

CHAPTER - I

INTRODUCTION

1.1. General Background

In general persons who have low level of income and wider disadvantage are known as poor. So poverty traditionally is measured with economic term. "poverty is the state or fact of being in want. People are poor if they lack enough income and resource to be adequately by the accepted living standards of their community (The world book international, 1996). The term poverty implies lack of development or it means underdevelopment.

There is no universally accepted definition. Poverty is a condition of life characterized by deprivation of some sort or the other, and perceived as undesirable by the person concerned or others. Now it is multidimensional concept or phenomena. "Poverty is a reflection of an unequal distribution of the world's resources mediated by a complex set of inequitable human relations and transactions. The world's resources are collected and consumed by a few at the expense of others. Retaining most people in a state of want is not merely an act of negligence or lack of caring or political will, or even of inefficient Management." (Parasuraman et al,2003)

"There is a consensus among scholars about poverty being conceived and defined as absolute of relative. Absolute poverty implies a person's lack of access to objectively determined reasonably adequate quantities of goods and services, to satisfy his \ her material basic needs. Relative poverty, on the other hand, means that a person's access to the basic needs of life is

relatively lower, as compared to some reference group of people. Between two households or two persons, one may be considered as poor, while the other in comparison may not be so, even though both may be in a position to fulfil their material needs."(Singh1999)

Poverty is a social phenomena also. It is a relationship between the essential needs of the people for survival and physical efficiency (i.e. basic minimum consumption) and their ability to satisfy. Those who cannot satisfy these needs are called poor and who can satisfy these needs are called non –poor. An Individual or a family is called poor if its standard of living is below a specified minimum, the poverty line, which includes basic necessities for survival in a society." (Gurugharana, 1995). There is hardship of lives, people are suffering from the malnutrition. The mortality and the morbidity rates are high that means the hygienic condition of the people is very poor and people are deprived of safe drinking water. In the point of view of educational status, the illiteracy rate of people in the society is high. All these facts mentioned above are the characteristics of poverty in the society and the people bearing these things are called poor. "Inadequate social functioning, not being gainfully employed, not able to maintain a household, not engaged in satisfying personal and social relationship" (Jackson, 1972) quoted from, Mainali, 2002).

1.2 Poverty in Nepal.

Poverty in Nepal is conceptualized from two level: Micro and macro. In micro level, it is define in terms of low caloric in take, lack of basic health

facilities, illiteracy, high infant mortality , slumps, low purchasing power and high growth of population, lack of marketing facilities, unemployment, technological inadequacy and administrative inefficiency. 'Nepal is an underdeveloped country with more than 87.6 percent people living in rural areas and depending on agriculture for livelihood. In Nepal more than 90 percent of the Nepalese population dependent on agriculture (NSASC, 1998).

The population below the poverty line is estimated to be 30 percent at the end of the ninth five year plan (1997-2002). Among them above 17% are counted as ultra-poor or the poorest. It was mainly based on minimum consumption level of 2124 calories (NPC1997) In the development scale, HDI prepared by UNDP, Nepal is placed in 144th position in 1999 among 174 countries of the world and fifth position in SAARC. On the basis of average life which has effected the living standard of people, development of education and annual growth rate of income. Annual per capita income was only US\$ 210 in 1997 (WDR, 1998\99). Accordance with the recent report of Asian Development Bank (1999), the economic condition of Nepal is deteriorated, economic Management is poor as a whole and the dependency on foreign aid is increasing aseptically. The agriculture and industrial sectors are seem to be deteriorated.

In Nepal Poverty is related to the unemployment, small and marginal farmers, underdeveloped banking system, illiteracy, lack of resource mobilization , political instability, low per capita income, low gross

domestic product, low gross national production, agriculture as the mainstay of national production, agriculture as the main stay of national economy, high infant mortality rates and low level of life expectancy.

1.3 Introduction to Satar

Nepal has a large number of caste \ ethnic groups and tribes. For the first time, population census of 1991 reported that in Nepal there are 60 scheduled groups. Satars are the agricultural community of far eastern Terai ethnic groups. Santhals are the agriculture community of far eastern Terai. They fond of hunting.

Satar, known also as Santhals, have a unique language and life style. Satar language is only one language speaking in Nepal under Dravid language family. They have original culture and like to live in their own community. They mostly live in southern belt of eastern Terai. They are excluded from mainstream of development. Where there is the development infrastructure made, the Satars are disappeared.

They celebrate SOHARAY as a principal festival of their community. Expect this they go to MELA, Haat and gather on the special auspicious occasion.

As mentioned above, Satars live either in Jhapa or in Morang. Their population distribution is given below.

Table: 1

District Wise Population Distribution of Satar.

District	Male	female	Total
Jhapa	11,707	11,465	23,172
Morang	5,203	4906	10,109

CBS:2001

Among than the population of Satar community in Jhapa consists as below.

Table: 2

Population Distribution of Satar in Jhapa

VDC\Municipality	Total	VDC/Municipality	Total
Bahundagil	9	Mechi nangar	58
Shantigar	12	Arijundhara	283
Budhabare	17	Sahishcara	358
Damak	133	Ghailadubba	933

Source: CBS, 2001.

But the community leaders claim CBS under reported their population. They have reported that their population is decreasing due to forced displacement and involuntary migration to India.

The santhals have own history. Oral history of the santhal community claims that santhals are descendents of pilsu Hadam and pilsu Buhdi who

came to Nepal from Hihidi Pipidi of New Zealand via Champagadh to Mohanjodda and Hadappa to Choichampa to Nepal. They first settled in Santhal Praganna, (Now Jharkhand State) of Dumka District in India. They entered into Morang then to Jhapa before the Sepoy Mutiny in India in 1857.

Satars were not so poor in the past. They first settled in Jhapa and Morang District by clearing the Charke Jhadi (forest). They cultivated land but could not become owners of the land. They worked as tillers. The land reform program (1967 A.D.) did not result on behalf of them. The economic situation of Satar now is worst because of political suppression and economic exploitation.

The people from the hills tricked and took the land of Santhal. Their socio-economic condition became very weak and these above situations forced them to flee to Bihar, Bengal and other places. More of the people who are in Nepal are working as bonded and daily wage labor. Others work as tillers, rickshaw-puller, fishermen and food collectors.

