Rural Poverty in Madhya Pradesh
Looking beyond Conventional Measures

This study examines the incidence of rural poverty in Madhya Pradesh based on a field survey of 2,208 rural households spread over 11 districts. The issues of poverty are examined in a multidimensional perspective with emphasis given to issues related to access to publically provided services like health and education. There is a need for greater and more effective fiscal intervention for poverty reduction and employment generation. The implementation of the National Rural Employment Guarantee Act may prove to be an effective intervention in reducing poverty in rural areas of the state.

D K Srivastava, S K Sanyal, C Bhujanga Rao, Pinaki Chakraborty

Madhya Pradesh is one of the less developed states of the country with vast area and sharp inter-regional differences in socio-economic achievements. As per the 2001 Census, the erstwhile Madhya Pradesh[1] is the second most populous state in the country with a population of 6.039 crore spread over 45 districts. The district with the highest human development index (HDI) is Indore (0.694) and that with lowest HDI is Jhabua (0.371).[2] At the all-India level, although since 1973-74 there has been a consistent reduction in the poverty head-count ratio, the spatial concentration of poverty increased implying that a limited number of states account for a disproportionately large share of rural poor. The official poverty estimates prepared by the Planning Commission for 1999-2000 show that nearly 74 per cent of the rural poor live in just six states, viz, Orissa, Bihar, Assam, Madhya Pradesh, West Bengal and Uttar Pradesh. There have also been wide inter-district disparities in poverty and human development in these states. In this paper, we undertake a detailed review of the incidence of rural poverty in Madhya Pradesh based on a primary survey carried out in the 11 districts of the state. Shifting away from the limited notion of income poverty, we focus on the multifaceted incidence of poverty including access to various public services and examine the efficacy of the pro-poor fiscal intervention strategy in Madhya Pradesh.

This paper is organised into the following sections. In Section I, we discuss briefly the survey methodology and the number of households surveyed in each district. In Section II, the social and demographic characteristics are analysed. Further, the concerns of economic insecurity are analysed by examining the economic opportunities, indebtedness and migration of rural poor. Section III discusses the status and access of the publicly provided services. The ground realities with respect to pro-poor fiscal intervention strategies are analysed in Section IV. The perception of poor regarding poverty and its alleviation programmes are discussed in Section V. Conclusions are drawn in Section VI.

I
Survey Methodology

The sampling design for the survey was based on the Probability Proportional to Size (PPS) methodology where size would be an indicator of poverty. For example, the poverty ratio or proportion of landless and agricultural labour households, or proportion of illiterates among females could serve as an indicator variable in the selection of samples. The units in some populations vary greatly in size in relation to the study variable (y). Large units obviously contribute more to the population total. Simple random sampling (SRS) does not take into account this fact as every unit has an equal probability of selection. And if the distribution of units in the population is such that very small units are many in number as against a few large units, equal probability selection will result in the selection of many of the smaller units. In such a situation, a varying probability scheme which assigns higher probability of selection to bigger units than to smaller ones would provide more efficient estimators than SRS. If information on y is not readily and reliably available for the population, information about an auxiliary variable x, which is highly correlated with y may be used for selection of the sample.

In search of auxiliary variables, one obvious choice would be the officially identified households that fall below the poverty line for the public distribution system which leads ultimately to the poverty ratio at the village, block and district levels. Although, some data are available on poverty head count ratio (HCR) according to districts based on the below the poverty line (BPL) survey for the public distribution system (PDS), there are many shortcomings. Also, identification based on for BPL cards would lead to a narrow set because of the income-based definition of BPL beneficiaries. Secondly, many non-poor may also be holding BPL cards due to inclusion error.

The proportion of the landless and agricultural labour households could be used as a proxy variable but is not preferred because this set was not inclusive of the entire population of the poor. In addition, it is also difficult to compile the required data at the different levels. We have selected the proportion of female illiterates as the auxiliary variable for the purpose of drawing samples for statistical as well as analytical reasons. The illiteracy rates among females being highly correlated with poverty, it is useful for the PPS selection. It may, however, be noted that the use of a particular proxy variable for sampling from a specially prepared frame does not per se exclude the use of other variables in the next or the ultimate stage of sampling. The object is only the identification of a unit where the poor would figure in large numbers. In selecting the proportion of female illiterates as the auxiliary variable in the selection of a sample based on the PPS methodology, we are ensuring an inter se representation of

households where a priori there is an unfair access to household resources by the female members of the family. Besides, in a multidimensional conceptualisation of poverty, lack of access to education is itself a dimension of poverty.

Eleven districts, viz, Dindori, Chhattarpur, Shivpuri, Jabalpur, Tikamgarh, Katni, Dhar, Ujjain, Guna, Sagar and Balaghat were selected with probability proportional to female illiteracy rate from the 45 districts of the reorganised Madhya Pradesh, and have been surveyed. The survey was canvassed during October-November 2003. Households were divided into two strata. Stratum 1 refers to the focus group of poor, identified on the basis of a priori conditions. This group consists of agricultural labourers, marginal farmers, scheduled caste (SC) or scheduled tribe (ST), woman-headed households and those possessing the BPL card. Stratum 2 relates to the remaining households and is used to draw comparisons with the focus group. Table 1 shows the sample size by districts in terms of the second and ultimate stage units that were surveyed. The sample size is 2,208 rural households spread over 11 districts.

