

Poverty in India: An Institutional Explanation

**R S Deshpande, Neelambar Hatti
and
Amalendu Jyotishi**

Paper for presentation at
the 18th European Conference on Modern South Asian Studies
(SASNET), Lund, SWEDEN, 6-9 July 2004.

Poverty in India: An Institutional Explanation

R S Deshpande, Neelambar Hatti and Amalendu Jyotishi*

Abstract

The two-fold role of the Indian State as a development catalyst and as an interventionist has long been debated on the count of ease in policy formulation. Institutions in various forms have been constantly shaping the policy from the outside State ambit. On this backdrop the present paper addresses to the analysis of the role of the State as reflected from the nexus between the State policies, interest groups and institutions to reach the consequent steps towards alleviation of poverty. It is pointed out that the role of state in India has changed substantially during the last five decades in perceiving poverty and this is largely due to the institutional interface. The results show positive success during seventies till mid eighties and stagnation thereafter. The paper incorporates discussion on the differential policy impact in a federal context, on different provinces of the Indian federation and the differential changes in poverty across groups, specifically the rural population and the weaker sections of the society. The paper highlights the role of institutions in the poverty alleviation strategy.

Key Words: State, Poverty, Institutions, Growth, and Backward Sections

* Authors are Professor at Agricultural Development and Rural Transformation Unit of the Institute for Social and Economic Change (ISEC), Bangalore; Professor of Economic History, Lund University, Lund and Assistant Professor at the, and Gujarat Institute of Development Research, Ahmedabad, India, respectively. Paper for presentation at the 18th European Conference on Modern South Asian Studies (SASNET), Lund, SWEDEN, 6-9 July 2004.

Poverty in India: An Institutional Explanation

R S Deshpande, Neelambar Hatti and Amalendu Jyotishi*

1: Introduction

During the last five decades, Indian State has undergone substantial institutional changes. In the current phase of liberalization the role of the institutions has emerged as a significant issue in the academic discussions specifically from the politico-economic perspective. In the wee years after the independence, the institutional interventions by the State were taken as a matter of routine as there were no significant departures in the administrative procedures of governance following the British rule. The authority to make and change the policy always vested with the State (Federal or the Provincial governments) with a little participation from public at large, except of course the elected representatives. Attention was focussed on welfare of the population and poverty alleviation that continued at the focus of the State policy. Our interest in analysing the role of the institutions and State policy stems out of the nexus between policies and the consequent steps towards alleviation of poverty.

The role of the State as perceived in the literature has two significant standpoints. Firstly, the state is visualised as a developmental catalyst wherein its role is understood more as a formal institution inducing entrepreneurial capabilities while ensuring social justice. Here, the concept of the State should be understood more as an abstraction differentiated in its structure along with the dynamic role of the political institutions. The second angle persistently emerging in the discussions regarding the perception of the Indian State from the point of the developmental initiatives, is the *interventionist* role of the State. As Pranab Bardhan puts it “ Almost all states in developing countries, successful or otherwise, are interventionist, and the important question is not really about the extent but the quality of such intervention” (Bardhan, 1990:5). This brings forth both positive and negative interventionist strategies, from the viewpoint of the results, on the part of the State institutions and State Policies. Consequently, quality as well as density of intervention certainly becomes a crucial variable for the study of political and economic changes.

Analysts of developmental policy in India (with some honourable exceptions) have often drawn the theoretical framework from neo-classics and operating market structures. In the light of the emerging social values and distribution the market analysis *alone* fails to clarify the complex social behaviour. Historically, India offered an extremely interesting institutional agglomeration for the analysts that was rarely reflected in the policy. The problems undertaken for analysis like the

* Authors are Professor at Agricultural Development and Rural Transformation Unit of the Institute for Social and Economic Change (ISEC), Bangalore; Professor of Economic History, Lund University, Lund and Assistant Professor at the, and Gujarat Institute of Development Research, Ahmedabad, India, respectively. Paper for presentation at the 18th European Conference on Modern South Asian Studies (SASNET), Lund, SWEDEN, 6-9 July 2004.

poverty alleviation strategies issues are multi-dimensional, inter-disciplinary, monetary as also non-monetary and physical as well as socio-cultural (Souderbaum 1987). Under such a complex of situation the neo-classical theory offers only formidable challenges than solutions. A neo-classical analyst would look at the problems (here analysis of poverty) purely in reductionistic or mechanistic way. On his background Norgaard's "methodological pluralism" in addressing socio-institutional problems assumes importance (Norgaard 1985 and 1989). It is well-known that institutional economists are interested in knowing how technology, institutions, habits, values and the economy at large evolve through time and impact the livelihood (Wilber and Harrison 1978). Hence, the theoretical precincts of an institutional approach are wider and under the strong socially conditioned economic forces these offer a viable analytical methodology.

On the other side the logic of State intervention in poverty alleviation stems out of the need to direct the developmental initiatives towards the most deserving groups and regions. Indeed the process of intervention emerges more because of the probable 'outliers'¹ in the process of development from the perspective of the failure of market and comparative advantages of the Government (Krueger, 1990). It is at this juncture that the 'outliers' (the bypassed regions or social groups) are identified as objective functions while dealing with and framing the development policies. It has been the endeavor of the Indian State to assimilate the outliers in the mainstream process of development, though with marginal success. The interventions, therefore, have to be analysed as interactions with institutions and the resulting consequences in the context of differential development experiences.

Any empirical investigation of the role of the State policies in poverty alleviation therefore requires an understanding of a few important features. First and foremost institutional structure that comes on such a list is the federal character of the Indian State, which poses a challenging situation. This causes complications to understand the focus and the role of the State, as the efforts towards poverty alleviation are widely differentiated across regions (Provinces). We find a large number of experiences across the country mainly due to the variety of interventionist strategies and fragmented role-perception by different provincial governments² in a federal structure. More often, the success or failure of the State intervention thus hinges upon the effectiveness of the political and bureaucratic methods adopted while formulating the policy. In the Indian context, "distribution of development" has been one of the important features of our policy composition right from the First Five-Year Plan. The policy making during this phase is referred to in the mainstream political science literature as 'Distribution of spoils/gains' and as 'Politics of Patronage' or 'Politics of Development'. However, one can visualise marked divergences in the approaches under various political regimes even within a country. Thanks to the democratic institutions, ultimate goal enshrined in the Indian Constitution has remained fairly unaltered. This needs to be appreciated as the federal policy regimes coexisted in an exceptionally diverse ideological set-up starting from extreme left through the central-socialistic and up to an ultra capitalistic viewpoint. The ideologies, political equations, organisational structures, individual cults, local constraints, and the performance indicators together caused the variance in the policy. It will be fruitful to recollect here the "big ground in the middle of circle of circles" analogy of Kaviraj, quoted by Bardhan (1997). We find a large number of experiences across the country mainly due to the variety of interventionist strategies and fragmented role-perception by different state governments in a federal structure. No doubt, the Central (federal) Government's focus got fairly reflected in the policies across the sub-national governance. Yet, the intensity and the administrative

skills in different provinces (states) made a vast difference across the regions, a factor often ignored in the analysis of inter-state variation in poverty levels. External donor institutions are more concerned with this feature while picking the 'winning horses' for development aid. Union government seems often contended with mild threats, although political party loyalties may decide the quantum of support. The variety of situations in the country therefore, stems more or less out of a few important differentiating characteristics across regions in India. Among these, one can broadly point out nine prominent characteristics:

