

AN EMPIRICAL STUDY ON THE IMPACT POVERTY ELEVATION



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M.Phil., Roll No. 140515, Session: 2014-15

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ABSTRACT

These programmes, as they are carried out in India, are built on the foundation of women's self-help groups that are quite small (10–15 members) (SHGs). Training in literacy and other life skills, as well as access to low-cost credit, are all available to members of these organisations. Additionally, participants may learn about new options to generate revenue. SHGs are federated in these programmes into village organisations (VOs), which are then further federated into cluster-level federations (CLFs). The purpose of each of these federations is to provide a structure for linkages to financial services and government entitlement programmes, as well as to facilitate collective action and political participation among the poor. The Government of Bihar started the Bihar Rural Livelihoods Project in 2006, which is an example of one of these types of projects. This initiative was a part of the National Rural Livelihoods Mission (NRLM) of India, which was initiated in 2011 by the Ministry of Rural Development of India, which is India's national ministry in charge of rural development.

keywords: Poverty, Elevation

INTRODUCTION

Since at least twenty years ago, programmes that help people improve their means of subsistence have been an essential component of development aid in many regions of the

developing world. These types of projects are either already in operation or in the planning stages in the following countries: India, Afghanistan, Bangladesh, Sri Lanka, Malawi, Madagascar, and Zambia. The overarching goal of these initiatives is to connect the rural underprivileged with opportunities for sustainable means of subsistence. The Government of Bihar started the Bihar Rural Livelihoods Project in 2006, which is an example of one of these types of projects. This initiative was a part of the National Rural Livelihoods Mission (NRLM) of India, which was initiated in 2011 by the Ministry of Rural Development of India, which is India's national ministry in charge of rural development. 1 At a total cost of over \$5 billion, the NRLM aimed to build grassroots institutions for the poor and to use these as a platform through which to link the poor to financial institutions and opportunities for livelihoods. These institutions were intended to serve as a link between the poor and the opportunities. 2 As part of the National Rural Livelihoods Mission (NRLM), several Indian states have launched their own livelihoods promotion associations in order to put these overarching objectives into action. These programmes, as they are carried out in India, are built on the foundation of women's self-help groups that are quite small (10–15 members) (SHGs). Training in literacy and other life skills, as well as access to low-cost credit, are all available to members of these organisations. Additionally, participants may learn about new options to generate revenue. SHGs are federated in these programmes into village organisations (VOs), which are then further federated into cluster-level federations (CLFs). The purpose of each of these federations is to provide a structure for linkages to financial services and government entitlement programmes, as well as to facilitate collective action and political participation among the poor.

Despite the fact that livelihoods initiatives have often been lauded as a model approach to alleviating poverty and enhancing women's agency, there are very few impartial reviews of such programmes, either in India or elsewhere in the world. The only published randomised controlled study that we are aware of that analyses the effects of a livelihoods intervention based on SHGs is the one we cited earlier (Desai and Joshi 2014). The authors conducted an analysis to determine the effectiveness of the Integrated Rural Livelihoods Program, which was carried out in a rural area of Rajasthan, India, by the Self Employed Women's Association. This initiative led to the formation of SHGs, which then went on to offer other types of training. Although the SHGs connected the women to official banking institutions and encouraged the women to save money in revolving funds administered by the SHGs, lending capital was not directly supplied to the women. Desai and Joshi (2014) discover that after being exposed to the programme for a period of two years, women report feeling more inclined to engage in the

decision-making processes of their households and in civic life. They also claim that there is some indication that members of SHG are more likely to have jobs outside of farming, but they find no influence on levels of income or consumption.

The District Poverty Initiative Project (DPIP) in Madhya Pradesh and the Andhra Pradesh DPIP were two large-scale, government-implemented livelihoods programmes that were carried out in the past and were conceptually comparable to the programme that is the focus of the current review. Both of these programmes aimed to help huge numbers of people who were economically disadvantaged and offered major money infusions to SHGs so that they could participate in revolving loan funds. In their evaluation of the Andhra Pradesh DPIP, Deininger and Liu (2013) use propensity score matching with two rounds of panel data and controls selected from a sample of a population.

