

**A STUDY OF POVERTY IN MIZORAM
WITH SPECIAL REFERENCE TO MAMIT
AND LAWNGTLAI DISTRICTS.**

**THESIS SUBMITTED FOR THE AWARD OF DOCTOR OF
PHILOSOPHY IN ECONOMICS**

By
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CERTIFICATE

*This is to certify that Mr. **P.L.Ramliana** has done a research for PhD under my supervision and successfully completed his thesis entitled “**A study of Poverty in Mizoram with Special Reference to Mamit and Lawngtlai Districts**”*

The present work is the outcome of the candidate’s own endeavor and investigation. To the best of my Knowledge, the work as a whole or part has not been submitted elsewhere to confer any degree. The study in my opinion has qualified for submission and consideration for the award of the Degree of Doctor of Philosophy in Economics of the Mizoram University.

Place: Aizawl.

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DECLARATION

I, P.L. Ramliana, do hereby declare that the thesis entitled 'A study of Poverty in Mizoram with Special Reference to Mamit and Lawngtlai Districts' being submitted to the Mizoram University for the degree of Doctor of Philosophy in Economics, is the outcome of my own research work, and that no degree has been conferred on the basis of this thesis to me or to the best of my knowledge to any body else, and that the thesis has not been submitted by me for any research degree in any other University or Institute.

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LIST OF TABLES

- Table 1.1: Minimum Needs Per Capita Per Month (in Rs).
- Table 1.2: Nominal and Real NSDP at 1999-2000 Prices (Rs lakh) and NSDP Deflators (D_i).
- Table 1.3: Least Square Table of NSDP Deflators, 1999-2005.
- Table 2.1: Population Trend in Mizoram 1901-2001.
- Table 2.2: Percentage of Population, Density and Sex Ratio of Districts in Mizoram.
- Table 2.3: District-wise number of Households and Population
- Table 2.4: Percentage Distribution of Total Workers
- Table 2.5: Net State Domestic Product at Factor Cost by Industry of Origin at Current Prices (1999-2000 series).
- Table 2.6: Sectoral Share of NSDP in Percentage.
- Table 2.7: No. of Educational Institutions, Teacher & Students in Mizoram.
- Table 2.8: Class-wise Number of Students (Below degree level).
- Table 2.9: Vital Rate of District: Based on Event Registered During 2003.
- Table 2.10: No. of Births & Deaths registered in Mizoram
- Table 2.11: Number of Registered Medical and Para Medical Personnel in Mizoram.
- Table 2.12: Poverty Estimate for Mizoram: Head Count Ratio(HCR)
- Table 2.13: District wise number of RD Blocks and Number of Poor Families in Mizoram
- Table 4.1: Rural-Urban Incidence of Poverty in India.

- Table 4.2: Indices of Poverty by Occupation Groups.
- Table 4.3: Health Status Indicators-Comparison between the poorest and Richest Quintiles
- Table 4.4: Physical and Financial Achievements of IAY in Mizoram.
- Table 4.5: Physical and Financial Achievements of SGSY in Mizoram.
- Table 4.6: Physical and Financial Achievements of EAS/ SGRY-I and SGRY-II in Mizoram.
- Table 4.7: Financial Position/ Grants Received under NREGS
- Table 4.8: Physical Achievement of NREGS in Mizoram
- Table 4.9: Growth of food Subsidy in India (other than sugar)
- Table 4.10: Quantity of Commodities lifted by FCS&CA for PDS.
- Table 4.11: District-wise food grain distribution under subsidized rate during 2006-07.
- Table 5.1: Annual Income (Rs), Sources and Percentage Contribution.
- Table 5.2: Distribution of Households by Main Occupation Groups in Mamit district.
- Table 5.3: Distribution of Households by Main Occupation Groups in Lawngtlai district.
- Table 5.4: Distribution of the Per Capita Annual Income within Households among samples.
- Table 5.5: Statistical Dimensions of Income Inequality.
- Table 5.6: Statistical Results of Poverty Gaps, Intensity and HCR.
- Table 5.7: Results of the Severity Measures of Poverty
- Table 5.8: Monthly Consumption Expenditure of sample.

Table 5.9: The Distribution of Housing Costs among samples.

Table 5.10: The Distribution of PCME in Mamit and Lawngtlai.

Table 5.11: Results of poverty Measures with PCME.

Table 5.12: Results of Severity Measures with PCME

Table 5.13: Age and Sex Composition, Household Sizes among samples.

Table 5.14: Male and female illiteracy among Sample

Table 5.15: Causes of illiteracy among the poor in Mamit and Lawngtlai districts.

Table 5.16: Types of Toilets and No.of users among the Poor

Table 5.17: Electrification of Houses owned by the Poor

Table 5.18: Sources of Drinking Water among sample Households in Mamit and Lawngtlai districts.

Table 5.19: No.and cases of Diseases related to Poverty, and Ages of the Victims.

Table 6.1: Annual Household income and Per-worker Income of Jhum farmers (main occupation).

Table 6.2: Number of annual employment days among different occupations.

Table 6.3: Per-worker annual income of various occupation among the sample households in Mamit district.

Table 6.4: Per-worker annual income of various occupation among the sample households in Mamit district.

Table 6.5: Decadal Variation of Population and Change in Density (1901-2001).

Table 6.6: Land Use statistics in Mizoram.

Table 6.7: Rural-Urban Relation and mobility of the Poor.

LIST OF ACRONYMS

- AAJ- Antyodaya Anna Yojana
- AM- Arithmetic Mean
- APL- Above Poverty Line
- ARI- Acute Respiratory Infection
- BAFFACOS-Bamboo Flowering and Famine Combat Scheme.
- BDO- Block Development Officer
- BPL- Below Poverty Line
- CADP- Command Area Development Programme
- CAG- Comptroller and Auditor General
- CD- Community Development
- CDP- Community Development Programme
- CIP- Central Issue Price
- CPIAL- Consumer Index for Agricultural Labour
- CSO- Central Statistical Organisation
- CSO-Consortium of Civil Society Organisation
- CV- Coefficient of Variation
- DDC- Drug Distribution Centre.
- Di- Deflator
- DPAP- Drought Prone Area Development Programme
- DWCRA- Development of Women and Children in Rural Areas
- EAS- Employment Assurance Scheme

EGA- Employment Guarantee Assistant
FCI- Food Corporation of India
FCS&CA- Food, Civil Supply and Consumer Affairs
FGT- Foster, Greer, Thorbecke
FPS- Fair Price Shop
GDDP- Gross District Domestic Product
Gi- Gini Coefficient
GNP- Gross National Product
GOI- Government of India
GOM- Government of Mizoram
HCR- Head Count Ratio
HDI- Human Development Index
HYVP- High Yielding Varieties Programme
IAAP- Intensive Agricultural Area Programme
IADP- Intensive Agricultural District Programme
ICDS- Integrated Child Development Service
ICMR- Indian Council of Medical Research
IGR- Income Gap Ratio
IRDP- Integrated Rural Development Programme
JCB- Digging Machine
JGSY- Jawahar Gram Samridhi Yojana
JRY- Jawahar Rojgar Yojana
MFAL- Marginal Farmers and Agricultural Labourers
MNF- Mizo National Front
MPCE- Monthly Per Capita Expenditure
MRPM- Mixed Reference Period Method
MWS- Million Wells Scheme

N.A – Not Available

NDDP- Net District Domestic Product

NFFWP- National Food for Work Programme

NFHS- National Family Health Survey

NGO- Non-Government Organisation

NOAPS- National Old Age Pension Scheme

NPAG- Nutritional Programme for Adolescent Girls

NREGA- National Rural Employment Guarantee Act

NREGS- National Rural Employment Guarantee Scheme

NREP- National Rural Employment Programme

NRHM- National Rural Health Mission

NSDP- Net State Domestic Product

NSS- National Sample Survey

OBC- Other Backward Classes

PC- Planning Commission

PDS- Public Distribution System

PGR- Poverty Gap ratio

Ph.D- Doctor of Philosophy

PMGSY- Pradhan Mantri Gram Sadak Yojana

PPP- Purchasing Power Parity

PPV- Progressive Protected Village

PRI- Panchayati Raj Institution

RBD- Registration of Birth and Death

RCH- Reproductive Child Health

RD- Rural Development

RGGVY- Rajiv Gandhi Grameen Vidyutikaran Yojana

RLEGP- Rural Landless Employment Guarantee Programme

RPDS- Revamped Public Distribution System
SC-Schedule Caste
SFDA- Small Farmers Development Agency
SGRY- Sampoorna Grameen Rojgar Yojana
SGSY- Swarnjayanti Gram Swarajgar Yojana
SHG- Self Help Group
SSA- Sarva Sikhsa Abhyan
SSI- Small Scale Industries
ST- Schedule Tribe
TB- Tuberculosis
TPDS- Targeted Public Distribution System
TRYSEM- Training of Rural Youth for Self Employment
UNDP- United Nations Development Programme
US- United States (of America)
VC- Village Council
VDC- Village Development Council
WRC- Wet Rice Cultivation

CHAPTER-I INTRODUCTION

1.1 Development of Poverty Studies:

A new paradigm in Economics related to development thought that emerged since the latter half of the last century was a shift of focus on the poor, and Development Economics as a scion of the Classical Economics now noticeably keeps under its scanner not only 'the wealth of nations' but also the poverty of Nations, along with poverty generating factors such as income inequalities, and unemployment. This was necessarily a result of the realization that the tacit assumption of 'trickle down' process embedded in the earlier neo classical models of economic growth and development was a callous assumption which was too slow to take meaningful place to benefit the massive poor people, especially of developing countries. This means that even after tremendous efforts of gearing up the growth of GNP and subsequently some notable achievements on it, vast proportions of the population of the world continue to live in palpable poverty. Homogeneity of problems of the present day Developing countries in matters of Poverty, Inequality and Unemployment and their heterogeneity in matters like determination of population growth, market imperfection, capital scarcity, not capital accumulation, the quest for sources of economic growth in the face of planned economies, the obstacles to development and growth etc, undoubtedly play crucial roles in the eventual development of poverty studies.

Dudley Seers¹ in this regard stated that ‘the questions to ask about a country’s development are therefore: What has been happening to poverty? What has been happening to unemployment? What has been happening to inequality? If all three of these have declined from high levels, then beyond doubt this has been a period of development for the country concerned. If one or two of these central problems have been growing worse, especially if all three have, it would be strange to call the result “development” even if per capita income doubled’.

It is now convincingly clear that beside the problem of growth in GNP, three core issues which occupy Development Economics are poverty, inequality and unemployment, and among these, the study of poverty occupies a paramount place since despite experiences of growth; poverty among the developing world is so glaring and the problem so rampant among many of them. And it appears that the latter two issues are subservient to the former since it is apparently clear that unless poverty exists, existence in any degree, of the latter two problems may as well be tolerated comfortably. It was rightly mentioned by Haq² when he stated that ‘the problem of Development must be redefined in terms of an attack on the worst forms of poverty. Development goals should be expressed in terms of the progressive reduction and eventual elimination of malnutrition, disease, illiteracy, squalor, unemployment and inequalities’. As such, besides the causes of poverty, the

¹ Dudley Seers as quoted in Todaro, Michael. P & Stephen C. Smith (2003): Economic Development. Pearson Education Asia. p.16

² Haq, Mahbub Ul (1976): The Poverty Curtain. Choices for The Third World. Oxford University Press. Delhi. p.35.

outcomes of poverty are also increasingly recognized as problems common to almost all developing countries. This is well recognized by the World Bank which asserted that ‘The challenge of development...is to improve the quality of life. Especially in the world’s poor countries, a better quality of life generally calls for higher incomes but it involves much more. It encompasses as ends in themselves better education, higher standards of health and nutrition, less poverty, a cleaner environment, more equality of opportunity, greater individual freedom, and a richer cultural life’³.

1.2 The Worldwide Evidence of Poverty:

On the macro-perspective of poverty, the poor populations in different parts of the world has been extensively recognized and monitored by different bodies, at national and international levels, and the contribution of the United Nations Development Programme (UNDP), and the World Bank in this regard is commendable. The existence of poverty worldwide and the need to address the problems of poverty and unemployment invoked the decision of the United Nations to convene a World Summit for Social Development in Copenhagen in March 1995, and the year 1996 was consequently declared as the International Year for The Eradication of Poverty. The Millennium Summit 2000 later had declared the Millennium Development Goals fixing a deadline of 2015, among which to “halve the proportion of people living on less than \$1 a day and to halve the proportion of people suffering from hunger” have high priority. Poverty or the inability to meet basic and minimum needs for efficient human existence which entails

³ World Bank, *World Development Report 1991* New York Oxford University Press, 1991 p. 4

failure of human entitlements of food, shelter and clothes and freedom and capabilities is still the problem common of more than one billion population. There are still 1100 million people all over the world who are poor or living on less than one dollar a day.⁴ Joseph Stiglitz, the Nobel laureate and former Chief Economist of the World Bank stated thus “A growing divide between the haves and the have-nots has left an increasing number in the Third World in dire poverty, living on less than a dollar a day. Despite repeated promises of poverty reduction made over the last decade of the twentieth century, the number of people living in poverty has actually increased by almost 100 million. This occurred at the same time that the total world income actually increased by an average of 2.5 per cent annually”⁵.

1.3 The Goal of Poverty Eradication and Interested Parties:

As it would turn out to be, especially after cases of poverty have been largely recognized, eradication of poverty happens to be the popular objective but yet an elusive and almost insuperable looking one of all Governments, non government organizations, International agencies, banks, the poor themselves and academic researchers. At times and places it even occupies religious attention. Again, it has been of interest among various social scientists, cutting across their own disciplines and as such, its study is not actually restricted to economists alone since an understanding of the problem requires extensive coordination of knowledge in cases like methodology, information on social, political, historical and

⁴ UNDP: Human Development Report 2004

⁵ Stiglitz, Joseph (2002): Globalization and its Discontents. Penguin Books New Delhi India. p.5

economic structure of societies. The issue of poverty has also been of great interest among political parties especially at times before and during elections. It is well known however that the poor are more often than not, a group exploited by politicians rather than being the driving force of the mainstream polity, and an agenda for the poor normally becomes the political hot potato in many instances. While this is so, many involvements with poverty revolve around the harsh reality without getting into the causes that generate it. This is reflected by Wilson (2003) who stated that poverty researchers would all agree that fact finding is not enough, that beyond the collection of data there must be analysis of causes; and that beyond that there must be strategies for action.⁶

1.4 Diversity and Problems of Poverty Studies:

Poverty has its various manifestations as well as its causes, hence it is impossible as of now to generalize and prescribe its universal solution. Again it is very easy to get bogged down with measurement and technical quagmire while tackling the issue even if we intuitively have an idea of who is poor or not. Even if we are required to arrive at a standard definition following professional conventionality, it would be highly uncertain that we discover a panacea for all its ills because problems and manifestations of poverty across different regions of the world seem to differ while being closely related. This is not to say however that such classification of the population in terms of income or expenditure, health or education or any standard of living in order to separate the poor from the non-poor by employing a concise definition, and

⁶ Wilson, Francis (2003): "Drawing Together Some Perspective on Poverty" in Else Oyen et.al (eds) Poverty, A Global Review. Rawat Publications, Jaipur and New Delhi. UNESCO Publishing. p.21

building strategies for a particular context of a region or economy is a futile and redundant exercise. Rather, it exaggerates that the conceptual framework of poverty, pertaining to definition and measurement, can pose certain subjectivities to the extent that not a single one will fit into the diverse contexts of different regions or economies. It should naturally be the case that any poverty research should preferably have unambiguous and consistent conceptions which can conveniently go through certain field tests, with objective parameters. And depending upon which we attempt to focus on, and the purpose which it is to serve, we could arrive at a specific conceptualization. Only then will such conceptualization be of any use.

The challenge of poverty therefore, is on technical front as well as structural front. During the 1970s, as interest in problems of poverty increased, development economists took the first step in measuring its magnitude within and across countries by attempting to establish a common poverty line. They went even further and devised the now widely used concept of absolute poverty. It is meant to represent a specific minimum level of income needed to satisfy the basic physical needs of food, clothing, and shelter in order to ensure continued survival. A problem however arises when one recognizes that these minimum subsistence levels will vary from country to country and region to region, reflecting different physiological as well as social and economic requirements.⁷

⁷ Todaro, P Michael and Stephen C. Smith (2003): Economic Development. Pearson Education. p.52

Hence, the important task and challenge of poverty studies is the need to arrive at a uniform methodology and yardstick so as to be able to capture, compare and contrast the cases across geographical barriers. This is reflected by Novak (2003) who acknowledges that ‘Regional poverty conceptualizations reveal an “escapism” in cases where attempts are made to apply the available poverty concepts to specific local circumstances’⁸.

Therefore a study of cases of poverty in particular locations like those in the state of Mizoram poses certain questions about its local selection, the availability of existing data, its population and methodology as regard to measurement and identification of the poor, the theoretical basis, and also the direction of the research: whether it is an applied research or a basic research and whether the inter-regional differences in poverty will be taken into account. Questions may also arise as to what types of data, including the inter-temporal or spatial variations, are to be analyzed in the study, or whether longitudinal research is to be undertaken etc. In view of all these challenges and limitations of individual capacity, the study has been confined to the two districts mentioned in the title of the study and it is intended that the study will address important questions which are subsequently mentioned in the ‘objectives of the study’ and ‘methodology’ immediately following this section.

⁸ Novak, Mojca (2003): “Concepts of Poverty” in Else Oyen et.al (eds)- Poverty, A Global Review. Rawat Publications Jaipur and New Delhi. UNESCO Publishing.

1.5 Methodology:

For the present study, the districts of Mamit and Lawngtlai have been purposively selected since various socio-economic data outlined as before indicated their low status in comparison with other districts of Mizoram. The scholar had also been eye witness to the people's low level of living especially of the Chakmas and the Reangs. As a study of poverty in Mizoram is conceived after all, it is surmised that these two districts will make the best or the most appropriate study areas.

1.5.1 Sample Units, Method and Reference Period:

The sample units for this study consist of households which are understood to be families at the same time. The list of BPL families in 'BPL Census 2002', published by the Directorate of Rural Development Department of Mizoram was used as the sample frame. In rural areas of Mizoram it is unlikely that we found a household which has no relationship by blood or marriage but yet living together under the same roof and sharing the same kitchen. It is again found out that income sharing is common to all households. Although in urban areas it is not difficult to find households but who are not related by blood or marriage. In such areas a household is not necessarily a family but in rural areas such is not the case.

The process of selection of samples follows a three stage random sampling method. The first stage sample is a Rural Development Block. The second stage being a village, the third stage is a household. There are three Rural Development (RD) Blocks in each of the selected areas. The names of Rural

Development Blocks in Mamit District are: i) Zawlnuam RD Block, ii) West Phaileng RD Block, iii) Reiek RD Block. From out of these three, W. Phaileng RD Block was selected and ten villages, out of the Block were selected randomly. The villages are: 1)Marpara (N). 2)Pukzing Vengthar. 3)Pukzing. 4)W.Phulpui. 5)Phuldungsei. 6)W. Phaileng. 7)Dinthar. 8)Damparengpui. 9)Tupuibari-I. 10)Hruiduk. From each of the selected villages 10 poor families whose names appeared in the list of BPL Census 2002 published by the Directorate of Rural Development Department of Mizoram were again randomly selected. For extracting primary data, questionnaires were administered among them personally by interviewing them. The same procedure was applied to the other study area, which is Lawngtlai District. From this District, the Rural Development of Chawngte was selected, and the households of the ten villages so selected were then again interviewed for extracting primary data. The ten villages are: 1)Kamalanagar-I. 2)Udalthana. 3)Mondirosora. 4)Montola. 5)Damdep-I. 6)Parva-I. 7)Longpuighat. 8)Kamalanagar-II. 9)K'nagar-III. 10)Ajasora.

Besides, a total of Village-level representatives of the people, the members of Village Councils, of the study areas were also interviewed. Any one of such members, either the president or the secretary of the Village Council was interviewed as per convenience. The Block Development Officers of the two Districts were also interviewed about the working of the poverty alleviation schemes so as to make information collected from other sources mutually corroborative.

The period of study for the present endeavor is twelve months, or one year. In particular, for getting income data of households who make their living by means of subsistence agriculture, the yearly data are taken into account. The people in this category receive their income mainly in the form of their produce, and they receive them only after the crops are harvested, be it vegetables or food grains. Hence, it is proper to solicit the yearly value, not the weekly or monthly value of their produce as representing their income. Such method enables us that, even if incomes are not received year long, such as weekly or monthly, the monthly or weekly value can certainly be found by dividing the annual value into twelve or fifty two equal parts in order to know the monthly or weekly average. Obviously, the expenditure on their past income, or income of the foregoing year is spread or staggered all through the next year. For the whole sample population, the value of monthly household consumption on food and other items is mixed with annual consumption taken as monthly average on non food items, so as it resembles the method of Mixed Reference Period Method (MRPM)⁹. Primary data on food consumption for the last one week was solicited. Then the monthly consumption on other non-food items was asked. The expenditure on clothes, travel and conveyances and other miscellaneous items like medicines are collected on the yearly basis. The reference year was then March 2007 to April 2008. Details of information on economic and social attainments, for example, possession of land, housing, durables and educational achievement etc can be accurately extracted in retrospect, of a period of one year preceding the survey, but it is difficult for

⁹ The MRPM was applied by the NSS since the 55th Round of Household expenditure Survey, which the Planning Commission used it as basis for Poverty estimate in 1999-2000.

people in villages to keep exact account of their income or expenditure beyond a year and hence, for a period longer than one year it is doubtful that meaningful data on consumption and income can be extracted. Although the sample in each of the districts consists entirely of poor households or poor families belonging to the official list of BPL families, there is still the need to construct a Income Poverty Line or consumption poverty line because, other statistical dimensions of poverty like the Poverty Gap Ratio, the Income Gap Ratio, and Intensity Index, the Sen Index and the Foster, Greer, Thorbecke Indices would then be calculated on the basis of the Poverty Line.

1.5.2 Poverty Line:

The Poverty Line is constructed by adopting two models. The first one is done with the consideration of basic minimum needs, based partly with the Rowntree model and the NSS 61st Round of Survey. The basic needs selected are food, non-food, clothing, housing or Shelter. Each such selected item of necessity and the required amount is converted in terms of money.

For the minimum **Food consumption** standard, the norm of minimum cereal consumption of 11.6 kgs per capita per month, recommended by the Indian Council of Medical Research (ICMR)¹⁰ is taken into account. This Minimum cereal Consumption is converted in money term by applying the PDS price of rice per kilogram (Rs.6.15 for BPL families)¹¹ for 75 per cent of their consumption, and for valuing the remaining 25 per cent of their consumption, the market rate of Rs.12 per kg is

¹⁰ Datt, Ruddar & KPM Sundaram (2007): Indian Economy. S.Chand & Company, Delhi pp 512-513

¹¹ Vanglaini, Mizo Daily, Vol-XXIII. No .63 Dt. 19th March.2008

used. The required expenditure for Cereals is added with other items of food expenditure. These include Cooking oil, Vegetables, Meat, Sugar, Pulses, and Potato. The total of the minimum food consumption per capita per month is Rs.242.4.

Non-food items consist of House rent, Gas and fuel, (as an item of Fuel, firewood is obtained free of cost in rural areas of Mizoram, and does not constitute an important part of the monetary expenditure), education expenses, electricity, Soap and Detergents, Pan and tobacco, medicines, social and religious expenditure, travel and conveyance etc. The monthly per capita consumption requirement on non-food items is Rs.90. It is disclosed here that the value of expenditure on Pan and tobacco are excluded for the calculation of the minimum requirement of expenditure, although expenditure information on them is sought, because these items rather than contributing to health are contradictory to ‘maintenance of merely physical efficiency’¹².

Clothing is kept under a separate item of basic necessities. For Clothing, each person is required to have more than one pair of clothes to stay above the minimum need. The money equivalent of having two shirts, two pants and two pairs of footwear is taken into account. Although it is not necessarily the case that all individuals spend exactly the same amount for clothes, we deduce from their expenditure pattern that the per person minimum expenditure on clothing based on the price prevailing

¹² The phrase used in Rowntree’s definition of Poverty. Townsend, Peter (1974): “Poverty as relative deprivation” in Dorothy Wedderburn (ed) : Poverty, Inequality and Class Structure. Cambridge University Press. p.16

in the study period is Rs 500 per year or Rs 21.616 per month rounded up to Rs 22 per month.

For **Housing** it can be assumed that people can do it with very small expenditure on housing because, housing materials can be obtained free of costs in rural areas. But to build durable and amenable house one has to purchase various industrial products or materials which are of course very costly in rural areas compared to urban areas. We believe it is necessary to spend at least Rupees 10,000 on industrial products like nails and roofing, hinges, and locks. For minimal electricity fitting and connection in the house, at least Rs.2000 has to be incurred. The minimum amount that a household has to spend per year on housing is about Rs.1714.28, and with minimal maintenance of about Rs.150 per annum it has come to Rs.1864.28. The amount of expenditure incurred is divided by the length of period before a new one may be built, normally after seven years. Based on a family of five persons, per capita per month consumption on housing or Shelter comes to a small amount of Rs.31.07 which may be rounded off to Rs.31. Adding up these expenditures on food, non-food, clothing and shelter, we arrive at the poverty line based on the minimum per capita expenditure per month is Rs.405.4 (rounded off to Rs.405 or Rs.4860 per annum. That for a family of five persons works out to Rs.24,300 per annum at current 2007-08 prices.

The value of the basket of basic necessities which was used to calculate poverty line may be presented in Table 2.1 below. It has to be noticed that the value of the basket of goods fixed as minimum consumption is expressed in current 2007-08 prices prevailing in the rural areas that we study.

Table 1.1
Minimum Needs Per Capita Per Month (in Rs)

Food	Non-food	Clothing	Shelter	Total
242.4	90	42	31	405.4

The second process to derive poverty line is simply by updating the national rural poverty line based on the NSS 61st Round (2004-05) which, in absolute amount of per capita MPCE was Rs.327. The Planning Commission used the per family per year income of Rs.20,000 in 1998-99 as rural poverty line¹³. This can also be updated to 2007-08 prices. To do the exercise of updating, we have to make allowance for inflation or price changes. To estimate the price change, the data of 'Gross & Net Domestic Product at Factor Cost by Industry of Origin'¹⁴ at Current Price, and at Constant 1999-2000 prices for six years ranging from 1999-2000 to 2004-05 were used to construct a six year series index of NSDP deflator. After finding out the values of NSDP deflators, a linear trend equation showing the movement of NSDP deflators is again constructed from the six year data. The equation is also used for projecting the index for 2007-08. We did this because the actual figure of Nominal and real NSDP for 2007-08 is not yet available at the time.

Owing to the unavailability of Consumer Price Index for Agricultural Laborer (CPIAL) for the state, the NSDP deflator is the only available and the nearest approximation of price changes. It is also state-specific. However, the possible error is that it may overestimate the current value due to

¹³ Jalihal, K.A et.al (2003): Pragmatic Rural Development for Poverty Alleviation-A pioneering Paradigm. Concept Publishing Company. New Delhi.p.13

¹⁴ Directorate of Economics & Statistics Mizoram, currently unpublished -official document.

inclusion of items not consumed by rural population. Table 2.1 shows the Nominal and Real NSDP of Mizoram from the year 1999-2000 to 2004-05. The Real NSDP is based on the price level of 1999-2000. Based on the information of the two series, we calculated the NSDP Deflators (D_i), from which a linear trend equation is again constructed. This is shown below:

Table 1.2
. Nominal and Real NSDP at 1999-2000 Prices (Rs lakh)
and NSDP Deflators (D_i).

Year	1999- 2000	2000- 2001	2001- 2002	2002- 2003	2003- 2004	2004- 2005	Estimated Values of D_i			
							2005- 2006	2006- 2007	2007- 2008	1998- 1999
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
NSDP (1999- 2000)	30697	146256	155499	191263	176015	183939				
NSDP (current price)	30697	156728	175199	193268	208337	218116				
NSDP Deflator	100	107.16	112.67	101.05	118.36	118.58	121.1	124.4	127.6	98.16

NSDP Deflators are calculated from Nominal and Real NSDP data obtained from Economics & Statistics Department, G.O.M

Table 2.2 below is used to construct the linear trend equation of NSDP deflators which is needed for estimating the deflator value of 2007-08. The trend equation of NSDP deflators is:

$$Y=109.64 + 1.64x$$

Table 1.3
Least-square Table of NSDP Deflators, 1999-2005

Year	x	y	x ²	xy	Trend Value
1999-2000	-5	100	25	-500	101.44
2000-2001	-3	107.16	9	-321.48	104.72
2001-2002	-1	112.67	1	-112.67	108.00
2002-2003	1	101.05	1	101.05	111.28
2003-2004	3	118.36	9	355.08	114.56
2004-2005	5	118.58	25	592.9	117.84
Total	0	657.82	70	114.88	657.84

Using the equation above, the price index for 1998-99 (D_{98-99}) is calculated to be 98.16 and that of 2007-2008 ($D_{2007-08}$) is 127.68, shown in Table 1.2. If we were to use a family annual income of Rs.20,000 in 1998-99 as the poverty line following the Ministry of Rural Development, we can update this poverty line by using the estimated deflator for 2007-08. Thus, we can see that an income of Rs 20,000 in 1998-1999 is equivalent to Rs 26,014.66 in 2007-2008. This may be rounded off to Rs 26,000. We can also use the same index to update rural poverty line: a monthly per capita expenditure of Rs.327 in 2004-05. It is seen that if we take 2004-05 as the base, the index for 2007-08 becomes 107.67 and therefore, the updated figure for the year is Rs.352.08, rounded off to Rs.352.

1.5.3 Secondary Data:

The primary data have been supported by secondary data obtained from various government publications. For secondary data, those covering the period, from 1999-2000 to 2007-08 are used as and where they are relevant. The “BPL

Census 2002” published by the Directorate of Rural Development Department has been used as the principal reference on the number of poor households in both the Districts, as this publication contains the list of households living in poverty. Other publications from which secondary data are obtained are, ‘Statistical Handbook- Mizoram’, published from time to time by the Directorate of Economics & Statistics, and the Census result on ‘Census of India 2001:Final Population Totals’, ‘Provisional Population Totals Paper 3 of 2001’ subtitled ‘Distribution of Workers and Non Workers’ published by the Director of Census, Mizoram. Other publications by the Economics & Statistics Department used as secondary database are the ‘Annual Reports on the Working of RBD Act 1969’, ‘Socio-Economic Review Mizoram 2000-01’, ‘Village Level Statistics of Mizoram 2003’ and the ‘Economic Survey, Mizoram 2007-08’ etc. The present work ubiquitously refers to these publications for getting the data or information on macro parameters like area, population, number of households, literacy level of the districts, health and educational achievements etc of the state of Mizoram.

1.6 Review of Literature:

In undertaking a poverty study, a micro level study or approach to the problem is often more inviting and warranted in order to have deeper understanding of poverty. To quote Griffin and Khan (1978), “Poverty is associated with particular classes or groups in the community, e.g., landless agricultural labourers, village artisans, plantation workers etc. Yet most theories and models are couched in terms of *atomistic households* in a classless society. This neo-classical assumption

is closely associated with the assumption of the universal harmony of interest. We do not believe it is possible to get very far in understanding the problems of the Third World until it is more widely accepted that there are classes in society and that the interests of the various classes often are in conflict”.¹⁵

As corroborated by the above, poverty is visibly associated with caste and social hierarchy in India. This is recognized by the Government and accords reservations for Scheduled Tribes and Scheduled Castes through Constitutional provisions (Art.330, 332, 335, 243T etc). And whether poverty being related to low social status is merely an association or a causal relationship is a matter of deep concern. Because as can be seen till recently social discrimination is raising its ugly head in India despite years after the adoption of the Constitution which resolved to secure to its citizens, JUSTICE, social economic and political and EQUALITY, of status and opportunity.

Bania (1992) while exposing the socio-economic conditions of the Scheduled Castes in Assam wrote that the lower categories had been burdened with unpleasant and unclean jobs and subjected to social disabilities. They had no alternative but to bear with depressing status in society because of their poor economic condition and lack of enlightenment. For hundreds of years, the caste conscious people have continued to persecute their fellow citizens to so many hardships in the way of their physical, moral or mental progress. Several traditions, social conventions and customs have been so clearly formed as

¹⁵ Griffin, K and A.R Khan (1978): “Poverty in the Third World: Ugly facts and fancy models”. World Development 6 (3): 295-303

to leave very little scope for their emancipation. The very rudimentary rights of a human being were denied to them. He further stated that the socio economic problems of the backward communities, the Scheduled Castes in particular are characterized by lack in education, its facilities, absence of ownership of productive resources, extreme dependence for livelihood on agriculture, uneconomic indebtedness and poor participation in secondary and tertiary sectors. Besides, their share in the affairs of the administration both in the State and Union and also in the general economic development projects of the country is still inadequate. As such, their economy is bound to be backward with low per capita income which is attributable to the paucity of productive facilities, capital investment, social and economic infrastructure and of public health facilities¹⁶.

Das (1992) stated that the Scheduled Castes in Assam are at the bottom and socially inferior to all others in the entire community. She also stated that the Scheduled Caste, by and large, are landless agricultural and casual labourers doing menial jobs. Their educational upliftment are kept at bay by the insincere attitude of the implementing authorities and opportunities provided by the government for the Scheduled Castes are not reaching the hands of the real needies for which the economic conditions are still in a shattered state. Even the pre matric and post matric scholarship awarded to the SC students are not given in time and those assistance reach the hands of the students only after their education is complete¹⁷.

¹⁶ Bania, Nandeswar (1992): "Socio-Economic Conditions of the Scheduled Castes in Assam" in G.C.Sharma Thakur (ed): Socio-Economic Development of the Scheduled Castes of Assam. Assam Institute of Research for Tribals and Scheduled Castes. Guwahati. pp.1-25

¹⁷ Das, Mausami (1992): "A step towards Removing Educational Backwardness from Scheduled Caste Society". Ibid pp.43-48

Kamal Das (1992) listed out eleven causes leading to poverty and socio economic backwardness of the scheduled castes of Assam who he said were mostly landless and residing on river banks. According to him, the causes of their poverty are absence of real and sufficient education, Indebtedness which are incurred even for survival and social obligations, outmoded or traditional technique of production or occupation, landlessness which prevents them from following meaningful agricultural production, administrative problem which prevents them getting their rightful share of subsidies and loans, lack of information and communication among the scheduled caste people about different schemes offered by the Government, ineptitude of the Directorate of Welfare of the Scheduled Castes, absence of small scale industries, unemployment lack of dynamism and orientation, lack of social and physical environment like health centres, schools, road and communication¹⁸.

Nambiar (1992) in his study of poor households in Palakkad district of Kerala selected 142 households and grouped the poor population into four categories as Ezhavas, Muslims, SC/ST, Other Hindus and he observed that out of the 142 sample households, there were 60 households who are destitute, the poorest of the poor 22 were from SC/ST i.e 52.38 per cent and 29 households (43.94 per cent) were Ezhavas. He found that the highest incidence of destitution was among SC/ST as 52.38 per cent of total SC/ST households were destitutes. He also observed that the causes of poverty in the district were

¹⁸ Das, Chandra Kamal: "Socio- Economic Problems of Scheduled Caste People and Suggestion for Development". Ibid. pp.49-53

assetlessness, lack of education, dependence on wage income, high dependency per worker, unemployment, and low wages¹⁹.

Gaur (1988) studied the case of poverty in Rajasthan. He selected Bharatpur district and out of that, three tehsils known as Bharatpur, Dholpur and Bari were chosen on random sampling basis. 458 households both from urban and rural areas covering 20 villages and 2 towns constituted the samples. Poverty line was constructed on the bases of 1) Minimum Needs Approach which took into account basic consumption necessities, namely food, clothing and Housing. 2) Minimum Calorie Consumption Method. The Minimum expenditure per capita per month for rural areas and urban areas were found to be Rs 99 and Rs 104.10 respectively. The Minimum calorie requirement, obtained through application of Gopalan's standard was 2845.48 for rural workers and 2506.48 for urban workers. The measure of poverty through calorie requirement approach indicated that 11.13 per cent of the households and 12.05 per cent of the sampled population were found to be below poverty line. On the basis of Minimum Needs Approach, 21.17 per cent sample households or 24.28 per cent sample populations were found to be below poverty line²⁰.

Dewan and Acharya (2005) in their studies of the three districts of Maharashtra –Nandurbar in Khandesh, Yavatmal in Vidarbha and Jalna in Marathwada looked at the ground level situation of most disadvantaged sections like Scheduled Castes and Scheduled Tribes in the districts getting the lowest development ranking. Dewan and Acharya presented

¹⁹ Nambiar, A.C.K (1992): Rural Poverty, Problems and Prospects. Ashish Publishing House. Delhi

²⁰ Gaur, Keshav Dev (1988): Extent and Measurement of Poverty in India. Mittal Publications. Delhi.

livelihood perspective for viewing poverty in its societal and environmental contexts. Dewan noted that income levels are abysmally low in Nandurbar. It is only Yavatmal that provides an annual income per capita of Rs 10,000 to its residents. The working condition of brick industry labourers in Yavatmal and that of Nandurbar reveals harsh livelihood conditions. Low wages, unfavourable working conditions especially for women, high unemployment, traditional method of agriculture and sub-optimal land use, lack of infrastructure in respect of transport, roads, information and communication are prominent among the problems. Lacking secure livelihood and unable to invest in their own education, health and skills, they remain on the periphery as helpless onlookers of development process which bypass them. The major source of livelihood in all selected districts is the primary sector although its contribution to both GDDP and NDDP is either low or declining. Literacy rates in the selected districts are much lower than the state average and there are wide gaps between male and female literacy. Regarding health, Dewan reported under nutrition and water unfit for drinking have emerged as the major reasons for the widely publicized death of children in both Nandurbar and Yavatmal²¹.

