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## A Brief Review of Comments

A brief review of the comments made by the experts during the discussions that followed the presentation of papers is given below.

#### 1. Comments on the Background Papers

##### **Prof. G.S. Bhalla**

- Congratulated all the paper presenters for providing a rich fare and making excellent presentations.
- Chronic poverty exists and exists in a significant way in the developing world.
- Cautioned researchers using the 55<sup>th</sup> Round of NSS data with regard to problems of comparability.
- Stressed the need to look at the poverty profile in the context of globalization and the post-globalization policy.
- Pointed out that there is a myth that only those States perform well, that have reformed well, because then they can attract more FDI, e.g. Maharashtra. But the fact is that even though the maximum FDI has gone to Maharashtra, it is one of the high poverty states in India.
- Reiterated that the best attack on poverty in a country like India, is through agriculture led growth, as it leads to the reduction of poverty on a large scale.

- Infrastructure investments should be the responsibility of the public sector, especially in rural areas; because the private sector or multi-nationals will not undertake it.
- Highlighted the case of West Bengal. After “Operation Burga”, the State experienced rapid growth of agriculture. In 1973-74, rural poverty in West Bengal was higher than in Bihar. In 1993-94, the rural poverty ratio in Bihar remained at 68% but declined in Bengal to 45%.

**Prof. T.K. Oommen**

- Questioned whether the issue of patriarchy, in conjunction with other factors, contributes to chronic poverty.
- Referred to “steep disparities”. There is no evidence that as economic development continues there will be reduction of disparity.
- Drew attention to the issue of people who are on the periphery – spatially as well culturally e.g. tribal communities; similarly, the divide between urban and rural India and the issue of economic apartheid towards certain communities.
- Highlighted the issue of hierarchy that is a manifestation of our age-old caste system.
- All the factors mentioned above, contribute to chronic poverty.
- Chronic poverty is a function of three things put together – availability, affordability and accessibility. The first is self-explanatory. The second implies that even though our granaries are full, people are starving as they do not have adequate purchasing power. The third implies transportation or geographical connectivity.

**Prof. Noorjahan Bawa**

- Felt that the economic approach dominated.
- Emphasized the need to adopt a multi-disciplinary approach towards this problem. The state, the civil society, the economy

and the people above all have to participate in tackling the problems of poverty. The poor must be allowed to take decisions.

- Panchayati Raj Institutions must become vibrant agents of participative democracy.
- There is need for radical land reforms. States like West Bengal and Kerala have been able to reduce poverty substantially, through effective land reforms. Land reforms had failed due to lack of political will and bureaucratic obstructions.
- Stressed that poverty was created by international exploitation and was continuing under WTO, globalisation and privatization.

**Dr. N.C.B. Nath**

- Suggested that although income transfer as a method of support does not seem to get much attention in policy, when we deal with the chronically poor, we need to consider the case for subsidies.
- Urban and rural poverty are two parts of the same issue. We need to understand urban poverty as a unique phenomenon of similar people migrating together and living in a slum. It is like a transposed village society but with a different behaviour pattern.
- Highlighted the issue of Joint Forest Management as thousands of forest dwelling families are trying to get their rights from the State.
- Calculation of the terms of trade between the chronically poor and the rest of the society, as a dynamic index, may be worthwhile.
- Raised the issue of how deprived people cope with self-esteem.
- Chronic poverty is a hierarchy and requires understanding of the family, the immediate community, the broader community and the macro system.

**Dr. Pronab Sen**

- Complimented the efforts of all the three background paper writers for absolutely excellent expositions.

- Suggested caution regarding the use of consumption expenditure data in relation to chronic poverty studies because consumption can be protected through sale of assets. The late 1970s and early 1980s were the period in which alienation from land was the maximum. The distribution sensitive measures of poverty (e.g. poverty gap) seem to suggest that the poor seem to have actually benefited more than the not so poor. Their lot seems to have improved faster (by such measures) than the improvement in the head count ratio.
- At the national level the trickle down theory is no longer applied. However the anti-poverty programmes presume that the “trickle-down” theory works at the regional levels and this is debatable.
- Suggested that we look at the social links for escaping poverty as the historical roots of these links are extremely important. Depending upon the development pattern of the past, certain groups have gained greater mobility, despite the fact that their objective conditions may have been similar to other less mobile groups.
- The BPL surveys conducted by the States provide household data. Although they may be flawed they need to be considered.

**Prof. K.N. Kabra**

- Said that a significant beginning has been made in restoring the direction of the poverty debate in India.
- Highlighted the role of social capital, networking among the poor, the role of government agencies and PRI institutions that can help the poor in coming out of the poverty trap.

**Dr. Sarala Gopalan**

- Questioned the use of only monetary based indicators to determine well being and referred to Scheduled Tribes emerging as one of the poorest groups because we are measuring well being on a different scale. People living in forest areas with access to fuel, water, food, clean air and minor forest produce under the Joint

Forest Management system and no violence are happy in their own way. We need to recognize that.

