

A Study On Measurements Of Rural Poverty And Employment In Indian

Dr. V .Dharanimalai,
Guest Lecturer in Economics ,
Department of Economics,
Aringnar Anna Government Arts College,
Villupuram-605602.

ABSTRACT

The present study is defined poverty in terms of the level of per capita expenditure sufficient to provide a daily average intake of food equivalent to 2400 calories per person in rural areas plus some allowance for the consumption of certain basic non-food items. An average household was supposed to have five members. The average calorie norm of 2400 for rural areas was arrived on the basis of age-sex activity calorie requirement recommended by Nutritional Expert Group 1968.

Introduction

The present study is phenomenon of poverty in its multiple dimensions is associated with many factors ranging from inadequate incomes to lack of access to productive resources required for achieving a sustainable livelihood. These are often demonstrated in terms of lack of access to availability of income earning opportunities, basic health and education, food security, lack of adequate shelter, water and sanitation, lack of land or employment opportunities and gender discrimination. Defined poverty in terms of the level of per capita expenditure sufficient to provide a daily average intake of food equivalent to 2400 calories per person in rural areas plus some allowance for the consumption of certain basic non-food items. An average household was supposed to have five members. The average calorie norm of 2400 for rural areas was arrived on the basis of age-sex activity calorie requirement recommended by Nutritional Expert Group 1968.

Definition of Poverty

Definition of poverty line was attempted in 1962 by a working group after taking into consideration of ICMR regarding a balanced diet and proposed the poverty norm or national minimum of Rs.20 per capita per month in rural areas and Rs.25 per month in urban areas based on broad judgement of minimum needs. It defined the poverty line as the per capita expenditure level at which the average per capita per day calorie intake was

2435 calories in rural areas and 2095 calories in urban areas. Definition, unemployment is those who sought work but was not available for than. In the analysis it is observed that a majority, ranging between two-third in Orissa and three-fourths in Punjab, of persons in the below poverty line group households remained unemployed despite the fact that they attained an level of middle standard and above.

Objectives

1. To identify the extent of inequality between households of different occupational castes and Villages background in respect of distribution of wealth, income and consumption expenditure.
2. To identify the principal causes of rural poverty in the study area.
3. To trace the relationship between respondents rural poverty.
4. To suggest policy some rational policy measures to reduce the intensity of poverty and enhancement of living standards in the study Villages.

Concept of Poverty

Myrdal view pointed the challenge of world poverty is one of the most important contemporary readings on poverty. A part the from interpreting rural poverty as an outcome of social and economic inequality, it epitomizes the policy prescription. Economists consider poverty mainly as an economic problem, without neglecting its other dimensions like sociopolitical aspects. In Economics, there are various concepts of poverty but broadly two: (1) Absolute Poverty and (2) Relative

Poverty**Absolute Poverty**

The concept of absolute poverty is based on absolute needs of the people and people are defined as poor when some terms of an insufficiency of basic needs. However, in basic needs, there is a greater measure of agreement on the food component of the needs and their sufficiency in terms of nutritional standards, then what obtains about the non - food components. In absolute poverty, the needs of the poor are not related to the consumption pattern of other people in society and a completely absolute poverty line has an elasticity of '0' with respect to changes in the general standard of living in society. The absolute poverty analysis comprises four approaches as discussed below.

Biological Approach

When poverty is perceived as an absolute phenomenon, it is implicit that it must be on the basis of biological necessities or subsistence for human existence. Hence, in this

“Biological”, a bundle of economic goods and services mainly consisting of minimum calorie-intake essential to human existence is taken into account.

Calorie intake

Several norms for the Dietary Energy Requirements (DER) have been suggested both at the international level (as represented by FAO/WHO) as well as at the national level by the Indian Council of Medical Research (ICMR and also by individual research. This has led to many controversies. Sukhatme recommended a minimum of 1,900 calorie per capita per day for requirement of 2,250 calorie per capita. The planning commissions task force recommended an average of 2,400 and 2,100 calorie per capita per day for rural and urban areas respectively. Here, the procedure is to convert all the food items into calories to arrive at the calorie-intake.