It can be argued that environmental degradation accentuates rural poverty but at the same time, it is also argued that poverty is a cause of environmental degradation. Chattopadhyay (2004) studied the linkage between poverty and environmental degradation by selecting six districts of the

²¹ Dewan, Ritu and Sarthi Acharya (2005): "Creating Livelihood for The poor, Lessons from Maharashtra" in V.M. Rao: Poverty Reduction in an Elite Driven Democracy: The Case for India. Daanish Books. New Delhi.

coastal zone in Kerala. By assigning Low, Medium and High Ranking to the districts on ecology based on conservation and management, nature of threat, regional habitat unit's quality, and comparing the ecological ranking with poverty which is also classified as Low, Moderate, and High, he found that Kunnur district which is ecologically high ranking has the lowest incidence of poverty. Allapuzha district with ecological condition rated at Medium has recorded high incidence of poverty. But at the same time, he emphasized that this spatial association is not necessarily due to cause-effect relationship as the underlying factors causing poverty and environmental degradation may be entirely different. It was also observed that many of the panchayats in the selected districts with relatively stable ecological condition have high incidence of poverty and his finding suggested that the relation between poverty and environmental degradation is not direct and that factors contributing to environmental degradation and those causing poverty are not necessarily the same²².

Touching upon poverty scenario in North East India, Sengupta (2000) gave a comparative picture of poverty for the seven states. Instead of using per capita income or per capita consumption on food, clothing, shelter or even education, she chose the following indicators as unemployment, government expenditure per head on health services, education and other services, per capita availability of doctor, hospital, and literacy rate. It was argued that these indicators offer better comparability than the use of per capita private expenditure and

²² Chattopadhyay (2004): "Poverty and Environmental Degradation in Selected Areas of Kerala Coast" in Surya Kant et.al (eds): Reinventing Regional Development. Rawat Publication. Jiapur and New Delhi. pp. 377-394

income. The study was attempted to focus attention on the extent and level of poverty of the various constituent units of the North Eastern Region. The study analyzed the scenario with the situation as was prevalent in 1991 so as to capture the essence of the extent of poverty of the states of the region. The study revealed that unemployment was the highest in the states of Assam followed by Tripura despite the fact that Assam had one of the lowest rates of population growth. It was stated that high growth of population was attributed to high unemployment in Tripura but not in Assam as Assam had reached the saturation level as far as employment generation was concerned. Thus using unemployment as an indicator of poverty, health services in terms of hospitals and doctors is the poorest in Assam and that the position of other hill states seemed to be relatively better, but things may go out of hands unless steps are taken to control the growth rate of population. And using the per capita expenses by the government on health services the study revealed that health services in terms of hospitals and doctors were the poorest in Assam. Consequently the state also registers the highest death rate in the region. Mention was also made about the highest death rate being recorded In Arunachal Pradesh for the year 1991 which could be due to poor medical facilities warranted by the lowest per capita expenditure on health, though the state as relatively better off in terms of the number of people served by hospitals and doctors which could be due to the sparse population of the state. Analysing similar data for the state of Tripura, it was found that the indicators of health services for the population were not too encouraging. Further, it was also argued that investment in education is an important factor which is left in the hands of the government

and it has tremendous potentiality to determine the quality of life available to the masses. It was revealed that Assam had the lowest per capita expenditure on education followed by Manipur and Meghalaya. Consequently the literacy rate in the state too was one of the lowest in the region. It was also highlighted that educational expenditure per head as well as literacy rate was the highest in Mizoram and the state tops the list in terms of employment too. This prompted her to conclude that there is a positive correlation between expenditure on education, literacy rate and the employment rate²³.

A direct fallout of poverty is the poor condition of living and shortage of houses giving rise to slums and unhygienic living conditions and increasing the misery of the poor and mostly associated with urban poverty rather than with rural poverty, the cases of which were most acute in Assam followed by Tripura. Judging from the selected indicators as revealed by the trend, Assam emerged as the most poverty stricken state followed by Tripura. The study also highlighted the fact that Assam spent the lowest amount of money per person both in terms of state Plans as well as Central assistance followed by Tripura and this was suggested as the possible cause of prevalence of poverty. But a disturbing observation was that Arunachal Pradesh despite having the highest per capita expenditure on social services continues to be a poverty stricken state and it had the highest death rate, and also lowest literacy rate. On the other hand such variations showed a favourable trend both for Mizoram and Nagaland, the states

²³ Sengupta, Keya (2001): "Current Status of Poverty and its determinants in the North Eastern Region" in B. Datta Rai et.al (eds): Population, Poverty and Environment in North East India. Concept Publishing Company. New Delhi.

which are most favourably placed in terms of indicators of poverty measurement. It was again observed that as far as other hill states of the region are concerned, the position of Meghalaya and Manipur seems to be disturbing. In Mizoram and Nagaland, the level of poverty may increase in the future if the growth rate of population is left uncontrolled²⁴.

Satapathy (1991)²⁵ studied the case of poverty among the marginal farmers in Orissa. He selected two villages, Kakesing and Hatapur of Ganjam district the first of which is unirrigated and the latter is irrigated. Data relating to 1988-89 crop season were collected from the two villages to form primary data. Out of the two villages, a random sample of marginal farming households was selected. 17 households were from Kakesing and 16 households were selected from Hatapur. The socio-economic status of the households regarding the household size and working members was surveyed from the households and it was found that the household size was larger in irrigated village of Hatapur than that of the unirrigated village of Kakesing. The number of working family members was found to be larger in the unirrigated village. He stated that although marginal farmers category includes all holdings below one hectare, yet in Orissa scene, the holding size on an average is hardly 0.5 hectares only. And because of the tiny size of their holding and its uneconomic nature, they do turn to landless labourers. He observed that because of the low level of employment and low income and poor scope of alternative

²⁴ *ibid*

²⁵ Satapathy, Dr.T (1991): "Marginal Farmers in Orissa: Aspects of Unemployment and Poverty" in Baidyanath Misra (ed) *Poverty, Unemployment and Rural Development*. APH New Delhi pp 19-35

avenues of employment, the marginal farmers lie much below the poverty line.

An unpublished Ph.D research entitled “Levels and Patterns of Living in Rural Mizoram: A case study of Lunglei District” was done by C.Lalmuankima²⁶ The study had as the objectives i) to ascertain the incidence of absolute poverty and relative poverty in Lunglei District ii) to estimate the extent and magnitude of both absolute poverty and relative poverty in the rural villages of Lunglei District iii) to assess the consumption and living patterns of the people in the study area and iv) to suggest suitable policy measures to combat the twin problems of rural poverty and unemployment. Out of the existing four Rural Development Blocks, three villages were selected from each of the rural development blocks, making up a total of twelve sample villages. In order to obtain primary data, a brief structured schedule covering a household’s level and sources of income during the 365 days preceding the time of survey, and the pattern of consumption during the last 30 days was ‘canvassed’ by him with the help of a trained and experienced investigator. Poverty line used for the study was based on the Planning Commission’s figures. It was stated that one of the main objectives of this study was to estimate the level and extent of the incidence of both absolute and relative poverty at the village, rural development block, and district levels in the Lunglei District of the state of Mizoram for the year 1997-1998. This can be taken to mean that the reference year was 1997-98. It was again stated that the Planning Commission defined the Poor as those households whose

²⁶ Lalmuankima, C: Levels and Patterns of Living in Rural Mizoram. Unpublished Ph.D Thesis submitted to NEHU.

average monthly income per head of the family as less than or equal to Rs 280.70. Based on this PC figure and taking the average household in Mizoram to consist of 5 persons, the Poor household was defined in the study as those receiving an annual income of less than or equal to Rs 17,000. Poor Households were further classified into four categories as: i) 'Destitute' households- those receiving Rs 6016 or less annually, ii) "Very Very Poor" households- those receiving an income of more than Rs 6016 but less than Rs 9297 annually, iii) "Very Poor" households- those receiving an income of more than Rs 9297 but less than Rs 12,750 annually, and "Poor" households- those receiving an income between Rs 12,751 to Rs 17,000 annually. Following this classification, it was observed that 'Destitute' households constituted 8.77 per cent of the sample households. 'Very very poor' households made up 18.04 per cent of the total sample level. 'Very Poor' households constituted 32.48 per cent and 'Poor' households constituted 40.71 per cent. Block-wise comparison of Poverty Indices was also given. Such indices used were: Mean Annual Income of the Poor, Gini Coefficient, Poor's Head Count Ratio, Poverty Gap Ratio, Modified Sen's Poverty-Gap Ratio, Distance of Poor's Mean Annual Income from the Poverty Line, and percentage of Households in the "Poor" category and, percentage of households in the "Poorest" category. The comparative table however showed only the lowest and the highest scores in each of the so called poverty indices.

'Rural development in Mizoram' by Kalpana Das (2004) is based on her Ph.D thesis²⁷. This publication deals

²⁷ Das, Kalpana (2004): Rural Development in Mizoram. Mittal Publications. New Delhi.

mainly with the working of IRDP in Mizoram as the poverty alleviation programme. The area of study for getting primary data in this work was the Aizawl District and the reference year was not specifically reflected. Out of the twelve rural development blocks in the District, three were selected for the purpose of IRDP beneficiary survey. From out of the three rural development blocks, one village each was selected. These villages were: i) Sihphir South, of Tlangnuam RD Block ii) Seling, of Thingsulthliah RD Block and iii) Sateek, of Aibawk RD Block. It was candidly stated that these have been chosen on convenience sampling method. From each of the three villages so chosen, 15 IRDP beneficiary households each were selected making the total sample size of 45 only. Among other things the study surveys the existing rural development programmes in Mizoram covering both the state-initiated and centrally sponsored programmes. It also outlines the administrative and procedural dimensions of IRDP and presents a detailed account of the actual working of IRDP's administrative set-up, along with the implementation process in Mizoram. Other important dimensions such as the beneficiary participation and beneficiary-administration interface, the role of voluntary organization for organizing beneficiaries, and the perception of the grass root bureaucracy regarding obstacles to the implementation process, suggestions for improvement of the working of IRDP etc are dealt in this publication.

Inflation reduces the purchasing power of the people as a whole, but the poor are the worst sufferers. A study of the

working of Public Distribution System was done by Zonunthara²⁸ who selected Aizawl district for the study area. His study revealed that PDS system in Mizoram is instrumental in checking or preventing the prices of food grains from increasing. It was shown by him that as a result of the operation of PDS in the study area, the open market prices of food grains have been stabilized, and therefore, not only the poor alone, but also the non-poor are benefited by the system of PDS. That is, the external economy of the system is enjoyed by all sections of the society. The benefit of stable prices of food grains was generalized to apply to all parts of the state.

1.7 Objectives of the Study:

The present study is conducted with the following objectives:

1. The study attempts to establish the link between income of the household units and the type of employment, the status of employment etc.
2. The study tries to find out the economic role that the forests and natural environment play to the rural poor.
3. To examine the effect of education on poverty.
4. To examine the role that Village Council plays among poor families.
5. To examine the role that Government plays towards poverty alleviation and employment.
6. To examine the level of living, health and sanitation, and find out the linkage between these

²⁸ Zonunthara (2001): The Working of Public Distribution System in Mizoram. Unpublished Ph.D Thesis submitted to North Eastern Hill University, Mizoram Campus.

and diseases, mortality etc and ascertain the common diseases among the poor.

7. To classify the main economic activities, and consumption pattern among the poor.
8. To examine rural-urban connection in matters of employment, migration.
9. To examine the level of community participation among the poor.

1.8 Hypotheses:

The following hypotheses are conjectured which are to be substantiated by empirical findings or results of the study:

1. The low level of employment in rural areas generates poverty.
2. There a high level of inequality in income and consumption among the poor.
3. The proportion of income spent on food is high among the poor.
4. Illiteracy and poverty are positively correlated.
5. Rural poverty leads to rural-urban migration.
6. There is incidence of Capability poverty in the rural areas.
7. The Government poverty alleviation programmes are carried out effectively and they are instrumental in alleviating poverty.

CHAPTER-II

THE CURRENT SOCIO-ECONOMIC SCENARIO OF MIZORAM

2.1 Geographic Location, Area and Topography:

It is felt necessary that first, a geographic location description is needed, given the fact that the State is remote, small, and also young. Mizoram is a state which is situated in North East India. It is bordered by Myanmar in the East and Bangladesh in the West. The State is located between the Longitude degrees of 92.15 East and 93.29 East, and between the Latitude degrees of 21.58 North and 24.35 North.¹ The States of Assam, Manipur and Tripura are its immediate neighbours in the North. The total geographical area of the state is 21,081 square kilometers, which consists entirely of ranges of hills in a North- South direction. As a consequence of its hilly and rugged terrain, there is considerable inconvenience in building physical infrastructures. Road transport is the principal means of transport because there is considerable inconvenience in building railway tracks. The rivers are not navigable for ships. Roads and buildings have to be constructed on steep hill slopes especially in Aizawl, which is the capital city of the State. Mizoram's strategic location, on account of its sharing of international boundaries with Myanmar and Bangladesh, makes it a potential international trade point. However, in view of the current condition of the infrastructure and the poor economic and political relations between India and the neighbouring

1. Directorate of Economics & Statistics Mizoram: Socio-Economic Review 2000-01. Mizoram at a Glance p.2

countries, its location does not have any economic role to merit domestic and international interest.

2.2 Population, Growth, Density and Sex Ratio of the State:

Mizoram has a population of 888,573 as per the Census record of the year 2001. The Scheduled Tribe population in the state was 839310 i.e. 94.45 per cent of the total population of the state. The Scheduled Caste population was only 272. The population consists of 459,109 males and 429,464 females,² by which the sex ratio works out to be 935 females per 1000 males. The density of population as compared to other major states of India is still very low. Stated otherwise, the population is thinly distributed as compared to other states. The density of population in the state as per the latest Census is 42 per square kilometer.

However, the decennial growth rate of population of the state during the period 1991 to 2001 was 28.82 per cent, which works out to be around 2.8 per cent per annum. The growth rate of population of the state has been higher than the national average in the past decade. The population growth since 1901 and up to 2001 Census, showing the male-female break up of population and the decadal variation of population in percentage is given by the following table (Table 2.1) below:

² Director, Census Operations Mizoram: Series -16 Mizoram : Census of India 2001. Final Population Totals.

Table 2.1:
Population Trend in Mizoram 1901-2001

Sl.No	Year	Male	Female	Total	Decadal Variation %
1	1901	39,004	43,430	82,434	x
2	1911	43,028	48,176	91,204	10.46
3	1921	46,652	51,754	98,406	7.90
4	1931	59,186	65,218	124,404	26.42
5	1941	73,855	78,931	152,786	22.81
6	1951	96,136	100,066	196,202	28.42
7	1961	132,465	133,598	266,063	35.61
8	1971	170,824	161,566	332,390	24.93
9	1981	257,239	236,518	493,757	48.55
10	1991	358,978	330,778	689,756	39.70
11	2001	459,109	429,464	888,573	28.82

Source: Statistical Handbook Mizoram 2006. Table 1.1, p.1

2.3 The Spatial (District-wise) Distribution of the Population:

Since the area is hilly, the topography is not so much suitable for comfortable and heavy concentration of population in one locality and, also because the traditional system of occupation continues to be the mainstay for a large section of the society, the State has as many as 707 inhabited villages and 22 towns.³ The total number of households in the state is 176,134. Consequent upon the internal reorganization of the state in 1998, it now has eight districts carved out of the

³ Director, Economics and Statistics Mizoram: Statistical Handbook 2006

erstwhile three districts. The total population in the 22 notified towns is 441,006⁴ and the rest 447,567 is distributed in the 707 villages which indicate that the average population in the villages is about 633. This again indicates that the distribution of population between rural and urban areas is 50.37 per cent and 49.63 per cent respectively. This indicates that the state is highly urbanized. The heaviest concentration of population is in Aizawl with a population of 228,280⁵. A quarter of the whole population of the state (or 25.69 per cent) lives in this city alone. This is in contradiction with the earlier statement that the topography is not suitable for comfortable and heavy concentration of population in one locality. As a result therefore, within the capital city where there is the heaviest concentration of population, there are serious civic problems in respect of water supply, power supply, buildings, road traffic, sewerage, solid waste disposal, etc, and these systems have actually gone haywire, basically because of population pressure and unplanned settlement beyond the topographical limit. It seems as though the sparse distribution of population over so many villages is no worse an option than the high urban concentration of population for a hilly state.

The distribution of population of the State among the eight districts is as follows. Mamit 62,785; Kolasib 65,960; Aizawl 325,676; Champhai 108,392; Serchhip 35,520; Lunglei 137,223; Lawngtlai 73,620; Saiha 61,056.⁶ This is shown by

⁴ Director, Census Operations Mizoram: Series -16 Mizoram Census of India 2001 Final Population Totals.

⁵ Ibid

⁶ Ibid

Table 2.2 as below; the last three columns of the table are calculated from the source:

Table 2.2
Percentage of Population, Density and Sex-Ratio of Districts in Mizoram.

District	Population	Percentage Population	Density	District Sex-Ratio
Mamit	62785	7.07	20.76	896.02
Kolasib	65960	7.42	47.73	908.45
Aizawl	325676	36.65	86.70	951.59
Champhai	108392	12.20	34.03	944.04
Serchhip	53861	6.06	37.90	967.16
Lunglei	137223	15.44	30.25	921.84
Lawngtlai	73620	8.29	28.79	898.60
Saiha	61056	6.87	43.64	954.29
Mizoram	888573	100	42	935

Source: Statistical Handbook Mizoram, 2006, Table 1.3.p4

The highest number of the population of the state is found in Aizawl district. The next is in Lunglei district which is again followed by Champhai district. Serchhip district has the fewest number of populations which is attributable to the small geographical coverage of the district. It is seen from the table above that Mamit district has the lowest density of population and Lawngtlai district has the next lowest density of population among the eight districts. A district-wise number of households and population, also showing the area (in Square kilometer), and the number of population in the age group of 0 to 6 years, of each district is given by the table below:

Table 2.3.
District wise Number of Households and Population

State/ District	Area(in Sq.k m)	No.0f House hold	Population			Population of 0-6 age group		
			P	M	F	P	M	F
1	2	3	4	5	6	7	8	9
Mizoram	21081	176134	888573	459109	429464	143734	73176	70558
Mamit	3025	12253	62785	33114	29671	11170	5767	5403
Kolasib	1382	14053	65960	34562	31398	10566	5356	5210
Aizawl	3576	64753	325676	166877	158799	46223	23428	22795
Champhai	3185	22059	108392	55756	52636	18433	9347	9086
Serchhip	1421	10116	53861	27380	26481	9108	4605	4503
Lunglei	4536	27889	137223	71402	65821	23052	11748	11304
Lawngtlai	2557	13902	73620	38776	34844	13991	7219	6772
Saiha	1399	11109	61056	31242	29814	11191	5706	5485

Source: Statistical Handbook Mizoram 2004, Table No 1.3 p.2

2.4 Work Participation, and Occupational Distribution:

The economic activities of the State can be readily seen from data available on the distribution of workers and non-workers. The total worker population in Mizoram is 469,597, out of which there are 363,858 main workers and 105,739 marginal workers and 421,461 non-workers⁷. With this the work participation rate was 52.7 per cent in 2001.

The economy is largely agrarian as indicated by the share of agriculture in employment. Over half (59.76%) of all workers are Cultivators and Agricultural Labourers (Cultivators

⁷ Director, Census Operations Mizoram Census of India 2001 Series-16 Provisional Population Totals Paper-3 of 2001 Distribution of Workers and Non Workers.

53.9%, Agricultural Labourers 5.85%). As there is a scarcity of plain and irrigable areas of land, a hill-type of cultivation called jhumming is practised by most of the cultivators. This type of cultivation follows a system in which the area of cultivation is shifted every year, leading to continuous deforestation and soil erosion.

The percentage distribution of Total Workers (Main and Marginal) by Category of workers by sex and number of Cultivators per 100 Hectares of Cultivable Land is shown by Table 2.4 below. Workers in the Household Industry constitute 1.4 per cent of the total working population. This category covers industrial activities of manufacturing, repairing, processing, which are undertaken by one or more family-members at home or within the village in rural areas and within the precincts of the house, if the household lives in urban areas. However, an industry run by a joint family of more than 10 persons, where power is used or more than 20 persons, where power is not used, is not treated as a Household Industry. As there is low level of industrialization in the State it is probable that a large proportion of the workers in the Secondary sector of the State are represented by this proportion. It is relevant to mention here that the total number of small scale industries units registered in the state up to 31st March 2006 was 1742 and no record of registered large and medium industry is available.⁸

⁸ Director, Economics & Statistics Mizoram: Statistical Handbook 2006 Table 9.1

Table 2.4.
Percentage Distribution of Total Workers (Main and Marginal)
by Category of Workers by sex and Number of Cultivators. Per
100 Hectares of Cultivable Land.

State/District	Persons Males/ Females	Total Workers (Main+ Marginal)	Percentage of Total Workers (Main+Marginal)				
			Cultiva tors	Agri Cultu Ral labors	Workers in Househol d industry	Other Workers	Cultivators Per 100 hec Of cultivable Land
1	2	3	4	5	6	7	8
MIZORAM	Persons	469597	53.91	5.85	1.4	38.83	NA
	Males	264162	48.77	4.93	1.2	45.11	NA
	Females	205435	60.52	7.05	1.66	30.77	NA
Mamit	Persons	35369	55.59	5.13	0.18	38.46	NA
	Males	19647	52.76	4.45	0.92	41.87	NA
	Females	15722	59.14	5.99	0.67	34.20	NA
Kolasib	Persons	32388	58.42	9.35	1.13	31.09	NA
	Males	18577	55.16	6.79	1.33	36.72	NA
	Females	13811	62.80	12.8	0.87	23.53	NA
Aizawl	Persons	172111	33.03	4.53	1.81	60.62	NA
	Males	99365	28.93	3.72	1.59	65.76	NA
	Females	72746	38.62	5.64	2.12	53.6	NA
Champhai	Persons	63002	69.73	10.86	0.94	18.48	NA
	Males	33091	66.49	9.97	1.04	22.5	NA
	Females	29911	73.31	11.84	0.83	14.02	NA
Serchhip	Persons	34351	74.45	4.24	2.2	19.1	NA
	Males	18316	69.08	4.02	1.19	25.72	NA
	Females	16035	80.59	4.5	3.36	11.55	NA
Lunglei	Persons	71770	64.38	3.87	0.78	30.97	NA
	Males	40899	57.33	3.15	0.74	38.76	NA
	Females	30871	73.7	4.83	0.81	20.66	NA
Lawngtlai	Persons	33685	70.77	7.03	1.9	20.3	NA
	Males	19395	62.25	6.49	0.75	27.51	NA
	Females	14290	78.25	7.77	3.46	10.51	NA
Saiha	Persons	26921	67.55	5.19	0.92	26.34	NA
	Males	14872	58.55	3.99	0.96	36.5	NA
	Females	12049	78.66	6.66	0.87	13.8	NA

Source: Directorate of Census Operation, Mizoram: Series16. Provisional Population Totals. Paper-3 of 2001-Distribution of Workers and Non Workers. Statement-8, p.36

All the remaining workers, not falling in the Category of Agricultural Labourers, Cultivators or Household Industry are treated as 'Other Workers.' All government employees, teachers, factory workers, plantation workers, persons engaged in trade, commerce, business, transport, banking, mining, political or social workers, priests, entertainment artists etc fall in this category. As many as 182,370 workers or 38.83 per cent of the total workers of the State are in this category.

2.5 Sector-wise Composition of the State Domestic Product:

If the distribution of workers in such economic categories or employment-share according to such categorization does not reveal an adequate picture of the economy, recourse to the standard classification of the economy by sectors and their respective contribution to the Net State Domestic Product may confirm the economic structure of the State. It can be seen from the table that, while comparability in the data about the growth of the State Domestic Product is weak because of the nature of the data (in current prices), there is one certain comment we can make about the NSDP and that obviously is about the changes emerging in the nature and composition of the State Domestic Product. Such changes have an important bearing on economic thought as they partly or wholly reflect the state of discharge of labour by the agriculture and the absorption level by the industry and services sector, which may be termed as the non-farm sectors. The NSDP at factor cost, at current prices from 2000-01 to 2003-04 is shown

in the table below (Table 2.5). The sector-wise distribution of the State income shows that the Primary sector contributes 21.12 per cent, whereas the Secondary sector contributes 15.74 per cent and the Tertiary sector (Services sector) contributes 63.14 per cent in 2003-04 (Table 2.6).

The Net State Domestic Product is estimated by the Department of Economics & Statistics in Mizoram. The methodology applied for the estimation on NSDP is in conformity with that of the concept coverage recommended by the Central Statistical Organisation (CSO), Government of India. Since 1999-2000, the Department has been publishing the NSDP of the state both at current and base year prices, with the base year selected at 1999-2000. Before this, all measures of the NSDP were in nominal or current prices and no meaningful comparison of the year to year increase in the data could be made. Up to now, various information or data on NSDP for the year 2005-06 (Provisional), and for 2006-07 (Quick estimate), and for 2007-08 (Advance estimate), with the base year of 1999-2000 can be available in up-to-date publications of “Statistical Abstract” and the “Economic Survey-Mizoram” etc.

The Net State Domestic Product of Mizoram at factor cost by industry of origin 1980-81 series is available. The NSDP at current prices was Rs.6218 lakh in 1981, Rs.30560 lakh in 1991 and the per capita NSDP in these two time points was Rs.1289 and Rs.4474 respectively⁹.

⁹ EPW Research Foundation (2003): Domestic Product of States of India 1960-61 to 2000-01. Annexure III Mizoram. P207

Table 2.5
. Net State Domestic Product at Factor Cost by Industry of
Origin at Current Prices (1999-2000 series)

S1 No	Sector	2000-01	2001-02	2002-03	2003-04
A	Agriculture & Allied Sector				
	1. Agriculture	31292	36814	37615	38906
	2. Forestry	1096	1239	1340	1108
	3. Fishing	1616	2405	2411	2714
B	Industry Sector				
	4. Mining & Quarrying	195	387	195	914
	5. Manufacturing				
	5.1 Registered	597	688	695	702
	5.2 Unregistered	1112	1016	1015	1202
	6. Construction	15449	19469	22120	24745
	7. Electricity, Gas & Water Supply	5431	4187	4229	4291
C	Services Sector				
	8. Transport, Storage & Communication				
	8.1 Railways	14	16	29	31
	8.2 Transport by other Means	907	1185	1214	460
	8.3 Storage	58	61	57	59
	8.4 Communication	619	573	985	943
	9. Trade, Hotel & Restaurants	14013	16398	16382	17742
	10. Banking & Insurance	4403	4390	7090	7924
	11. Real Estate, Ownership of dwelling & Business services	27265	30692	34665	40854
	12. Public Administration	24832	27936	33915	33351
	13. Other Services	24870	25202	24808	26370
	Total NSDP (Rs in lakhs)	153769	172658	188765	202316
	Mid-year population '00(projected)	8792	9017	9249	9486
	Per capita Income (Rs)	17489	19148	20409	21327

Source: Statistical Handbook, Mizoram-2006 Table 22.1 p.86

Table 2.6
Sectoral Share of NSDP in Percentage

(1999-2000 Series)		At Current Prices			
Sl No	Sector	2000-01	2001-02	2002-03	2003-04
A	Agriculture & Allied Sector	22.11	22.43	21.91	21.12
	1. Agriculture	20.35	21.32	19.92	19.23
	2. Forestry	0.71	0.72	0.71	0.55
	3. Fishing	1.05	1.39	1.28	1.34
B	Industry Sector	14.82	14.91	14.97	15.74
	4. Mining & Quarrying	0.13	0.22	0.1	0.45
	5. Manufacturing				
	5.1 Registered	0.39	0.4	0.37	0.35
	5.2 Unregistered	0.72	0.59	0.54	0.59
	6. Construction	10.05	11.28	11.72	12.23
	7. Electricity, Gas & Water Supply	3.53	2.42	2.24	2.12
C	Services Sector	63.07	61.66	63.12	63.14
	8. Transport, Storage & Communication				
	8.1 Railways	0.01	0.01	0.02	0.02
	8.2 Transport by other Means	0.59	0.69	0.64	0.23
	8.3 Storage	0.04	0.03	0.03	0.03
	8.4 Communication	0.04	0.33	0.52	0.47
	9. Trade, Hotel & Restaurants	9.11	9.50	8.68	8.77
	10. Banking & Insurance	2.86	2.54	3.76	3.92
	11. Real Estate, Ownership of dwelling & Business services	17.73	17.78	18.36	20.19
	12. Public Administration	16.15	16.18	17.97	16.48
	13. Other Services	16.18	14.60	13.14	13.03
	Total	100.00	100.00	100.00	100.00

Source: Statistical Handbook-2006, Table 22.2 p 87

Gross State Domestic Product (GSDP) at factor cost in 2006-07 was shown to have grown at 7.50 per cent over the previous year and in 2007-08 the rate of growth over the

previous year is at 6.74 per cent. The overall growth rate of 6.74 per cent in GSDP during 2007-08 has been mainly due to the growth rate of over 8 per cent in the sectors of financing, insurance, real estate, business services, community, social and personal services¹⁰.

The share of agriculture in the NSDP has been more or less stable at around 21 per cent. It does not show any significant change during the four years from 2000-01 to 2003-04. It can be seen, however, that the non-farm sectors, Industry and Services, together contribute the largest part of the NSDP. This surprisingly larger share of the Tertiary sector towards the generation of NSDP may not be appropriately taken to indicate the later stage of development as falling in line with the Fisher-Clark Theory of economic transition. A more accurate interpretation of this fact may be given by the existence of a comparative advantage in human resources as indicated by the high literacy percentage, and its contribution in Government services, in the wake of continuing public sector expenditure and employment, and a high urban-rural ratio of population and growing urbanization. As such the small economy is seemingly dominated by the Service sector. The Tertiary sector, Transport Storage & Communication, contributes Rs 1,768 lakh. Trade; Hotel and Restaurant contributes Rs 13,532 lakh; Banking and Insurance Rs1,902 lakh; Real Estate, Ownership of Dwellings

¹⁰ Planning & Programme Implementation Department, GOM: Economic Survey Mizoram 2007-08

and Business Services Rs 18,389 lakh; Public Administration Rs 22,899 lakh; Other Services Rs 22,360 lakh.¹¹

A large proportion of the workforce being engaged in Agriculture and a small share of income being contributed by the Primary sector indicates low agricultural productivity, which raises serious doubts about the sustainability of the economic foundation and about long term development. It can also be inferred that, as the smaller number employed in the Tertiary sector contributes the largest share of the Net State Domestic Product and, as there is a low level of industrialization, there is a strong likelihood of income disparity, and income flows at large may behave so as to bypass the rural population, who are mostly engaged in the Primary sector.

2.6 Education, Literacy, and School Enrolment:

Mizoram has a satisfactory record of literacy as indicated by the latest Census 2001. With literacy rate of 88.89 per cent,¹² the state has come next only to Kerala among the states of the Indian Union. This has created a favourable and positive effect towards development of the society as it is well known that literacy has various functionalities for human development. The importance of education can hardly be exaggerated as we observe from various literatures that countries which neglect investment in people generally lag

¹¹ Economic and Political Weekly Research Foundation (2003): Domestic Product of States of India 1960-61 to 2000-01

¹² Director, Census Operations Mizoram: Series -16 Mizoram Census of India 2001 Final Population Totals.

behind in other areas of development. In this regard, the statement given by Brundtland that “Countries that do not put their own people first will pay dearly and lag even further behind”¹³ is a clear and convincing pointer especially to the developing world with regard to making policies and strategies of development. It is also clearly visible to a particular state that education is an extremely important area from which various economic and social evils and poverty can be effectively addressed.

If it is indicative that development of elementary education is instrumental and effective means to improve literacy, then educational infrastructures in adequate numbers have to be set up and properly maintained and adequate number of teaching personnel has also to be ensured. In the year 2005-06, Mizoram has a total of 1688 Primary Schools, including government and private establishments. There are as many as 1121 Middle Schools, 484 High Schools and 75 Higher Secondary Schools. The total number of enrolment in Primary Schools in the same year was 132,046. The enrolment data for Middle Schools in the same year was 88,044. In High Schools, 41,610 were admitted and in Higher Secondary Schools, the enrolment was 10,555. The table below Table 2.7 shows enrolment of students and Number of teachers in Mizoram.

¹³ Gro Harlem Brundtland, Prime Minister of Norway (2003) in a ‘Foreword’ to Else Oyen et.al (eds) Poverty ,A Global Review.

Table 2.7
No. of Educational Institutions, Teacher & Students in
Mizoram.

Sl No	Name of Institution	No. of Institutions		No. of Teacher		Students	
		2004-2005	2005-2006	2004-2005	2005-2006	2004-2005	2005-2006
1	University	1	1	134	159	386	414
2	Colleges(includingLawCollege)	25	25	663	663	6681	7964
3	Training Institutions						
	1) Polytechnic, Lunglei	1	1	17	17	298	318
	2) Women Polytechnic, Aizawl	1	1	8	8	182	205
	3)College of Teacher Education	1	1	14	14	108	106
	4)Industrial Training Institute	1	3	49	49	270	275
	5) DIET	2	2	39	39	188	204
	6) Mizoram Hindi Training College	1	1	8	8	54	75
4	Higher Secondary School	67	75	845	854	10283	10555
5	High School	452	484	3592	3700	43161	41610
6	Middle School	939	1121	6663	7983	56038	88044
7	Primary School	1481	1688	4983	5210	102807	132046

Source: Statistical Handbook, Mizoram-2006, Table-16.1 p.60

It can be seen from the table above that in the year 2005-06, the teacher-pupil ratio was 1:25.34 for primary schools, 1:11.03 for middle schools, 1:11.24 for high schools and 1:12.36 for higher secondary schools. Another important consideration about the educational profile of the state is the sex distribution among school children. It is important to see

whether there is equal opportunity of education between both the sexes by looking at state-wide data. The table below shows the distribution of boys and girls among students:

Table 2.8
Class-wise Number of Students
(Below degree level)

Sl No	Class	2004-05		2005-06	
		Boys	Girls	Boys	Girls
(1)	(2)	(3)	(4)	(5)	(6)
1	Class-XII	2781	2719	2449	2189
2	Class-XI	2498	2285	3038	2879
3	Class-X	6206	6618	5651	5879
4	Class-IX	7089	6882	6874	6662
5	Class-VIII	8208	8158	8298	8246
6	Class-VII	10364	10490	14017	13370
7	Class-VI	11812	11022	15475	14926
8	Class-V	13063	12338	15462	14794
9	Class-IV	12698	12144	13832	13142
10	Class-III	14737	13896	151665	14054
11	Class-II	15843	14901	17146	15899
12	Class-I	22166	20836	21953	20855

There are 21 colleges imparting mainstream education in arts and science. A small number of technical institutes exist within Mizoram. Mention may be made of the Regional Institute of Paramedical and Nursing, the College of Veterinary Science and Animal Husbandry at Sihphir and lower level engineering institutes, the Mizoram Polytechnic Institute at Lunglei and Women Polytechnic at Aizawl.

2.7 Infant Mortality Rate, Death Rate & Birth Rate etc.

As per the data published by the Indira Gandhi Institute of Development Research¹⁴, the Infant Mortality Rate in the State was 37.0 per thousand in 1998-99 (The Infant Mortality Rate under age 5 being 54.7), whereas the IMR appeared to have declined to 11.5 per thousand in 2000, but again increased to 14.03 in 2003 according to the Annual Report On the Working of RBD Act 1969.¹⁵ This data has been furnished on an annual basis, as an implementation of the Registration of Births and Deaths Act 1969, since 1985 in the state.

Table 2.9
Vital Rate of District: Based on Event Registered During 2003

District	RURAL			URBAN		
	Birth Rate	Death Rate	Infant Mortality Rate	Birth Rate	Death Rate	Infant Mortality Rate
Mamit	20.41	2.76	14.63	15.79	2.05	5.64
Kolasib	23.88	4.4	4.88	11.85	4.87	26.96
Aizawl	15.44	3.98	18.48	25.98	6.34	8.03
Champhai	24.1	4.74	14.42	19.61	4.42	16.75
Serchhip	23.64	5.41	10.83	18.24	2.63	5.42
Lunglei	22.93	4.89	11.13	29.39	6.19	26.41
Lawngtlai	17.87	5.1	30.23	0	0	0
Saiha	18.39	4.22	12.75	23.84	4.1	16.39
TOTAL	20.03	4.57	15.69	23.87	5.58	12.61

Source: Annual Report on the Working of RBD Act-2003. Table-III

¹⁴ Radhakrishna, R and Shovan Ray (eds): India Development Report 2004-05

¹⁵ Director, Economics & Statistics Mizoram: Annual Report On The Working of RBD Act 1969 in Mizoram for the Year 2003

The data is collected through a network of 688 Registrars of Births and Deaths, spread across the entire area of Mizoram, and published by the Director of Economics and Statistics, acting as the Additional Chief Registrar of Births and Deaths. It may therefore be safely concluded that the publication will give more reliable information than any other official data in this regard. The Death Rate, as recorded in the Annual Report on the Working of RBD Act 1969 in Mizoram for the Year 2003, was 5.07 per thousand, whereas the Birth Rate was 21.3 per thousand. Supplementing the information given above, the absolute number of Births and Deaths during the years of 2003 and 2004 is given by the Table below:

Table 2.10
.No. of Births & Deaths registered in Mizoram

<i>Name of District</i>	<i>Births (Nos)</i>		<i>Deaths (Nos)</i>	
	<i>2003 Jan-Dec</i>	<i>2004 Jan-Dec</i>	<i>2003 Jan-Dec</i>	<i>2004 Jan-Dec</i>
Mamit	1270	1319	254	260
Kolasib	1059	1420	296	296
Aizawl	8179	8437	2016	2072
Champhai	2301	2031	475	426
Serchhip	1199	1083	228	320
Lunglei	3665	3302	777	682
Lawngtlai	1356	1453	387	218
Saiha	1272	1167	264	387
Mizoram	20301	20222	4697	4661

Source: Statistical Handbook, Mizoram-2006, Table 14.5 p. 54

Poverty and health have a negative correlation, meaning that, where the incidence of poverty as indicated by the head-count ratio is high, diseases related to the level of living are rampant. This is indicated by the trend of decline in the death rate and increased life expectancy in India. The low level of poverty with the high level of life expectancy in Kerala, and the high level of poverty with the low level of life expectancy in Bihar also indicate that the foregoing argument is tenable.¹⁶ Poor people have to be given free access to health facilities since they cannot afford to obtain health facilities provided by the market system. Keeping this in view, government intervention in the health sector has been accorded a high priority, especially in rural areas. Successive family welfare and health intervention programmes have been carried out in the country. The state of Mizoram also received commendable government intervention in the health sector through the supply of manpower, medicines, equipment and infrastructure.