- An attempt should be made to identify the areas and mechanisms of discrimination.
- Stressed the importance of studying the social conditions of existence and participation of people who have just made marginally good improvement to achieve livelihood security at the very minimum level.

**Dr. Raja Ram**

- Found the presentations very interesting, especially the attempt to introduce the sociological aspect.
- Pointed out that Dalits and Scheduled Tribes are not a homogenous group. Even within the Dalits, there are some sections which have climbed up the ladder e.g. in Maharashtra the Mahars. One needs to study the factors behind this improvement.

**Dr. A.C. Kulshreshta**

- The available data at the National and State level is fairly reliable. The Directorate of Economics and Statistics prepare other data available at the district level but its quality is not uniform in different states.

**Mr. Gopal Sinha**

- Emphasized the multidimensional aspect of poverty and the need to spell out the rationale behind the classification of poverty e.g. chronic poverty or temporary poverty.
- The state of Bihar seems to be a unique case. Although it is rich economically, it has not developed. One needs to analyze the reasons for this failure.

**Mr. R.K. Kohli**

- Reiterated the fact that corruption is the major obstacle hampering development.

**Mr. Bhupathi**

- Mentioned that the 56<sup>th</sup> round of the NSS data is available for 1999-2000.
- Some states like Karnataka, Andhra Pradesh and Madhya Pradesh publish socio-economic data but it may not be available for many of the States.

**2. Comments on Methodology and Work in Progress****Dr. Pronab Sen**

- In order to identify areas of chronic poverty, we need to focus on locations where the squared poverty gap is improving more slowly than the improvement in the head count ratio.
- Suggested selection of contiguous areas where the squared poverty gap has improved faster than the head count ratio.
- Cautioned against the use of existing panel data that has been collected for a completely different purpose. It may be better to rely on peoples' recollections based on interviews, since panel data cannot be generated immediately.

**Prof. Kamta Prasad**

- It may be useful to consider two samples:
  - (a) Chronic Poverty in poverty concentration areas.
  - (b) Chronic Poverty in an area where poverty concentration is absent.
- Further sub-division of the samples needs to be considered on the basis of different agro-climatic cum ecological zones, because the poverty profile is likely to differ accordingly.
- To address the problems of chronic poverty the focus should be on community based initiatives and not on the usual government programmes,.
- If the objective is the whole country, then the sample size of 8 districts is too small.

- Due attention needs to be accorded to the issue of urban poverty.
- Areas that are prone to floods and cyclones, and hilly areas as well should be considered for study as the intensity of poverty is likely to be more in such areas.
- Enquired about the type of stratification that would be followed for sampling.
- Appreciated the inclusion of “shocks” in the study.
- Highlighted the need to differentiate between once over assets and cumulative assets, because from the point of view of policy it is the latter which is important. The focus should be on the process, which helps the poor to become non-poor, on a sustainable basis and on identifying cases where poverty reduction has been sustainable.
- Enquired about the method to be adopted for contacting households, e.g. participatory observation method or focus group method or household survey method as these will give different results. It could also be a mix of methods, depending upon the situation.
- Raised the issue of “reverse process”, i.e. how the poor become poorer. It is necessary to prevent this.
- With regard to alleviation measures, it is important to distinguish between scale-up effort and quality of effort. For example, the latter would imply that the removal of chronic poverty requires a higher dose of inputs. But usually, the same level of funds is allocated for the poor, as well as chronically poor regions.
- Emphasized the issue of water security and its management, because it is related to the problems of flooding, cyclones and drought. All these things have to be considered in proper perspective.

**Prof. Saraswati Raju**

- After the chronically poor households have been identified, one should study the structure and composition of those families e.g.

nuclear or joint families or headed by women, in order to identify the factors that make them chronically poor.

- The study of a control group is important, in order to understand how certain households living in the same environment are not chronically poor, while others are not so lucky, so that the process can be replicated for the others to follow.
- With regard to “remoteness” one should distinguish between geographical, social and economic remoteness e.g. in a physically remote area, only some households and not all, may be chronically poor.
- There is need to examine the power dynamics between the haves and have-nots. Because it may be due to some powerful individual families that the poor remain chronically poor. What are the strategies that can be adopted to help them get out of the trap.
- Tribals are not a homogenous group.
- Emphasized the issue of urban poverty. Many households in cities have been able to move above the poverty line because of the earnings of their women folk. If their work gets jeopardized, then their families would be drawn back into the trap of poverty.
- Interventions to alleviate poverty in one group may inadvertently push some other families into the poverty trap. Such complexities need to be carefully scrutinized before adopting a policy.

**Dr. Andrew Shepherd**

- Raised the issue of attrition i.e. those households, which disappear during panel data studies, because of the time gap. Enquired whether low cost methods could be used for tracking such households.

**Dr. Rohini Nayyar**

- Whether the identification would be in terms of districts or households, who continue to be in poverty, over a time span.
- In certain regions of the country there are specific limitations such as limitations on irrigation of the land. Will the panel data study reveal such issues about chronic poverty?