Satars are divided into many exogamous clan groups. The major clan names are Hemram, Hasda, Murmu, Tudu, Kisku, Soren, Mardi, Besra, Chade, Pauria Bidhya, and Baske. They practice clan exogamous marriage system, but they don't practice matrilineal cross-cousin marriage.

1.4 Statement of the Problem

Nepals is the least developed country where more than 80 percent people live in rural area. 42 percent of the population live in absolute poverty defined a having less than the income required to consume a minimum bundle of 2124 calories daily. 23 and 44 percent of the population were the below the poverty line in urban and rural areas respectively. It is seen that the pressure of poverty is very high in rural areas.

Among the different ethnic groups santhal are one of the indigenous people of Nepal, especially in Jhapa and southern belt of Morang. They are poorest. They born in poverty, live in poverty and die in poverty. They are all engaged in agriculture but they have not farm and land whatever they need to survive. They work hard to get food. they have extended illiteracy, backwardness and misconceptions. They also face malnutrition, high infant mortality and poor health. They used wine in their cultural and religious occasion. They are interested in archery.

Since no previous study has been done on the extent of poverty of the Satars in Topgachhi VDC, The present study aims to find out the poverty situation in respective community and who are actually live below poverty line based on the minimum subsistence norm prescribed by FAO (1986) i.e. 2124 calories per day is required for a person to survive.

1.5 Objectives of the Study:

1. To distinct the absolute poverty line in the Satar community.
2. to find the causes and nature of poverty.
3. To suggest and recommend policy makers according to the findings.

1.6 Significance of the Study

Most of the Satar are poor. They have their own traditional values, superstions and unique way of life. Among several ethnic groups, Satars are one of the indigenious people of Nepal. They involve themselves in hunting as well as agricultural activities. Despite the efforts of several programs they still alive in vulgarity. They have low education, awareness and health status. Even up-to-days the schools admission rate cannot be increased.

They work hard by but they are poor. They are excluded in every activities performed by the government and non-government activities. Recent data published by government show the reducing poverty in Nepal to thirty percent but poverty of santhal community is increasing. There is a wide gap between development plans and their implementation in this community. There is a challenge to bring santhal community into mainstream of National life with dignity and with a sense of belonging. Plans and practices are failure to create confident in them, broaden their perception and raise living standard.

Thus the present study is expected to set a precedent for other rural development plans for the disadvantaged groups of the society. Their results of the study may also be useful for policy maker in relation to poverty alleviation as well as other development efforts in the region.

1.7 Limitations of the Study

1. This study is conducted only in Topgachai VDC of Jhapa.
2. Simple analytical tools are used to analyze the obtained data
3. Findings of the study may not exact applicable in wider level.
4. Generalization of the conclusion may be affected by time skill and resources.

CHAPTER - II

LITERATURE REVIEW

For a developing country like Nepal, Poverty is a serious problem and it has concentrated the opinions of the planners and writers. Poverty remains a serious concern and world wide challenge at present. Especially over the last four decades, a large number of studies and significant researchers have been carried out on different aspects of the poverty. Since early 1950 economic uplift of the world concern, many international agencies are found to spend a large fund on poverty alleviation. Developed countries and may international agencies are providing resources through govt. organization and non-govt. organization. Many of the works have been done against poverty Africa and South Asian countries but it has not come in control in an expected rate.

Not only poverty is an economic problem but it is a complex phenomenon. It is defined in different ways. S, the study on poverty has also been complex.

2.1 General Poverty Literature

Oscar Altimir (1985), has described "The extent of poverty in latin America" His book was published present the dimension of poverty in Latin American countries. He has attempted to focus the various problems the extent of poverty in Latin America He has analyzed the extent of poverty.

His major objectives are:

1. To analyze the extent of poverty in Latin America.
2. To highlight the dimension of poverty.
3. To suggest policy programs of alleviating poverty in Latin America.

For this purpose, poverty in Latin America. For this purpose, he used secondary data. He has used various method like poverty.

His major findings are:

1. 40 percent Latin American Households were poor at the beginning of the 1970.
2. Incidence of poverty in Latin America is the outcome 25 percent in urban areas and 60 percent in rural areas.
3. The corresponding poverty gaps are also estimated in terms of total households income in study.

His major finding are :

1. Policy makers and planners should give a serious thought in way the earlier program failed to achieve the goals and what should be the future course of action.

2. Program should have been launched for raising the living standard of the poorest of the poor.
3. The alleviation of poverty is closely related to reduce in population growth.

David Seddon (1987), in his book, has described "poverty in Nepal ." His book was published and presented various estimates of poverty incidence based on the results through field survey between 1972 and 1982. He has attempted to focus the various problems in Nepal. He has introduced the notion of poverty. Objectives are;

1. To find out of the factor responsible to the poverty.
2. To analyze of poverty in Nepal.
3. To suggest policy programs for alleviating poverty in Nepal. He has used secondary data. The writer has used simple statistical method in his writer has used simple statistical method in his study.

His major findings are:

1. The rate of population growth is high.
2. Agriculture is the most labor intensive sector.
3. The wide gap of poor and rich are the new reason for poverty.

4. Achieving high economic growth by directly all the development activities under all the sector of the economy towards poverty alleviation.

His major recommendations are:

1. Family planning should be taught to the people and unnecessary devotion towards the omnipotence power of god should be reduce through modification of values.
2. Proper irrigation, advanced technology, seed and fertilizer seed and fertilizer should be provided on time.
3. Objective will be achieved through the process of employment generating development by increasing production and income. The efforts for reducing the level of poverty helps to raise the standard of living.

S.C Jain (1981), in a journal, has published an article entitled 'poverty in Nepal' in the economic journal of Nepal. He has attempted to focus problem in Nepal. He has categorized the poor and the poor above the poverty lines. According to him, those people whose per capita daily income is less than Rs. 2 in 1977 prices are poorest of the poor and those per capita daily income range from Rs. 2 to 2.68 are the poor above the poverty lines. He has annualized the poverty in Nepal by using secondary data and descriptive method.