REVIEW OF LITERATURE

According to Hanumanta Rao (1994),¹ several studies conducted by eminent scholars have contributed to a more comprehensive knowledge of the relevant subject.

Agriculture expansion, rural poverty, environmental degradation, participation in rural development, and economic reform were the five topics that Shenggen Fan and Peter Hazell (2000) interconnected and tied to one another in their study of the relationship between agriculture and the economy. Both economic progress and poverty have a myriad of complicated interactions with the surrounding environment, each of which influences the other. The author provides an analysis that is both critical of the participatory methods themselves and of certain more recent changes that have had implications not just for the environment but also for poverty.

In connection with this, Angus Deaton and Jean Dreze (2002) conducted an empirical study of rural India, paying special attention to regions that are considered to be disadvantaged. They came to the conclusion that the issues of poverty, lack of food security, and environmental damage that plague many low potential locations would most certainly continue to be significant in the coming decades as the global population continues to increase.

A fresh set of integrated poverty and inequality estimates for India and Indian states for the years 1987-1988, 1993-1994, and 1999-2000 was provided in a research titled "poor and inequality in India: A Re-examination." The estimates of poverty are, for the most part,

compatible with the data on per capita expenditures, real agricultural wages, and state domestic product. They demonstrate that the decrease in poverty throughout the 1990s followed a trajectory that was more or less consistent with preceding trends. In the 1990s, there was a widening gap between the fortunes of different areas, with the southern and western regions faring far better than their northern and eastern counterparts. Inequality on the economic front also expanded within the states themselves, particularly between urban and rural regions and Estelar 50 within urban areas itself.

We have also taken a cursory look at several other development indicators, such as those pertaining to education and health. The majority of indicators have continued to show positive trends throughout the decade of the nineties, but social development has followed a variety of different patterns. These patterns range from rapid success in certain sectors to slowed progress or even regression in others. The rising rates of poverty in India in the nineties have been a contentious topic of debate ever since they began. The discussion has often created more heat than light, and there is still misunderstanding over the degree to which the level of poverty has decreased throughout the time period in question. In the lack of clear proof, there has been a proliferation of statements that couldn't be more different from one another. Some people believe that the decade of the nineties saw a significant jump in the level of life that had never been seen before. Others have said that this period has been marked by significant advancements all around. A reevaluation of the facts concerning poverty and inequality in the nineties is presented here in light of the aforementioned context. To this far, discussion on poverty in the nineties has concentrated almost exclusively on shifts in the so-called "head count ratio," which refers to the percentage of the population that lives below the poverty line.

Sticevd (2003),The overarching image that emerges from such estimates is one of a persistent fall in poverty during the reference period (1987-1988, 1993-1994, and 1999-2000) in the majority of states (and indeed in India as a whole). It is crucial to highlight, however, that the rise in per capita spending that is connected with this drop in poverty is fairly low. For example, between 1993–1994 and 1999–2000, at the level of the whole country of India, it increased by just around 10 percent. It is conceivable to conceive about the reduction in poverty, as measured by conventional poverty indices, in terms of two distinct components: a growth component and a distribution component. Both of these components are at a distance from one another. The growth component takes into account the rise in the typical expenditures made by each individual. The distribution component accounts for any changes that may take place in the

way that per-capita expenditures are doled out among individual families. Our research so far has uncovered three distinct facets of the growing economic disparity that characterised the decade of the nineties.

First, we discovered substantial evidence that states exhibit "divergence" in their levels of consumption "per capita." Second, our estimates of growth rates of per-capita spending between 1993–1994 and 1999–2000 hint to a considerable rise in rural–urban inequality not just at the level of the whole country of India but also in the majority of individual states. Third, the decomposition that was carried out in the previous section demonstrates that the influence of growth on the decrease of poverty has been tempered as a result of growing inequality within the states, notably in the urban areas.

