

ii) Actual consumption of nutrients (Calories and Protein) and its requirements,

iii) Percentage of under-nourished population,

iv) Incidence of protein calorie nutrition and

v) The per capita consumption of cereals. However, the choice of indicators is restricted to the (non) availability of data and also by its reliability.

Some scholars consider the qualitative shifts in the consumption pattern to non-food items such as consumer durable, clothing and foot wear etc. to find out the changes in the living conditions. The qualitative shifts in the foodgrain are traced with the help of

i) Percentage share of foodgrains and food in total expenditure and

ii) Share of non-food-grain food items (quality) in food expenditure.

The levels and changes in the Per capita Consumer Expenditure (PCE) are influenced by factors like the rate of economic growth, inflation and population growth. The PCE at constant prices was functioning in the initial years in the country. The period 1960-74 was a stagnancy period in rural consumer levels in rural India. The Change (rise) has been occurred since mid 70's and 80's. From the data on PCE levels and values during 1977-78 to 1983, it can be inferred that there was an overall improvement in the living standard. The fluctuation in share of T-10 and B-30 in the earlier years could be partly responsible for changes in 'G'. Another change has been noticed that with the changes in the average consumption levels and the comparison of the PCE with poverty level(s) confirm the view that the standards improved and intra-regional inequalities have been narrowed down.

Qualitative changes in living conditions are traced in terms of cereal intake with special reference to the composition of items in the cereal basket. The cereal consumption as an indicator has some advantages. Cereals account for more than 60 per cent of the calorie supply to an average Indian diet and calories are the limiting factor of Indian diets. Cereals are some of the cheapest of calories and production of cereals is labour intensive. During 1967-74 average share of food (SF) was around 70 percentage and it varied among the various states between 63 per cent to 80 percentage. It also
showed trends of decline during 1961-78. It was observed that wherever SF increased in a state the share of food grains (SFG) also had risen. It is stated that changes in both SF and SFG were moderate in the 80's. Thus, there has been a shift in food preferences in the rural India in form of non-foodgrains food items over time. Though the SF declined, the fall in SFG was more remarkable. Such changes make the food dearer and an upward rise in cost of nutrients implied the need for revision of poverty line.

Table-4.4 : Consumer Expenditure : Levels and Disparities in India.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>PCME (Rs./Month)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- at current prices</td>
<td>21.73</td>
<td>53.01</td>
<td>68.89</td>
<td>112.3</td>
<td>157.66</td>
</tr>
<tr>
<td></td>
<td>- at 1960-61 prices</td>
<td>21.03</td>
<td>18.34</td>
<td>21.83</td>
<td>1</td>
<td>21.98</td>
</tr>
<tr>
<td></td>
<td>24.25</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>PCE as a ratio of PL</td>
<td>1.05</td>
<td>0.92</td>
<td>1.07</td>
<td>1.10</td>
<td>1.21</td>
</tr>
<tr>
<td>C</td>
<td>Gini Co-Efficient of consumer expenditure</td>
<td>0.30</td>
<td>0.24</td>
<td>0.33</td>
<td>0.29</td>
<td>-</td>
</tr>
<tr>
<td>D</td>
<td>Percentage share in total consumer expenditure.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Top 10%</td>
<td>24.9</td>
<td>21.1</td>
<td>28.3</td>
<td>24.6</td>
<td>24.6</td>
</tr>
<tr>
<td></td>
<td>Bottom 30%</td>
<td>14.6</td>
<td>18.0</td>
<td>14.4</td>
<td>15.2</td>
<td>15.6</td>
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<tr>
<td>E</td>
<td>Per Capita Monthly Consumption (Kgs).</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Major Cereals</td>
<td>11.42</td>
<td>10.42</td>
<td>11.77</td>
<td>11.09</td>
<td>11.98</td>
</tr>
<tr>
<td></td>
<td>- All Cereals</td>
<td>18.04</td>
<td>15.77</td>
<td>15.83</td>
<td>14.80</td>
<td>14.47</td>
</tr>
<tr>
<td>F</td>
<td>Share in Consumer Expenditure.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Food Grain (SFG)</td>
<td>43.86</td>
<td>48.30</td>
<td>37.35</td>
<td>36.30</td>
<td>26.40</td>
</tr>
<tr>
<td></td>
<td>- Food (SF)</td>
<td>68.70</td>
<td>74.90</td>
<td>64.35</td>
<td>65.60</td>
<td>64.10</td>
</tr>
</tbody>
</table>

Source: Consumer Price Index for Agricultural Labourers, the PCME at 1960-61 prices NIRD publication, Hyderabad.

* PCME : Per Capita Monthly Expenditure.
** PCE : Per Capita Expenditure.
*** PL : Poverty Line.

4.7 POVERTY INDICATORS/MEASURES OF POVERTY AND ECONOMIC WELL BEING IN RURAL INDIA

Poverty was placed explicitly on the national agenda after seminal work of Dandekar and Rath (1971), though concerns and data can be traced back to the late 1950's. Eradication of poverty is one of the planned economic goals of India and accordingly several policies and programmes have been undertaken during the past decades. The most influential work was done in this regard by Planning Commission in 1962, wherein it was stated that those adults who consumed food less than 2250 kilo calories per day, translatable to a monthly per capita expenditure (PCME) of Rs.15/- for rural areas at
1960-61 prices, were below the poverty line. (India Rural Development Report 1999)i2.

The poverty line is expressed in terms of threshold income or expenditure level, necessary for maintenance of a minimum standard of living. All those persons or households who failed to achieve the threshold level are treated as poor. The minimum expenditure level of Rs.20/- per capita per month income at 1960-61 prices for all India was suggested by the Working Group of the Planning Commission in the same year i.e. in 1962. And the same was considered after adjusting the temporal price variations using Consumer Price Index for Agriculture labourers. This was regarded as poverty line – I, while, poverty line measured at Rs.15/- as minimum was considered to be poverty line – II that corresponds to ultra poverty line.

Later measures have all centered on nutritional norms and have primarily been NSS data driven. In the early 1970's i.e. the Fifth Plan period, the Minimum Needs Programmes (MNP) was adopted wherein the need to reach out a range of public and private consumption items to the population was explicitly recognised. The official approaches to the measurement of poverty in the 1970’s and 1980s was laid in the report of the ‘Task Force on Projections of Minimum Needs and Effective Consumption Demand’ (Planning Commission, 1979). This Task Force suggested a nutritional norm of 2400 k-calories per capita daily for rural areas. This norm was based on the all India distribution of consumption as per the 28th round (1973-74) of the National Sample Survey(NSS) needing Rs.49.09 per month to satisfy the caloric norms for rural areas. In the subsequent years, this was adjusted with the prices to get the respective poverty lines. Till the early 1990’s, this was adjusted with the current levels of consumption to the all-India inflation levels and thereafter adjusted with the NSS consumption distributions with the National Accounts Statistics (NAS) data, which generated their own estimates of food consumption. The adjustment with NAS was made as because the official position of the averages of the NAS were more accurate than those of NSS. Also since the planning models in India extensively use NAS statistics, it is simpler to use matching data on consumption, drawn from the same source.

An Expert Committee on the measurement of poverty in 1990’s (Planning Commission, 1993), suggested major departure from the official position by putting forth the need to use state specific inflation adjustment rather than use of all-India deflators and discontinue adjusting the NSS
distribution in the NAS data. This was an attempt to take care of the disaggregated realities as actually observed from survey data. The measurement process underwent another revisions in the choice of price deflators and in 1997 the Planning Commission accepted the modified recommendations of the Expert Committee. The purpose was to assess the extent of poverty by magnitude, location and populations and not to judge the merits of one method over the other. (Elaborated by Malhotra, 1997, Dubey and Gangopadhyay, 1998, World Bank 1997, Haque, 1998).

The proportions of persons below the poverty line have been worked out for the period from late 1970’s till 1990’s by different authorities and government agencies in India.

**Table 4.5 : Poverty in Rural India : Alternative Estimates.**

<table>
<thead>
<tr>
<th>Year</th>
<th>World Bank %</th>
<th>Planning Commission %</th>
<th>Expert Group Estimate I %</th>
<th>Expert Group Estimate II %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1973-74</td>
<td>55.72</td>
<td>Oct'72-Sept'73</td>
<td>54.10</td>
<td>56.44</td>
</tr>
<tr>
<td>1977-78</td>
<td>54.84</td>
<td>July'77-June'78</td>
<td>46.10</td>
<td>53.04</td>
</tr>
<tr>
<td>1983</td>
<td>45.31</td>
<td>Jan'83-Dec'83</td>
<td>32.73</td>
<td>45.61</td>
</tr>
<tr>
<td>1987-88</td>
<td>38.81</td>
<td>July'87-Jun'88</td>
<td>28.73</td>
<td>39.06</td>
</tr>
<tr>
<td>1993-94</td>
<td>36.66</td>
<td>July'93-June'94</td>
<td>19.24</td>
<td>37.27</td>
</tr>
</tbody>
</table>

Source : Surveys of the Respective agencies, Expert Group in the reference years (NSS; Planning Commission, World Bank and recommendation of the Expert Group as mentioned – a comparison.

There has been a steady fall in poverty proportions through 70’s, 80’s and the 1990’s as has been depicted in the table-4.5. However, this does not mean that absolute numbers below the poverty line have reduced; they were in the range of 250 million in the early seventies and were only slightly lower in the nineties. In the modified Expert Group approach it is found that the proportions of living below poverty line have reduced from 56.44 per cent in 1972-73 to 37.27 per cent in 1993-94. In numbers, the reduction has been from 261 million to 244 million only over the same period. The population growth was from about 460 million to about 650 million – almost 10 million a year through these two decades.

A statewise distribution of poverty population can be seen from the table-4.6 below. There are some noteworthy observations here – one relating to the spatial spread of poverty and the other, gainers and losers over the two decades since the 1970’s. The inter-states differences for 1993-94 show that the state of Andhra Pradesh(AP), Gujrat, Haryana, Hiamachal Pradesh(HP), Karnataka, Kerala, Punjab and Rajasthan showed much lower rural poverty
ratios, 30 per cent less among the major states as compared to the national average of 32.27 for rural areas.

Table-4.6: Statewise percentage of population below the poverty line (Modified Expert Group). Incidence of Poverty.

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>1</td>
<td>Andhra Pradesh</td>
<td>48.41</td>
<td>38.11</td>
<td>26.55</td>
<td>20.92</td>
<td>15.92</td>
</tr>
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<td>2</td>
<td>Arunachal Pradesh</td>
<td>52.67</td>
<td>59.82</td>
<td>42.60</td>
<td>39.35</td>
<td>45.01</td>
</tr>
<tr>
<td>3</td>
<td>Assam</td>
<td>53.67</td>
<td>59.82</td>
<td>42.60</td>
<td>39.35</td>
<td>45.01</td>
</tr>
<tr>
<td>4</td>
<td>Bihar</td>
<td>62.99</td>
<td>63.25</td>
<td>64.37</td>
<td>53.63</td>
<td>58.21</td>
</tr>
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<td>5</td>
<td>Goa</td>
<td>46.85</td>
<td>37.64</td>
<td>14.81</td>
<td>17.64</td>
<td>5.34</td>
</tr>
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<td>6</td>
<td>Gujrat</td>
<td>46.35</td>
<td>41.76</td>
<td>29.80</td>
<td>28.67</td>
<td>22.18</td>
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<td>Haryana</td>
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<td>Himachal Pradesh</td>
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<td>17.00</td>
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<td>30.34</td>
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<td>Jammu &amp; Kashmir</td>
<td>45.51</td>
<td>42.86</td>
<td>26.04</td>
<td>25.70</td>
<td>30.34</td>
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<td>Karnataka</td>
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<td>Kerala</td>
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<td>51.18</td>
<td>39.03</td>
<td>29.10</td>
<td>25.76</td>
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<td>12</td>
<td>Madhya Pradesh</td>
<td>62.66</td>
<td>62.52</td>
<td>48.90</td>
<td>41.92</td>
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<td>42.60</td>
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<td>45.01</td>
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<td>42.60</td>
<td>39.35</td>
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<td>59.82</td>
<td>42.60</td>
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<td>59.82</td>
<td>42.60</td>
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<td>Orissa</td>
<td>67.28</td>
<td>72.38</td>
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<td>Punjab</td>
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<td>11.95</td>
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<td>Sikkim</td>
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<td>59.82</td>
<td>42.50</td>
<td>39.35</td>
<td>45.01</td>
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<td>22</td>
<td>Tamil Nadu</td>
<td>57.43</td>
<td>57.68</td>
<td>53.99</td>
<td>45.80</td>
<td>32.48</td>
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<td>Tripura</td>
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<td>46.45</td>
<td>41.10</td>
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<td>53.99</td>
<td>45.80</td>
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<td></td>
<td>All India</td>
<td>56.44</td>
<td>53.07</td>
<td>45.65</td>
<td>39.09</td>
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</tr>
</tbody>
</table>


The major states inhabiting very large poverty proportions exceeding 45 per cent are Assam, Bihar, Orissa and Uttar Pradesh. The rest of the states lie in a narrow band around a mean. Another noteworthy point is that if a line were to be shown separating these two categories of states, it is found that all

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the states from the lower rural poverty ratios lie in the western part of the state with large poverty ratios lie in the eastern side.

The two contrasting observations – one longitudinal and the other spatial are that a good monsoon rainfall reduces poverty, yet the relatively drier states (West Kerala in an outlier) having lesser poverty proportion than the wetter ones (East). In general, the states which were under the zamindari regime in the yesteryears and have experienced relatively ineffective agrarian and land reform and thereafter the green revolution have been the losers, while in the west, have been the gainers within these peripheries. If the monsoon fails, all sufferers and vice-versa (Rural Development Report, 1999)\textsuperscript{14}.

The states like Bihar, Madhya Pradesh, Rajasthan and Uttar Pradesh, called BIMARU states coined by the World Health Organisation (WHO) and United Nations Children Fund (UNICEF) in view of their poor overall health status, inhabit more than 51 per cent poor in the country. Next, in the eastern states, Assam, Bihar, Orissa, UP and West Bengal (WB), the number of poor add up to 57 per cent of the total population in the country. The combined rural poverty in the eastern and BIMARU states add to cover 70 per cent. The main reasons for these are to be stated that,

i) Most of these states were historically a part of the permanent Settlement Act and land reforms have been less than satisfactory in all these states,

ii) Almost all these regions (except western Rajasthan and parts of western MP and southern UP) have the agro climatic potential to yield high returns in agriculture because of high rainfall and availability of perennial river waters. “Thus, much of the reasons for poverty in these states is a human failure rather than it being a result of natural factors”. (India, Rural Development Report, 1999).

While poverty is reduced by 20 percentage point on the aggregate during 1973-74 to 1993-94, individual states have exhibited very different positions. Andhra Pradesh, Gujrat, Karnataka, Kerala, Madhya Pradesh, Maharastra, Orissa, Punjab, Tamil Nadu and West Bengal show a visible decline in poverty proportions. While, others like Bihar and Himachal Pradesh and a number of smaller states in the Northeast including Assam have either shown a little change or an actual rise in poverty proportions. In contrast, other smaller states or union territories like Goa, Andaman and Nicobar Island(ANI), Delhi, Lakshadeep and Pondicherry, witnessed a significant fall in
the Poverty Proportion. Most of these states experienced heavy urbanisation during this period and in any case did not historically carry the burden of an oppressive agrarian structure. The Northeast also did not carry it. But these regions are kept out of the agrarian effectiveness in the plain area in view of their distinct character. Mostly, the states level data show that states and Union Territories like Arunachal Pradesh, Himachal Pradesh, Assam, Bihar, Haryana, Jammu and Kashmir (J&K), Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura and Uttar Pradesh (UP) have shown a rise in poverty proportion between 1987-88 and 1993-94.

Poverty among scheduled castes (SCs) and scheduled tribes (STs) is an issue of concern since these groups have been identified as ones without much access to land the principal productive resource in rural areas and also that they suffer from social and educational handicaps. The latest estimates on poverty among SCs and STs, based on the 50th round of NSS for 1993-94 have been worked out by Dubey (1998) according to which the poverty projections among SC's was about 17 percentage points above the general categories and that among ST's about 29 per cent. Similar figures for 1987-88 were 19 per cent and 22 per cent for SC's and STs respectively.

It is seen that, both SC's and ST's (more ST's than SC's) are significantly poorer compared to the general category people, though the gaps have narrowed somewhat in recent years.

Regarding gender specific poverty it is said that women headed household are poorer than others as revealed by some micro studies within households and there is intra-household inequity. Since there is no economy level data on gender specific poverty, these studies support such inequality, which can create perpetual malnutrition – an ingredient of poverty. The long-term deterioration in sex ratios is a supporting indicator to this.

Table-4.7: Poverty (Head Count Ratio) by Social Groups and Literacy in India.

<table>
<thead>
<tr>
<th>Social Groups Year</th>
<th>SC</th>
<th>ST</th>
<th>General Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>1987-88</td>
<td>61.13</td>
<td>66.00</td>
<td>43.63</td>
</tr>
<tr>
<td>1993-94</td>
<td>54.65</td>
<td>55.13</td>
<td>36.90</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Working Groups</th>
<th>SC</th>
<th>ST</th>
<th>General Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Illiterate (1987-88)</td>
<td>60.16</td>
<td>60.00</td>
<td>45.77</td>
</tr>
<tr>
<td>Literate (1993-94)</td>
<td>44.57</td>
<td>55.13</td>
<td>29.64</td>
</tr>
</tbody>
</table>

Source: Dubey (1998)

While it is useful to identify state with high or low incidences of poverty, there are states, which have high variations within them, both owing
to economic antecedents and agro climatic factors. This is typically true of the larger as well as smaller states. A more disaggregated, NSS regionwise picture of poverty (Head count ratio) can be seen in the table below. These data shows that to a significant extent there are heterogeneities in each state except in Bihar, which is uniformly poor. Sharp contrasts are witnessed in Andhra Pradesh, Karnataka and Maharastra though variations can be seen in smaller states like Haryana and Punjab as well.