II
Social and Demographic Characteristics and Economic Opportunities

Based on the survey data, a few characteristics of the 11 districts are presented in Table 2. Three ratios, namely, average household size, sex ratio and adult illiteracy ratio estimated for the sample show that the estimated proportion of the poor households varies widely from 30 in Guna to 70 in Balaghat. It is observed that for seven districts out of 11, this proportion is 40 or above, including three above 50, bringing out the sharp differences in the inter-district incidence of poverty. The estimated average household size varies from 4.35 in Dindori to 5.33 in Guna in stratum 1. Except for Balaghat, the household size in stratum 2 is much higher in all the districts than in stratum 1.

It is observed that except for Katni and Balaghat, the sex ratio among the poor households is below 900. This ratio is very low for Guna (693), Shivpuri (751) and Dhar (783). In general, stratum 2 also reflects the same feature but special mention may be made of Dindori and Shivpuri where more females are reported than males. The poor households are disadvantaged on account of fairly high male illiteracy, particularly in Guna (83 per cent), Katni (64 per cent) and Shivpuri (62 per cent). Besides, gender inequality in the field of education is very much pronounced in stratum 1, the female illiteracy rate being very high with seven out of 11 districts reporting above 80 per cent illiteracy. This regressive nature is also evidenced by female illiteracy rates in stratum 2 though in a slightly lesser form (six districts reporting above 70 per cent).

Economic Opportunities for Rural Poor

Employment and unemployment status presented in Table 3 reveals that in stratum 1, unemployment rate is very high at 11 per cent for males and 13 per cent for females; these rates are much less in stratum 2. Considering the fact that women are by and large engaged in household chores, the proportion (53 per cent) of females "not in labour force" is particularly high in both strata.

The percentage distribution of the number of persons reporting "paid employment" and "self-employment" are presented in Table 4. In stratum 1, agricultural labourers form the bulk (86 per cent) of those engaged in paid employment. The rest are distributed over a dozen other occupations in very small proportions indicating that the scope of paid employment is limited. This also implies the lack of economic opportunities other than agriculture to absorb a larger number of rural poor. There are

Table 1: Number of Samples Allotted and Surveyed

Districts	Number of Sample Villages		Number of Sample Households	
	Allotted	Surveyed	Stratum 1 Surveyed	Stratum 2 Surveyed
Dindori	10	10	80	20
Chhattarpur	20	20	200	48
Shivpuri	22	22	192	48
Jabalpur	18	18	140	36
Tikamgarh	18	18	138	38
Katni	16	16	136	34
Dhar	24	24	197	49
Ujjain	18	18	157	40
Guna	22	22	147	43
Sagar	24	24	189	48
Balaghat	20	20	184	44
Madhya Pradesh	212	212	1760	448

Table 3: Distribution of Estimated Number of Persons by Usual Activity Status by Sex and by Strata
(Per cent)

Usual Activity Status Code	Male		Female	
	Stratum 1	Stratum 2	Stratum 1	Stratum 2
Employed	42.42	49.67	34.04	31.07
Unemployed	11.41	3.67	12.82	5.05
Not in labour force	45.73	46.30	52.59	63.68
Not specified	0.45	0.36	0.56	0.20
Total	100.00	100.00	100.00	100.00

Table 2: Selected Features of the Sample Districts

Districts	Per Cent of Poor Households	Estimated Average Household Size		Estimated Females Per 1,000 Males		Estimated Adult Illiteracy Rate (Per Cent)			
		Stratum 1	Stratum 2	Stratum 1	Stratum 2	Stratum 1		Stratum 2	
						Male	Female	Male	Female
Dindori	47	4.35	5.86	857	1132	53.10	81.31	45.32	71.51
Chhattarpur	33	5.08	5.40	891	867	52.78	83.38	38.78	68.66
Shivpuri	40	5.17	5.29	751	1015	61.82	88.79	47.17	79.85
Jabalpur	58	4.47	5.71	784	821	40.82	71.82	35.95	49.51
Tikamgarh	34	5.27	6.20	815	810	52.77	89.20	36.14	66.04
Katni	48	4.53	5.45	961	694	63.99	89.42	15.65	44.06
Dhar	57	4.55	4.88	783	797	45.05	74.64	20.92	46.85
Ujjain	42	4.79	5.20	807	841	39.63	64.68	14.03	33.93
Guna	30	5.33	6.57	693	864	83.31	94.33	60.44	79.48
Sagar	33	5.01	5.80	802	769	46.19	81.09	32.47	73.50
Balaghat	70	4.56	4.46	915	821	27.58	47.15	13.71	28.36

some paid-employment occupations yielding more than double the income of agricultural labourers but these are in negligible proportions. The estimated average annual income per agricultural worker was a meagre Rs 5,046.