Atkison and Bourguignon (1999), in their research titled "Poverty Measurement and Dynamics," which Destin and 4 conducted, the authors noted that the measurement of poverty and inequality indicators have resulted in the production of a significant amount of conceptual and imperial literature in the field of economics. and Field both provide recent surveys that can be found there (2001). The theoretical literature has focused on the axioms necessary to nationalise any particular poverty or inequality index measure. This is due to the fact that the consolidation of an entire distribution of consumption, income, or wealth into a scalar measure necessarily involves some explicit or implicit value-weight. The estimation of these point-in-time or stock measures of poverty is usually typically quite straightforward, and beyond the interest in such indices in their own right, scholars have tied the change in such indices through time to economic growth and other variables of a similar kind.

The research that was carried out by Destin and Sticerd did not take into account the impact that response inaccuracy had on point-in-time poverty assessment in addition to its dynamics. When dual reporting in the Surrey instrument is used to correct the misleading effects of measurement error, a particular problem is created by the context of a decentralised household structure. While the methods to deal with classical measurement error are well established outside of the development literature, there remain problems that are perhaps specific to the setting of developing countries. In this article, we consider this problem. When modelling the differences between the two sets of cross-reports of household consumption, we take into account the potential influence of asymmetric information as well as private spending. In light of the fact that the pure measurement error model cannot be supported by the data that we have,

as well as the historical anthropological and economic evidence indicating that families have a more dispersed structure, this change is required.

RESEARCH METHODOLOGY

The administrative headquarters of the district are located in the Muzaffarpur District, which is one of the three largest districts in the state of Bihar. This district obtained its current status in 1948, when it was separated from what had previously been the district of Udhampur. According to the census completed in 2011, Muzaffarpur had a total population of 409,936, with males and females having respective counts of 213,641 and 196,295. The Muzaffarpur district is located in the heart of the outer Himalayan range. As a result, the people who live there have to deal with a great deal of discomfort, which makes it difficult to administer the surrounding areas as a whole. In July of 2006, the state government decided to split the district into two additional districts, which were given the names Ramban and Kishtwar.

The Anantnag District of the Kashmir Division is located to the district's north, the Kishtwar District is located in the north east, the Chamba area of Himachal Pradesh is located to the district's south, the Udhampur District is located to the district's south west, and the Ramban District is located to the district's west. If we take a look at Muzaffarpur, we will see that it is the most important town in the region and also the location of the district headquarters. The district is broken up into two sub divisions for administrative purposes; these are Muzaffarpur and Bhaderwah. There are 406 settlements in the district.

Muzaffarpur, Bhaderwah, Thatri, and Gandoh are the four Tehsils that make up this region. There are a total of eight Rural Development Blocks, and their names are as follows: Bhaderwah; Ghat (Muzaffarpur); Thatri; Gandoh; Bhagwah; Assar; Marmat; and Gundana. The block itself has 232 panchyats allocated to it.

The early history of the Muzaffarpur district includes the fact that the district got its name from the city that serves as its administrative headquarters, Muzaffarpur. It is stated that one of the old rulers of Kishtwar, whose dominion reached beyond Muzaffarpur, persuaded one migrant from Multan, Pakistan, who made utensils to reside permanently in this realm and establish a manufacturing for cooking utensils there. It is stated that Deeda settled in a village that later became known as Muzaffarpur, the current name of the district. Originally named Deeda, the name of the settlement later evolved into Muzaffarpur.