- *The historical emergence of the political institutions and the quality of the process of politicisation (Social politicisation vis-à-vis developmental politicisation)*³,
- *The ideological and institutional leaning,*
- *Quality of intervention,*
- *Bureaucratic effectiveness,*
- *Process of development adopted over the years specifically with region/locally suitable alternatives,*
- *The force of entrepreneurship,*
- *Capital formation and fiscal discipline,*
- *Diversification of economic activities and*
- *Participation of the ultimate beneficiaries in the form of formal or informal institutions.*

First, although poverty alleviation features on the list of the national government's agenda more prominently and followed by the state governments in the same design the outcomes are not the same either in magnitude or direction. The qualities of sub-national governments as well as the recent emergence of Non Governmental Organisations on the scene have a significant influence on the effectiveness of anti-poverty programs as a policy.

Second, the structure of administration and public accountability of the policies assumes greater importance in this context. Often, the policies are framed in isolation from the group for which those are intended. Paradoxically, even in a regime of decentralised governance, failures or partial success of such policy shifts find elaborate explanations, but, often the feed back is relegated to a corner in favour of fresh policy alternatives⁴. In this process, the reputation of the earlier intervention as well as the ground covered by these in terms of achievements get a bad beating⁵. There are two types of clefts that feature in measuring the effectiveness of any government policies in India. First, there is difference between the policy and the process of implementation that stems out of the interface the policy has with the bureaucracy and second, between the process envisaged in the policy and the actual on ground implementation due to the second level interface of policy with the stake-holders. Often, the quantum of the second gap is determined more by the earlier, as also it is likely to be wider than the first one. It is very clear that these gaps are mutually interdependent. Hence, we encounter criticism of limited effectiveness of the policies – be it land reforms, anti-poverty programmes, area development programmes or employment assurance programmes. Such gaps occur more or less predictably. As Bardhan pointed out “State directed technocratic development projects which do not involve the people but simply treat them as objects of the development process often end up primarily as conduits of largess for elite groups- middlemen, contractors, officials, politicians and favoured special interest groups” (Bardhan 1997:189). In Indian context the role of the State and the process of making a policy along with responsibility to act upon the feedback became more incidental than deliberate.

At an empirical level, one can identify different aspects of the role of the State in the context of poverty alleviation⁶. The prerequisite of such analysis of course involves the understanding of the political development. The federal character of the Indian State and the differential entrepreneurial skills of each of the regions (province/state) at the time of independence (initial conditions) have a greater influence on policy. The history of development across the Indian states (provinces) clearly reflects from the differential performance of these regions on the scale of poverty alleviation. We seldom come across a region, which performed extremely poorly in the process of economic development during British India but has excelled during the last five decades. More or less the regions which had been historically the vanguards of economic development during British India continued to be so even after independence (exceptions are sporadic). Thus the structural conditions dominated the policy scenario. An obvious issue emerging in this context questions the very effectiveness of the State policy in meeting the challenge of poverty. In order to understand this we probe into the politics of policy making and the results of policy making towards poverty alleviation in India.

2: Phases of Institutional Development

Immediately after the independence, there was an enviable consensus among the national leadership leading to a cohesive thinking towards policy framework for the weaker sections and backward regions. Strong dissenters not to the policy but for the coalition and method of policy making opted to remain out viz. Ram Manohar Lohia, Acharya Kripalani, Chakravarty Rajgopalachary, Jayaprakash Narayan, Moulana Abul Kalam Azad and B R Ambedkar. The ruling political institution as also the opposition was firmly committed to the ethos of the Constitution of India and struggled to get to the core of the developmental issues. This required overcoming a large number of systemic hurdles and deciding about a long-term philosophy of development. Those were the years during, which, industrialization of the Soviet type as against capitalistic mode of development of the Western economies, were prominent among the immediately available alternatives. A group of industrialists responsible for the 'Bombay Plan' of 1944 (Which included the policy suggestions to the Government of India from a group comprising of mainly the industrialists) were insistent upon the need for a mixed economy. Pandit Jawaharlal Nehru, as the first Prime Minister of independent India and leader of the Congress party, accepted this lead and could muster the support of national leadership across party lines for a mixed economy path. This was effectively used to follow a developmental policy with public sector as the main engine of growth and chose a mixed path more due to the requirement of the consensus. The Nehru-Mahalanobis⁷ strategy assigned the role of development initiator to the State (Central Government). This was the beginning of the institutional pattern involving policies and programs being prepared and administered by the Central (federal) government. One can mark four phases in the institutional intervention in the poverty alleviation programmes of India. First, the philosophy of Community Development based on the Gandhian ideology of Village Swaraj⁸ was taken up with a great enthusiasm as the best institutional solution. This was followed by the second phase of policy initiatives with area development programmes, wherein focus was on bringing the lagging regions of the country in the mainstream of development. Incidentally, these two phases along with a large number of institutional reforms (Land Reforms, Price Policy Reforms, Nationalization of Commercial Banks and Administrative reforms) had addressed to the question of poverty from an indirect angle but probably quite effectively with institutional interventions. The third phase was marked with the direct onslaught on poverty with Integrated Rural Development Program and the likes. The emphasis here was to reach the poor directly at their doorstep and this approach also demonstrated fairly good success. The fourth and the

current phase began with the commitment to the IMF and the World Bank due to the economic crisis of the early nineties. Again the philosophy of addressing poverty alleviation changed from the direct onslaught to the emerging paradigm of 'growth taking care of the distribution'. Though the earlier programs are not fully withdrawn the emphasis on them is being gradually reduced under the current policy regime.