Balanced Diet Approach

In India, various recommendations of balanced diet is made by Nutrition Advisor Committee. Sukhatme also had worked out such balanced diet, two food baskets corresponding to a minimum and medium concept. Here, various items are included in the food basket according to the lowest cost principle and higher calorie content. Sukhatme's minimum food basket per day per person consists of 0.403 kg cereals, 0.104 kg . pulses, 0.201 litter milk and 0.137 kg fruits and vegetables. Besides these, fish and eggs. However, there are many practical difficulties in this balanced-diet approach. The most important is that of taste dimension as the taste widely differs from household to household. The balanced diet with least cost combination recommended by Panikkar, Rajaraman and Sastry is an important contribution in this line but on account of the commission of taste dimension, it cannot be recommended to the households. The absolute poverty line based on biological approach has come under intense criticism recently on the following grounds:

1. There are infinite numbers of ways in which a person can consume the requisite number of calories.
2. Calorie is only one of the two important characteristics of food, the other characteristic being 'tastes' and with rising levels of income, even among the poor, food tastes or preferences will be substituted for calories.

3. Significant variations in physical features, climatic conditions and work habits between regions makes different calorie requirements for different regions in a Country.
4. Many studies used 'average requirement' as minimum requirement for estimating the incidence of poverty and hence the dimensions of malnutrition and poverty are exaggerated.
5. Even if the minimum requirements of food are arrived, it is very difficult to arrive at the minimum non-food requirements in a scientific way.
6. This problem is solved usually by arbitrarily assuming that a specified proportion of total income will be spent on food. The basic issue involved in the measurement of poverty in the biological approach is determining the poverty line. Among the various factors used to determine the poverty line, the most important ones are as follows.

Poverty line**Income level Approach**

The minimum income necessary to meet the minimum needs of life is the core of this approach. According to this approach, the minimum incomes necessary for meeting the basic needs is arrived at and those incomes are below this level are considered below the poverty line. However, it is very difficult to assess one's income accurately. Further, even with the minimum income, if it is not spent, one will be will be living below poverty line as minimum needs remain unfulfilled. In spite of all these problems, it provides the best approximate measure of one's standard of living and hence poverty.

Consumer Expenditure Approach

The problems in defining poverty in terms of income have made authors to adopt consumer expenditure as a proxy for income to define poverty line. Here the minimum expenditure necessary for meeting the minimum needs are arrived at and those people or households who do not have this minimum expenditure are considered below poverty line.

Basic needs Approach

In the basic services approach, besides the minimum of food, other basic services have to be included. Sukhatme for example suggested (1) protected supply of drinking water, (2) housing, (3) clothing (4) fuel (5) latrines (6) sanitation (7) opportunities for education and (9) avenues for employment etc., in addition to food.

Relative Poverty

To avoid some of the problems encountered in fixing absolute standards, the concept of relative poverty has been brought by some researchers. A relative poverty line in some way related to the general standard of living in society; a completely relative poverty line will increase or decrease with the same percentage as the decrease or increase in the standard of living. Thus, relative poverty line has an elasticity of '1' with respect to changes in the general standard of living in society. According to Townsend, one of the proponents of relative poverty, poverty must be regarded as a general form of relative deprivation which is paths effect of the mal-distribution of resources and that section of the population whose resources are depressed from the mean are to be deprived of enjoying the benefits and participating in the activities which are customary in that society can be said to be in poverty.

Inequality

Poverty is a matter of income below a certain level, which has come to be called as poverty line. So poverty can exist in a society that consists of only one person as well. But inequality is a matter of unequal incomes, which dose not exists unless there are at least two persons in the society. It is clear that in a single-person society, the only way to the removal of poverty is growth. In a multi person society, there exists a possibility that redistribution of income may lead to removal of poverty or at least mitigation thereof. Despite the relationship between the two concepts, one should note that poverty is not the same thing as inequality.