DATA ANALYSIS

The headquarters of Block Bhalessa are located at Gondoh; this location is 66 kilometres away from Doda District and 234 kilometres away from Jammu, the Winter Capital. The Doda District's Doda Block is one of the district's major blocks. Before the establishment of a new block in 2014, Block Bhalessa was made up of a total of 42 Panchayat villages and 66 Revenue villages. According to the census completed in 2011, the total population of the block Bhalessa is around 71889 people. There are 13216 households in it. According to the information provided by the block development officer, there are 7 villages that have a pharmacy located inside the village, and there are 14 villages that have a sheep husbandry centre located within the village. Every single hamlet now has access to a potable water supply, which is provided by the tap water. There are still some villages that do not have any kind of illumination source in the village at all. According to the data supplied by the Block Development Officer, the IAY programme has successfully provided dwelling facilities for 349 households. According to statistics from 2007-08, there are 6806 households in block Bhalessa that fall below the poverty line. The terrain of Block Bhalessa is entirely hilly, and the majority of people who live in the study area live in a manner that is considered to be regionally backward. These people do not have access to the fundamental amenities of life, such as healthcare facilities, educational facilities, and other amenities. Our research is based on a sample of 300 houses, with 140 of those households coming from a single block, as determined by the methodology of our study and the questionnaires. There are a total of 140 households included in the main research for Block Bhalessa. I have carried out a survey of 140 homes in four different villages, namely Gowari, Halore, Kakoo, and Gowaloo, and the outcomes and findings of our research are displayed in the tables that can be seen below. The names of these villages are Gowari, Halore, Kakoo, and Kilhotran.

Table 1 Description of Education Level in sample area of Block Bhalessa (Total no. of Panchayats = 42)

S. No.	Education Level	No. of Persons / Households	Percentage
01	Upto 4th	44	34.66
02	Upto 8th	30	20.00

03	10th	30	20.00
04	12th	20	13.33
04	B.A.	10	4.67
06	M.A.	04	3.34
Total Sample Size		140	100.00

Source: Based on Primary Survey.

Table 1 provides a comparison of the educational attainment of residents in the 42 Panchyats that make up the block Bhalessa. Within those 42 Panchyats, I sampled 140 homes from four different villages: Gowari, Halore, Kakoo, and Gowaloo. Kilhotran was also included in the study. According to the findings of our research, in the sample area 34.66% of people have a pass in the fourth grade, 20% of the population has a pass in the eighth grade, 13.33% of the population has a pass in the tenth grade, 4.67% of the population has a pass in the bachelor's degree, and 3.34% of households have a pass in the master's degree. The following graphic presents Table 1 for your reference:

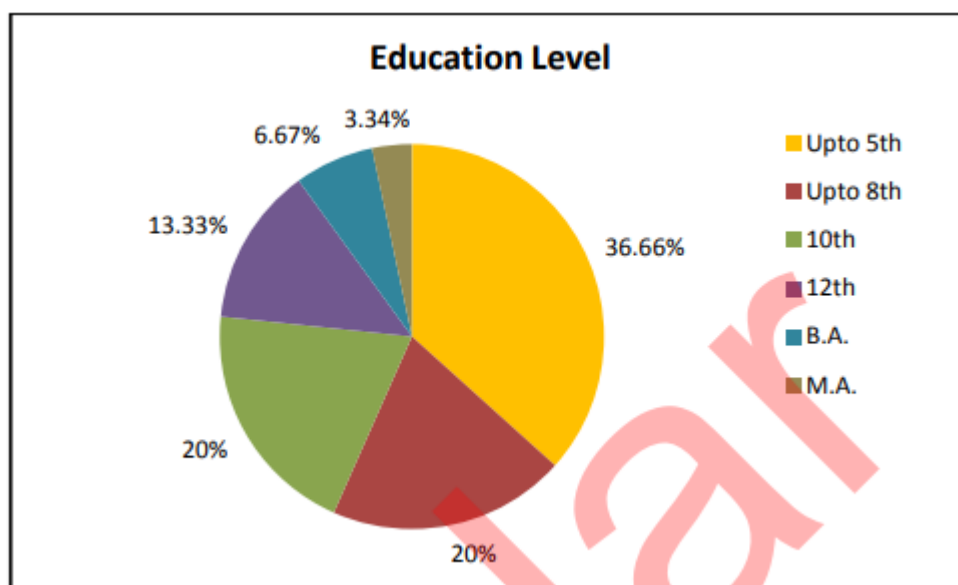


Figure 1 Education Level in sample area

Table 2 Description of Source of Income in sample area of Block Bhalessa (Total no. of Panchyats = 42)

S. No.	Source of Income	No. of	Percentage

		Households	
01	Service	14	10.00
02	Business	20	13.34
03	Agriculture	44	34.66
04	Labor	60	40.00
04	Other (Technical)	Nil	Nil
Total Sample Size		140	100.00

Source: Based on Primary Survey.

