

A Poverty Analysis in India

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Abstract:

Very detail analysis of poverty was done in this research paper. For the poverty estimate of rural and urban India we use the methodologies provided by Lakdawala and Tendulkar. It has been observed during the case study that poverty has declined between 1993-94 and 2009-10. The poverty has reduced for every social and religious groups in every state. The states with large scheduled castes and scheduled tribes population face a difficult problem of poverty. The poverty rates for scheduled castes are higher than the non scheduled castes in these states. In the case study we find that in the Indian case there is no strong relationship between inequality and poverty.

Key words: Poverty analysis, Lakdawala, Tendulkar, scheduled castes, states, rural, urban.

Introduction:

This case study has been conducted on poverty in rural and urban areas of social and religious groups of the largest 10 states of India. The prices vary between rural and urban areas and across the states and within the same state. As the prices rise over time due to inflation, the poverty line in nominal rupees is also adjusted upwards over time. The poverty estimates in India provided by planning commission were based on Lakdawala poverty lines so named after professor D.T Lakdawala.

On this case study we provide estimates using the methodologies and recommendations of Lakdawala and Prof. Suresh Tendulkar for different social and religious groups in rural and urban areas in major states. The group of expert led by Lakdawala defined all India rural and urban poverty lines in terms of per capita total consumption expenditure at 1973-74 market prices. The mentioned poverty line consumption baskets in the per capita calorie norms of 2400 and 2100 in rural and urban areas.

Lakdawala lines worked till 2004-05 for poverty estimates. The estimates based on the lines of Lakdawala faced criticism on various grounds. Hence the planning commission appointed the committee in the chairmanship of Suresh Tendulkar in December, 2005.

National and state levels official poverty estimates are available of entire population but not of social or religions groups for all years during which the NSSO conducted surveys. Now we are in situation of presenting the poverty rates for the major social groups based on the expenditure surveys. The social groups which we adopted for survey have been indentified as SC, ST and OBC and the rest referred as forward castes.

Further we present national poverty rates by religions groups. The poverty rates at Lakdwala lines are shown of rural and urban India and the country as a whole. There observations follow. First at the percentage level poverty rates shows a decline in case of Hindus, Muslims, Christians, Jains and Sikhs. Poverty among the Buddhists also declines. According to poverty rates in rural and urban areas combined Jains have the lowest poverty rates followed by Sikhs, Christians, Hindus, Muslims, and Buddhists. The prosperity among Jain and Sikhs is well known but lower level of the poverty among Christians relative to Hindus is less well known.

The prevalence of poverty in the Rural and Urban areas of States. In the direction of poverty alleviation in different states various efforts have been applied by Govt. If we take ten largest states which account for three forth's of India's population every state observed decline in both Rural and Urban poverty between every successive surveys. Uttar Pradesh had been experienced acceleration in gross state domestic product during the period while Haryana had already achieved on relatively low level of poverty.

High per capita is connected with low poverty ratios. For example Kerala, Punjab and Haryana in that order have the highest rural per capita expenditure. They also have the lowest poverty ratio in the some order on other hand Chhattisgarh and Bihar in that order have the lowest Rural per capita expenditure and also the highest rural poverty ratio.

In addition to this the top ten states by rural per capita expenditure are also the top nine states in terms of low poverty.

Table 1 National rural and urban poverty rates by social groups at Lakdawala lines

Social Group	1983	1987-88	1993-94	2004-05	2009-10
Rural					
ST	64.9	57.8	51.6	47.0	30.5
SC	59.0	50.1	48.4	37.2	27.8
OBC	-	-	-	25.9	18.7
FC	-	-	-	17.5	11.6
All groups	46.6	38.7	37.0	28.2	20.2
Urban					
ST	58.3	56.2	46.6	39.0	31.7
SC	56.2	54.2	51.2	41.1	31.5
OBC				31.3	25.1
All groups	42.5	39.4	33.1	26.1	20.7
Rural + Urban					
ST	64.4	57.6	51.2	46.3	30.7
SC	58.5	50.9	48.9	38.0	28.6
OBC	--	--	--	27.1	20.3
FC	--	--	--	17.0	11.8
All groups	45.7	38.9	36.0	27.7	20.3

SOURCE- NSSO

Table 1 shows the national rural and urban poverty rates by social groups at Lakdawala lines. The table shows that 38.0 and 28.6 Scheduled castes have been poverty percentage in 2004-05 and

2009-10 respectively. It is revealed from the table that 27.1 and 20.3 other backward castes have been poverty percentage in 2004-05 and 2009-10 respectively.