Among those self-employed in the poor households, 85 per cent are small cultivators with average annual income estimated at Rs 7,290. About 6 per cent, engaged as big cultivators, have a relatively higher annual income at Rs 9,902. The non-household industry attracting only 2.25 per cent of households yields an average annual income of only Rs 3,219.

On an average, a self-employed person in a poor household earns Rs 7,338 annually as compared to Rs 5,246 earned by a person in paid employment. The results clearly show that for stratum 2 households, self-employment is a much more viable proposition than those in stratum 1. The average income of Rs 23,716 for stratum 2 in self-employment is more than three times that of the self-employed in stratum 1. Lack of opportunities, uncertainties in both paid and self-employment and the high incidence of poverty may induce people to seek employment outside the village. However, in Madhya Pradesh, only 2.68 per cent of the households reported migration of their members to places outside the villages. In this group, 22 per cent left for casual work in agriculture.

Table 4: Occupation and Income Profile

Occupation	Paid Employment		Self-Employment	
	No of Person (Per Cent Share)	Per Worker Income (in Rs)	No of Person (Per Cent Share)	Per Worker Income (in Rs)
Stratum 1				
Agricultural labourer	85.72	5046.35	2.57	7617.05
Cultivators small	0.00	0.00	84.88	7290.29
Cultivators big	0.00	0.00	5.71	9902.25
Livestock and fishermen	0.16	6005.55	0.97	5407.58
Forest-based tribals	1.87	1323.97	0.67	3273.45
Mining and quarrying	0.51	10526.67	0.13	3006.07
Household industry	0.35	6778.26	0.95	11508.37
Non-household industry	0.78	6962.77	2.25	3219.05
Construction	1.92	7772.31	0.03	40000.00
Electricity, water, gas	0.10	5376.60	0.02	0.00
Retail trade	0.32	10907.05	0.01	20000.00
Transport, storage and communication	0.16	11584.73	0.00	
Hotel, restaurant, dhabas	0.09	12462.50	0.09	8000.00
Financial service provider	0.11	6028.88	0.00	
Community, other service provider	0.41	4899.90	0.00	
Other different from above	7.51	7748.63	1.73	6035.98
Total	100	5245.51	100	7337.72

Table 5: Distribution of Households according to Per Capita Income Classes and Indebtedness

(Per cent)

Per Capita Income Class	Stratum 1		Stratum 2	
	Distribution of Households	Share of Indebted Households	Distribution of Households	Share of Indebted Households
Less than Rs 1,500	2.46	26.18	1.33	0.01
Rs 1,500-2,500	28.05	26.77	5.57	24.10
Rs 2,500-3,500	35.81	23.11	21.21	17.12
Rs 3,500-4,500	20.43	16.96	14.82	16.18
Rs 4,500-5,500	7.16	21.87	14.11	16.23
Rs 5,500-6,500	1.80	22.26	9.48	11.58
Rs 6,500-8,000	2.53	28.20	8.71	12.83
Rs 8,000-10,000	1.03	26.01	7.10	4.42
Rs 10,000-12,500	0.34	31.20	7.54	17.72
Rs 12,500-15,000	0.18	20.48	3.43	22.70
More than Rs 15,000	0.09	6.82	6.97	11.47
Not specified	0.10	–	0.12	–
Total	100	22.99	100	15.29
Average PCI	3,041		6,015	

Indebtedness of Rural Poor Households

Table 5 gives the percentage distributions of households and the share of indebted households by per capita income class. A heavily skewed income distribution is notable for the poor households with 30 per cent of households having per capita income of less than Rs 2,500 per year, 66 per cent below Rs 3,500 and 86 per cent below Rs 4,500. In other words, every three out of 10 households subsist on a per capita monthly income of less than Rs 208; two out of three households survive on per capita monthly income of less than Rs 292. Merging the lower small income ranges, 87 per cent of the poor households have per capita income less than Rs 4,500 that is, Rs 375 monthly. At the other end, only 0.70 per cent has per capita annual income of Rs 10,000 or more.

With low incomes, many household are forced to incur debt. The incidence of indebtedness, as defined by the percentage of households taking loans during the year preceding the survey, is 23 per cent. The share of indebted households is 26 to 27 per cent at the lower end but increases marginally to 28 to 31 per cent in some of the income groups after Rs 6,500. As against 0.70 per cent in stratum 1, it is observed that in stratum 2, 18 per cent earn Rs 10,000 or more. However, in stratum 2 about 43 per cent have to survive on an annual per capita income of Rs 4,500. Of the total households on an average, 15 per cent are indebted; over the income groups, in general, this ratio is less than that in stratum 1.

III
Public Service Delivery: Status and Access

This section focuses on two important public services, viz, the provision of primary education, and healthcare services. As we are dealing with the broader concept of poverty including not only the calorie deprivation but also deprivation of opportunities in terms of basic necessities like health and education, we have examined in detail the provision of education and health services in rural Madhya Pradesh.

Education

Table 6 provides the status of education among adults and children in male and female categories across strata. Educational status is classified into three categories, viz, "can read and write", "read only" and "can't read and write". Table 6 shows that, across gender, literacy rate among the adults is much higher in stratum 2 compared to stratum 1. In stratum 1, more than 47 per cent of the adult males fall in the "can't read and write" category and the same ratio is 33 per cent in stratum 2. The differences in the adult female literacy achievement across strata show that compared to males, the disparities are much higher in case of female with 24.64 per cent literate in the category of "can read and write" in stratum 1 and 38.21 per cent in stratum 2.