From an institutional perspective the failure or mixed success of the policies therefore was an obvious and expected outcome. It is in the initial phase, that the role of the State (Represented by the Federal Government) became prominent with a large number of State led initiatives under a unified and strong political power. The provincial governments merely followed the lead as the political and administrative power was concentrated at New Delhi. The most powerful leaders in India's independence movement were consolidated at Delhi, as it was the traditional base of power. Obviously the federal (central) government assumed a more powerful role as compared to the provincial governments. Thus, one can call the foundation phase as the 'consensus phase' of the state wherein the political leaders had a general concordance in their framework for poverty alleviation. This was followed by a short phase of "within party conflicts". The hiatus between the traditional development philosophy as against the view of the new radical elements in the ruling party formed the platform for imminent changes. This was also the time when Sir Robert MacNamara the then President of the World Bank, emphasized an onslaught on poverty and target group oriented approach for poverty alleviation (World Bank, 1975). The slogan of 'Garibi Hatao' meaning 'Remove Poverty' gained a popular currency in India during seventies. This became handy for the leading political party to steer through the phase of 'within party' conflicts to consolidate power and emerge as a major political force. This was also the time when a good number of amendments to the Indian Constitution were taken up, most of which were justified on the ground of necessary steps towards retaining an image of India as a 'Welfare State'. The focus was directed more towards the lowest strata of the economy following the spirit of the preamble of the Indian Constitution. However, the achievements as judged by social analysts and academicians in the subsequent years, did not come up to the expectations. In the process, the paradigm of 'growth taking care of distribution' was relegated to the backyard of the developmental philosophy and direct interventionist approach was the word of the day. The direct interventionist phase helped to consolidate the power of the State and a spectrum of reforms could be seen. But, as viewed from hindsight now, by 1976, a kind of mechanism of excessive appropriation of the State power by certain interest groups got operationalised. A period marked by declaration of national emergency by the Central government. The strong authoritarian rule of the central government for more than a year was resented throughout the country. Immediately in the following year, in the parliamentary elections, this led to a complete collapse of the then Congress led political regime as a negative externality of the very process under which it had promoted such appropriation of power. This collapse gave rise to the typical coalitions en-masking the traditional ideological traits of the polity and brought together the groups from extreme leftists to the ultra rightists. History has it now that a few political parties got together to form a short lived coalition government probably having a little role for their earlier political ideologies. This was probably reflected in the differential policy performance during this phase. We find a myriad of programs initiated during this period of political instability. Certainly various pressure groups made their presence felt. The developmental policies took a back seat and the driving force was the politically suitable policy step favored by the pressure groups. Here onwards, the remaining two phases represented only different shades of coalitions. These varied from 'left of the centre' to the 'right of the centre' type of coalitions. Accordingly, philosophy of development also changed in the

country in very quick successions with the changes in polity and probable maneuvering by the interest groups (often giving an impression of little sense of direction). Quite pertinently among a group of academia the need for redefining the role of the State in the context of failure of implementation was strongly felt (See Jalan ,1998). This should be read with the background of the inter-mixed political structure.

In gist, the institutional construct of the Indian State provided three specific situations. First in which, the state power, the development philosophy and the resultant policies were reflected more by personalities involved in the process of decision making rather than representing a well-set goal of the policy. The similarities between the Constitutional goals and the miniscule achievements during the early phases were purely coincidental. Any analyst of the role of State feels a conspicuous absence of a long term development philosophy from the beginning and finds that more often the policy was influenced more by the immediate reactions to the developmental environment and imminent politico economical constraints rather than any pre-meditated long term goal. We hasten to add that the Indian Constitution provides with clear and certain goals. And it was essential to communicate effectively with these goals while working on the policy alternatives. A look back at the Indian experience does not allow much room to conclude positively about that. Fortunately, the experiences of the last five decades do not mark any significant departures from these but at the same time there is also a subtle feeling that we have not kept the promises either. Secondly, locating the influence of polity as an aggregate group, on the development philosophy and poverty alleviation is difficult mainly due to confusing inconsistency provided during the last five decades. More often such changes occur due to the influence of individuals, those inside or outside the political structures, on the process of policy making. A more painful consequence of this is the policy cliques operating within political, bureaucratic and even academia either within or outside the systems, many times causing departure from the earlier-set goals. Bardhan expressed this as heterogeneous interest groups fighting and bargaining for their share in the spoils of the system (Bardhan, 1992). Thirdly, the federal character of the State confounds the difficulty in understanding the influence of State on developmental philosophy. The federal character was expected to bring ease in the policy formulation representing heterogeneous situations. More often with the mosaic of state governments (provincial governments) where the development initiatives differ according to the local conditions, level of entrepreneurship, political response, economic resource base and people's participation do not allow any firm judgement about the role of the federal state vis-à-vis the state (provincial) governments.

3: Poverty and Institutional Interventions

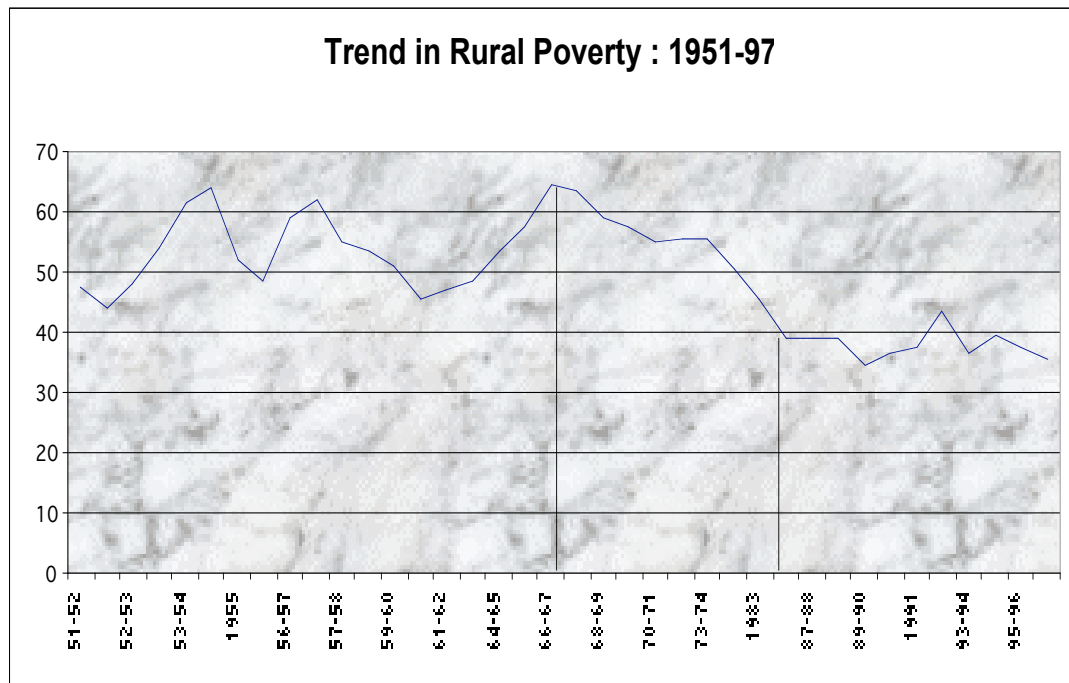
A review of the empirical experience of the policy towards poverty alleviation in India becomes an essential prerequisite of the analysis. The data are available at aggregate as well as at the provincial level. But due to paucity of space we plan to address to the issues at the country level. Poverty as a concept has been treated always as synonymous to under-nourishment. The Indian Association of Medical Research defined a level of balanced diet in terms of calories. This is taken as the normative consumption level and converted into a food basket. This normative level of consumption expenditure is termed as poverty line. Any household spending below such recommended food basket is considered as poor household. For about three decades most of the studies used the given poverty line and updated it with the help of price rise (GDP deflator). The debate that ensued among the Indian academic forums with V.M.Dandekar on one side, and