Mizoram has seven government-run hospitals, with a total bed-strength of 773.¹⁷ In addition to such hospitals, there are 9 Community Health Centres and 56 Primary Health Centres with a bed-strength of 376 and 510 respectively. There are also 79 Main Centres and 351 Sub-Centres in the state. Beside these, there are three non-government hospitals with a total bed-strength of 408. With the launching of NRHM and Reproductive Child Health (RCH) schemes, the number of medical staff employed has increased. From the data of medical personnel

¹⁶ Dreze, Jean and Amartya Sen (2005): India Development and Participation. Oxford University Press Delhi.

¹⁷ Director, Economics & Statistics Mizoram: Statistical Handbook 2004.

shown below, the doctor-population ratio in Mizoram is found to be about 1:3185, based on the population of 2001 census which was 888,573.

Table 2.11
Number of Registered Medical and Para Medical Personnel in Mizoram.

Sl. No	Year	No. of Doctors	No. of Nurses	No. of Pharmacist	No. of Health Workers	Lab. Technicians
1	2000-01	279	393	90	n.a	n.a
2	2001-02	279	393	90	n.a	n.a
3	2002-03	279	393	90	n.a	n.a
4	2003-04	279	393	90	n.a	n.a
5	2004-05	279	393	90	n.a	n.a
6	2005-06	279	393	108	802	146
7	2006-07	305	393	108	872	146

District-wise (2006-07)

1	Mamit	8	16	9	57	10
2	Kolasib	13	28	9	59	13
3	Aizawl	15	50	34	261	25
4	Champhai	15	40	12	116	18
5	Serchhip	11	32	8	59	13
6	Lunglei	20	28	11	163	24
7	Lawngtlai	7	10	3	44	8
8	Saiha	3	16	4	87	8
	Others	213	173	18	26	27
	Total	305	393	108	872	146

Source: Directorate of Economics & Statistics GOM: Statistical Abstract of Mizoram 2007. Table 15.2 p.8

2.8 The Historical Setting of Poverty:

2.8.1 Famines and Cyclical Patterns:

Historically, the most notable outcomes of poverty in Mizoram are experienced in the events of the periodic bamboo flowering, which bring about famines. Therefore, Mizoram used to be subjected by two alternating famines which occur with the life cycle of two kinds of bamboo.

It has to be borne in mind that there are two principal kinds of bamboo which die out massively after flowering and fruiting and the consequence of whose life cycles have far reaching effects upon the productivity pattern of agriculture. These bamboos are locally known as Mautak and Rawthing. Although the cycles in both the species of bamboo last 48 years, they do not coincide. With the turn of full cycle, there is always the associated phenomenon of an unperceived increase in the rat population. The suddenly increased rat populations, supposedly feeding on the bamboo fruit, soon consume the harvestable paddy fields and cause destruction which ultimately results in crop failure and famines. Thangnang bugs also multiply in great number at the beginning of the famine years but these insects seem just to augur that famine is imminent and reportedly do not attack paddy fields. Instead, people used to collect them and consume them as part of their diet during famine years. The nomenclature for the two alternating famines associated with the bamboo cycle is Mautam and Thingtam. Mautam occurs 30 years after Thingtam and Thingtam comes 18 years after Mautam. This cyclical pattern can be written mathematically as follows:

Let $a_1=1767$, be the first hypothetical year of Mautam,
 and let $a_2=1785$, be the next Thingtam or 18 years after
 Mautam, following the behavioral pattern;
 Let $a_3=1815$, be the next Mautam or 30 years after Thingtam

We can see that the pattern follows the Fibonacci
 sequence. We can therefore write the years of famines as:

$$a_{n+1}=a_n+(a_{n-1}..a_{n-2}), \text{ for } n \geq 3$$

The famine, the incidence of which was recorded in
 black and white for the first time, was that of Thingtam in 1881.
 From then on the famine years in Mizoram were 1911, 1929,
 1959 and 1977. All these years were characterized by crop
 failure and famines throughout Mizoram. It can be reckoned
 from the equation (1) and the past behaviour that the year 2007
 is also a year of famine. The massive fruiting of bamboos
 started in 2006 and those bamboos were already dying out in
 2007.

2.8.2 Relief Measures during the Past Famines:

Exact accounts of the depth of poverty in the times of
 famine in Mizoram are rather few and far between. Rao (1976),
 while giving an account of the famine of 1959, stated that in the
 Pawi Lakher region there were deaths from starvation. Some
 people who went to receive relief fainted and died on the way.

Riangs and Chakmas ate wild arui (a kind of grass).¹⁸ Information about the measures taken by government in tackling the problem of food scarcity for the people since the Thingtam famine in 1881 is, however, available.

Elly (1893) stated in the Military Report on the Chin Lushai Hills Country that 'About 18,000 (equivalent to 6060 quintals) mounds of rice and 2000 mounds (equivalent to 740 quintals) of paddy were imported from Cachar and the British Government expended about Rs 1,240 on Famine Relief, of which about Rs 1,040 were recovered from sales to tenders.'¹⁹

For the Relief of Mautam in 1911, the Government arranged foodstuff from the neighbouring states through ferries and boats and stored it in the villages of Tlabung, Sairang and Tipaimukh. From these villages foodstuffs were distributed and transported to different corners of Mizoram. The British government expended Rs 5,39,927-11-0 (Rupees five lakh thirty nine thousand nine hundred twenty seven and eleven annas) towards the cost of importing foodstuff to Mizoram.²⁰ The imported rice was given to the hungry population on loan for repayment with interest. Very few people could repay their dues and, because of that, they were required to repay the same by means of forced labour. It was such an exhausting work of digging for the construction of a water storage tank. Besides the

¹⁸ Rao, V.Venkata (1976): A Century of Tribal Politics in North East India 1874-1974. S.Chand & Co. Ltd New Delhi.

¹⁹ Elly, Col. E.B (1893): Military Report on the Chin Lushai Hill Country. Firma KLM Private Limited Calcutta, on behalf of Tribal Research Institute. Aizawl Mizoram

²⁰ Rokhuma, C (2006): The Periodic Famine and Bamboo Flowering in Mizoram. Pulished by Directorate of Information & Public Relations, Mizoram

hardship caused by forced labour and the unfriendly attitude of the Supervisors, what hurt people's feelings most was that whether a person repaid his due in time or not, he would still be forced to go for labour because of those who could not repay their dues in time.²¹

The Thingtam famine that occurred in 1929 was marked by heavy downpour and long spell of rainy days. Such condition led to widespread landslides causing damages to the cultivated fields. However, the effect of crop failure was not so severe, as the stock of the previous years' production was saved by people at places and it became a brief spell of food shortage.

The Mautam Famine of 1959 was the most noteworthy and an epoch-making one. Rao (1976), wrote that on 29 October 1958, the Mizo District Council passed a resolution that "with the flowering of bamboos in the Mizo district (the) rat population has phenomenally increased and it is feared that in the next year (1959) the whole district would be affected. As a precautionary measure against the imminence of famine, following the flowering of bamboos, the District Council feels that the government be moved to sanction to the Mizo District Council a sum of Rs 15 lakhs to be expended as a test relief measure for the whole of the Mizo District including the Pawi Lakher region" The Government thought that the tradition of flowering of bamboos, the consequent increase in rat population and famine might not come true. Therefore adequate measures were not taken up. However, the tradition proved correct.

²¹ Ibid

Bamboos flowered. Rats multiplied in millions and caused devastation so suddenly and so completely, as predicted by the local people, that the government was taken by surprise.²² The famine was preceded by a fairly good harvest in 1958. In the year 1959, the typical characteristics of a famine year, such as massive deaths of bamboos, occurred and swarms of rats were seen vying for food in every nook and corner of the region. That made it a year of crop failure and, as the stock of food grains produced in the earlier year could not last, the people had to skip one year of jhumming and the ultimate and inexorable result was famine again. The government spent about Rs 89,60,000 to help the affected people in various ways during 1959-60 and 1960-61²³.

2.8.3 The Socio-Political Effect of Famine & the Poverty Spiral:

In order to combat the problem of famine which occurred in 1959, the Mizo National Famine Front was founded in 1959. On October 22 1962, the Front turned itself into the Mizo National Front with Laldenga and Lianzuala as its first President and General Secretary respectively.²⁴ There was an aura of hostility and a clandestine link between the MNF and foreign countries hostile to India. Among the cadres, there was growing resentment and disenchantment with the administration and, according to them, 'the genesis of the backwardness of the district lay in the administrative machinery which they thought,

²² Rao, V.Venkata (1976): A Century of Tribal Politics in the North East India. 1874-1974. S.Chand & Company Ltd. New Delhi.

²³ The Mizoram District Gazetteers 1989

²⁴ Agarwal, A.K. & R.N Prasad (1991): Political And Economic Development of Mizoram. Mittal Publications, New Delhi

was unmindful of their development and alien on their soil'²⁵. The Front then changed its agenda from famine relief to political independence from the Indian Union. Disruptive activities broke out on the night of 28th February 1966 as the MNF militia attacked some unsuspecting military camps and civil establishments like the District treasuries in Aizawl and Lunglei, and shops owned by non-Mizo traders. Lawlessness enveloped the whole region then as the MNF resorted to subversive activities and proclaimed independence from India.

Various measures were taken up to control the situation. The entire territory was declared a "Disturbed Area" with effect from 2nd March 1966. The Operation of Armed Forces (Assam and Manipur) Special Power Act and the Disturbed Area Act, 1955 were extended to cover the whole district and armed forces brought the situation under complete control with alacrity.²⁶

The Indian Military Force asserted its presence and various measures like the burning of villages and grouping the ravaged villagers, the declaration of curfews, etc were in force. These measures considerably accentuated the poverty of the people as stocks of food grain, utensils, domestic animals, clothes and bedding were consigned to flames or were left behind during the process of village grouping. People were forced out of their homes and villages to live in group-centre villages called Progressive Protected Villages (PPV), as a result

²⁵ Op cit

²⁶ The Mizoram District Gazetteers 1989

of which the displaced people had to live in makeshift huts with very few essentials to support their lives.

Disproportionate problems of farming arose as every village had its own territory of cultivation. After village grouping took place, the carrying capacity of jhumming areas of the group-centre villages was soon over-stretched by the sudden increase of population in the PPVs. During the heat of such turbulence, people were not allowed to stay in jhum huts during curfew hours, which were often declared at short notice. The violation of such orders entailed three years imprisonment.²⁷ People staying at their jhum cultivation had to reach home at the stipulated hour of curfew. Besides, 'for security reasons no one was permitted to carry food outside the centre'²⁸ even for lunch at work, out of fear that such food may be given to the underground militia hiding in the jungle. Because of this, jhum farmers had to endure hunger while at work which, even if done at peace and with a full belly, would already have been very unproductive. The poor farmers had to go through security check-posts and were often apprehended on flimsy grounds, for instance, for failing to keep an identity card, and more often than not they faced the problem of explaining their innocence because of the language barrier. Working in jhum was turned into a petrifying job all because of security measures, worsening the poverty of the people. The worst case scenarios subsided after the proclamation of the Union Territory of Mizoram in 1972.

²⁷ Office of the Deputy Commissioner: Mizo District Aijal Order No. AGJ 29/67/142 dt. 1st December 1967.

²⁸ Op cit V.Venkata Rao,

The political turmoil had a far-reaching effect on the socio-economic lives of the people of Mizoram. It had a debilitating effect on various development projects of the government, it prevented labour mobility and, worst of all, it accentuated poverty and food scarcity. It also alters the occupational pattern of the population to some extent. 'They had to switch over to other occupations where immediate income would be earned. The shift to contract-based money wages put an end to the traditional form of self-provisioning and made the rural poor in group-centre villages dependent on the market for their basic needs'²⁹.

The landmark Peace Accord, which was signed by the Centre and the MNF in 1986, practically put an end to all kinds of hostilities waged by the insurgent group and it was a watershed development which put the state on a level playing-field in the sense that those hurdles, standing in the way of social and economic development, got removed once and for all. As a result of the accord, the underground politics of the MNF, which for quite long years was the struggle for independence from the Indian union, had then changed to mainstream politics. And since then, the MNF party came to power in the state for not less than three terms.

²⁹ Thangchungnunga (1986): "The agricultural Profile in Mizoram" in 'Emerging Pattern of North Eastern Economy' *Seminar Paperes. Organised by Department of Economics NEHU Mizoram Campus on 23rd & 24th April 1986*

2.9. The trend of Poverty in Mizoram and Current Data:

According to the Planning Commission's (2003) estimate of State-wise poverty by Head-Count Ratio, poverty in Mizoram can be seen from the year 1973-74. The data is as follows:

Table 2.12
Poverty Estimate for Mizoram: Head Count Ratio(HCR)

Year	1973-4	1977-8	1983	1987-8	1993-4	1999-0
HCR	50.32	54.38	36.00	27.52	25.66	19.47

Source: India Development Report 2004-05. Appendix Tables Table.IX (1) p.275

The data above indicates that poverty in Mizoram has been continually decreasing except in 1977-78, when poverty, instead of decreasing, increased. The reason must be that the year 1977 was a cyclical famine year of Thingtam, as can also be reckoned from Equation (1) above. Since then, poverty has been on the decline. As far as the latest statistics show, a little less than a fifth of the population lives below the poverty line.

Other data on poverty in Mizoram have been recorded by government Departments like the Rural Development Department, and the Local Administration Department. The NSS survey work for arriving at the Head-count estimate of poverty through a sample survey of expenditure patterns is done by the Economics and Statistics Department. The Directorate of Rural Development conducted a comprehensive survey of poverty in all Rural Development blocks in 2002.

The methodology followed by the Department was based on a basic needs approach. Thirteen indicators, relating to basic needs, were selected and each family was given a score on each of the indicators or characteristics. The maximum score on each characteristic was 4. The minimum total a family could score was 0 and the maximum total a family could score was 52. The poverty line was fixed at a total score of 15 for a family.

Based on this, the Lawngtlai district had the highest number of poor families, i.e 7,676 and Mamit had as many as 3,727 poor families.³⁰ The Table below shows the distribution of BPL families as per the Rural Development Department records

A look at the Table below indicates that there is an uneven number of Rural Development Blocks seen against the numbers of poor families in the districts. This may cause the need to address the problem of poverty to be an uneven job in the district of Lawngtlai, which has only three RD Blocks while it has as many as 7676 BPL families. Besides, among the three RD Blocks of the district, Bungtlang RD Block has been newly formed. One can have an impression that there may be an administrative insufficiency in the newly established office, given the problems which may arise because of the remoteness. Looking at the number of poor families in the district, Serchhip district also seems to have fewer RD Blocks as compared to others like Aizawl, Kolasib and Saiha.

³⁰ Directorate of Rural Development Department Mizoram Aizawl: BPL Census 2002

Table 2.13
District wise number of RD Blocks and Number of Poor Families in Mizoram

Name of District	No. of R.D Blocks	No of BPL Families
Aizawl	5	5435
Lunglei	4	6993
Saiha	3	2332
Mamit	3	3727
Kolasib	2	1685
Champhai	4	5324
Serchhip	2	4212
Lawngtlai	3	7676
Total	26	37384

Source: Directorate of Rural Development Department, Mizoram Aizawl- BPL Census 2002

2.10. Profile of the Study Areas:

2.10.1 Mamit District:

- 1. Location and Area of the District:** This district was lately formed with the internal reorganization in 1998 by which a part of the erstwhile Aizawl district was carved out to form this new district. The district covers the western parts extending to the northern parts of Mizoram and bordering Tripura in the west, and Assam in the north. The area of the district is 3025 square kilometers. As the name suggests here Mamit

town is the headquarters of the district. There are 82 villages within the district under 3 Rural Development Blocks.

2. The People and Ethnic Components and the

Problem: The district is occupied by heterogeneous communities, and sub-tribes known as the Reangs (Bru) and the Chakmas, especially in areas near the Tripura and Bangladesh border. During the 1990s a good number of the Reang tribe fled from Mizoram because of some acquired minority feeling of ethnic insecurity and ostensibly because of ignorance and poverty and they ended at Tripura, in refugee camps. The armed struggle for resettlement of the refugees to Mizoram followed. An insurgent group from the Bru tribe, called the Bru National Liberation Front, came into being. It was only on the 26th.April 2005 that a final agreement between the BNLF and the Government of Mizoram was made. The insurgents surrendered their arms, and the refugees were resettled and relocated in the state. It is now a peaceful district as the problem of insurgency has become a closed chapter.

3. Population and Age and Sex Composition of

Population: There are 12,213 households³¹ within the district with a population of 62,785.³² So far as the existing data on the district population is concerned, the proportion of the population in the age group of 0-6 years is 11,170, out of which 5,767 are males and 5,403 are females. The sex ratio in the particular district is 896 females per 1000 males. The density of population in this district again is 21 per square kilometer. It may be important to note here that, as per the 2001 Census figure 52,132 live in rural areas whereas 10,653 live in urban areas.³³ This indicates that 83.03 per cent of the population lives in rural areas and 16.97 per cent lives in urban areas. There are three notified towns in the district. These are Mamit, Zawlnuam, and Lengpui (the airport locality).

4. **Health and Development Indicators:** Mamit district has one hospital and there are 2 Community Health Centres with total bed-strength of 60 and 6 Primary Health Centres with total bed-strength of 68. There are also 44 Health Sub-Centres in the whole district. The Infant

³¹ Government of Mizoram, Economics & Statistics Department: Village Level Statistics of Mizoram: 2003

³² Director, Census Operations Mizoram: Series -16 Mizoram Census of India 2001 Final Population Totals.

³³ Director, Census Operations Mizoram: Series -16 Mizoram Census of India 2001 Final Population Totals.

Mortality in the district was 14.63 in 2003, the birth rate was 20.41 per 1000 and the death rate was 2.76 per 1000. Out of the 12,213 households, 8,615 (or 70.52 per cent) houses are electrified. There are 398 public water-points and only 22 houses have water connection. In view of the size of population and in comparison with Aizawl district, which has 19,073 water connections, the situation in this district is a dismal one. This district has the lowest number of water connections among all the districts in Mizoram and this undoubtedly lowers the living condition of the people in the district. Provision of safe drinking water as enshrined in the Millennium Development Goal and the Common Minimum Programme of the UPA still seems a distant cry for this particular area. There are a total of 2,342 telephone connections in the district. This works out roughly to as many as one in every 5.2 houses.

5. Education and Literacy: There are 110 Primary Schools, 94 of them are Government schools and 16 are Private schools. There are 68 middle schools out of which 38 are Government schools. And there are again 25 High Schools, 16 of them belonging to the government. There are two colleges and two higher secondary schools. The two colleges both offering social sciences subjects are at Mamit and Zawlnuam. The

literacy rate of the particular district is 79.1 per cent which is the next lowest among the eight districts of Mizoram.

6. Forest Resources: Among the eight districts of Mizoram, Mamit has the best forest cover, and the Dampa Tiger Reserve is within this district. It is from this district that a substantial amount of the timber requirements of the state is extracted. The forest area of the district, classified as Dense Forest, is as large as 1,999 square kilometers and that of Open Forest is 720 square kilometers. The total forest cover is 89.88 per cent³⁴ of the area. As many as 3,180 households have LPG connection but it is clear that many of them do not fully depend on LPG for the purpose of cooking, because they can freely get dry wood. One household in Rulpuihlim village, interviewed by the scholar responded that they could sparingly use a bottle of LPG for one whole year. As such, the availability of free wood for cooking considerably lessens their financial expenditure requirement of cooking fuel, thanks to the dense forest cover in the nearby surroundings.

³⁴ Director, Economics & Statistics Mizoram: Statistical Handbook 2004

2.10.2 Lawngtlai District:

1. **Area and Administrative Profile:** Lawngtlai district is in the southern part of Mizoram. With the internal reorganization of the state in 1998, this district was carved out of the erstwhile Chhimtuipui District. This district borders Bangladesh in the west and some parts of Myanmar in the southern tip of the area. It is flanked by Lunglei district in the north and Saiha District in the east. The area of the district covers 2,557 square kilometers and Lawngtlai is the district headquarters. There are 139 villages³⁵ in the district, and 3 Rural Development Blocks. Following the Sixth Schedule of the Constitution of India, this district is under the special administrative jurisdiction, of two Autonomous District Councils. That is, within the area of this district, there are two District Councils. These are the Lai Autonomous District Council (LADC) and the Chakma Autonomous District Council (CADC), for Lai people and Chakma people respectively within this area. The Lai Autonomous District Council has its headquarters at Lawngtlai, and the Chakma Autonomous District Council has its headquarters at Chawngte. For being the headquarters of district councils Lawngtlai and Chawngte are the two important villages of the district, both of them

³⁵ Director, Economics & Statistics Mizoram: Village Level Statistics of Mizoram 2003

having Rural Development offices. One peculiar feature of the district is that as per the specification of areas in census operation, none of the villages in the district is classified as an urban area, and as such the proportion of the population living in rural areas is 100 per cent for the district.

2. Population, and Ethnic Components: The total number of households in the whole district is 14,239 with a population of 73,620³⁶ as per the latest Census Report. As stated before, the population of the district is largely made up of Lais and Chakmas. These tribes or sub-tribes in general, are characterized by low level of living and rural economic bases. Each such tribe has a separate dialect and own culture. Unlike the Mamit district, this one is a peaceful place of coexistence, and no incidence of insurgency has ever cropped up in the whole Lawngtlai District.

3. The Lai Autonomous District Council (LADC): The Lai Autonomous District Council has better road connectivity as compared to the Chakma Autonomous District Council. Lawngtlai is traversed by the National Highway No.54. A border road from Lawngtlai village up to

³⁶ Director, Census Operations Mizoram: Series -16 Mizoram Census of India 2001 Final Population Totals.

Vaseitlang and Parva has also been constructed by the Border Road Organisation. And hence, road density is evidently higher as compared to the Chakma Autonomous District Council area. Although the LADC headquarter Lawngtlai is a classified rural village, it has the attributes of an urban locality as it has a bazaar, a government hospital (another one run by the Baptist Church of Mizoram has also come up), a college, and district council offices, although definitely, these attributes are not used as definition of an urban area in official purpose. It may be added in this connection that one petrol station, the one and only one of the whole District, is there in Lawngtlai village.

4. **The Chakma Autonomous District Council (CADC):** The jurisdiction of the Chakma Autonomous District Council comprises of areas bordering Bangladesh in the west, Lunglei District in the north. Chawngte (also known as Kamalanagar) is the headquarters of the Chakma District Council. Although Chawngte is a classified rural village, it has the urban characteristics of having an administrative headquarters, a bazaar, and a college. There is no petrol station in the whole CADC area. All weather road connects Chawngte from Lunglei. However, the aggregate road connectivity is very

poor in the Chakma District Council area. A large number of the villages within the Council are still not connected by road. During rainy season, the Tuichawng river forms one important means of transport. For during rainy season, this river is navigable by motor boat carrying passengers and goods. Each trip of a plying motor boat used to be overcrowded with passengers, since the river serves the sole means of transport for many villages unconnected by road. But as soon as the rainy season is over, the river gets shrunken because the swift flowing nature of the river quickly drains away the water on which people use to move about. And the people are deprived of their means of transport very soon after the rains are over. It seems that construction of barrage at the river mouth, where it joins the Karnaphuli river to the north, to retain the river water for transportation is an important economic agenda for the people of the Chakma District Council.

5. Poverty and Peoples' Participation: As per the existing record available, there were as many as 10,116 BPL families in Lawngtlai district. The district was selected by the Ministry of Rural Development, to be assisted with NREGS under the first phase of implementation of the scheme. However, contrary to the expectation of the

people of the district, the scheme was not immediately implemented and because of this, a demonstration was staged by the residents of the district by resorting to bandh or transport blockage at Lawngtlai village. As a result partly or wholly of the demonstration, NREGS has been in operation since August 2006³⁷. This indicates that the rural populations at large are so well informed and organized that even state government officials cannot simply take them for a ride. It also indicates that public sensitization on government programmes is of immense importance for the poor to claim their legitimate share.

6. Distribution of Population by Age, Sex, and Density: The age distribution of population in this district shows that there were 6,772 in the age group of 0-6 years.³⁸ This means that around 9.2 per cent of the populations are children below 7 years of age. Out of the whole population, there were 38,776 males and 34,844 females;³⁹ a sex ratio of 899 females per 1000 males. The density of population in the district was only 29 per square kilometer as against the state population density of 42, and the all-India

³⁷ This was as reported by the BDO at the time of my visit there.

³⁸ Director, Economics & Statistics Mizoram: Statistical Handbook 2004

³⁹ Op cit

density of 325. This is still a comparatively thin population.

7. Population of Workers and Non-Workers:

There were 34,093 workers out of the total population and there were 39,527 non-workers. The work participation ratio of the district works out to be 46.3 per cent. There were 14,356 female workers in the district, or the female work participation ratio was 19.5 per cent of the population.

8. Health, Development and Education: Since the area is totally rural in official and Census reports, it is to be rightly expected that it lags behind in certain socio-economic infrastructure and, as such, is an eligible candidate for implementing PURA (Provision of Urban Amenities for Rural Areas). The district has very few numbers of hospitals, but it has 2 Community Health Centres, 1 Primary Health Centre and 25 Sub Centres. As per the 'Annual Report on the Working of RBD Act 1969 in Mizoram' (2003), Birth Rate, taken from the mid-year population was 17.87 per 1000 and Death Rate was 5.1 per 1000. The Infant Mortality Rate of the district was 30.23, a grim fact while the IMR in the State was only 14.03. While only 4,625 houses have been electrified, the remaining 10,190 houses are

not yet electrified. The provision of safe drinking water for the whole population still seems to be an uphill task here in the district as only 876 houses have water connection or tap water. There were 289 Public Water-Points and 44 Drilled Water-Points. There were 1,304 telephone subscribers, which is equivalent to 1 in every 10.9 households. There are 2088 LPG consumers in the district out of the 14,239 households (Village Level Statistics 2003). There are 107 Primary schools out of which 87 are Government schools. There are 61 Primary schools, of which 23 are government schools. There are as many as 18 high schools of which 8 are government-run. There are 2 Higher Secondary Schools, both belonging to the government. The district has 2 colleges, of which one is located at Lawngtlai and the other at Chawngte. The percentage of literacy in the district at 64.7 per cent is the lowest among the 8 districts of Mizoram.

CHAPTER- III

CONCEPT, MEASUREMENT, CAUSES AND TYPES OF POVERTY

3.1 Concept and Definitions:

Poverty is closely related with Inequality, but as we learn it from the contemporary or the existing literature at large, it is separate from Inequality. Although Miller and Roby argued that the study of poverty is of inequality and a study of the bottom 20 or 10 per cent in the income strata, and they denounced any other attempt to identify poverty as otherwise by saying such exercises are pseudo scientific accuracy, their argument was cogently toppled by Sen (1981) when he argued that a transfer of income from a person in the top income group to one in the middle range must *ceteris paribus* reduce inequality, but it may leave the perception of poverty quite unaffected and a general decline in income that keeps the chosen measure of inequality unchanged may in fact lead to a sharp increase in starvation, malnutrition and obvious hardship; it will then be fantastic to claim that poverty is unchanged.¹ It is then widely accepted that neither poverty nor Inequality subsumes the other although they are closely related. What we now term as poverty, or absolute poverty therefore means that individuals, households or societies are poor not simply because they cannot keep pace with the prevailing standard of living, but because they cannot fulfill the basic minimum requirements which are needed per se for efficient human existence. On the

¹ Sen, A.K (1981): Poverty and Famines , An Essay on Entitlement and Deprivation. Oxford Clarendon Press.

other hand if one looks into poverty of an individual, or group as relative to other individual or group, or as measured from say, the average income or expenditure of individuals or group in question, it is relative poverty.

Poverty has been defined by different authors. As has been pointed out, definition of poverty is again influenced by one's perspective of whether it is relative or absolute poverty. Rowntree (1901), who did the pioneering work in poverty research, stated that the poor are those families whose 'total earnings are insufficient to obtain the minimum necessities for the maintenance of merely physical efficiency'². Kurian (1978) conceptualized poverty as the socio-economic phenomenon whereby resources available to a society are used to satisfy the wants of the few while the many do not have even their basic needs met.³ A definition of poverty which has a visible sense of relativity is given by Peter Townsend (1974) who defined that individuals, families and groups on the population can be said to be in poverty when they lack the resources to obtain the type of diets, participate in the activities and have the living conditions and amenities which are customary or at least widely encouraged or approved in the societies to which they belong. Their resources are so seriously below those commanded by the average individual or family that they are in effect included from ordinary living patterns, customs and activities.⁴ Dandekar

² Rowntree, B.S (1901): *Poverty, A Study of Town Life* as quoted in Peter Townsend (1971): "Poverty as relative deprivation: resources and style of living" in Dorothy Wedderburn (ed): *Poverty, Inequality and Class Structure*. Cambridge University Press. p.16

³ Kurian, C.T (1978): *Poverty, Planning and Social Transformation*. Allied Publishers Bombay.

⁴ Townsend, Peter (1974): "Poverty as Relative Deprivation" in Dorothy Wedderburn: *Poverty, Inequality and Class Structure*. Cambridge University Press.p.15

(1982) stated that want of adequate income howsoever defined, is poverty, deficiency of energy appropriately defined is undernutrition.⁵ When Robert Mc Namara was President of the World Bank in the 1970s, he defined absolute poverty as ‘a condition of life so degraded by disease, illiteracy, and malnutrition and squalor, as to deny its victims basic human necessities (a condition) so limited as to prevent the realization of the potential of the genes with which one was born’⁶.

3.2 Measurement and Indices of Poverty

3.2.1 The Poverty Line:

At the heart of all discourses on poverty is the notion of a poverty line: a critical threshold of income, consumption, or, more generally, access to goods and services below which individuals are declared to be poor⁷. Determination of such level of minimum needs: the poverty line, dictates the incidence of failure to achieve such needs or the extent of poverty. The case of poverty, in which people fail to attain such minimum needs, is known as absolute poverty. It is distinct from relative poverty which takes into account the income or consumption distribution of the whole population and then fixes a cut off for excluding the poor from the rest. As such, measurement and aggregation methodologies often rule the roost in poverty literature. Although conceptual differences and methodological dissimilarities are to be observed in different researches, there is that common thread which binds all works on poverty and

⁵ Dandekar, V.M (1982): “On Measurement of Under-nutrition” Economic and Political Weekly Feb.6.

⁶ Mc Namara, Robert as quoted in Thirlwal, A.P (2003): Growth and Development. Palgrave Macmillan.

⁷ Ray, Debraj (2001): Development Economics, Oxford University Press. New Delhi p.250

that precisely is lack of minimum and basic human necessities for continued survival, or the poverty line which is the yardstick for identifying who is poor. The only problem is that such minimum necessities are subjective, or depending on the area or societies to which these exercises of identifying the poor are to be actually carried out, the combination of basic necessities will tend to differ across space and time. Anyway, a combination of goods or commodities and services representing such basic minimum necessities can be conceived of and it has to be specified in order to construct poverty line. It is therefore possible that specification of poverty lines even after ensuring objectivity in measurement will leave varying proportions under them depending on the selection of the typical basket of minimum needs. This means that even the poverty line can be subjective in the sense that A's poverty line is different from B's poverty line and that there is extensive liberty about its construction. As was mentioned by Chaubey (1995) that 'Absolute poverty line can be lower than the lowest income, and higher than the highest income, there is no restriction placed on it'⁸. It is therefore highly uncertain that even after specifying a combination of minimum goods and services for poverty line we may arrive at precisely uniform conclusion on magnitudes and extent of poverty so long as poverty line has to be expressed in terms of money because price levels vary even across regions and states. This actually prompted the Planning Commission to adopt specific poverty lines for the different states in India.

⁸ Chaubey, P.K (1995): Poverty Measurement- Issues, Approaches and Indices.. New Age International Publishers. New Delhi. p.4

The World Bank in its World Development Reports uses a consumption level of one \$ (PPP dollar) per capita per day as Poverty line throughout the world.⁹ A minimum basket of commodities which a dollar in the US can buy is converted into purchasing power parity of the currency of the country concerned. Or it is the purchasing power equivalent to buy a specific bundle of commodities with a particular country's currency as would a dollar buy in the United States. And those individuals in other countries, who fail to consume the bundle of basic necessities that could be purchased by one dollar in the United States, are poor according to the methodology.

Poverty line constructed on the basis of food consumption has an Indian origin. Poverty line in India is built on food consumption level which is measured in terms of calorie intake. Although there can be some differences in food habits and choices across spaces, the existing norm is that the calorie value of the food consumed should be 2400 per capita per day in rural areas and 2100 per capita per day in urban areas. The calorie yardstick has been adopted to ensure comparability in the nutritional value of food and it is ensured that the normative calorie is the minimum required to maintain a healthy and working body. The normative calorie consumption in terms of food is based on the recommendation of the Nutrition Advisory Committee of Indian Council of Medical Research and poverty line based on this was first attempted by Working Group of

⁹ The World Bank: World Development Reports

Economists and social thinkers in 1962.¹⁰ The basket of food items representing minimum calorie consumption is then convertible in terms of money. The price index used, is conveniently chosen to reflect the characteristics of the area concerned, whether rural or urban. Since then official research on poverty has always been based on the calorie consumption standard separately for urban and rural areas.

3.2.2 Indices of Poverty:

Identifying the poor by using poverty lines, the next important thing occurring in poverty literature is the estimation of extent of poverty by counting the number of poor among the whole population. The Head Count Ratio (HCR), which measures the number of poor people as a proportion of the whole population is the most common method of aggregating poverty or measuring the incidence of poverty.

The Head Count Ratio is represented as:

$$\text{HCR} = \text{HC}/n$$

where,

HC= the number of people who fall below the poverty line,

and

n= the total Population

This index can present a glimpse of the poverty scenario and its increase or decrease over time, its simplicity as a measure of poverty makes it widely used. But the fact is that

¹⁰Taimni, Brij. K (2004): War on Poverty. A.P.H. Publications. New Delhi. p.20

it ignores the extent to which individual income or expenditure falls below the poverty line. This limitation can be serious and may mislead policy makers and implementing authorities in their attempts to eradicate poverty.

Depending on the income and asset disparities prevailing among the poor, the depth of poverty may or may not be serious. The Poverty Gap Ratio (PGR) which measures the average income shortfall from the poverty line avoids this drawback. PGR is defined as the ratio of the average of incomes (or extra consumption) needed to get all the poor people to the poverty line, divided by the mean income (or consumption) of the society. In terms of notation we can write PGR as

$$\text{PGR} = \frac{\sum_{y_i < y^*} (y^* - y_i)}{nm}$$

Where, n=total population, m=mean income of the population and, y*=poverty line income.

The reason for dividing by the average for society as a whole is that it gives us an idea of how large the gap is relative to resources that potentially may be used to close the gap.¹¹ A close relative of the PGR often in use is the Income Gap Ratio (IGR). This is exactly the same measure of total shortfall of the poor from the poverty line, except that we divide the shortfall by the total income required to bring all the poor to the poverty line. The Income Gap Ratio can be written as:

¹¹ Op.cit. Debarj Rai

$$\text{IGR} = \sum_{y_i < y^*} (y^* - y_i) / y^* \text{HC}$$

The income gap ratio reflects the average shortfall of the incomes of the poor expressed as a share of the poverty line income.¹²

The intensity measure of poverty is the difference of the ratio of poor people's mean income (or consumption) to the poverty line from unity. This can be written as

$$I = 1 - \mu / y^*$$

Here, μ = mean income of the poor, and y^* = the poverty line.

