

# ANALYSING RURAL POOR



Macro level research on rural poor are stated to be the basis, mostly, for policy making in India. Additionally, the micro level research on rural poor could have benefited the policy makers much more if we initiate such research in a routine manner, writes **V Mukunda Das**

**A**n attempt to look at India's research efforts on two segments of Indian population shows certain interesting facts. Research in India, on rich and poor, from a commercial angle, was done by marketing researchers. Rich as a segment has been a focus of research for marketing researchers in many countries including India. However, research focusing on multi-dimensional aspects of the rural poor are still not a focus of study. Developing countries like India has also been ignoring this topic since long. While, as citizen, in democratic countries like India, the rural poor have been majority voters, the benefits after election mostly flow or disproportionately to flow

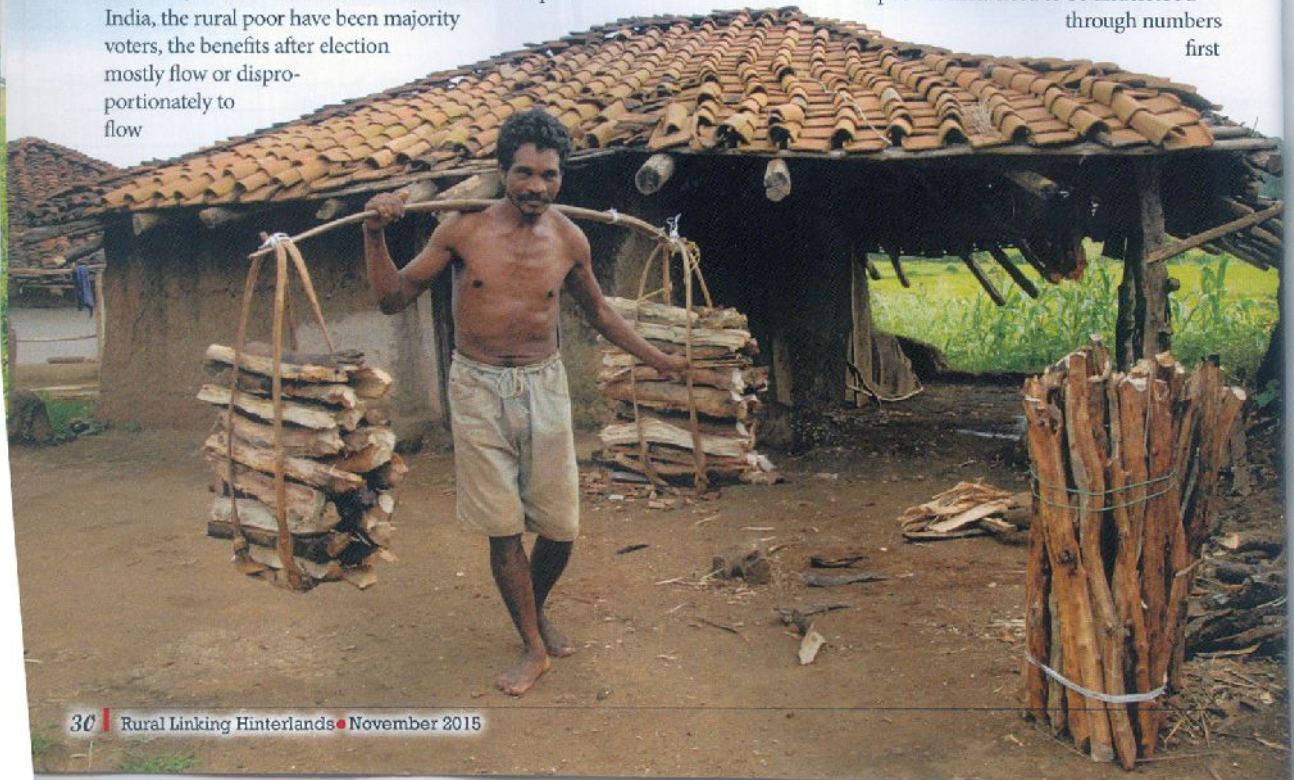
to segments other than poor, more so in rural India.