V.K.R.V.Rao and P.V.Sukhatme on the other, focussed on the concept of under-nourishment, intra-group variations and the non-food requirements of the poor (the debate was reported in Economic and Political Weekly during 1979-80). Another view expressed in the poverty debate related to the updating the Poverty ratios erroneously based on price indices irrespective of changes in the composition of the diet of the poor (Parikh, 1999). It is argued that this has led to wrong perceptions about poverty. Therefore, it was not surprising to find under-nourished persons above the poverty line across states in India. Along with this, the concept of entitlement developed by Amartya Sen became more prominent in the literature as an important development and an acknowledged step in clarifying the concept of poverty. Sen defined poverty as “A person’s ability to command food – indeed to command any commodity he wishes to acquire or retain – depends on the entitlement relation that govern possession and use in that society. It depends on what he owns, what exchange possibilities are offered to him, what is given to him free and what is taken away from him” (Sen’s earlier work reproduced in Sen, 1999: 154). However, there is hardly any data to build a strong empirical support for this argument as the quest for the core concept of ‘ability’ inhibits the analysis. For the purpose of the present work, wherein, we are concerned more about observing the poverty trends over the last 50 years and commenting upon its behaviour we used the exiting long run trends available in the literature. For the present purpose we took help from Ravallion and Datt (2000) as well as studies done at the World Bank. We have presented in the figure 1 and 2 the trends in the proportion of population falling below the officially defined poverty line in Rural India.

The following points could be observed from the trends in poverty in India:

- *Rural poverty trends stayed in the range of 45-63 per cent between 1951-66 and substantially declined during 1967-68 till 1986-87. The first span was quite known for the food insecurity faced by the nation, whereas the second period is associated with the technological change and institutional interventions in Indian agriculture popularly known as the period of ‘Green Revolution’. It was the institutions which were on the forefront of the change than technology.*
- *The sharp decline in rural poverty beginning with 1967-68 till 1986-87 can be associated with the institutional changes and the policy directives in the agricultural sector as reflected from the increased growth rates in the agricultural sector.*
- *During the third phase the poverty ratios in rural areas have more or less stayed around 40 per cent and seem to have been hovering around that level. Among the causative pointers we may direct to the deceleration in the public investment in agriculture resulting into downward trends in Gross Fixed Capital Formation, large amount of subsidies, slow down in the institutional interventions and the Macro-economic crisis of early nineties.*
- *Looking at the graph it is not very correct to infer that there has been any declining trend in poverty ratio depicted and claimed by a few in the recent past. This leads us to the question of policy efficacy in dealing with poverty during these years.*

Figure 1:



There are of course, various issues that underlie the observations made above. First of all, the debate that encompasses the decline/increase in the poverty ratio centres on the ‘across year’ comparability of NSS data (thin sample vis-à-vis a wide spread sample)⁹; comparison between NSSO and National Accounts Data or use of price indices with unchanged weights and state specific characteristics¹⁰. Among these issues probably the most significant one relates to the increase/decline in poverty during late nineties. Datt’s estimates show a decline whereas Gupta’s estimate (1999) records an increase during the ending years of the decade. The policy focus however, should relate to the trends in poverty ratios at least for five years and therefore we utilized Ravallion and Datt’s estimates on the count of availability of a longer time series and common method of computing over years. Our inference however does not corroborate Datt’s findings (Datt, 1999). The inferences that we mentioned above therefore fairly represent the results of policy interventions.

The observations from the empirical data point towards the fact that the decline in rural poverty was mainly during the phase of technological and institutional changes witnessed in the country after 1967-68. Beyond 1986-87 the policy seem to have had a little effect on the rural poverty trend. Ahluwalia (1998) related the decline in poverty with agricultural performance in India, which stands out clearly as a sound exposition. But methodologically, the causal relationship was estimated with the help of cross-section data across states (provinces of the country). The differential policy frames across states (provinces) probably contributed to the decline in poverty ratios. It is quite clear now that the provinces that had initial advantages in the process of development could achieve remarkable success in dealing with poverty. While commenting on this, Ravallion and Datt (2000) clearly indicated that the sectoral composition of growth definitively matters in the aggregate

reduction of poverty and therefore quality and location of growth becomes an important component of any poverty alleviation strategy. They also argued that the differences in the initial conditions covering rural development and human resource development induced the decline in rural poverty. In addition to this, analysts have indicated several factors associated with decline in poverty¹¹. Among the determinants of poverty; irrigation, landlessness, agricultural output per hectare, non-farm product per person, state development expenditure, female literacy and urban-rural consumption ratio, are sighted as important ones in these studies. Most of the analyses available however, are based on the cross section data at a point of time using the across states comparisons. Therefore, often the testable hypothesis relates to the static condition of the state at a point of time for different poverty determinants as against the incremental change in the level of poverty at that point. Incidentally this also happens to be a close proxy of the provincial efforts in directing the federal program as well as the province specific conditions apart from the distinct policies at these two levels. Basically the hypothesis involved here relates more in seeking the explanation of decrement or increment rates in poverty with the help of increment or decrement rates in the explanatory factors. Therefore, often, in time series or even in a cross-section context the explanation of reduction in poverty is credited to the most obvious economic parameters like initial region specific conditions, agricultural output growth, and size of the agricultural sector. Recently in an interesting study, Fan, Hazell and Thorat hypothesized the government spending as an important determinant of poverty variation across states in India. They noted that improvement in agricultural productivity; higher agricultural wages and increased non-agricultural employment have contributed towards poverty reduction in the country. Major explanation of this study however comes from the expenditure on infrastructure rather than the poverty alleviation programs (Fan, Hazell and Thorat, 1999). As field observers, we strongly feel that the 'calorie norm based' number of persons below poverty line and the associated ratio has been coming down during the last two decades. But, this alone cannot be considered as a holistic representation of poverty. As argued by V.M. Rao (1999), it is essential to look at poverty as a wider concept incorporating food and non-food basic requirements, participation as also stake of the poor in the process of program implementation, their empowerment and their right to decide the self-reliant strategy for the family. Often, the food and non-food requirements are met out of the compulsions imposed due to scarcity and non-availability of the preferred food basket, and as regards to empowerment and choice of strategy, poor as a group always remained at the receiving end. This points an accusing finger at the process of policy formulation rather than policy itself.

4: Poverty and Social Institutions

It is often said that the poor in India are located largely in rural areas and specifically among agricultural laborers as an occupation. In India caste is a powerful social institution that influences all the development initiatives. It is observed that the density of poor is highest among the Scheduled Castes and Scheduled Tribes¹². This is certainly not incidental but has a strong historical genesis. It is necessary here to bring forth one of the specific aspect of the Indian society. Traditionally in India, a hierarchical social system based on Varnas¹³ and Castes was prevalent. The Scheduled Castes and Scheduled Tribes were forced to remain at the lower rung of the economic hierarchy with a forced occupational immobility. It originated from the principal of the division of labour but over the century manipulated by the higher ups in the social system towards their advantage. As a result at the time of Indian independence the poverty was largely concentrated in this group of the society.

It can be observed from the table 1 that the main occupation of these social groups is agricultural labour. The proportion of cultivators is declining in all the groups and such decline is

sharper among the workers belonging to Scheduled Castes. The sharp increase in the proportion of Scheduled Caste workers working as agricultural laborers can also be noted. The increase can not be explained simply with the help of demographic factors but a sizeable portion of that occurs due to occupational mobility, unfortunately downwards in the hierarchy among cultivators and agricultural laborers. No efficient policy steps are undertaken to arrest this. Similarly, marginalisation of Scheduled Caste workers can be seen from the structure of changing work force.