Severity measures of poverty draws from the above; with Gini coefficient and Coefficient of Variation used appropriately. One such measure is the S measure of poverty.¹³ The poverty measure proposed in Sen (1973c, 1976b) is a direct combination of three distinctive characteristics of the inter-personal profile of poverty: 1) the head-count ratio H, 2) the income gap ratio I, and 3) a measure of distribution of incomes among the poor, namely the Gini coefficient G_p . When the number of poor people q is fairly large, this index amounts to

$$S = HI + H(1-I)G_p.$$

The above equation can also be written as,

$$S = H [I + (1-I)G_p]$$

¹² Sen, Amartya (1998): On economic Inequality. Oxford University Press. p 169

¹³ Ibid p 170

Along with this, another measurement of the severity of Poverty developed by Foster, Greer, Thorbecke, which is often referred to as the FGT Index is as below:

$$FGT = H [I^2 + (1-I)^2 CV^2]$$

The United Nations Development Programme (UNDP) adopted a different method of measuring development called the Human Development Index¹⁴ since 1990. It is a combined measure of development by using three indicators as i) Educational attainment index 2) Per capita income in PPP \$ and 3) Life Expectancy. The Human Development is employed by the UNDP in its Human Development Reports to rank different countries in their achievements and living standard based on the three indicators. It is important to remember however that the HDI is not purely a measure of poverty but rather it is a technique of ranking different countries on the basis of their attainment in command over real resources i.e. per capita income, education, i.e. the combined gross enrolment ratio and literacy, and longevity of life, i.e. life expectancy.

3.2.3 Database and Evidences of Poverty in India:

Official data on poverty is generated by the National Sample Survey (NSS) by conducting the sample survey of household consumption. The NSS, which has been in existence for nearly 50 years, has conducted large scale sample surveys

¹⁴ UNDP: Human Development Report 1990.

on a variety of subjects relevant for this purpose (ownership of land and other productive assets, household consumption, employment, educational levels, school enrolment, morbidity, health care, access to and the benefit from various programmes meant for the poor and the underprivileged, disability, housing, water supply sources and sanitation). Several of these surveys, particularly those relating to employment and consumption, have been repeated periodically.¹⁵ These data generated by the NSS are used by the Planning Commission to estimate the incidence of poverty in the country by fixing the official poverty line, given the accepted minimum calorie consumption, in monetary terms. Following the Lakdawala Committee [GoI, PC 1993] recommendations, instead of relying wholly on the national level poverty line, poverty lines for different states are constructed by the Planning Commission.¹⁶

Based on this, the Planning Commission reported that there were as many as 260 million people living below poverty line in India out of which 193 million were in rural areas and the remaining 67 million were in urban areas.¹⁷ This constitutes 26 per cent of the population in 1999-2000. Despite a reduction in the proportion of people living in poverty by over 50 per cent between 1973-74 and 1999-2000, the absolute number of poor is still very large. In a country as large as India, the aggregates tend to obscure the fact that the proportion of those living below the poverty line is not uniform throughout the country.

¹⁵ Vaidyanathan, A (2003): India's Economic Reforms and Development. Academic Foundation. New Delhi

¹⁶ Ibid

¹⁷ GOI Planning Commission (2005): Mid Term Appraisal of the Tenth Five Year Plan. Background Material supplied to Economic Editors' Conference 16th-18th November 2005.

There are States (Bihar and Orissa) in the eastern parts of the country, where the poverty ratio was estimated in 1999-2000 to be over 40 per cent, while in States like Haryana, Himachal Pradesh and Punjab, the ratio is under 10 per cent. The four States of Uttar Pradesh, Bihar, Madhya Pradesh and Orissa accounted for nearly 39 per cent of the total population of the country, but over 55 per cent of the people below poverty line.¹⁸ Poverty estimates is then based on the Head Count Ratio because it enables policy makers and the implementing authorities to fathom the changes in the incidence of poverty and targeting of poverty alleviation programmes and achievement thereof are also viewed in terms of this Head Count Ratio. Studies of poverty trends at the national level by various scholars are also based on the use of HCR.

Minhas (1970) used the NSS data on percentage distribution of consumption expenditure to allocate the aggregate private consumption figure derived from the National Account Statistics amongst different groups of population. Using two alternative poverty lines of Rs 240 per capita per year and Rs 200 per capita per year at 1960-61 prices, Minhas concluded that between 1956-57 and 1967-68, there has been a steady decline in the proportion of people below poverty line¹⁹.

Bardhan (1973) also estimated the incidence of rural poverty in the 1960s by entirely using NSS consumer

¹⁸ GOI, Ministry of Statistics and Programme Implementation: "SAARC Social Charter India Country Report. November 2005.

¹⁹ Minhas, B.S (1970): "Rural Poverty, Land Redistribution and Development Strategy: Facts and Policy" Indian Economic Review Vol-V No.1, pp 97-128

expenditure data. Bardhan²⁰ used a poverty line of monthly PCTE of Rs 15 at 1960-61 prices and used the CPIAL as the price index for the rural poor. He found that the proportion of people below the poverty line rose from 38 per cent in 1960-61 to 45 per cent in 1964-65, 53 per cent in 1967-68 and rose further to 54 per cent in 1968-69. Bardhan's study suggested a secular increase in rural poverty in India during the 1960s.

Ahluwalia (1978) showed that there was no statistically significant time trend in the incidence of poverty as measured by the Head Count Ratio in the rural sector during 1956-57 to 1973-74²¹.

Dutta (1980) also found the same result for the period 1960-61 to 1973-74 and for both the rural and urban sectors. There have been fluctuations in the incidence of poverty with strong tendency for poverty to increase in years of bad harvest and associated with high food prices. Poor people who have to sell only agricultural produce and who largely depend on their labour power are generally the worst sufferer in times of bad harvest and in times of inflation²².

However, Sen (1981) demonstrated that poverty and famines can be accentuated and even created even when there is no significant change in food production. Uneven income

²⁰ Bardhan, P.K (1973): "On the Minimum level and rural poor" Indian Economic Review Vol-V New Series No.1 pp 129-36

²¹ Ahluwalia, Montek S (1978): 'Rural Poverty and Agricultural Performance in India' The Journal of Development Studies Vol.4. No.2 pp 289-292

²² Dutta, B (1980): "Inter-sectoral disparities in income distribution in India, 1960-61 to 1973-74" Indian Economic Review.15

increase, and increased war expenditure demand leading to crashing exchange entitlement of agricultural labourers, artisans, fishermen, craftsmen etc and uneven distribution of food grains due to hoarding and eventually leading to exorbitant increase in food prices led to poverty, starvation and famines of Bengal in 1943²³.

3.3 Causes of Poverty:

As such, apart from measurement and conceptual issues, the causes of poverty also occupy an important place in the literature. Silva and Athukorala (2003)²⁴ broadly and systematically classified the causes of poverty as that of political economy approach on the one hand, meaning that poverty is a result, not attributed to the omission and commission of the poor themselves but of outside factors upon which they have no control and on another it was classified as the culture of poverty approach which purports that poverty is a result of the way in which the poor themselves live and think, making themselves responsible for their own fate.

Galbraith (1969) outlined different factors causing poverty. He stated that the factors causing poverty are cultural trait or their natural preference, poverty of the country to which they belong, colonial oppression and class exploitation, insufficient capital, overpopulation, incompetent policy,

²³ Sen, A.K (1981): Poverty and Famines, an Essay on Entitlement and deprivation , Oxford Clarendon Press. pp 53-85

²⁴ Silva, K.Tudor et.al (2003): "South Asia-An Overview" in Else Oyen et.al (eds) Poverty a Global Review. Rawat Publications. Jaipur and New Delhi.

ignorance etc. Based on the foregoing classification of the causes by Silva and Athukorola, Galbraith's is a mix of both²⁵.

It is contended by Nurkse (1953) that poverty has a vicious circle from which poor people cannot break free²⁶. Such theorization as poverty being caused by low productivity, low income, low saving and low investment implies that poverty is viewed in terms of economy as a whole and that poverty is largely uniform among people of the economy in question. But evidences among different countries and nations of the world show that poverty is often existent amidst affluence giving a blot on the not poor, and the affluent reminding us of the Biblical reflection that the poor should always be with us.

Poverty as a culture has been propounded by Lewis (1968) who stated that causes like unemployment and low wages are important causes of poverty. Lewis stated that poverty or culture of poverty as a permanent way of life develops among the poor under conditions of persistently high rate of unemployment and underemployment.²⁷ Rossi and Blum (1968) also stated that long periods of unemployment are the critical feature of the poor.²⁸ Unemployment can even be used as an indicator of poverty as those people who cannot find employment or are out of jobs due to some structural or cyclical causes are caught in the web of poverty. The recent cases of poverty, starvation and death of tea garden workers in West

²⁵ Galbraith, J.K (1969): Economic Development. Harvard University Press.

²⁶ Nurkse, Ragnar (1953): Problems of Capital Formation in Underdeveloped Countries. Oxford University Press

²⁷ Lewis, Oscar (1968): "The Culture of Poverty" in Daniel P. Moynihan (ed) On Understanding Poverty. Basic Books Inc Publishers. New York/London

²⁸ Rossi, Peter H, and Zahava D. Blum in Daniel P. Moynihan (ed) Ibid

Bengal due to closure of tea estates, which resulted from the state government's plan to establish Special Economic Zones (SEZ) are clear cases in point.²⁹ And such use of unemployment as an indicator of poverty can be found in analysis of poverty in North East India. Beside the usual explanation of poverty as being caused by unemployment, lack of assets, insufficient economic growth etc, some explanations like poverty being caused by the household being female headed, and the household having too many dependents still find a slot and there is no dearth of contrasting evidences also.

Mathur (2004) wrote that widows are the most vulnerable section of the society. There are about 33 million widows in India representing 8% of the female population (as per the 1991 Census). The proportion of widows in the female population rises sharply with age reaching over 60 per cent among women aged 60 and above and close to 80 per cent among women aged 70 and above³⁰. Dasgupta (1993) asserted that widows are routinely forced into destitution³¹. Mayra Buvinic et.al (1989) showed that in rural Africa, in Commonwealth Caribbean Territories, and in urban Latin America, women headed households are poorer than those jointly headed or headed by men. Female headed households are also poorer because they have fewer secondary earners and more dependents to support than male headed households. The pattern is the same in the English speaking Caribbean. Similarly, in

²⁹ "Death on the Leaves" The Week. Vol. 25 No.26 May 2007

³⁰ Mathur, Vibha (2004): India, Economic Reforms and Social Sector. New Century Publications. New Delhi India

³¹ Dasgupta, P (1993): An Enquiry into Well-being and Destitution. Oxford Clarendon Press.

Africa, comparisons of male and female household heads reveal no significant differences as to age and education. Instead, women-headed households are poorer because they have fewer resident working members than male-headed households, but more dependents and smaller landholdings. It is also true that these households are much less likely to have access to productive services such as agricultural extension and credit for more explicitly gender reasons. In any event, in Latin America, the Caribbean, and Africa, female headed households are on average distinctly worse off³². Dreze and Srinivasan (1995) found that in terms of standard poverty indices based on household per capita expenditure, there is no evidence of widows being disproportionately concentrated in poor households, or of female headed households being poorer than male headed households.

As environmental conditions largely affect the livelihood pattern of the poor, there is a close relationship between poverty and environmental degradation. In the past cases of severe food shortage and poverty in Mizoram when there were famines, people found their survival from the forests by digging wild roots and tubers. As such the source of survival and livelihood for the poor is certainly the natural environment. Poverty is seen as a major cause of environmental damage and the poor are regarded as being heavily dependent on the environment (Wunder 2001)³³.

³² Buvinic, Mayra et.al (1989): "Women, Poverty and Development in the Third World" Reprinted in G.M.Meier et.al (eds) *Leading Issues in Economic Development* (2004) Oxford University Press.

³³ Wunder, S (2001): "Poverty Alleviation and Tropical Forests-what scope for synergies" *World Development*. November 2001.

3.4 Classification of Poverty: Since poverty is multi-dimensional, there are various aspects in which the case can be presented and no single description can paint the full picture of poverty. At this juncture it is worth reviewing some versions to classify poverty. Without trying to systematize the classification, but just by looking into a few of individual views about the types of poverty, held by these authors. These are shown in the following paragraphs.

Lal (2004)³⁴, in his attempt to answer whether the fruits of intensive growth will trickle down and alleviate poverty distinguished between three types of poverty as Mass Structural poverty, Destitution and Conjunctural Poverty. He said that Mass structural poverty occur in organic societies where there is universal dependence on organic raw materials for food, clothing, housing and fuel. Their supply is in the long run inevitably constrained by the fixed factor-land. As the fixed factor of land is conjoined with the Malthusian principle of population, land frontier is reached and diminishing returns takes its inexorable toll, and people languish at subsistence standard of living. He cited that technical progress like the Industrial Revolution freeing mankind of the dependence on organic raw materials for production, and a market based liberal economic order that promotes labour intensive growth can cure the age long problem of structural mass poverty. Destitution occurs as there is lack of labour power either because they are physically handicapped or they had no family. And Conjunctural

³⁴ Lal, Deepak (2004): "Economic Reforms and Poverty Alleviation" in I.J Ahluwalia et.al (eds). India's Economic Reforms and Development. Oxford India Paperback.

is one occurring in agrarian economies and climatic crises or political turmoil are the principal causes. Government direct intervention, like employment creation, rather than growth itself is seen as solution to such kind of poverty.

Galbraith (1958)³⁵ also classified poverty as between Case Poverty and Insular Poverty. He said that Case Poverty encounters every community, rural or urban, however prosperous that community or the times. Insular Poverty is that which manifests itself as an “island” of poverty. In the island, everyone or nearly everyone is poor. Radhakrishna et al (2005)³⁶ also showed the significant distinction between chronic poverty and transient poverty which are based on the duration of poverty. It is obvious that availability of data dictates the norm chosen for duration. The sub-category of poor persons who are below poverty line for a long duration, usually five years constitute the chronic poor.

Rao (2005) suggested that “the decentralized planner may begin by taking note of three types of poor households frequently encountered in the field by both researchers and programme administrators. These are categorized as 1) Very Poor: These have no land or assets nor possess any kind of skills and thus may be in a position to participate only in employment programmes offering unskilled work. This would be the most deserving category for receiving doles, subsidies and income supplements. Steady support and help would be needed

³⁵ Galbraith, J.K (1958): The Affluent Society. Penguin Books p.236

³⁶ Radhakrishna, R et.al (2005): “Poverty in India, Dimensions and Character” in Kirit. S Parikh et al (eds) India Development Report 2004-05 OUP Delhi.

before the households in this category become strong enough to benefit from asset-cum skill programmes. 2) Poor: These households have enough enterprise to make effective use of programmes offering assets and skills. Their primary need would not be for doles, subsidies and unskilled work but for promotional support including institutional finance and inputs at concessional rates, assistance in marketing and protection through services like insurance. 3) Not-so-Poor: This type of households includes upwardly mobile ones with good connections and well-to-do households who are regarded as poor only because they belong to categories like SC and ST. Recent attempts to identify the creamy layer among the poor recognize the problem of diversion of benefits intended for the very poor and poor to the not so poor”³⁷

It can also be said that depending upon the choice of location or area, we can have rural poverty, and urban poverty etc. each of which has associated problems and causations and solutions may yet differ between them. It is a tenable assertion as can be seen from the data that rural poverty far outweighs urban poverty in India. And as the rural population have fewer means of livelihood and they heavily depend on their physical labour and natural resources which are subjected to diminishing returns, it is also tenable that all throughout the world rural poverty is more than urban poverty. The Beijing Declaration of the United Nations (1995) stated that ‘rural poverty has various manifestations, including lack of income and productive resources sufficient to ensure a sustainable livelihood; hunger

³⁷ Rao, V.M (2005): Poverty reduction in an Elite-driven Democracy. Daanish Books Delhi p.53

and malnutrition; ill health; limited or lack of access to education and other basic services; increasing morbidity and mortality from illness; homelessness and inadequate housing; unsafe environment and social discrimination and exclusion. It is also characterized by lack of participation in decision making and in civil, social and cultural life. It occurs in all countries as mass poverty in many developing countries and as pockets of poverty amidst wealth in developed countries'.³⁸ These situations give a description of the manifestations and outcomes of poverty in its various dimensions. It is obviously far from truth however that all the dimensions of poverty are simultaneously found in every case study results of poverty. Certain manifestations of poverty may as well be missing in some cases and may be so pronounced in the other.

Yet another distinction is drawn between primary poverty and secondary poverty. Rowntree (1901) distinguishes between two types of poverty (a) Primary poverty resulting from inadequate income, and (b) Secondary poverty caused by an "ignorant and careless housekeeping and other improvident expenditure" of an adequate income³⁹. According to Rowntree 'a family is in secondary poverty if the total earnings would be sufficient for the maintenance of merely physical efficiency were it not that some portion of it then is absorbed by other expenditure, either useful or wasteful'. By contrast, a family would be in primary poverty if the total earnings are actually

³⁸ United Nations. Department of Public Information, 1995: Platform for Action. Beijing Declaration p.38

³⁹ Sharma, Aroon (1990): Concept and Measurement of Poverty. Anmol Publications, New Delhi p.7

insufficient to obtain the minimum necessities for the maintenance of merely physical efficiency⁴⁰.

Capability Poverty is another concept which finds empirical application. It is understood that Poverty often denies a person of opportunities or the capabilities. In this connection, Dreze and Sen wrote that poverty of a life, lies not merely in the impoverished state in which the person actually lives, but also in the lack of real opportunity given by social constraints as well as personal circumstances- to choose other types of living. 'The life of a person can be seen as a sequence of things the person does, or state of being he or she achieves, and these constitute a collection of 'functionings'- doings and beings the person achieves. Capability refers to the alternative combinations of functionings from which a person can choose'. They viewed that 'Poverty, is thus, ultimately a matter of capability deprivation and note has to be taken of that basic connection not just at the conceptual level, but also in economic investigations or in social or political analyses'⁴¹. Such views are reinforced by the UNDP. 'In 1996, the UNDP has put forth the concept of capability deprivation defined as deprivation in education, health and nutrition. Measurement of capability poverty is comprised of three basic dimensions: healthy well-nourished life having the capability of safe and healthy reproduction and being literate and knowledgeable. They used the basic indicators as: (i) female adult illiteracy ratio, (ii)

⁴⁰ Chaubey, P.K (1995): Poverty Measurement: Issues , Approaches and Indices. New Age International.

⁴¹ Dreze, Jean and Amartya Sen (2005): India Development and Participation. OUP New Delhi p 36

underweight children and, (iii) births unattended by trained health personnel',⁴².

As such, depending on the context we are concerned with, we can have different classifications of poverty. If one is concerned with the time dimension of poverty, one may have chronic or transient poverty. We may have rural or urban poverty depending on the geographical location of the poor. Galbraith's classification is based on the incidence of poverty and it is a distinctive one. The classification based on the causes of poverty takes us to Oscar Lewis, Deepak Lal, and even Seebohm Rowntree.

A classification may also be based on the observation of measurable or non-measurable attributes of the poor, in which case we can assign ranks among them as was suggested by V.M Rao. Since it is often contended that the poor are not a homogenous lot of people and their needs are also different, the latter classification has practical importance. This is because accurate targeting in respect of poverty alleviation strategies is extremely important, in situations when expenditure required for the poverty alleviation programmes are very large due to the sheer number of poor, and when such expenditures have to be incurred against mounting fiscal deficit in the country. An accurate and operational classification of poverty is needed to make effective policy and strategy for the probe.

⁴² Sen, Jayanta and Debottam Chakraborty (2005): "Poverty and Social Spending: An inter-state Analysis" in K.N Rao (ed) : Poverty in India, Global and regional Dimension. Deep & Deep Publications. New Delhi p. 188

CHAPTER-IV

SELECTED ISSUES AND GOVERNMENT PROGRAMMES ON POVERTY

4.1 Education, Literacy and Poverty

Literacy is the basic indicator of education. It is by far the easiest and most common measure of educational status of population as a whole although there could be wide differences in knowledge, skill and training among the literates. At the same time, we should be very clear that unless one first attains literacy, one cannot get further development in skills and training. Poverty and literacy are two dimensions of the society which are related to each other in the opposite way. What the Ricardian marginal productivity view of economics had to say about this is that 'if men were poor, not much could be done about it. By skill, diligence and training, the individual could raise his marginal product and hence the wage he could claim. As the most obvious avenue of escape for the individual from poverty, this became a factor of great importance in shaping economic attitudes'¹ As labour is paid according to its marginal product, that which increases the marginal productivity and which shapes one's economic attitude should be preferably increased. Now the inverse relation between these two is widely accepted as universal and found to be not just an association but a cause effect relationship. It is argued by Dreze and Sen (2002) that Education and Health can be seen to be

¹ Galbraith, John Kenneth (1958): The Affluent Society. Penguin Books p32

valuable to the freedom of a person in at least five distinct ways which are outlined as: i) Intrinsic importance ii) Instrumental personal roles iii) Instrumental social roles iv) Instrumental process roles v) Empowerment and Distributive roles. Here they give argument for education by outlining the different roles that it plays towards enhancement of the freedoms that are instrumental for development, or it is an exposition of the positive roles of education towards development, an illustration of the cause effect type of relation. They went even further to say that ‘India’s failure to have an adequate public policy in educational and health matters can be of profound significance in assessing the limited success of Indian development efforts over the last half a century’².

This relationship, as it seems to be so pro-intuitive and policy indicative has to be substantiated by evidence. Empirical evidences on the calculation of the rate of return and also the contribution of education by using production function approach also explain this relationship. It is supported by evidence that ‘the returns to investment in Education in advanced industrial countries are roughly the same as those of investment in physical capital. By contrast, the returns to education in developing countries stand at a much higher level relative to industrial countries.’³ The functional explanation of output growth by using the independent variables of Land, Labour and Capital in the post World War II by fitting the relationship to time series data of the United States, left a huge

² Dreze, Jean and Amartya Sen (2002): India, Development and Participation. OUP, Delhi. Pp 39-40

³ “Economic Impact of Education” from Goerge Psacharopoulos reproduced in Meier, Gerald M and James E.Rauch (2000): Leading Issues in Economic Development. Oxford University Press. p 225

unexplained residual named “the coefficient of our ignorance.” Output grew much faster than increases in the traditional factors of production function could account for. “It was then that Schultz (1961) and Denison (1967) using computationally different although conceptually similar approaches, introduced the quality of labour or human capital into the traditional production function. Schultz for example plugged in the amount of investment represented by expenditures on education and explained a great part of the previously puzzling residual. The macro approach has been replicated by others over the past thirty years with similar results”⁴. Some past evidences on this relationship of poverty and literacy can also be found from Tilak (1986) who found negative correlation between education and poverty for 29 countries.⁵ Fields (1980) analyzed the relationship between poverty and education for 66 countries and found that the incidence of poverty decreases with educational attainment in each of the countries.⁶ However, Sethi’s (2005) study⁷ and analysis of the causes of poverty for 45 developing countries by regression of poverty (percentage of population living under U.S \$1 a day) data from World Development Reports on 18 independent variables dropped Adult Literacy from being included among the explanatory variables of poverty in his final linear regression equation as there were other more important variables having bigger coefficients. Some studies in India at District level studies on the relationship between

⁴ Ibid

⁵ Tilak, J.B.G (1986): “Education in an Unequal World” in Educational Planning: A long Term Perspective, New Delhi, Concept Publishers for NIEPA, pp 27-50

⁶ Fields, G. S (1980): Poverty, Inequality and Development. Cambridge University Press.

⁷ Sethi, Amarjit Singh (2005): “Poverty at the Global Level with reference to India” in K.Nageswara Rao. (ed)-Poverty In India, Global and Regional Dimension. Deep & Deep Publications. Delhi

poverty and literacy confirm that there is an inverse relation between the two. Patil (2005) showed that there is a strong negative relation between education and poverty in 20 districts of Karnataka.⁸ Devi (2005) in a study of Orissa also concluded that there is a strong and inverse relationship between education and poverty and with the increase in the level of education, poverty declines.⁹ What appears to be startling and counter-intuitive about Devi's finding is that in the context of a backward state with backward population, the required level of education is not even the secondary level but below it.

4.2 Poverty and Rural-Urban Migration:

Most cases of poverty are found in rural areas. This is attributed to the heavy dependence of rural population on agriculture and low productivity of agriculture. As the rural population is dependent on agriculture which is often subject to the law of diminishing return because land is a fixed factor of production against increasing population especially in most developing countries, there is supposedly a case of zero marginal productivity and surplus labour in rural areas. According to Lewis (1954), this surplus labour has important implication for economic development as the modern industrial sector can get unlimited supply of labour without much increase in the cost of production or wage for a long time. The rural agricultural sector or the 'traditional sector' after releasing labour so much as the stage where marginal product of labour no longer becomes zero or the state of 'commercialization of

⁸ Patil, D.N (2005): "Poverty in Karnataka: A District Level Study" in K. Nageswara Rao. Ibid

⁹ Devi, Sailabala (2005): "Poverty in Orissa and the Role of Education" in K. Nageswara Rao. Ibid,

agriculture' again supplies agricultural surplus to the modern sector which is the engine of growth. Harris and Todaro (1970) attributed the rural-urban migration to the difference in the wage rate between rural and urban areas which means that the urban formal sector pays wage rate which is exceedingly higher than the rural sector. The urban wage is comparatively secure due to unionization or government policy whereas the rural wage is highly flexible and subject to fluctuations according to the demand and supply of labour. This increases the attractiveness of migration from rural to urban areas. However, the actual phenomenon of migration is a function of the probability of getting urban job, which is equal to the ratio of number of vacancies to the number of job seekers and the wage differential. The urban sector has formal and informal sector and some of the labour force in the urban sector are also openly unemployed. Taking the analytical standpoint, it is highly debatable whether the wages in the urban informal sector is still better than the rural agricultural sector or whether being unemployed in an urban area is better than being unemployed in rural area.

One important force which gives impetus to the recent pattern of urban development, which is again responsible for the rural-urban migration, is the trend of globalization. The World Bank stated in its report that 'Firms competing in the global economy (and their suppliers) still benefit considerably from access to a sizeable pool of labor, materials, services and customers. As a result, globalization is likely to contribute to further urbanization. This is particularly true in developing

countries, where access to opportunities offered by globalization is much greater in cities'¹⁰

Besides the absolute difference of wages between rural areas and urban areas, the availability of employment itself is a considerable factor. The rural-urban imbalance of development, especially in getting sources of employment will be responsible for the migration of people from rural to urban areas. It can be understood that the deficiency of non-farm employment in rural areas lead to the rural-urban migration of population. Owing to the absence of non-farm employment, people in rural areas normally find it difficult to keep their heads above water and then, they opt for urban sources.

Evidently, the rural-urban differential in wage, coupled with wider choice of consumption in urban areas lead to consumption disparities between the two sectors. This also has an important bearing on the rural-urban migration of population. As per the 61st Round of NSS Report, the MPCE for all social groups in Rural areas was Rs.558.8 whereas for urban areas, it was Rs. 1052.4¹¹. It was further highlighted that in rural areas, the proportion of population having MPCE below the average level (Rs.558.8) was found to be 65.7% for the entire population, 77.4% for population located in SC households, 79.6% for ST, 64.1% for OBC and 53.3% for 'Others'.

¹⁰ The World Bank: Entering the 21st Century, World Development Report 1999/2000.

¹¹ NSS Report No.514: Household Consumer Expenditure among Socio-Economic Groups:2004-05 p.4

Table 4.1
Rural-Urban Incidence of Poverty in India

Year	Poverty (%)		Number of Poor (Millions)		
	Rural	Urban	Rural	Urban	Total
1956-57	54.1	-	182	-	-
1957-58	50.2	-	172	-	-
1958-59	46.5	-	162	-	-
1959-60	44.4	-	158	-	-
1960-1	38.9	40.4	141	32	173
1961-2	39.4	39.4	145	32	177
1963-4	44.5	42.5	171	37	208
1964-5	46.8	45.7	184	42	226
1965-6	47.4	46.4	190	44	234
1966-7	56.6	48.3	231	47	278
1967-68	56.5	48.4	236	49	285
1968-9	51.0	45.5	217	47	264
1969-70	49.2	44.4	214	48	262
1970-1	47.5	41.5	210	46	256
1972-3	49.4	44.6	227	53	280
1973-4	56.4	49.6	261	60	321
1977-8	53.1	45.2	264	65	329
1982-3	45.6	40.8	252	71	323
1987-8	39.1	38.2	232	75	307
1993-4	37.3	32.4	244	76	320
1999-00	27.1	23.6	193	67	260

Source: Radhakrishna, R et.al (ed): Handbook of Poverty in India. Table 1.1 p. 3

Similarly in urban areas, the proportion of population having MPCE below the average level (Rs.1052.4) was found to

be 67.1% for the entire population, 84% for population located in SC households, 74.3% for ST, 75.4% for OBC and 54.5% for 'others'. The percentage distribution of poor in rural and urban India, and the absolute number of the poor from 1956 to 2000 is shown below:

The evidence in India is that the poor in rural areas far outweigh the poor in urban areas. A number of scholars like Dandekar & Rath feel that the problem of poverty in India is of rural poverty and urban poverty is simply exodus of rural poor to urban areas¹². A look at the table above bears out that the absolute number of poor in the urban areas is comparatively smaller than that in rural areas. This huge number of rural poor constitutes an army of potential migrants.

The Planning Commission Expert Group Report 1993 was of the opinion that 'on account of the non-availability of employment due to inadequate expansion of jobs in rural areas, the poor are pushed into the urban areas for search of employment. It implies that the overflow of the rural poor to urban areas with increasing urbanization is the principal factor accounting for an increase in urban poverty'¹³. The striking evidence in India, in support of this is that during 1993-94 to 1999-00, there was a decline in the overall growth of employment. This was largely due to the lower absorption in agriculture. The share of agriculture in total employment

¹² Samarth, Sriram & S.L.Pedgaonkar (2005): "Determinants of Rural Poverty in India" in K. Nageswara Rao (ed): Poverty in India, Global and Regional Dimension. Deep& Deep Publication. Delhi p.274

¹³ Datt, Rudder & K.P.M Sundharam (2007): Indian Economy. S.Chand & Company Delhi p. 347

dropped from 61 per cent to 57 per cent. This trend continued and the share of agriculture in total employment further dropped to 52 per cent in 2004-05.¹⁴ Given the urban bias in economic development of the country and given the subsidies that the urban areas receive on education, food, water supply, electricity and others, the urban pull of population is strengthened and at the same time, as the rural areas are being bypassed in various economic development in the face of declining productivity of agriculture, the rural push of population towards urban areas is strengthened as a rule. The rural-urban imbalance of development in which the rural areas lag behind in many facilities will certainly reinforce the rural-urban migration. More overflows of poor from rural areas will be forthcoming unless poverty alleviation programmes and rural development programmes are supported by structural development programmes of the rural areas.

4.3 Poverty, Income and Employment:

Income shortfall leads to poverty, unless of course one can live the whole life on inheritance, doles, or relief; but on the macroeconomic perspective, or a society to live that way is arguably impossible except for a short duration. And the inability to obtain the basic necessities in modern societies where one is not doing everything to get what one needs; the necessity of sufficient income to exchange the basic needs with income is prominent. On the empirical perspective, high income nation or region or state exhibits a low poverty ratio almost as a rule. Behind the relationship between poverty and income is the

¹⁴ GOI Ministry of Finance, Economic Division: Economic Survey 2007-08. OUP p.247

implicit mechanism that income is received from employment and employment is an important indication of economic participation and also the basic entitlement of an individual for him to live a decent standard of living. The income received from employment is exchanged for getting one's needs. Since by economic reasoning, everyone is supposed to earn his bread by exchange and 'It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner...as it is by treaty, by barter, and by purchase that we obtain from one another the greater part of those mutual good offices which we stand in need of..' ¹⁵ Therefore, the ability and opportunity to earn income is functionally related with poverty. In the words of Adam Smith even a beggar does not entirely depend upon free provision of his fellow citizens because the beggar's whole fund of subsistence which is obtained from charity of well disposed people is used by the beggar to buy his food.

Besides the issue of linking the absolute level of income and poverty level, there is also an important question of how income growth relates to the change in poverty level. Whether high income growth is more important than state sponsored programmes to alleviate poverty is a moot question. Although the issue is not confined to India alone, the recent high income growth going with a still large number of the population living in poverty in India brings this issue to light. On both sides of the debate, there are examples to substantiate the points. The economic development of agriculture and high income growth experienced by Punjab and Haryana is often

¹⁵ Smith, Adam (1776): *The Wealth of Nations*, Books I-III, Penguin Books. p. 119

cited as example of the case for high income growth, whereas the achievement in reduction of poverty and improvement in human development in Kerala and Sri Lanka, despite low growth, is often cited as example supporting the argument for state sponsored poverty alleviation programmes. Jalan wrote that 'It is obvious that poverty alleviation in a low-income country with poor basic amenities and poor availability of essential public services (such as primary education, water, power and transport) is feasible only if the government has the financial capacity to create the necessary infrastructure for the provision of such services to the poor. It is also likely that the higher the rate of growth of the economy, the higher is the growth of government revenues and its capacity to finance social expenditure likely to be'¹⁶. It is proper to argue in favour of more emphasis on income growth but it is neither proper to argue against giving government sponsored poverty alleviation programmes an attenuated role.

What are the impediments that prevent one from getting sufficient income such as will lead him out of poverty is again an important question. The economic, social and political environment, from which a person in question lives, largely dictates the income earning capability. And it is rightly the removal of these impediments that every interested party in poverty removal is spending their energies without bothering to argue their relation vis a vis income and employment. And for the increase in income to take place on a sustained basis, what

¹⁶ Jalan, Bimal (2006): *The Future of India: Politics, Economics and Governance*. Penguin Books India pp 95-96

we now term as economic development is the most sought after policy objective of the government as economic development is a generic term encompassing economic growth, welfare and even the natural environment. NGOs, religious and social groups may fight for specific cause which they think are the impediments and hurdles that stand in their way of development. This again is a reflection of their participation in community. It is known that the poor owing to their rural background and lack of education and knowledge often lack the ability to associate themselves to fight for their causes.

The inability to earn sufficient income above poverty line is a result of a combination of different deprivations like health and education, access to safe drinking water etc. In this regard, what the national poverty lines indicate in India is the level of private consumption as it was simply assumed that the state will provide these other basic necessities of health, education. But looking at the situation in our country as a whole till today, the assumption is largely an unfulfilled one. The poverty line which disregards the amount that an individual will receive on education and health by assuming that it is given or received from public provision and, not fulfilling the assumption will be a grave mistake. Otherwise, it should be right to include these things in the calculation of poverty line and hence the incidence of poverty. This is not to say that income alone is not a sufficient explanation of poverty but rather that individual or household income should be supplemented by public provision of essential services so as to make the deprivation suffered by the poor equally comparable.

Otherwise, those poor in rural areas earning the same income but who receive scanty public provision of these essential services will suffer poverty more intensely due to their capability poverty, and the chances of their crossing the poverty line will always be lesser than their urban counterparts. An important study in this connection is by Sen and Chakraborty (2005)¹⁷ who studied the relationship between income poverty and capability poverty among 15 major states of India for two time points, i.e. 1991-92 and 1998-99. The authors used the NSS data on female illiteracy rate; and NFHS data on the proportion of underweight children under the age of three; and births unattended by trained health professionals. They estimated capability poverty for the two time points. Their finding indicated that capability poverty in India and its major constituent states during 1991-98 has decreased irrespective of rural and urban areas. They also found that the rank correlation coefficient between income poverty and capability is very high (.68 and .59 for 1991-92 and 1998-99) for all the economy.

In recognition of the close link between employment and poverty, the Government of India has been making serious efforts towards eradication of poverty by adopting employment policies throughout the planning periods, and the majority of Poverty alleviation programmes are linked to provision of employment. The linkage of poverty and type of employment in India is shown in Table 2.3 above. The Planning Commission also set up Expert Committees like the Dantwala Committee in

¹⁷ Sen, Jayanta and Debottam Chakraborty (2005): "Poverty and Social Spending" in K.N. Rao (ed). Poverty in India, Global and Regional Dimensions, Deep & Deep Publications, New Delhi

1970, the Bhagwati Committee in 1973 etc in view of the necessity of formulating employment policies for successful eradication of poverty through provision of gainful employment. It also introduced various employment programmes meant especially for the poor. These will be discussed in the later section.

Table 4.2
Indices of Poverty by Occupation Groups.

Occupation	Poverty Ratio	Squared Poverty gap	Share of poor	Contribution to Total Poverty(CTP)
I Rural				
Self-employed in agriculture	32.21	2.08	11.24	9.77
Agricultural Labour	56.75	5.06	43.42	52.21
Other Labour	39.69	2.56	8.08	7.03
Self-Employed in agriculture	29.19	1.77	33.36	27.24
Others	17.57	1.25	3.90	3.75
All Population	37.23	2.77	100.00	100.00
II Urban				
Self- Employed	36.19	2.93	43.17	40.58
Regular wage & Salary Earners	20.93	1.36	27.47	20.72
Casual Labour	62.64	7.12	24.99	32.95
Others	26.48	3.00	4.37	5.75
All Population	32.28	2.81	100.00	100.00

Source: Datta, K.L & Savita Sharma (2002): Facets of Indian Poverty. Concept Publishing Company New Delhi p.118

4.4 Poverty and Health Nexus:

Owing to the different deprivations faced by them, poor people are destined to suffer diseases and ailments. The lower consumption of food in terms of calorie or nutritional level of poor people can bring with it certain weaknesses and disabilities. Once a person is under-nourished, the body's immunity is lowered and easily fall prey to diseases. Anaemia, beri beri, for example can directly result with mal-nutrition and poor diet. On the other hand, unclean surroundings and poor quality of housing can open the flood gates to vector borne diseases like Malaria, Filaria, Kala-azar, Japanese encephalitis, Dengue/ Dengue Hemorrhagic fever (DHF) and Chikungunia. Unsafe fuel use, leading to inhalation of smoke etc can cause asthma, bronchitis or Acute Respiratory Infections (ARI). Unsafe water supply can cause diarrhoea, poor sanitation facilities can cause dysentery. Other diseases like tuberculosis, and even leprosy are poverty related. Poor people are known to suffer more diseases and they are also known to have lower life expectancy. A high level of infant mortality and maternal mortality are also associated with higher incidence of poverty. Large-scale studies that assess specific causes of illness and death by level of poverty are not available in India. Communicable diseases, malnutrition and maternal conditions are concentrated among the poor. 'Compared with the poor, the rich are sick less, become sick at an older age, and suffer more from non-communicable diseases than from communicable diseases'¹⁸. Therefore, the health issue of poverty or the

¹⁸ Nanda, A.R and Almas Ali (2006): "Health Sector-Issues and Challenges" in India- Social Development Report. Oxford University Press. p.25

poverty-health nexus is an important one because of which the National Rural Health Mission was started on 12th April 2005 to provide accessible, affordable and accountable quality health services even to the poorest households in the remotest regions¹⁹. The following table shows comparison of the poorest quintile and the richest quintile in terms of health indicators.