In the case of the educational status of children also there are disparities across gender but not to a significant extent across strata. However, disparities are much lower in case of children compared to adults. The percentage of children in stratum 1, who fall in the category of "can read and write", is 80.46 per cent, with male children at 82 per cent and female children at

79 per cent. In the case of stratum 2, these ratios are 80.88, 85.05 and 75.74 per cent respectively.

The distribution of children not attending schools by sex and reasons for the poor is given in Table 7. Shortage of finance is the main reason for children not able to continue education in stratum 1.

In order to examine whether the distance of schools from the place of residence is a significant factor in terms of regular attendance to the school, we looked at the relationship between distance and attendance. Table 8 shows that there is no clear relationship between the two. If we take the attendance in the last two classes of attendance, i e, 0-80 to 1 and equal to 1 in stratum 1, it explains 62 per cent of the attendance when the school is less than one km away. At the same time, it also explains 60 per cent of the attendance when the school distance is between two to five km. In other words, school distance does not matter when it comes to the question of attending the school. However, it needs to be emphasised that this finding is not an argument to have lower school density in rural Madhya Pradesh.

The primary survey investigated the benefit incidence of government programmes in education by stratum in scholarship, free books, mid-day meal schemes and others as summarised in Table 9. For stratum 1, the percentage of school going children receiving benefit exceeds 100 per cent. In the case of stratum 2, the percentage of children receiving benefits is 85.41 per cent. Further, the distribution of the nature of benefits reveals that the mid-day meal scheme is the most predominant form of benefit received by the school going children followed by free books and scholarships. The benefit in the form of free uniform is only 3 per cent and negligible in stratum 1 and stratum 2 respectively. The distribution of expenditure across benefit also reveals that the major share of expenditure is on mid-day meal schemes.

The distribution of benefit across strata, as given in Tables 9 and 10, reveals that more than 65 per cent of the total benefit goes to the children belonging to stratum 1 and the rest goes to stratum 2. The per capita expenditure benefit across strata reveals that per capita expenditure benefit is higher in stratum 1 than in stratum 2 indicating a progressive benefit distribution.

Health

The provision of public health services and its access have a significant impact on human development. Issues examined in this perspective are the pattern of health service seeking behaviour, the cost of consultation as per the use of type of health services, health expenditure across MPCE class and the status of antenatal care services in rural Madhya Pradesh. According to secondary data, Madhya Pradesh has a rural health infrastructure with 8,835 sub-health centres, 1,194 primary health centres, 229 community health centres and 36 district hospitals. The *Third Human Development Report of Madhya Pradesh* has reported the gap in the rural health infrastructure where an additional 1,689 sub-health centres, 497 primary health centres, 199 community health centre and nine more district hospitals are to be added to meet the demand for the provision of public health services in rural Madhya Pradesh.[3]

Given these limited public health facilities, the survey enquired about the health service seeking behaviour of households based on the nature of consultation with various health service providers during the last one year. Table 11 shows that more

Table 6: Adult and Children Education Status: By Sex and Stratum

(Per cent)

Adults	Adult Education Status		Children's Education Status	
	Stratum 1	Stratum 2	Stratum 1	Stratum 2
Male				
Can read and write	50.95	65.85	81.98	85.05
Read only	1.87	1.08	2.72	0.79
Can't read and write	47.19	33.07	15.30	14.16
Total	100.00	100.00	100.00	100.00
Female				
Can read and write	24.64	38.21	78.51	75.74
Read only	2.85	2.15	3.90	5.22
Can't read and write	72.51	59.64	17.59	19.04
Total	100.00	100.00	100.00	100.00
Persons				
Can read and write	38.78	53.14	80.46	80.88
Read only	2.32	1.57	3.23	2.77
Can't read and write	58.90	45.29	16.30	16.35
Total	100.00	100.00	100.00	100.00

Table 7: Distribution of Children Not Attending School by Sex, Reason and Strata

(Per cent)

Reasons	Stratum 1		
	Male	Female	Persons
Shortage of finance	80.96	78.31	79.70
School is too far	2.82	4.81	3.77
Poor quality in affordable school	0.69	–	0.36
Discontinued after marriage	0.11	0.72	0.40
Have to do household work	0.50	1.20	0.83
Have to earn for family	1.82	6.12	3.87
No interest	5.24	–	2.74
Not specified	7.87	8.84	8.33
Total	100.00	100.00	100.00

Table 8: Distribution of Children by Attending School by Distance and Strata

Attendance Last Week	Less than 1 Km	1-2 Km	2-5 Km	More than 5 Km
Stratum 1				
Less than 0.20	2.59	0.89	0.00	0.00
0.20 to 0.40	0.88	1.16	0.00	0.00
0.40 to 0.60	4.30	4.30	3.16	7.02
0.60 to 0.80	30.33	33.40	37.29	27.04
0.80 to 1.00	27.66	23.59	30.61	38.41
Equal to 1.00	34.24	36.65	28.94	27.53
Total	100	100	100	100