- The study should be able to highlight the core issues of chronic poverty.

**Dr. M.H. Suryanarayana**

- Questioned the validity of the two-point comparison of panel data studies but agreed with other aspects of the study.

**Prof. K.L. Krishna**

- In the context of panel data analysis, there are other National Council of Applied Economic Research data sets, which are of recent period and contain useful information, although they may not deal with chronic poverty per se. Such data could be considered for this study.
- It is important to include inter-state variations of chronic poverty.
- It may be worthwhile to consider the work published by Raghav Ghaia (using ICRISAT data).

**Dr. Solly Benjamin**

- In the urban context, very little of dis-aggregated data relating to slums is available, e.g. access to drinking water. Such strategic data is required.

**Prof. S.V. Rangacharyulu**

- Commented about the issue of “persistence”. For example, households that were in the BPL category in 1970-71 might have gone up to APL category and again slid back to BPL. One needs to know the changes that have occurred in between, in order to use the term “persistence”.

**Dr. Amita Shah**

- It would be of interest to know the regional distribution of households that were missing in the second round of data collection. For example, it could be the category of landless people and identification would help in the interpretation of chronic poverty.

**Mr. P.C. Vishwanathan**

- With regard to the persistence of chronic poverty in KBK districts it is necessary to press into service the NGOs and other donor agencies, so that the inhabitants of such regions are provided work and can earn their livelihood and avert starvation death and acute poverty.

**Prof. Gopal Sinha**

- It needs to be recognized that the poor in India are not idle poor, but exploited poor. The poverty analysis should be from such a perspective and the policy prescription should be in accordance with this.

**Dr. Rohini Nayyar**

- Questioned the issue of synthesizing the macro and micro dimensions of chronic poverty. Would it be the role of NGOs or government to address the problems of families suffering from chronic poverty?

**Dr. N.C.B. Nath**

- A case study provides a good philosophical understanding, but without typology it hangs in mid-air. So the case study has to be in relation to typology.
- Need to scrutinize urban migration. Select families with similarities and then consider one, which has migrated, and another, which has not. Such a feedback would be useful.

**Prof. Kanchan Mathur**

- Sharing of own experience with the group under study helps the communication process.
- The dissemination of the information back to the group (under study) often helps them to become empowered, especially the women.

**Prof. K.L. Krishna**

- Suggested the use of some kind of weight determined on the basis of simple computer analysis. He also suggested the use of information related to poverty in the informal sector and physical infrastructure.

**Prof. S.V. Rangacharyulu**

- Instead of 4 or 5 indicators, the number of indicators could be increased and separate weights used for them.

**Dr. N.C.B. Nath**

- Wanted the study to analyse the chronic poverty situation in Bihar and Jharkhand separately since it is a political reality and Jharkhand is distinctly different from the rest of Bihar.

**Ms. Kate Bird**

- Enquired whether it would be possible to incorporate the intra-district differentiation in poverty rankings.

**Dr. Phil Amis**

- Wanted to know why districts in South India did not figure in the list of the most deprived districts.

**Dr. Amita Shah**

- Suggested identification of the variables or indicators that have kept certain districts like Kalahandi and Bolangir in acute poverty and felt that the percentage of landless plus semi-landless to total rural households could be used as a possible indicator.

**Prof. S.V. Rangacharyulu**

- Felt that the selection of districts for study should be based on all the districts of India and not just the districts in the seven high income poverty states.

**Prof. K.L. Krishna**

- Pointed out that a larger number of variables should be used for constructing the index as was done by Planning Commission.

**Dr P.L. Sanjeev Reddy**

- Pointed out that indices focusing on chronic poverty would be an alternative that would give different results for the country as opposed to those based on poverty in general.
- With regard to the availability of data on nutrition a district-wise Nutrition Atlas is available and the socio-economic data are compiled every year or two years at the district level.

**Prof S.K. Goyal**

- Contiguity is a very important factor, which does not come out of tables. Hence along with the selection of districts, the data sets could be graphed and mapped geographically to get an outline of how the chronic poverty situations have changed overtime.

**Dr. Renu Khosla**

- The life history studies would be more meaningful if the framework could be expanded. The class of the city/largeness of the city was a major determinant of poverty which needed to be looked into along with the factors like the role of informal sector among urban poor, the role of shocks like alcoholism which is a long term shock and the land tenure in the city areas. Other issues like service availability, issue of powerlessness, conflicts of rights between rich and poor and access to transport would have greater influence on the livelihoods of urban poor and should be brought into the framework of the study.

**Dr. Bhide**

- Stressed the importance of recognising that it is not income alone but also other variables that are important for analyzing chronic poverty to reach any policy conclusion.

**Mr. S. Khatri**

- Felt that tracking families and studying their history over a period of time was a very long drawn out process and a costly one, which could be used for long term projects only.

**Dr. Raja Ram**

- Agreed with the view that the poorest of the poor in urban areas are the street families and not the ones in the slums and he cited the examples of the cities of Baroda, Ahmedabad, Surat and Bombay where the poorest are the street families.