Table 4.3
Health Status Indicators-Comparison between the poorest and Richest Quintiles of the Indian Population, 1992-3

Indicator	Poorest quintile	Richest quintile	Risk Ratio
Infant Mortality (per 1000 births)	109	44	2.5
Under-five mortality(per 1000 birth)	155	54	2.8
Underweight Children(per cent)	60	34	1.7
Total Fertility rate	4.1	2.1	2.0

Source: India Social Development Report. p.25

¹⁹ Ministry of Information and Broadcasting GOM: India 2008 p.460

4.5 Poverty and People's Participation:

Poverty eradication is thought to be most effective when the poor people themselves are given the mandate at the grassroots. Government policies and programmes which are meant for the poor are known to suffer from leakages, and often hamstrung by unscrupulous practices and corruption of politicians and bureaucrats. Not only that, the benefits which are meant for the poor are often grabbed by the non-poor as there use to be a sort of competition between the two categories. In such circumstances, the poor are always at the losing side as they often suffer not only from economic deprivation but also from political deprivation. All these unfavourable situations are allegedly the result that the poor themselves are not given the onus of helping themselves but instead, they are deprived of the opportunity to come out of their poverty. Ralph Miliband²⁰ wrote that 'On the surface, the poor are as much in possession of civic and political rights as anybody else: they are full citizens whose equality is expressed in their equal right of access to the ballot box and to all the other means of political pressure and redress available in the political system. In real life, however, and against the background of other forms of deprivation, this equal citizenship is, in political terms, very largely robbed of its meaning. For the deprived not only lack economic resources: they also, and relatedly, lack political resources as well. Economic deprivation is a source of political deprivation; and political deprivation in turn helps to maintain and confirm economic deprivation. In other words, the different

²⁰ Miliband, Ralph: "Politics and Poverty" in Dorothy Wedderburn (ed) Poverty, Inequality and Class Structure. Cambridge University Press. p. 183

elements of the 'network of deprivation' reinforce each other. Owing to their poverty, ignorance, and need to work for subsistence, the poor are generally not able to integrate among themselves to fight for emancipation from their plight, and hence there is very little chance that they join forces among themselves because doing such thing requires knowledge, communication, resources, and amounts to leaving work etc. Therefore the case for the poor has often been advocated by the non-poor. 'The circumstances of low paid workers tend to discourage organization, or have at least hitherto tended to discourage organization- the matter is by no means beyond redress. At any rate, poorly paid workers have been poorly unionized, although public employees are a notable exception',²¹.

Recognizing the fact that the participation of the people at the grassroots level for rural development and poverty alleviation is of key importance, the 73rd and 74th Amendment to the Constitution of India was enacted which henceforth, confers powers and authorities to the Panchayati Raj Institutions (PRIs) and enshrined in Part IX of the Constitution. Thus according to Part IX, section 243G of the Indian Constitution, the powers and authorities of the Panchayats include: the preparation of plans for economic development and social justice; the implementation of schemes for economic development and social justice as may be entrusted to them including those in relation to the matters listed in the Eleventh Schedule. As a result of the Constitutional mandate, the Panchayati Raj Institutions at the Village level called the Gram

²¹ Ibid, p.188

Sabha are now given important duties and responsibilities in the currently running on nation-wide scheme, the NREGA, which include preparation of work plan, issuing of job cards, maintenance of job schedules etc. In the NRHM programme also, the participation of the people is accorded vital importance as committees at the village level are to be formed, and also that certain health and sanitation works are left to be done as social activities. In self employment programmes like the IRDP, and the SGSY, the beneficiaries are required to form self-help groups (SHGs). The collective strength will empower the beneficiaries and will generate economy of scale. This is an important guideline introduced by the government. However, it should have been much better if poor people had the spontaneity or initiative of forming self help groups related to their occupation instead of the government insisting them to do it.

The issue of community participation is of immense importance in areas of obtaining of credit from banks, forming of cooperative union for marketing and production, and also in areas of health and sanitation, because in rural areas people's spontaneous initiative is often weak. Educating the masses in this regard, strong leadership and appropriate incentives from the government, coordinating with NGOs, etc will be needed to create an environment where participation by the people is forthcoming so that poor people start doing or contributing towards poverty eradication.

4.6 Poverty Alleviation Programmes in India:

Chandra (1992) stated that ‘there is no disagreement among historians that throughout the colonial period, most Indians lived on the verge of starvation. In the second half of the nineteenth century, the poverty of the people found expressions in a series of famines which ravaged all parts of India and carried away nearly 30 million people’²². The general conception that there is widespread poverty in India struck the thoughts of our national leaders even before Independence in 1947, and that this condition had been well recognized by scholars. It was clearly reflected in the speech of Jawaharlal Nehru, the first Prime Minister of India when he addressed the Constituent Assembly that “the service of India means the service of the millions who suffer. It means the ending of poverty and ignorance and diseases and inequality of opportunity. The ambition of the greatest man of our generation has been to wipe out every tear from every eye. That may be beyond us, but as long as there are tears and suffering, so long our work will not be over.”²³ But before the Independence, not much could be done about poverty of the people of India as the economy itself was very weak and this issue was outside the interest of the colonial government. Of course there were initiatives like Rabindranath Tagore’s Sriniketan Institute of Rural Reconstruction, started in 1921, the Rural reconstruction Programme in Baroda, first initiated by Maharaja Sayaji Rao and later developed by V.T. Krishnamachari, the Martandam Experiment by Spencer Hatch, the Gurgaon Experiment by F.L.

²² Chandra, Bipin (1993): “The Colonial Legacy” in Bimal Jalan (ed): The Indian Economy, Problems and Prospects. Penguin Books. p.11

²³ As quoted in Joshi, Sandeep (2000): Panchayati Raj Institutions & Poverty Alleviation.p.20

Brayne, the Etawah Pilot Project by Albert Mayor etc. However, these initiatives were rather short lived and had very limited coverage inasmuch as they were not run on the national scale and therefore, they could not have notable impact on the poverty of the people of India as a whole.

4.6.1 Poverty Alleviation Programmes (from Independence to Economic Reforms of 1991):

After the Independence of India in 1947 and right after the inception of the first Five Year Plan in 1951, the objective of public policy in India has been rapid and balanced economic development with equity and justice. In the initial stages of the Plans, acceleration of the growth of the economy was the paramount objective and doubling the per capita income in twenty seven years was targeted as the goal of the first Five Year Plan's long term objective. This was in view of the fact that the economy was in the grip vast structural and institutional backwardness. Nothing less than an attempt to building and strengthening of the economic infrastructure in agriculture and industries was in the minds of the planners. As such, planned economic growth was hopefully expected to materialize in adequate amount to take care of the massive poverty.

While the government was undertaking considerable effort to launch the economy the economy to a higher growth path, it also recognized the need to specifically address the problem of poverty. The programmes specially designed for a particular group of the poor are called targeted programmes. The anti-

poverty programmes in India during the period can be broadly divided into two categories as:

1. Self-employment programmes, supported with credit & subsidies.
2. Wage employment programmes.

An outline of the major programmes that had been in operation since Independence, till the economic reforms of 1991 which were directed towards the poor in rural India vis-à-vis Mizoram may be outlined as follows:

- 1. Community Development (CD) Programmes:** The Government introduced Community Development Programme during the first and the second Five Year Plans. The Community Development Programme was a recognition of the low level of living in rural India on the part of the government and it was aimed at stimulating and arousing the people's initiatives towards development. According to the Planning Commission the Community Development is the method and rural extension the agency through which the Five Year Plan seeks to initiate the process of transformation of social economic life of villages²⁴. The programme was essentially rural based of limited coverage. It was a welcome step towards developing rural India. It was dedicated to raise the standard of living of rural people with their consent, participation and initiative²⁵. The limited coverage of the Community Development Programme was revealed by the

²⁴ Planning Commission Government of India: 'The First Five Year Plan' p.223

²⁵ Krishna, Meeta (2003): Poverty Alleviation and the Rural Poor p.75

findings of the Balwant Rai Mehta study team that only 2.5 per cent of rural families had been benefited by the programme²⁶. In Mizoram, the C.D Programmes were reported to have been implemented from the Fourth Five Year Plan only as Mizoram achieved the status of Union Territory only in 1972. Animal Husbandry and agricultural development programmes were taken up. 'C.D. Programmes under Animal Husbandry and Veterinary scheme aimed to popularize improved breeds of livestock and poultry at domestic level by selling better breeds to villagers at 55% subsidy. As many as 1279 piglets, 4546 birds were distributed incurring total expenditure amounting to Rs.207840.00. In the year 1972-73 under Soil Conservation programme, in rural areas, about 41 acres was terraced. A sum of Rs.18450 was spent for the purpose. As regard reclamation of land and agriculture extension, the following programmes were taken up.

- a) Agriculture tools sold at 50% subsidy.
- b) 20 numbers of agricultural godowns were constructed.
- c) 50 numbers of sugar cane crushers were purchased and distributed to the cultivators at 50% subsidy.
- d) 14 numbers of power tillers were purchased.
- e) 443 hectares of land reclaimed for wet rice cultivation.
- f) 60 acres of land had been irrigated.

The expenditure incurred for the C.D programmes totaled Rs.11,96,690'²⁷.

²⁶ Ibid P.76

²⁷ Lianzela (1994): Economic Development of Mizoram. Spectrum Publications, Guwahati. p.119

2. Intensive Agriculture District Programme: The limited success of Community Development Programme predicated the starting of Intensive Agriculture District Programme (IADP) in 1960-61. It was launched in pursuance of the suggestion by the Ford Foundation sponsored team of experts. The IADP was basically a strategy of raising agricultural production. According to the Planning Commission 'the programme is intended to contribute both to rapid increase in agricultural production in selected areas and to suggest new innovations and combination of practices which may be of value elsewhere'²⁸. This strategy of agricultural production was carried out during the Third Five Year Plan. The Strength of the IADP lies in the fact that for the first time a package of improved practices such as improved seeds and a package of services were put together in a single programme for the benefit of the farmers²⁹. Such strategy cannot but be selective in its implementation as conditions like assured supply of water, a minimum of natural hazards such as flood and water conservation problems, presence of relatively well developed village institutions like cooperatives and panchayats, and maximum potential for increasing output with a comparatively short time, were the criteria of selection of a district for implementation of IADP³⁰. In view of the necessary conditions for the implementation

²⁸ Planning Commission, Government of India: 'The Third Five Year Plan' p.316

²⁹ Choudhuri, Primit (1972): Readings in Indian Agricultural Development. George Allen & Unwin. London p.8

³⁰ Sundaram, I.S (1984): Anti Poverty Rural Development in India. D.K.Publications, Delhi p.28

and its selective nature, the programme apparently does not cover the state of Mizoram.

3. Intensive Agricultural Area Programme (IAAP): Poor implementation of the programme and the failure to bring about desired objective particularly in regard to agricultural development and social justice led to the need to modify and restructure the programme and as such the Intensive Agricultural Area Programme was substituted for the IADP in 1963. Along with the IAAP, the government also launched the High Yielding Variety Programme (HYVP) in 1965 with which Punjab and Haryana were notably benefited. Apart from the introduction of high yielding varieties of seeds for wheat and rice, public investment in agriculture was stepped up significantly³¹. And in recognition of the need to ensure sufficient inputs of credit and other modern technologies for small farmers, the Government also established the Small Farmers Development Agency and the Marginal Farmers and Agricultural Labourers Development Agency in 1969. The programme of rural credit was designed as a target oriented programme for small farmers which came into operation since 1971.

4. The Integrated Rural Development Programme (IRDP): Provision of rural employment has been of important concern for the alleviation of poverty. Before the

³¹ Rao, C.H. Hanumantha: "Agriculture: Policy and Performance" in Bimal Jalan (ed): The Indian Economy. Penguin Books p.119

introduction of the IRDP, a number of the erstwhile employment generation programmes such as Employment Guarantee Scheme, Food for Work Programme etc were there. Besides, the Marginal Farmers and Agricultural Labourers (MFAL), the Small Farmers Development Agency (SFDA), the Desert Development Programme (DDP), the Drought Prone Area Programme (DPAP), the Command Area Development Programme (CADP) were operating simultaneously, and often overlapping each other. The Sixth Plan proposed that such multiplicity of programmes for the rural poor operated through a multiplicity of agencies should be ended and replaced by one single integrated programme operative throughout the country. This programme was named as the Integrated Rural Development Programme (IRDP)³² The IRDP was the first major self employment programme started in the late 1970s. The programme was initially started in 20 selected districts on pilot project basis, but extended to 2300 blocks of the country in 1978-9. From 2 October 1980 it was extended to all blocks in the country. The programme aimed at providing assistance to beneficiaries in the form of bank credit and government subsidy so as to help them in getting sustainable income generating assets. The target group of the programme consisted of families below the poverty line in rural areas comprising the landless and small and marginal farmers, agricultural labourers, artisans etc³³. The programme aims at enabling

³² Datt, Rudder & K.P.M Sundharam (2007): Indian Economy. S.Chand & Company Delhi p.390

³³ Radhakrishna et.al (ed): Handbook of Poverty in India (2005). Oxford University Press. p. 38

identified below poverty line (BPL) families acquire productive assets and inputs with a view to guarantee additional incomes for themselves. The central and State Governments cooperate in implementing the programme by sharing financial contributions on half and half basis. The subsidy scales vary from 50% (For Scheduled Caste and Scheduled Tribe beneficiaries) to 25% for small farmers. The marginal farmers and landless labourers other than those belonging to SC/ST category receive 33% of the purchased value of the asset as subsidy. The target group is below poverty level families having an annual income of less than Rs.8500. Those with an annual income of Rs.6000 and below are to be given preference. The poverty line income indexed to 1991-92 price level is Rs.11,000 (Rs.3500 when the programme was started)³⁴. The programme was implemented through District Rural development Agency which has a full time Director and complement of specialized staff for field work and official assistance. Since it was a self-employment programme, it came up with supportive programmes like the Training of Rural Youth for Self Employment (TRYSEM) and the Development of Women and Children in Rural Areas (DWCRA). Again, since it was a scheme implemented on a nation-wide basis, the success and failure of the IRDP has been subjected to studies by many scholars and also by government agencies. 'Widely divergent opinions have, however, been expressed as to the impact of the IRDP.

³⁴ Jain, S.C (1996): "General Review and Appraisal of Ongoing Poverty Alleviation and Employment Generation Programmes and Strategies" in Raghavan, K et.al (eds) Poverty and Employment. p.172

There are wide variations in the reported estimates of the beneficiaries who have crossed the poverty line. One source puts it at 3% of those assisted under the IRDP (N.Rath, *Economic and Political Weekly*, February 9, 1985) while the PEO's (Programme Evaluation Organisation) *Evaluation Report on IRDP (for the year 1985)* puts the figure at 50%. A third source- based on the revised poverty line of Rs.6400.00-reports that not a single beneficiary in the states of Haryana, J&K, Manipur and Orissa had crossed the poverty-line. (GOI, Ministry of Agriculture, Department of Rural Development, *Concurrent Evaluation of IRDP* (for October-December, 1985) New Delhi, March 1986, pp.66-68)³⁵. Leverages, misappropriation of funds, violation of programme guidelines, selection of non-poor as target group, absence of proper maintenance of accounts and poor quality of assets are some of the problems mentioned by various studies regarding IRDP. After evaluating the IRDP, Dreze (1990) concludes that: (1) even if IRDP were flawlessly implemented, we could not expect this programme to bring about the kind of radical reduction of poverty in India that is often claimed or expected to be produced, (2) in large parts of India (with some important exceptions such as West Bengal) the selection of IRDP beneficiaries is at best indiscriminate and at worst biased against the poor, and (3) we have no solid evidence on the actual effects that IRDP has on the living standards of the participating

³⁵ Das, Kalpana (2004): Rural Development in Mizoram. Mittal Publications. New Delhi. pp. 1-2

households³⁶. In Mizoram, the IRDP was started in 1978. The programme took time to pick up in the initial stage but later on started penetrating into the far-flung areas of the State, where there exists considerable communication gap. An amount of Rs.10 lakh was invested in 1978-79 for IRD programme which rose to Rs.15 lakh by the subsequent year, though the allocation was of Rs.25 lakh for the year³⁷. The IRD programme in Mizoram was marred by wrong selection of beneficiaries, poor administrative follow-up which resulted in flouting the rules, poor quality of assets, scanty amount of subsidy etc. However, Das³⁸ stated that in terms of the number of sample households crossing the poverty line, the rate of success registered was 25 per cent of the IRDP beneficiaries.

5. National Rural Employment Programme (NREP) and Rural Landless Employment Guarantee Programme (RLEGP): The IRDP was a self-employment programme in which the beneficiaries were expected to take up employment opportunities on their own through government provision of credit and subsidies. But the NREP was a wage-employment programme which had the objective of providing direct employment opportunities to the beneficiaries and creation of durable community assets. The programme was started in October 1980. Expenditure for this programme was shared by the Centre

³⁶ op.cit, Radhakrishna, R. p.39

³⁷ Agarwal, A.K et.al (1991): Political and Economic development of Mizoram, Mittal Publications. New Delhi. p. 228

³⁸ op cit. Das, Kalpana. p. 140

and the State on a 50:50 basis. This programme was commenced in Mizoram in 1980. The implementation of this programme has resulted in strengthening the socio-economic infrastructure of the rural areas in Mizoram. Under the Sixth Five-Year Plan (1980-85) and Seventh Five-Year Plan (1985-90) 2.93 lakh and 4.642 lakh man-days of employment were respectively generated under NREP in the state.³⁹ In the year 1983, the Rural Landless Employment Guarantee Programme (RLEGP) was started in the country. It also had the twin objective of generating gainful employment to poor, rural landless people and creating rural socio-economic infrastructure. The programme was wholly funded by the Central government. From the date of the inception of wage employment programme (NREP and RLEGP up to 1989 and JRY from 1989 to 1993) nearly 10 billion man-days of wage employment were generated.

6. Jawahar Rojgar Yojana (JRY): The two earlier programmes of NREP and RLEGP were merged into one single programme called the Jawahar Rojgar Yojana (JRY), with effect from the year 1989-90. The JRY has stipulated that Central assistance will constitute 80 per cent and the States share will be 20 per cent. Under JRY alone from 1989 to 1993 about 3.330 billion man-days were created at a total cost of 107.53 Billion Rupees⁴⁰. The programme started in Mizoram during 1990-91. The

³⁹ Ibid p.52

⁴⁰ Thapliyal, B.K (1996): "Rural Development and Poverty Alleviation" in Raghavan, K et.al (eds): Poverty and Employment. New Age International (P) Ltd Publishers. Delhi. p.213

activities taken up under this programme in Mizoram are construction of village community halls, schools and playgrounds⁴¹.

4.6.2 Poverty Alleviation Programmes (Post-Reform Era):

The Economic Reforms 1991 was taking the form of structural adjustment, stabilization measures and trade liberalization. It was apprehended at the beginning of the reforms that such measures will push the poor into further poverty as the measures taken for stabilizing the fiscal deficit will necessitate the curtailment, or at the worst, the discontinuation of public expenditure especially those which are classified as Social Expenditure. This is the reason why it is appropriate to divide the poverty alleviation programmes as falling into two time periods, or as distinguished between pre-reform and post-reform; otherwise, presenting an unbroken or continuous chain of all those programmes that have been implemented since Independence is rather tedious and voluminous. From the point of view of Five Year Plans, the post-reform poverty alleviation programmes can be classified as poverty alleviation programmes since the Eighth Five Year Plan. The anti-poverty programmes in the post reform period had a notable content of Public Distribution System and Social Security programmes. The major anti-poverty programmes which have been started after the Economic Reforms 1991 are enumerated as follows:

A. The Modified Jawahar Rojgar Yojana: The JRY was modified in 1993 and hence, it can be stated that after the

⁴¹ op.cit, Das, Kalpana. p.53.

Economic Reforms, the modified JRY is the first poverty alleviation programme to have been introduced although the policy indications are still the same as the earlier scheme and the also that other previous programmes were still in operation while the reforms programme was going on. The modified JRY came up with two subsidiary schemes known as the Million Wells Scheme and the Indira Awas Yojana (IAY) in the first stream. The **Million Wells Scheme** had been introduced in 1988-89 but it was subsumed into the modified JRY. It aims at construction of open irrigation wells, free of cost, to poor and marginal farmers belonging to SC/STs and freed bonded labourers. The Million Wells Scheme from its very concept is unsuitable to Mizoram state as the majority of the cultivators practice shifting cultivation on hill slopes, (jhumming) which is incompatible with construction of wells and hence, the scheme remained unimplemented. The **Indira Awas Yojana** aimed at providing houses free of cost to the members of SC/ST, freed bonded labourers. From 1993-94, the scheme was extended to other poor categories (beside SC/ST) as well. The permissible expenditure for each house under IAY which was fixed at Rs.14,000 was enhanced to Rs.20,000 with effect from 1st August 1996 in view of the rise in the cost of building materials⁴². In the second stream, an intensified JRY was implemented in 120 identified backward districts with additional allocation. In the third stream, special and innovative projects were undertaken. The implementation

⁴² Datt, Ruddar et.al (2007): Indian Economy. S.Chand & Company. Delhi p.394

of IAY as revealed by official report in Mizoram was bifurcated into two schemes: one is for the construction of new houses and the other is for upgradation of the houses already constructed. Achievement under IAY, in Mizoram is shown below:

Table 4.4
Physical and Financial Achievements of IAY in Mizoram

Year	Expenditure for new Houses (Rs.lakhs)	No. of new Houses Constructed	Expenditure for Upgradation of Houses (Rs.lakhs)	No. of Houses Upgraded	Total Expenditure
2000-2001	337.26	1533	75.70	757	412.96
2001-2002	176.76	804	47.024	471	223.784
2002-2003	184.36	838	46.70	467	231.06
2003-2004	312.62	1421	78.10	781	390.72
2004-2005	468.9	2149			468.9
2005-2006	482.16	2182			482.16
2006-2007*		1261		652	428.33
Total	1962.06	10188	247.524	3128	2637.914

Source: Compiled from Statistical Handbook Mizoram 2002, 2004, and 2006.

*Data taken from 'Statistical Abstract of Mizoram 2007'. p.167

It may be stated that as in the year 2006-07, 1261 new houses were constructed and 652 houses were upgraded under the IAY scheme in Mizoram, and a total of Rs.428.33 lakh was spent for both the purpose of new

construction and Upgradation⁴³, the total number of new houses constructed under IAY since 2000-01 has been 10,188. And the total number of houses upgraded has been as many as 3128. Against all this achievement, a total of Rs.2637.914 has been spent.

B. Swarnjayanti Gram Swarojgar Yojana (SGSY): The major self-employment programme that has been started since Economic Reforms is the SGSY. It was launched from 1st April 1999. The programme amalgamates or merges the erstwhile programmes of Integrated Rural Development Programme (IRDP), Development of Women and Children in Rural Areas (DWCRA), Training of Rural Youth for Self Employment (TRYSEM), Million Wells Scheme (MWS) etc into a single self-employment programme. It aims at promoting micro-enterprises and helping the rural poor into self-help groups (SHG). This scheme covers all aspects of self-employment like organization of rural poor into SHG and their capacity building, training, planning of activity clusters, infrastructure development, financial assistance through bank credit and subsidy and marketing support etc. The scheme is being implemented as a centrally sponsored scheme on a cost-sharing ratio of 75:25 between the Centre and the States. The programme provides special safeguards for the weaker sections. Fifty per cent of the group formed should be exclusively of women. Forty per cent of the swarojgaris assisted should also be women. Similarly,

⁴³ Director of Economics & Statistics Mizoram: Statistical Abstract of Mizoram 2007. p.167

SC/ST constitute 50 per cent and disabled should constitute 3 per cent of the swarojgaris assisted. The subsidy allowed under the programme is uniform at the rate 30 per cent of the project cost subject to a maximum of Rs.7500 per individual swarojgari, 50 per cent of the project cost subject to a maximum of Rs.10,000 in case of ST and SC swarojgaris. Fifty per cent of the cost of the scheme subject to a ceiling of Rs. 1.25 lakh for group project. Monetary ceiling on subsidy is not applicable to irrigation projects⁴⁴. Up to December 2007, 27.37 lakh self-help groups (SHGs) have been formed and 93.21 lakh swarojgaris have been assisted with a total outlay of Rs.19340.32 crore⁴⁵

In the year 2000-01, a total expenditure of Rs.141.757 was incurred by the government of Mizoram on the scheme. Against this expenditure, a total of 166 self-help groups were reportedly formed across the eight districts of Mizoram. The distribution of SHGs so formed among the districts are: 98 in Aizawl district, 4 in Champhai, 25 in Lunglei, 4 in Kolasib, 6 in Lawngtlai, 4 in Mamit, 17 in Saiha and 8 in Serchhip⁴⁶. In the year 2002-03, the total government expenditure for SGSY in Mizoram was of the order of Rs.84.031lakh and 270 SHGs were formed⁴⁷. The physical and financial achievements

⁴⁴ Radhakrishna, R. et.al (eds) 2005: Handbook of Poverty in India p. 42

⁴⁵ GOI, Ministry of Finance, Economic Division: Economic Survey 2007-08.OUP p.246

⁴⁶ Directorate of Statistics & Economics Mizoram: Statistical Handbook 2002. p. 75

⁴⁷ SLMC, Rural Development Department, GOM: Achievements During 2002-03 under Poverty Alleviation Programmes of Centrally Sponsored Schemes. p.34.

under the SGSY in Mizoram during the period of 2000-01 to 2005-06, are shown in the following tables:

Table 4.5
Physical and Financial Achievements of SGSY in
Mizoram

Year	Expenditure(Rs. Lakhs)	No. of Self-Help Groups formed
2000-2001	141.757	166
2001-2002	101.771	345
2002-2003	84.031	270
2003-2004	138.000	181
2004-2005	198.780	290
2005-2006	206.340	255
2006-07*	139.57	147
Total	1010.249	1654

Source: Compiled from Statistical Handbook Mizoram 2002, 2004, & 2006

* Data taken from 'Statistical Abstract of Mizoram 2007'. p169.

C. Jawahar Gram Samridhi Yojana (JGSY): The JGSY scheme was introduced in April 1999 as a successor to Jawahar Rojgar Yojana (JRY). It was implemented as a centrally sponsored scheme on a cost sharing ratio of 75:25 between the Centre and the States. Under the programme all works that can result in the creation of durable assets are taken up. Under the scheme, during 2000-01, with a Central allocation of Rs.1,650 crores, 88.5 million man-days of employment was generated.

In Mizoram, an expenditure of Rs.330.554 lakhs was incurred in the year 2000-01 and 3.947 lakh man-days of employment were generated by JGSY. In the next year i.e 2001-02 an expenditure of Rs.331.416 lakh was incurred against which 4.238 lakh man-days of employment were generated⁴⁸. The JGSY was subsumed under Sampoorna Gramin Rojgar Yojana (SGRY) Stream 2. The unspent balance under the scheme of JGSY for the year 2001-02 was carried over as the Opening balance of SGRY Stream 2 in the year 2002-03. So far as the available data on JGSY is concerned, a sum of Rs.661.97 had been spent on the programme, and 8.185 lakh man-days of employment had been generated before it was merged with the SGRY in Mizoram.

D. Sampoorna Gramin Rojgar Yojana (SGRY): The SGRY is a wage employment programme. The scheme was launched on 25 September 2001 by merging the ongoing schemes of EAS and JGSY with the objective of providing additional wage employment and food security, alongside creation of durable community assets in rural areas. The programme is self-targeting in nature with provision for special emphasis on women, scheduled castes, scheduled tribes and parents of children withdrawn from hazardous occupations. While preference is given to BPL families for providing wage employment under SGRY, poor families above the poverty line can also be offered employment whenever NREGA has been launched. The annual outlay

⁴⁸ Director, Economics & Statistics Mizoram: Statistical Handbook 2002.p.74 & 79

for the programme is Rs.10,000 crore which includes 50 lakh tonnes of food grains⁴⁹. The cash component is shared between the Centre and the States in the ratio of 75:25. Food grains are provided free of cost to the States/ UTs. The payment of food grains is made directly to FCI at economic cost by the Centre. However, State governments are responsible for the cost of transportation of food grains from FCI godowns to work-site/PDS shops and its distribution. Minimum wages are paid the workers through a mix of minimum five kg of food grains and at least 25 per cent of wages in cash. The programme is implemented by all the three tiers of Panchayati Raj Institutions. Each level of Panchayati Raj is an independent unit for formulation of Action Plan and executing the scheme. Resources are distributed among District Panchayats, Intermediate Panchayats, and the Gram Panchayats in the ratio of 20:30:50⁵⁰. The Gram Panchayats can take up any work with the approval of the Gram Sabha as per their felt need and within available funds. Fifty per cent of the funds earmarked for the gram panchayats are to be utilized for infrastructure development works in SC/ST localities. 22.5 per cent resources must be spent on individual beneficiary schemes meant for SC/STs out of the resource share of District Panchayats and Intermediate Panchayats. Contractors are not permitted to be engaged for execution of any of the works under the scheme. SGRY programme in 330 districts has already been subsumed in National Rural

⁴⁹ Publications Division, Ministry of Information and Broadcasting GOI: India 2008. p.709

⁵⁰ Ibid

Employment Guarantee Scheme (NREGS) (200 districts in first phase during the year 2006-07 and 130 additional districts in second phase during 2007-08). SGRY programme will be entirely subsumed in NREGS with effect from April 1, 2008⁵¹.

In Mizoram, the SGRY Scheme is divided into two components viz; SGRY-I and SGRY-II. SGRY-I relates the earlier scheme of EAS and the SGRY-II relates the earlier scheme of JGSY. The main objectives of the two are:

- a. **EAS/SGRY-I:** The objective of the Scheme is creation of additional wage employment opportunities during the period of acute shortage of wage employment through manual works for the rural poor living below the poverty line and creation of durable community, social and economic assets for sustained employment and development.
- b. **JGSY/SGRY-II:** The primary objective of JGSY/SGRY-II is creation of demand driven community village infrastructure including:
 - i. durable assets at the village level
 - ii. assets to enable the rural poor to increase the opportunities for sustained employment and generation of supplementary employment for unemployed poor in the rural areas.

The physical and financial performance of the scheme in Mizoram for the period from 2000-2001 to 2006-2007 is

⁵¹ GOI, Ministry of Finance, Economic Division: Economic Survey 2007-08. p.246.

shown by the table below. It may be mentioned here that from the year 2004-2005, the SGRY scheme, which was implemented under two streams (Stream-I and Stream-II) was amalgamated into one single programme and it became a major wage employment programme.

Table 4.6
Physical and Financial Achievements of EAS/ SGRY-I and SGRY-II in Mizoram.

Year	Name of Scheme	Expenditure (Rs. Lakhs)	Employment (Lakh man-days)
2000-01	EAS	516.999	5.967
2001-02	EAS	475.535	5.773
2002-03	SGRY-I	448.431	6.294
2002-03	SGRY-II	420.98	6.696
2003-04	SGRY-I	457.668	7.327
2003-04	SGRY-II	344.024	4.739
2004-05		991.68	12.180
2005-06		987.35	11.480
2006-07*		772.05	14.20
TOTAL		5414.717	74.656

Source: Compiled from Statistical Handbook Mizoram 2002, 2004, and 2006.*Data from 'Statistical Abstract of Mizoram 2007'. p.16

E. National Food for Work Programme: The scheme was launched on November 2004 in 150 most backward districts of the country with an aim to generate supplementary wage employment. It is a 100 per cent centrally sponsored scheme and food grains are provided to states free of cost. For 2004-05. Rs.2020 crore has been allocated for the programme in addition to 20 lakh tons of

food grains⁵². The objective of the programme was to provide additional resources apart from the resources available under the Sampoorna Gramin Rojgar Yojana (SGRY) to 150 most backward districts of the country so that generation of supplementary wage employment and providing of food security through creation of need based economic, social and community assets in these districts are further intensified. The programme has since been subsumed in National Rural Employment Guarantee Act which has come in force in 200 identified districts of the country including 150 NFFWP districts⁵³. This scheme was not implemented in any district of Mizoram.

F. National Rural Employment Guarantee Scheme

(NREGS): The National Rural Employment Guarantee Act was enacted in September 2005 and brought into force with effect from 2 February 2006 in 200 most backward districts with the objective of providing 100 days of guaranteed unskilled wage employment to each rural household opting for it. The National Rural Employment Scheme (NREGS) is the vehicle with which the Act is now being implemented. The NREGS has been made a self-targeting scheme as any family in rural areas can be included. The NREGA marks a paradigm shift and stands out among the plethora of wage employment programmes, as it bestows a legal right and guarantee to the rural population through an act of Parliament and is not a

⁵² Radhakrishna, R et.al (2006): Oxford Handbook of Poverty. P.37

⁵³ GOI, Publications Division, Ministry of Information and Broadcasting: India 2008. p.710

scheme unlike the other wage employment programmes. The ongoing programmes of Sampoorna Grameen Rojgar Yojana (SGRY) and National Food for Work Programme (NFFWP) have been subsumed in NREGA⁵⁴.

The share of funds between the Centre and the state for NREGS is in the ratio of 90:10. The funding pattern of the programme stipulates that the Centre will provide 1) 100% of the Unskilled wage component and 2) 75% of material component along with wages of skilled and semi-skilled workers and 3) Administrative expenses which include i) Salary/ allowances of Programme Officer and Supporting staff. ii) Capacity building of grassroots/ block level. iii) Facilities to be provided to labourers. iv) any other items v) Administrative expenses of Central Council. The state government will have a share of meeting 25% of material component with wages of skilled and semi-skilled workers, and administrative expenses of the State Council.

The focus of the Act is on works relating to water conservation, drought proofing (including afforestation/ tree plantation), land development, flood control/protection (including drainage in waterlogged areas) and rural connectivity in terms of all-weather roads. Each district has to prepare perspective plan of 5 years with a bottom-up approach deriving from the needs of the local community. The said plan should have the approval of especially the derived community and the PRIs.

⁵⁴ Op cit. p. 709.

Panchayats have a key role in planning, implementation and monitoring of the Act through preparation of perspective plan, approval of shelf of projects, execution of works at least to the extent of 50 per cent in terms of costs. The Act envisages strict Vigilance and Monitoring. Gram Sabha has the power of social audit. Local Vigilance and Monitoring Committees are to be set up to ensure the quality of works. Provision for due representation in such committees for SC/STs, women has also been made. At least 1/3rd of the beneficiaries are to be women. Key records such as muster rolls, asset registers and employment registers are to be maintained and public access to them ensured. The Act also envisages a grievance redressal mechanism and helpline. The scheme, while being implemented, is also being publicized by Press Information Bureau as the government agency in Mizoram. The scheme envisages that⁵⁵

- Every family is entitled to receive 100 days of employment in a year.
- Every adult member of a family should register with the Village Development Council (VDC) or Village Council (VC).
- VC/VDC should issue job cards to all families.
- All adult members of a family are entitled to apply for 100 days of employment in a year.

⁵⁵ Press Information Bureau, GOI Aizawl: Bharat Nirman Campaign on 'National Rural Employment Scheme (NREGS), etc' translated from the Mizo version.

- Job should be provided to the applicant within 15 days of application (job for less than 14 days work should not be given in one instance).
- VDC/VC should assign the limit of work and should maintain record of job creation.
- The job thus created should be within a distance of 5Kms from the residence of the beneficiary. In case it exceeds the stipulated radius, the wage should be increased by 10 per cent or Rs.9.10 as conveyance or camp allowance.

At the national level, NREGS, which was launched on February 2, 2006 in 200 most backward districts in the first phase, has been expanded to 330 districts in the second phase. The remaining 266 districts have been notified on September 28, 2007 where the scheme will come into effect from April 1, 2008. As against the employment demanded by 2.61 crore rural households, 2.57 crore households have been provided wage employment during 2007-08. A budget allocation of Rs.12,000 crore (including NER component) was made for 2007-08 and Rs.10,501.02 crore has been released till 30.01.2008⁵⁶. Drawing upon the experience of a National Consortium of Civil Society Organizations (CSOs) that is working closely with panchayati raj institutions (PRIs) across 30 districts in seven states to help them plan, implement and social audit NREGA works, and the report

⁵⁶ GOI, Ministry of Finance Economic Division: Economic Survey 2007-08. p.241

of the Comptroller and Auditor General (CAG 2007) on NREGA, Ambasta et.al⁵⁷ pointed out certain deficiencies in the working of NREGA. It was revealed by them that as against that required by the guidelines of NREGA of appointing Programme Officers for implementation of the scheme, they are not actually appointed in a large proportion of the blocks where the scheme has been implemented. Instead, BDOs are given additional charge of Programme Officer. 19 states had not appointed those officers in 70 per cent of the blocks surveyed by the CAG. An employment guarantee assistant (EGA) was to be appointed in each gram panchayat, in view of the pivotal role of PRIs in NREGA implementation. According to the CAG report, 52 per cent of the 513 gram panchayats it surveyed had not appointed EGAs. According to the Ministry of Rural Development data, out of the 2.10 crore households who were employed under NREGA during its first year, only 0.22 crore received the full 100 days promised under the Act. The average employment per household was 43 days in 2006-07 and 35 days in 2007-08. According to the authors, the implementation of NREGA is marred by Lack of Professionals, Under-staffing, Delays in administration, Lack of people's planning, Poor quality of work, Inappropriate rate of wage, Mockery of Social audit etc.