His objective are:

1. To analyze the factors leading to poverty.
2. To determine the relationship between poverty and income level.
3. To suggest policy recommendations for reducing poverty.

His major findings are:

1. 18.8 percent of the total population falls in the second categories.
2. 18.8 percent of the total population falls in the second categories.
3. 55 percent of the total population is poor in Nepal. But percent of the total poor are living in rural areas.

His major recommendations are:

1. The important policy is related to the income redistribution. So as to reduce the poverty problem. It should be created additional employment opportunities.
2. To provide employment opportunities to the desires to take government jobs rather than doing business and cottage industries.

Michael Lipton (1988), in his book, he has described , "The poor and poorest world bank staff working paper". He has analyzed the

absolute poverty in South Asia. Objectives are to find out the factors responsible to the poverty and to suggest policy programs to deal with poverty and to suggest policy programs to the poverty and to suggest policy programs to deal with poverty problem. He has used secondary data and simple statistical method.

His major findings are

1. Most of the people spend a large proportion of their income on food consumption.
2. Extreme poverty is a situation where the poor people are unable to meet the calorie requirements of 1800 calorie per person per day.

His major recommendations are:

1. It is estimated that 80 percent of population in South Asia consume less than minimum calorie requirement. More security is complicated by high level of adequate calorie is necessary but not sufficient to combat malnutrition.
2. Objective will be achieved through improving lack of nutritional knowledge, superstition, culture, inappropriate cooking process and strong problems.

2.2 Poverty Situation in Nepal

L.P.Dawadi (1996), he has studied the extent and nature of poverty problem in Rural Nepal: A case study of Nawalparasi District. He has introduced the notion of absolute poverty and established poverty lines based on minimum required calorie per person per day. He has analyzed the extent of poverty problem.

His Objectives are :

1. To find out the factors responsible to the poverty.
2. To analyze the extent and nature of poverty.
3. to make policy recommendation for poverty alleviation. He has taken primary data through the field survey as well as secondary data. he has used statistical and graphical method.

His Major findings are:

1. 37.27 Percent of sampled households and 20.25 percent of population are absolute poor.
2. 23 percent of sampled house holds and 20.25 percent of population are relative poor.

3. Land is a factor of production. So there is positive relationship between landholding and income. Most of the people are poor due to their landlessness to generate income.

His major Recommendations are included as the following.

1. As land is the principal source of the income generating and most of the households are landless or marginal land holder, equality in land distribution should be practiced.
2. Women development programs should be extended to uplift living standard of women.
3. As the educated households have relatively higher income in the study area. It is clear that education may help to reduce the extent of poverty. So compulsory education for children should be increased.

J.P. Aryal (1994), he has studied 'Poverty in Rural Nepal: A case study of Purna Jhanga Jhoi VDC, Sindhuli District. He has introduced the notion of absolute and requirement calorie per person per day. He has analyzed the poverty in the study area.

His objectives are:

1. To measure absolute and relative poor for the study area.
2. To measure the extent of poverty.

3. To make policy recommendation for alleviating poverty at village.

He has used both primary and secondary data. He has used statistical and graphical method.

His major findings:

1. As the income consumption relation of the absolute poor household is taken, it is found their marginal propensity to consume is very high.
2. Most of the lower cast people spend a large proportion of their income on liquor consumption, smoking and traditional festivals.
3. Level of income is depended on education and employment.

His main recommendations are:

1. Spending on alcohol, smoking and traditional festivals should be reduced. It can be done by conducting some public awareness programs.
2. Size of landholding of poor household is very small. So to increase its productivity, method of cropping, irrigation facilities, credit, fertilizer and improved seed should be provided.

3. Status of women worse due of illiteracy and unemployment. So certain educational and vocational training should be provided for them.

Manoj Adhikari (2000), in his research, has examined the extension of poverty in Dhimal community. He taken primary data from Keraun VDC of Morang. He has used some statistical tools to accomplishes research.

His objective are:

1. To measure absolute and relative poverty in the study area.
2. To determine the relationship of poverty and variables like family size, occupations and education.
3. To determine the various sources of subsidiary income,
4. To suggest appropriate policy recommendations to bring Dhimal community in the development process.

His major findings are:

1. The percentage of female population is slightly more than male which is 51.33 percent.

2. For the study area, it is found that 54 percent households or 53.54 percent population are absolute poor.
3. He found that 34 percent house holds or 34.96 percent people are relatively poor.

His Major recommendations are:

1. Spending on Alcohol, smoking and traditional festivals should be reduced .
2. In the study area, the main occupation of people is agriculture, So, agriculture should be modernized.
3. Women development programs should be extended to uplift living standard of women.
4. Government has to provide proper training and employment for them.

S. Ghimire (1997), has made an effort to measure "Poverty in Nepal: A case study of Mandap VDC, Nuwako District." She has introduced the notion of absolute and relative poverty, based on minimum requirements calorie per person per day.

Her principal objectives are:

1. To identify the nature of poverty.
2. To determine the relationship between poverty and other factors like employment, family size and landholding etc.
3. To measure the absolute and relative poor.
4. To make policy recommendations for reducing poverty.

She has taken primary and secondary data and used statistical methods.

Her principal findings are:

1. Most of the lower caste people spend a substantial proportion of their income of their income on liquor, smoking and rituals.
2. The level of income is obviously dependent on education and employment of sample poor.
3. In respect of landholdings, there is great disparity i.e. nearly 37 percent of total and is owned top 14 percent of HHs whereas only 16 percent land is occupied by bottom 44 percent.
4. Estimation of income consumption relation of absolute poor HHs show that their marginal propensity to income is very high.

Her major recommendations are:

1. Agriculture production has been low yielding due to lack of irrigation. So, irrigation facilities should be provided. Further more, intensive farming should adopted to bring about increasing in yield.
2. Attention should be given to create and development of agro-business which are mostly labor- intensive. They might include livestock dairy production and horticulture as well as environment.
3. As the educated HHs have found earning relatively higher income compared to non-educated ones, education formal and non-formal would lead to great access, employment and consequently more income.