**Table-4.8 : Classification of NSS regions by rural poverty ratio (1993-94) in India**

<table>
<thead>
<tr>
<th>Low poverty region (20% and below)</th>
<th>PR</th>
<th>Medium poverty region (21 to 40%)</th>
<th>PR</th>
<th>High poverty region (41 to 60%)</th>
<th>PR</th>
<th>Very High poverty region (61 and above)</th>
<th>PR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>AP Coastal</td>
<td>17.3</td>
<td>Assam Plains Eastern</td>
<td>37.4</td>
<td>Assam Hills Western</td>
<td>49.9</td>
<td>Bihar Southern</td>
<td>62.4</td>
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<tr>
<td>AP Northern</td>
<td>13.8</td>
<td>Gujrat Eastern</td>
<td>25.9</td>
<td></td>
<td></td>
<td></td>
<td>68.2</td>
</tr>
<tr>
<td>AP south Western</td>
<td>20.4</td>
<td>Gujrat Plain (North)</td>
<td>22.7</td>
<td>Bihar Northern</td>
<td>58.7</td>
<td>Orissa Southern</td>
<td>69.0</td>
</tr>
<tr>
<td>AP Southern</td>
<td>12.9</td>
<td>Gujrat Plain (South)</td>
<td>28.7</td>
<td>Bihar Central</td>
<td>54.0</td>
<td>UP Southern</td>
<td>66.7</td>
</tr>
<tr>
<td>Gujrat Sourastra</td>
<td>11.8</td>
<td>Gujrat dry areas</td>
<td>26.2</td>
<td>MP Chattisgarh</td>
<td>44.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Karnataka Coastal and Ghat</td>
<td>9.2</td>
<td>Haryana (East)</td>
<td>31.9</td>
<td>MP Coastal</td>
<td>50.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Karnataka Inland Eastern</td>
<td>13.7</td>
<td>Haryana (West)</td>
<td>22.3</td>
<td>MP South</td>
<td>46.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MP Northern</td>
<td>17.4</td>
<td>Himachal Pradesh</td>
<td>30.3</td>
<td>Mharastra Inland Central</td>
<td>47.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mharastra Coastal</td>
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<td>Jammu &amp; Kashmir</td>
<td>30.3</td>
<td>Mharastra Inland eastern</td>
<td>50.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Punjab Northern</td>
<td>7.6</td>
<td>Karnataka Inland Southern</td>
<td>29.5</td>
<td>Orissa Coastal</td>
<td>45.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Punjab Southern</td>
<td>17.5</td>
<td>Kerala Northern</td>
<td>29.1</td>
<td>Orissa Northern</td>
<td>45.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rajasthan</td>
<td>17.8</td>
<td>Kerala Southern</td>
<td>23.4</td>
<td>Rajasthan Southern</td>
<td>45.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tamil Nadu Coastal</td>
<td>19.8</td>
<td>MP Vindhya</td>
<td>36.7</td>
<td>TN Coastal Northern</td>
<td>43.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Daman &amp; Diu</td>
<td>5.3</td>
<td>MP Maiwa</td>
<td>27.4</td>
<td>UP Central</td>
<td>50.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goa</td>
<td>5.3</td>
<td>Maharashtra Inland Western</td>
<td>25.1</td>
<td>UP Eastern</td>
<td>48.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1</td>
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<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
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<td>---------</td>
<td>---------</td>
<td>---------</td>
</tr>
<tr>
<td>Delhi</td>
<td>1.9</td>
<td>Rajasthan Western</td>
<td>25.5</td>
<td>WB Himalayan</td>
<td>58.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rajasthan South Eastern</td>
<td>34.8</td>
<td>WB Eastern</td>
<td>58.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tamil Nadu Southern</td>
<td>36.7</td>
<td>Arunachal Pradesh</td>
<td>45.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tamil Nadu Inland</td>
<td>22.7</td>
<td>Manipur</td>
<td>45.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>UP Himalayan</td>
<td>25.0</td>
<td>Meghalaya</td>
<td>45.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>UP Eastern</td>
<td>29.6</td>
<td>Mizoram</td>
<td>45.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>WB Central Plain</td>
<td>31.0</td>
<td>Nagaland</td>
<td>45.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>WB Western Plain</td>
<td>48.3</td>
<td>Sikkim</td>
<td>45.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Andaman and Nicobar Island</td>
<td>32.5</td>
<td>Tripura</td>
<td>45.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Lakshadweep</td>
<td>25.8</td>
<td>Dadra Nagar Haveli</td>
<td>51.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Pondicherry</td>
<td>32.5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Calculation made by NIRD and Haque (1998)

The regions have been segregated by low (upto 20 per cent), medium (21-40 per cent), high (41-60 per cent) and very high (more than 60 per cent) levels of poverty. Southern Bihar, Southern Orissa, Southwestern MP and Southern UP fall in the very high poverty bracket. The three region in Assam as identified by NSS, Assam Eastern falls in the medium poverty regions (21-40 per cent), Assam plains western and Assam hills fall in the high poverty regions (41-60 per cent). The feature of the very high poverty bracket is for these regions that either they are mostly tribal or rocky and dry yet densely populated because of their agro-climatic features. The one major inference drawn here is that tribal areas are predominantly and distinctly poor. The high poverty regions are also tribal, thickly populated semi-arid areas and those, which have been neglected historically. Medium level poverty persists in regions of western states. Within some western states, a few regions have made more progress than compared to the eastern ones, where there is uniform poverty. The western coastal regions, which are a continuum of North-South belt having experienced the green revolution, are pockets of low poverty. Hence the green revolution has a positive effect in the reduction of poverty.
4.8 INDICATORS OF SOCIAL DEVELOPMENT

Among other things, the quality of life depends upon the investment in human capital. For social development the crucial inputs are health and education. In gauging the changes in health status in rural India, indicators reflecting the end products and processes are considered. The four indicators viz. Crude Birth rate (CBR), Crude Death Rate (CDR), Infant Mortality Rate (IMR) and Expectancy of Life (EOL) have been considered for measuring the improvement on health dimension. The data on these four parameters are shown in the table-4.8

Table-4.9 : Social Development Indicators in India.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A.</td>
<td><strong>Health Sector</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>CBR</td>
<td>38.9</td>
<td>35.6</td>
<td>31.7</td>
<td>30.5</td>
</tr>
<tr>
<td>2.</td>
<td>CDR</td>
<td>16.4</td>
<td>13.7</td>
<td>10.5</td>
<td>10.1</td>
</tr>
<tr>
<td>3.</td>
<td>IMR</td>
<td>138</td>
<td>119</td>
<td>86</td>
<td>79</td>
</tr>
<tr>
<td>4.*</td>
<td>Life Expectancy</td>
<td>47.7</td>
<td>54.4</td>
<td>58.6</td>
<td>64.9 **</td>
</tr>
</tbody>
</table>

| B. | **Education Sector** |          |       |       |       |
| 5. | Literacy Rate (%)   | 25.7     | 33.1   | 44.69 ***|       |
| 6. | Female Literacy (%) | 15.0     | 22.1   | 30.62 ***|       |

* Data refers as a whole i.e. not separately for rural areas.
** Data refers to the year 1991.
*** Projected value for the year 2001.
Source : Census of India, Govt. of India, New Delhi.

From the table it is clear that there was decline in CDRs and CBRs over the period of the study. However, the rate of decline might not commensurate in the expectations or requirements of a country with high population base. IMR is one of the widely employed indicators to evaluate the health of the people. India is one of the less developed countries with higher levels of IMR. Significant achievements were made during the reference period, which was amply reflected by the fall in level.

Expectancy of life (EOL) indicating the average number of years of longevity includes partly the effects of IMR as well. The longevity has gone up by 17 years in India during 1974 –94. An increase in life expectancy in the range of 16 to 22 years was observed during the period of 1971-90 in some states like Andhra Pradesh, Karnataka, Kerala and Punjab.

Education, as a durable consumer good has been given priority in the social development. Expenditure on education can be viewed as an investment in human capital, whose return will spread over longer period. The most common indicators employed to measure changes in this area are overall
literacy and female literacy. The situation in India on this front has been provided in the table-4.7. The most appropriate indicators are percentage of skilled, semi-skilled or unskilled persons among the workers. Though literacy levels have gone up over time, they are inadequate in relation to the requirement. Kerala achieved remarkable progress in this field while the Central, Eastern and most of the Northeastern regions of the country (Excepting Mizoram) have been lagging behind.

**Composition of the Poor**

To identify who are the poor, a break up of the poor by their occupational categories was made by Visaria (1981) using data from the NSS 27th round (1972-73). The casual labourers engaged in agriculture were found to be the poorest and those working outside agriculture were experiencing least poverty. The self-employed in agriculture was better off as compared to the labourers. The data showed in the table-4.7 reveals this view and also that poverty is higher by 15-20 percentage points among SC and ST who are mainly agricultural labourers and other labourers, when compared to general category population. The incidence of poverty is much lower among literates. People are poor for want of entitlements, physical and human lack of access to agricultural land, paucity of work on land (Wage work) and non-availability of education (for enabling occupational diversification) or shortage of capital are the fundamental causes of poverty. Thus, in regions where agrarian reforms have been less than successful, agriculture has been relatively stagnant, infrastructure development is less or social and educational deprivation is high, the poverty is high and vice versa. The physical and human endowments are the cardinal issues, which act the entitlement and are the determinants of who are the poor and who are not.

A regionally disaggregated picture identifying who are the poor is calculated by NIRD, Hyderabad and Haque (1998) based on NSS region study. This study by and large confirm this contention with the difference that each state and region has own agro climatic features that some what uniquely define the extent of poverty in each occupational category. But the fact remains that labour classes are poor in larger proportion when compared to the self-employed. In this context it is to be mentioned that, in Assam, in comparison to the other states the poverty proportions of the labour class
other than agriculture are higher and significant and noteworthy as revealed by the study.

Table 4.10: Regionwise Poverty Ratio by Occupational Groups (as in 1993-94) percentage - Rural.

<table>
<thead>
<tr>
<th>State</th>
<th>NSS Region</th>
<th>Employment in Non-Agriculture</th>
<th>Agricultural Labour</th>
<th>Other Labour</th>
<th>Employment in Agriculture</th>
<th>Other Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andhra Pradesh</td>
<td>Coastal Inland</td>
<td>10.2</td>
<td>24.5</td>
<td>21.1</td>
<td>12.0</td>
<td>13.5</td>
</tr>
<tr>
<td></td>
<td>Northern</td>
<td>8.2</td>
<td>19.6</td>
<td>7.0</td>
<td>9.7</td>
<td>10.8</td>
</tr>
<tr>
<td></td>
<td>South Western</td>
<td>12.1</td>
<td>29.0</td>
<td>25.1</td>
<td>14.3</td>
<td>15.9</td>
</tr>
<tr>
<td></td>
<td>Inland Southern</td>
<td>7.6</td>
<td>18.3</td>
<td>15.8</td>
<td>9.0</td>
<td>10.0</td>
</tr>
<tr>
<td>Assam</td>
<td>Plain Eastern</td>
<td>30.3</td>
<td>53.8</td>
<td>57.6</td>
<td>31.8</td>
<td>15.7</td>
</tr>
<tr>
<td></td>
<td>Plain Western</td>
<td>40.4</td>
<td>71.8</td>
<td>76.8</td>
<td>42.4</td>
<td>20.9</td>
</tr>
<tr>
<td></td>
<td>Assam Hills</td>
<td>33.4</td>
<td>59.4</td>
<td>63.6</td>
<td>35.1</td>
<td>17.3</td>
</tr>
<tr>
<td>Bihar</td>
<td>Southern</td>
<td>57.7</td>
<td>83.0</td>
<td>71.2 66.9</td>
<td>48.7</td>
<td>45.6</td>
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<td></td>
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<td>55.1</td>
<td>78.0</td>
<td>61.6</td>
<td>45.8</td>
<td>42.8</td>
</tr>
<tr>
<td></td>
<td>Central</td>
<td>50.7</td>
<td>71.9</td>
<td></td>
<td>42.1</td>
<td>39.4</td>
</tr>
<tr>
<td>Gujarat</td>
<td>Eastern</td>
<td>23.8</td>
<td>39.3</td>
<td>28.5</td>
<td>15.0</td>
<td>19.7</td>
</tr>
<tr>
<td></td>
<td>Plain Northern</td>
<td>20.8</td>
<td>34.4</td>
<td>24.9</td>
<td>13.1</td>
<td>17.2</td>
</tr>
<tr>
<td></td>
<td>Plain Southern</td>
<td>26.4</td>
<td>43.6</td>
<td>31.6</td>
<td>16.6</td>
<td>21.8</td>
</tr>
<tr>
<td></td>
<td>Dry areas</td>
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<td>28.9</td>
<td>15.2</td>
<td>19.9</td>
</tr>
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<td>Saurashtra</td>
<td>10.9</td>
<td>17.9</td>
<td>13.0</td>
<td>6.9</td>
<td>8.9</td>
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<td>Haryana</td>
<td>Eastern</td>
<td>28.7</td>
<td>67.0</td>
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<td>21.1</td>
<td>14.4</td>
</tr>
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<td>Western</td>
<td>20.1</td>
<td>46.9</td>
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<td>14.8</td>
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<td>Karnataka</td>
<td>Coastal Ghat</td>
<td>8.6</td>
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<td></td>
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<td>11.8</td>
<td>9.6</td>
<td>3.6</td>
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<td></td>
<td>Inland</td>
<td>27.4</td>
<td>45.7</td>
<td>25.3</td>
<td>20.6</td>
<td>7.7</td>
</tr>
<tr>
<td></td>
<td>Southern</td>
<td>35.0</td>
<td>58.4</td>
<td>32.4</td>
<td>26.4</td>
<td>9.8</td>
</tr>
<tr>
<td>Kerala</td>
<td>Northern</td>
<td>25.9</td>
<td>43.0</td>
<td>37.2</td>
<td>16.8</td>
<td>26.4</td>
</tr>
<tr>
<td></td>
<td>Southern</td>
<td>20.8</td>
<td>34.7</td>
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There has been a long drawn discussion on what influence poverty proportion. In one of the earliest and most influential exercises Ahluwalia (1978), for the period of late fifties to early seventies found that, in a limited number of states, the per capita growth in agricultural production and poverty proportion showed an inverse relationship. It was later contended that prices and other general growth factors too influenced poverty. It was argued that “if prices rose faster than growth in real incomes, this could affect poverty levels (Millor and Desai, 1986). This is typically true with earning of the poor which usually rise slower than prices”. But the role of prices has been questioned by Ahluwalia (1986) on the argument that “poverty calculations themselves are based on price adjustments and hence use of prices again on the right hand side of a regression equation would amount to an incorrect specification”. Nevertheless the role of inflation is recognised. More economic models have been developed by Ravillion and Dutta (1998) to include wages, prices and agricultural productivity as explanatory. They find each of these to have influenced poverty proportions.

If there is rapid agricultural growth which is labour using and hence wage enhancing, there is reduction in poverty (Acharya and Papanek, 1995). Hence, the argument is that if there is rapid agricultural growth which is labour using, demand for labour would push up agricultural and rural wages,
increasing the casual labourers incomes and thus reduce poverty. Empirically, this equation seems to hold for growth rates exceeding 3-4 per cent per annum and lower the diffusion is not significant. A model developed by Rao and Reddy[1998] which is distinct from the time series explanations, the poverty ratios with labour productivity, land productivity, inequality and population density all of these show complex forces are at work and a multivariate analysis. It is put forth that social and economic institutions, in the presence of an active public policy, promote effective resource use and infrastructure. Such measures help step up growth and permit equitable distribution of gains, which in turn raises standards of living of the masses. The model as mentioned estimated using the ordinary least squares method and the results are –

i)  Social development and infrastructure growth are naturally reinforcing, which in turn raise the per capita income and reduce poverty.

ii) Social infrastructure promotes human development, which in turn enhances people's access to markets and resources. This raises land and land productivity and hence disposable incomes.

iii) Infrastructure development has been an independent impact on labour and land productivity and thereby on the incomes of the workers.

iv) Wage rates occupy on a diversification and labour use more expeditiously to raise per capita expenditure.

v) Inequality in asset distribution has adverse impact in the levels of living.

As has been noticed, the levels of living in rural masses are very diverse, dispersed by region, caste status and different occupational categories. The degree of poverty also varies and though a majority is close to the poverty line, which frequently crosses the poverty line either way, a chronic poor is still a cause of worry. Solutions to poverty alleviation lie in raising the capacities of people through education and resource transfers, social and physical infrastructure development and removing a multitude of social barriers.

4.9 REVIEW OF THE LITERATURE ON CONCEPTS AND MEASUREMENTS OF POVERTY

Poor standard of living in rural areas has been a matter of great concern for the Government and the Society in general. In keeping this
concern, specific objectives have been set in different Five Year Plans, particularly in the Fifth Plan. The Government adopted a two pronged strategy, which involves economic growth and making a direct intervention in the poverty alleviation. These two strategies have been built into the planning framework for the Sixth Five Year Plan onwards. Poverty has been viewed from different angle by different social scientists. The term poverty, in general, connotes deprivation or inadequacy of acceptable material needs, and cultural, social, political and spiritual requirements of the people. However, no satisfactory norms or yardsticks are formulated regarding the components other than the material needs, hence the discussion on poverty is often confined to a biological minimum.

Poverty in India is treated as an absolute phenomenon. The needs are often expressed in terms of a basket of food items meeting essential classic requirements. The minimum income or consumption expenditure, taken as a proxy for income, which enables to attain the basket in the poverty line. The working group constituted in 1962 deliberated on the question of what should be regarded as the national desirable minimum level of consumer expenditure taking into consideration made by the Nutrition Advisory Committee of 1958 in regard to the balanced diet. The group came to the view that, in order to provide a minimum nutritional diet in terms of calorie intake, the national minimum consumption expenditure for a household of five numbers should not be less than Rs.100/- per month at 1960-61 prices. Or Rs.20/- per capita per month in the rural areas (for urban areas the figure suggested by Working Group was Rs.25/-)

The Task Force on the Minimum Needs and Effective Consumption Demand (Planning Commission, 1979) defined the poverty line as the per capita expenditure at which the per capita calorie intake is 2435 calories in rural areas and 2095 calories for urban areas. The Task Force took into account a weightage of population distributed according to gender, age and activity. For each of the homogeneous groups, the recommended calorie intake as given by the Nutrition Advisory Committee(1988) was adopted and the resultant weighting average was arrived at for rural and urban areas separately. For actual use, the resultant calorie requirements 2435 and 2095 K-calorie were rounded off to 2400 and 2100 for rural and urban areas, respectively. The Task Force also indicated that an amount of Rs.49.00 and Rs.56.64 per month per capita would be necessary at 1973-74 prices to meet
the calorie requirements referred to above for rural and urban areas respectively.

Social scientists developed different concepts of poverty and important areas are:

The term absolute poverty primarily represents a socially acceptable minimum level of living. This concept is more appropriate in the context of developing countries, which refers to deprivation of an individual in physical manifestation. If an individual fails to meet the minimum level of need, he is considered to be poor on the absolute scale. For measuring the incidence of absolute poverty, P-measure is used. As against this concept, relative poverty indicates the sense or feeling of deprivation of an individual in terms of how wide is the gap between his income and that of others. The relative poverty is quantified through the computation of inequality measures.

Another concept, which is frequently used in poverty literature is primary poverty. This concept can cause itself with the inadequacy of income expenditure for the purchase of goods and services to maintain a certain standard of living. This concept is basically normative as there is no objective or unique way of determining the consumption basket.

Then there is a form of secondary poverty arising on account of allocation or budgetary problem. An individual is said to be poor according to this norm when he is able to meet the monetary norms but not the calorie norms. Re-adjustment of his income or prioritisation for food items in the family budget will make him non-poor.

Two questions arise in the measurement of poverty. These are, how many are the poor and how poor they are. While the former question implies the measurement of incidence of poverty and the latter concerns itself with indicating the intensity of poverty. The answers to these questions would permit both spatial and temporal comparison. Incidence of poverty in India as indicated by the table – 4.8 while the table – 4.11 indicates the severity of the specifically the rural poor of NSS region.

Table-4.11 : Rural poor by severity of poverty - NSS region.

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<th>Poor</th>
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</table>

Source: Calculation made by NIRD and Haque (1998)
The above table-4.11 also depicts the distribution of the poor between very poor (i.e. those below 75 per cent of consumption level at the poverty line - literature has been discussed a little while latter) and moderately poor (i.e. those between 75 per cent and near the poverty line). It is seen that proportion of poor are high and the majority of the poor are concentrated near the poverty line. Another noteworthy point is with relaxation of the poverty line the percentage of poor is reduced. Therefore, policy to be made to bring up the portion of the population above the poverty line and for those chronically poor. The three commonly used measure poverty namely, Head Count Ratio, Poverty Gap and Sen's P measure are discussed briefly.