⁵⁷ Ambasta, Pramathesh, P.S.Vijay Shankar, Mihir Shah: "Two Years of NREGA: The Road Ahead" Economic & Political Weekly Vol.XL III No.8. February 23, 2008.

The implementation of NREGA in Mizoram is slowly taking place. Reasons of the sluggish implementation may be found from any quarter. But the administration often seems to fight shy of the programme and use to finally cough up the fund for implementation only after the people of a district pressurize the administration. Even in the districts where it has been implemented, there has been vast failure of implementation in terms of the number of days employed, payment of unemployment allowance, preparation of perspective plan by the village councils etc. The first two districts to adopt the NREGA in Mizoram are the Saiha District and the Lawngtlai District. In these two districts, the implementation started from August 2006 only. It is understood that as provision of funds for all programmes of the government are aligned with financial year or fiscal year of the government and therefore, guaranteeing 100 days of employment during the first year of implementation, i.e. 2006-2007 could not be rightly expected. But from April 1, 2008, it is incumbent on all the districts of India to implement the Act and provide 100 days of employment to all families who seek employment under the Act. Therefore, all the districts of Mizoram have to adopt the scheme for its people and generate 100 days of employment as legal compulsion because the generation of employment for the full 100 days to benefit the poor in rural areas is now guaranteed by the Act.

Table 4.7
Financial Position/ Grants Received under NREGS

Name of District	Central Fund	State Share
A. 2005-2006		
Lawngtlai	500.00 lakhs	-
Saiha	-	-
Total	500.00 lakhs	-
Name of District	Central Fund	State Share
B.2006-2007		
Lawngtlai	1162.32	-
Saiha	621.58	-
Total	1783.90	
Name of District	Central Fund	State Share
C.2007-2008		
Lawngtlai	616.80	178.132
Saiha	520.00	72.158
Champhai	1121.01	112.101
Lunglei	785.68	78.568
Total	3043.49	440.959

Source: Information & Public Relations GOM: Review of 10 Years' Progress in Mizoram 1998-2008 (Mizo version). pp 75-76

The total number of job cards that has been already issued during 2006-07 and 2007-08 in Mizoram is 91578. This includes 18070 in Lawngtlai district, 17510 in Saiha district, 31905 in Lunglei district, and 24093 in Champhai district. The minimum wage rate applied for the scheme was initially Rs.91, which was as fixed according to Minimum Wages, 1948. It was revised to Rs.103 from 1st April 2007, this was further revised upward to Rs.110 with

effect from 1st February 2008⁵⁸. Table 4.7 shows financial position for NREGS in Mizoram.

Achievement report in any state under NREGA cannot be fragmented because of the uneven commencement of the NREGA employment programmes among different districts of India.

Table 4.8
Physical Achievement of NREGS in Mizoram

Name of District	No. of Household Employment provided	Man-days Generated person day	No. of Works Taken up	On-going works	Completed
A.2006-2007					
Lawngtlai	12,745	7,98,795	293	104	189
Saiha	6621	7,49,000	426	-	426
Total	19,366	15,47,795	719	104	615
B.2007-2008					
Lawngtlai	21,570	10.5	182	104	78
Saiha	10,889	1.52	82	51	31
Lunglei	31,905	7.74	748	399	349
Champhai	24,239	10.3	132	132	-
Total	88,603	30.06	1144	686	458

Source: Information & Relations GOM: Review of 10 Year's Progress in Mizoram 1998-2008 (Mizo Version).p.76

But the updated achievement reports are kept in the government website and this can be accessed for getting information on any information relating to the scheme. The physical achievement of NREGS, in terms of the

⁵⁸ Directorate of Information & Public Relations Government of Mizoram: Review of 10 Years' Progress in Mizoram 1998-2008 (Mizo version). p.75

number of days of employment generated, and the number of works taken up is presented by table 4.8 above.

There has been criticism of the working of NREGS in Mizoram from the point of view of actual work rendered by beneficiaries. It has been observed in many cases that the beneficiaries do not actually work for 7 hours a day as the guidelines of the scheme require them. Among other criticisms are⁵⁹:

- 1) There have been many cases of sub-letting of job cards.
- 2) In cases where works are allotted on contract basis, there are also reports that work, which are allotted for 14 days are completed in a matter of 3 days only.
- 3) There are also reports of the use of JCB in NREGS works in Khawzawl, Champhai, and Saiha.
- 4) Widespread failure of guaranteeing 100 days of employment is reported. On an average, families in Lunglei district received 28 days of employment during 2007-2008, 44 days in Champhai district.
- 5) The administration is lackadaisical about the implementation of the scheme as it offers very little or no room for them to practice corruption.

⁵⁹ Impact Team, Zoram Today: "100 Days of Employment Molested" in Mizo. Vol. No. III, Issue No.18. July 28-August 2, 2008.

- 6) Bogus job cards are also rampant.
- 7) The Village Councils are also allegedly doing unholy practices of deducting some amount, from the wages of beneficiaries in the name of VC fund.

G. The Public Distribution System: Ensuring food security to the people; especially the poor has been the important objective of the government in India. Food security is to mean that all people at all times have access to sufficient quantity of food at reasonable price, guaranteeing the required nutritional requirements and palatability choice as well. Although the government started the public distribution system as early as 1965 when it set up the Food Corporation of India, it was intended to check the rise in food price especially in the urban areas. But during the year 1991 after some sensitive analysis of reported hunger deaths in some parts of Orissa and Madhya Pradesh (largely tribal areas) on the one hand and adequate stocks on the other, a feeling emerged that really vulnerable areas and people were not being targeted to ensure food security for the vulnerable group. The reasons attributed to it were, their disadvantageous geographic location, weak PDS infrastructure and low purchasing power. It was therefore decided to orient the PDS by adopting an area approach i.e., all the people living in these disadvantaged area were to profit from the 'Revamped' approach and the result was Revamped Public Distribution System (RPDS). This was introduced in around 750 Blocks largely tribal, hilly,

drought prone and 'desertified' areas⁶⁰. Therefore, the RPDS was actually targeted to specific areas and it was not tied with the system of categorization of families into BPL and APL families. In 1997, a new system called the **Targeted Public Distribution System (TPDS)** was introduced in the country to cover all the poor in all the areas. Under the new system, there were two categories of people namely the people below poverty (BPL) and the people above poverty (APL) in which differential rate of price for essential commodities were fixed for both the categories of people. These essential commodities are being sold on subsidy through a network of Fair Price Shop (FPS) spread across the entire country of India. While the service of procurement of food grain and its distribution is being done by the Food Corporation of India (FCI), the job within the states, including the sale of food grain and other commodities are done by Civil Supply departments of the respective states. The PDS is again intended to ensure regional equity in food availability, or ensuring food security to food deficit regions. This is achieved by procuring food grains from food surplus areas and distributing it to food deficit regions. The subsidy content of the PDS is dictated by the difference between the economic cost (the minimum support price or the price paid to farmers, procurement incidentals and the cost of distribution) and the issue price of the commodities. The difference between the economic cost of food grains and

⁶⁰ Taimni, Brij K (2004): War on Poverty. APH Publishing Corporation New Delhi. p.47

the issue price is reimbursed to FCI⁶¹. The distribution of food grains within states are done by the respective state governments. The growth of subsidy in India for Public Distribution is shown by the following table:

Table 4.9
Growth of food Subsidy in India (other than sugar)

Year	Food Subsidy (Rs.crore)	Annual Growth (%)
1997-98	7500	45.2
1998-99	8700	16
1999-00	9200	5.8
2000-01	12010	30.5
2001-02	17494	45.7
2002-03	24176	38.2
2003-04	25160	4.1
2004-05	25746	2.3
2005-06	23071	-10.4
2006-07	23828	3.3
2007-08(BE)	25425	6.7

Source: GOI Ministry of Finance Economic Division: Economic Survey 2007-08. Table 7.27.p.178

The States/ UTs are required to bear the distribution cost, including margin to dealers and retailers as well as the transportation cost. While the responsibility of the Central government is to procure, store, and transport the PDS items up to the Central godowns, transportation

⁶¹ GOI Ministry of Finance, Economic Division: Economic Survey 2007-08. OUP p. 178

beyond the Central godowns and up to the Fair Price Shops; administration, vigilance and monitoring of the system is the responsibility of the State Governments⁶². The focus on the poor is shown by Economic Survey 2007-08 which reported that ‘Though the total amount of subsidy has continued to rise, State-wise allocations of subsidies do not seem to be related to the poverty levels’⁶³.

The TPDS was intended to benefit about six crore poor families in the country for whom a quantum of 72 lakh tonnes of food grains was earmarked annually at the rate of 10 kg per family per month. The allocation was increased from 10 kg to 20 kg from 1 April 2000. This was increased from 20 to 25 kg per family per month from July 2001. From 1 April 2002, this allocation has been further increased from 25 to 35 kg per family per month. The Central Issue Price (CIP) for BPL families is Rs.4.15 per kg for wheat and Rs.5.65 per kg for rice.

In order to make TPDS more focused and targeted towards the poorest section of population, the “**Antyodaya Anna Yojana**” (AAY) was launched in December 2000 for one crore poor families. Initially AAY contemplated identification of one crore poorest of the poor families from amongst the BPL families covered under TPDS within the states and providing them food grains at a highly subsidized rate of Rs.2/- per kg for wheat and Rs.3/- per

⁶² Jharwal, S.M (1988): Public Distribution System in India (Reassessed). Manak Publications, N.Delhi p.33

⁶³ op cit p.179

kg for rice. The States/UTs are required to bear the distribution cost, including margin to dealers and retailers as well as the transportation cost. Thus the entire food subsidy is being passed on to the consumers under the scheme. The AAY Scheme was expanded in 2003-2004 by adding another 50 lakh households from amongst the BPL families. It was again expanded with effect from 1st August, 2004 by another 50 lakh BPL families by including inter alia, all households at the risk of hunger. In 2005-06, it was further expanded to cover another 50 lakh BPL households, thus increasing its coverage to 2.5 crore households⁶⁴.

Other major schemes and programmes which aim at the provision of food security and nutrition in India are the Annapurna Scheme, Mid-day Meal scheme, Integrated Child Development Service (ICDS) Scheme, Nutrition Programme for Adolescent Girls (NPAG), etc. Under the *Annapurna Scheme*, 10 kg of food grain is provided free of cost to indigent senior citizens of 65 years of age or above who, though eligible for old age pension under the National Old Age Pension Scheme (NOAPS) but are not getting the pension are covered under the scheme. The *Mid-day Meal Scheme* aims at provision of free lunch to children of Class I-V, studying in Government schools with the objective of ensuring nutrition and retention of school children, and enhancing enrolment. The *ICDS* is perhaps the largest of all food supplementation

⁶⁴ GOI Ministry of Information & Broadcasting, Publications Division New Delhi: India 2008. p.416

programmes in the world⁶⁵. The ICDS was launched in 1975 as a Centrally Sponsored Scheme with the following objectives: (a) to improve the nutritional and health status of children below the age of six years and pregnant and lactating mothers; (b) to lay the foundation for the proper psychological, physical and social development of the child, (c) to reduce the incidence of mortality, morbidity, malnutrition and school drop-outs. (d) to achieve effective coordination of policy and implementation among various departments to promote child development, (e) to enhance the capability of the mother to look after the health and nutritional needs of the child through proper health and nutrition education. The Scheme provides for a package of services to children below six years and pregnant and lactating mothers, comprising (i) Supplementary Nutrition (ii) Immunization, (iii) Health check-up (iv) Referral services, (v) Pre-school non-formal education and (vi) Nutrition and Health education⁶⁶. Under the *Nutrition Programme for Adolescent Girls (NPAG)*, adolescent girls in the age group of 11-19 years, weighing less than 35 kg are given free food grains at the rate of 6 kg per beneficiary per month. This has been implemented on a pilot project basis in 51 identified districts across the country since 2005-06⁶⁷.

⁶⁵ Radhakrishna, R et al (2005): Oxford Handbook of Poverty in India. Oxford University Press New Delhi. p. 51

⁶⁶ Op cit, pp. 910-911.

⁶⁷ Ibid, p.911

The Public Distribution System has significant role and coverage in Mizoram as the state is deficient in food production. People in urban areas depend partly on PDS and open market purchase which are imported from outside the state, whereas in rural areas people depend partly on their own production and the PDS, and open market purchase to obtain their daily need of food grains. Fair Price Shops (FPS) are the marketing outlets of the PDS. As per the record on 31.03.2007, there were 1205 Fair Price Shops in the whole state, out of which 818 were in rural areas and 387 were in urban areas⁶⁸. The off-take of commodities from 2000-01 to 2006-07 is shown below:

Table 4.10
Quantity of Commodities lifted by FCS&CA for PDS

Sl.No	Year	Rice (Qtl)	Wheat(Qtl)	Sugar(Qtl)	K.Oil(Kl)
1	2	3	4	5	6
1	2000-01	817200	33070	79824	10226
2	2001-02	817200	78060	82344	9589
3	2002-03	368280	121200	82128	8948
4	2003-04	424440	121200	82368	8390.8
5	2004-05	817200	121200	82464	8643.9
6	2005-06	817200	826002	82488	8638
7	2006-07	879120	92880	83772	9656.8

Source: Directorate of Economics & Statistics Mizoram: Statistical Abstract of Mizoram 2007. Table 29.3 p.173

The depth of emphasis on the poor or the people below poverty line in the Public Distribution System can be made out from the ratio of quantity of food grains distributed to APL families to the quantity of food grains

⁶⁸ Planning & Programme Implementation GOM: Economic Survey Mizoram 2007-2008 p.100

distributed to the BPL families. It was pointed out by the Economic Survey 2007-08 that the State-wise allocations of subsidies do not relate to the poverty levels. The distribution of food grains in Mizoram under the Targeted PDS in the year 2006-07 is shown below:

Table 4.11
District-wise food grain distribution under subsidized rate
during 2006-07

Name of District	Quantity of food grain distributed to APL families in qtls	Quantity of food grain distributed to BPL families in qtls	Quantity of food grain distributed on free of cost in qtls	Quantity of food grain distributed for mid day meal in qtls	Total
1	2	3	4	5	6
Mamit	71243.96	23066.40	244.80	1946.40	96501.56
Kolasib	72812.84	20055.00	273.60	1841.94	94983.38
Aizawl	304434.24	57884.50	733.20	4404.82	367456.76
Champhai	31895.45	7146.84	385.00	1691.03	41118.32
Serchhip	68767.92	15082.20	141.61	850.21	84841.93
Lunglei	73218.83	53243.81	348.75	4425.70	131237.09
Lawngtlai	39058.79	24616.80	396.30	1555.44	65627.33
Saiha	48289.69	18404.96	340.00	1657.76	68692.41
G.Total	709721.72	219500.51	2863.26	18373.3	950458.78

Source: Directorate of Economics & Statistics Mizoram: Statistical Abstract of Mizoram 2007. Table 29.4 p.173

A look at the data on Table 4.11 indicates that for the reported year 2006-07, the ratio of food grains distributed to the

APL to that of BPL is 1:0.31. In percentage terms, the share of BPL in the total food grains distribution in the year is 23.09 per cent, and that of APL is 74.67 per cent. The amount of subsidy incurred by the Central government is directly related to the overall quantum of off-take. However, as the amount of subsidy is higher in case of BPL families, the allocation for BPL will be a more important determinant of the total amount of subsidy.

The distribution of food grains and other essential commodities and ensuring the security of supply for such commodities among the people in rural areas is determined by the road connectivity status of the village and then the availability of FPS in the village, and also the availability and proximity of the storage godowns. This means that besides the road connectivity condition of the village, the network of FPS and godowns are important to ensure security of food supply. In Mizoram, there are 1205 FPSs. There are 144 godowns and warehouses in Mizoram. The numbers of FPSs in each district of the state are: Mamit 74, Kolasib 59, Aizawl 304, Champhai 168, Serchhip 61, Lunglei 265, Lawngtlai 87, Saiha 187. The numbers of storage godowns in each district are: Mamit 17, Kolasib 10, Aizawl 30, Champhai 27, Serchhip 15, Lunglei 14, Lawngtlai 8, Saiha 23⁶⁹. The existing number of storage godowns in Lawngtlai district is lowest among all other districts and the existing number of FPSs is also not adequate in view of the number of villages i.e.139 in the district.

⁶⁹ Directorate of Economics & Statistics Mizoram Aizawl: Statistical Handbook Mizoram 2008 pp 47-48

CHAPTER-V EMPIRICAL DATA AND ANALYSIS OF POVERTY.

5.0 Introduction: Based on our empirical data, this chapter will examine the statistical dimensions of poverty. Hence, the following sections will analyze poverty in three ways. The first part will be an analysis of poverty in terms of income and employment, and the variable used will be the per capita annual income within families; and the second part will analyze poverty in terms of per capita monthly consumption. Thirdly, the capability analysis of poverty of the sample populations will follow. The poverty line was constructed by two methods, one of which was based on our conception of basic minimum consumption. This will be used to analyze poverty from the point of view of consumption. The other was the updated poverty line used by the Planning Commission, and which was an annual family income based on a family of five. This has to be adjusted for annual per capita income since the sizes of families are widely divergent. For the analysis of income-based poverty to follow, a look at the sources of income, classes of occupation and their income is in order.

5.1 Sources/Components of Income: The sources of income of the sample population are classified into six heads. These income sources were pre-suggested by recognizing their agrarian background and rural environment, and also government or NGO assistances that may be received by them.

The income from all the pre-suggested sources was again sought from them. It is stated by Chambers¹ that the strategy of the poor to avoid their poverty is to diversify their livelihood. This is supportive of the argument of Adam Smith's development theory which asserts the importance of Division of Labour and specialization. It is therefore indicative that whereas the people are poor, livelihood diversification will be high and they will have diversified sources of income because the main occupation cannot contribute enough to the family. But of course, the main occupation is the principal source of income. The basis of classification and sources of income are:

5.1.1 Main Occupation: It is the occupation on which the family is principally dependent upon, or it is the mainstay of the family's livelihood. The main occupation is the again the source from which the major portion of the income of the family is received and it is also that economic activity on which most of the employment hours are spent

5.1.2 Subsidiary Occupation: The respondents were asked to identify their subsidiary occupation. Then the income accruing to the subsidiary occupation was solicited. This may be any other economic activity which is undertaken by them over and above their main occupation. Employment-wise, the subsidiary occupation occupies the secondary importance and income-wise, it also occupies the secondary importance.

5.1.3 Income from Forest Produce: Income from Forest produce or direct income derived from the forest, occupies an important place in the income share of the people. The direct

¹ Chambers, Roberts (1997): "Poor People's Realities, The Professional Challenge" in Yogesh Atal et.al (eds) Poverty and Participation in Civil Society. Abhinav Publications, New Delhi. pp 39-76

income derived from forest include those received by selling woods and bamboos, selling timber, and collecting food supplements, catching fish and crabs, snails, and even hunting animals for the sale of meat.

5.1.4 Income from Sale of Animals: People in rural areas of Mizoram domesticate chicken, pigs, goats and cattle. These are domesticated for family consumption and for sales. As such some amount of income are received by them but not regularly. Even then, it can form a part of income for them.

5.1.5 Loans and Grants: People in rural areas may receive grants and loans from the government. Since the government has been implementing so many schemes in the name of poverty alleviation and rural development, this is expected to form some amount of their income.

5.1.6 Farm Output: Farm output is the income received from kitchen garden, and horticulture farms from those who own and maintain them. The amount and percentage contribution of different sources of income to the total Income are as shown in Table 5.1 as below:

It can be seen from the table below that the poor in Mamit district receive a little more than 68 per cent of their income from their main occupation. Their subsidiary income contributes almost 20 per cent of their total income. A majority of the respondents reply that they do casual labour or wage-labour as subsidiary occupation Grants received by them from the government are vaguely revealed by them and some of them who agree that they received can hardly differentiate which is a grant and which is a wage received from government

employment scheme. The figure that appears is made up of Crop Damage Compensation, Indira Awas Yojana Scheme (IAY) assistance, and the Integrated Child Development Scheme (ICDS) assistance etc.

Table 5.1.
Annual Income (Rs), Sources and Percentage Contribution

Name of District→	MAMIT		LAWNGTLAI	
Sources of Income ↓	Total Income	% to Total Income	Total Income	% to Total Income
Main occupation	1061800	68.41	1235800	55.73
Subsidiary. Occupation	303800	19.58	497700	22.44
Income from Forest Produce	96900	6.24	236950	10.6
Income from Animal Sales	66890	4.31	146200	6.59
Loans/Grants	17680	1.14	100800	4.55
Farm Output	5000	0.32	-	-
Total	1552070	100	2217450	100

. The populations in Lawngtlai district receive a little more than 55 per cent of their income from Main occupation, and they receive 22.44 per cent of their income from subsidiary occupation. At secondary occupation, wage-labour is the major activity of them too. Direct income from forest constitutes the third most important source of income among the people in both the districts. It is found from the above that instead of concentrating on their main occupation, the poor people diversify their livelihood by earning from multiple sources. Out of our whole sample populations from

both the districts, only one household in West Phaileng village revealed that they had taken loans from the government and therefore the loan component of this column is negligible

5.2 Classes of Occupation and Income: The rural populations are subjected to limited sources of occupation as unlike in the urban areas; the non-farm sector is weak as a result of many inconveniences like infrastructure deficiency, low demand, low level of skill and low level of technology. Therefore it can be said that there is a fair degree of homogeneity in the occupational composition of the population. We classify the occupation of the sample population into 7 groups or categories. These are discussed in detail below:

5.2.1 Jhumming or Shifting Cultivation: All families whose main activity is agriculture, the sites of which are shifted every year, and who do not seek alternative sources of occupation, but concentrate on jhumming during the busy season are included within this category. A decisive majority of the sampled population depend upon jhumming for their main occupation. The people at large in the rural areas still find difficulties in alternative sources which can be fully depended upon for their livelihood. This means that the non-farm sector is still very weak as dependable source of employment. Out of the 100 households surveyed in Mamit district, 83 households responded that their occupation is jhumming. The total number of workers in this category is found to be 202 and the annual income received by this category is Rs.845100.

5.2.2 Settled Cultivation or Wet Rice Cultivation (WRC):

Owing to the rugged nature of its topography, very few patches of land are irrigable and available for WRC, and ostensibly because of lack of resources, none of the respondents in Mamit district practices WRC. About 20 families in *Saithah* village of Mamit district practice settled cultivation but these are ruled out because they do not belong to the sample. However, 7 households belong to this category in Lawngtlai district and the total income from their main occupation is Rs.123000.

5.2.2 Semi-skilled: The people who have the skill in construction of houses, and making furniture, masonry work, etc are included in this category. They are the people which are locally called mistiri. Since their skills are often out of talent, locally acquired or handed down to generation, it needs no special training and education that we classify it as semi-skilled. In Mamit district, three households are found to belong to this category. There are 8 workers in the families and their total annual income is Rs.45000. In Lawngtlai district, only one household is found to belong to this category and the income received is Rs.12000.

5.2.3 Small Scale Industries (SSI): All households having household industries and engaged in manufacturing activities are included in this category. Cane work, carpentry work, bakery are the types of activities that the industries are based. There are 4 households in Mamit district which belong to this category and there are 5 households belonging to this in Lawngtlai district. The income received by this category is

Rs.54700 and Rs.64000 in Mamit and Lawngtlai district respectively.

5.2.4 Casual Labour: Landlessness is not a glaring socio-economic problem in rural areas of Mizoram. Any bona-fide citizen, whether rich or poor is included among the list of prospective jhum farmer, for distribution of jhumming plots every year. Therefore, in Mizoram, we do not suitably observe the class of people who are landless but earn their income mainly from agricultural work, the so called agricultural labourers, as are found elsewhere in interior India. This is partly because there are no big farmers who hire permanent farm employees in rural areas. While this is so, there are quite some poor people depending solely on their labour and do not practice cultivation but are doing assorted work for wages. Working as helper in construction of houses, and doing unskilled work under government employment schemes, forest plantation, and working under contractors and private employers as labourer etc are common list of economic activities in this category. Since their main activity is not necessarily that of agriculture, we classify them as Casual Labourers. There are 5 families belonging to this category in Mamit district and their total annual income is Rs.29500. whereas in Lawngtlai district, there are 15 families in this group and the total annual income is Rs.165000. It has to be clarified that one household in Tuipuibari village is so destitute and since the members of the family have not yet attained adulthood, we do not include them in any of the occupational group. Such households as whose occupation is inconclusive are not there in Lawngtlai district.

Table 5.2 and 5.3 show the distribution of sample households by main occupation groups in Mamit and Lawngtlai district respectively.

Table 5.2
Distribution of Households by Main Occupation Groups in Mamit district.

Occupation	No. of Households	No. of Workers	Annual Income(Rs)
Jhumming	83	202	845100
WRC	0	0	0
Semi-skilled	3	8	45000
SSI	4	6	54700
Casual Labor	5	8	29500
P. Business	4	8	87500
Total	99	232	1061800

Table 5.3
Distribution of Households by Main Occupation Groups in Lawngtlai district.

Occupation	No. of Households	No. of Workers	Annual Income(Rs)
Jhumming	72	250	871800
WRC	7	21	123000
Semi-skilled	1	2	12000
SSI	5	14	64000
Casual Labor	15	43	165000
P. Business	0	0	0
Total	100	330	1235800

5.3 Income-Based Analysis of Poverty and Inequality:

5.3.0 Introduction: Returning to our objective of analyzing the depth of poverty in terms of per capita annual income, we turn to the essence of our explanatory variable. The annual income of each and every household, which is inclusive of all incomes received from main and subsidiary sources are each adjusted for the household size and rounded up to the nearest rupee. We call this variable the ‘per capita annual income within households’ because it is affected by the size of the household and shared within the households. It has to be recalled that the income-based poverty line used by the Planning Commission in 1998-99 and updated by us to the 2007-08 prices by using the state’s NSDP deflator is to be used as the updated poverty line. The updated figure for 2007-08 was Rs.26000. However, as this was based on a family of five persons it indicates that at per capita, it has come to Rs.5200.

5.3.1 Distribution of the Per capita Annual Income within Households: The percentage distribution of the per capita annual income within households shows the inherent inequality among the poor and it is also usable for the calculation of how far the poor are below poverty line. The distribution of the variable is shown in Table 5.4 below.

Table 5.4 is used for computation of the Gini coefficient (G) of Income distribution in both the districts. Other statistics of the sample such as the arithmetic mean (A.M), the standard deviation and the coefficient of variation (C.V), are also computed for further calculations of poverty.

Table 5.4
Distribution of the Per Capita Annual Income within Households
among samples.

Income Class (In Rs. 100s)	MAMIT				LAWNGTLAI			
	Per cent of household	Cumulative % of house-holds	Percent Share of income	Cum.% share Of income	Per cent of house hold	Cumulative % of house-holds	Percent Share of income	Cum.% share Of income
10-16	4	4	1.69	1.69	0	0	0	0
16-22	18	22	10.22	11.91	1	1	0.63	0.63
22-28	8	30	5.92	17.83	9	10	7.24	7.87
28-34	20	50	18.70	36.53	58	68	55.63	63.5
34-40	15	65	16.49	53.02	30	98	33.82	97.3
40-46	25	90	32.27	85.29	2	100	2.68	100
46-52	10	100	14.71	100	0	100	0	100

The statistical dimensions or the numerical values of income inequality based on the standard deviation, the coefficient of variation (C.V) and the Gini (Gi) coefficient are shown in Table 5.5 below:

Table 5.5
Statistical Dimensions of Income Inequality.

Name of the District	Average	Standard. deviation	C.V	Gi
Mamit	3304.27	1051.22	31.81	0.18
Lawngtlai	3214.0	395.56	12.37	0.06

5.3.2 Poverty gap, Intensity & Severity of Poverty: By using the per capita annual income within families, we can calculate the depth of poverty and intensity of poverty. The depth of poverty among the sample populations can be found by calculating the poverty gap of both the districts. We can calculate the aggregate poverty gap as well as the normalized poverty gap, average poverty gap, poverty intensity ratio, and the poverty burden ratio, etc. We shall then measure the severity of poverty. Let us briefly highlight the essence of the poverty measures that we are going to use and the results of which we are interested to find:

- a) **Aggregate Poverty Gap:** It measures the total shortfall of incomes of the poor from the poverty line. It gives us an idea of how large is the resources or income to bring all the poor to the poverty line. It is denoted by $\Sigma(y^*-y_i)$, where, y^* denotes the poverty line income. It can also be found by multiplying the average poverty gap by n -the sample size of the population.
- b) **The Average Poverty Gap:** The Aggregate Poverty Gap discounted by the size of the poor- n gives this measure of poverty. It is denoted as $1/n \Sigma(y^*-y_i)$, where $y^* > y_i$. This is actually the difference between the poverty line income and mean income of the poor.
- c) **Normalized Poverty Gap:** If we think that individual poverty gaps of all the poor do not fall in the range of 0 and y^* , but between 0 and 1, then we have to normalize each individual gap by y^* and take the sum, which will be denoted as $\Sigma[(y^*-y_i)/y^*]$ where, $y^* > y_i$. This is also equal to $n[1 - (\Sigma y/n)/y^*]$

- d) Poverty Intensity Ratio:** A combination of the features of the normalized poverty gap and the average poverty gap is the Poverty Intensity Ratio. It can be denoted as $1/ny^* \sum(y^*-y_i)$ which actually is equal to $[1-(\sum y_i/n)/y^*]$. This indicates that if the mean income of the poor were equal to the poverty line the Poverty Intensity Ratio will be zero. The smaller the mean income of the poor relative to the poverty line, the higher will the value of the Intensity Ratio be, but will always be less than one.
- e) The Poverty Burden Ratio:** The Aggregate Poverty Gap as a proportion of the total income of the economy in question gives this ratio. It can be constructed by estimating total income of the study areas. The ratio is denoted by $1/N\tilde{y} [\sum(y^*-y_i)]$, where as before $y_i < y^*$. The per capita income of the state in 2007-08 and the block-wise population as on 2008 are multiplied and used to estimate $N\tilde{y}$, which is the total income of the block in question.
- f) The Head Count Ratio (HCR):** It is well known that the Head Count Ratio is the ratio of the poor population to the total population. Or it is the number of all those people living below the poverty line divided by the total population. Our empirical HCR here is the block-wise HCR, the number of families living below poverty line to the total families, this data is taken from the Census of BPL families conducted by the Department of Rural Development and published in 2002. Owing to the unavailability of specific block-wise HCR elsewhere, we adopt these values of HCR, which are calculated from the

existing data of the number of 'BPL families' of the said publication for our analyses.

- g) The Sen Index of Poverty:** The index is constructed by aggregating a rank-weighted poverty gap of individuals whose incomes are arranged in a non-decreasing order. The rank-weighted aggregate gap is normalized by a parameter which is found to be finally dependent on the number of poor, the size of the total population and the poverty line income. It is of the form $P_s = H [I + (1-I)G]$ and it is sensitive to the head-count ratio of poverty, the intensity of poverty, and inequality of income among the poor. The Gini coefficients have been computed from income and consumption data of our sample for this purpose.
- h) Foster, Greer, Thorbecke (FGT) Index:** The index is also sensitive to inequality, the incidence of poverty and intensity of poverty. In terms of notation, it is of the form $FGT = H [I^2 + (1-I)^2 CV^2]$. The Coefficient of Variation (CV) values have been calculated for this purpose from the income and consumption distribution among the sample.

Using the above indices, and based on our income poverty line, we can show the desired results among the sample population as shown in the following table. The results so obtained, specifically pertain to the sample population in the study areas and not the population of the whole districts. However, the HCR pertains to the whole population of the

blocks, West Phaileng and Chawngte respectively. The two are the blocks from which our sample villages were selected.

Table 5.6
Statistical Results of Poverty Gaps, Intensity and HCR.

Name of district	Aggregate Poverty Gap	Average Poverty Gap	Normalised Poverty Gap	Poverty Intensity Ratio	Poverty Burden Ratio (%)	HCR (%)
Mamit	189573	1895.73	36.45	0.36	0.04	28.32
Lawngtlai	198600	1986	38.19	0.38	0.02	65.67

It is seen from the above that there is a notable difference in Aggregate Poverty Gaps between the two districts. The Aggregate Poverty Gap among the sample populations is observed to be Rs.189573 in Mamit district and Rs.198600 in Lawngtlai district. The gap is higher in Lawngtlai district and the difference between the two gaps is Rs.9027. However, as the Average Gap is taken into account, we observe a lower difference between the two. The difference between the Average Poverty gaps of the two districts is Rs.90.27. Lawngtlai district still shows higher results on the Normalized Poverty Gap and the Poverty Intensity Ratio. The reason why it shows a lower Poverty Burden Ratio must be due to the larger population, because we used the secondary data for the per capita income, which therefore becomes a fixed multiplier of the population parameter. The HCR is comparatively very high in Lawngtlai district again. This is however, outside the explanation of our sample survey, the source of the data on this is already explained above. The HCR is 28.32 per cent in Mamit district

and 65.67 in Lawngtlai district. The ratio of HCR between Mamit and Lawngtlai districts is 1:2.32.

To measure the severity of poverty among the sample, both the Sen index of poverty and the Foster, Greer Thorbecke indices have been employed. The values of Sen Index and the FGT index are calculated by using the results obtained above. The Sen Index of poverty, which is of the form $P=H[I+(1-I)G]$, and Foster, Greer, Thorbecke index which is of the form $FGT= H[I^2+(1-I)^2CV^2]$ give the numerical value of poverty in both the districts as below:

Table 5.7
Results of the Severity Measures of Poverty

Name of District	S measure of Poverty	FGT measure of Poverty
Mamit	0.13	0.05
Lawngtlai	0.27	0.10

It is observed that the Sen Index of poverty shows higher numerical values of severity as compared to the FGT measure. Among the two study areas, Lawngtlai shows higher value of severity measure as seen from both the measures. The results of severity measure of poverty in Lawngtlai district is always twice that of Mamit district both according to the Sen Index and the FGT index.

5.4 Consumption-Based Poverty Analysis:

5.4.0 Introduction: Adding a second dimension to our analysis of poverty, we look into the Consumption of families. But since the sizes of families differ across and within villages, we employ the per capita monthly expenditure as our explanatory variable. This is nothing but the monthly total consumption of a family divided by its size. We may call this the Per Capita Monthly Expenditure (PCME). This variable represents the average economic well-being of each person of a family, albeit our recognition that intra-household difference in consumption can be there, but we are ready to ignore the problem. Consumption is comparatively stable in terms of time, amount and its component and so it is believed that it will provide a reliable indicator of the well-being of the people under study. Among the populations in rural areas, there are long periods when they may remain out of work and without receiving any income. But with the case of consumption, such breaks or discontinuity during a period cannot be thought of even for a very short one. For this reason, consumption data which are obtained by close interviews, using detailed questionnaires can provide another dimension which reflects the true economic situation of a household or an individual. Substantiating this argument, many empirical researches on poverty including the pioneering Rowntree research, the National Sample Survey of India, and even the World Bank etc are based on consumption. Using our variable i.e the PCME, and our consumption poverty line, we will work out different measures of poverty as was done with income in the foregoing section.

5.4.1 Components of Consumption: The total consumption of the families that occur in our sample is split into four important components. The classification into components is done in line with the methodology of calculation of poverty line which is adopted for the present study. These components are: 1) Food items. 2) Non-food items. 3) Clothing. 4) Housing. It is taken that these four items are the basic necessities which a person has to consume in order to effectively participate in a society or in order to achieve a mere physical efficiency. It is also important to note that the consumption of these items may be widely encouraged by the society and failure to consume any of these may reveal serious deprivation. This decomposition may also indicate poverty by pointing to the ratio of food expenditure to the total expenditure of families. It is stated by Engel's Law that poor families spend a large part of their income on food, and the proportion of food expenditure to the total expenditure declines as income increases². This consumption behaviour which shows the higher relative share of food expenditure to the total expenditure among the poor has been suggested as a measure of poverty by Sen³, and also by Dandekar⁴. However, for our present study, we do not intend to use the ratio as a measure of poverty because we do not decide the threshold ratio of expenditure on food. Also that, the ratio even if decided looks more attractive to be used as indicator of poverty on aggregate basis rather than on per capita basis. Before the presentation of empirical data on it, let us reproduce

² Samuelson, P.A and William D. Nordhaus (1989): Economics . McGraw Hill International Edition. p.125

³ Sen, A.K (1981): Poverty and Famines, p.30

⁴ Dandekar, V.M (1996): The Indian Economy 1947-92 Population, Poverty and Employment. Sage Publications, New Delhi. p. 195

the items of each component of consumption for the present study, which are earlier shown in Chapter 1. As our analytical variable and poverty lines are in money terms, we use the words consumption expenditure to mean the absolute amount of consumption items stated in terms of money or weighted to its current price.