Mira Ghale (1996), in her research, examined the extension of poverty on chepangs community: A case study of siddhi VDC of Chitwan District. She has taken primary data as well as secondary data for the study. She has used simple statistical tools to analyze data.

her objectives are included below:

1. To establish the absolute poverty line.
2. To examine the nature of poverty.
3. To gather socio-economic information.
4. To determine the relationship of poverty and variables like family size, occupation, education etc.
5. To determine the various sources of subsidiary incomes.
6. To suggest appropriate policy measures.

Her major findings are

1. 94 percent sample households and 96.05 percent sample population are found to be absolute poor.
2. 94 percent households are dependent on agriculture.
3. Income inequality is very high.

Her major recommendations are:

1. Spending on alcohol, smoking and traditional festivals should be reduced. It can be done by conducting some public awareness.
2. Status of women worse due to illiteracy and unemployment. So certain educational training should be provided for them.

3. Program should be launched for raising the living standard for the poorest of the poor.

B Lamichhane (2001) has studied 'nature of poverty on Tharu community: A case study of Tari gaun VDC, Dang district. he has analyzed poverty on Tharu community. He has the notion of absolute and relative poor among Tharu community.

His objectives are :

1. To analyze the factors leading to poverty.
2. To analyze the extent of poverty among Tharu community.
3. To suggest appropriate policy recommendation for the uplift of Tharu community.

He has taken primary data through field survey and also used secondary data. He, in his study, has used statistical tools to process data.

His Major findings are:

1. 71.6 percent of sample households and 69.24 percent of population are absolute poor.
2. 10 percent of sample households and 7.6 percent of population are relatively poor.
3. Agriculture is the main occupation in the study area. Out of total sample 96.67 percent of population are engaged in agricultural sector.
4. There is existence of income inequality among sample households and income equality among absolute poor households.

His Major recommendations are included below.

1. Govt. has to provide training for modern of family along with the loan in low interest rate to buy agriculture tools.

2. Unemployment causes poverty. Villagers are wholly depend upon agriculture alone. They are given employment oppertunity. In fact, most of people in this community are underemployment.
3. Spending on Alcohol, smoking and traditional festivals should be reduced. It can be done by conducting some public awareness program.

S.R. Bhandari (1990) has studied, "poverty in Nepal: A case study of Bhaktapur District." He has introduced the notion of absolute poverty and relative poverty. He has established poverty lines based on minimum requirement of calorie per person per day .He has analyzed the extent level of poverty.

His objectives are:

1. To established poverty lines in the study area.
2. To measure the extent of poverty problem.
3. To highlight the nature of poverty problem.
4. To suggest policy programs to deal with poverty problem.

He has used primary and secondary, data and statistical method to process data.

His major findings are:

1. 47.06 percent of sample households and 41 percent of population are absolute poor in the study area.
2. 22.53 percent of sample households an 29.5 percent of population are relative poor.
3. lower level of income may have been caused by the lack of education. Any way, it has been found that level of education is associated with the higher level of income poverty is found to be existed mostly in lower level of education.

4. There is a correlation between size of landholding and poverty and poverty is also effected by level of income, education etc.

His major recommendations are:

1. Small farmers who are farming in traditional method could be benefited immediately if their productivity is increased through modern farming technique.
2. Outlays on primary education, family planning, health and nutrition will produce gains in productivity.
3. Joint farming, intensified cropping practice and establishment of agro- based labor intensive industries can help a lot in providing gainful employment.

CHAPTER III

RESEARCH METHODOLOGY

3.1 Research Design:

The present research is a micro study on the incidence of poverty of a specific ethnic group, Satar. It is done through analyzing the income and consumption pattern of the study area.

3.2 Nature of Data:

This study has been based on both primary and secondary data and more specifically, it is based on primary data.

3.3 Technique of Data collection

The primary data were collected from the study area through the structured questionnaire.

Secondary data were obtained from different publications. Published by NPC, CBS, APROSC, NRB and others.

3.4 DATA PROCESSING:

Information received from the field survey has been plotted in a master table and then necessary primary data such as income, land holding, family size, level of education, consumption, expenditure etc. are kept in rows and column.

3.5. Method and Tools used for Data Analysis

Different Statistical tools and discussed below were used to measure the poverty and its extent and also used to show the relationship between poverty and other factors such as income inequality, unemployment, level of education etc.

3.5.1 Method of Estimating Poverty Lines:

3.5.1.a. Computation of Absolute Poverty Line:

In order to determine the absolute poverty line, we followed the minimum subsistence level. The household whose per capita income is below minimum subsistence level is known as absolute poor. Minimum subsistence norm prescribed (1986) is used to estimate the absolute poverty line. According to FAO estimation, the per capita per day calorie requirement for survival for a Nepalese people is 2124 calories which requires net consumption of 605 gms of cereals and 60 gms of pulses. To obtain per capita per day value of 65 gms of cereals and 60 gms of pulses they are multiplied by their respective local market prices. With this total value we add the consumption expenditure made on other basic essentials of life to derive the minimum subsistence level of income.

According to National Commission (NPC, 1998), expenditure on minimum food requirement i.e. 605 gms of cereals and 60 gms of pulse secure only 65 percent of subsistence consumption expenditure.

Remaining 35 percent of substance consumption expenditure will be spent on other food and non- food items.

3.6. Calculation of Income Inequality and Distribution of Income Among the sampled Household

To calculate the extent of income inequality, various statistical tools are used such as Gini-coefficient, Lorenz curve. Their definitions are as follows:

3.6.1. Gini-Coefficient

To measure the inequality in income distribution, Gini coefficient is used. It is calculated by using following formula,

$$G.C. = 1 + \frac{1}{n} - \frac{2}{n^2 \bar{y}} [ny_1 + (n-1)y_2 + \dots + Y_n]$$

$$[0 \subseteq G.C. \supseteq 1]$$

Where, G.C. = Gini coefficient

n = number of income receiving units

$$Y_1, Y_2, \dots, Y_n$$

y = mean income

=Percentage of income received by the corresponding income receiving units.

If the value of G.C. approaches to one, there is greater extent of inequality and if it is to zero, there is lesser extent of inequality in the distribution of income. As the value of G.C. is Zero, it means perfect equality.

3.6.2. Lorenz Curve:

This is graphical method of showing the inequality of income distribution. It shows the gap between actual and equal distribution of income in the respective area. As the area between two lines (actual distribution and equal distribution line) increases, the inequality in the income distribution also increases and vice versa.