Measurements of poverty

Measurements of poverty in India are typically based on a normative minimum calorie intake. The calorie norms ere fixed at 2,400 calories per person per day for rural areas and urban 2,100 calories per person per day for urban areas by the Task Force constituted by the planning commission 1979. This group accepted the calories. The census based activity pattern, according to age and sex (differing for rural and urban populations) was superimposed on the (projected) rural and urban populations. This provided the sex-age activity specific composition of the rural and urban populations. The specific calorie norms (assumed to be uniform for the rural and urban populations) were then weighted by the corresponding compositions of the rural and urban populations

separately, to derive the rural and urban average uniform calorie norms (Dubey and Gangopadhyay 1998). Based on these norms, poverty line for the 28th round of NSS consumer expenditure data for the year 1973-74. These came out to be Rs. 49.09 per capita monthly expenditure in rural areas and Rs.56.64 in urban areas. Using the headcount ratios as a measure of poverty, the incidence of poverty was estimated to be 56.4 percent in rural areas and 49 percent in urban areas in 1973-74 (MV).

Review of Literature

World Bank (2006) has economically Sri Lanka's GDP was \$ 16.4 Billion in 2002. Its GDP per Capita was at \$1,031 in 2004 (Central Bank of Sri Lanka, 2006). It is Considered a lower middle income country and ranks at the 93rd out of 177 Countries on the Human Development index. It has enjoyed high levels of social indicators, such as high rate of adult literacy (90.7% in 2044, World Bank, 2006) and life expectancy (74.4 years in 2004, *ibid*). According to the Sri Lankan Government, the estimated Poverty line for the year 2002 is Rs.1423(US\$ 13.6) Per Month (DCS, 2004). Despite Many achievements, Physical Poverty is Prevailing (ADB, 1998:19) and 22.7% of the Population is classified as below Poverty line according to the national level Poverty head count (DCS, 2004) 159

Kamalakaran,K (2006) has the Rural industrialization is important not only as a means of generating employment Opportunities in the rural areas with low Capital cost and raising the real income of the People, but also because it Contributes to 159. World Bank (2006) World Development Indicators, Washington D.C.: the World Bank the development of agriculture and urban industries. Without rural industrialization, it would not be easy to solve the Problem of unemployment in rural areas. Poverty can be defined as a social phenomenon in which a section of the society is unable to fulfill even its basic necessities of life. The planning commission has defined the Poverty line on the basis of recommended nutritional requirements of 2400 Calories Per Person Per day for rural areas and 2100 Calories for urban areas.

Poverty Estimates, 2011-12, Union (2013) In order to ensure provision of sustainable wage employment, self employment, capacity building technology and skill development to rural folk, various rural development schemes are being implemented by

the State and Central Governments. The total budgetary expenditure incurred towards Rural Development in the State had more than doubled during the five year period 2009-10 to 2013-14, from Rs.6,393 crore during 2009-10 to Rs.14,042 crore during 2013-14 (BE). On an average, the share of total expenditure on rural development in the State's total budgetary allocation during the above said period works out to 9.8 percent.

Twelfth Plan (2012-2017), the State Government focused its attention on providing basic infrastructure facilities in all habitations, addressing the shelter requirements, creating an open defecation free and garbage free environment, bringing down rural poverty to below 10 percent, energizing street lights with solar energy and building up a conducive climate in schools for the upliftment of rural education, focusing on water security to all and increasing livelihood opportunities in rural areas. The total funds earmarked during the Plan period was Rs.23,870 crore and the anticipated flow of funds from the Government of India was Rs.21,039 crore.

Analysis of Data, Results and Discussion

Following the table -1 Shows that the income poverty incidence and performance on Human Development Indicators in India's 15 large states, the exceptions being the southern states (Andhra Pradesh, Kerala and Tamil Nadu), Maharashtra and Rajasthan. Low attainments in literacy result in Andhra Pradesh rank Plummeting Form 2 on proportion of below the poverty line population to 9 or 10 on HDI and Rajasthan from 6 to 11 or 9. Conversely, Maharashtra rank improvement from 10 on poverty to 4 on HDI, Tamil Nadu from 8 to 3 and Kerala from 5 to 1, Primarily due to high levels of literacy and significant reductions in infant mortality in these states.