Table 2 Poverty in the states by social groups at the Tendulkar line (percent)

State	ST			SC		
	1993-94	2004-05	2009-10	1993-94	2004-05	2009-10
Uttar Pradesh	45.7	41.7	40.1	68.1	55.2	52.4
Maharashtra	71.5	68.1	48.5	65.0	52.9	34.7
Bihar	72.1	59.1	62.0	75.4	77.0	67.7
Andhra Pradesh	56.7	59.3	37.6	61.7	40.3	24.5
West Bengal	64.2	54.0	31.6	48.5	37.9	32.6
Tamil Nadu	47.4	41.9	14.1	64.0	48.6	28.8
Madhya Pradesh	68.3	77.4	61.0	55.6	62.0	41.9
Rajasthan	62.1	57.9	35.4	54.0	49.0	37.1
Gujarat	51.2	54.7	47.6	54.1	40.1	21.8
Karnataka	68.6	51.2	24.2	69.1	53.8	34.4

SOURCE- NSSO

Table 2 shows that in Uttar Pradesh Scdeduled Tribes 45.7 and 41.7 have been poverty percentage in 1993-94, 2004-05 and 2009-10 respectively. Scheduled Castes in Uttar Pradesh 68.1, 55.2 and 52.4 have been poverty percentage in 1993-94, 2004-05, 2009-10 respectively. And in the Karnatka State Scheduled Tribes 68.6, 51.2, 24.2, in 1993-94, 2004-05 and 2009-10 respectively. Scheduled castes in Karnatka state 69.1, 53.8 and 34.4 have been poverty percentage in 1993-94, 2004-05 and 2009-10 respectively.

Table 3 National rural and urban poverty rates by religious groups at Tendulkar lines

Religion	1993-94	2004-05	2009-10
Rural			
Buddhism	73.2	65.8	44 .1
Christianity	44.9	29.8	23.8
Hinduism	50.3	42.0	33.5
Islam	53.5	44.6	36.2
Jainism	24.3	10.6	0.0
Sikhism	19.6	21.8	11.8
Others	57.3	57.8	35.3
Total	50.1	41.9	33.3
Urban			
Buddhism	47.2	40.4	31 .2
Christianity	22.6	14.4	12.9
Hinduism	29.5	23.1	18.7
Islam	46.4	41.9	34.0
Jainism	5.5	2.7	1.7
Sikhism	18.8	9.5	14.5
Others	31.5	18.8	13.6
Total	31.7	25.8	20.9
Rural + Urban			
Buddhism	64.9	56.0	39.0
Christianity	38.4	25.0	20.5
Hinduism	45.4	37.5	29.7
Islam	51.1	43.7	35.5
Jainism	10.2	4.6	1.5
Sikhism	19.4	19.0	12.5
Others	51.2	52.5	29.9
Total	45.5	37.8	29.9

SOURCE- NSSO

Table 3 shows that national rural and urban poverty rates by religious groups at Tendulkar lines. The table shows 45.4, 37.5 and 29.7 Hindus have been poverty percentage in 1993-94, 2004-05 and 2009-10 respectively. It is revealed from the table that 51.1, 43.7 and 35.5 Muslims have been

poverty percentage in 1993-94, 2004-05, and 2009-10 respectively. Among the Buddhism 64.9, 56.0 and 39.0 have been poverty percentage in 1993-94, 2004-05 and 2009-10 respectively.

Table 4 National rural and urban poverty rates by social groups at the Tendulkar line

Social group	1993-94	2004-05	2009-10
ST	65.7	64.5	47.4
SC	62.1	53.6	42.3
OBC		39.9	31.9
All groups	50.1	41.9	33.3
Urban			
ST	40.9	38.7	30.4
SC	51.4	40.6	34.1
OBC		30.8	24.3
All groups	31.7	25.8	20.9
Rural + Urban			
ST	63.5	62.4	45.6
SC	60.2	51.0	40.6
OBC		37.9	30.0
All groups	45.5	37.9	29.9

SOURCE- NSSO

Table 4 shows the national rural and urban poverty rates by social groups at the Tendulkar lives. The table shows 62.4 and 45.6 scheduled tribes have been poverty percentage in 2004-05 and 2009-10 respectively. It is revealed from the the table that 37.9 and 30.0 other backward casts have been poverty percentage in 2004-05 and 2009-10 respectively.

Conclusion: In this research paper we have done very detail analysis of poverty. For the poverty estimate of rural and urban India we use the methodologies provided by Lakdawala and Tendulkar.

Some of the including points of the paper. It has been observed during the case study that poverty has declined between 1993-94 and 2009-10. The poverty has reduced for every social and

religious groups in every state. During the period of 2004-05 and 2009-10 acceleration in the growth rate has been witnessed with the reduction of poverty for all major social and religious groups. In the period of 2004-05 and 2009-10 first time the poverty reduction has been observed for scheduled castes and scheduled tribes higher than the upper castes. It may be expected that with this trend further reforms and higher growth rates, would help to reduce the differences in poverty rates between the historically disadvantaged and privileged groups.

In the research paper it has been experienced that the states with large scheduled castes and scheduled tribes population face a difficult problem of poverty. The poverty rates for scheduled castes are higher than the non scheduled castes in these states.

In the case study we find that in the Indian case there is no strong relationship between inequality and poverty. Here this is the point to be noted that more unequal states enjoy lower level of poverty. In this context Kerala provides the very suitable example.

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