**Head Count Ratio**: This is called true poverty index\(H\) which is defined as \(n_p/n\), where \(n_p\) is the people below the poverty line and \(n\) the total number of people.

**Poverty Gap**\(PG\): This measures the degree of poverty by the short fall of all the poor's income from poverty line.

\[
PG = \sum (Z - I_i)
\]

Where 'Z' is the poverty line and 'I' is the income of the \(i^{th}\) individual

**Sen's P Measure**: This measure takes into account not only the percentage of population in poverty but also the gap between the poverty line and the average consumption of the poor as well as the extent of inequality among the poor.

The formula for 'P' measure is:

\[
P = 2/(q+1).n.z (Z- y_i)[q+1-i]
\]

Where 'P' is the Sen's measure of poverty, 'n' is the population size, 'y_i' is the income of the \(i^{th}\) individual arranged in ascending order of magnitude of income, 'q' is the number of people below poverty line. 'Z' is the minimum acceptable level of income of the poverty line (amount accepted from time to time)

This measure has the advantage of simplicity and comparability among different states by the same measuring rod. And the assumption underlying the measure is -

i) Population distribution by age, gender and occupation in the statistics follow all India's pattern.

ii) Age gender and occupation specific calorie requirements are same in different states.
iii) There exists a unique consumption basket satisfying the average calorie requirement

iv) Cost structure of the basket is identical.

These alternative measures of poverty specially the Sen’s Index and Poverty Gap Index go in-depth and find the severity of poverty i.e. how poor are below the poverty line.

Two sets of estimates now available for a relatively long period and which also cover the recent period, are the ones constructed by Dev, Parikh and Suryanarayana (1991) and Ravillion and Dutta (1996). The data by Dev, Parikh and Suryanarayana presents both the Sen’s Index and the Poverty Gap Index. Both these indices when drawn as a group show very similar trends and pattern to the head counts, implying that the variation below it is not effectively reflected in the computation when applied to aggregated data.

Table-4.12 : Alternative Measure of Poverty in India.

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</table>

Source : Column 2, 3 & 9 : Dev, Parikh and Suryanarayana(1991) ; and 5 & 6 Ravillion and Dutta(1996)

**Lakdawala Committee (1993)**

The Planning Commission constituted an expert group under the chairmanship of Dr. Lakdawala to consider methodological aspect of estimation of population and the number of poor in India. The various methodological alternatives examined by the group fall into two sets of exercises. The first set involves investigating alternative approaches to measure poverty and the latter was aimed at modifying and refining the
existing methodologies with a view to overcoming the limitations of the approaches. The group examined three alternative methodologies in the first set, which include hunger criterion, food-share criterion and consumption of calorie criterion. On examination, the group felt that the hunger criterion fails comprehensively to quantity the poor giving due weightage to the basic need etc. The food share criterion also has its own limitations. Poor living is usually characterised by a phenomena of expanding a better proportion of the total income on food items that are absolutely essential for sheer physical survival. Therefore, the proportion of expenditure on food can be used as a general measure of welfare. However, this criterion was rejected due to its being sensitive in nature. A change in the food habits would result in increase or decrease of food share which would in turn further affect the estimate of people below poverty level to a greater extent.

The expert group undertook an exercise to estimate a separate poverty line for every state keeping the term of 2400 and 2100 k-calories for rural and urban areas respectively and making the expenditure levels corresponding to these calorie norms. According to the group the limitations of these exercise is that it cannot make a meaningful comparison of poverty incidence across states at any given point of time because of inter-state variation in the consumption and the quantities of the basket associated with the given calorie norms. The composition of the basket differs due to the difference in tests and preferences and in income levels. As the incomes changes, the composition of the food staffs in the basket also changes over time.

In view of the above limitations the group finally recommended that the poverty line suggested by the task force on projection of the minimum needs and effective consumption demand (1979) be adopted. By taking into account the age, gender and occupation of the population at the national level, the task force worked out the monthly per capita total expenditure of Rs.49/- for rural areas and Rs.51/- for urban areas at 1973-74 prices. This corresponds to the per capita daily intake of 2400 k-calorie and 2100 k-calorie in rural and urban areas respectively. The procedure suggested by the expert group for estimation of the state specific poverty lines involved valuation of the standardised commodity-basket corresponding to the poverty line of Rs.49/- in the rural areas (at 1973-74 prices at the national level). The prices prevailing in each state are also on the base year 1973-74 prices. This line
was updated in current prices to a given year for a given state and for the state specific consumer price index was computed and used.

In poverty literature several estimates are found, worked out both by the Planning Commission and researchers. Most of these estimates, the basis is the poverty line given by the task force of 1979 corresponding to 1973-74 prices. The state specific poverty lines of the rural areas and the corresponding incidences of poverty estimates given by the Planning Commission following the procedure suggested by Lakdawala Committee for the period corresponding to 1973-74, 1977-78, 1983, 1987-88 and 1993-94 are given in the table-4.13. The All India poverty line in 1987-88 estimated Rs.115/- for per capita per month consumption expenditure and in different states figure vary around that while in 1993-94 the figure was Rs.206/-.

Table-4.13 : State Specific Poverty Line in Rural India.

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Andhra Pradesh</td>
<td>41.7</td>
<td>50.9</td>
<td>72.7</td>
<td>91.9</td>
<td>163.01</td>
</tr>
<tr>
<td>2</td>
<td>Arunachal Pradesh</td>
<td>49.8</td>
<td>60.3</td>
<td>98.3</td>
<td>127.4</td>
<td>-</td>
</tr>
<tr>
<td>3</td>
<td>Assam</td>
<td>49.8</td>
<td>60.3</td>
<td>98.3</td>
<td>127.4</td>
<td>232.05</td>
</tr>
<tr>
<td>4</td>
<td>Bihar</td>
<td>57.7</td>
<td>58.9</td>
<td>97.5</td>
<td>120.4</td>
<td>212.16</td>
</tr>
<tr>
<td>5</td>
<td>Goa</td>
<td>50.5</td>
<td>58.1</td>
<td>88.2</td>
<td>115.6</td>
<td>194.94</td>
</tr>
<tr>
<td>6</td>
<td>Gujarat</td>
<td>47.1</td>
<td>54.7</td>
<td>83.3</td>
<td>115.0</td>
<td>202.11</td>
</tr>
<tr>
<td>7</td>
<td>Haryana</td>
<td>50.0</td>
<td>59.4</td>
<td>88.6</td>
<td>122.9</td>
<td>233.79</td>
</tr>
<tr>
<td>8</td>
<td>Himachal Pradesh</td>
<td>50.0</td>
<td>59.4</td>
<td>88.6</td>
<td>124.3</td>
<td>233.79</td>
</tr>
<tr>
<td>9</td>
<td>Jammu &amp; Kashmir</td>
<td>46.6</td>
<td>61.5</td>
<td>91.8</td>
<td>104.5</td>
<td>213.83</td>
</tr>
<tr>
<td>10</td>
<td>Karnataka</td>
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<td>52.0</td>
<td>83.3</td>
<td>130.6</td>
<td>186.63</td>
</tr>
<tr>
<td>11</td>
<td>Kerala</td>
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<td>58.9</td>
<td>99.4</td>
<td>107.0</td>
<td>243.84</td>
</tr>
<tr>
<td>12</td>
<td>Madhya Pradesh</td>
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<td>56.3</td>
<td>83.6</td>
<td>107.0</td>
<td>193.14</td>
</tr>
<tr>
<td>13</td>
<td>Maharashtra</td>
<td>50.2</td>
<td>58.1</td>
<td>88.2</td>
<td>115.6</td>
<td>194.94</td>
</tr>
<tr>
<td>14</td>
<td>Manipur</td>
<td>49.8</td>
<td>60.3</td>
<td>98.3</td>
<td>127.4</td>
<td>-</td>
</tr>
<tr>
<td>15</td>
<td>Meghalaya</td>
<td>49.8</td>
<td>60.3</td>
<td>98.3</td>
<td>127.4</td>
<td>-</td>
</tr>
<tr>
<td>16</td>
<td>Mizoram</td>
<td>49.8</td>
<td>60.3</td>
<td>98.3</td>
<td>127.4</td>
<td>-</td>
</tr>
<tr>
<td>17</td>
<td>Nagaland</td>
<td>49.8</td>
<td>60.3</td>
<td>98.3</td>
<td>127.4</td>
<td>-</td>
</tr>
<tr>
<td>18</td>
<td>Orissa</td>
<td>46.9</td>
<td>58.9</td>
<td>106.3</td>
<td>121.4</td>
<td>194.03</td>
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<tr>
<td>19</td>
<td>Punjab</td>
<td>50.0</td>
<td>59.4</td>
<td>88.6</td>
<td>122.9</td>
<td>233.79</td>
</tr>
<tr>
<td>20</td>
<td>Rajasthan</td>
<td>51.0</td>
<td>57.4</td>
<td>80.2</td>
<td>117.5</td>
<td>215.89</td>
</tr>
<tr>
<td>21</td>
<td>Sikkim</td>
<td>49.8</td>
<td>60.3</td>
<td>98.3</td>
<td>127.4</td>
<td>-</td>
</tr>
<tr>
<td>22</td>
<td>Tamil Nadu</td>
<td>45.1</td>
<td>56.6</td>
<td>96.2</td>
<td>118.2</td>
<td>196.53</td>
</tr>
<tr>
<td>23</td>
<td>Tripura</td>
<td>49.8</td>
<td>60.3</td>
<td>98.3</td>
<td>127.4</td>
<td>-</td>
</tr>
<tr>
<td>24</td>
<td>Uttar Pradesh</td>
<td>48.9</td>
<td>54.2</td>
<td>83.9</td>
<td>114.6</td>
<td>213.01</td>
</tr>
<tr>
<td>25</td>
<td>West Bengal</td>
<td>54.5</td>
<td>63.3</td>
<td>105.6</td>
<td>129.2</td>
<td>221.74</td>
</tr>
</tbody>
</table>

UNION TERRITORIES

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>26</td>
<td>Delhi</td>
<td>50.0</td>
<td>59.4</td>
<td>88.6</td>
<td>122.9</td>
<td>233.79</td>
</tr>
<tr>
<td>27</td>
<td>A &amp; N Island</td>
<td>45.1</td>
<td>56.6</td>
<td>96.2</td>
<td>118.2</td>
<td>-</td>
</tr>
<tr>
<td>28</td>
<td>Chandigarh</td>
<td>51.8</td>
<td>66.1</td>
<td>101.4</td>
<td>143.1</td>
<td>-</td>
</tr>
</tbody>
</table>
The incidence of poverty in the rural areas has been indicated in the table-4.13.

Another poverty related indicators can be constructed based on the information supplied by the National Sample Survey Organisation on the distribution of the number of households according to the availability of two square meals a day. The proportion of the households who reported to be having two square meals a day according to 1983 survey was 81 per cent and the figure went upto 88 per cent during 1990-91. This proportion has further raised to 93 per cent by the end of the 1998. This implies that only seven per cent of the people reported that, they were not having enough to eat with the availability of two square meals a day. And with the incidence of poverty figure, it may be concluded that the minimum calorie norm of 2400 set for working out the incidence of poverty was too high and people feel that even with lower calorie intake they can have two square meals a day. The gap between these two estimates may be due to the exercise relating to updating of the poverty line does not consider the substitution in food consumption which is induced by a relative price movement.

**Index of Overall Economic Well-being Status (IES)**

To indicate the changes in the economic conditions of the non-poor as well as the poor, an index of overall economic well being of people in a given society is constructed. The poor and non-poor are not homogeneous and hence it is essential to specify these groups into certain broad categories.

i) Destitute – With per capita Expenditure (PCE) less than 25 per cent of poverty line (D)

ii) Very Very Poor – With per capita expenditure between 25 per cent – 50 per cent of poverty line (VVP)
iii) Very Poor - With PCE between 50 per cent - 75 per cent of poverty line (VP)

iv) Moderate the poor - With PCE between 75 per cent - 100 per cent of poverty line.

v) Lower Non Poor - With PCE between 100 per cent - 150 per cent of poverty line (LNP).

vi) Middle & Rich - With PCE more than 150 per cent of poverty line class (RMC)

The first three groups put together constitute the ultra poor. Two indicators have been used in this study – a) the percentage distribution of the people in various economic classes and b) the overall economic status. In the construction of an index of the overall Economic Status, Weights are assigned as Destitute, very very poor 2, very poor 3, moderately poor 4, lower non-poor 6, middle class 7 and rich 8. The percentage distribution of persons, provide the overall view of the economic status of the rural population and the changes taking place in rural areas. The percentage distribution of population in each category was multiplied by the assigned weight and the total of these was standardised by dividing it by the maximum weight i.e. 8. Thus the index of overall economic status (IES) is obtained by – $IE_{S} = \sum_{i=1}^{6}(\frac{Pi \times Wi}{8}) \times 100$, where ‘Pi’ is the proportion of persons in the ith category and Wi its corresponding weight. IES is a function of the PCE level (result of the net effect of economic growth, growth of population and inflation) and the inequalities in distribution of benefits of growth (i.e. consumption expenditure). Table – 4.14 shows the indicators of poverty in various years.

**Table-4.14 : Indicators of Poverty – Rural India.**

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Poverty Ratio %</td>
<td>61.2</td>
<td>65.9</td>
<td>63.0</td>
<td>56.6</td>
<td>49.7</td>
</tr>
<tr>
<td>% of Ultra Poor</td>
<td>38.6</td>
<td>43.4</td>
<td>40.3</td>
<td>33.1</td>
<td>24.6</td>
</tr>
<tr>
<td>Poverty Gap (PG)</td>
<td>32.9</td>
<td>-</td>
<td>33.0</td>
<td>24.4</td>
<td>26.4</td>
</tr>
</tbody>
</table>


Poverty Gap : The gap between the consumption expenditure of the poor and the minimum normative expenditure of the population.

**Table-4.15. : Classifications of Rural Persons into Economic Classes : All India.**

Population in the total percentage.

<table>
<thead>
<tr>
<th>Year</th>
<th>Destitute</th>
<th>Very Poor</th>
<th>Very Poor</th>
<th>Ultra Poor</th>
<th>Poor</th>
<th>Lower Non Poor</th>
<th>Rich &amp; Middle class</th>
<th>Index of Overall Economic Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>8</td>
<td>9</td>
</tr>
</tbody>
</table>
From the table - 4.15 it is clear that the period between 1960-74 was the period of poor performance of the rural economy of poor classes characterised by low IES values. From 1974-90, poverty has been declining and the IES values have been showing a rising trend. To facilitate a comparison of the performance of the economy over a period of time and also across the states, the indices of Economic Status and Human Development Index for few years are presented in the table - 4.16 below.

### Table-4.16 : Statewise Economic Status.

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Andhra Pradesh</td>
<td>52.80</td>
<td>56.50</td>
<td>61.37</td>
<td>68.31</td>
<td>70.85</td>
</tr>
</tbody>
</table>

Source : K. Hanumantha Rao, (1993) 'Levels of living in Rural India': A year wise classification of rural population in India - NIRD
From the table-4.16 it is evident that 1973-74 was the turning point in the levels of living in rural India from where the overall economic status of the states have been rising. The Human Development index has also been increasing as evident from the table-4.17.

**Table-4.17 : Human Development Index in Rural Areas.**

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Andhra Pradesh</td>
<td>0.13</td>
<td>0.2</td>
<td>0.36</td>
<td>0.45</td>
</tr>
<tr>
<td>Assam</td>
<td>0.19</td>
<td>0.22</td>
<td>0.31</td>
<td>0.44</td>
</tr>
<tr>
<td>Bihar</td>
<td>0.12</td>
<td>0.13</td>
<td>0.23</td>
<td>0.32</td>
</tr>
<tr>
<td>Gujarat</td>
<td>0.20</td>
<td>0.32</td>
<td>0.40</td>
<td>0.46</td>
</tr>
<tr>
<td>Haryana</td>
<td></td>
<td>0.31</td>
<td>0.43</td>
<td>0.53</td>
</tr>
<tr>
<td>Himachal Pradesh</td>
<td></td>
<td></td>
<td>0.47</td>
<td>0.53</td>
</tr>
<tr>
<td>Jammu &amp; Kashmir</td>
<td></td>
<td>0.22</td>
<td>0.36</td>
<td>0.47</td>
</tr>
<tr>
<td>Karnataka</td>
<td>0.22</td>
<td>0.21</td>
<td>0.38</td>
<td>0.44</td>
</tr>
<tr>
<td>Kerala</td>
<td>0.32</td>
<td>0.37</td>
<td>0.61</td>
<td>0.67</td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>0.15</td>
<td>0.22</td>
<td>0.24</td>
<td>0.32</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>0.21</td>
<td>0.30</td>
<td>0.39</td>
<td>0.47</td>
</tr>
<tr>
<td>Orissa</td>
<td>0.15</td>
<td>0.17</td>
<td>0.24</td>
<td>0.33</td>
</tr>
<tr>
<td>Punjab</td>
<td>0.33</td>
<td>0.29</td>
<td>0.52</td>
<td>0.59</td>
</tr>
<tr>
<td>Rajasthan</td>
<td>0.23</td>
<td>0.23</td>
<td>0.33</td>
<td>0.38</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>0.18</td>
<td>0.27</td>
<td>0.37</td>
<td>0.46</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>0.10</td>
<td>0.15</td>
<td>0.23</td>
<td>0.31</td>
</tr>
<tr>
<td>West Bengal</td>
<td>0.20</td>
<td>0.19</td>
<td>0.32</td>
<td>0.41</td>
</tr>
</tbody>
</table>


The two considered yardstick of economic well being of a society are: incidence and intensity of absolute poverty measured in terms of the size of
'Rich and Middle Class'. In general the poverty ratios were high and fluctuating during 1960-74 but started showing signs of decline thereafter. A similar trend has been noticed in respect of the intensity of poverty. The reduction in the poverty gap and the bulging of the moderate poor class during 1974-90 confirm this view. The effect of urbanisation on the levels of rural poverty should be kept in view in the study of variations in rural poverty levels.

The overall index of economic status (IES) shows that during 1960-74, the indices were functioning in a certain range without any rising trend. Since 1977-78, there has been a vertical mobility of person along the economic ladder and many states in the country have improved their performance. On the whole, the decades of 80's and 90's represent periods of economic revival and prosperity.

There has been qualitative shift in food consumption of the people as well as consumer expenditure. The average per capita expenditure (PCE) levels at 1960-61 prices remained more or less stagnant during 1960-74 and for a few states the PCE levels were below the initial mark. The ratio of PCE levels to poverty lines were found to be for most of the states less than one indicating that the average level of economy failed to provide basic needs income for all. The per capita cereal intake, have come down in almost all the regions. Thus, the period 1960-74 were marked by either stagnancy or decay in the levels of PCE and a fall in the calorie supply from cereals. The share of non-food grain items has registered a rise indicating a shift in food preferences.

The decades of 70's and 80's constitute an era of revival of the rural economy in almost all regions. The PCE levels in rural terms started showing upward trend. Over time, most of the states could ensure that the average PCE levels exceeds the basic need income. However, without controlling the population growth, the levels of living on per capita basis in real terms on a sustainable basis cannot be attained easily in the long run. The dominance of taste factor was evident by the fall in the share of food grains and there has been a shift in food preference to the nutrients, has gone up. This pattern has been noticed at all expenditure levels.