Table 1: Proportion of workers by occupation groups (Rural Male): 1961-91

Years	<u>Scheduled Castes</u>		<u>Scheduled Tribes</u>		<u>Others</u>	
	Cult	A L	Cult	A L	Cult	A L
1961	42.90	32.83	69.69	18.59	63.74	12.12
1971	34.94	50.24	64.67	27.51	59.27	19.19
1981	36.70	46.82	62.52	26.72	58.44	18.30
1991	33.11	49.27	61.97	27.20	54.74	20.14

Note: Cult: Cultivators, A. L: Agriculture Labour Source: India Population Census Reports for respective years. We have taken here male labour as representative as proportion of female cultivators is very small and the trends are similar across sexes.

The data available from the National Sample Survey (1993-94) indicated that 52.17 per cent of the Scheduled Caste population are below poverty line whereas 48.00, per cent of the Scheduled Tribes are living under the bare minimum consumption threshold. These proportions when compared with other groups (other than SCs and STs) clearly bring out the intensity of the problem of poverty among the Scheduled Castes and Scheduled Tribes. We have indicated in table 3 the proportion of households below poverty line as per National Sample Survey data of 1993-94 across the social groups. It is quite clear from the table 2 that the highest share of poor is concentrated in the category of agricultural laborer households as well as other labour households. Poverty is relatively less in the households belonging to the category of other household occupations and self-employed in non-agricultural sector.

Table 2: Proportion of population below poverty line by status of employment: 1993-94.

(Per cent to the total population of the respective groups)

Sl.No	Status of employment	SC	ST	Other	All
1	Self Employed in Agricultural Household	47.12	37.71	25.57	29.04
2	Self Employed in Non Agricultural Household	44.70	33.14	29.49	31.95
3	Agri Labour Household	63.86	60.00	52.64	56.78
4	Other Labour Household	51.69	41.44	35.59	39.59
5	Other Household Occupations	31.39	29.65	20.19	22.47

6	All Household	52.17	48.14	31.29	37.09
---	---------------	-------	-------	-------	-------

Note : **SC** –Scheduled Castes; **ST**-Scheduled Tribes; **Other**: Other Social Groups other than **SC & ST**

Source : Sukhadeo Thorat (2000). "Isolation and Deprivation: A Macro Analysis of Economic Status of Tribals in India", CSRD, Jawaharlal Nehru University, New Delhi. Data from NSSO: 1993-94

Interestingly, between 1983-84 and 1993-94 the decline in poverty among Scheduled Caste households is about 7 per cent in the rural areas but it has increased by 13 per cent in the urban areas (See Appendix table 2 on Indicators of Development for Scheduled Castes). The poverty trend in the non-Scheduled Caste households however, shows a decline in the rural as well as urban areas consistently. The State policy towards Scheduled Castes and Scheduled Tribes is quite clear and has a clear emphasis on positive discrimination. But that has only been beneficial to a myopic proportion. Those depended on agricultural labour as mainstay remained at the same relative position of poverty. It signifies a clear failure of designing the policy towards weaker sections. Even though the majority belonging to poor strata came from agriculture labor group no clear policy programs were designed specifically focussing on them. It is also equally true that as a stake holder interest group the agricultural laborer belonging to Scheduled castes could never plead their case due to lack of organization. Policy towards agricultural labour is in the purview of the policy by the provincial governments but nothing substantial has been done except promulgating the Minimum Wages Act, which is more on the paper than in practice¹⁴.

Fifty years of independence has made a little progress even in terms of availability of amenities to the rural areas and especially so to the Scheduled Castes and Scheduled Tribes. It can also be noted that only about 5 per cent of the Scheduled Caste and Scheduled Tribe households have proper toilet facilities. State led programs to provide these facilities have failed miserably and the plight continues even today. Unfortunately no community efforts were taken up to set this right. All these factors point out clearly indicates to an urgent need for larger investment towards development of infrastructure sector especially covering the weaker sections with utmost priority. Presently when India is at the crossroad of changing towards a liberalized economy, finding the poor well placed regarding the basic requirements for life should be at the top of the policy. The question of providing quality of life becomes an important aspect at this juncture. Investment may be required both from private as well as public sector resources for the provision of basic amenities. Efforts towards seeking such investment may have to be stepped up through the welfare-oriented programs.

Table 3: Availability of Amenities by Social Groups: 1991

		(Proportion of Households to the total)		
Sl No	Amenities	SCs	STs	Others
1	Safe Drinking Water	59.84	41.11	55.92 (All groups)
2	Electricity	21.84	19.70	31.10 (")
3	Toilet	5.15	4.10	8.84 (")
4	Safe Drinking water & Electricity	14.71	10.00	21.07 (Others)

5	Electricity and Toilet	2.76	2.10	8.26 (")
6	Safe Drinking Water & Toilet	3.35	2.02	6.73 (")
7	Safe Drinking Water, Electricity & Toilet	1.86	1.14	4.88 (")
8	None of These Facilities	32.14	48.06	28.65 (")

Note: Proportions are to the total number of HHs from social groups, Also as in Table 3.

Source: Census of India 1991, Series I India, Housing and Amenities: Analysis of Housing Tables 1991, Paper 2 of 1993.

5: Poverty across States and Linkage with Growth

Given the federal status of the country and various levels of socio-economic parameters that govern the development scenario across states in poverty alleviation, the differential performances of the states therefore, is an unavoidable outcome. It is not only that the growth performance of Indian states varies significantly, the poverty ratios also differ widely across states. In a recent study Ahluwalia analyzed the differential growth performances of the states, as reflected from the growth of the State Domestic Product (Ahluwalia, 2000). He noted that the degree of dispersion in growth rates across states increased significantly during 1990s indicating widening of the gap in economic performance across states. He also commented on the likely relationship between growth and poverty in this context. Which in turn means that the poverty reduction impact of growth has strengthened in the recent phase, in a cross section. Ravallion and Datt's recent work also deals with a similar exercise. Their study pointed out the initial conditions of the states, quality of growth, and expenditure on developmental efforts of the states as major determinants. Therefore, growth *per say* does not seem to explain the nexus with poverty.

The lowest and highest growth rates in SDP recorded during the eighties ranged between 4 to 7 per cent per annum and this range during nineties was noted to be 2.7 to 9.6 per cent per annum. Quite naturally, the growth performance also reflected the levels of inequality across states. It is observed that the inter-state inequality has increased substantially during nineties specifically due to quality of growth. Trends in poverty ratios across the states have also changed significantly over the years. Existing literature surveys analyzing evolution of India's poverty and explaining the wide inter-state differentials (Ravallion and Datt, 2000), point towards various factors. Making use of the state level data for 35 years and pooling the time series over cross-sections of states, Ravallion and Datt explained the inter-state variations in poverty. A large number of variables were used in the analysis and they found average farm yield, expenditure on development non-farm output and lower inflation to have inverse relationship with poverty across states. But except for the non-farm output growth the other variables did not emerge with statistically significant results. Interpreting these results from another angle one tends to believe that those policy variables did not have direct poverty reduction effect. The generation of indirect employment that helped to reduce poverty. In other words pointing an accusing finger towards the efforts on poverty alleviation programs. They also found that rate of agricultural growth mattered equally in deciding magnitude and directions of poverty trends but do not straight -away relate it with poverty. While connecting growth with poverty reduction they concluded " Differing growth elasticities appear to have had a powerful long term impact on the prospectus of escaping absolute poverty in India through economic growth." (Ravallion and Datt, 2000 p-19).

