

Poverty : As an Issue

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When I see it I know it," a US Supreme Court judge once said cryptically about obscenity. It is the same with poverty. When all the number-crunching is done, the lines of poverty defined and redefined, poverty is about the adivasi starving in Bolangir or Kalahandi, the widow of an Andhra Pradesh weaver driven to suicide, the drought-stricken in Rajasthan. Their poverty can only be alleviated if there is a redistribution of assets, an even and rapid spread of healthcare and education, and the creation of sustainable livelihoods

Trying to make sense of the varying figures on poverty is a difficult business. Official estimates themselves differ. The Planning Commission, pro-liberalisation and eager to bring down the number of poor in India, claims that just 19 per cent of our poor are below the poverty line. Not so, says the NSS (National Sample Survey): it's 36 per cent based on consumer expenditure. In February 1997, the Government of India rejected the Planning Commission figures and settled on 35 per cent as the official estimate of India's population below the poverty line. However, if we are to consider the Indian Council of Medical Research (ICMR) 1981 prescription that 2,400 calories are needed for light work, 2,800 for moderate work and 3,900 calories for heavy work, then it is possible that the poverty ratios are much higher.

The poverty debate has two sides. The pro-liberalisation lobby states that economic growth brought about by the '90s liberalisation reforms has led to a decrease in poverty. The opposition states that so-called economic growth has led to an inflated middle class and an elite which is wealthy beyond words, leaving the poorest of the poor worse off than they were a decade ago. Both sides put forward convincing arguments to support their case.

Income Poverty

The proportion of income poor in India has fluctuated widely in the past, but the trend is downward. Trends in income poverty are far from uniform. They can be roughly divided into three periods.

Between 1951 and the mid-1970s: Income poverty reduction shows no discernible trend. In 1951, 47 per cent of India's rural population was below the poverty line. The proportion went up to 64 per cent in 1954-55; it came

down to 45 per cent in 1960-61 but in 1977-78, it went up again to 51 per cent.

Mid-1970s to end-1980s: Income poverty declined significantly between the mid-1970s and the end of the 1980s. The decline was more pronounced between 1977-78 and 1986-87, with rural income poverty declining from 51 per cent to 39 per cent. It went down further to 34 per cent by 1989-90. Urban income poverty went down from 41 per cent in 1977-78 to 34 per cent in 1986-87, and further to 33 per cent in 1989-90.

After 1991: This is the post-economic reform period that has witnessed progress and setbacks. Rural income poverty increased from 34 per cent in 1989-90 to 43 per cent in 1992 and then fell to 37 per cent in 1993-94. Urban income poverty went up from 33.4 per cent in 1989-90 to 33.7 per cent in 1992 and declined to 31 per cent in 1993-94.

Poverty in 2001

It is ironic that an internationally envied IT industry together with dish antennae and cyber cafes thrives in India alongside hovels with no electricity, shameful literacy figures, appalling malnutrition and maternal and child mortality rates rivalled only by Bangladesh in South Asia.

Among the SAARC countries, India has the worst figures, with the exception of Bangladesh, in the status of underweight children under age five. In 1975, 71 per cent of children were undernourished. From 1990-96, the figure stood at 53 per cent.

Compared to neighbouring countries like China, these figures are atrocious. Only 26 per cent of China's children were underweight in 1975, and in 1990-96, the figure has come down to 16 per cent.

We are told that India has reached self-sufficiency in foodgrain production, having increased yields four-fold. And yet, we have starvation deaths in Orissa and Bihar and hungry villagers in drought-stricken Rajasthan. This is the scenario where 53 per cent of children under five, that is, over 60 million Indian children, remain malnourished.

Defining Poverty and the Poverty Line

The availability of an absolute poverty line allows comparisons across countries. But what should an international poverty line be? Over the last decade, most comparisons of international poverty have been made by the World Bank, and the definition used is a purchasing power poverty line of \$1 per capita per day, at 1985 prices. One publication of the World Bank,

however, reports a new international poverty line of \$1.08 per capita per day, at 1993 prices. This new line marks a historical first in that it reduces the original poverty line by approximately 15 per cent -- i.e. the new line of \$1.08, at 1993 prices, is equivalent to \$ 0.82, at 1985 prices. The reasoning behind this large reduction in the absolute poverty line is not transparent, and debatable.