The two types of qualitative changes in food consumption have been identical - shift from food grains to non-food grains food items and also a substitution of major cereals for coarse grains.
4.10 ANTI-POVERTY MEASURES : EMPLOYMENT PROGRAMMES AND RURAL DEVELOPMENT

A) POVERTY AND EMPLOYMENT (UNEMPLOYMENT) : A phenomenon closely related to employment (or more precisely unemployment) is poverty. Eradication of poverty and unemployment being the twin central goals of our planning and with promotion of employment opportunities forming an essential strategy in poverty alleviation, there may be a tendency to treat the two as representing almost the same situation. However, poverty and unemployment are two distinct, although not independent concepts. "Poverty in general is a function of technology and productivity of ownership of the means of production and of exploitation and social arrangements for production and distribution" (Sen 1976)\textsuperscript{25}. On the other hand, unemployment is a state of involuntary failure to get income yielding work. A person can be rich yet unemployed, if he has other source of income and also a person can work very hard and still be poor. However, there is a nexus between poverty and unemployment.

Poverty is more widespread in rural areas and, in fact, urban poverty is considered, to a large extent, to be a reflection of rural poverty as a large number of rural labour migrate to urban areas in search of livelihood. The major reasons for rural poverty are low and unreliable incomes, uneven distribution of productive resources, high rate of population growth, dependency burdens, low productivity in agriculture and allied sectors, illiteracy, poor access to social services, etc. The rural poor include mainly landless labours, tenants, share croppers, marginal farmers, artisans and others who have very limited or no access to natural resources, technology and inputs.

The relationship between poverty and employment has been empirically studied extensively. An early cross-sectional study (Lakdawala, 1977)\textsuperscript{26} based on NSS regional consumer expenditure for 1970-71 data and unemployment rates for 1972-73 showed an inverse relationship between poverty and unemployment rate indicating that regions with low per capita consumer expenditure were largely associated with unemployment rates. However, it was also recognised that, such an attempt in a cross regional study had limitations because this relationship revealed the negative association partly due to the concept used in generating the unemployment rates and partly due to ignoring inter-regional variations in agrarian structure in a cross-region.
study. The unemployment rates based on its time measure, which ignored wage rate, do not enable one to establish a meaningful relationship. Agrarian Structure was important in the sense that in less developed areas, labour may be fully utilised according to the time criterion but the earning may be low relating in co-existence of high poverty and low unemployment.

In developed areas employment and earnings are likely to be positively related. A study (Radhakrishna, et al 1994) relating to the irrigated and dry zones of Andhra Pradesh has shown the co-existence of high poverty into low unemployment rate in the dry zones where wage rates were low and low incidence of poverty in the high incidence of unemployment in the irrigated zone, where wage rates were higher. Thus, other factors like agrarian structure and wage rates have to be taken into account for a proper explanation of the relationship.

A distinction between the wage employment and self-employment is also necessary for an understanding the relationship between poverty and unemployment. This is because among the wage employed, under-employed is more open and more readily reported and the proximate cause of their poverty is dependence on fluctuating, uncertain and low wage hired employment and open unemployment. Among the self-employed, unemployment is less open due to work sharing and work spreading and is also not freely reported. "The proximate cause of poverty among them is the low productivity of asset base" (Sundaram and Tendulkar, 1988). An inter regional analysis under this frame work showed that the association in between unemployment and poverty is strong among the wage dependent and casual labourers and weak in the case of self employed households.

Therefore, the empirical evidence underlies the fact that the relationship between poverty and unemployment is not straightforward. For a proper understanding of the relationship in a region, a number of factors such as the agrarian structure, wage rate and the composition of the households in between wage employed and self-employed used to be taken into account. Even so, in the eighties, when employment growth decelerated for the country as a whole, incidence of poverty declined. Analysts are of the view that there seem to have been some improvement in the eighties in the per capita output and availability of foodgrain in regions characterised by widespread poverty, although there is no clear evidence of acceleration in the growth of agriculture in the country as a whole. These together, with the improvement in wages in
Agriculture and employment seem to have resulted to the reduction in poverty. Also the contribution of poverty alleviation programmes in promoting employment and in terms has had a significant role.

B) **ATTACK ON POVERTY AND RURAL DEVELOPMENT**: As has already been mentioned, poverty is declining but slowly and still remains widespread in the country. The average headcount index has fallen from 53 per cent in 1951-55 to about 36 per cent cut in 1993-94. “Even when income does not appear to have improved much over time, other indicators of well-being status have been improving in the long term well-being” (World Bank, 1998). The female literacy has incurred to 39 per cent in 1990-91 as compared to just 9 per cent in 1950-51. Life expectancy rose to 59.2 years from 32.1 years in the same period. Infant mortality, which stood at 68 at per 1000 in 1993-94 is significant improvement over 146 in 1950. Rural investments including rural roads, irrigation, electrification health and education have made inroads against rural poverty. The area under irrigation has gone up to 78 million hectares in 1996. In the 1990’s the Central Plan Budgeting expenditure on Anti Poverty Programme (food subsidy, employment programmes, IRDP, social welfare, nutrition, welfare of SC/ST and basic needs) have been steadily raising from 6.2 percent in 1990-91 to 9.0 per cent in 1995-96.

Despite these, the absolute number of people below the poverty line has been increasing steadily from 164 million in 1951 to 312 million in 1993-94 owing to the rapid growth of population. Though the infant mortality has declined considerably, it is still one of the highest in the world. The life expectancy at birth has doubled but still remains below the countries, which were worse off than India in 1950 (e.g. China, Sri Lanka). India accounts for a quarter of the natural deaths worldwide. Female literacy is markedly lower than men. About 37 per cent of population still lack access to safe drinking water. Among 175 countries in the world, India ranks 138 in terms of Human Development Index (HDI). Though in the recent years the participation of the centre in the social sector has been increasing, the share of expenditure by states is declining indicating excessive dependence on centre by states.

Economic growth reduces poverty. But growth alone does not provide sufficient conditions for reducing poverty or low income. The objective is to counter the marginalisation process pushing a large number of people to the brink of subsistence. Hence, the measure to promote investment both public
and private is very crucial. Employment programmes, designed with sufficient thrust incorporating a guarantee of round the year employment to the poor instead of focusing on lean season only have to be launched. Also emphasis on improving the rural resource and infrastructure can have a strong, positive impact on poverty reduction. Wage employment programmes are self-targeting in nature and therefore are more effective in reducing poverty.

Apart from these measures attention should be paid to overcome rural poverty in some other areas, such as –

i) Land reform measures as because landlessness are closely associated with rural poverty and hence can ensure income gain to the poor.

ii) The investment in the areas of access to education, health and economic opportunity should increase, which would in turn reduce poverty.

iii) There is an urgent need to reform the anti poverty programmes since the existing anti poverty programmes including Public Distribution System (PDS) have not been cost effective in reducing poverty. Merger of the some of the schemes and programmes into a well-defined and well-targeted may be the option. Where the local participation is ensured, the effectiveness of Poverty Alleviation Programmes (PAP) is relatively better, indicating a larger role for the Panchayati Raj Institutions (PRI’s) and Non-Government Organisations (NGO’s) in planning, executing and monitoring the schemes with a view to reducing leakages and strengthening the delivery mechanism.

iv) Welfare programmes play various roles in eradication of poverty. They try to provide at subsidised cost or at no cost a wide range of amenities and services in a way to compensate for the adequate access to the benefits of growth and redistribution policies. They also help the poor to invest in themselves – health, nutrition, education widened and strengthened.

The Development or International Development (formerly ODA) in its white paper “Eliminating World Poverty; A Challenge for the 21st Century (1997)” has very emphatically put the challenges that face the world, which may as well the challenge for India also that,

i) To see a society where everyone can live in peace and security, how their community is run and have access to those things take for
granted like clean water, fresh air and the chance to earn a living and bringing up healthy educated children.

ii) To ensure that development is sustainable that is to meet our needs today and those for the future generation without sacrificing the resources we need i.e. without damaging the environment in future.

iii) To show progress in gender equality and the employment of women by eliminating gender disparity in education and other areas.

Science has to be geared up for achieving a sustainable security and the scientific strategies and priorities must be rooted in the principles of ecology and employment generation to serve cause of public good. Science and technology are to be geared up both in the public and private sectors relating to agriculture for proving the Malthusian predictions of widespread food and drinking water insecurity wrong.

The special National Science Congress 88th held at New Delhi, January 2000, vows to eradicate poverty by AD2020 with the emphasis on food production and security with all scientific endeavours for the growing population.

The investment of human capital is perhaps the key approach for future poverty reduction objective. This might be the foundation for a greater participation of the poor in the overall development process.

In terms of spatial spread and visibility, the social welfare programmes and employment generation programmes have grown considerably over the years and it is necessary to continually lay emphasis on these compulsory measures to the poor. Since economic reform measures have an adverse effect on the poor in short and medium run, hence social safety net has to be widened and strengthened.

A profile of in rural development and anti poverty programmes and employment generation programmes chronologically have been stated which would realise the meaning, effectiveness and experiences in the poverty, and the extent of its eradication in the ethos of social and economic development of the rural masses in the country.

Since the events in the profile of rural developments have been briefed in terms of some commonalities i.e. in terms of

i) year and name of the programme,

ii) major objectives and components of the programmes and
iii) achievements and experiences in brief for all programmes, we have marked

A : Year and name of the programme,
B : Major objectives and components of the programme as stated in A
C : Achievements and experiences in brief of the programme as stated in A.

(Small English alphabets indicate the serial numbers of the programmes and the roman numbers indicate the sub-heads of the english small alphabets).

A : Early years : Community Development Programmes (CDP) and National Extension Service 1952.
B : Rejuvenate economic & social life in rural areas through infrastructure building at local level and investment in human resource development through the provision of education and health. The programme was implemented in well-defined geographical area i.e. Community Development (CD) Block.
C : During the Pilot phase remarkable results were obtained in a number of CD blocks. When the programme was expanded to cover the entire country, the weaknesses of the socio-economic system came to the surface. The programme was not supported by appropriate technological and institutional reform, Its impact on poverty alleviation was not conspicuous in any part of the country.

A(a)ii : Land Reforms (1956-66).
B(a)ii : Redistribution of land through land ceiling, tenancy reforms abolition of surplus land to landless poor or marginal farmers.
C(a)ii : The initial pace of reforms was slow as this was a state subject. Distribution of surplus land was far below expectation. Distribution of lands were marginal and unproductive. Position of small farmers did not change much. Land reform was as good as a forgotten strategy since 1970's.

A(b)i : Poverty Alleviation Programmes; b) Area development (1970-71), i) Intensive Agricultural Development Programme (IADP), Intensive Agricultural
Area Development Programme (IAADP), iii) High Yielding Varieties Programme (HYV).

B(b)i: Deficit in food grains in the late 50's led to the grow more food campaign. Increasing agricultural production and productivity through in production of high-yielding varieties and increase in irrigation.

C(b)i: ‘Green Revolution’ was a major achievement. But success were confined to irrigated areas and better off farmers. Regional imbalance and disparity was glaring.

A(b)ii: Command Area Development Programme (CADA) 1974.

B(b)ii: Faster and optimum utilisation of irrigation potential created Farm Development with emphasis on weaker section.

C(b)ii: Initiated in 1974, the programme expanded to cover 47 irrigation projects administered by 36 Command Area Development Authorities in 12 states by 1984 covering 102 districts. All irrigation projects in India have CADA.

A(b)iii: Hill Area Development Schemes (HADS), 1972.

B(b)iii: Socio economic development of hill areas in harmony with ecological development programme, basic life support system with sustainable use of resources.

C(b)iii: Hill areas were classified as specified area all Northeastern states, J & K and Himachal Pradesh and general areas (Tamil Nadu, West Bengal, Maharastra, Kerala, Goa, Karnataka, Uttar Pradesh)

A(b)iv: Draught prone area programme (DPAP), 1973-74.

B(b)iv: Creation of durable asset that would contribute towards reducing severity of draught, wage employment etc.

C(b)iv: The programme is being implemented in 947 blocks of 155 districts in 13 states covering 746 lakh hectares as on March’97. Since inception about Rs.1992 crore have been spent under DPAP.

A(b)v: Desert Development Programme (DDP), 1978.

B(b)v: Arresting environmental degradation and improving environment and productivity in Hot & Cold (J & K, HP) deserts, restoring the ecological balance and raising water resources in these areas.
C(b)v: By March’1997, DDP was being implemented in 227 blocks of 36 districts in seven states. DDP has covered 457 lakh hectares. Since inception till Nov.98 about 620 crore have been spent under DDP.

A(b)vi: National Watershed Development Project for Rainfed Areas (NWDPRA), 1990

B(b)vi: To generate successful models in all the Community Development Blocks where less than 30 per cent available area is under irrigation to bring the benefits of Green Revolution to dry regions.

C(b)vi: A hundred per cent centrally sponsored programme under the Ministry of Agriculture. A total of 2554 model projects in as many blocks across 25 states and union territories covering an area of 45.841 lakh hectares at a cost of 1.24 crore have been achieved by 1996.

A(c): Target Group Development, 1970-71, Small Farmers Development Agencies (SFDA), Marginal Farmers and Agricultural Labourers Development Agencies (MFALDA)

B(c): Direct attack on poverty improving productivity and access to productive resources and services to poorer sections of community in selected backward areas. These schemes were fully funded by the Central Government.

C(c): Initially 46 SFDAs and 41 MFALDAs were started. In 1979 both the agencies were merged into SFDA and were in operation in 198 districts through 168 SFDAs. Between 1971 and 1977, around 6.5 million rural households with a budgetary outlay of Rs.134.31 crore and credit support to the tune of Rs.243 crore were covered. In 1979 this was merged into IRDP.

A(d)i: Self Employment: Integrated Rural Development Programme(1979) (Self Employment Programme)

B(d)i: An integrated approach for both agriculture and other development targeting the poor. Subsidy and credit were provided to poor household to take up self-employment and income augmenting activities. The cost of the programme was to be shared equally between the centre and the state. National target of assisting 600 families per block annually was laid down. The basic objective of IRDP was to enable the identified rural poor families to cross the poverty line by providing them with productive assets and inputs in
the primary, secondary and tertiary sectors with a view to creating self employment.

C(d)i : Initiated as a pilot project in selected 2300 blocks, it was expanded to cover the whole country from the 2nd Oct'1980. During the Sixth Plan, the programme covered 15.13 million families with Rs.1,500 crore and a similar number in the Seventh Plan was covered with Rs.1,186 crores of central assistance. By the end of March’1997, over 50 million families with Rs.50,000 crore have been covered since inception.

A(d)ii : Development of Women & Children in Rural Areas (DWCRA)-1983

B(d)ii : To provide income generating skills and activities to poor women in rural areas, thereby social and economic empowerment leading to improve the areas of health & education etc. This is ultimately envisaged at enhancement in the quality of life in general well-being of women and children.

C(d)ii : The target groups and coverage of the programme are poor women in rural areas to all districts in the country. A revolving fund of Rs.25,000/- per group is being shared equally by the centre and the states. Any economic activity suited to group of women as per their skills, aptitude and local conditions are the works to be taken up for the programme. DWCRA is implemented by the District Rural Development Agency (DRDA). At the block level a team consisting of an APO(Women), three Gram Sevikas and Mukhya Sevika implement this scheme. Non-Government Organisation has also been involved in the implementation of this scheme. Council to Advancement of People’s Action & Rural Technology (CAPART) has been supporting voluntary agencies. The National Institute of Rural Development (NIRD) has been entrusted with the responsibility of co-ordinating the states for the training requirements of DWCRA functions.

New initiatives have been suggested for DWCRA during the Ninth Plan. These are:

i) to undertake a social profile survey as a strategy for mobilisation of the community,

ii) to take up an economic resource survey of districts for developing resource base thereby strengthening the income generating activities and promotion of high value addition activities through improvement of skill base, technology, training, marketing linkage, tie-up etc. Started as a pilot scheme in 50 districts in 1983 it is now implemented all over
the country. As on January'1997, 1.88 lakh groups have been assisted to the tune of Rs.220.43 crores.

A(e): Training of Rural Youth in Self Employment (TRYSEM), 1979

B(e): Providing technical and entrepreneurial skills to youths in the age group of 18-35 years from the families below poverty line to enable them to take up self employment. Under the scheme, artisans from a variety of crafts, except weavers, tailors, needle workers are supplied tool kits with 90 per cent subsidy costing upto Rs.2000. Even power driven tool kits are provided subject to the ceiling of Rs.4500/-

C(e): It is a supporting component of IRDP started as centrally sponsored scheme on 15th Aug'1979. Wherever necessary, a tool kit costing not more Rs.800/- is given free of cost. Every TRYSEM trainee is being a potential IRDP beneficiary assistance under IRDP on completion of their training programme is to be provided to those willing to set up self-employment units. On an average 2.82 lakh youths are being trained every year since inception. As on Dec'96, 37.09 lakh youths have been trained but a very large number of them could not settle in the trades in which they were trained. Lake of credit facilities and demand for trades are some of the reasons.


B(f): To improve the quality of work of rural artisan and thereby their income opportunities.

C(f): Started as a pilot scheme, it is now extended to the whole country. Since inception 4.7 lakh tool kit at a cost of Rs.84.0 crore have been provided.

A(g): Wage Employment Programme. i) Rural Man Power Programme (RMP), (1960-61)

B(g)i: First major wage employment programme aimed at providing 100 days of employment for at least 2.5 million persons at the end of the Third Plan in areas prone to pronounce employment.

C(g)i: The programme was started in 32 community development block on a pilot basis for utilising rural labour force. It was extended to 1000 blocks and remained in operation till 1968-69, generating 137 million man-days of employment. Resource Constraints curtailed the programme only to 20% of the outlay of Rs.150 crore.
A(g)ii : Cash Scheme for Rural Employment (CSRE), 1971

B(g)ii : To generate employment to 315 million man-days for at least 1000 persons in each of 350 districts every year through labour intensive work and creation of durable assets.

C(g)ii : Started with Rs.50 crore annual outlay in 1971, created employment to the tune of 315 million man-days annually in each district. The scheme marked considerable lack of planning and assets created were mostly non-durable in nature.

A(g)iii : Pilot Intensive Rural Employment Programme (PIREP), 1972

B(g)iii : To provide additional employment for unskilled labour by creation of assets which have multiplier effect on employment generation through skills upgradation, creation of new skills through project work on site and more important to attempt some form of manpower budgeting with reference to wage seeking labour with a view to evoking a comprehensive programme for the rest of the country.

C(g)iii : Implemented along with CSRE, initiated as a Pilot Intensive Rural Employment Programme (PIREP) in Nov'1972 and implemented in 15 select Community Development (CD) blocks for three years. The project completed its term of three years in 1975-76 generating 18.16 million man-days of employment. The project was reviewed by a committee which expressed the view that the entire development strategies should be based on labour intensive to chronologies so that, the maximum labour absorption takes place through the regular development process leaving a small backlog of unemployment for tackling through special employment projects.

A(h) : Food For Work Programme (FWP), 1977

B(h) : To generate additional gainful employment to a number of men and women in rural areas to improve their incomes and consequently their nutritional levels. To create durable community assets and strengthen the rural infrastructure which will result in higher production and better living standard in rural areas. To utilise surplus food grain for development of human resources.