Table 9: Benefit Incidence of Government Programme in Education: State-wise Estimates by Stratum

Type of Benefits	Stratum 1		Stratum 2	
	Number Benefiting (Percentage Share)	Expenditure Distribution across Benefits	Number Benefiting (Percentage Share)	Expenditure Distribution across Benefits
Scholarship	20.36	28.54	19.11	25.75
Free books	36.66	21.51	37.49	26.89
Free uniform	3.09	1.00	3.68	0.37
Mid-day meal	34.73	47.60	31.77	46.49
Others	5.16	1.36	7.95	0.50
Total	100	100	100	100
As per cent to schoolgoing children	151.22		85.41	
Per capita expenditure benefit		122.38		103.33
Benefit Excl MM as per cent to schoolgoing children	98.71		17.68	

than 75 per cent of the rural households seek medical help from primary health centres, followed by private doctors, quacks and health workers. However, there is a large proportion of households who seek the service of the category called "others" in both the strata, which among other providers include mobile dispensary, maternity centre, indigenous practitioners, faith healers, and chemists.

Table 12 shows the spread of average consultation cost in stratum 1 for these health service providers. The modal value of average consultation fee is Rs 10 for PHC, health worker and private doctor. Around 57 per cent of the households pay less than Rs 10 in stratum 1 for health workers. While for 'Jhola chhap' quack, around 34 per cent of the households, pay Rs 25.

Table 10: Expenditure Benefit across Stratum

Type of Benefits	Stratum 1	Stratum 2	Total
Scholarship	67.57	32.43	100
Free books	60.05	39.95	100
Free uniform	83.40	16.60	100
Mid-day meal	65.81	34.19	100
Others	83.60	16.40	100
Total	65.27	34.73	100

Table 11: Households by Type of Health Service Seeking Behaviour

	Stratum 1
Health worker	13.92
PHC	75.38
Private doctor	31.69
'Jhola chhap' quack	20.31
Others	57.35
Not specified	1.35

Note: This is as a percentage of total households.

Table 12: Distribution of Households as per Average Consultation Cost and Type of Health Service

	< Rs 10	Rs 10-19	Rs 20-29	Rs 30-49	Rs 50+	Total
Stratum 1						
Health worker	56.91	10.00	13.39	14.57	5.13	100.00
PHC	36.34	21.55	25.56	5.77	10.78	100.00
Private doctor	31.34	22.17	14.13	14.10	18.26	100.00
'Jhola chhap' quack	27.40	27.03	34.30	7.03	4.25	100.00
Others	44.48	17.78	22.85	6.23	8.65	100.00
Not specified	34.60	7.34	29.85	1.14	27.06	100.00

Table 13 shows the distribution of households reporting illness across monthly per capita expenditure (MPCE) class, corresponding health expenditure across medicine, doctors and others,[4] per household health expenditure and the share of health expenditure in total expenditure of households. The MPCE class-wise distribution of households reporting illness shows that more than 98 per cent of the households below the poverty line reported illness during the last one year in stratum 1. At the higher end of the MPCE classes, the reporting is 100 per cent. In regard to the composition of health expenditure, the bulk of the expenditure (more than two-thirds of the total health expenditure) goes to medicines followed by others and doctors. It is also notable that per household health expenditure increases across MPCE class. The average per household annual health expenditure in stratum 1 is Rs 879. The average share of health expenditure in total expenditure in stratum 1 is 6 per cent.

Another dimension of health services, where there is active government intervention, is reproductive and child health services (RCH). The RCH programme in general and the antenatal care services in particular are said to have a salutary effect on family planning [Mishra et al 1996; Pandey et al 2002]. Another thrust area of the RCH programme is to encourage deliveries under the supervision of trained health professional [Pandey et al 2004]. The national population policy also specified achieving 80 per cent institutional deliveries and 100 per cent deliveries by trained health professionals by 2010 as its socio-economic goal. The survey probed into the status of RCH programme by examining the status of antenatal care services and type of assistance sought during deliveries.

During last pregnancy, the clinical consultation of currently married women as per the number of visits brings out the fact that the distribution is concentrated around two and three visits respectively. The distribution of the type of consultation providers reveals that in the single consultation class, it is mostly the untrained and trained 'dai' whose services were sought. In the case of two consultations category, the number of women visiting trained dai constituted more than 53 per cent in stratum 1 (Table 14). If we consider "other" as a category in this, the share goes up further.