Table 2 provides an all-encompassing view of the sample area where the survey was carried out. The results of the survey revealed that approximately 10% of households in the sample area earn their income from the business sector, 13.34% earn their income from the service sector, 34.66% earn their income from agriculture, and the remaining 40% earn their income from labour. The following graphic illustrates Table 2 for your reference:

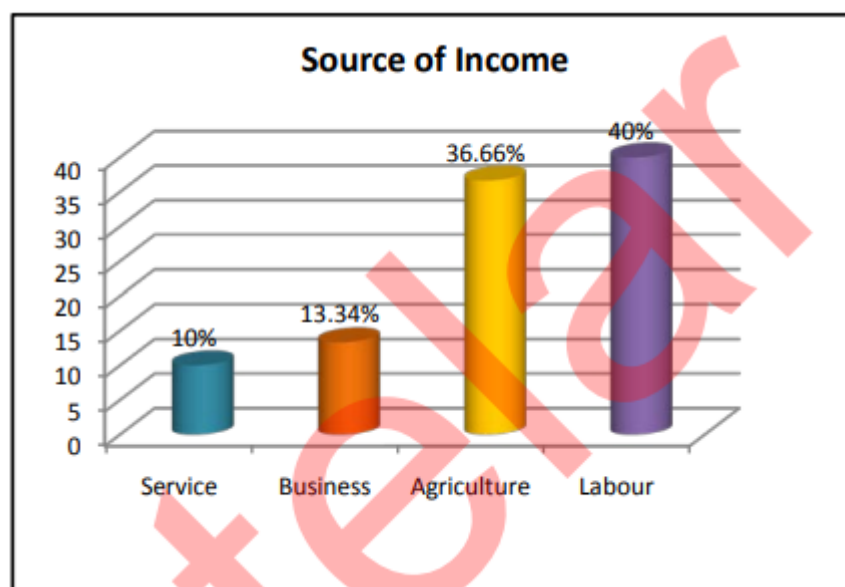


Figure 2 Source of income in sample area

(Total no. of Panchyats = 18)

S. N.	Monthly Expenditure	No. of Households	Percentage
01	0 – 500	0	0

02	500 – 1000	0	0
03	1000 – 1500	0	0
04	1500 – 2000	30	20.00
05	2000 – 2500	60	40.00
06	2500 – 3000	40	24.67
07	3000 – 3500	10	4.66
08	3500 – 4000	10	4.67
09	4000 – 4500	0	0
Total Sample Size		150	100.00

According to Table 5, in the sample area, 20% of household expenditures fall between the ranges of \$1500 and 2000, 40% of household expenditures fall between the ranges of \$1500 to 2500, 24.67% of household expenditures fall between the ranges of \$2500 and 3000, 4.66% of household expenditures fall between the ranges of \$3500 and 4000, and 4.67% of household expenditures fall between the ranges of \$3500 and \$4000. The following graphic presents Table 5 for your reference. According to the findings of the survey, the majority of families in the sample area of block Gundana had expenditures that fall between two thousand and two thousand five hundred rupees. This demonstrates that in the sample region, the greatest proportion of the population lives below the poverty line.