C(h) : A Definite step was taken by the Government in April 1977. Food for Work Programme (FWP) was started as a non-plan scheme to augment the
funds of State Government for maintenance of public works on which large investments were made in the past by utilising available stocks of food grains. The programme did not make much headway in the beginning due to certain constraints inherent in the scheme itself. On review of this programme and the difficulties experienced by the states, the scheme was liberalised to include all on-going plan and non-plan works and new items of public and community works. A total employment of 979.32 million man-days were generated during the year 1977-78 to 1979-80. Though this became very popular in rural areas and came to be recognized as a major instrument of rural employment generation, there were some major accounts on which the programme suffered a setback. Firstly, the programme continued on a year to year basis. In the context of uncertainty, the State Government was not able to complete the needed technical and administrative support to effectively plan, oversee and monitor the programme. Secondly, there was no attempt by the states to formulate a shelf of projects, which could take into account the local needs and could also fit in with overall priority for the blocks and districts where the programme was implemented. Thirdly, for want of a provision in many states to finance the material component of works and also to give part of wages in cash. The tendency was to take up Katcha roads on a large scale, which were non-durable in nature. Hence it was decided to revamp and restructure the programme and accordingly the programme was renamed as National Rural Employment Programme.

A(i) : National rural Employment Programme (NREP), 1980

B(i) : The FWP was redesigned to be NREP and the objective of the extensive employment programme were continued. NREP became part of the Sixth Plan since 1980 and implemented as a centrally sponsored programme on 50:50 cost sharing basis.

C(i) : The National Rural Employment Programme (NREP) was launched in Oct'1980 incorporating appropriate provisions based on previous experiences in this field. During the Sixth Plan, the total expenditure on implementation of NREP was Rs.1873.00 crore against the outlay Rs.1620.00 crore including the state share. The total employment generation during the period was 1775.2 million man-days. In the Seventh Plan Rs.2940 crore were spent to create 1477.5 million man-days. The mid-term appraisal of the Sixth Plan pointed out that, hard-core rural poverty, particularly pertaining to
employment for the landless during lean agricultural periods had to be tackled in a more direct and special manner. It was aimed that at least one member from each landless household should be provided employment upto 100 days in a year.

**A(j)**: Rural Employment Guarantee Programme (RLEG), 1983

**B(j)**: To provide 100 man-days of employment in a year to at least one person each landless household during lean agriculture season. To be implemented alongside NREP covering the whole country.

**C(j)**: As per the review of the NREP programme to provide each landless household upto 100 days in a year, the Rural Landless Employment Guarantee Programme (RLEG) was launched in August 1983. This programme was fully funded by the Central Government. During the Seventh Plan, Rs.2412 crore were spent under this scheme creating 1154.4 million man days of employment. While the two programmes NREP and RLEG have been able to exceed the financial and physical targets, it was not possible for both the programmes to provide 100 days of employment to at least one member of each landless household in a year as envisaged under RLEG.

**A(k)i**: Jawahar Rojgar Yojna (JRY), 1989.

**B(k)i**: Merging the objectives of both NREP and RLEG, the scheme to be implemented as a centrally sponsored scheme on 80:20(Centre : State) cost sharing basis covering the entire country as an independent scheme came into operation from April, 1989(i.e. the last year of the Seventh Plan). In case of Union Territories, the entire resources under the scheme are provided by the centre. JRY is the first effort to directly involve Panchayati Raj Institutions in the wage Employment Programme. Under JRY, 80 per cent funds reach Gram Panchayats and 20 per cent District Panchayats on the basis of the recommendation made in a Chief Ministers’ Conference, 15 per cent funds are earmarked for intermediate panchayats by reducing the share of village panchayats to 65 per cent.

**C[k]i**: The strategies for the implementation of JRY has undergone modifications from the year 1993 and are being implemented in three different streams known as I stream operated throughout the country, II stream implemented in 120 identified backward districts and III stream innovative JRY which is project specific. Two sub schemes of JRY, namely, the Indira
Awas Yojna (IAY) and the Million Wells Scheme (MWS) were the part of the I-stream of JRY. The JRY continued to be implemented in the above form till 31st Dec'1995, when the scheme was restructured based on the experience gained in the implementation. Some changes were also made in the JRY form 1996 as –

i) JRY-I stream continued to go to DRDA and village panchayats in the ratio of 20:80.

ii) the Indira Awaas Yojna (IAY) and the Million Wells Schemes (MWS) which are, in essence beneficiary oriented schemes and were part of the JRY with an earmarking of certain per cent of funds were taken out of stream-I, JRY, and made independent schemes.

iii) the second stream JRY was merged with Employment Assurance Scheme with 5 per cent of JRY funds subject to a maximum of Rs.75 crores continued as it is. From 1995-96 to 1998-99 a total of 20243.90 lakh man-days of employment generated against the target of 20452.89 man-days. While the total funds utilised in those years were to the tune of Rs.11510.85 crore.

A(k)ii: Intensive Jawahar Rozgar Yojna (IJRY), Indira Awaas Yojna (IAY) million Wells Scheme (MWS), Innovative JRY.

B(k)ii: All parts of JRY aimed employment generation through special efforts in some backward areas (JRY) having for SC/ST (IAY) and irrigation facilities for SC/ST (MWS). The MWS is primarily intended to provide open irrigation only ,free of cost to individual poor, small and marginal farmers belonging to SCs/STs and free bonded labourers. Wherever wells are not feasible irrigation tanks and water harvesting structures are provided. From 1993-94 onwards the scheme was extended to non ST/SC who are poor beneficiaries themselves are asked to undertake the construction of these works so that while working for their wells or minor irrigation works they can get employment as well as wages. Wage and material component required to be maintained at 60:40 ratio under MWS.

The Indira Awaas Yojna (IAY) aimed at proving dwelling units free of cost to the members of scheduled caste/scheduled tribes, free bonded labourers from 1985-86 was an important component of Rural Landless Employment Guarantee Programme (RLEGP). From 1989-90, the scheme was continued under JRY. From 1993-94, the scheme was extended to non-SC/ST
rural poor below the poverty line. While selecting the beneficiaries priority was given to free bonded labour, SC/ST household below the poverty line headed by widows and unmarried women, households affected by floods, fire, earthquake and other similar calamities. The allotment of the houses was made in the name of both husband and wife. As far as possible, the IAY houses are to be build in clusters so that, the common facilities like water and electricity are provided. The beneficiaries have complete freedom as to the number of construction of the house, which is their own. Initially, construction cost was Rs.14000/-.

C(k)ii : Since 1996, all these component have become independent schemes, while IJRY was merged with Employment Assurance Scheme. The Million Wells Schemes (MWS) was launched as a sub-scheme of the National Rural Employment Programme (NREP) and the Rural Landless and Employment Guarantee Programme (RLEG) during the year 1988-89. After the merger of the two programmes in April 1989, into Jawahar Rojgar Yojna (JRY), MWS continued as a sub-scheme of JRY till December 1995. The MWS was de-linked from JRY to be an independent scheme with effect from 1st Jan’1996. MWS has been funded by the Centre and States in the ratio of 80:20. Since inception in 1988-89 till Nov’1996, about Rs.3670.16 crore have been spent and 1.05 million irrigation wells and tanks and water harvesting structures have been created. However, even after putting up lot of efforts, some wells failed and some other collapsed. This was a genuine concern and the beneficiaries were demanding alternative wells. But sometimes when the land holding was small and the water level was very low, this could not be provided. In spite of all such problems the scheme was very popular among the poor beneficiaries.

Indira Awaas Yojna has proved to be a popular programme and target have exceeded every year since its inception. A total of about 30 lakh houses were constructed from 1985-86 to 1995-96 under the scheme. In the Chief Ministers conference held on 4-5 July, 1996 it was recommended that all sheltersless rural poor should be provided a house by 2000AD. The construction cost was enhanced from Rs.14000/- to Rs.20000/- for plain areas and Rs.22000/- for hilly and difficult areas. The use of local material and low cost technology were emphasised.

While evaluating the programme, certain shortcomings have been found. Though the guidelines prohibit the imposition of any specific design,
irrespective of the geo-climatic consideration and cultural life styles of the people certain models of houses were followed in the states. Sometimes this led to non-occupation of the houses in certain pockets particularly in hilly tribal areas. Most of the sanitary latrines constructed were not used for the purpose but used as store, keeping goat etc. Though local materials are available, certain standard materials are used prescribed by the State Governments. However there is a huge demand for the houses particularly from the weaker sections.


B(I) : The programme aimed at providing assured employment of 100 days of unskilled manual work to the rural poor who are in need of employment and seeking it particularly during lean agricultural season. Maximum of two adults per family are to be provided employment under the scheme. The District Collector/Deputy Commissioner of the district is overall charge of EAS as the implementing authority. In this capacity he is also responsible for allocating the work in the district among the various implementing agencies and coordinating their execution. Every year by December, projects should be finalised to the indicated area and target groups who need employment during the lean agricultural season. All works started under EAS should be labour intensive. The labour and material component must be 60:40. The work which, exceed material component may be taken up provided the excess cost is provided from other sectoral programme funds. The people seeking work under EAS should be given employment within a specified distance of the area of the block, where works started from out of the shelf of projects prepared for the purpose by the Implementing Authority.

C(I) : The employment Assurance Programme was started from 2nd Oct'1993 in the rural areas in 1778 blocks of 261 districts in which the Revamped Public Distribution System (RPDS) was in operation. During 1994-95, EAS has been extended to another 697 blocks covering new Draught Prone Area Programme(DPAP), Desert Development Programme(DDP) and Modified Area Development Approach(MADA) blocks. As the objectives under Intensive Jawahar Rozgar Yojna(IJRY) are similar to that of EAS except for an element of assurance of later programme of IJRY has been merged with EAS and all the 722 blocks falling in IJRY are also covered under EAS with effect from 1st
Jan'1996. Thus the total number of blocks covered under EAS are 3197 as on 31st March 1996. It was announced by the Prime Minister, that EAS would be extended to all the blocks in the country and accordingly policy had been taken to that. Though an amount of Rs.548.77 crore were allocated during 1993-94, the state could utilise only Rs.183.75 crore and the works could generate for 494.75 lakh man-days. During 1998-99 an out lay of 1990.00 crores had been spent and could generate 2376.14 lakh man-days. Initially some states have experienced difficulties in mobilising their share of funds and the lean agricultural season in some districts did not fully coincide with the implementation period. The programme was launched on the lines of the well thought out and experimented programme of Employment Guarantee Scheme of Maharashtra and the demand driven programme with no physical target in its strength. Though a lot of function is given in choosing the works and providing employment in many states, the people who have registered did not avail of 100 days of employment. However, Maharashtra is leading in implementing this programme and providing more than 100 days of employment. Sometimes the wage ratio is lower in the EAS works than that of prevailing in the areas and insisting to offer at minimum wages had driven the people away from the projects.

A(m) : Member of Parliament Local Area Development Scheme (MPLADS) 1993
B(m) : The objectives are same as Jowahar Rozgar Yojna, but Members of Parliament can decide the allocation of work as per their assessment.
C(m) : Introduced in 1993, this scheme envisaged allocation of Rs.1 crore to each of the 790 members of parliament (Both the Houses) annually being spent as local schemes to be recommended by them so long as they are eligible under various guidelines. Part of Jawahar Rojgar Yojna and Employment Assurance Scheme funds and some additional budgetary allocation formed the resources of this scheme.

A(n)i : Special Groups (SC/ST), i) Special Component Plan (SCP) 1979-80s
Special Component Assistance (SCA)
B(n)i : Development of welfare of scheduled caste by ensuring enhancement of flows of fund for scheduled castes (SC), through individual or family assistance and also improvement in social sector basic amenities.
**A(n)i** : From Rs.361.16 crore. (7.7 per cent) of total plan outlay under special component plan in 6th plan, the allocation incurred to Rs.5518.30 crore in 1995-96 (11.8 per cent). About 1.38 crore families were assisted economically by March 96.

**A(n)ii** : Scheduled Caste Development Corporation (SCDC), 1980; National Scheduled Caste and Scheduled Tribe Finance & Development Corporation (NSFDC). 1989

**B(n)ii** : To provide a link between Scheduled Caste/Scheduled Tribe poor and financial institutions.

To provide financial assistance at concessional rates for income generating activities both in farm and non-farm requirements.

**C(n)ii** : By the end of December 96 NSFDC has assisted 2.13 lakh beneficiaries to the tune of Rs.314.2 crore. At present 23 corporation (19 states and 4 Union Territories) are functioning in the country. The corporation are working with the motive of influencing welfare oriented programme for the down trodden and to lift them from poverty-line not merely quantitatively but also in qualitative term.

**A(n)iii** : National Commission for Scheduled Castes & Scheduled Tribes (1992)

**B(n)iii** : To study safeguards, rights, socio economic development of the Scheduled Castes & Scheduled Tribes.

**C(n)iii** : Submitted its first annual report after the period ending December, 1993.

**A(n)iv** : Tribal Sub Plan (TSP) & Special Component Assistance (SCA)

**B(n)iv** : Accelerating the pace of socio economic development of scheduled tribes and protecting them from exploitation. The Tribal Sub-Plan has been envisaged as representing total development efforts in the identified areas with the aid of resources pooled from i) outlays from states plan, ii) investments by Central Ministries, iii) Special Central Assistance of the Ministry of Home Affairs and iv) institutional finance.

**C(n)iv** : In operation in 18 states and two Union Territories. In the Seventh Plan Rs.7.77 crore were allocated under Tribal Sub-Plan. From Rs.1992 crores in 1991., it has risen to Rs.3967 crore in 1996.
A(n)v: Integrated Tribal Development Approach (ITDA)

B(n)v: Earmarking funds of tribal sub-plan as one of the strategies. The strategy is to prepare programmes for specific needs of the people, planning has to start from the lowest unit the Integrated Tribal Development Project (ITDP). Each constituent block of an ITDP should formulate its Five Year Plan with annual planning in the context of the natural resource endowment, occupation and skills of the people, infrastructure and human requirements etc. Though the infrastructural planning is limited due to their jurisdiction, they (limited to the blocks only) form a valuable planning base in beneficiary oriented scheme. The block plans should be inter-meshed, over the entire project area. The project reports thus prepared should be integrated and aggregated at the state level into the tribal sub-plan of the state. The need based ITDP project reports and the state sub-plans have to be matched to resource availability. The process of planning has thus, to be built upwards. The process needs to be initiated simultaneously at the ITDP and the state level. Inter-weaving of the sectoral programmes has to take place at the block, ITDP as well as the state levels. In other words, the project report for an ITDP should reflect balanced inter-sectoral programmes relative to the natural resource endowment, the skills and aptitude of the people.

C(n)v: The methodology implies that the state authorities communicate to the project authorities outlays for the five year period as well as for each of the one year phases before the commencement of the respective periods. The project authorities have to sort out priorities and arrange sectoral programmes in the light of the priorities. At this stage particularly association of tribal representatives is of crucial importance so that the plan can become truly reflective of the people's needs, aspirations and inclinations. At present the disaggregation exercise is adopted, sectoral outlay are broken up and passed on to the field authorities concerned for implementation of programmes. Since the process of plans from below have not come into being completely in any of the states, efforts have to be made to streamline and make it a full reality. So far, 194 Integrated Tribal Development Project have been established. To keep realistic integrated effort in the forces which needs in essence the planning from below, separate Integrated Tribal Development Agencies have been set up to implement the programme.
A(n)vi: Modified Area Development Approach (MADA)

B(n)vi: The tribal sub-plan area covers pockets of tribal concentration taking the development block as the unit. It was noticed that certain pockets of tribal concentration outside the sub-plan area were left out of the tribal sub-plan strategy. It was decided in the Sixth Plan that pockets of contiguous villages or pockets having a minimum of 10,000 total tribal population of whom, at least 50 per cent of the Scheduled Tribes should be curved out for intensive integrated development on a Modified Area Development Approach (MADA) under the tribal sub-plan.

C(n)vi: The thrust of development of infrastructure of many other programmes should come from the financial and physical capability of the block or taluka development administration. The programmes drawn up should have community or family orientation, i.e. if some members are in a same kind of trade constitute a Scheduled Tribe community, the programme should be tailored to bring maximum benefits in that occupation. A shifting cultivator-community will have to be treated suitably. On the other hand, if there is no general occupational pattern or otherwise, no distinctive schemes of socio-economic benefits of individual families should be taken up. In other words, in pockets of tribal concentration the thrust should be towards raising the socio-economic standard of an individual tribal family. So far as many as more than 250 MADA pockets have been formed. Also during the Seventh Plan with a total of 5000 tribal population, 79 clusters have been formed.

A(n)vii: Primitive Tribal Groups (PTGs)

B(n)vii: The question of tackling the problems of the more backward tribal communities has received the attention of various commissions and study teams. The Scheduled Tribes Commission (1961) usually known as the Dhebar Commission, observed among them different form of layers. At the base they identified a class of tribal in an extremely underdeveloped stage. In the review of tribal development programmes on the eve of the Fifth Plan, it was recognised that a special programme for the extremely backward tribal groups known as primitive groups should be taken up on the basis of proper identification on the lines suggested by the Shilu Ao team. It was emphasised that the programmes would be financed cent per cent by the Ministry of Home Affairs. In the guidelines issued by the Planning Commission on the preparation of the first tribal sub-plans, it was specifically indicated that:
i) special attention should be given to areas and groups facing special problems including primitive tribal groups in backward pockets. Shifting cultivators and tribal lay major projects,

ii) for the purpose, these communities and groups should be identified adopting well-defined criteria,

iii) the tribal sub-plan must attempt in broad terms of resolving the main issues facing the tribal communities in these areas and the problems of special groups,

iv) special assistance to be provided to such groups or communities against a basic policy framework. This could vary from the general approach in the sectoral programmes, unfettered by the existing formal, procedural or legal affairs also issued detailed guidelines for identification of primitive tribal groups and preparation of project reports for their development. The guideline stressed that these groups have to be distinguished from impoverished groups and that a primitive group need not necessarily be poor. It was classified that in some cases the very concept of poverty may not be known. So programme can be taken up as a part of the general development effect of the area. The distinguishing feature of primitive group programmes is that each family is considered a distinct entity.

C(n)vii : In the identification of primitive groups, states have generally followed three norms

i) pre agricultural level of technology,

ii) low level of literacy,

iii) a stagnant or diminishing population. On the basis of these criteria, 52 communities had been identified as primitive till the Sixth and Seventh Plan, additional 22 primitive tribes were identified, by the end of the Seventh Plan, altogether 74 primitive tribe have been identified in 14 states and one territory of Andaman & Nicobar island.

The present top-to-bottom planning process in tribal areas required to be reversed. Planning should be decentralised with ITDP as basis and ITDP wise plans should be prepared. The decentralised planning can be a success only if there is a corresponding devoluation of resources. This can be made possible only when the Tribal Development Department allocates funds out of a common pool placed at its disposal from the state plan. It may be possible to make cent per cent devoluation of funds to ITDPs. Since certain central
schemes are distinct from state level schemes yet, it should be possible to place funds at the disposal of ITDPs for the beneficiary oriented schemes.