## PREVAILING ORDER

In India, commercial research and developmental research, show that lot of knowledge on the rich, their consumption, their adoption of fashions etc. were taken up by commercial researchers. However, this benefited them in many ways, commercially. While the opportunities for researching on rural poor is very large, no systematic research has gone into various dimensions of rural poor.

Though macro level research on rural poor are stated to be the basis, mostly, for policy making in India, the micro level research on rural poor could have benefited the policy makers much more if India initiated such research in a routine manner. Sufferings of the poor are not known to majority of the policy makers. The only consolation, in this sphere, is the press coverage and occasional efforts by India's visual media including films. Why this has not happened is an aspect which we need to look into. And we are not too late. The poor in India need to be understood

through numbers  
first

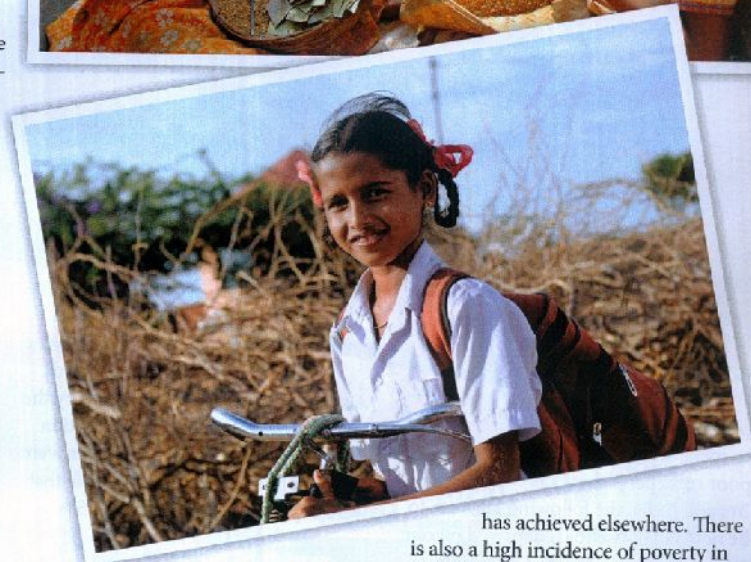
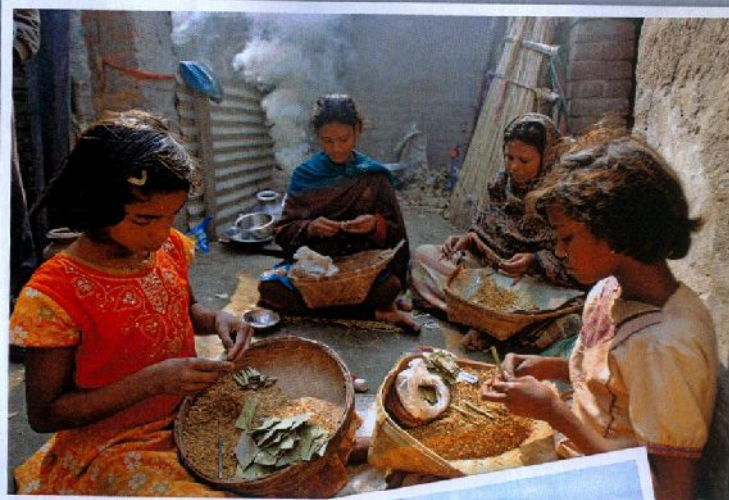




(quantitative dimensions) as also through qualitative insights. Questions which comes to one's mind based on some field research are like: How many poor people don't have one full day meal a day? And how many times this happens in a year? What are the sources of happiness of the rural poor? Can we develop a Happiness Index for various segments of rural poor? All this becomes very critical and important from a policy development perspective in India because this poorer segment comprises majority of the voters in rural areas. Therefore, on the one hand our "floating democracy" is sustained by the votes of these poorer segments, the benefit weaves reaches them very rarely. In a different perspective, the votes of the poor helps the rich to become richer. So far no detailed, analytically strong, studies have been initiated on this dimension. There are published materials which state about the food and food materials wastage in India on the one hand and the unreported number of starvation deaths on the other.