Table 4: Explanation of growth in State Domestic Product (SDP)

(Percent per annum)

States	1991-92 to 1997-98	Growth rates in Employment		Poverty Ratios 1993-94
		Agriculture	Non- Agri.	
Bihar	2.69	0.75	0.81	54.96
Rajasthan	6.54	-0.79	3.36	27.41
Uttar Pradesh	3.58	0.04	1.67	40.85
Orissa	3.25	-0.04	0.83	48.56
Madhya Pradesh	6.17	0.18	1.74	42.52
Andhra Pradesh	5.03	0.75	1.57	22.19
Tamil Nadu	6.22	-0.51	2.11	35.03
Kerala	5.81	-0.62	-0.15	25.43
Karnataka	5.29	0.05	2.16	33.16
West Bengal	6.91	0.17	3.34	35.66
Gujarat	9.57	-0.34	3.28	24.21
Haryana	5.02	-	-	25.05
Maharashtra	8.01	0.15	2.22	36.86
Punjab	4.71	-1.31	1.5	11.77
Combined SDP of 14 states	5.94	0.04	1.89	36.25

Source: Montek S Ahluwalia (2000). Economic Performance of States in Post-Reforms Period, Economic and Political Weekly, May 6, 2000, Pg 1638.

Most powerful explanation about the inter-state variation of poverty can be found in the ‘initial institutional conditions’ inherited by the region at the time of independence represented by the socio-political institutions. During British rule in India, Greater Punjab, Madras State, Bombay, and Sindh were the leading provinces in terms of growth. The issue of regional diversity emerged very strongly during sixties specifically after the phase of technological change (green revolution). It is not just incidental that the very same regions (Punjab, Haryana, Tamil Nadu, Eastern Uttar Pradesh and Central Maharashtra) were the vanguards of change during pre-independence. Therefore, the initial conditions, productive investment, growth of non-farm sector, density and quality of investment, level of human resource development and long term policy orientation of the state are the major factors explaining the variation across states. High initial inequality and the production relations also explain the ineffectiveness of growth induced poverty reduction. In a dualistic economy farm and non-farm sector along with the structure of factor market, together decide the levels of inequality and poverty.

Table 5: Population, agriculture workers and poverty among SCs in major states of India
(Per cent)

State	SC, Population	SC, B P L	SC (Rural),1991	
	(Rural) 1991	(Rural) 1993-94	Cultivators	Agri Labour
Andhra Pradesh	15.9	29.58	8.4	32.4
Bihar	14.6	65.9	6.2	27.7
Gujarat	7.4	39.63	2.7	12.9
Haryana	19.7	27.9	4.0	58.4
Himachal Pradesh	25.3	20.1	27.6	43.1
Karnataka	16.4	52.3	12.3	30.8
Kerala	9.9	38.3	3.1	27.2
Madhya Pradesh	14.5	51.7	10.5	24.4
Maharashtra	11.1	53.8	4.9	20.1
Orissa	16.2	67.6	11.0	27.8
Punjab	28.3	27.9	4.0	71.9
Tamil Nadu	19.2	64.0	12.7	40.1
Uttar Pradesh	21.4	56.5	18.6	48.3
West Bengal	23.6	53.6	23.4	40.6
India	16.5	50.58	33.1	49.3

Note: SC: Scheduled Caste, BPL: Below Poverty Line

Source: 1. Census of India 1991, Series I India, Paper2 of 1993

2. National sample Survey 1993-94 Round.

We can observe from table 4 that there is hardly any pattern in the performance across states in India. The poverty ratios are high in the eastern India and they are lowest in the northern Indian states. Even the states that were more frequently under the left party's rule have also shown high poverty ratios. (See table 4 & 5). Therefore, the role of the state policy, quality of growth and its location become quite important instruments. Evidence suggests that there seem to be little efforts in designing the long-term policy dealing with poverty alleviation. What comes out from the experience of policy towards poverty alleviation is the disjointed incremental decision policy described by Lindblom (1968). The policy making process is marked by a series of actions in which those who are responsible for arriving at decisions 'muddle through' a limited number of closely related alternatives without evaluating the possible outcomes. The result therefore cannot be expected to be systematic and thus the experience across states.

6: Conclusions

The formidable challenge confronted by India at the time of independence was in the form of a large proportion of its population being poor. This was an institutional outcome as well as the colonial legacy. During the last five decades, India's tryst with poverty was met only with checkered responses. It is quite obvious that the institutional interface dictated the performance. Most of the poverty alleviating interventions were designed at the bureaucratic level having specific situation in mind. These could therefore be categorized as 'fire fighting' in nature and probably just tinkered the problem. The lessons and evaluations of some of these programs hardly found any translation in any of the subsequently drafted schemes overlooking of course the institutional response. Looking back, it is very clear that the polity, bureaucracy and the interest groups did not depict any well-meditated view about the problem of poverty. In the Indian constitution the subject is dealt by the central government and hence most of the policy interventions are of very general nature. In all the interventions the concept of poverty was taken as 'homogenous' across the length and breadth of the country. Therefore, operating similar schemes across different states was an easy and obvious policy choice. Region or province specific institutional issues could not be focussed due to two reasons. First, during the early years of independence the federal government as well as the central leadership was politically stronger and institutionally powerful than their counterparts at provincial levels. Second, the provincial level bureaucracy was only given the task of implementation of the programs and rarely the society participated in formulating the schemes. As a result no long-term policy dealing with the problem of poverty ever existed either at provincial or at the central level.

The experience of the five decades on this background shows quite interesting results. The bright period corresponds the phase marked with the introduction of the new technology along with institutional changes in agricultural sector and the direct poverty alleviation programs. The poverty ratio dropped down from about 65 per cent to about 35 per cent, truly a formidable task achieved in a span of two decades. But the results are asymmetric across groups, regions and sectors. Therefore, the inter-regional differences persisted and the lagging regions as well as depressed social groups continued with their marked presence among the poor. Achievements on the count of human development indicators are not neither impressive nor focussed. A large ground needs to be covered under this. The experience of the last decade is not very encouraging. The downward trends in the poverty ratios seem to have changed in fluctuating series in the range of 30 to 45 per cent. The intriguing part of the analysis is that the depressed groups have not gained much in relative terms and it will not be wrong if we say that they have not even got their due share. All this points towards a need for the fresh look at the policy. In the context of the new liberalized economic policy adopted by government of India, it will be necessary to formulate a medium term policy intervention dealing with poverty alleviation. Understanding the changes in the institutional structure is a prerequisite of such policy formulation. Among the immediate steps that need to be taken towards such policy is to constitute a task force to have a look at the heterogeneous and institutional nature of poverty across regions in India. The state specific problems as well as the policies for the depressed groups must be on the top of the agenda. The focus on providing incremental employment and institutional seems to have worked well in the past. This can be the major policy plank but the agricultural laborers belonging to the Scheduled Castes and Scheduled Tribes need specific safety net programmes and a well-directed alternative.