\textbf{A(o)} : Social Welfare Measures. i) Public Distribution System (PDS), 1950

\textbf{B(o)i} : The public Distribution System (PDS) has been an integral part of India's overall food policy. It has been implemented in mitigating the plight of the masses who are burdened by low income inflationary condition, scarcities and the haunting fear of adulteration.

Intervention by the Government in food distribution started during the world war-II and large urban complexes like Bombay and Calcutta were placed under stationary rationing. This has been the broad objective of the Government of India since Independence through the nature and relative extent of Government intervention have been largely conditioned by fluctuations in agricultural production and price rise. It has been foremost in the minds of the food policy makers that, the interest of the vulnerable sections of society must be taken care of in the supply of foodgrains and essential commodities.

The starting point of the Government intervention by stationary rationing was during the second war against the background of Bengal Famines (1943) era of shortage aimed to benefit Government employees and others which were crucial to sustain war efforts. Later, when the conditions further worsened the scheme was enlarged to cover the common people. As the war gathered momentum, stationary rationing was enforced and the free market operations were relinquished. Nevertheless, the approach was narrow in nature and designed to meet the exigencies created by the emergent circumstances. It also lacked the backing of sound policy instrument so indispensable to develop this system in the best interest of the consumers. With the return of normalcy, private traders persuaded the Government to maintain the certain status-quo and it yielded to the pressure without going pros and cons. The consequent decontrol policy resulted in the prompt transformation of suppressed inflation. This change was mainly caused by artificial and volatile shifts in agricultural production. Since then from a stationary rationing system, PDS has emerged as poverty alleviation measure to become a permanent feature in Indian Economy.

The specific goals of Public Distribution System (PDS) are:
i) to make goods available to consumers, especially the disadvantaged or vulnerable sections of society at fair prices,

ii) to rectify the existing imbalance between the supply and demand for consumer goods,

iii) to check and prevent hoarding and black marketing in essential commodities,

iv) to ensure social justice in distribution of basic necessity of life,

v) to even out fluctuations in prices and availability of mass consumption goods and

vi) to support poverty alleviation programmes particularly rural employment programme like Integrated Rural Development Programme (IRDP), Jawahar Rojgar Yojna (JRY), Mid-day Meals, Development of Women and Children in Rural Areas (DWCRA) and Educational Feeding Programmes.

C(0)ij : Over the years, the role of the Government and its policies in procurement and distribution have expanded. The yearly procurement increased from four million tonnes in 1965 to about 28 million tonnes in 1993. The share of procurement in production has increased from five per cent in 1965 to 17.8 per cent in 1993. The cost of food subsidy has increased from Rs.2300 crore in 1988 to Rs.5250 crore in 1995-96. The Fair Price shops expanded from 48000 in 1961 to 4.35 lakh in 1995-96. The total number of ration cards increased to 1911.69 lakh by 1995-96. Even though food production in the country has improved and famines have been averted, increasing regional inequity, pressure on budgetary resources and political pressure from surplus states for higher prices and subsidies have emerged as major problems for its implementation. Over 3.3 lakh fair price shops have been set up in rural areas at the end of 1995.

There has been ambiguity about the exact quantity of stocks needed for the buffer stocks. Targets recommended by the various Government Committees range from 1 MT (Foodgrains Policy Committee of 1947) to 16MT (Technical Group of the Department of Food 1975-76). However, the actual amount stocked has no relation to the policy recommendation and has been influenced by the level of domestic production. According to one estimate only 15 per cent of production in the country is procured and only 10-14 per cent of foodgrains are distributed through the Public Distribution System.
A(ii) : Food Corporation of India. (FCI), 1965
B(ii) : Price Stability of food grains and food security for vulnerable groups.

C(ii) : There are widespread complaints about the quality of foodgrains supplied by FCI. The fact that, poorer groups accept lower quality products because of the price differences associated with Public Distribution System. Civil Supplies agencies which lift stocks from the Food Corporation should be conscious and assertive about it. Consumer organisation could play a helpful role as articulators.

A(iii) : Revamped Public Distribution System (RPDS) 1992
B(iii) : Revamped Public Distribution System was started in June 1992 for tribal, arid hilly and drought prone and remotely located areas expanding networks of Fair Price shops to rural areas would help reduce the gap on accessibility. The Revamped Public Distribution System will help to improve its reach on the basis of area approach and to eliminate leakage and malpractices that have crept into the system.

C(iii) : The scheme now covers 1775 blocks in the country which also have Employment Assurance Scheme through over 1.02 lakhs Fair Price Shops. The issue price under Revamped Public Distribution System for foodgrains is lower by Rs.50/- per quintal than the price in normal Public Distribution System. And it is further stipulated that retail price of foodgrains in Revamped Public Distribution System should not be higher than the central issue price by more than 25 paise per kg. The Planning Commission Evaluation Study (1995) identified the major deficiencies in the implementation of the Revamped Public Distribution System (RPDS). They are a) proliferation of bogus ration cards, b) inadequate storage arrangements, c) ineffective functioning of the households. The study also emphasised that Food Corporation of India (FCI) needs to improve storage facilities and strong quality control is necessary to supply good quality foodgrains. Along with strong facilities there is also need to improve door step delivery and mobile Fair Price Shop services. The study also emphasised the watchdog role of vigilance committees without which it will be very difficult to operationalise Public Distribution System effectively. Besides, there is the problem of unaffordability of essential commodities distributed through the Revamped Public Distribution System in respect of some section of the people in rural areas. All round effort has to be made to monitor and supervise the working of
Fair Price shops in terms of their opening time, working hours, regularity in distribution and communication to the consumers.

A(iv) : Targeted Public Distribution System (TPDS), 1997
B(iv) : Coming into operation from 1st June 1997, the policy regarded as an important constituent for the strategy of poverty alleviation. Food and nutrition security are crucial to fight against other dimensions of poverty like infant mortality, maternal mortality, low birth weights and other forms of deprivation. Therefore, the importance of an effective Public Distribution system ensuring availability of food at affordable prices at household level for the poor is emphasised. The Public Distribution System has been criticised on grounds of its failure to help people below the poverty line, its urban bias, negligible coverage in the states with highest concentration of the rural poor and lack of transparent and accountable arrangements for delivery. Therefore, the Govt. of India proposed to streamline the system by issuing special cards to families below poverty line and selling essential articles under Public Distribution System to them at specially subsidised prices, with a better monitoring of the delivery system.

C(iv) : Under the targeted Public Distribution System, the people below poverty line will get rice at Rs.3.50 per kg and the people above the poverty line will get their ration at the central issue prices (i.e. Wheat Rs.4.50, Rice common Rs.5.75, Fine rice Rs.6.50 and Superfine rice Rs.8.00). The allocation under Public Distribution System to states depends on the number of persons and percentage of population below the poverty line as estimated by the Planning Commission for the year 1993-94, under the expert group of Prof. Lakdawala.

Under the system it is essential that, the states formulate and implement fool proof arrangements for identification of the poor and issue of ration cards, for delivering the foodgrains at Fair Price Shops and for its distribution in a transparent and accountable manner at the fair prices level. The State Governments are to devise credible financial and administrative arrangements so as to ensure physical movement of the allotted foodgrains to the Fair Price Shops and the subsequent distribution to the poor. The provision of subsidies on foodgrains for the poor will be conditional to such satisfactory arrangements made by every state. With the implementation of the Targeted Public Distribution System, its emphasis on all areas will be
discontinued. However, as these areas cover generally difficult terrain like remote hilly areas, tribal areas, drought prone and desert areas, emphasis on creating a suitable infrastructure in these areas will continue. Provision of godown, vans for transport of foodgrains and trucks to function as mobile Shops in these areas will be emphasised. Targeted Public Distribution System will also target these difficult areas in respect of provision of these facilities.

\[A(p)\] Social Security Measures; National Social Assistance Programme (NSAP) 1995

i) National Old Age Pension (NOAP)
ii) National Family Benefit Scheme (NFBS)
iii) National Maternity Benefit Scheme (NMBS)

\[B(p)\] There are some social security measures in India – the Legislative measures like the Workers Compensation Act, the Employees State Insurance Act, the Employees Provident Fund and Miscellaneous Provision Act, the Maternity Benefit Act etc. But these are applicable for only the organised labour force and the organised labour force accounts for around 8 per cent of the total labour force only. The problem is one of extending these social security measures to the unorganised sector. The National Social Assistance Programme (NSAP), which came into effect from 1st Aug’1995 represents a significant step towards the fulfillment of the Directive Principles in Articles 41 and 42 of the constitution. Through these articles the National Policy for social assistance benefits to poor households in the case of old age, death of bread earners and maternity deaths has been adopted. The programme has three components –

i) National Old Age Pension (NOAP)
ii) National Family Benefit Scheme (NFBS)
iii) National Maternity Benefit Scheme (NMBS)

The National Social Assistance Programme (NSAP) is a centrally sponsored programme to extend 100 per cent central assistance to the states and union territories to provide social assistance benefits in accordance with the norms, guidelines and conditions laid down by the Central Government. In providing social assistance benefits to poor households, the programme aims at ensuring minimum national standards in addition to the benefits that are currently providing and might provide in future. The intention in providing 100 per cent central assistance is to ensure that social protection to the
beneficiaries everywhere in the country is uniformly available without interruption.

**C(p)**: A formal social security system presupposes the interventionist role of the state on redistribution grounds. Social security schemes are income maintenance measures intended to provide a minimum living to the people when they are deprived of the same due to invalidity, unemployment or old age. The two basic elements of social security are provision of a minimum living to those who are deprived of the same and selective redistribution of income to a target group to reduce inequality. The objective of maintaining a minimum living is achieved through the protective as well as promotional role of social security. The protective role is concerned with the prevention of a decline in living standards, while promotional aspect relates to the enhancing the normal living condition. The two attractive approaches to social security are growth Mediated Security (GMS) and Support Led Security (SLS). Under the Growth Mediated Approach, the initial objective is to stimulate economic growth and then take the least possible advantage of the potentialities released by the greatest general affluence which include an expansion of private incomes as well as improved basis for public support. The Support Led Security approach is directly resort to a inside range of public support measures such as employment provisions income redistribution, health care, education and social insurance in order to remove destitution without waiting for transformation in the level of affluence. Based on these objectives social security measures can be broadly categorised into two types -social assistance and social insurance.

In the country provision of social services is essentially facilitated by the State Government. Although expenditure on social services constitutes about 37 per cent of the total expenditure by the State Government, amounts to only around 6 per cent of the Gross Domestic Product, the share is marginal. The majority of the population, which works in subsistence agriculture or in urban informal sector, does not come under preview of any formal social security system. Greater incidence and severity of deprivation of a formal social security system limited or inappropriate coverage of public support, resource constraints, low level of institutional development for social security provision of the poor are some of the factors. These continue to enhance the severity of the problem of social security in the country. Although the Government especially at the state level endeavours to extend social
security measures to the weaker sections, such measures have turned out to be highly urban and middle class based. So far a total of 43 lakh people benefited from these schemes of which 14 lakhs under National Maternity Benefit Schemes, 9 lakhs under National Family Benefit Scheme and 20 lakhs under National Old Age Pension Scheme.

A(q) : Minimum Needs Programme, Fifth Five Year Plan.

B(q) : The ultimate goal of rural development effort is to improve the quality of life of people in the rural areas. It has been realised that mere increase in income does not lead to improvement in quality of life. It is the availability and access to basic amenities and services of acceptable standards to the people in the rural settlements, which largely determine the quality of life. Realising this the United Nations Conference on Human Settlements (Habitat’76) emphasised the paramount importance of national and international efforts to give priority in improving the rural habitat. Right from the first Five Year Plan, several policies were evolved and programmes implemented for providing infrastructure services and facilities in rural settlements. But even after implementing these, the level of development of various social services and infrastructure varied widely from state to state, including the Northeastern states. The disparities in social consumption exist not only between areas but also between income groups. When the Fifth Five Year Plan was on the anvil, analyses revealed that the social consumption did not have the desired impact on the ground that, the related programmes were not given a high priority and lack of integration of the facilities provided. Therefore, the Minimum Needs Programme was launched in the Fifth Five Year Plan with the objective of ensuring that certain basic amenities having a direct bearing on the quality of life of the people were provided uniformly within a specified time frame. In the Fifth Five Year Plan eight components were included under minimum Needs Programme. viz. elementary education, rural health, rural water supply, rural roads, rural electricity, rural housing, environmental improvement of under slumps and nutrition. During the Sixth Five Year Plan, another component adult education was added. In the Seventh Five Year Plan three more components namely rural domestic energy, rural sanitation and the public distribution system were included. These components formed part of the programmes of individual sectors and the allocations of these components were made as the part of the sectoral allocation.
The review of the implementation of the Minimum Needs Programme revealed that, in general, physical and financial targets have been achieved satisfactorily except in the area of rural sanitation. But the very objective of implementing these programmes has not been fulfilled. As for example, access to schools improved but the literacy was about 50 per cent. Health facilities were provided but the death rate, infant mortality, birth rate as well as mortality due to illness and diseases could not be reduced to a desirable level. Coverage of villages through drinking water sources did not ensure sustained supply of 40 liters of potable water per capita per day. Therefore, in the Eight Five Year Plan, emphasis was laid on achieving qualitative results by providing additional funds to the states which were below the national norms. It was also envisaged that, the planning and implementation of the programme should be integrated with the other ongoing rural development programmes at a decentralised level with the districts as the unit of planning. Minimum Needs Programme was given a new shape in July 1996 when the Government at the centre in consultation with Chief Ministers of the states identified seven basic minimum services out of 12 components of Minimum Needs Programme. These were taken up on priority basis for universal coverage in a time-bound manner. The components are –

i) 100 per cent coverage of primary health services,
ii) provision of safe drinking water to all,
iii) universalisation of primary education,
iv) provision of public housing assistance to the shelterless,
v) National Support of Children,
vi) connectivity of all unconnected villages and habitations and
vii) streamlining the Public Distribution System with a focus on the poor.

Under the Basic Minimum Services, it was decided to achieve 100 per cent coverage in provision of safe drinking water, primary health facilities and primary education within two or three years. Those states, which have already achieved a high coverage in these areas, could focus on the remaining sectors. The implementation of these seven basic services are, supposed to be financed largely by states. There are also centrally sponsored schemes, which focus on specific objectives in the seven sectors, e.g. rural water supply and operation black board in education. In the Ninth Five Year Plan, emphasis has been laid on the basis of assessment of the existing gaps between the levels of physical
achievement and the desirable normative level to be achieved in each of the services allocations and evaluations.

**A(r)** : Rural Water Supply/ Sanitation,

i) Rural Water Supply Scheme (RWS), 1954

ii) Public Health Engineering Department (PHED)

**B(r)** i & ii : Water is life and Sanitation is the way of life. Both are critical for leading a quality life. As per an estimate about 80 per cent of the diseases starts from consumption of unsafe water or poor sanitary condition in rural areas. The availability of safe and adequate drinking water has a direct bearing on the working condition and health of the people and their capacity for optimum production. Every year children and women become the victim of the water borne diseases and consequent death could be directly attributed to a lack of adequate potable water, inadequate sanitation and poor hygiene practices. Therefore, it is to recognised first that the basic right of all people to have access to safe water and sanitation on affordable price. The primary health care strategy considers safe drinking water and sanitation as the cornerstone of basic Health For All (HFA). Priority is being assigned to evolve suitable strategies for drinking water and sanitation and designing appropriate cost and time effective technologies, programmes and schemes which are not only necessary but have also become a strong basis of the success of the Health For All programme. There is a synergic relationship between water, health and development and concerted efforts are being done to positive effect of these interrelated components, which would determine the quality of life in the rural areas.

In 1954, with a view to making safe drinking water accessible within a short distance, the Central government and the States initiated a planned Rural Water Supply Scheme (RWS) under the social sector. Since the provision of drinking water in rural areas is primarily the responsibilities of the states, they gradually built up the Public Health Engineering Departments (PHED) to tackle the problem of drinking water and sanitation.

The launching of a social mission for rural water supply, mission named as Rajib Gandhi Rural Water Supply Mission, 1986/87 meant a development from the routine way of implementing the water scheme in rural areas. It was intended to help in bringing in the best available approach technology easily acceptable and usable by people. It was launched to
accelerate the process of providing safe water to the rural population and also to ensure maximum inflow of scientific and technical inputs into the rural water supply scheme.

The major objectives of the programmes were:

i) to cover all no water-source habitation,

ii) to supply 40 liters per capita per day in all areas for human benefits and additional 30 liters per capita per day in desert areas for cattle within accessible reach,

iii) to evolve cost effective appropriate technologies to solve specific problems,

iv) to take conservation measures for a sustained supply of water,

v) to improve performance and cost effectiveness of on going programmes,

vi) to create awareness on use of safe water and

vii) to promote community participation.

The salient features of the Mission were:

i) priority to problematic villages or habitation,

ii) setting apart at least 25 per cent of the Central government Funds for the benefit of SCs and 10 percent for STs,

iii) special central assistance for creating water and sanitation facilities in SC/ST habitation,

iv) close involvement of the community and NGO's in implementation, operation and maintenance of water facilities including health education campaigns,

v) water quality testing laboratories.

Main component of the Mission's works were:

i) Minimum Needs Programme (MNP),

ii) Mini Missions (Implemented in 55 districts with approximately 1100 villages and 1.2 lakhs populations each),

iii) Sub Missions: eradication of Guinea Worm control of fluorosis and brackishness, removal of excess iron, scientific way of finding source of water, conservation of water and rechanging of ground water aquifers for solving the problem of water quantity and quality,

iv) Water quality monitoring and surveillance,

v) Research and Development,

vi) Health Education and Awareness Generation,
Human Resource Development,
Monitoring and evaluation,
Accelerated Rural Water Supply Programme (ARWSP)

C[r] i & ii : Inspite of setting up Public Health Engineering Department to tackle the problem of drinking water, it was found during the mid 60's that the Rural Water Supply Scheme was implemented mostly in the easily accessible villages neglecting the hard core problems in rural areas, where no safe sources were available. Therefore, the central Government requested the states to designate villages as no-source problem villages (PVS) and make special efforts to formulate and implement schemes for them. At the down of the decade (1980), the position of leverage of rural water supply was 30.8 percent of the population. In 1977, the United Nations Water Conference separated the issue of drinking water and sanitation from the other water issues to stress the seriousness and magnitude of the problem of drinking water. It suggested a Decade Approach to provide a realistic standard of quality and quantity of water to rural and urban areas by 1990. The conference recommended that, each country should develop national plans and programmes for water supply and sanitation giving priority to the schemes of the population, which require the greatest attention. India was a signatory to this resolution and has sought to achieve the target by 1991. The United Nations Water Decade programme in India was accordingly launched in 1981 to achieve definite targets of coverage of entire population by 1991. The National Water Policy announced in 1987 given the highest priority to drinking water and the Rural Water Supply was an important constituent of the Seventh Five Year Plan.

B[r]iii : The Accelerated Rural Water Supply Programme (ARWSP) is a centrally sponsored scheme supplementing the efforts of the State Governments in providing drinking water in rural areas. It aims at providing adequate and safe drinking water to the rural population by supplementing the efforts of the state Government under Minimum Needs Programme. The main objective of the programme is to provide financial support and technical guidance to the states for coverage of the problematic villages. Though there is no authentic estimate is available on the total number of villages suffering from non availability of a good quality of drinking water, an estimate by the
Planning Commission (1980) placed the total number of problem villages at about 2.31 lakhs. During the Sixth Five Year Plan, the aim was to provide at least one source in all the 231000 identified problematic villages that remained uncovered at the commencement of the Sixth Plan.