1. Food consumption: This includes consumption of food grains and other items of food. The main item of this is however, food grains consumption. Rice is the staple food of the people in Mizoram and therefore, food grains consumption is synonymous with rice consumption. And in terms of money expenditure on food grains is also the same with expenditure on rice. All respondents reply that they have two square meals a day. Even so, some families doing hard work are known to have their lunch at work, which are provisioned with their meal cooked in the morning. Based on the observation of rice consumption of the rural poor families, it is learned that there is a common pattern among them. The pattern of consumption of food grains in kilograms per day is 0.70 for the first male adult, 0.65 for each additional adult male, 0.5 for every adult female, and 0.35 for each child. If a rural poor family consists of 2 adult males, 2 adult females, and 2 children, the rough requirement of rice per day will be $0.70+0.65(1) +0.5(2) +0.35(2) =3.05\text{kg}$. The pattern of food grains consumption is therefore related to the age composition and sex composition of the family. **Other food** items and the expenditures for which are incurred includes those incurred on meat, vegetables, pulses, potatoes, cooking oil, sugar, tea, milk etc. This component is commanding relatively weak share among the rural poor.

2. Non-food consumption: Non-food items other than clothes and for which family expenditure are incurred include House rent, gas and fuel, candles and kerosene oil for lighting, educational expenses, electricity, soap and detergents, medicines, social and religious expenditure, travel and conveyance, pan and tobacco etc.

3. Clothing: Clothing includes bedding, mosquito nets, and foot wear in addition to shirts, pants, skirts, sari, dhoti, jackets, and underwear.

4. Housing: Expenditure on Housing includes the scattered value of the construction of the house scattered through its durability period, which is the imputed rent, repair and maintenance, rent, furniture, electricity connection, water tank and extension of houses if the case arises. Housing expenditure is the important determinant of poverty in our analysis of poverty because many of them fail to achieve the minimum requirement included in our consumption poverty line. A separate data and analysis on housing in both the districts is also shown in Table 5.8

5.4.2 Empirical Data of Consumption:

A. Decomposition of Consumption Expenditure: The monthly total consumption expenditure of households in both the districts, decomposed into the above categories and the corresponding percentage of each component to the total expenditure is shown in the following table.

Table 5.8
Monthly Consumption Expenditure of sample families in
Lawngtlai and Mamit Districts (Rs).

Name of District→	MAMIT		LAWNGTLAI		COMBINED	
	Total	(%)	Total	(%)	Grand Total	(%)
Food grains	50271	34.32	79805	42.71	130076	58.50
Other food	31712	21.65	33215	17.78	64927	
Non-Food	31452	21.47	37011	19.81	68463	20.54
Clothing	20731	14.15	31746	16.99	52477	15.74
Housing	12317	8.41	5067	2.71	17384	5.22
Total	146483	100	186844	100	333327	100

The table above shows that households in Lawngtlai district spend Rs.79805 on food grains which is 42.71 per cent of their total consumption expenditure. The monthly expenditure on 'Other food' items is Rs.33215 which again is 17.78 per cent of the total consumption expenditure per month. The total food expenditure, which is the sum of expenditure on Food grains and other food, is Rs.113020, which constitutes 60.48 per cent of the total consumption expenditure per month. The percentage of monthly expenditure on Non-Food to the total is 19.81. The percentage of monthly expenditure on clothing to the total is 16.99. Only 2.71 per cent of the monthly expenditure goes to Housing or Shelter.

The households in Mamit district spend 55.97 per cent of their monthly total expenditure on Food (Food grains and other food items). The percentage of food expenditure to the total expenditure is lower in Mamit district compared to Lawngtlai district. And 21.47 per cent of their monthly

expenditure goes to Non-Food, and 14.15 per cent is spent on Clothing, and 8.41 per cent of the monthly expenditure goes to Housing or Shelter.

Taking the populations of the two districts as a whole, we observe from Table 5.7 that expenditure on Food constitutes 58.50 per cent of the total monthly expenditure and Non-Food expenditure constitutes 41.50 per cent. As compared to the figure of rural India as a whole in 2004-05, which was 55.05⁵ per cent for food and 45.95 per cent for non-food, the percentage of expenditure on food to the total monthly expenditure among the sample populations under our study, is a little higher.

Out of the total expenditure other than food, other non-food items constitutes the largest share, clothing is next and constitutes 15.74 per cent. Housing and shelter is the least constituent or component of total monthly expenditure. The total monthly value of housing is only Rs.17384. This is an area where the poor most lag behind and the gap between the average monthly expenditure on this item and the minimum requirement is obviously very high. The distribution of the value of houses among the sample in the study areas is presented by the table below:

⁵ NSS Report No.514: Household Consumer Expenditure among Socio-Economic Groups:2004-05 p.4

Table 5.9
The Distribution of Housing Costs among samples.

Classes(in Rs.1000)	Mamit		Lawngtlai	
	Frequency	Total Value(Rs)	Frequency	Total Value(Rs)
1-2	30	42300	47	79100
2-4	15	33200	33	71840
4-7	3	15500	6	29500
7-10	1	7000	1	8000
10-13	2	24000	2	20000
13-16	7	101000	2	30000
16-19	23	405060	7	126000
19-22	13	260000	1	20000
22-above	6	147000	1	42000
Total	100	1035060	100	426440
Gini Coeff		0.45		0.50

The table above shows that the poor lack housing facilities, which can be seen from the Housing Costs or average value of houses. It is Rs.10350.60 in Mamit district and it is only Rs.4264.40 in Lawngtlai district. Not only this, there is a visible or significant inequality of the value of houses among the sample households as shown by the Gini coefficient, whose value is 0.45 for Mamit district and 0.50 for Lawngtlai district.

B. Distribution of Per Capita Monthly Expenditure (PCME):

The per capita monthly expenditure is the total monthly expenditure of a family divided by the size of the family. In the

next section, we use this as a variable for measuring the poverty with the same indices employed with income based analysis of poverty. The distribution of the PCME in both the districts is shown in the table as below:

Table 5.10
The Distribution of PCME in Mamit and Lawngtlai.

Mamit district			Lawngtlai district		
PCME class(Rs)	Frequency	Total of PCME (Rs)	PCME class(Rs)	Frequency	Total of PCME(Rs)
125-165	5	709	125-165	0	0
165-205	8	1511.18	165-205	2	362.92
205-245	9	2108.14	205-245	16	3669.83
245-285	17	4603	245-285	52	13773.74
285-325	15	4634	285-325	25	7580.85
325-365	17	5786.42	325-365	5	1682.87
365-405	29	11284.61	365-405	0	0
Total	100	30636.35		100	27070.21
Mean		306.36			270.70
s.d		73.88			32.50
G. coeff		0.13			0.06
C.V		0.24			0.12

5.4.3 Poverty Gap and Intensity of Poverty: Based on the above data and using the indices of poverty which has been employed with the annual per capita income variable, and also using our consumption-based poverty line of Rs.405 per capita

per month, we shall now present the results of poverty measures by using the per capita monthly expenditure (PCME) variable. For the calculation of the Poverty Burden ratio below, we adopt a method which is slightly different from the one which was used to estimate the ratio with the income-based poverty measure. It is assumed that the annual per capita income and the annual per capita consumption of the state will be very close to each other. And since we do not have the PCME figure of the state, we extrapolate the PCME from the per capita annual income figure, which is Rs.21400⁶. We deduce the PCME to be Rs.1780. Multiplying this with the population of the block, and taking the ratio of the Aggregate Poverty Gap to the result, we arrive at the Poverty Burden Ratio. The figure for the HCR is retained from Table 5.5. The results are shown in the table below:

Table 5.11
Results of poverty Measures with PCME.

Name of district	Aggregate Poverty Gap	Average Poverty Gap	Normalized Poverty Gap	Poverty Intensity Ratio	Poverty Burden Ratio (%)	HCR (%)
Mamit	9864	98.64	24.35	0.24	0.025	28.32
Lawngtlai	13430	134.3	33.15	0.33	0.075	65.67

The results of severity measures of poverty among the sample population in the study areas, by using the severity indices and using the PCME variable, are also shown below:

⁶ Directorate of Economics & Statistics Mizoram Aizawl: Statistical Handbook Mizoram 2008 p. 5

Table 5.12
Results of Severity Measures with PCME

Name of District	S measure of Poverty	FGT measure of Poverty
Mamit	0.09	0.03
Lawngtlai	0.24	0.08

We have to note that since the variable used is the PCME, the figures that we derived according to the indices of poverty seem to be smaller than the ones that we saw in the earlier section because these are in monthly rupees. It is self-evident from the statistical results above that the PCME based Poverty Gaps are smaller in the case of the sample population in Mamit district. The Aggregate Poverty Gap of the sample population in Mamit district is 73.44 per cent of the Gap in Lawngtlai district. The poverty burden ratio in West Phaileng block of Mamit district is 0.025 per cent, the ratio for the sample population in Chawngte district is 0.075 per cent, which is exactly three times that of the sample population in Mamit district. There difference in the Intensity of poverty between the two study areas is 9 percentage points. The severity of poverty in Mamit district according to the Sen Index of poverty is 0.09 and 0.03 according to the FGT measure. The index values for the sample population in Lawngtlai district is 0.24 on Sen index and 0.08 on FGT index. Severity of poverty in Mamit district is 37.5 per cent of Lawngtlai on Sen index and FGT index.

5.5 Capability Poverty Analysis of the samples: In addition to the statistical measures of poverty in the preceding section, we shall now add the empirical evidences and analysis on the capability poverty and the living conditions of the sample populations in both the study areas. These evidences will indicate the problems of the poor included in the sample and the deprivations that they suffer due to their poverty. We shall now look into the following indicators: 1) Size of Households and dependency 2) Illiteracy, number of school going children. 3) Type of toilet used. 4) Cooking fuel used. 5) Electrification of House. 6) Source of drinking water. 7) Health and Mortality as seen from the type of diseases suffered and age composition of the affected.

5.5.1 The sizes of Households, Age and Sex composition of families and Dependency: Poverty largely dictates the size of a family, because it has often been contended that in poor families, children are accepted as assets rather than liabilities. Poor families often spend a very small proportion of their income to look after their children. That is why they are not so much a burden to the family when they are young. But when they overcome the age of infancy, they assist the parents even if their assistances may not be economic activities in the true sense of the term. They can assist the parents by looking after the younger siblings, cooking food while parents are out at work etc.

The sizes of families, the number of working members, the age and sex-composition of each family belonging

to the samples in each district have been asked and recorded. The information so obtained enables us to work out the dependency, and the average household size, the female-male ratio, literacy rate etc. Other information on the religion and tribe of the respondents were also asked. The total number of households, household sizes, and the sex composition etc of the populations in the samples are shown below:

Table 5.13
Age and Sex Composition, Household Sizes among samples.

District	Adult			Children under 14yrs			Total Population	Family Size
	Male	Female	Total	Male	Female	Total		
Mamit	164	145	309	101	82	183	492	4.92
Lawngtlai	241	228	469	130	97	227	696	6.96
Total	405	373	778	231	179	410	1188	

In India, during 2004-05, the household size in the rural areas was the lowest among the Schedule Tribes, it was 4.6. In the urban areas, it was lowest for both the STs and *others*(4.3 each)⁷. Table 5.13 shows that, the average household size among the samples in Mamit district is 4.92, and it is 6.96 among those in Lawngtlai district. Reading this with the results of poverty intensity and severity measures which is often more than twice as high in Lawngtlai district (Table 5.11), it is clearly tenable that as poverty level is high, family size is also large.

⁷ NSS Report No 516: Employment and unemployment situation among the social groups in India, 2004-05
p.i

The percentage of children under 14 years, to the total population in Mamit district is 37.19 and the percentage is 32.61 per cent in Lawngtlai district. And the total number of females among the sample in Mamit district and Lawngtlai districts are 227 and 325 respectively. The female-male ratio, expressed in number of females per thousand males is 461 in Mamit district, and 467 in Lawngtlai district.

The respondents were asked how many members of the family are doing work. The total number of workers among the sample population in Mamit and Lawngtlai districts is 232 and 330 respectively. These can be used to show the work participation ratios. The ratio is 47.15 per cent for Mamit district and 47.41 per cent for Lawngtlai district. The difference in work participation rate between populations of the two study areas is negligible. We take the dependency ratio to mean the ratio of non-working population to the total population. If the WPR is π , then the dependency ratio is $1-\pi$. The dependency ratio among the sample population of Mamit district is 46.15 per cent and it is 46.41 per cent for Lawngtlai district.

5.5.2 Illiteracy, Number of School going children and reasons of illiteracy: The respondents were to ask how many members of the families, in the age group of 7 years and above are illiterate. Information on the number of family members in the age group of 7 years and above is also sought from them. The literacy rate of Mamit district according to official record is 79.1 per cent in Mamit district, and 64.7 per cent in Lawngtlai district. The population in the age group of 7 years and above is

332 among the sample population in Mamit district. There are 79 illiterates, and the illiteracy rate of the district is 23.80 per cent. The number of illiterates among the sample in Lawngtlai district is 188. There are 502 persons in the age group of 7 years and above. And the illiteracy rate among the sample population in Lawngtlai district is 37.45 per cent. Therefore, the illiteracy rate among the poor population is higher than the illiteracy rate of the whole population as indicated by the official record. The number of male and female illiterates among the populations in the samples is shown below:

Table 5.14
Male and female illiteracy among Sample Households in Mamit and Lawngtlai districts

Name of District (1)	Male illiterates (2)	Female illiterates (3)	Total illiterates (4)	Total Population- 7 years & above (6)			Illiteracy (% of col.4 to 5) (6)		
				M	F	T	M	F	T
Mamit	29	50	79	179	153	332	16.2	32.7	23.8
Lawngtlai	95	93	188	270	232	502	35.2	40.1	37.5
Total	124	143	267	449	385	834	27.6	37.1	32.0

The respondents were also posed with questions asking the reasons or causes of their illiteracy. The reasons are pre-suggested and designed to economize the use of time during the interviews. The reasons; later used as Reason 1,2,3,4 are:

- 1) Family problem: this is an euphemism for poverty
- 2) Distance of school: this reflects their rural background

- 3) No interest in schooling: also reflects family background
- 4) Other reasons; e.g. poor school facilities, lack of teacher, no school in the village during childhood etc.

Based on the pre-suggested questions above, the outcome of answers, or the causes that the respondents ascribe their illiteracy to are noted and shown as below:

Table 5.15
Causes of illiteracy among the poor in Mamit and Lawngtlai districts.

District	Reason 1	Reason 2	Reason 3	Reason 4	Total
Mamit	60	4	10	5	79
Lawngtlai	158	4	23	3	188
Total	218	8	33	8	267

As shown by the above table, it is clear that the principal cause of illiteracy among the samples in both the districts is Reason 1, which is reflective of their poverty. Sending children to schools involve some educational expenditure for them even if they are admitted in public schools. The necessity of the expense may discourage many poor parents to send their children to schools, preventing their children to opt for education in their childhood ages and remain illiterate. Yet some people, especially the aged among them are illiterate because during their childhood, there are no schools in their villages. These people are illiterate because of Reason 3.

While in deed, there are some people stating the reasons of their illiteracy as Reason 2, and Reason 3, we take these reasons to arise from the fact that they belong to families in rural areas, whose environments are not conducive to education because of geographical underdevelopment.

5.5.3 Type of toilet used: The houses which the poor families own and in which they live are usually built of bamboos and saplings. Therefore, it is not convenient to build toilet facilities within the houses. The types of toilet that are used by them are classified and numbered as

- 1) Type 1: Septic Tank
- 2) Type 2: Pit Latrine with cover
- 3) Type 3: Pit latrine without cover which is accessible to flies and other insects.
- 4) Type 4: Latrine, which provides privacy of the user but which is accessible to animals

It is observed that among the sample populations in Mamit district, 12 households use Type 1 or Septic Tank, 28 households use Type 2, 34 households use Type 3, and 29 households use Type 4. The following table (Table 5.16) shows the classification of Toilets and the number of users among the 200 households that we study in Mamit and Lawngtlai districts.

It can be seen from Table 5.16 that the number of users of Type 2 is highest and there are a few who use Type 1, but the number of users of Type 3 and Type 4 is still uncomfortably large, making them vulnerable to communicable diseases and preventable diseases related to their environment.

Table 5.16Types of Toilets and No.of users among the Poor

Name of district	Type 1 Toilet	Type 2 Toilet	Type 3 Toilet	Type 4 Toilet	Total
Mamit	12	28	31	29	100
Lawngtlai	0	70	23	7	100
Total	12	98	54	36	200

5.5.4 Electrification of Houses: The houses of the poor are vastly unconnected by electricity. They lack facility at least to light their homes at night. Even if electrification of the village has been achieved by the government and reports are proudly given about the achievement, it does not mean that the poor are benefited by it. And owing to the poor construction of the houses and lack of money, electricity connection may not be affordable for them. It is observed that out of the 100 households that were surveyed in Mamit district, 35 households have electricity and the remaining 65 households, or 65 per cent of them do not have electricity. Among those in Lawngtlai district, 33 households have electricity and 67 households do not have it.

Table 5.17Electrification of Houses owned by the Poor

Name of district	Electrified Houses	Not electrified Houses	Total Houses	Percentage of Electrified Houses
MAMIT	35	65	100	35
LAWNGTLAI	33	67	100	33
Total	68	132	200	34

5.5.5 Cooking Fuel used: The people in rural areas, including the non-poor mainly use wooden fuel for cooking. These are collected from the forests and free of costs. This saves them from requirement of spending money on cooking fuel. The poor in urban areas have to spend money out of their meagre earning to buy cooking fuel. Among Mizo society, the collection of cooking fuel from the forests is usually done by women. Normally, fuel wood is collected during dry season and lean season and the collection is stockpiled at home for use in rainy season and busy season. However, as the use of liquefied petroleum gas (LPG) is becoming popular in urban areas, a number of households in rural areas have also started to use LPG. The type of cooking fuel that is used among the sample households are classified as 1) LPG. 2) Kerosene Oil. 3) Wood 4) Electricity. It was found that among the sample households in Mamit district, 6 households use LPG. 94 households solely use wooden fuel. It is again observed that all households use wooden fuel. Because even those who have LPG facilities partly use wooden fuel obviously to economize the use of gas fuel and lessen their dependence on it. No one was found to use or depend on Kerosene oil or electricity for cooking in Mamit district. Among the sample households in Lawngtlai district, 98 households use wooden fuel, one household was found to have used Kerosene oil, and one household uses LPG.

5.5.6 Sources of Drinking water: Provision of safe drinking water, which amounts to fitting pipelines to the water sources safely treated for human consumption and connected to the homes or within easy reach of the people, is still not visibly

achieved by the government in the villages of Mamit district which we surveyed. Most people included in the sample have to depend on natural water points which are locally called 'Tuikhur'. However, among those villages in Lawngtlai district that we surveyed two villages were provided with water supply. It has to be mentioned that on an average the distance of Tuikhur is 300 metres. In some villages people have to wait for their turn and make long queues at Tuikhur during dry season, and they even have to wait for their turn at night. The following table shows the household-wise sources of drinking water among the sample populations in Mamit and Lawngtlai districts.

Table 5.18
Sources of Drinking Water among sample Households in Mamit and Lawngtlai districts.

Name of Districts	Safe drinking Water/Pipeline water	Tuikhur	Own water tank	Well/ Handpump
Mamit	0	93	26	0
Lawngtlai	20	80	3	0

In Mamit district, 93 per cent of the households depend on natural water sources or 'Tuikhur'. 26 per cent have their own water tanks for storing rainwater but these households also depend partly on the natural water points as the tanks are not big to retain enough water lasting them 1 year. Therefore our data indicates that 7 households fully depend on their water tanks and 19 households use both. In Lawngtlai district, 20 households depend fully on public provision of drinking water

while the remaining 80 per cent depend on Tuikhur, 3 households were reported to have their own water tanks, but these households also responded that they depend on Tuikhur. It means that there are 77 households solely depend on Tuikhur since they do not have water tanks of their own.

5.5.7 Diseases and Average Age of the Victim: People in rural areas are victims of diseases which are related to their lifestyles and their physical environmental. Even without proper clinical test, the diseases and illnesses which we ask the people to have suffered from are identified by them on the basis of the symptoms. These are malaria, Diarrhoea, TB and Pneumonia. Malaria is attributed to high fever occurring with regular interval during 24 hours of time, and associated with weakness, loss of appetite. TB and pneumonia are attributed to cough, blood stained sputum, fever and weakness, loss of weight.. Diarrhoea and dysentery are attributed to loose stool, aching stomach, weakness and sudden loss of weight. Although it is always be the case that people of some particular age group are spared by any of these environment-linked diseases, we are interested to know the age of the person suffering a particular disease because this will enable us to know whether the disease has an age bias or not. Based on the responses from them, it was found that the disease common among them are as shown in the following table:

Table 5.19
No. and cases of Diseases related to Poverty, and Ages of the
Victims.

Name of District	Malaria (1)	Diarrhoea/ Dysentery (2)	TB/ Pneumonia (3)	Average Age of (1)	Average Age of (2)	Average Age of (3)
Mamit	55	12	6	22	14	34
Lawngtlai	138	20	16	12	11	22
Total/overall	193	32	22	15	12	25

It is seen in the table above that Malaria is the most common disease among the poor in both the district because an overwhelming number of cases of the disease i.e.193 cases have been reported from them during the last one year of survey. Almost every village is now being equipped with Drug Distribution Centre (DDC), mainly distributing medicines for malaria. But still then, our evidence is a sad fact. The eradication programme has to be started in right earnest. The next common disease among the poor is Diarrhoea and Dysentery (32 cases), and the third one is TB and pneumonia (22 cases). However, and cheerfully, no case of a family member having died of the above stated diseases during the period was reported from the respondents in both the district.

The average ages of the victims rounded to the nearest completed years, was taken into account as shown in the Table above. The average age of malaria victims is 15 years, and that of Diarrhoea and Dysentery is 12 years and that of TB and Pneumonia is 25 years. This indicates that with Diarrhoea

and Dysentery, children around 12 years of age and below can be most vulnerable. And malaria also has an age bias in favour of children, whereas TB and pneumonia are not so much prone to children and seem to affect the grown ups rather than the young, as seen from the average age of the victims.

The evidence among our sample populations is that they live in poor conditions of housing which are small and the houses have very poor amenities. The small houses built by traditional method with bamboos and thatch do not have inbuilt bath rooms and toilets. The houses are not connected with safe drinking water supply and are often dark at night because they are not connected by electricity. The poor people's sources of drinking water are often unsafe from water borne diseases. The toilets that are commonly used are safe neither from insects nor animals. The people, especially the younger groups who are naturally careless are often attacked by diseases which are spread by mosquitoes and flies. Since the houses are dark and often dilapidated, mosquitoes can easily penetrate the walls at night. Those who are using the toilets at night have to go out of the houses. Those wanting a bath also have to go out of the house in the darkness, where the surrounding is unclean and infested with mosquitoes and other insects. Those suffering from TB have to go at the district headquarters compulsorily because the rule of its treatment requires that the medical staff has to eye witness that the patient actually consumes the medicine. These harsh conditions reveal capability poverty. They accentuate the capability deprivations and act to make poverty persist.

CHAPTER-VI

CAUSES AND EFFECTS OF POVERTY

6.0 Introduction: This chapter will look into the causes and effects of poverty among the rural poor who are included in our samples from both the districts. It will also be examined the participation of the poor to cross the poverty line. The first part will be devoted to the exposition of the forces or factors that generate poverty. The exposition of the causes of poverty shall be based on our empirical observation and conclusions that emerge from them. The next section will deal with the effects of poverty based on two issues which have a rural connection. The third part will examine participation of the poor and the effort at their hands to avoid poverty; the details are in the following sections.

6.1 Causes of poverty: Poverty is a complex and multifaceted problem. As a case in general, it may be an audacious task to sort out the causes common to all, of poverty because the only common thing about poverty is that the poor lack resources so much so that they are excluded from consumption and possession of reasonable amounts of goods for decent human life and they all suffer deprivation, in one way or the other. But with local or individual poverty case, it is not so difficult to see why a locality or a person is poor. Based on this logical reasoning, case study results are the possible answers to the causes of poverty. That is why a case study of poverty is a promising endeavor that can lead us to the sources or origin of

the problem, which may or may not be accepted to apply to other cases across space and time. To the extent that we deal primarily with rural poverty and also that since the majority of our sample populations responded that their main occupation is jhumming, we limit the causes of poverty to the following factors.

6.1.1 Cyclical shock (Bamboo Flowering and Crop Failure):

We have included this factor because the survey year coincidentally is a year of 'Mautam'. Jhumming is subject to cyclical occurrence of crop failure and famines, basically caused by sudden increase of rats, which is associated with the periodic bamboo flowering. The jhum farmers cut down the forests which had been left fallowed for the preceding five or six years as fallow years for current farming. This practice allows them to do the hill farming on fresh and fertile plots each year, instead of continuing the cultivation on the same plot for many years. Since the farmers know and do very little to improve the fertility of soil, this system guarantees the natural process of re-fertilization of the soil which is needed for the crops, at least for the short term. At the same time, since the jhum plots are not permanent settlements of the farmers, no permanent structures like storehouse or fencing which can protect the crops from rat damage are constructed. And invariably in the year of bamboo flowering, and sometimes even the next one year, the sudden spurt of rats, swarming in the paddy fields at the time of harvest use to consume a devastating portion of the rice fields overnight. The farmers are in dire situations at these times and they often remain helpless against

the menace of rats. A crop failure for one year has a disastrous effect on the livelihood of the next or the subsequent years. In 2007 the cyclical ‘bamboo flowering’ or ‘Mautam’ occurred again. This drastically decreased the food production of the rural jhum farmers. Some families who had started cultivation of oil palms before 2007 reported that even those young shoots of oil palms were attacked by rats. All the jhumming families of Mamit and Lawngtlai district responded that their cultivations were destroyed by rats and they suffered failure of the harvest. When asked why they carried on with the same occupation knowing in advance that it will result in failure, they replied that they do not have any other means to depend on, and they said that they were compelled to continue their occupation activities with the hope of pre-empting the rat menace, or their crops being spared by the rats. The destruction seems so severe, as revealed by the responses of the jhum farmers. We give below the income received by the jhumming families in both the districts; the figures are rounded to the nearest rupee.

Table 6.1
Annual Household income and Per-worker Income of Jhum
farmers (main occupation).

Name of district	No. of Families	No. of Workers	Annual income (Rs)	Mean Income (Rs)	Per Worker Income (Rs)
Mamit	83	202	845100	10182	4183
Lawngtlai	72	250	871800	12108	3487
Total	155	457	1716900	11077	3757

It is seen from the above table that the annual earning of the jhumming families, from their main occupation is seriously low. Among the sample population in Mamit district, there are 83 families adopting jhumming as main occupation, and among such families, there are 202 workers. The total annual income received by them is Rs.845100 only. The mean income or the average household annual income among them is Rs.10182. The annual income per worker is Rs.4183, which is much lower than our income poverty line of Rs.5200. This indicates that the jhumming families are left to poverty because of the unproductive nature of the occupation. The low productivity of the occupation is undoubtedly because of the abortive harvest, brought into effect by 'Mautam' (bamboo flowering) and crop failure due to the increased rat population. The picture is worse in Lawngtlai district. Among the 72 sample households practicing jhumming as main occupation in Lawngtlai district, there are 250 workers, and the total annual income from jhumming is Rs.871800. The mean annual income of the households is Rs.12108 and the annual income per worker is only Rs.3487, which again is severely lower than the poverty line. The standard deviation of the income in Mamit district and Lawngtlai districts are 4462 and 2783 respectively.

6.1.2 Low Employment: The rural economy is characterized by unemployment and this leads to low income and poverty. The jhum farmers spend their working days in their jhum fields as limited by the nature of the occupation. The question of crop rotation does not arise with jhumming as it is a one year occupation. Depending on the workers strength of the family,

the size of jhum farms vary. And, the total number of working days is limited by the area of the cultivation taken up by each jhumming household. The family size and its work force determine the size of the jhum field. This is so because the seasons of crops and the custom of work are followed by each family. Not being able to catch up with fellow jhumming families to finish a seasonal job is taken to be a serious weakness among Mizo society. One also has to catch up with the seasonal convenience of work and seasonal behaviour of the crops or the cropping pattern. Therefore one has to determine the size of one's jhum farm according to the ability and the need of the family to ensure that the requirement of the family is met by the output and also that the seasonal sequence of works are completed in time. This pattern serves to equate the usual status of employment between families. Hence, it is possible to estimate the number of working days that a family renders to its main occupation, i.e. jhumming during one year.

The seasonal sequence of work or stages of work that is applied to jhumming can be generally summarized as follows:

- 1) Clearing work or Cutting down the forest, which is then left to dry in the sun for about two months.
- 2) Clearing the sun-dried rubble of felled trees and bamboos with fire.
- 3) Collecting the partially burnt remnants and throwing them out of the jhum plot; optionally, these are also piled and burned to ashes again.
- 4) Preparation/construction of jhum hut.
- 5) Sowing seeds of early crops of food supplement.
- 6) Sowing rice seed.
- 7) Cutting early growth of unwanted plants.
- 8) Weeding.
- 9) Preparation for harvesting which may require setting up extra huts, barns,

threshing floor etc. 10)Harvesting. 11)Transportation of the output i.e. food grain and others to home.

The usual principal status of employment of a jhum farmer is affected by the above mentioned sequence of job required for a jhum field. In a year of successful jhumming, a jhum farmer is employed for about 150 days. This is estimated by taking into account the average number of days used by families to complete each stage of the seasonal work stated above and adding the total number of days that are used for each such stage. This reveals that the jhumming occupation even if successfully carried out guarantees very limited employment. This limited number of employment of this occupation generates a limited productivity. Over and above the work mentioned in the foregoing paragraph, no other useful employment in the jhum fields are known and applied. This is the situation despite the fact that the system is a risky one, being unprotected against animal and avian destruction, insects, fungus, drought etc. Although the farmers are remaining idle for such a long period in a year, the unemployment is not so much felt or regretted because it is concealed by the system and the system does not allow more employment than it could have to a low skilled farmer. And for a traditional jhum farmer, there is no point for so much dissatisfaction about the systemic unemployment.

The jhum farmers responded that they work 5 to 6 days in a week. But this is understood to be the working habits during the busy season or the usual weekly status of employment during busy season. They also straddle between

different activities and this makes them to respond that they are employed for 5 to 6 days a week, but clearly and not necessarily the same throughout the year.

The following table shows the estimated number of employment days of the households of different occupations by taking into account the famine year, the seasonal pattern of work, availability of demand for labour, market for other goods etc. The table shows the estimated number of working days that the workers in a family render in the year of survey or the total number of employment days available for each occupation, main occupation plus subsidiary occupation or the 'usual status' i.e principal status plus subsidiary status (ps+ss), as the terminology of the NSS¹. Table 6.2 is based on the usual status of employment.

Table 6.2
Number of annual employment days among different occupations

Name of District	MAMIT			LAWNGTLAI		
	Subsidiary	Main	Total	Subsidiary	Main	Total
Occupation groups						
Jhumming	24	98	122	26	95	121
WRC	0	0	0	16	104	120
Semi skilled	12	65	77	20	63	83
SSI	10	90	100	20	87	107
Casual Labor	20	78	98	20	83	103
Petty Business	12	104	116	0	0	0

¹ NSS Report No 516: Employment and unemployment situation among social groups in India, 2004-05, Chapter Two, Concepts and Definitions, pp 6-18

The low level of employment certainly leads to poverty in rural areas. This is especially among the jhum farmers whose main occupation is subject to high seasonal unemployment. Unless nature is very favourable to their cultivation, they are exposed to face crop failure and food shortage. Again, unless the government employment schemes are fully operational, they are exposed to seasonal unemployment because the rural economy has very little non-farm employment to offer. The evidence on employment among the rural poor, especially the cultivators, is that they have very limited opportunities of employment. The only source that they can depend on, even off-farm is their labour which is largely unskilled. And owing to the scarcity of non-farm employment, and the seasonal nature of agriculture, they remain unemployed for considerable period of the year.

The case of employment with people whose main occupations are semi-skilled labour, small scale industries (SSI), casual labour, and Petty business is no better than the jhum farmers and the WRC farmers. The limited number of population in rural areas and their poverty weaken the demand for non-agricultural products. The weak demand and the poor and unorganized market for their products lessen the income opportunities from making or selling such goods. This situation is seriously unfavorable to the small scale industries and petty business. Those in the casual labour also face competition from labourers coming from outside the village, especially from Myanmar and Assam. Many of the labourers that contractors, including the Border Road Organization (BRO) hire in their

work in rural areas are those mobilized in advance by them, from urban areas and most often from outside the state. These labourers preclude the employment opportunities of the local labourers. Many of those labourers engaged in timber cutting work are also brought in advance by the contractors. The Myanmarese labourers are often engaged in timber cutting work in Mamit district. And in construction work of pucca houses, the helpers accompanying the skilled labourer are often from outside the state and not the local labourers. The underlying institutionalization process of employment involving the unskilled labour in rural areas is that where the work and employment is sustainable and profitable, the local poor labourers are forgotten at the cost of outside labourers, and the system does not favour the local poor, per contra it works against the advantage to the local labourers.

6.1.3 Low Income: The low income received by the rural population is definitely the prime cause of their poverty. It was reflected in the previous chapter that the annual income received by people of different occupations are much lower than the poverty line. The per-worker annual income in various occupation groups is not high enough to keep the families in the sample out of the poverty line. Among the sample in Mamit district, the per worker annual income of jhumming families, semi-skilled, Small scale industries, casual labour, and petty business is Rs.4184, Rs.5625, Rs.9117, Rs.3688, Rs.10938 respectively. And the per-worker annual income of various occupation among the sample population in Lawngtlai district is Rs.3487 for jhumming, Rs.5857 for Wet Rice Cultivation (WRC)

and Rs.6000 for semi-skilled, Rs.4571 for Small scale industries Rs.3837 for Casual Labourers. The per-worker annual income in respect of jhumming and casual labour is very low. This has to do with the low level employment that they receive during one year. The jhumming occupation is badly affected by the famine year and the casual labour who are sometimes employed as agricultural labourers are also affected. Small scale industries which are agricultural based also receive a big jolt in Lawngtlai district as the per-worker productivity is also very low while it is not so in Mamit district. The following tables show the per-worker annual income of various occupations during the last one year of survey in Mamit and Lawngtlai districts.

Table 6.3
Per-worker annual income of various occupation among the
sample households in Mamit district.

Name of Occupation	No.of workers	Annual Income (Rs)	Per-worker Annual income (Rs)
Jhumming	202	845100	4184
Wet Rice Cultivation	0	0	0
Semi-skilled	8	45000	5625
Small Scale Industries	6	54700	9117
Casual Labour	8	29500	3688
Petty Business	8	87500	10938
Total	232	1061800	4576.72

Table 6.4
Per-worker annual income of various occupation among the
sample households in Mamit district.

Name of Occupation	No.of workers	Annual Income (Rs)	Per-worker Annual income (Rs)
a) Jhumming	250	871800	3487
b) Wet Rice Cultivation	21	123000	5857
c) Semi-skilled	2	12000	6000
d) Small Scale Industries	14	64000	4571
e) Casual Labour	43	165000	3837
f) Petty Business	0	0	0
Total (a-f)	330	1235800	3744.85

The results of our investigation show that low income of workers pushes the sample populations to poverty. Even if the per-worker annual income of an occupation is higher than the poverty line, it cannot simply amount to leaving poverty line because the income that the workers receive per worker is shared among the families which consist of dependents as well as workers. Therefore the per capita income within households used to be pushed down. If all the members of the family are working, semi-skilled, small-scale industries, petty business households in Mamit district will cross poverty line. Likewise if all the members of the families are working, WRC and semi-skilled households will leave poverty line in Lawngtlai district. However, the per-worker annual income is merely an average and it should not be expected to represent productivity of labour in the various occupations, as to apply under all circumstances.

6.1.4 Population Growth: When and where there is population growth the pressure of population on land is always felt on land, including the other natural resources. As a case in general, decreasing fertility of soil, erosion of soil, pollution of air and water, fragmentation of holdings in agriculture, environmental degradation, high dependency rate, and poverty are all brought about by unchecked population growth. All the effects of population growth are contributory to poverty generation. But not all of these effects can be alleged to apply directly among the rural poor in Mizoram because cases of fragmentation of holdings in Mizoram are largely concealed by the practice of jhumming and distribution system of jhumming plots.

Table 6.5
Decadal Variation of Population and Change in Density (1901-2001)

Sl.No	Year	Male	Female	Total	Density of Population
1	1901	39,004	43,430	82,434	4
2	1911	43,028	48,176	91,204	4
3	1921	46,652	51,754	98,406	5
4	1931	59,186	65,218	124,404	6
5	1941	73,855	78,931	152,786	7
6	1951	96,136	100,066	196,202	9
7	1961	132,465	133,598	266,063	13
8	1971	170,824	161,566	332,390	16
9	1981	257,239	236,518	493,757	21
10	1991	358,978	330,778	689,756	33
11	2001	459,109	429,464	888,573	42

Source: Table 2.1 modified and reproduced

The growth of population in Mizoram from 1901 to 2001 was shown in Chapter 2 Table 2.1. The pressure of increased population on land can be indicated by the density and its growth. The decadal change in density of population can be found by dividing the size of population by the fixed area in square kilometer and rounded to the nearest figure. This is shown above in Table 6.5.

The data shown in Table 6.5 shows that there has been a continuous growth of population and the density is increasing with every census except between 1901 and 1911. Although the growth in density of population from decade to decade was stunted and negligible during 1911 to 1951, there was a marked decadal increase of population during 1951 to 1961 and onward. At first glance, it may seem that population density is low as compared to all India figures and does not pose a problem. But by recognizing the topographical inconvenience and by looking at the land use statistics, and by the empirical results of the distance of jhum sites, and jhum cycle, we can conclude that the growth of population has a negative effect on the livelihood of the rural people.