3.7. Study of Nature of Poverty

The nature of poverty has been studied by classification of poor household into a number of groups on the basis of family size, land holding, occupation, literacy and so on.

3.8. Universe and Sample Selection

Total HHs of the satar living at Topgachli VDC were the universe of the study. In this study, all the HHs are kept in a schedule and taken samples with random sampling method .A list of HHs of satar was taken from the field study and on the basis of it, respondents were selected as samples with respective sampling method. 206 HHs are listed through field survey fifty are selected as sample study

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VDC has been divided into nine wards. The distribution of satar population within nine wards is not equal but the geographical, socio –cultural and climatic situation is the same. Hence the HHs are not classified into strata according to wards.

3.9. Description of Variables:

3.9.1. Household:

HH is defined as a social and economic unit. It may consist of a single individual alone or more than one member living, earning and consume together.

3.9.2. Total Household Income

The income earned by family members from different sources is defined as total household income. It is sum of net income from agricultural production, income from livestock, labor, business, cottage industry, service and borrowing.

Total net income is derived by subtracting the expenditure made or cost involved from the total income by the item.

3.9.3. Total Household Consumption

It includes the expenditure on food and non-food items made by the family members of household within a given time frame to fulfill their requirements.

3.9.4 Size of Land Holding

The land holding is considered as cultivated , owner occupied form land.

3.9.5 Illiterate, Literate and educated:

A person with an ability to read and write Nepali language is considered as literate, who are unable to read and write known as illiterate and S.L.C. above are considered as educated.

3.9.6. Working Age Group:

All household members of 14-59 years age are considered as working age group people.

CHAPTER IV

STUDY AREA PROFILE

4.1. Introduction

Nepal a land-locked country between two greater Asian countries India and China, is located in the northern hemisphere of the Earth. In spite of its small area of 1, 47, 181, Sq. Km., It has varieties of geographic, climatic, and socio-cultural situation. In Nepal, it is found low land of 69 m above sea level and the top of the world of 8,848 m i.e. Mt. Everest. It is divided into three distinct ecological region: Terai, Hill and mountain. Each implies different climate, land and forest.

For the development and administrative purpose, Nepal is divided into five development regions, 14 zones, and 75 districts. In this way, there are 3,915 VDCs and 58 Municipalities.

Jhapa is a Terai district of Mechi zone lies far east southern corner of Nepal. It consists 47 VDCs and 3 Municipalities. Among forty seven VDCs, Topgachhi is one, the main study area of this research.. Topgachhi VDC lies among Dharnpur, Panchgachhi, Baigundhura, Gauradaha, lakhanpur VDCs and chulachuli VDC of Ilam district. It is located north west part of Jhapa, just four km east of Damk Municipality. Being touched of Highway and nearer to municipality, the density of population is higher.

In the north border of the study area, there is Ratuwa-mai forest area and east border is Kamal river. On the west and east there is no distinct boarder.

According to the report of National Census, 2001, 20,619 people with 9,836 male and 10,783 female are dwelling in 4142 HHs in this VDC. The following table represents the population distribution of Topgachhi VDC.

Table 3

Number of HH and population by sex and wards.

Ward No.	HH	Male	Female	total
1	266	626	720	1346
2	425	970	1108	2078
3	219	1177	1311	2488
4	245	568	655	1223
5	263	750	785	1535
6	170	474	492	966
7	1060	2342	2649	4991
8	636	1415	1574	2981
9	558	1514	1489	3,003
Total	4142	9836	10,783	20,619

Source: CBS, 2001.

Topgachhi VDC has been facilities with a campus, 2 higher secondary schools, six secondary school, 11 lower secondary and primary schools. There is a health post, a post office, a veterinary post, an agriculture service center and three overhead tanks for clean drinking water.

Road and communication situation of this study area is also not so bad. Despite of 5 km of black-topped, 60 km and above is graveled. Nepal Telecom has distributed fifty telephone lines and dozens of mobiles. Most of villages are electrified and people can take advantage of light and irrigation.

The land of the study area is fertile. Hence, most of the people involve in agriculture and few engage in other sectors like service, business, cottage industry, labor and so on.. The major agricultural products of this VDC are paddy, wheat, maize, pulse, vegetables, oil seeds, jute and so on. The traditional methods, tools and technologies are use in farming that has caused low productivity.

Despite of Nepalese language speakers, some ethnic group like sonthal, Rajbansi, limbu, Rai Gurung, tharu etc. speak their own mother language. And the major dwellers of this VDC are Brahmin, Chhetri, Rai, Limbu, Gurung Satar, Damai Kami etc. The socio-economic status of sonthal inhabited in Topgachhi VDC has only been described as the study focuses. According to the report of national census, 2001, the total populations of the study area is 20,619 out of which 1079 are santhals that covers 5.23% of the total population. But this study is performed only in 50 Households.

The land of the study area is fertile. Hence, most of the people involve in agriculture and few engage in other sectors like service, business, cottage industry, labor and so on.. The major agricultural products of this VDC are paddy, wheat, maize, pulse, vegetables, oil seeds, jute and so on. The traditional methods, tools and technologies are use in farming that has caused low productivity.

4.2. Demographic Characteristics:

The population distribution of satar by age groups and sex is presented below:

Table: 4
Distribution of population of satar by Age and sex

Age -group	population		Total population	percent
	Male	female		
0-9	28	44	72	26.86
10-96	101	87	188	70.15
60 above	3	5	8	2.99
Total	132	136	268	100
Percent	49.25	50.75	100	-

Source: field survey, 2006

The above table shows that male population is 42.25 percent while female population is 50.75 percent. The population of economically active in the total population is estimated as 70.15 percent which higher than the national average and rest 26.86 percent are below 10 years and 2.99 percent

are of over 60 years in which 29.85 percent are dependent population. The average family size of 5.36 member is lower than the average member for rural household are reported by, NRB, 1988.

The lower family is the consequence of the tendency of lately marriage and early separate from the family after marriage .

4.3 Educational Status

While field visits, this visitor had experienced bitter but real educational situation among satar community. The table given below sheds light that realized situation.