During the Seventh Plan, the aim was to provide adequate drinking water to the entire population. This was in line with the objective of the International Drinking Water Supply and Sanitation Decade (IDWSSD). With intensive efforts and by investment of the order of Rs.2457 crore (Rs.1538 crore under state sector Minimum Needs Programme and Rs. 919 crore under Central Water Supply Programme), it was possible to cover 192000 problem villages, 39000 hard core problem villages spilled over to the Seventh Five Year Plan. However, re-survey conducted in 1985, revealed that 1.62 lakh problem villages still remained uncovered for safe drinking water sources. It was also decided to give top priority for coverage of Scheduled Castes and Scheduled Tribes habitations. For this, funds were earmarked under Accelerated Rural Water Supply Programme in the same proportion as was done under the states sector Minimum Needs Programmes for Scheduled caste under Special Component Plan and for Scheduled Tribes under Tribal Sub-Plan. From 1989-90 onwards this earmarking was changed to provide a minimum of 25 per cent of Accelerated Rural Water Supply Programme funds for Scheduled Caste and another 10 per cent for Scheduled Tribes. Efforts were made to develop location specifically low cost alternative to costly and sophisticated systems. Special attention was given to maintenance of the systems. Initially the state Governments were utilising up to 10 per cent of the plan funds under Minimum Needs Programme for maintenance. From 1987-88, the State Governments were given permission to utilise upto 10 per cent of Accelerated Rural Water Supply Programme funds for operation and maintenance of water supply scheme. The Seventh Five Year Plan outlay for Rural Water Supply under state sector Minimum Needs Programme was Rs.4235.23 crore. Greater efforts were made to involve the voluntary organisation in extension of schemes through the Council for Advancement of People’s Action and Rural Technology(CAPART).

Under Accelerated Rural Water Supply Programme, the Government of India usually releases funds and the State Government implements the programme. Certain broad parameters are monitored by the Central Government. Decentralised approach is being followed both at the centre and
state level. It was found that, certain backward areas were not attended by the state Public Health Engineering department. Therefore, it was felt necessary to identify such villages and to bring them to the forefront so that they could be brought under the mission programme.

From the period 1987-88, the priorities adopted to cover the areas were:

i) to cover Sixth Plan spill over problem villages (As per 1980 list),
ii) to cover all villages with no water source (1985 list),
iii) to cover no source problem villages surveys or identified subsequently,
iv) to cover all villages with contaminated drinking water (both chemical and biological),
v) to cover all villages per capita supply of less than 40 liters per capita to bring the service level to the normal level,
vi) to cover hamlets and habitations.

The Accelerated Rural Water Supply Programme guidelines provide that the states and union territories should earmark minimum 25 per cent of outlay for Scheduled Caste and another 10 per cent for Scheduled Tribes for taking up Rural Water Supply Scheme exclusively for Scheduled Caste and Scheduled Tribes.

Also, the first source of drinking water has to be provided in Scheduled Caste/Scheduled Tribes localities. And at the time of implementation of the scheme coverage of Scheduled Caste/Scheduled Tribes habitations should be given first preference and the highest priority so as to ensure that they have easy access to water supply facilities.

A(r)iv : Habitation status of drinking water (1991-94)
B(r)iv : The Rajib Gandhi National Drinking Water Mission tried to provide safe drinking water sources in almost all the villages in the country though not successfully ended. It was decided to extend this coverage to habitations which form part of the villages now called main habitation to bring drinking water within easy reach. A countrywide comprehensive survey on the status of drinking water in rural habitation undertaken during 1991-94 showed non-coverage (NC) of about 10 per cent habitations and partial coverage(PC) of approximately 30 per cent habitations getting less than the norm of 40 liters per capita per day. About 57 per cent habitations are covered for drinking water sources.
A fresh survey carried out in 1991-93 and validated in 1994 revealed that as on April'1994, out of 13.18 lakhs habitations 1.41 lakhs habitations did not have any source of water provided by the Government. In terms of population, 95 per cent of people had access either full or partial to supply of safe drinking water. In many of these habitations, which are supposed to be not covered by government sources private sources exist.

As per the reports of States and Union Territories a total of 56920 habitations have been covered in the year 1998-99 against the target of 105902 for the same year. There was variation in the performance of individual states with regard to coverage of habitations. Assam had a poor performance below 50 per cent of the target against 2500 habitations, achievements was only 1017.

Even while placing on record the significant achievements of the Water Mission and Water Supply Programmes, the Government had considered it necessary to review the achievements and problems of the recent past. Therefore, it constituted an expert committee to review the programmes of the Water Supply Programmes. The expert committee known as Sudersan Committee constituted in April,1994 to evaluate the Rural Water Supply Programme with special reference to the Mini Missions and Sub-Mission in 1995 had some observations. The mission made, though strategically well conceived at the apex level, revealed several shortcomings and failures at the implementation level. The strategy followed was ad-hoc and has not been institutionalised. The programmes could not achieve the integration of services and resources from different sectoral agencies to ensure sustainability. The mission’s mode of functioning has not provided the desired level of flexibility stage of the scheme, implement aspect like training, awareness building, community participation, micro level ecological planning were not accorded due priority. The scientific source finding method alone appears to have succeeded and all other aspects of sustainability relating to water conservation and water re-changing have been neglected. The traditional technologies and systems have not been well integrated into the rural water supply systems though they have been tried out sporadically. The Mini Missions and Sub-Missions have not attempted to develop appropriate operations and maintenance models to suit varied hydro-geological, agro-climatic, techno-economic conditions and social performances in the rural areas. The operation and maintenance of the rural water supply systems
continues to be weak. Community Participation has not been given the importance it deserves and the involvement of Non-Governmental Organisations has only been marginal.

The pioneering experiments of the district level water quality testing laboratories have succeeded in bringing out the relevance of the quality aspects of rural water supply. But the establishment and functioning of the laboratories has not been implemented in evolving a functional water quality surveillance programme. The sub-missions have not succeeded in tackling the quality problems in a systematic manner except in the case of Guinea Worm eradication which stands out as an example of a well coordinated programme. In de-fluoridation, the fill and draw type plants appear to have been acceptable at the community level. The hand pumps attached de-fluoridation and iron removal plants have been failure due to inappropriate technology, unsuited to community perceptions and community involvement. The desalination plants have been failure due to lapses at different levels, poor planning and implementation, technology inappropriate to the rural setting and high cost of operation and maintenance. A large number of administrative problems have also cropped up. The research and development programmes, which got off to a good start, soon came to a standstill. Even in the approved projects, a large-scale dissemination of result has not been possible. Human resource development activities, which came to a standstill, have not been revived. The monitoring and evaluation of the whole programme have been routines. Adequate collection and analysis of information and data from the field level have not been made to suggest any wide course correction. The holistic approach was confined to paper.

A(s) : Sanitation Programme.
B(s) : Sanitation is used to define a package of health related measures. It denotes a comprehensive concept of the methods of disposal of human and other liquid or solid waste. Improved sanitation is considered a necessary requirement and an important element of basic needs of the people. It is recognised that improvement in sanitary conditions is more effective and at the same time less expensive than any other preventive health measures to combat water-borne and excretes related disease, which accounts for rarely 80 percent of sickness in the country. Good sanitation prevents many common diseases. Lack of proper sanitation facilities in rural areas is one of
the factors adversely affecting the quality of life of the rural people. Sanitation facilities with proper hygienic behaviour can help prevent or minimize water-borne diseases. Access to sanitation facilities is an essential need to maintain public health and to improve the quality of life of the people. Inappropriate and inadequate provision of sanitation facilities is being increasingly attributed to the high incidence of mortality and morbidity especially among children.

Sanitation is viewed as a package of seven components viz.

i) safe disposal of human excretes.
ii) disposal of liquid waste.
iii) disposal of solid waste.
iv) collection, storage and use of drinking water.
v) have sanitation and food hygiene.
vi) personal hygiene and
vii) environmental hygiene.

C(s) : Although the concept of sanitation has undergone qualitative changes during the years, there has been hardly any changes in the sanitary conditions in the villages.

A(s)i : Sanitation Programme 1954
B(s)i : In the year 1954 a sanitation programme was introduced in the central health sector. The government launched the national water supply and sanitation programme as part of the First Five Year Plan. The programme envisaged assistance to the State Governments in the form of 50 per cent grants for water supply and sanitation facilities to be provided by the states.

C(s)i : It was realised at the Second Five Year Plan that sanitation was not receiving due importance and it was lack of health education and community participation which was responsible for this failure.

A(s)ii : The International Drinking Water Supply and Sanitation Decade, 1981
B(s)ii : The International Drinking Water Supply and Sanitation Decade Programme was launched by the Government of India in 1981 with a view to providing the population with protected water supply and basic sanitation facilities over a period of 10 years. It was envisaged that 25 per cent of rural population would be provided with sanitation facilities by the end of the Seventh Plan period.
As per available information 0.1 per cent of the rural population has access to sanitation facilities in 1970. This had increased to 0.5 per cent in 1980 i.e. 2.8 million rural population was covered. In 1990, it had increased to 2.45 per cent with population coverage of about 15 million. Thus, the rural sanitation programme could not make much headway during the decade 1981-91 in spite of its increased importance and higher outlays.

Central Rural Sanitation Programmes (CRSP), 1986

In 1985 rural sanitation programme was transferred to the Department of Rural Development from the Ministry of Urban Development, Government of India. With the launching of the Central Rural Sanitation Programme (CRSP) in 1986, attention has been paid to the development of sanitation in rural areas. The main objective of the programme is to improve the quality of life of rural people and providing privacy and dignity to women. This was designed to provide sanitary latrine to the Scheduled Castes/Scheduled Tribes and landless labourers living below the poverty line. The programme is implemented in different states for improving sanitary latrines for individual households. Rural sanitation was made a component of the Twenty Point Programme and was also included under the Minimum Needs Programme (MNP) in 1987. In 1986, the programme was launched to construct one million sanitary latrines to be provided in the houses of Scheduled Castes and Scheduled Tribes population under Indira Awaas Yojna Scheme. And to provide 250,000 additional latrines in the health centres, schools, panchayati offices and anganwadi centres under National Rural Employment Programme and Rural Landless Employment Guarantee Programme. It was decided in 1986 that a portion of funds made available under Rural Employment Programme and the Indira Awaas Yojna should be utilised for rural sanitation. The Rural Sanitation Programme was also included in the state sector MNP from 1987-88.

While the plan outlays had gone up nearly four times in the Sixth Plan compared to the Fifth Plan, the population coverage for sanitation programme by the end of Sixth Plan was 4.03 million i.e. 0.72 per cent. There was no satisfactory improvement during this plan period. This programme did not achieve better results particularly in the rural areas mainly due to lack of provision of funds for an active health education programme, with a view to involve the community. Thus, health education input to the programme has
been totally neglected. Despite this, the provision went on increasing and in
the Seventh Plan, the provision for rural water supply and sanitation sector
was in the order of Rs.3587 crores. The data revealed that, the percentage of
rural population covered by sanitary facilities under the state and central
sector programmes reached 2.8 per cent at the end of 1991-92 from about 0.8
per cent of the Seventh Plan. The result of the 44th round of the National
Sample Survey in 1988-89 indicated that a little over 10 per cent of rural
population had access to sanitary facilities. This indicates that, in addition to
the states sponsored efforts, about 7.0 per cent of the rural population
secured access to sanitation through private initiative.

An analysis of the sanitation programme during the Seventh Plan
period revealed that the concept of total environmental sanitation was absent.
The linkage of the rural sanitation programme with primary health care, water
availability, removal of illiteracy and women welfare needed attention. The
sanitation programme should have been taken as a package of services rather
than mere construction of household sanitary latrines. There was a need for
greater cost effectiveness in the existing programmes and its possible
integration with similar programmes. The main reason for slow progress in
the implementation of the sanitation programme in the country are –

i) perception of sanitation on relatively unimportant by the people and
   the public agencies,

ii) inadequate financial resources available for this sector,

iii) lack of felt need from the people and absence of peoples participation in
    the programme,

iv) non-availability of appropriate low cost and area-specific technologies
    and supporting delivery systems,

v) inadequacy of trained masons and skilled workers.

As such, the efforts made under the various schemes were highly
inadequate to achieve the desired goal of covering 25 per cent of the rural
population as envisaged in the decadel programme launched in 1981. During
1991, the country had 108.5 million residential houses. So newly 98 million
latrines were to be constructed as on 1991 in rural areas alone. With an
average cost of Rs.2500/- per latrine, total funds required for construction of
requisite number of latrines at current prices come to around Rs.24500
crore. This is as compared to the total expenditure under Central Rural
Sanitation Programme (CRSP) during 1986-87 to 1993-94 which was merely
around Rs. 229 crore. The actual number of latrines constructed was around 11.6 lakh units. With this level of physical achievement, the rate of growth of access to sanitation facilities are extremely inadequate as compared to the need in spite of the fact that in the past for every latrine constructed with government initiative more than two latrines were constructed with private efforts. It was reported that about 2.73 per cent of rural population was provided with sanitary latrines by the end of March'1992 through government efforts against the desired goal of covering 25.0 per cent of rural population by 1991. The progress of this programme was slow. Under the various programmes, 2584628 sanitary latrines were constructed and the amount spent was Rs.1820 lakh as on March'1993. 552000 sanitary latrines at a cost of Rs.127.25 crore were constructed under the state sector Minimum Needs Programme and Central Rural Sanitation Programme in the year 1994-95. The Eight Plan outlay was Rs.780 crore for Central Rural Sanitation Programme and Rs.294.20 crore under the state sector Minimum Needs Programme. Against the annual target of 870289 latrines at all India level, 689243 latrines were constructed as on March’1996, which was about 79.0 percent of annual target achieved.

Some of the major policy issues for speeding up the pace of implementation of the sanitation programme in rural areas as –

i) enhancement of unit cost to Rs.3000 for plain areas and Rs.3750 for hill areas,

ii) setting up information, education and communication (IEC) sanitation cells in every state,

iii) greater emphasis to be laid on implementation of Integrated Rural Sanitation Programme and Development of Model Sanitation Villages,

iv) evolving comprehensive guidelines for involvement of voluntary organisation, schools, colleges and village level user committees and Panchayati Raj institutions for implementing the Central Rural Sanitation Programme,

v) sanitation should become a massive people’s programme. This is possible through motivation and awareness programmes with the concerted efforts of panchayats, voluntary organisations and the government machinery. The existing sanitary conditions call for a new strategy of making rural sanitation a people’s programme with government participation,
vi) there is need for motivating the people through awareness campaigns with information, education and communication as the main tool for removing misconception and superstitious about sanitation. The awareness campaign should revolve around the concept of total environmental sanitation. Active involvement of Panchayati Raj Institutions must be ensured in the task of promoting hygiene and environment consciousness in relation to community health and welfare.

A(t) : Rural Health

B(t) : Health is an important component of social and economic development of the country. It is an essential input for the development of human resources and the quality of life and in turn the social and economic development of the nation. A positive health status is defined as a state of complete physical mental and social well being and not merely the absence of diseases or infirmity (WHO, 1946). Being a positive attribute of life, organisation of health services to all people is considered the key step towards development.

Provision of basic health care services to the rural community is the prime objective of the government as well as non-governmental organisations in the context of rural development. Rural health services, safe drinking water, sanitation, nutrition etc. have, therefore, been brought together in the form of an integral package to improve the social economic and health conditions of the people. Improved health is regarded as an index of social development. Therefore, the primary goal of any health care delivery system is to organise the health services in such a manner as to optimally utilise the available resources, knowledge and technology, with a view to preventing and alleviating diseases, disabilities and sufferings of the people.

A(t) : i) Rural Health Services (1952) ii) Primary Health Centre (1952)

B(t) i & ii : The basis for organisation of health services in India through the primary health care approach was laid in the recommendation of the Health Survey and Development Committee (Bhore Committee) in 1946. The committee's recommendation led to the establishment of Primary Health Centres (PHC) for making medical and health services available to the rural population. The Community Development Programme was launched in the
year 1952 as the first integrated rural development programme for all round
development of rural areas in the country.

The Rural Health Services (RHS) are provided through the Primary Health Centres located in Community Development (CD) blocks in rural areas.
The Public Health Centre Complex constitutes the core of rural health care services programme in the country. The establishment of the first Primary Health Centre in Oct'1952 was the major landmark in the health care services in India. On an average, a Public Health Centre in a Community Development block covers a geographic area of about 400 to 500 sq.km, with a population of one lakh to 1.2 lakh persons living in about 100 to 120 villages. Thus, the block is taken as the base of the pyramid of primary health care where Public Health Centre is located.

C(t) i & ii : Since Independence, the aim of the health policy in India has been to secure a change in the health status of its population so that the cycle of poverty can be checked and all round material uplift of the people can be achieved. The objective of Rural Health Services is to provide primary health care to the rural people. The Government of India planned several approaches for health care delivery. The First Five Year Plan was essentially a preliminary step towards planning for rapid future development of health services. Top priority was accorded for the need to establish more Public Health centres and a regional system of district and taluk hospitals during the second Five Year Plan. The establishment of institutional facilities in the form of Public Health Centres was pursued with vigour from the Second Five Year Plan. In the early 60's, sub-centres were established and operated through Public Health Centres and designed to increase the outreach of health services to the rural population. The Third Five Year Plan saw the launching of the nationwide extension approach to family planning as an integrated part of rural health services to educate and persuade the rural population to accept the small family norm. This plan directed attention to the shortage of health personal, delays in the construction of the Public Health Centre buildings and staff quarters and inadequate training facilities for the different categories of staff required in rural areas. The Fourth Five Year Plan emphasised the need for creation of an effective base for health and medical services such as strengthening of Public Health Centres, sub-divisional and district hospitals, integration and implementation of programmes relating to the control of communicable diseases, family welfare programme and organising training
programmes for health personnel. Health and medicare infrastructure and facilities were expanded with a view to improve the accessibility of services. Despite the fact that health care programme which were initiated during the first four Five Year Plans had brought about some definite improvement in the health status of the people, they fell short of the expectations because they could not meet the laid-down objectives adequately.

**A(t)iii**: Multipurpose Health Worker (MHW), 1974

**B(t)iii**: During the Fourth Five Year Plan period, a committee on Multipurpose Health Worker (MHW) under the Health and Family Planning Programmes also known as Kartar Singh Committee (1974) was constituted. The Kartar Singh Committee recommended the Multipurpose Health Worker scheme to provide a package of health services to the rural population at their doorsteps.

**A(t)iv**: Alma Ata Declaration (1978).

**B(t)iv**: The Fifth Plan reformulated the health programme to consolidate the past gains in various fields of health and health related infrastructure in rural areas. The consolidation of the past gain was envisaged in the context of the Minimum Needs Programme (MNP) introduced during the plan. The Primary Health care strategy, as outlined in the Alma Ata Declaration of 1978 envisaged a revolutionary strategy. This recognised that health for the majority of the people could not be achieved through the conventional hospital doctor based health system on the assumption that benefits would eventually trickle down to reach the poor. The Alma Ata strategy upholds that health care should not only be available but also accessible, affordable, acceptable and appropriate to the needs of the people.