It can further be inferred that in the class of five or more visits, the nature of consultation is mostly with trained professionals like nurses and doctors. However, when we look at the aggregate, 22 per cent of currently married women sought the help of untrained dai in stratum 1. Based on National Family Health

Table 13: Distribution of Households and Health Expenditure across MPCE Classes

MPCE	Per Cent of Households Reporting Illness in Total	Distribution of Households Reporting Illness	Structure of Health Expenditure			Total	Per Household Health Expenditure Reported (in Rs)	Per Cent to Total Expenditure
			Medicines	Doctors	Others			
Stratum 1								
Less than Rs 190	97.39	21.12	69.03	14.08	16.88	100.0	494.16	4.61
Rs 190-210	98.09	10.52	66.87	16.15	16.99	100.0	705.58	5.32
Rs 210-235	99.94	13.16	67.97	14.73	17.29	100.0	708.54	5.25
Rs 235-265	98.00	11.01	67.46	13.31	19.23	100.0	781.29	5.30
Rs 265-300	98.12	13.37	64.74	14.01	21.25	100.0	855.69	5.45
Rs 300-355	98.97	15.72	63.76	11.22	25.02	100.0	1,084.79	6.56
Rs 355-455	97.19	10.30	55.71	22.87	21.42	100.0	1,271.33	6.97
Rs 455-560	100.00	2.34	63.38	11.65	24.97	100.0	1,594.52	9.48
Rs 560-650	100.00	1.24	66.94	9.89	23.18	100.0	4,255.05	20.68
Rs 650-750	100.00	0.24	38.60	9.78	51.62	100.0	898.40	5.50
Rs 750-1,000	70.72	0.50	63.38	11.44	25.18	100.0	1,756.07	7.31
More than Rs 1,000	100.00	0.38	65.36	3.74	30.90	100.0	1,035.62	3.62
Not specified	100.00	0.10	62.50	37.50	-	100.0	800.00	
Total	98.11	100.00	64.50	14.58	20.92	100.0	879.54	6.04

Survey 2 data, Roy, Kulkarni and Vaidehi (2004), while analysing the pattern of utilisation of antenatal care services and the delivery status (safe/unsafe) across socio-economic groups, found extreme inequality in Madhya Pradesh with regard to utilisation of these services. These findings are reinforced by our survey in these 11 districts.

IV
Pro-Poor Fiscal Intervention: The Ground Realities

There have been various pro-poor direct fiscal interventions made by the government in the form of direct income support, subsidies, employment generation schemes and schemes for other basic necessities across states. These are in the form of various centrally-sponsored or state schemes. Most of these schemes are generally implemented through the district development agencies or panchayats. Table 15 shows some of these important schemes at the village level. The information gathered through the village level questionnaire provides detailed information on the functioning of these schemes. The village community participates in these schemes through the formation of people's groups, mobilising the labour time of people, community monetary contribution, capacity-building and others. However, it is notable that the percentage of panchayats not participating in these schemes is quite high. For example, in respect of one of the most common schemes like anganbadi, 47 per cent of the panchayats are not participating in Madhya Pradesh.

The percentage of households benefiting through the government schemes is only around 9 per cent. Among the benefits, cash benefit is the most dominating one. In stratum 1, more than 81 per cent of the total benefit was in the form of cash benefit, followed by benefits given for the improvement of living condition and temporary employment. From the nature of benefits which is dominated by cash, it is evident that these are transitory in nature. These do not have a lasting influence in raising rural incomes and reduction in poverty. Restructuring and rationalising these streams of benefits to help improve the village social and economic infrastructure and increase in income opportunities would make a more permanent dent on poverty. The distribution of households reporting to have received government benefits across the MPCE class is presented in Table 16. MPCE class-wise distribution of benefits reflects a progressive pattern of distribution. Out of total households in stratum 1 reporting benefits received from the government, 85 per cent of the households fall below the updated poverty line which falls in MPCE class up to Rs 355.

Table 14: Percentage of Currently Married Women Seeking Different Types of Consultation during Last Pregnancy by Each Category of Number of Visits

No of Visit	Doctor	Nurse	Trained Dai	Untrained Dai	Others	NS	Total
Stratum 1							
1	2.40	0.00	30.22	53.59	9.07	4.72	100.00
2	5.53	9.83	53.33	24.74	2.06	4.50	100.00
3	2.73	5.80	66.08	10.52	0.00	14.86	100.00
4	0.00	0.00	60.25	32.77	0.00	6.98	100.00
5 or more	36.04	14.74	28.95	5.97	0.00	14.30	100.00
Total	7.43	7.95	52.82	21.81	1.68	8.31	100.00

Note: NS – not specified.

Sensitivity of Public Representatives

Apart from the direct fiscal interventions, the sensitivity of public representatives towards their constituency should have a profound influence on rural development. Though it is difficult to judge the sensitivity of public representatives vis-à-vis their respective constituencies, as a rough measure, we have examined their frequency of visits and also the nature of development activities initiated through MP and MLA local area development funds. More than 31 per cent of the visits fall in the category of more than one year in the case of visits of MP implying that 69 per cent of villages were not visited by there MPs even once in a year. In the case of MLA's visit, more than 42 per cent of the visits fall within the category of more than one year. What is striking is that for both MPs and MLAs, a large part of the rural population failed to specify anything about the visits of their representatives to their villages.

The nature of development schemes run by the public representatives, broadly classified, reveals that these are in the nature of raising the village infrastructure by the provision of public water supply, village roads, community hall, etc. More than 75 per cent of the villages could not report the nature of any development schemes run by their respective representatives either by the MPs or MLAs. Among the other schemes reported, these are mostly concentrated in the construction of rural roads (12.05 per cent), followed by public hand pumps (6.25 per cent) and community halls (4.04 per cent).