Table – 5

Educational Status of Sample Popualtion

S.N.	Status	Male	Female	Male	Female	Total	Popuati on
1	illiterate	65	90	49.24	66.18	155	57.84
2.	literate	62	46	46.97	33.82	108	40.30
3.	S. L.C.	5	0	3.79	0	5	1.86
4.	Total	132	136	100%	100%	268	100%

Source: Field Survey, 2006

The above table shows that 57. 84 percent population are illiterate whereas only 40. 30 percent are literate and only 5 people are educated in which they all passed just S.L.C. This data seems to be more least in comparison to other caste \ ethnic group. This study shows status have no educational approaches.

4.4 Occupational Structure of Total HHs

Satars are mostly engaged in agriculture. In the visits, they reported they have no citizenship and no land in their ownership for cultivating. They take land on rent from the land lord. The rent is very high. Hence satars always become unable to take benefit from the agricultural sector. The following table shows their occupational structure of total Households.

Table 6

Occupational Structure of Total HHs

Major occupation k	household	Percent
Agriculture	47	94%
Non agriculture	3	6%
Total	50	100%

Source: Field Survey, 2006

The above table shows that the main occupation of 94% of the household is Agriculture. Among them, larger population works as agricultural labor that gains very low rate of wage. This agricultural wage is insufficient to feed their family. Very few households have their own land. But, due to the lack of irrigation facility, the production is less. They use traditional

methods of farming. Seeds, fertilizers and modern technologies are not available. So, income from agriculture sector is not satisfactory.

The people depend upon non. agricultural sector have involved in local service. They are using their skills such as driving, mechanic and so on. Among sampled households, no one could be found involved in government services.

4.5. Land Holding:

Most of the people in the study area involve in agriculture. They also engage in agriculture mostly as laborer. The distribution of land between satars and non satars seems extremely unequal. Agriculture in the study area depends upon rainfall so that productivity is very low. The land distribution among satar community is given below.

Table: 7

Size of landholding

Size of landholding	No of HHs	Total land	Average	HH Percent
---------------------	-----------	------------	---------	------------

		(Kattha)	Land	
Landless	39	0	0	76%
Marginal (up to 10 kattha)	5	33	5.50	12%
small (10-20)	3	56	18.66	6%
medium (20-30)	1	30	30	2%
large (above 30 kattha)	2	360	180 kg)	4%
Total	50			100

Source: field survey, 2006

The table shows the land distribution among different groups i. e . landless, marginal, small, medium and large. Among out of 50 are marginal that holds 33 kattha among 6 HHs. large farmer in this community can be found rarely. The above table shows only 2 HHs. among 50. Total land covered by large farmer is 360 kattha. They occupied only percent of the HHs.

4.6. Source of Income

Agriculture is the main source of income in santhal community. Agricultural income livestock. More over, Satars are dependent on agricultural labosr. As the agricultural labor, they sustain their family. In non-agricultural sector, very few Satars seems to be involved such as labor and service. This study concentrate on the different sources of income of Satar community as shown o the following table.

Table 8

Source of Income of total HHs

Source	Total Income	Percent
Crops	8,40,000	35.28%
Livestock	5,80,000%	24.36%
Agri – labor	7,35,000	30.34%
service	1,5,000	6.34%
Borrowing	50,000	2.10%
others(fishing)	25000	1.05%
	238,1000	100.00

Source Field Survey, 2006

4.6.1 Income from crops

Crops production in the name of satar is very low even if almost all population involves in agriculture. Due to landlessness among satar community, their ownership on crops is not so significance. Already stated that 76% of the satar are landless. Most of them work as agriculture labor. Only 24% of the satar have land and their income from crops is Rs. 8,40,000 i.e. 35 28% of the total income.

4.6.2. Income from livestock:

Livestock is as a secondary source of income in Satar community. In the agricultural country like Nepal, live stock is supplementary profession for Nepalese farmers. But in this community. In the agricultural country like Nepal, livestock is supplementary profession for Nepalese farmers. But in this community livestock covers 24.36% of the total income.

4.6.3. Income from Agricultural labor (wage)

In this community a large number of population engage as agricultural. They occupy 30.87% of the total income. The wage rate is very low and high discrimination between male and female, more than 80% of the active population work as agricultural labor. The labor based on agriculture

depend upon season . They get job hardly seven month but they have to survive themselves for your round.

4.6.4 Borrowing behavior

This community applies traditional and informal means to take loan. Most of the loan is taken their neighbor and relatives. local money lender compelled them for high rate of interest. Due to they do not have land and citizenship, they can't go to the bank, for Gobar Gas i.e. Rs. 21000. In this study, informal loan is also brought under calculation. In this community, very weak loan behavior. The take loan local money lender keeping their labor as securities.

4.6.5. Income from service

In the sampled area, 3 people are self employed. They earn R.s 1,50,000 which covers 6.36% percent of the total income of the Satar community.

Educational status of Satars is very weak so, they can't enter government and private competitive sector because of illiteracy and uneducation.