### THE DETERMINANTS

Most of the studies so far have been on single dimension or highlighting on the consumption aspect and its impact on poverty. The wage rates, employments etc. were not looked at from a multi dimensional perspective. More so, the impact each one of those have on the poorer segments. Further, the definition of poor and in some studies, the classification used in (survey of indebtedness) are not of much relevance for identifying appropriate micro level interventions affecting the rural poor. The rural poor is not a homogenous group socially economically and demographically. The number of poor people in India, according to the country's Eleventh National Development Plan, amounts to more than 300 million. But almost one third of the country's population of more than 1.1 billion continues to live below the poverty line, and a large proportion of poor people



live in rural areas. Poverty remains a chronic condition for most of India's rural population. The incidence of rural poverty has declined somewhat over the past three decades as per quantitative figures but nothing is known on the qualitative dimensions. Poverty is deepest among members of scheduled castes and tribes in the country's rural areas. In 2005 these groups accounted for 80 per cent of poor rural people, although their share in the total rural population is much smaller. Large numbers of India's poorest people live in the country's semi-arid tropical region. In this area shortages of water and recurrent droughts impede the transformation of agriculture that the Green Revolution

has achieved elsewhere. There is also a high incidence of poverty in flood-prone areas such as those extending from eastern Uttar Pradesh to the Assam plains, and especially in northern Bihar.

### FINANCIAL DEBTS

Poverty affects tribal people in forest areas, where loss of entitlement to resources has made them even poorer. In coastal fishing communities people's living conditions are deteriorating because of environmental degradation, stock depletion and vulnerability to natural disasters. A major cause of poverty among India's rural people, both individuals and communities, is lack of access to productive assets and financial resources. High levels of illiteracy, inad-



## SOCIAL ORDER



health care and extremely limited access to social services are common among poor rural people. In rural India, the following facts are to be noticed; households deprived on one or more counts – 48.5%, Landless families with major income from manual labour – 30.0%, Families with no one over 25 years literate 23.5%, Dalits and tribal families – 21.5%, Living in houses with no more than one room, kuccha walls and roof – 13.3%, Families with no one aged 18 to 59 – 3.6%, Manual Scavengers – 1,80,657 and 51% of village homes live on manual casual labour Rural indebtedness is a major factor affecting poor. It not only aggravates inequality in the access to socio-economic opportunities, but also hinders the growth process in rural areas and creates an inter-generational handicap for participating in democratic processes due to growing

dis-  
tress and  
shocks to social psyche  
among the indebted households. According to a survey conducted by the National Sample Survey Organisation (NSSO), as on June 30, 2012, there were 31.4% of households in rural India that were exposed to debt against 26.5%

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recorded in the previous NSSO survey in 2002. Moreover, 19% of the rural households obtained credit from non-institutional sources and only 17% from institutional sources (including banks). The results of the survey show that non-institutional agencies (money lenders)

played  
a major role in advancing credit to the households in rural India. The non-institutional agencies had advanced credit to 19% of rural households, while the institutional agencies had advanced credit to 17% households. It may be noted that money lenders charge very high interest rate on poor borrowers. The above analysis clearly highlights the conditions of the poor in rural India from mostly macro level data. The present attempt is to make policy makers think in details on the qualitative dimensions through micro level research studies. The degree of misery or happiness of rural poor need to be documented before appropriate policy can be developed for helping these poor Indians voters.

A new Rural Happiness Index for poor need to be developed based on the suggested studies, in future.

*(The writer has over three decades of experience in researching on different dimension of rural India. Currently, he is the director of Chandragupt Institute of Management Patna)*