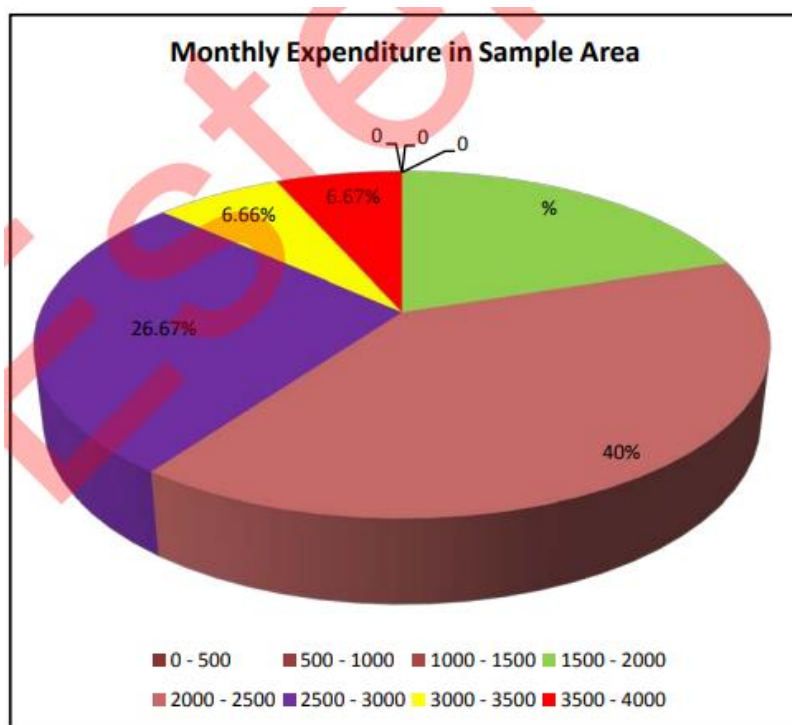


Figure 5 monthly expenditure in sample area

Table 3 Average Monthly Expenditure in Sample area of Block Gundana

Class Interval	Frequency (f)	Mid Value (M.V.)	f.m.v.
0 – 500	0	250	0
500 – 1000	0	750	0
1000 – 1500	0	1250	0
1500 – 2000	30	1750	52500
2000 – 2500	60	2250	135000
2500 – 3000	40	2750	110000
3000 – 3500	10	3250	32500
3500 – 4000	10	3750	37500
4000 – 4500	0	4250	0
	N = 150		∑ f.m.v. = 367500

$$\text{Average Expenditure} = \frac{\Sigma \text{fm.v.}}{N} = \frac{367500}{150} = 2450$$

The average expenditure in sample area of block Gundana is 2450

Table 4. Description of Poverty Alleviation Programmes (Beneficiaries)in Block Gundana (Total no. of Panchyats = 18)

S. N.	Name of Poverty Alleviation Programmes	No. of Households	Percentage
01	IAY	05	3.34
02	MANREGA	125	83.33
03	BRGF	Nil	Nil
04	SBM	20	13.33
Total Sample Size		150	100.00

Source: Based on Primary Survey.

From the above table 4.6 it is clear that in sample area 3.34% of households got benefited from IAY, 83.33% households got benefited from MANREGA and further 13.33% of households got benefited from SBM. Table 4 is depicted figure given below.

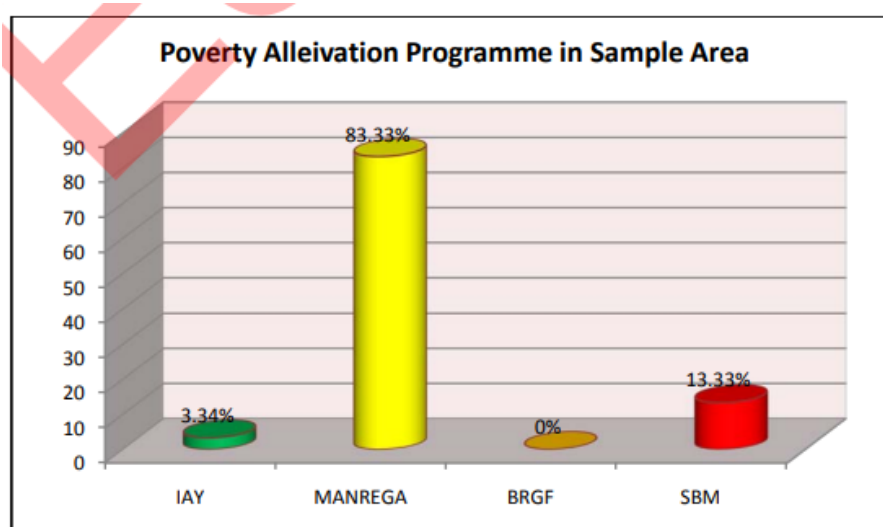


Figure 5 Poverty Alleviation programme in sample area

Table 5 Description of Form of Saving in Sample Area at Primary Level of Block Gundana (Total no. of Panchyats = 18)