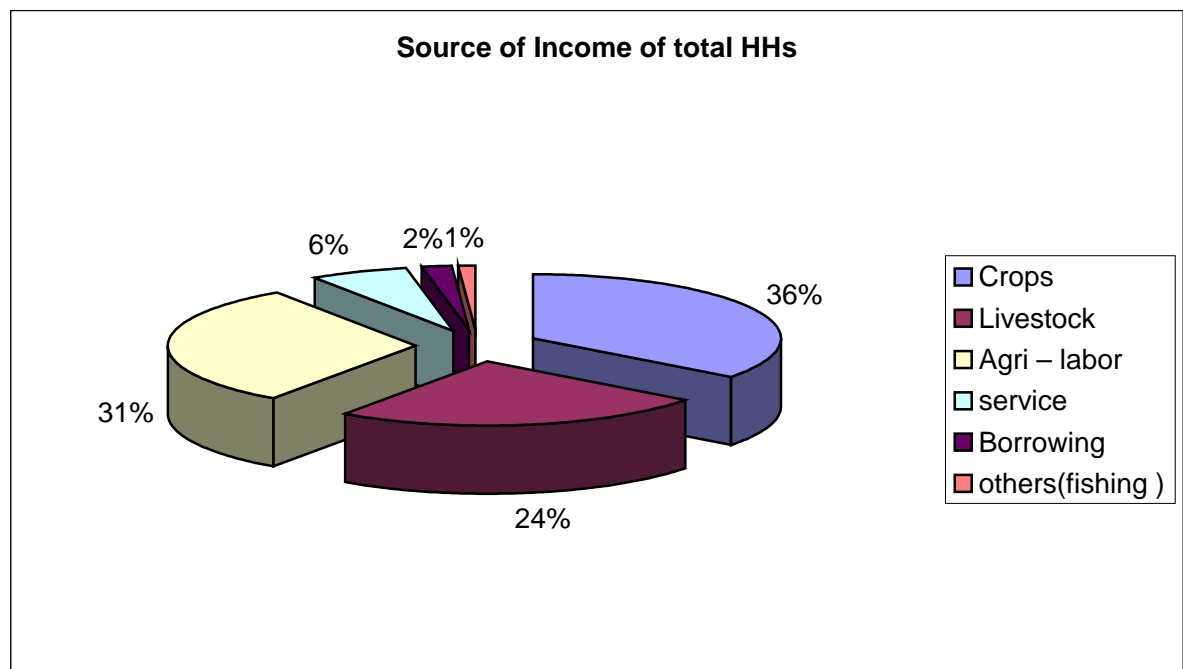
4.6.6. Income from Other Source

While study some respondents reported that they involve in fishing, hunting, and fishing. But alcohol, hunting and fishing are fall in crisis due to conflict and other reasons. Hence , these do not occupy significant income for this community. Which covers just 1.05 percent of total income.

4.7. Distribution of Income on pie-chart by Different sources.

Income from different sources of Satar community is presented on pie chart. The pie chart represents 100 percent of income out of which 35.28 percent from livestock, 30.87 percent from labor, 6.34% from service, 2.1 percent from borrowing and 1.05 % from others.

Figure 1
Source of Income of Sample Household on pie chart.



Source: Field survey, 2006

CHAPTER – V

ANALYSIS

5.1. Estimation of poverty line and poor

The establishment of poverty line provides an important judgment to identify the poor. The main concentration of this analysis based on the three types of estimated poverty line i.e. absolute poverty line, relative poverty line and total poverty line. The absolute poverty line is determined on the basis of minimum income required to purchase the substance caloric requirement per day per person i. e. known as subsistence norm. The relative poverty line is determined by Keynesian consumption notion of break even point. Break even point is that level where it just equals the consumption expenditure. The individual whose income is above absolute poverty line and below the break even point is known as poor in other words break even point is known as total poverty line. People below the break-even point is considered as total poor. Therefore, the sum of absolute poor and relative poor is called total poor.

5.2. Absolute Poverty Line and Absolute Poor

As regard to absolute poverty in the developing world is primarily on the rural phenomenon. Most of the people are struggling to satisfy basic needs. Absolute poverty line is that kind of minimum income level which is

required to purchase basic needs or bundle of goods and services essential for survival and social existence. Thus, absolute poor are the people whose income level is not sufficient to maintain a minimum standard of living.

The minimum consumption level of 2124 calories shown by NPC (1997) has traced out the better condition of Nepal in comparison to other South Asian countries like Bangladesh and India but worse than that of Pakistan and Sri Lanka. The UNDP (1998) has recommended 2250 calorie per person per day. The required calorie intake per day per person comes to 2124 Kcal according to NPC (1997). There is no uniform intake of the required calorie in the country over the years.

The poverty line drawn by NPC has already been mentioned which hinders in taking various items of cereals and pulses. In this connection, only those cereals and pulses item which are common in the study area are taken for analysis. Thus, in the study area, 6 items of cereals and 6 items of pulses are considered and calculated with the evaluating of local market price.

Ninth plan (2054-059) has estimated 2124 minimum required calories in national level. In the present study, minimum calories requirement per day is considered. However this analysis is based on 2256 for the simplicity

due to the inadequate information about cereal and pulse item for analyzing 2124 calories.

NPC's estimation of different absolute poverty line in different development regions has assumed that in poverty bundle good and services expenditure of food items 65 percent of total consumption expenditure where as 35 percent of expenditure is made on non-food items.

Food or calories is essential for human life to survive. Based on the view point of nutrition, 2300 Kcal per capita per day is the lowest amount that can satisfy basic needs. At present, the world per capita daily food energy supply is 2,700 Kcal, but there are major variations in different areas: 3,500 Kcal in Eastern Europe, 3,600 Kcal in North America and only 2,100 Kcal in Sub-Saharan Africa. In the context of this study to get 2256 Kcal, 605 gm of cereal and 60gm of pulses are needed and their cost in local price is NRs 14.41 and for non-food items cost NRs. 7.76 per day per capita.

Regarding the non-food items, the present study has considered expenditure on clothing, footwear, education, health and personal care etc. calculating the expenditure of minimum level of subsistence, we arrive at the absolute poverty line. Thus the addition of Rs. 14.41 and 7.76 gives the absolute poverty line for this area, in this way, we concluded that the absolute poverty line income per capita per day for this study area is Rs. 22.17. The different study performed in the different areas had given various results shown in the following table.

Table – 9
Absolute poverty line in different studies.

S. No.	Study Area	Average daily value of 2256 Kcal (605 gms of cereals and 60gms	Lowest Average daily consumption on non-food items	Absolute pov. Line in NRs.

		of pulse) NRs.	(NRs.)	
1.	Rural Nepal	1.32	0.70	2.20
2.	Keraun (Morang)	13.59	7.32	20.91
3.	Jalthal (Jhapa)	13.02	7.00	20.03
4.	Topgachi (Jhapa)	14.41	7.76	22.17

Sources:

- 1) NPC, A study on employment income distribution and consumption pattern in Nepal, Vol. IV, Sep. 1987.
- 2) Manoj Adhikari, "Poverty on Dhimal Community". A case study of Keraun VDC, Morang, 2000.
- 3) Dhanapati Mainali, "Povrty Among The Meche Community," A case study of Jalthal, Jhapa, 2002.

4) Field Survey, 2006.