Notes:

¹ By 'Outliers' we mean the individuals and groups that remained out of the mainstream development either by the design of the developmental programmes or by their inherent inability in participating in the programmes.

² In Indian context Federal government is always referred to as Central Government and the Provincial Government is called a State Government. We have used the words Province and State interchangeably. Similarly we used the words Central Government to represent Federal government or vice versa.

³ By Social Politicisation we mean use of covert social characteristics while seeking electoral support, which include religion, caste and regional or ethnic factors. Whereas, by Development Politicisation we mean seeking support on the basis of the developmental activities initiated by the politician or party in the constituency.

⁴ An example of this can be found in completely shelving of the Jayaprakash Narayan Committee on Community Development, submitted to the Government of India during mid fifties.

⁵ Very recently this has happened in the case of the initiative undertaken by the Planning Commission of India during 1988-89 on getting the Plans of agricultural sector following the Agro-Climatic Regional Planning Approach. The program was launched with a great fan-fare and enthusiasm but over the decade it faded away after spending a large amount of money in getting the plans prepared. The success achieved under this program does not find mention in the official documents of the recent past.

⁶ We are specifically keeping in view here the Indian democratic State

⁷ Prof Mahalanobis was a Statistician of a great reputation and at that time he was the Director of the Indian Statistical Institute, Kolkata.

⁸ The ideological thinking ascribed to Mahatma Gandhi, wherein he perceived a village as a closed economy and initial emphasis needs to be placed on attaining self-sufficiency at the village level.

⁹ The National Sample Survey Organisation (NSSO) of India under Central Statistical Organisation conducts wide spread periodic surveys on various aspects of the Indian Economy. One of the crucial aspects historically covered by the NSSO has been the Household Expenditure on Consumption. These data are available over a substantially long time period. Each of these yearly surveys is called as a Round and there are two types of sample Rounds used to estimate the consumption expenditure viz., thin sample (covering limited number of households) and wide spread sample covering a usual sample frame followed by the NSSO. Some authors have challenged the comparability between the two types of samples.

¹⁰ See Desai and Namboodiri (1998), Deaton and Tarozzi (1999), Mahendra Dev (2000), Ahluwalia (2000).

¹¹ See Ravallion and Datt 1996 & 2000, Datt 1998, and Rath 1998 for clear expositions.

¹² Scheduled Castes and Scheduled Tribes refer to the Social groups, which were oppressed socially and economically for centuries under the irrational social as well as institutional pressures. At the time of the formulation of the Constitution of Independent India Dr B R Ambedkar, Chairman of the Constitution Drafting Committee, who himself was born among the depressed castes, insisted that these groups be given opportunities to participate in the mainstream development. The Constitution of India includes policies towards helping these erstwhile-oppressed groups through positive discrimination. These castes and groups are enlisted in a Schedule of the Constitution of India and hence came to be addressed as Scheduled Castes and Scheduled Tribes. We refer to them as Scheduled Castes and Scheduled Tribes in our discussion. In Indian social milieu this group is synonymous to the economically and socially oppressed group.

¹³ Varna is a hierarchical social system dividing the society in to four classes namely: Brahmins-Assigned the work of priests and teaching ;

Kshatriyas – Assigned the work as protectors and warriors;
Vaishyas – Assigned the work of looking after the business and
Shudras: Largely subservient to the other three groups and suppressed in economic and social terms.
(For details see Thorat and Deshpande, 2000)

¹⁴ The senior author was a member of the Minimum Wages Board in a provincial government. It is sad to note that nothing substantial is done towards policy for agricultural labour.

Appendix Table 1: Density of weaker sections and poverty

State	Percentage of SC &ST in Population (1991)		Percentage Below Poverty Line			Average size of Holding in 1990-91 (of SC)
	S C	S T	1977-78	1983	1993-94	
Andhra Pradesh	15.9	6.3	38.1	36.5	16.0	0.91
Assam	7.40	12.82	50.8	42.6	45.0	1.08
Bihar	14.55	7.66	63.3	64.4	58.0	0.40
Gujarat	7.41	14.92	41.8	29.8	22.2	2.30
Haryana	19.75	0.00	27.7	20.6	28.7	1.63
Karnataka	16.38	4.26	48.2	36.3	28.2	1.56
Kerala	9.92	1.10	51.5	39.0	25.9	0.10
Madhya Pradesh	14.55	23.27	62.5	48.9	40.8	1.70
Maharashtra	11.09	9.27	64.0	45.2	38.6	1.66
Orissa	16.20	22.21	72.4	67.5	49.9	0.84
Punjab	28.31	0.00	16.4	13.2	12.5	1.75
Rajasthan	17.29	12.44	35.9	33.5	27.5	3.29
Tamil Nadu	19.18	1.03	57.7	54	32.6	0.59
Uttar Pradesh	21.05	0.21	47.6	46.5	42.6	0.57
West Bengal	23.61	5.59	68.3	63.1	40.3	0.78
India	16.33	8.01	53.1	45.6	37.5	0.98

Sources: 1.Population Census, Government of India, New Delhi.

2. Thorat, Sukhadev (2000).

Appendix Table 2: Indicators of development of Scheduled Castes

	Indicators	Year	SC	Non-SC
1	Proportion of Rural Agri.Labourers(NSSO)	1987-88	49.00	20.80
2	Proportion of Urban Casual Labourers Regular(NSSO)	1987-88	25.00	9.90
3	Cultivators as % of total workers	1961	42.90	63.74
	Census of India 1961, 71, 81, 91)	1971	34.94	59.27
		1981	36.70	58.44
		1991	33.11	54.74
4	Monthly Per Capita Consumption Expenditure(NSSO)			
		Rural 1983-84	87	112
		Urban	128	165
		Rural 1987-88	133	169
		Urban	185	256
5	Percent Persons Below Poverty Line (Fan,Hazell & Thorat,1999)			
		Rural 1983-84	57.77	45.61
		Urban	36.48	40.12
		Rural 1987-88	56.41	42.15
		Urban	48.11	37.27
		Rural 1993-94	50.58	39.06
		Urban	49.46	33.66
7	Unemployment Rates Rural Male (Usual Principal status)			
		Male 1977-78	1.23	1.57
		1983	1.14	1.49
		1987-88	1.30	1.70
		Female 1977-78	2.56	1.53
		1983	0.50	0.43
		1987-88	1.40	0.48

Source: 1.National sample Survey Data, NSSO, Central Statistical Organisation, New Delh for the respective rounds.