Differences in methodologies and assumptions can lead to quite different estimates. Until recently, for example, there were two sets of poverty line estimates for India using the same criteria of minimum calorie requirements. In 1993-94, according to the Planning Commission, only 19 per cent of India's population was below the poverty line. This was the 'official' estimate. Estimates based on consumer expenditure surveys carried out regularly by the National Sample Survey (NSS) Organisation, however, placed the proportion of India's population below the poverty line at 36 per cent. In February 1997, the Government of India accepted the recommendations of the Expert Group on Estimation of Proportion and Number of Poor (1993), which rejected the adjustments made by the Planning Commission to arrive at estimates of poverty. As a result, the official estimate of India's population below the poverty line was 35 per cent in 1993-94.

Who are the real poor?

In India, of our famous one billion people, 350-400 million are below the poverty line. There are not many poor people who earn more than a dollar a day. This figure means nothing because poverty is comparative.

In India, poverty is hunger. Real hunger. Never having even three basic meals a day. Poverty is hearing your children cry themselves to sleep because there is no rice and *dal* or a few *chappatis* to give them. Poverty is lack of shelter. In an urban area it might be fear of a slumlord. In a rural area it could be a creditor, the forest department waiting to evict you, or an alcoholic husband signing away the one fragment of land you live on, to drink his last drink. Poverty is being sick and not being able to afford a doctor. Poverty is not being able to send your child to school and not being able to read. Poverty is not having a job and insecurity and fear about the future. Poverty is living one day at a time. Poverty is watching your child die a senseless, needless death from malnutrition or diarrhoea brought on by unsafe drinking water. Poverty is powerlessness, lack of representation and lack of freedom. Poverty is shrinking from the contempt of others merely because you were born you.

Gender and Poverty

In the last decade and especially post-Beijing (1994), it has been accepted that almost everywhere in the developing world, women fare worse than men on most social indicators. Because of sociological factors, a woman will feed her husband first, then her kids and in a semi-starvation scenario, eat even less than the others in the family. A Gender-related Development Index (GDI) was therefore formulated with several criteria to chart the progress of women in the poverty scenario.

The Gender-related Development Index measures achievements in the same dimensions and variables as the Human Development Index (HDI), but captures inequalities in achievement between women and men. It is simply the HDI adjusted downward for gender inequality. The greater the gender disparity in basic human development, the lower a country's GDI compared with its HDI.

The Gender Empowerment Measure reveals whether women can take active part in economic and political life. It focuses on participation, measuring gender inequality in key areas of economic and political participation and decision-making. It tracks the percentage of women in parliament, among administrators and managers and among professional and technical workers - - and women's earned income share as a percentage of men's. Differing from the GDI, it exposes inequality in opportunities in selected areas.

Here is what the UNDP report has to say: "A computation of the Gender-related Development Index (GDI) for Indian states reveals not only the low levels of human development and the extent of gender inequalities within India, but more importantly, it provides a measure of how badly Indian states are doing vis-à-vis other nations of the world. At the top of the list of Indian states is Kerala with a GDI value of 0.597. Uttar Pradesh is at the bottom with a GDI value of 0.310. Looked at differently, the GDI value for Uttar Pradesh is only half that of Kerala. There are only 13 countries in the world with lower GDI values than Bihar and Uttar Pradesh. Twice as many people live in Uttar Pradesh and Bihar (combined population of 225 million in 1991) in such abysmal conditions of human deprivation than in the 13 countries that had lower GDI values."

Indian States: Contrasts in Poverty Levels

Estimates show that in 1993-94, all the people in the states of Haryana and Himachal Pradesh lived above the poverty line, whereas in Bihar, 58 per cent of the population lived under the poverty line.

While 1.9 million people in Punjab came under the category of income poor, Uttar Pradesh had 50.4 million people in this category. From 1973-74 to 1993-94, there has been a decline from 17.8 million to 8.1 million in the number of income poor in Andhra Pradesh. In Assam, the number has gone up from 7.6 million to 12.8 million, and in Bihar, from 33.7 million to 46.1 million.

The UNDP report on Poverty and Human Development points out some interesting contrasts. "Some of our (Indian) states report levels of social advancement similar to leading industrialised countries. Others show achievement levels that are lower than the average of the poorest countries in the world. For example, only 39 out of 150 countries in the world -- and all of them by far richer -- reported a lower infant mortality rate than Kerala's in 1995. At the same time, only 24 countries had a higher rate of infant mortality than Orissa. A Kerala girl-child's life expectancy today is around 74 years, or 20 years more than that of a girl born in Uttar Pradesh."

Similarly, disparities exist between and within communities in India. For instance, communities classified as Scheduled Castes and Scheduled Tribes have significantly lower literacy and higher child mortality rates than the rest of the population.

Of our 350 to 400 million poor, roughly 75 per cent live in the rural areas. Of these 75 per cent, the worst-off are women, children, adivasis and dalits.