Table 15: Role of Panchayat in Implementation of Various Government Schemes

(Per cent)

	Initiating	Formation of People's Group	Mobilising Labour Time of People	Community Monetary Contribution	Capacity-Building	Others	Not Participating	Total
Swarna Jayanti Rozgar Yojana	8.74	5.85	8.37	0.00	0.00	1.66	75.38	100
Jawahar Gram Samridhi Yojana	15.41	5.38	7.87	1.10	2.13	1.60	66.51	100
Sampoorna Gramin Rozgar Yojana	7.95	3.53	6.01	0.00	1.38	0.00	81.14	100
Pradhan Mantri Gramodhaya Yojana	3.42	2.62	2.24	0.00	0.63	0.59	90.50	100
Pradhan Mantri Gram Sadak Yojana	4.01	2.15	3.33	0.45	1.27	0.76	88.03	100
PM Rural Drinking Water Project	3.24	3.21	0.77	1.40	0.89	0.30	90.18	100
Anganwadi	19.42	4.52	0.00	4.20	0.71	24.47	46.69	100
Balika Samridhi	9.46	2.89	0.00	7.30	0.64	14.36	65.35	100
Bal Poshahar	9.15	3.67	0.96	7.61	0.00	12.70	65.90	100
Widow Pension	26.11	4.00	0.00	0.00	0.51	16.47	52.91	100
Kisan(old age) Pension	13.23	3.41	0.00	9.35	0.00	16.94	57.06	100
Others	2.51	1.37	0.93	1.62	0.64	7.13	85.80	100

In the multitier system of governance in India, local bodies, i e, village panchayats also provide various public services in their jurisdiction. Table 17 shows that like most other states, in Madhya Pradesh also, the panchayat services are confined to various civic services in the form of maintenance and provision of the public water supply system, provision of additional facilities in the form of setting up of hand pumps, running of schools, maintenance and construction of roads and bridges. In fact the major share of expenditure of panchayats goes for creating additional facilities in the form of roads and bridges. In the case of health services, they conduct vaccination programmes, and look after the running of village hospitals (primary health centre). The average expenditure of each panchayat in running these functions works out to about Rs 67,000 per year.

The finances of panchayats are weak as they are unable to raise their own resources. Table 18 shows their heavy dependence on centre and states for resources. According to the size class of panchayats, the structure of funds according to various sources, viz, centre, states, own resources and others, shows that across size class, panchayats' own revenues in total resources of the panchayats constitutes only 8 per cent. The direct resource transfer from the centre constitutes around 49 per cent of the total resources, and the rest comes from the state government.

V
Poverty Alleviation Strategies: Perception of Poor

To understand the perception of poverty by the poor, the reasons for poverty and the poverty alleviation strategies, the survey asked open-ended questions. Table 19 summarises the various perceptions of the poor. In their perception, lack of employment schemes and lack of education are considered as the main reasons for the persistence of poverty. Nearly 37 per cent of the rural households consider lack of education as one of the main constraints. Relatively less importance is given to the factors like lack of land possession and lack of wealth. Undernourishment is also considered as a significant factor and by itself it is a dimension of poverty. Table 20 indicates that the most helpful government schemes suggested by the rural poor in alleviating poverty are employment schemes, followed by health facilities, provision of irrigation facilities. Direct government intervention to remove poverty is also emphasised by both the poor and non-poor strata.

VI
Summary and Concluding Observations

This paper examined the multidimensional nature of rural poverty in Madhya Pradesh on the basis of a primary survey across 2,208 rural households spread over 11 districts, viz, Dindori, Chhattarpur, Shivpuri, Jabalpur, Tikamgarh, Katni, Dhar, Ujjain, Guna, Sagar and Balaghat. The survey has highlighted the incidence of extreme poverty in rural Madhya Pradesh, gender inequality in access to various publicly provided services and the ground realities with regard to the pro-poor fiscal intervention in these districts. The following are the main findings:

(1) The study noted that unemployment rate among the poor is very high at 11 per cent for males and 13 per cent for females compared to 4 and 5 per cent respectively for stratum 2, capturing the non-poor class. In spite of government employment generation schemes, 86 per cent of earners in the paid-employment category are agricultural labourers with a small average annual income of Rs 5,046 whereas other occupations yield more than double this income. Further, 85 per cent of the self-employed earners among the poor are small cultivators with an average annual income of Rs 7,290 but his counterpart in stratum 2 earns Rs 18,655.