2. Population Census. Government of India, New Delhi 1991. and Thorat (2000)

References

- Ahluwalia Montek.S. (1997), "Rural Poverty and Agricultural Performance in India". *Journal of Development Studies*, Vol.14 No 3. April. Pp.298-323.
- Ahluwalia, Montek S (2000) "Economic Performance of States in Post Reform Period", *Economic and Political Weekly*, Vol. 35, No.19. May 6th.
- Bardhan, Pranab (1990), "Symposium on State and Economic Development", *The Journal of Economic Perspectives*, Vol.4, No 3. Pp. 3-7
- Bardhan, Pranab (1992), "A Political Economy Perspective on Development" in B. Jalan,(Ed.), *The Indian Economy: Problems and Prospects*, Delhi: Penguin.
- Bardhan, Pranab (1997), " The State Against Society: The Great Divide in Indian Social Science Discourse" in Sugata Bose and Ayesha Jalal. (Ed.) *Nationalism, Democracy and Development, State and Politics in India*, Oxford University Press, Delhi.
- Datt, Gaurav and M. Ravillion (1998), "Why Have Some States Performed Better Than Others at Reducing Rural Poverty?", *Economica*, Vol. 65: 17-38.
- Datt, Gaurav (1999), "Has Poverty Declined Since Economic Reforms?", *Economic and Political Weekly*, Vol.34, No.50.
- Deaton Augus and Alessandr Tarozzi, (1999): "*Prices and Poverty in India*", Research Program in Development Studies, Princeton University.
- Desai, Bhupat M and N V Namboodiri (1998), ' Policy Strategy and instruments for Alleviating Rural Poor", *Economic and Political Weekly*, Vil.33, No 50, 10th December.
- Deshpande, R.S. (2000), "Deprived Castes and the Process of Economic Reforms: An Agrarian Perspective", Dr Ambedkar Memorial Lecture, Madras University, Chennai, February 10,
- Dev, Mahendra S (2000), Poverty in India: Trends, Macro Policies and Direct Programes, paper presented at a conference in Honour of Raja Chelliah, Institute of Social and Economic Change, Bangalore, January 17th.
- Dreze, Jean P., and Amartya K. Sen, (1995), *India: Economic Development and Social Opportunity*, Delhi: Oxford University Press.
- Dreze, Jean and Amartya Sen (1997), "*Indian Development: Selected Regional Perspectives*," Oxford University Press, Delhi.
- Dreze, Jean P, (1990 "Poverty in India and the IRDP Delusion", *Economic and Political Weekly*, September 1999. Pp. A-95 - A-102.
- Fan, Shenggen, Peter Hazell and Sukhadev Thorat. (1999). *Linkages between Government spending, Growth and Poverty in Rural India*, Research Report No 110, International Food Policy Research Institute, Washington D.C.
- Government of India (1998), *All India Report on Agricultural Census 1990-91*, Department of Agriculture and Co-operation, Ministry of Agriculture, Krishi Bhavan, New Delhi. March.
- Government of India, (Registrar General, 1994), Sample Registration System data publications for various years, including Registrar General of India, Sample Registration System 1993.
- Government of India, (1976), *Report of the National Commission on Agriculture*, Part XV, Agrarian Reforms. Delhi: Ministry of Agriculture and Irrigation.
- Government of India (1998), *All India Report on Agricultural Census 1990-91*, Department of Agriculture and Cooperation, Ministry of Agriculture, New Delhi.

- Gupta, S P (1999), "Trickle Down Theory Revisited: The Role of Employment and Poverty", V B Singh Memorial Lecture, 41st Annual Conference of Indian Society of Labour Economics, IGIDR Mumbai, November 18-20.
- Jalan, B. (Ed.), *The Indian Economy: Problems and Prospects*, Delhi: Penguin.
- Kamble, B N (1995), *Effectiveness of Developmental Programmes for Schedule Castes and Scheduled Tribes in Maharashtra*, Unpublished Ph.D thesis, University of Pune.
- Krueger, Anne O. (1990), "Government Failure and Development", *The Journal of Economic Perspectives*, Vol 4, No 3, Pp. 9-13.
- Lidblom, Charles E. (1968). *The Policy Making Process*, Englewood Cliffs, Prentice hall Inc.
- National Sample Survey Organisation (1996), Consumer Expenditure, 1993-4. NSS 50th Round, Government of India.
- Norgaard, and B. Richard (1985). *Environmental Economics: An Evolutionary Critique and a Plea for Pluralism*. Journal of Environmental Economics and Management, Vol. 12.
- Norgaard, and B. Richard (1989). *The Case for Methodological Pluralism*. Ecological Economics, February.
- Parikh, Kirit (1999), *India Development Report 1999-2000*, Delhi: Oxford University Press.
- Rao, V.M (1999), *Poor in a Hostile Society: Glimpses of Changing Poverty Scenario in India*, New Delhi: Vikas Publications.
- Rao, V M (2000), "Eradicating Poverty: Some Missing Policy Dimensions", paper presented at a conference in Honour of Raja Chelliah, Institute of Social and Economic Change, Bangalore.
- Rath, N. (1996), "Poverty in India Revisited", *Indian Journal of Agricultural Economics*, vol. 51, Nos 1 and 2.
- Ravallion, Martin and Gaurav Datt (1996), "How important to India's Poor in the Sectoral Composition of Economic growth?", *World Bank Economic Review*, Vol.10, No.1, Pp.1-25
- Ravallion, Martin, and Gaurav Dutt (1996), "India's Checkered History Against Poverty: Are there lessons for the future?" *Economic and Political Weekly*, Special Number, September 1996. Pp. 2479-2485.
- Ravallion, Martin and Gaurav Datt (2000), "When is Growth Pro-Poor? Evidence from the Diverse Experiences of India's States," *World Bank Discussion Paper*, World Bank, Washington D.C.
- Sen, Amartya, and Jean Dreze (1999) *The Amartya Sen and Jean Dreze Omnibus*, New Delhi: OUP.
- Shariff, A (1999), *India: Human Development Report*, Oxford University Press, New Delhi
- Sharma, B. D (1989), "Excerpts concerning displacement from the twentyeighth report (1986-87) of the Commissioner for Scheduled Castes and Scheduled Tribes", paper presented at a workshop on rehabilitation of persons displaced by development projects at the Institute for Social and Economic Change, Bangalore, December 5, 6 & 7, 1989.
- Soberbaum, Peter (1987). *Environmental Management: A Non-Traditional Approach*. Journal of Economic Issues, Vol. 21, March.
- Thorat, S. K and Deshpande R. S.(1999), "Caste and Labour Market Discrimination", *The Indian Journal of Labour Economics*, Vol. 42, No.4.
- Vyas, V.S. and Pradeep Bhargava, (1995), "Public Intervention for Poverty Alleviation: An Overview, *Economic and Political Weekly*, Vol. XXX, No.41-42, p. 2559
- Wilber, Charles K. and Robert S. Harrison (1978). *The Methodological Base of Institutional Economics: Pattern Model, Story Telling and Holism*. Journal of Economic Issues, Vol. 12, March.
- World Bank (1975), *Annual Report*, The World Bank, Washington D.C.