Classification of Multidimensional Poverty and HDI, Population BPL in 15 States Rankings

Table-1

Ranks	15 states of Based on Population Below poverty line Ranks in 1993-94	Estimated for HDI Ranks in 1991	Estimate for HDI Ranks in 2001	Difference of HDI between Rank in 1991-2001
1.	Punjab	Kerala	Kerala	0
2	Andhra Pradesh	Punjab	Punjab	0
3	Gujarat	Tamil Nadu	Tamil Nadu	0
4	Haryana	Maharashtra	Maharashtra	0
5	Kerala	Haryana	Haryana	0
6	Rajasthan	Gujarat	Gujarat	0
7	Karnataka	Karnataka	Karnataka	0
8	Tamil Nadu	West Bengal	West Bengal	0
9	West Bengal	Andhra Pradesh	Rajasthan	+2
10	Maharashtra	Assam	Andhra Pradesh	-1
11	Uttar Pradesh	Rajasthan	Orissa	+1
12	Assam	Orissa	Madhya Pradesh	+1
13	Madhya Pradesh	Madhya Pradesh	Uttar Pradesh	+1
14	Orissa	Uttar Pradesh	Assam	-4
15	Bihar	Bihar	Bihar	0

Source: Planning Commission, March 1997 and National Human Development Report - 2001.

The difference States HDI ranks for remain fairly stable for most states between 1991-2001. Five out of the seven high income poverty states - Orissa, Madhya Pradesh, Uttar Pradesh, Assam and Bihar have the lowest Five Ranks on Human Development as well. Therefore, is convergence of deprivation in multidimensional poverty.

Classification of Poverty and Employment in India
Table-2

S. No.	Particulars	1978	1983	1994	1997	2002
1	Population	637.60	725.8 (2.92)	893.7 (2.00)	949.9 (1.89)	1027.6 (1.59)
2	Labour Force	262.60	289.1 (2.16)	367.4 (2.31)	399.2 (2.43)	450.2 (2.59)
3	Employment	255.50	283.2 (2.32)	360.0 (2.31)	389.7 (2.47)	433.6 (2.62)
4	Unemployment	7.1	5.9 (-2.0)	7.40 (2.0)	7.50 (-1.9)	6.6 (-1.5)
5	Poverty Ratio (%)	48.36	43.00 (-2.22)	35.04 (-3.70)	34.40 (-0.31)	17.98 (-9.55)

Source : Planning Commission, Ninth Five

(Figure in parentheses indicate the Growth rate) Year Plan, 1997-2002, Vol . 1, P.204.

Table-2 Shows that the relation between Employment Generated and Poverty ratio, Population, Labour force, Employment, Unemployment and Poverty ratio over years. There is population, labour force and employment shows positive growth rate whereas unemployment and poverty ratio shows that negative growth rate. There is existence of positive correlation between employment and poverty reduction. Growth rate of employment was little higher than the labour force growth rate and this helped to bring down the poverty ratio from 48.36 percent in 1978 to 34.40 percent during 1997. The expected poverty level in 2002 is low and this would not be possible because of the lesser rate of GDP in recent years

Suggestions

1. Objective is to influence human behaviour conducive for health - Friendly lifestyle , health, lifestyle will not only health improve health, but will also reduce the risk of diseases, both of poverty and affluence.
2. To study the health Index of the state is only 39 percent and Budget allocation for health and education has been mentioned as the main due to in the report .
3. To identify the five out of the seven high income poverty states - Orissa, Madhya Pradesh, Uttar Pradesh, Assam and Bihar have the lowest five ranks on human development and multidimensional poverty.
4. To estimate that the a person will get the required per capital daily intake of 2400 calories in Rural Area and 2100 calories in Urban areas, the poverty rate and the total number of poor person in India.
5. To identify the 10th plan and reduction of poverty ratio by 5 percentage by 2007, 15 percentage points by 2012 and providing gainful and high quality employment to the additional labour force.
6. To identify both effects services to reduce global poverty, with the estimates that suggestions those health improvements alone would life 30 million people out of absolute poverty by 2015.
7. To suggestion Rural and Urban peoples 2019 December even thought all goods and service commodities Price is higher level . But Rural and Urban areas income very low, the State and Central governments going on price increases to due poverty , Unemployment problems increases

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