(2) Gender inequality in the field of education is also very much pronounced in stratum 1, female illiteracy rate being very high (7 out of 11 sample districts reporting a rate of more than 80 per cent). The poor in Madhya Pradesh exhibit a high

Table 16: Distribution of Households Reporting Benefit and Its Nature by MPCE Class

MPCE	Distribution of Households Reporting	Distribution of Benefits
Stratum 1		
Less than Rs 190	24.31	28.34
Rs 190-210	8.92	7.77
Rs 210-235	16.05	15.84
Rs 235-265	6.78	7.23
Rs 265-300	17.77	16.18
Rs 300-355	11.66	10.78
Rs 355-455	7.35	6.75
Rs 455-560	5.42	5.08
Rs 560-650	0.00	0.00
Rs 650-750	0.00	0.00
Rs 750-1,000	0.00	0.00
More than Rs 1,000	1.74	2.03
Not specified	0.00	0.00
Total	100.00	100.00

Table 17: Various Public Services Performed by the Panchayats

	Percentage of Villages Reporting	Percentage Distribution of Expenditure	Per Village Expenditure (Rs)
Street lighting	12.04	2.89	47977.1
Vaccination programmes	27.88	0.57	4095.7
Running of village hospitals	6.37	1.22	38405.5
Setting up of hand pumps	43.77	7.30	33337.6
Maintenance of pumps/wells/ponds	53.16	24.56	92374.5
Village sanitation	28.99	1.48	10196.0
Running of schools	21.48	1.07	9990.1
Construction of roads and puliyas	38.80	39.13	201630.1
Maintenance of roads and bridges	22.77	3.78	33199.2
Construction of irrigation water channels	6.57	0.94	28528.4
Dispute resolution	14.93	0.95	12748.0
Others	21.47	16.11	150108.3
Total		100	67046.7

Table 18: Size of Panchayats and Sources of Funds
(Per cent)

Size of Panchayat by Number of Members	Per Cent of Villages	Structure of Revenue Resources by Sources				
		Centre	States	Own	Others	Total
1-5	4.45	45.23	46.58	2.47	5.72	100
6-10	14.73	40.99	40.01	14.64	4.35	100
11-15	42.94	51.53	41.16	2.75	4.56	100
16-20	34.17	49.66	35.55	11.63	3.16	100
21-25	3.71	43.96	44.51	11.52	0.00	100
26-30	0					
> 30	0					
Not specified	0					
Total	100	48.82	39.53	8.03	3.61	100

illiteracy rate for males too, though not as much as in the case of females.

(3) The benefit incidence of government programmes in education shows the percentage of schoolgoing children receiving multiple benefits. Mid-day meal scheme is the most predominant form of benefit received followed by free books and scholarship. The per capita expenditure benefit is also higher in stratum 1 than in stratum 2 reflecting progressivity in the benefit distribution in education.

(4) In regard to health services, three-fourths of the households seek the services of the PHCs, a little less than one-third, private doctors, and one-fifth, the quacks, among others. The very fact that other providers including chemists, indigenous practitioners, faith healers, etc, are consulted in tandem gives the message that the reliance on PHCs is not total for either of the strata. Roughly 5 to 5.5 per cent of total expenditure go towards expenditure on health with medicine alone claiming 65 to 69 per cent of the total health cost.

(5) Supply-side infrastructural bottlenecks should be removed to achieve better connectivity as the survey points out that almost all the facilities including medical, educational, banking, transport are located more than two km away for a substantial proportion of villages surveyed.

(6) The pro-poor fiscal intervention strategy shows that most of the centrally-sponsored schemes are being implemented through district development agencies or panchayats. A high proportion of panchayats, ranging from 47 per cent to 90 per cent, is not even participating in such schemes or has no idea of the ongoing schemes. Only 9 per cent of the households in stratum 1 are benefited by the schemes, mostly via cash benefits.

(7) The finances of the panchayats are weak. Their own resources amount to only 8 per cent of the total revenues.

Table 19: Perception of Poverty: The Perspective of Rural Households
(Per cent)

Perception	Stratum 1
Lack of employment	39.86
Lack of land possession	4.44
Undernourishment	3.49
Lack of housing	6.91
Lack of wealth	1.44
Lack of education	36.59
Others	7.26
Total	100.00

Table 20: Most Helpful Government Schemes and Services: Perception of Poor
(Per cent)

	Stratum 1
Employment scheme	59.54
Food for work programme	0.30
Health facilities	5.34
Provision of electricity	0.06
Provision of irrigation facilities	3.12
Provision of communication facilities	1.00
Provision of housing facilities	3.86
Drought relief work	0.35
Public distribution system	0.16
Removal of poverty	4.26
Education	0.95
Others	21.07
Total	100.00

(8) The preferred mode for poverty alleviation in terms of the perception of the poor is employment generation followed by opportunities of education. The implementation of the National Rural Employment Guarantee Act (NREGA) may go a long way in generating additional employment in rural areas.

(9) A larger budgetary support is needed for health and education, and more effective facility for accessing low cost credit.

Thus, given the high gender discrimination in rural Madhya Pradesh reflected in the adverse sex ratio, extremely low adult female literacy rate and the status of RCH programme, efforts should be focused not only be for poverty reduction but for a pro-gender development policy. EPW

Email: srivastava@mse.ac.in

Notes

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1 The state of Madhya Pradesh was bifurcated to form Chhattisgarh on November 10, 2000.
2 *Third Human Development Report, Madhya Pradesh* (2002).
3 *Third Human Development Report, Madhya Pradesh* (2002), pp 70-71.
4 Other medical expenditure comprises hospital charges, expenditure on account of X-ray and various other diagnostic tests.

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