S. N.	Form of Saving	No. of Households	Percentage
01	National Banks	50	33.33
02	Jewellery	20	13.33
03	Land	80	53.34
04	Post Office	Nil	Nil
Total Sample Size		150	100.00

Source: Based on Primary Survey.

Table 5 shows that in sample area 33.33% of households save their money in National Banks, 13.33% save in the form of jewellery, 80% in the form of land. Table 4.7 is depicted in figure given below:

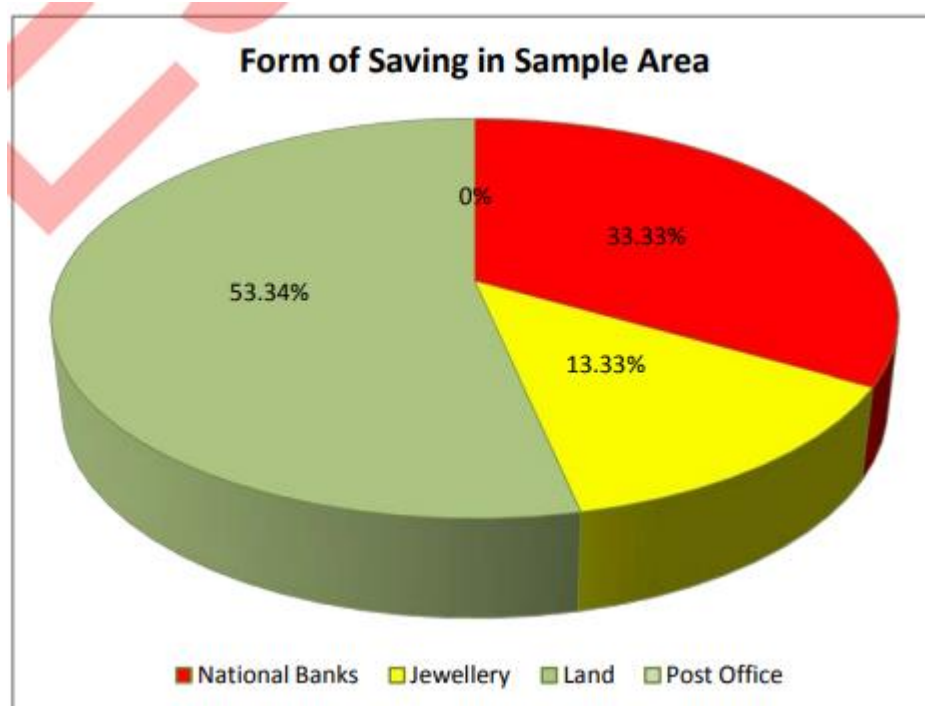


Figure6 Form of Saving in Sample Area

CONCLUSION

It is possible to draw the conclusion that even if the effectiveness of poverty alleviation programmes has increased since they were first implemented, there is still a significant amount of work that needs to be done. According to the rules and the purpose that has been declared, the Poverty Alleviation Programs have not yet been able to get off the ground in the state. Having said that, we may draw the following conclusions based on the findings presented above: The research presents a comparative picture of the typical monthly income in the sample region, which is the location where the survey is carried out. Based on the findings of our research, we determined that the average monthly income for households in the sample area of block Bhalessa is 2586.67 rupees, whereas the average monthly income for households in the block Gundana is 3333.33 rupees. This demonstrates that there is hardly any significant difference in the typical monthly incomes of the two blocks that were chosen as samples.

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