The growth of population affects the sizes of families and it has a direct bearing on the families' dependency ratio. A high dependency ratio is certainly a determinant of poverty as seen from the preceding section that some occupations have the per-worker annual income which is higher than the poverty line, but yet they fall under poverty line because of the dependents that are included in their families.

Table 6.6
Land Use statistics in Mizoram
(Area in Thousand Hectare)

Sl.No	HEADING	2006-2007	2007-2008
1.	2	3	4
I.	Geographical Area	2108.700	2108.700
II.	Reporting Area for land utilization Statistics (total 1 to 5)	21087.700	21087.700
1.	Forests	1593.700	1593.700
2.	Not available for cultivation (a+b)	134.040	134.040
	a) Land put to non-agricultural use	125.420	125.420
	b) Barren and uncultivable land	8.620	8.620
3.	Other uncultivated land excluding Fallow land (a+b+c)	79.230	77.209
	a) Permanent pastures and other Grazing land	5.235	5.230
	b) Land under miscellaneous tree-crops and groves not included in net area sown	68.765	66.749
	c) Culturable waste	5.230	5.230
4.	Fallow lands (a+b)	207.543	210.928
	a) Fallow lands other than current fallows	166.078	165.981
	b) Current fallows	41.465	44.947
5.	Net sown area	94.187	92.813
6.	Total crop area	105.575	102.903
7.	Area sown more than once	5.000	1.437
III.	Total Irrigation area	16.360	14.169
IV.	Area irrigated for the year	11.388	9.466

Source: Directorate of Economics & Statistics Mizoram: Aizawl: Statistical Handbook Mizoram 2008. Table 4.2, p.2

Table 6.6 shows that the total land area of Mizoram is 21087 square kilometer or 2108.7 hectares. This does not mean that the available land for cultivation is still abundant. The total area not available for cultivation is 134.040 hectares or 6.35 per cent of the total geographical area. Other uncultivated land excluding fallow land is 79.30 hectares. This again constitutes 3.75 per cent of the total geographical area. Fallow lands and total crop area together constitute only 14.8 per cent of the total geographical area. Because of this limited

nature of cultivable land, an increase in the population easily puts pressure on the absorbing capacity of agriculture. The forest and the rivers are continuously degraded by the increased population. This leads the people in rural areas to think that urban informal employments are attractive ones to go for

The increasing population also leads to urbanization. And urbanization is growing very fast in Mizoram. In 1971, the percentage of urban population in Mizoram was only 13 per cent but in 2001 Census almost half of the populations (49.63 per cent) live in urban areas and the state capital alone accommodates about a quarter of the population, which is largely made up by an exodus of the rural population. The increased urbanization leads to increasing privatization of lands by the rich people whose activities extend to rural areas. In many rural areas, we find that the areas close to the villages are owned permanently by the rich people who reside in urban areas. These absentee landholders are putting the livelihood of the poor at stake because they rob the poor of their common property resources.

The rural poor in Mizoram are now facing the effects of growth of population density especially on the shortened jhum cycle of the forest and the increasing distance of the jhum plots. A shortened jhum cycle means less fertility of the soil because the natural process of re-fertilization is ensured by longer fallow period. And a longer distance of jhum fields means less advantage to work and less productivity, and increased inconvenience and suffering.

People in rural areas of Mizoram state or measure the distance of jhum by the hours of walk required to reach them. However, we can deduce the distances in kilometers from the hours of walk replied by them. The average distance of the jhum fields in Mamit district is 4.5 kilometres from their villages, and that of the people in Lawngtlai district is 5.6 kilometres. Average as usual sometimes hides the true picture for some. Some people in Marpara village responded that they have to spend one long day to reach their jhum fields. My co-investigator who resides in the village assures that this is factual. The jhum cycle in Mamit district is normally 4 to 5 years, and the case is same with the people in Lawngtlai district. Within a period of 4 to 5 years, it will be hardly long enough for nature to fully regenerate fertility of the soil and less fertile soil means less productivity of agriculture for the farmers which causes and perpetuates poverty for them.

The larger population size, arguably brought about by population growth, also has a detrimental effect on the poor by way of increased dependence of the non-working members on the working members. It was shown in Chapter 5 that the dependency ratio among the poor sample households in Mamit and Lawngtlai districts are 46.15 and 46.41 respectively. The higher dependency ratio of Lawngtlai district is definitely causative to poverty of the sample population. The total annual income from all sources in Lawngtlai district is much higher than that of Mamit district. But since the total population and dependency ratio are higher in Lawngtlai district, the per capita annual income within households which is Rs.3214.0 in

Lawngtlai is lower than the per capita annual income within households of Mamit district which is Rs.3304.27. The per capita monthly expenditure is also lower in Lawngtlai district than in Mamit district, which results from the higher population. In any case, since poverty measures used in the preceding chapter show higher index of poverty in Lawngtlai district despite the higher amount of the total annual income than in Mamit district, it is inferred that population growth and larger family size is a cause of poverty via higher dependency ratio.

6.1.5 Low level of Human Development: By Human Development we refer to the level of development which is possessed and enjoyed as human quality by the people. The people's education, skill and experience, health etc constitute the Human Development. Possession of these essential qualities helps one to overcome poverty and achieve upward mobility so as to permanently leave the poverty line. Our investigation includes the literacy, possession of any other skill for occupation, and also health problems and diseases prevalence. The evidences on different qualities possessed to measure human development or the human development indicators are summarized under three components, viz, 1) Education, 2) Skill, and 3) Health. Each of these qualities is again assigned an indicator based on the compatibility of our empirical investigation. The explanatory basis of each of the components and the respective evidence, and conclusion are as follows:

A. Education: Education is by far, the most important quality that a person can possess to ensure upward mobility. Although

it may not always evenly reflect the level of education between people, we use literacy as an indicator of education. This is by recognition that literacy is a first step in education and nobody can be educated without being literate. We observe in the previous chapter that there is a low level of literacy and high level of illiteracy among the poor, especially in Lawngtlai district. The illiteracy rate in Mamit district according to our data in Table 5.14 is 23.8 per cent and that of Lawngtlai district is 37.5per cent, and the overall illiteracy rate of the sample populations in the two districts is 32 per cent. This high level of illiteracy serves an important basis for our conclusion that human development is low among the sample poor population. Their illiteracy acts as an obstacle to come out of their poverty because being illiterate and uneducated prevents one to speak and act confidently for one's own interest. It also denies one of the knowledge about the opportunities available, by not being able to read, write, and even speak and understand the meaning of those opportunities. In short, lack of education prevents human development, and it is a significant cause of poverty of the people in our sample.

B. Skill and Experience: Besides education, skill and experience which one may acquire from any other source can improve the earning capacity of a person so as to leave poverty. We asked each respondent whether he or she, or any member of a family possesses skill for alternative occupation and it was found that possession of such skill is with very few members. Only 4 respondents in Mamit replied that they have such skill and only 2 in Lawngtlai district possess such skill. This shows that Human development as indicated by the Skill and

experience is very low among the poor. This is one visible reason why poverty is persistent among them.

C. Health: Health is an important quality that one must possess to attain human development. It is beyond the capacity of our investigation to check the medical and physical indicators of individual health and the nutritive value of the diet that the people consume. The conclusions on the health and nutritional condition of the people is based simply on the evidence that we have on the prevalence of diseases related to their poverty and physical environment, and the proportion of 'other food' consumption out of the total consumption. It is observed that on the overall sample population level, the prevalence of disease especially of malaria, is very high. Out of 200 households in a year, we observe 193 cases of malaria in a year. There were 32 cases of diarrhoea and dysentery, 22 cases of TB and pneumonia. And it was shown that 'other food' which represents consumption value of food other than food grains constitutes 17.78 per cent of the total monthly expenditure in Mamit and 21.65 per cent in Lawngtlai district. This suggests that over and above food grains, the poor spend a low proportion of their income on nutritious items of food. The proportion of expenditure on food grains is much higher and food grains constitute the major item of food consumption. It can therefore be concluded that the human development of the poor as seen from the aspects of health and nutrition is low. The low human development in this particular area accentuates their vulnerability to poverty.

6.2 Effects of Poverty: The effects of poverty can be multiple and diversified. There can be innumerable outcomes of poverty. The interconnections between poverty and income and consumption, occupation, health, family size, education etc have been dealt in the previous sections. In the following section we shall examine the effects of poverty which are based on the findings of the survey. We shall now restrict our study of the effects of poverty to two issues only. These are the important issues connected to rural poverty. They are as follows:

- 1) Environmental Degradation Process
- 2) Rural-Urban Migration.

6.2.1 Environmental Degradation Process: Our study tries to link poverty with the process of environmental degradation process and not the state of environment per se. The level of degradation and the measurement thereof will pose a different methodology which is beyond the scope of the study and therefore, we shall look into the process of environmental degradation and link it to poverty of the people. This shall be done by looking at the occupation and dependence of the population on the physical environment, and the poor peoples' perception of who is most responsible for the environmental degradation.

A. The Environment and the livelihood of rural poor: The poor in rural areas of Mizoram heavily depend on traditional jhumming system of agriculture, which is shifted every year. The system is directly destructive to the flora and fauna because

it can be reckoned that a family which is dependent on jhumming will cut down and destroy the vegetation five times as large as his annual jhum field within a matter of five years. The people, normally poor, and who practice the system as occupation or livelihood are undoubtedly creating and generating environmental degradation as a process. The system not only wreaks havoc to the flora and fauna, it also creates top soil erosion because the natural plants which start growing in the fire-gutted soil, acting as safety covers of the soil against erosion are most unwanted and weeded away during rainy season. The farmers do not bother to construct artificial drains which can prevent soil erosion as they are too busy weeding the fields. Added with this, there is continuing pressure on cultivable land and the jhum cycle is shortening due to population growth. Nature recycles, and regenerates the destruction but human activities continuously sustain it in the most reckless way.

The number of jhumming families in the sample populations of both the districts is overwhelmingly large. Let us recall that out of the 100 households selected in Mamit district, there were 83 households who are dependent on jhumming for livelihood, and there were 72 households in Lawngtlai district. This suggests the process of environmental degradation has a potentially strong force in both the districts. Besides the destruction of forests for cultivation, the jhum farmers earn a good portion of their income from forest produce. As much as 6.24 per cent of the income of the poor in Mamit district is earned directly from selling forest produce and 10.6 per cent of

the income of the poor in Lawngtlai district is contributed by forest produce. Collecting forest produce often amounts to cutting down trees and branches, and killing land and aquatic animals, birds, and even insects and reptiles. The system of livelihood which is closely tied to assetlessness, ignorance, and poverty is beyond doubt, acting as a system of environmental degradation. Worth asserting is that environmental degradation is not to be viewed as an incidence but as a process, and those who practice jhumming are first party to the process. And the poor in rural areas of Mizoram, owing to non-availability of other means of occupation to them except their labour and jhum lands, are forced to continue the occupation which itself is a cause of environmental degradation.

B. Poor peoples' perception of environmental degradation:

The respondents were posed with a subjective question asking them who they think is the most responsible for environmental degradation process. The nearest equivalent translation that we used for environmental degradation is with reference to the destruction of trees and bamboos and as such it sounds like deforestation. Although the two are not exactly the same, they share close relationship, and when explained the meaning of it and the possible culprit, they are always ready to give their answer since the options are pre-suggested. The options are given as between the poor and the non-poor. A comparison of the result of perception from the two districts is however inconclusive and rather confusing. A totally opposite result is observed between Mamit and Lawngtlai district. 65 per cent of the respondents in Lawngtlai district reply that the group of

people most responsible for environmental degradation is the non-poor, and 35 per cent reply that the poor are most responsible. In Mamit district, the result is surprisingly the reverse of the response in Lawngtlai. 64 per cent reply that the group of people most responsible for environmental degradation is the poor, and 36 per cent responded that the non-poor are most responsible. It seems that there is a wide inter-district difference in the perception of people on the cause of environmental degradation. It can be the case that in view of the whole economy of Lawngtlai area, the non-poor are actually exploiting the forests and other natural resources more than they do in Mamit district and the poor are resentful of their activities.

6.2.2 Rural-urban migration: Rural-urban migration or migration of labourers from rural areas to urban areas is the commonly contended thesis of economist. Evidences also confirm that as economies grow urban populations increase. The rural areas which are basically agricultural based economies have a limited capacity to cope with ever increasing population. The Malthusian explanation of population pressure on land and the increasing food shortage bears significant relevance to the process, for the Ricardian 'indestructible power of the soil' axiom does not seem to hold in the long run. The Harris-Todaro theory of rural-urban migration which states that the decision to migrate from rural to urban areas is determined by the rural-urban real wage differential and the probability of obtaining an urban job is also linked to the productivity of agriculture. It then explains that the urban pull of labourers, and the rural push

of labourers together contribute to the rural-urban migration. In view of the amenities available and employment conditions in Aizawl city and other urban areas, it may be the case that the urban pull to migrate will be not so strong and rural-urban migration will not be taking place unless the rural push of population out of agriculture in rural areas, forcing them to migrate in urban areas is visibly strong.

The rural-urban exodus in the general case of population can be viewed from the secondary data of rural-urban migration statistics and the increasing population of urban areas. In the particular case of the poor, the rural-urban migration can be viewed from the survey of urban poverty. To study the impact of poverty on rural-urban migration we can collect data from survey of rural poor households by asking them about the recent migration of family members or poor relatives to urban areas. We follow the latter method in our study and the respondents were posed with a set of questions asking them about the family's relation with urban environment. A set of 6 questions was posed to the respondents and these questions are about whether any unmarried family member or members are working in urban locality and the place of work and the type of work and whether they receive inward remittance from such member; whether any of the married sons or daughters have migrated to urban places during the last 10 years and if so, the place where they migrated and the type of occupation they followed; whether the household has any intention of urban migration recently and if so, why such intention, which locality, the type of occupation

to be adopted in the intended place; information on the number of times the respondents visit the district headquarter and the state capital in a year was also sought from them.

The response on the presence of unmarried family member working in urban areas is very scanty in Mamit district. There are 4 members working in urban employment belonging to the sample families in Mamit district. All of them are working in Aizawl. One of such member is a household female servant, and her family receives Rs.400 monthly from her. Another member working in Doordarshan Kendra Aizawl is able to send Rs.4500 to the family every month. Another such member newly recruited to a police constable in Aizawl does not send any money to his family. The last such member is not employed in a formal sector and his occupation is also unspecific and he neither supplements the family's income by making inward remittance. No respondent replied that a family member whether married or unmarried migrated to urban areas during the last 10 years, and no household among our sample in the districts replied that they have any intention of migrating to urban areas.

However, some of them frequently visited the district headquarter and the state capital. Among the poor households that we studied in Mamit district, 23 per cent of the respondents visit the state capital at least once a year, 10 per cent say they visit it twice a year, 6 per cent say they visit it more than twice a year, 61 per cent of the respondents say they never visited Aizawl during the last one year. However, the frequency of visit to the district headquarter Mamit town is less than that of

Aizawl. Only 12 per cent of the respondents say they visit it once a year and 8 per cent of the respondents are known to visit it twice, and 5 per cent visit it more than twice. 75 per cent say they never visit it.

Among the sample families of Lawngtlai district, none of the unmarried family member is found to be working in urban job. There was no household whose family member migrated in urban areas during the last 10 years. Neither there was any household which has current intention of migrating to urban areas.

The rural people's mobility to urban towns and cities in this district is shown by the result showing the frequency of visit of the district headquarters and the state capital. Among the studied population in Lawngtlai district, 12 per cent of the respondents say they visited Aizawl once during the last one year and 8 per cent say they visit it 2 times. There are 3 respondents who visit it more than twice. The rest 77 per cent of the respondents never visit it. However, the district headquarters Chawngte is frequently visited by them. 35 per cent of the respondents visit the place once and 30 per cent replied that they visit it twice. 25 per cent of the respondents reply that they visit it more than twice. Only 10 per cent of the respondents say they never visit it. The table below summarizes the rural-urban linkages and it is intended to show the weakness and strength of the linkage by showing human movement tendency, migration, and current worker of rural people in urban areas.

Table 6.7
Rural-Urban Relation and mobility of the Poor

Name of Districts→	MAMIT				LAWNGTLAI			
	Number of Households				Number of Households			
Total number of visits→	0	1	2	2<	0	1	2	2<
Visit to Aizawl	61	23	10	6	77	12	8	3
Visit to District Hqr	75	12	8	5	10	35	30	25
Family member working in urban job	4				0			
Family member migrated to urban	0				0			
Currently intending to migrate	0				0			

The result of investigation on the rural-urban migration among our sample populations shows that the rural poor normally do not migrate to urban areas as easy as it would appear to be. Our result shows that none of the households has any member or relative who migrated to urban areas for urban job during the last ten years. Only 4 families in Mamit district reported themselves as having a family member working in urban employment. These members of the families are still not migrated; they are unmarried family members working outside the villages. However, if they work permanently and got married, they would be treated as having migrated. Our data shows that rural-urban migration is not found among the poor, except that as soon as the unmarried family members permanently working in urban areas may be treated as having migrated as soon as they are married and start a new family. The poor people have only their labour as a means of occupation and they lack the skill and education for getting an urban job. Migrating to urban areas also requires one to have some resources at least to start a living there, and the lack of resource prevents the poor to migrate in urban areas. The other

reasons why the poor in rural areas show very limited mobility in migrating to urban areas may be found in the absence of big industries in urban areas which require employment of many labourers. It is understandably clear that those who easily migrate to the urban areas are not the really poor; they are the creamy layers of poverty or the non-poor who have the resources, skill, education, and relatives in urban areas. A good majority of the rural poor do not even show mobility of movement into urban areas, they are usually couched in their own localities doing their own work and they do not seem to move about in search of urban jobs while of course some of them show mobility into urban areas as shown in the table above. But while this is so, urbanization is growing fast especially in Aizawl area. Therefore our field investigation does not support the hypothesis that poverty leads to rural-urban migration since the really poor are not showing any sign of migration but it is possible that the people above poverty line are the additions and the potential additions to the urban population.

6.3 People's Participation among the Poor: By People's Participation we mean the spontaneous effort and determination of the poor to come above poverty line. Poor people cannot be taken out of their poverty permanently unless they themselves show the will to do so. Doles and sporadic assistances, including even the wage employments given by the government and in some cases the NGOs are intended to solve short term difficulties of the poor but they often do not serve to remove poverty. Therefore the poor themselves must act and devise

means to achieve and increase their earning capacity, or at least made to act as such. Self effort or one's own initiative to leave poverty or internal desire to break free from poverty, backed by honest effort and sacrifice is the sine quo non of poverty removal. Without the presence of people's effort and tenacity to overcome, poverty will always persist and not a single poverty alleviation scheme including self employment programme is bound to succeed. It is said that the dynamics of poverty are reversible, but only in collaboration with the poor². Self-employment programmes like the Integrated Rural Development Programme (IRDP) and its successor scheme the Swarnjayanti Gram Swarojgar Yojana (SGSY) are indeed, intended to kindle the spirit of people's participation by assisting their self-employment projects with credit or loans.

The people's participation for the removal of poverty can be of two kinds which we call direct and indirect but people can also be rendering a combination of both. Direct participation includes the economic activities involving production of goods and services whereas indirect participation includes social and political involvement of the people to solve their problems which stand in the way of their progress. Of course indirect participation has to be truly democratic in its design and functioning for the best interest of the poor. However, it is known that the poor are often voiceless and the loudest laments against poverty often ring from the non-poor.

² Nasaraiah, M.L. (2005): Poverty and Environmental Education. Discovery Publishing House, New Delhi. p 17

The level of people's participation can be seen by looking at the various participation that they have on direct and indirect activities. With an intention to disclose the level of poor people's participation towards removing their poverty, we delve into the area where direct participation is made by them. This is done by asking them whether they form self help group knowing that self help groups can be assisted by the government through SGSY scheme. We also probe whether indirect participation is done by them. We did this by asking them whether they form any association or cooperative societies connected with their occupation and also asked whether the authorities have ever consulted the association.

The result of our investigation on both sides of the direct and indirect participation however shows that the poor do show very little participation. Out of the whole sample populations in both the districts, no one was found to have formed an association connected with his or her occupation, and no one was found to have constituted a cooperative society. The poor have very weak representation. Again, none of the poor in our sample was found to have formed self help group or be a member of self help group. The reason that is to be assigned to the non-existence of self help group among the sample populations from both the district is their low education which prevents them from having a broad outlook, and their acute poverty. The other reason is the poor existence of bank branches in the areas. Out of the whole development block of West Phaileng in Mamit district, there is only one bank and that is in West Phaileng, and out of the whole development block of

Chawngte in Lawngtlai district, there is only one bank again. In order to take advantage of the opportunity of getting subsidies and loans under SGSY scheme, people have to form self help groups and also open a joint bank account. In order to form self help group they have to actually take up important economic activities. Only after satisfying that all formalities are completed and initiatives are actually taken, they can receive subsidies and loans from the government. The people's poverty and ignorance discourages them to take such initiatives as forming self help groups and it prevents them from taking advantage of the opportunities which would otherwise be very useful for the removal of their poverty. Their participation to get financial assistance from the government that has to emanate from them is very weak. The people have to be educated in this regard. Banks in Mizoram are known to be uncooperative to the poor. They often conceal or do not disclose the financial assistance schemes available to the poor people. They are more interested in making profit and investing their portfolio into more productive and less risky business. The poor are often outside their area of operation because their credit worthiness is low, and more often than not, bank assistances by way of loans in Mizoram which are sponsored by the government are poorly repaid.

Our study confirms that the poor are voiceless and lack participation. They do not show collective effort to remove their poverty. They are not organized; they lack the collective effort to stand on their own and to speak for themselves. They are fit for wage-employment only and they cannot take

advantage of the opportunities available to them under certain schemes when it requires them to show their initiatives because they lack the resources, they lack the know-how, they lack the skill and courage and they have a narrow outlook because of their poverty, illiteracy and low education. Without the presence of their own participation, their poverty will perpetuate for some more unpredictable times to come.

The most notable economic activities that the poor people do collectively is working in the wage employment schemes of the government like the National Rural Employment Guarantee scheme (NREGS), the Sampoorna Grameen Rojgar Yojana (SGRY). These schemes have been implemented to compensate for low level of employment in rural areas at the national scale. Besides there was a state specific scheme called the Bamboo Flowering and Famine Combat Scheme (BAFFACOS). The rural poor receive employment under these schemes but there was a visible difference in the degree of implementation among the two districts. While on an average the poor in Mamit district could get employment for about 12 days under these schemes during the last one year of survey, those in Lawngtlai district could get employment for about 20 days on an average. This difference owes partly to the uneven commencement date of a particular scheme between the two districts.

Under these schemes, the Village Council is instrumental in selecting the beneficiaries for the schemes. The Council is the nearest institution that is functioning at the

village for the people at grassroots level. It is a good sign that the Village Council is entrusted with the responsibility of selecting beneficiaries, issuing job card, and distribution of wages to the rural beneficiaries of such schemes. It depends upon the determination of the Village council to effectively speak and work for the welfare of the rural poor. But the numerical strength of the Village Councils in some villages is very low and it prevents them from being a powerful voice for the poor. However, the constituents and working of the village councils in Mizoram are usually politicized. Elections to the office of the Village Council are contested along party lines. And almost as a rule, candidates who have membership and who have the backing of the ruling political party are elected to the office of the Council. Those people who have the background of politics with the ruling party in the state, irrespective of their commitment to the welfare of the people, and regardless of their capacity to work for the uplift of rural population are normally elected to the Village Council. Although the elections are contested individually by the candidates with differing election symbols and not the symbols of the state political parties they use to form pre-poll alliance along the state's political parties. The electorates are invariably pulled into politics and the issue of politics usually occupies more importance than the issue of rural development right from the election. The poor electorates are then divided along party lines. This can create chances for nepotism in the working of the Village Council by which the actually needy or the poor are excluded from getting the assistance they have to receive and the non-poor to be wrongly selected at the cost of the needy and the deserving ones.

CHAPTER-VII

SUMMARY OF FINDINGS

Poverty is a pervasive problem throughout the world. The problem is worst in the parts of the world where the economies are stagnant and the populations are continuously increasing. While this is so, even the richest countries are rarely free from the existence of pockets of poverty. The problem is very complex, diverse, pervasive and also persistent in some countries like ours. Poverty is therefore a subject which requires an understanding but yet not an easy one. An understanding of the problem requires a clear knowledge of the root causes, its spatial and inter-temporal dimensions, its effects, and its possible solutions. Only after gaining such knowledge can we effectively address the problem. To understand its true nature it necessitates a search to obtain the knowledge bases which are empirically tested, free from prejudice and bias. A vast literature on poverty has already been generated. However, since the problem of poverty is diverse, the studies of poverty can as well be diverse and such studies can also bring out diversified results. Our present work is the study of poverty among the rural households selected from two districts of Mizoram who entirely belong to the Schedule Tribes. Our study is based on limited samples of poor households and it is neither a longitudinal research. However, as information about their actual social and economic conditions is personally collected from them, important findings specific to their locality and occupation are derived. The findings are based

on the methodology of our study and these findings are relating to their poverty and its depth, intensity, severity and its manifestation on the income, occupation, employment and consumption etc. The capability failure of the poor is also investigated and the results of the investigation are also illustrated. The causes of poverty and people's participation and effects of poverty on the people based on two issues are also dealt by the study. A brief summary of the study which is entirely related to the sample populations is listed as follows:

1. The rural populations of the poor largely depend on agriculture and the type of agriculture that they practice is the jhumming system. The majority of our sample populations are jhum farmers. 83 per cent of our sample households in Mamit district practice jhumming and 72 per cent of our sample households in Lawngtlai district practice jhumming.
2. Jhum farming, which is practiced on hill slopes have the disadvantage of low productivity and low employment. As the system is done on hill slope only for one year and without irrigation, no other improved techniques of agriculture are applied. Crop rotation is not possible and long gestation crops cannot be grown. Because of these features, the employment generation capacity of jhumming is very limited. The structural low employment and the low level of productivity create and generate low income and hence poverty.

3. Since the main occupations of the poor are unproductive, they diversify their livelihood by looking for subsidiary income sources. But owing to poverty, the poor have only limited access to other sources and these are determined by their physical environment, poverty alleviation schemes of the government, the demand for labour by private employers particularly in industries and construction.
4. The rural poor belonging to the Casual Labour category are often bypassed by employment opportunities under development projects because the contractors usually mobilize labour in advance from outside the villages.
5. As a whole, the sample poor populations in both the districts receive 55.73 per cent of their income from their main occupation, 22.44 per cent from subsidiary sources, and 10.6 per cent from forest produces, 6.59 per cent from the sale of domestic animals, 4.55 per cent from loans and grants and a negligible 0.32 per cent from farm output. This indicates that the poor diversify their livelihood extensively within the available options, and the forests are important sources of livelihood which contribute a tenth of the poor people's income.

6. While forests and natural resources sustain the livelihood of the rural poor, the poor contribute to the degeneration process of their natural environment because of the system of their occupation and growing population. They acknowledge this but they are equally resentful of the activities of the non-poor for deforestation and its impact on of their environment.
7. The average per capita income within households of the sample population in Mamit district is higher than that of Lawngtlai district but the inequality of income is less severe in Lawngtlai district than in Mamit district.
8. The Aggregate Poverty Gap among the sample is higher in Lawngtlai district than in Mamit district. This means that poverty is deeper among the sample households in Lawngtlai district and it requires more resources in Lawngtlai district to bring the sample poor out of poverty than it is in Mamit district. Likewise the Average Poverty Gap and the Normalized Poverty gap are also higher in Lawngtlai district.
9. The Poverty Intensity Ratio at 0.38 is higher in Lawngtlai district than the poverty intensity of Mamit which is 0.36. And the poverty burden ratio of Mamit district is twice that of the ratio in Lawngtlai district.

10. Severity of poverty in Lawngtlai district is twice that of Mamit district, based on the per capita annual income and consumption and as measured by severity indices.
11. The level of inequality in income and consumption among the sample of poor populations that we studied is not significant as measured by the Gini Coefficient. Our study therefore does not support the hypothesis that there is a high level of inequality among the poor.
12. Poor people as a whole spend a large proportion (58.5 per cent) of their income on food. The food requirement proportion is so large that it leaves very little room for saving and improvement of the level of living to the poor. This supports our hypothesis that the poor spend a large proportion of income on food.
13. The average household size among the sample in Lawngtlai district at 6.96 is clearly higher than that of Mamit district which is 4.92. It can be concluded that poverty and household size have a positive relation as seen from earlier results of poverty measure and family sizes. In other words, the sizes of poor families are usually large and vice versa.

14. There is a significant rate of illiteracy among the poor in both the districts. The rate of illiteracy in Lawngtlai district at approximately 38 per cent is higher than that of Mamit district which is approximately 24 per cent. The overall illiteracy rate of both the districts is 32 per cent. The overall female illiteracy is 37 per cent and male illiteracy is about 28 per cent. The spatial difference of poverty results and data of illiteracy supports the hypothesis that poverty and illiteracy have positive relation. In other words illiteracy is rampant among the poor people.
15. The most important reason of illiteracy among the samples is their poverty stated by them as family problems. The positive relation between poverty and illiteracy is confirmed by verbal responses of the households and statistical data.
16. Among the sample families, there is a low level of human development as indicated by the high level of illiteracy, low level of skill for alternative employment and high prevalence of diseases and poor sanitation. The low level of human development is a cause of poverty among them.
17. The capability poverty of the sample population is revealed further by the high percentage of illiteracy especially the female illiteracy, low level of

electrification of the houses, the unsafe and inadequate sources of drinking water, unhealthy cooking fuel used, poor quality of the type of toilet used by the poor, and high disease prevalence. In support of our hypothesis, it is observed from the samples that there is a significant incidence of capability failure.

18. Poverty of the rural populations is attributed to the occupation and as the majority of the populations in our samples are jhumming farmers the cause of their poverty is brought into effect by the cyclical phenomenon of bamboo flowering and disastrous signs associated with it. The survey year being the year of bamboo flowering, the jhumming families are found to be greatly impoverished by the incident. The incidence deprives them of their own food grains production and compels the jhum farmers to earn income from alternative sources to buy nearly the entire requirement of food grains.

19. Besides the structural unemployment, the unemployment is cyclical in nature. The Jhum farmers' annual employment days are shortened by crop failure and its disincentive to farming activities as a result of 'Mautam'. Whatever amount of labour they put in for jhum farming is gravely unproductive because of the incidence. The employment days of other few households belonging to different

occupation are also shortened by the failure of agriculture because the incidence pushes or marginalizes many workers out of jhumming and these marginalized farmers compete in the other jobs which have limited opportunities. In short, there is a low level of employment among the rural poor and it is concluded that low level of employment in rural areas generates poverty and specifically, the situation of low employment and low income is most pronounced among the jhumming families and the Casual labour families.

20. The growing population has a negative effect on the productivity of jhumming by shortening the jhum cycle of the jhum lands and increasing distance of jhumming plots in rural areas. On the other hand, the population growth through its effect on urbanization and increasing privatization of land by the urban people in some rural areas also negatively affects the livelihood of the rural people. At the household level, a larger family size decreases the availability of food grains within the household and the larger sized families usually have more dependents than smaller families.
21. Based on the information of the growth of urban population in Mizoram, the rural populations are undoubtedly the influx of population in urban areas, because the natural rate of increase cannot be solely

ascribed to the high level of increase of urban population. Hence it is concluded that the rural non-poor migrate to the urban places but the rural poor do not migrate to urban areas as migrating to urban areas requires financial and human resources which the poor cannot afford. And our study does not support the hypothesis that poverty leads to rural-urban migration

22. The sample households depend chiefly on the public provision of food grains or the public distribution of food grains. Since all families reported that they have two meals a day and since all families reported that they depend on the PDS food grains, it is inferred that the public distribution of food grains is the most effective instrument of ensuring food security for them. This supports the hypothesis that public expenditure is instrumental for poverty alleviation because without the government expenditure incurred on subsidies, procurement, and distribution of food grains under PDS, the fate of the poor in rural areas of Mizoram will be beyond imagination.
23. The poor are also benefited by other poverty alleviation schemes of the government such as wage employments. But these serve to alleviate poverty to a lesser degree as they could get only a limited number of employment in terms of man-days.

24. The poor people lack own initiative to come above poverty line. They are unorganized, and do not show any sign of associating themselves to fight against poverty or poverty generating forces. Cooperative societies and self help groups are not formed by them. They just wait for the provision of wage employment opportunities from the government and they do not create long term opportunities by themselves. Therefore the participation of the poor in poverty alleviation is found to be weak, and without their own participation, poverty is bound to persist among them for many years to come. This severe lack of participation has its root from the low level of literacy and low level of skill and training among them. The absence of dissemination of information about the opportunities, lack of bank in rural areas and high handedness of the banks to the poor do not encourage the active participation of the poor towards rural development.
25. Some positive features of the rural administration which is learnt from interviewing the village council members are that the Village Council is taking up the responsibility of selecting beneficiaries of wage employment schemes and wage distribution to the beneficiaries. And the village council members have been given training on various schemes of the government involving health and education for the rural people. The village council members also

responded that they formed Village Education Committee and Village Health and Sanitation Committees. They also replied that they received Untied Fund for the functioning of the Village Health and Sanitation Committee of their villages. These Committees are newly introduced, but it is likely that they will have positive implication on the human development of the rural populations in the near future.

The following few points of conclusion drawn from the study may be added. These points are policy indications which are found to be applicable to the areas and population of all the poor in the study areas. These are as follows:

1. As poverty is a result of low income and low employment, it is necessary that more employment opportunities should be created by full implementation of the poverty alleviation schemes. If the poor were actually given 100 days of employment by the government as the rules of the current scheme- NREGS stipulates, it would considerably lower the problem of poverty in the rural areas.
2. As the growing population has an effect of compressing the land use and environmental degradation and as it further leads to poverty, family control or family planning policies are still necessary

to be implemented among the rural population as well as the urban population.

3. The occupation of a majority of the population in rural areas is jhumming agriculture but since this system is unsustainable, their occupation should be supplanted by settled cultivation system. Making terrace cultivations on convenient hill slopes should be patronized or encouraged by the government. This will not only prevent the yearly destruction of forests by jhumming families, it will also prevent soil erosion. It will also ensure long term productivity by means of application of irrigation and other technology. The settled nature will also ensure protection against destruction by rats and other pests. The government can also provide incentive and support to those who adopt such method. The National Rural Employment Guarantee Scheme can be utilized for the construction of terraces on hill slopes so that the short term and long term benefits of the employment under the scheme can be received by the rural poor.
4. The rural poor lack housing facilities. It is necessary that the housing scheme for the rural poor, the Indira Awas Yojana (IAY) be continuously implemented. We may suggest that the full amount of sanction for the construction of houses be utilized for the beneficiaries because it appears that there is uneven utilization of the fund between beneficiaries as seen from the

uneven quality of the houses constructed under this scheme.

5. The poor lack electricity even when the village is electrified. This is because of their poverty and poor housing. It is of urgent necessity that the government of Mizoram should rapidly and fully implement the scheme for electrification of rural houses- the Rajiv Gandhi Grameen Vidyutikaran (RGGVY).
6. Full implementation of Rural Water Supply programme is also needed to improve the living condition of the poor and to reduce the problem of their lack of social service in this regard. The Accelerated Water Rural Water Supply Programme, a component of the Bharat Nirman has to be urgently implemented to cover all villages of Mizoram.
7. The rural poor are also in need of health support. The National Rural Health Mission has to be given full swing implementation. The medical personnel working in rural areas have to be increased. The functioning of National Rural Health Mission has to be improved. The village level workers working on voluntary basis have to be given more incentives or their services regularized. Since these people are actually residing in rural areas they are likely to be loyal to their fellow villagers at their work and remain in their work without demanding transfer to urban areas.

8. Illiteracy is high among the rural population and many illiterates are adults; female illiteracy is even higher, and since illiteracy and poverty are interrelated, it is imperative that adult education programme be implemented in the rural areas. The programme can be incorporated in the Sarva Sikhsa Abhyan (SSA). The Village Education Committee (VEC) also has to take notice of problem of adult illiteracy among the rural poor and the function of VEC has to address the problem. And a massive education programme, specific to the adults should be carried out to remove the problem of illiteracy.

9. Road connectivity is still very poor among the villages that we studied in Lawngtlai district. Among the ten villages included in our sample in Lawngtlai district, only five villages are connected by all-weather roads and that too are not in a good shape. The remaining five villages are connected by only fair-weather roads. The Pradhan Mantri Gram Sadak Yojana (PMGSY) scheme has to be implemented in full earnest not only to ensure fair weather connectivity but to ensure all-weather connectivity.

10. Banking network and banking facilities are very weak in rural areas of Mizoram and as a result of this any involvement of the banking sector for development of the poor, is not seen or heard among the poor

households that we study. It is clearly indicative that rural banks have to be established on a wider scale in rural areas of Mizoram to provide the necessary credit to the needy for starting alternative means of occupation or self-employment especially among the rural poor.

11. People sometimes fall in and out of poverty line meaning that many of the poor are transient poor. Those non-poor who are in the periphery always have a good chance of falling below poverty line. Even if the poverty alleviation schemes successfully bring people to cross the poverty line, it is not certain that they will remain above poverty line forever. To prevent such slip back, the government should provide follow-up schemes for those people in the rural areas.
12. The church and the Young Mizo Association did have a role in the distribution and collection of relief to the victims of Mautam. But beyond relief they should also play an important role in bringing the poor above the poverty line by supporting the government in matters of educating and sensitizing the poor people. The church can organise programmes for the education of the poor on the available schemes of development meant for the poor. Other NGOs can also cooperate in this regard and they can also be acting as countercheck bodies against dishonest political and bureaucratic activities.

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