Reforms and Structural Adjustment

A K Shiva Kumar, however, points out (Getting Priorities Right) that the link is never automatic. Between 1950 and the mid-1970s, despite a decent growth there was no consistent drop in poverty. The reason was that all government efforts went into building up heavy industry and public enterprises rather than micro industry where the bulk of the poor are employed. In the '90s scenario, there is the same mistake: MNCs promise growth and employment opportunities, and this is implicitly believed by almost everyone. Yet they achieve profits by downsizing the labour force.

The Green Revolution did not benefit the poor because abundance did not imply equitable or even half-decent distribution. Orissa's poor in Kalahandi and Bolangir suffer from chronic starvation as floods one season followed by drought the next leave them helpless. Bhubaneswar might have overflowing godowns but the poor in Orissa starve all the same. We have centres of excellence comparable to the best in the world, but not primary education for all. Kerala, despite slow economic growth, has achieved poverty reduction by education for all and by political activism that curbed rampant exploitation.

Shiva Kumar concludes that poverty reduction is dependent on several other criteria, such as effective public policy interventions, redistribution of assets, equitable expansion of physical and social infrastructure, an even and rapid spread of health, education and employment opportunities and peoples' participation.

Poverty Eradication by 2005?

Immediately after Independence, the GOI began in earnest the fight against poverty, largely based on the Russian model, greatly admired by Pandit Nehru, India's first prime minister. Thus began a series of Five-Year Development Plans, formulated by a set of handpicked Planning Experts and now in the Ninth series. Successive governments have come out with schemes, albeit populist, such as the *Garibi Hatao* (Eradicate Poverty) of Indira Gandhi, followed by a Ten-Point programme, followed by numerous less well-known ones. The main problem has always been implementation. Successive PMs have deplored the fact that for every rupee released, hardly ten paise reaches the poor. Basic agrarian reforms and land distribution, the crux of the problem, did not take place except in Kerala and to some extent in West Bengal. Unless the problem of the vast numbers of landless, exploited people is solved, band-aid solutions will not work. Additionally, India needs to address the enormous exploitation of the poor that takes place aided by caste and class, which keeps the poor in feudal bondage.

In 1996, the United Front national government announced a definite poverty goal for the country: poverty eradication by the year 2005. According to the prime minister, "Programmes for generation of employment, creation of assets, imparting of productive skills and raising the incomes of the very poor people would all be strengthened and provided with larger funds. At the same time, there is need to review these programmes, sharpen their focus, improve their delivery system and involve the poor in their implementation. Effective steps will be taken to ensure that the benefits reach the needy people."

According to Government of India, success in eradicating poverty will be contingent upon three factors: (a) a GDP growth rate of at least 6 per cent per annum over the next 10 years (b) provisioning of at least seven basic minimum services -- universal access to safe drinking water, 100 per cent coverage of primary healthcare centres, universalisation of primary education, public housing assurance to all shelterless deserving families, extension of the mid-day meal scheme throughout all primary schools, road connectivity to all villages and habitations, and streamlining the public distribution system targeted to families below the income poverty line (c) ensuring that the income poor and the socially disadvantaged groups receive special attention and

priority. Other planned initiatives include a universal employment assurance programme that will guarantee 100 days of employment for every unemployed person, and efforts to achieve universal literacy. Agricultural growth will be stepped up by improving productivity in regions with a high concentration of poverty -- which are also regions with the highest potential for growth. Efforts will be made to promote actively both rural farm as well as non-farm employment and improve access to credit and other resources.

Where have we failed?

We are preoccupied with the symptoms of poverty while the causes continue to be largely ignored. This is because we measure and understand poverty in economic and not human and social or political terms. To accept that pure economic growth through market reform will reduce poverty is to accept that the State has no role to play.

Perhaps the time has come to recognise once again what history has proved -- that true and lasting change, even an economic one, is brought about through a political process and not the other way around.

From the time of Independence, it was recognised that land reform was necessary if economic and social change, real change, was to take place. However, with the exception of Kerala and West Bengal, few states bothered to implement land reforms. This exacerbates complex social problems linked to economic ones. For example, it is difficult to break the stranglehold of bonded labour, caste shackles etc because the people in bondage work under feudal conditions for landlords who are their only potential employers. Where land distribution has taken place, social reforms too have occurred.

We have the most brilliant legislation in the world, we have pro-poor policies spelt out in the most moving rhetoric. Yet, implementation of these plans and strategies was ignored, circumvented and in many cases deliberately prevented. There has to be the will to eradicate poverty.

Things *have* changed. The fact that we have three times more primary schools and primary health centres is a sign of hope. We have eradicated smallpox. . CIPLA is offering competition to MNC drug companies in the AIDS war. Every individual success story is one step forward.

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