**A(t)v**: National Health Policy (1983).

**B(t)v**: The Sixth Five Year Plan envisaged the implementation of the Minimum Needs Programme of Rural Health Care. While formulating this plan, a critical review was made of the approaches of the previous Five Year Plans. Based on these, a long-term perspective plan was outlined by the Government to achieve Health for All (HFA) goals. The most important event during the Sixth Five Year Plan was that of adopting the National Health Policy in the year 1983 by the Government of India. The adoption of this policy signaled the high water mark in the health scenario. It aims at
promotion of health as an integral part of the human resource development. India is a signatory to the Alma Ata Declaration of 1978 and is committed to attaining the goal of Health For All by 2000AD through the primary health care approach. National Health Policy is a blue print point for such concerted action by the government, voluntary organisations and the people for the attainment of Health For All. The strategy and plan of action for achieving the goals of Health For All was laid down specifically during the Sixth Plan and implemented in the Sixth and the Seventh Plan. The policy was the Health Care and family welfare programmes were restructured and reoriented for achieving the objective of the policy. Priority was given to the extension and expansion of rural health infrastructure through a network of Community Health Centre (CHC), Primary Health Centre (PHC) and Sub-Centres (SC) with liberalised population norm. The significant achievement of the Sixth Plan was vast extension of rural health infrastructure and development of promotive and preventive health services alongwith creative services.

The Seventh Five Year Plan placed much emphasis on the rural health programmes than the earlier plans. The approach and strategy for developing the health care delivery system in rural areas, which was initiated in the Sixth plan, was pursued vigorously during the Seventh Plan period also. This added emphasis on rural health care programmes in the context of long term perspective of Health for All by 2000 AD. During the Eighth Plan, the emphasis was mainly on consolidation of the existing health infrastructure rather than expansion. The thrust was given to qualitative improvement in the health services through strengthening of physical facilities. The main thrust during the Eight Plan was consolidation and operationalisation of the rural health infrastructure established during the Sixth and Seventh Plans so that, their performance was optimised.

The objectives during the Ninth Plan period for health and family welfare includes—

i) Rebuilding and strengthening of existing health infrastructure at primary health care level extending out-reach of sub-centres,

ii) Devolution of responsibility and resources to Panchayati Raj Institutions and local bodies to have participation at grass-root level to improve the efficiency and sustainability of health services,

iii) Improvement of service, Quality and effectiveness at secondary health care units,
iv) Implementation of schemes for the benefit of Scheduled Caste and Scheduled Tribes and to reduce population growth through intensified family welfare programme and improvement in the quality and access of Reproductive and Child Health (RCH) components through participative planning at the grass root level. The Ninth plan also takes a drive to launch an intensive effort to promote health education so that the country builds a sound foundation for a successful preventive and promotive national health paradigm. So also a major effort will be initiated for horizontal integration of communicable diseases control programmes at the district level and below within the existing framework of primary health infrastructure.

A(7)vi : Community Health Centre (CHC).

B(7)vi : The Community Health Centre is intended to be the first level referral institution for the health personnel at the periphery. The objective of this scheme is to provide a referral institution to cover the population of four Primary Health Centers. As against the entire policy of setting up 30 bedded rural hospitals by upgrading one out of four Public Health Centres, a Community Health Centre is established for coverage of one lakh population with 30 beds and specialised medicare services. Community Health Centre is manned by four medical specialist viz. a Medicine specialist, a Surgeon, a Gynecologist and a Pediatrician supported by 21 paramedical and other staff. There are 2424 community Health Centres functioning in the country as on June 1996.

A(7)vii : Sub-Centres.

B(7)vii : The Sub-Centres act as a link centre between the Public Health Centres and the villages. It provides clinic-based services to the villages in the vicinity. It is the peripheral level of institutionalised rural health services. It forms the base of activities of two Multipurpose Health Workers (MHW) who cater to the needs of about 5000 to 8000 population. Besides dispensing medicines and conducting regular diagnostic services, these weekly clinics comprise the major activities of a sub-centre. The block health supervisor and the Public Health Centre doctor visit the Sub-Centres for periodical conduct of clinics, camps or for purposes of general services of sub-centre staff. There are 132730 sub-centres functioning in the country as on June, 1996.
During the planned development era, there was a considerable expansion in health infrastructure. The rural health services infrastructure in India and its physical spread is one of the largest in the world. Due to major shift in the health policy in favour of rural health care in the 80's, there was a tremendous expansion of health infrastructure in rural areas. The rural health infrastructure has been considerably expanded through a network of Public Health Centres and Sub-Centres. The number of Public Health Centres, were only 725 at the end of the First Five Year Plan. The total number of Public Health Centres has increased to 2565 and 4631 at the end of the Second and Third Plan respectively. The strategy was to establish sub-centres around each Public Health Centre. As a result, by the end of the Fifth Five Year Plan, the rural health infrastructure institutional facilities for primary health care comprised of 5423 Public Health Centres and 20124 Sub-Centres. There has been a steady rise in the number of Sub-Centres from the Fifth to Sixth Plan, which is very significant. At the end of the Sixth Plan, there were 7254 Public Health Centres and 84590 Sub-Centres functioning in the country and at the end of the Seventh Plan there were 20536 Public Health Centres and 129291 Sub-Centres functioning in the country. By the end of June 1996, there were 132730 Sub-Centres, 21584 Primary Health Centres functioning in the country. This shows the availability of rural health infrastructure facilities has grown significantly over the past five decades.

There has been a phenomenal increase in the number of allopathic medical practitioners in the country. So also the nation has a good number of trained nurses, midwives and health visitors. However, it is found that the health manpower for rural health services is inadequate even in the form of norms laid down by the government. A review of the rural health services in the country shows that shortage of trained manpower is a major constraint. This is an obstacle to the extension of health services in rural areas. Qualified health personnels are not willing to work in rural areas because of personal and social reasons. This point can be illustrated from the statistics of the Bulletin of Rural Health Statistics in India, 1996. The figures showed that, there was the shortage of laboratories technician 21.5 per cent among the different categories of health personnel, while a sizeable proportion of vacancies among the medical officers (16per cent), health assistants (male 14per cent, female 12.7 per cent), multipurpose health workers 12.6 per cent.
The vacancies of laboratory technicians, pharmacists and radiographer and other para professional posts have serious implications in implementation of health and family welfare programme. Thus, growth and development of appropriate health manpower according to the needs of the health care system is essential for providing good health care to the people.

Though the Primary Health Centres and Sub-Centres have been established throughout the length and breadth of the country, they have not been able to cover effectively the entire population under their jurisdiction. The sphere of service of Public Health Centres has not by and large extended beyond 5 km radius. It was found that, the effectiveness of the primary health centres had deteriorated due to large coverage. The villagers living very close to Public Health Centres and Sub-Centres had utilised the health service to the maximum extent possible compared to those living away from them. Public Health Centres have not made as much impact as expected. The basic objective of these health courses was to create a delivery of health services, which reach out to the grass root level in rural areas. But these health centres did not reach down adequately or uniformly and large areas and population were really without even the most elementary health care. The creative output of health care has received far more attention than the preventive and promotive aspects. The out reach of the extension part of the primary health care system is poorly implemented in various states. Some of the reasons cited are the problem of transport provision of inadequate and delayed payment of TA/DA to the staff, lack of residential accommodation and interest of doing private practice responsible for the failure of this system. The extension part of the Primary Health Care is very crucial as only its effective operation can ensure proper contact, support and health education between the receiver and providing of health care. There are several potential beneficiaries who have failed to identify their assigned health workers and providers of maternal and child health services. Lack of mobility is also cited as one of the reasons for ineffective referral system. Rural health care services are impeded by the under utilisation of existing health care facilities that have been made available to the villages. Studies have shown that the primary Health Centres and Sub-Centres were grossly under-utilised. This under-utilization was found to be a cumulative result of several factors opening in the Public Health Centre organisation. Although Public Health Centres are normally expected to provide services around six to seven hours a day, the
availability of doctors during these hours varied greatly. Apart from that, the administrative inadequacies resulted in the poor quality rural health center services in India. Some of the main reasons why the network of rural health care services has not been able to strike root in the villages are:

i) the inaccessibility of services to the majority of the population especially women and children who cannot avail of them due to transport, communication and time constraints,

ii) growth emphasis on creation aspect rather than prevention care,

iii) hospital facilities override consideration of primary health care with the result that people rush to hospitals rather to Public Health Centres,

iv) inadequate and irregular supply of medicines,

v) location of Public Health Centres.

To add to these woefully inadequate services and inputs, the indifferent attitude of doctors and paramedical staff further discourage utilising rural health services. As regards the management of rural health care services at the Public Health Centre level, various problems arise such as:

i) suitability of personnel,

ii) co-ordination of work of different health functionaries,

iii) field logistics and facilities,

iv) infrastructural support and services,

v) sectoral co-ordination of work with organisations related to health, family welfare etc,

vi) funding and maintenance of rural health and infrastructure and

vii) shortage of trained medical and paramedical manpower.

The present method of uniformly allocating financial resources to Public Health Centres irrespective of population served, disease profile and geographical or locational considerations should be changed and a rational method of financial allocations needs to be evolved. Improving the access of poor health services is important for increasing their income as because illness reduces their capacity to work and for raising these living standards. A massive public funding of hospital based curative services have adversely affected the cost effective rural health services. Majority of the rural people lack in access to health care.

Access can not be made due to inadequate provider contacts and the services being largely non-matching with the needs of the poor. Too many
bureaucratic hurdles, specific timings of offering services, incompetencies and biases are also known to have affected the access. Decentralised planning and delivery of services have been advocated in the past to improve the situation between user needs and services offered. Another way of improving access is by empowering para-medical to handle substantial amounts of people's needs. Experience indicates that a large proportion of illness in the rural areas can be attended by the para-medical and that they are known to handle such cases of minor ailment effectively.

Creation of women's groups which was an approach to increase the access of health and other services to their own gender, greater participation of Non-Governmental organisations in social sector are positive development for more equitable access. There is greater need to streamline the organisational structure and appropriate management reforms. Health being a state subject, the state should be encouraged and made fully and primarily responsible to plan, implement and access to the health programmes for their people on their own. Exclusive and micro planning at the centre should be progressively supplemented and supported by 'bottom-up' approach. State level planning exercises should form as integral part of the national planning process.

The organisation and management of health services has become complex, centralised and insensitive to the varying health felt-need of the community. It is suggested that the present organisation set-up of the health services need reorganisation and reorientation. While the health organisation effort has grown tremendously in the past decades, functionally, the structure has not changed with the dynamic and divergent demands of effective health management. The middle level management is weak because of the low status accorded to training in public health management and inadequate decentralisation of authority and resource allocation. The most important problem is the mal-distribution of the health manpower both geographically and categorywise. Both technical knowledge and skill and motivation to serve the rural people fall short of requirements and expectations.

A(u) : Housing : Housing Policies in different Five Year Plans.
B(u) : Housing is a bunch of expectation of the people based on their social upbringing and environmental conditions. Rural housing caters to the needs of shelter from the vagaries of weather and other personal privacy and
protection and additional needs of village community like storage areas of
grains, straw, fodder, agriculture and farm implements, space for the cattle
which are part and parcel for rural habitat. Other aspects are space for living,
sleeping and cooking keeping in view the life styles and habit of the village
people and their family structure of rural habitation.

A(u)i : Housing in the First Five Year Plan
B(u)i : In Indian plans, housing has been recognised as social needs and
accordingly assigned due priority. In the First Five Year Plan, the National
Housing Policy was framed and an institutional base for housing was
outlined. The Planning Commission envisaged that, State Government would
arrange for long term interest free loans to rural people for house construction
and disseminate information regarding construction of low cost houses.

A(u)i : Housing in the Second Five Year Plan and Third Plan, Plantation
Labour Housing (1956) & Village Housing Project Scheme (1957)
B(u)i : In the Second Five Year Plan period, two important rural housing
schemes were introduced viz. the Plantation Labour Housing (1956) and the
Village Housing Project Schemes (1957).
C(u)i : In both the schemes the financial assistance was to be provided in the
form of loan and Rs.10 crore were earmarked for rural housing during this
period. In the third plan period the allocation for rural housing was slightly
increased and it was in the order of Rs.12.70 crore.

A(u)i : Housing in the Fourth & Fifth Five Year Plan
B(u)i : The Fourth Plan advocated provision of cheaper houses through
organising supply of materials and by pushing research for a low building
technology whereas the rural housing schemes introduced in the second plan
continued. The element of subsidy to the housing assistance as loan
component was also introduced.

C(u)i : It was realised that, mere financial and technical assistance for house
construction was not adequate and rural poor also required house sites for
taking up the construction. Therefore, a scheme for provision of house sites to
landless labourers was initiated adding another dimensions to the approach
to rural housing.

In the Fifth Plan, the rural housing sector received a major fillip and
Rs.108.06 crore were earmarked as against Rs.2.25 crore in the Fourth Plan.

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By March'1979 construction of 1045035 houses was sanctioned under the Village Housing Project Scheme. The number of families supplied with house sites by this year was 79.64 lakh and about 5.6 lakh houses were constructed under the rural house sites in house construction scheme.

A(u)iv : Housing Policy in the Sixth Five Year Plan

B(u)iv : The Sixth Plan taking stock of the limited achievement made till then, emphasised the need for reducing substantial number of absolutely shelterless people and to provide conditions for others to improve their housing environment,. In order to achieve these goals the financial allocation was also enhanced to more than three times over the Fifth Plan allocation.

C(u)iv : During the sixth plan 54.33 lakh families were provided with house sites and 19.13 lakh beneficiaries were given construction assistance.

A(u)v : Indira Awaas Yojna (1985)

B(u)v : The Central Government has introduced this scheme in 1985-86 in the central sector exclusively for the Scheduled Caste and Scheduled Tribe and free bonded labours in the rural areas who were living poor and sub-standard housing facilities with a thrust on employment generation. The scheme has been implemented with the financial grant assistance provided by the Department of Rural Development under the scheme of Jawahar Rojgar Yojana from 1993-94, the scheme has also been extended to non-Scheduled Caste/ Scheduled Tribe families. The basis for identification of beneficiary households is the poverty criteria. The order of priority for selection of beneficiaries is the free bonded labours, Scheduled Caste/ Scheduled Tribe households who are victims of atrocities, households below the poverty line headed by widows and unmarried women, Scheduled Caste/ Scheduled Tribe households affected by floods, fire, earthquakes and similar natural calamities. The houses are to be allotted in the name of the female member of the household or in the joint name of both man and his wife. The scheme envisaged provision of house sites and developing sites with basic amenities like approach road, drainage, water supply and sanitation.

C(u)v : During the year 1996-97, (the latest data available) about 3.57 lakh house were constructed under this scheme. The central budget allocation for 1996-97 for this scheme was about Rs.148.44 crore.
A(u)vi : Housing Finance

B(u)vi : Under the Five Year Plans, there has been budgetary support for rural housing for the implementation of schemes meant for the weaker sections. In addition, there are other institutions engaged in mobilising finance for this sector. Predominant among them are the Life Insurance Corporation (LIC), the General Insurance Corporation (GIC), the Housing and Urban Development Corporation (HUDCO) and the co-operative Housing Societies of various states.

C(u)vi : The Life Insurance Corporation loans form part of the plan funds and during 1993-94 Rs.50.44 crore were earmarked for rural areas. For the year 1997-98, there was an outlay of Rs.1190 crore under the Indira Awaas Yojna, which has been as independent programme from 1st January 1996. Since 1977-78, the Housing and Urban Development Corporation started advancing loans for rural housing programmes. It has also come forward to advance loans to the primary co-operative housing societies through apex co-operative societies, even though only about 15 per cent of Housing and Urban Development Corporation resources are earmarked for housing for economically weaker sections in rural areas. The commercial banks also have started financing rural housing schemes.

A(u)vii : National Housing Bank (1988)

B(u)vii : In 1988, the National Housing Bank was set up as a subsidiary of the Reserve Bank of India. The bank had an initial authorised capital of Rs.100 crores and acted as in the Principal Agency for promotion of housing finance institutions. The resources mobilised by the bank are channelised to the housing sector through co-operatives and public sector organisations engaged in housing development in urban as well as rural areas.

C(u)vii : All these agencies provide only 5.18 per cent of the total finance for rural housing as per the 44th round of National Sample Survey. Out of total rural housing requirements, 42.57 per cent come from savings resources and 9.36 per cent are borrowings from friends and relatives and other sources account for 22.03 per cent.

About the housing conditions in the rural areas it is estimated that, as many as 2.5 million houses, mostly belonging to the rural poor are damaged or destroyed in the country annually. This renders the rural poor homeless and causes untold misery and hardship. Further in majority of the housing units, basic household facilities and amenities like drinking water, means of
sanitary waste disposal, ventilators, lighting and electricity are lacking. In an estimate it is stated that about 91 per cent of the houses do not have toilets, 93 per cent are without bath rooms, 45 per cent are using a part of the living room as a kitchen and the rest are cooking in the open. It is also estimated that only about 5 per cent of the rural households have access to tap water supply. Over crowding and congestion are some of the other disturbing factors in the country’s housing scenario.

Regarding housing stock in the country, it is said that, the shortage of housing has been observed during the years. The reason for the shortage of housing may be directly attributed to the steep increase in population. The rural house stock was 650 lakh in 1961, which had grown to 745 lakh in 1971 and 890 lakh in 1981 and to 930 lakh in 1991. The projected figure for the year 2001 is 1115 lakh rural houses. At the present rate of demand and supply the shortage will be 265 lakh in 2001.

It is also estimated that, the number of rural residential houses went up from 57.1 million in 1961 to 66.4 million in 1971 and further to 77.4 million in 1981. Announcement of the year 1987 by the United Nations as the International Year of Shelter for Homeless gave a fillip to these activities. After 1981 the climate for growth of rural housing has improved further leading to addition of about 12 million units to the housing stock in the succeeding seven years. The National Building Organisation estimated that the housing stock in 1991 has increased to 93.4 million units and by the year 2001 it is estimated to be 113 million units per annum. (Source : National Building Organisation : Handbook on Housing Statistics part-I, 1990. Reproduced in Eight Five Year Plan 1992-97, Vol-II, Planning Commission)

Despite the above achievements, the rate of growth of the housing stock in the country has been lagging behind the rate of growth of household. In 1961, the housing shortage in rural area was 11.6 million units, which has gone upto 16.1 million units in 1981. It is estimated that by the year 2001 the shortage will be in the tune of 29.8 million.

The distribution of housing shortages between urban and rural areas follows the distribution of population. There is 78 per cent housing shortage in rural areas and 22 per cent in urban areas. In rural areas, the housing problem is essentially that of poor quality of dwelling places and 95 per cent of the houses are owner occupied. The national Building Organisation has estimated that at an average 3.5 million houses in rural areas have to be
constructed or upgraded each year. It is also estimated that the present rate of construction of housing units is 3.4 units per thousand population. As against this, the suggestion of the United Nations Centre for Human Settlements is that on an average there should be a construction of at least 10 dwelling units per 1000 population per annum for the coming 20 years in the developing countries including India to solve their housing problems. During 1991-2001, the population in rural areas is likely to increase from 6.270 lakh to 6990 lakh though the percentage will decline from 74.28 to 69.50 (Source: Planning Commission, 1992). As such growth of population leads to increase in demand for housing.

References.
26. Lakdwala (1977) : *Growth, Employment and Poverty*, Presidential Address delivered at the All India Labour Economic Conference, Tirupati, December