Above table shows that the absolute poverty line estimated by the present study is higher than former four studies. It is so due to the increased inflation.

5.3. Relative Poor and Relative Poverty Level

Relative poverty has defined as the income level of households below the wolf-point (total poverty line) and above the absolute poverty line. Therefore to estimate relative poor, we compute firstly, wolf-point. The wolf-point level of income which is just equal to expenditure. The wolf-point is $a/1-b$ in a linear Keynesian consumption function of find out the value of a and b in the wolf-point, we have to compute regression by using least square method. Hence a household falls below this point, the households consumption expenditure exceeds income. Thus, the present study found the wolf-point to be Rs. 22.97 per capital per day.

5.4. The Incidence and Extent of the Poverty

In regard to poverty, different results have been found out by the different researchers. A study performed by NPC in 1978 on “Employment, income distribution and consumption pattern in Nepal” summary report vo. IV, Sept. 1987, population are faced to be under absolute poverty line. The most alarming situation shown by Mira Ghale (poverty among Chepang,

1996) is quite speculative. Her study had resulted 96.05 percent population of chepang are below the absolute poverty line.

It is clear that the degree of poverty is high in rural area in comparison to urban area and generally this is also very high in ethnic group particular.

In this study, out of 50 HHs, 44 HHs (88%) are found to be below the absolute poverty line whose per capita per day income is 22.17 (see Annex-1). In other words 214 people live under the absolute poverty line i.e. 79.85 percent of the total study population.

Relatively poor is estimated by which greater level of income than absolute poverty line but less than consumption expenditure. Considering Rs. 22.97 as the wolf point level of income and Rs. 22.17 as absolute poverty line, the present study shows that 3 households (6%) out of 50 sampled household are relatively poor. Relatively poor is estimated by which less than wolf point level of income and greater than absolute poor.

In aggregate the summation of absolute poor and relatively poor or the income less than wolf point level of income i.e. 22.97 are known as total poor. Out of 50 households 47 households (94%) are found to be poor. The following table presents thee total poor in the study area.

Table -10
Distribution of Household living standard

Categories of Living standard	Sample HHs	Percent	Total Population	Percent
Total HHs	50	100	268	100
Absolute HHs	41	82	214	79.85
Relative HHs	6	12	23	10.82
Total poor HHs	47	94	243	90.67
Non-poor HHs	3	6	25	9.33

Source: field survey 2006.

The findings of the present study can be compared to other different studies are shown in the given table below.

Table - 11**Absolute poor Household and population**

S. No.	Study Area	Total No. HHs	Poverty line HHs	%	Total population	Population below poverty	
						Population	%
1	Rural Nepal	2136168	860769	40.3	12445368	4505835	36.2
2	Bhaktapur	51	24	47.06	339	139	41.0
3	Keraun	50	47	94	405	389	96.05
4	Jalthal	50	34	68	253	176	69.56
5	Topgachhi	50	41	82	268	214	79.85

Source:

1. NPC, A study on employment income distribution and consumption pattern in Nepal summary, Vol. IV, Sep. 1987.
2. S. R. Bhandary, poverty in Rural Nepal, 1998.
3. Manoj Adhikari, poverty on Dhimal community, A case study of Kerann VDC, Morang, 2000
4. G. Mainal poverty among the Meche community, A case study of Jalthal VDC, Jhapa, 2001.
5. Field survey, 2006.

CHAPTER – VI

CALCULATION OF THE EXTENT OF INCOME INEQUALITY

6.1. Income Distribution Among Absolute Poor

The following table shows the income distribution among the absolute poor.

Table - 12

Income distribution among Absolute poor

Per capita per day income group	No of HHs	No. of Population	% of Population	Per capita income per day	Per capita mean income per day	% Share of total absolute income per day	% Share of total income of sample HHs
12-14	7	42	19.63	92.92	13.27	13.00	9.06
14-16	12	69	32.24	179.46	14.96	25.10	17.50
16-18	2	17	7.94	34.86	17.43	4.88	3.40
18-20	9	37	17.29	172.25	19.14	24.09	16.80
20-22	11	49	22.90	228.30	20.75	31.93	22.27
	41	214	714.89	714.89		100	

Source: Field survey, 2006

The absolute poor population and household are divided into five income groups. The first groups covers those whose per capita per day

income ranges 12 to 14. The second group covers those households whose daily per capita income ranges 14 to 16. The third group covers those population or households whose daily per capita income range from 16 to 18. Similarly other group ranges from 18 to 20 and the last group ranges from 20 to 22. The income group clearly shows the differences in the distribution of income.

Among 41 absolute poor households, 7 HHs have 13.27, 12 HHs have 14.96, 2 have 17.43, 9 HHs have 19.41 and 11 HHs have 20.75 daily per capita income. From this above analysis, the poorest of the poor secure only 9.06% income among total sample households whereas the highest income group among the absolute poor secure 22.27% of total income of sample households. It shows that the extent of inequality is prevailing even among those groups.

In this connection to measure the extent of inequality among absolute poor, we have used the Gini-coefficient technique while calculating, it is done from the actual figures. In the present study, it is recorded as 0.8 (See Annex – 3). The Gini-coefficient ratio among the absolute poor household in different studies shown in the given table below.

Table – 13

Gini-coefficient Ratio's of the absolute poor

Studies	Gini-coefficient ratio
Panchther	0.00412
Siddhi	0.1837
Keraun	0.07
Jalthal	0.07
Topgachi	0.08

Source:

1. K. K. Dahal and M. K. Shrestha, Rural poverty in Nepal, 1997.
2. Meera Ghale, Poverty on chepang, 1997
3. Manoj Adhikari, poverty among Dhimal community, 1999
4. Ghanashyam Mainali, “poverty Among The Meche community: A case study of Jalthal VDC, Jhapa, 2001
5. Field Survey, 2006.

6.2. Measurement of income inequality in the Study area.

The sample households of the study area are divided into ten income groups in order to study the income distribution and inequality. Each group consist 10 percent of total sample households i.e. in each decile there are five households. Income has been arranged in ascending of the household of low income group and last decile covers 10 percent

of high income households group so, the following table represent the picture of income distribution per capita per day into decile group.

Table - 14

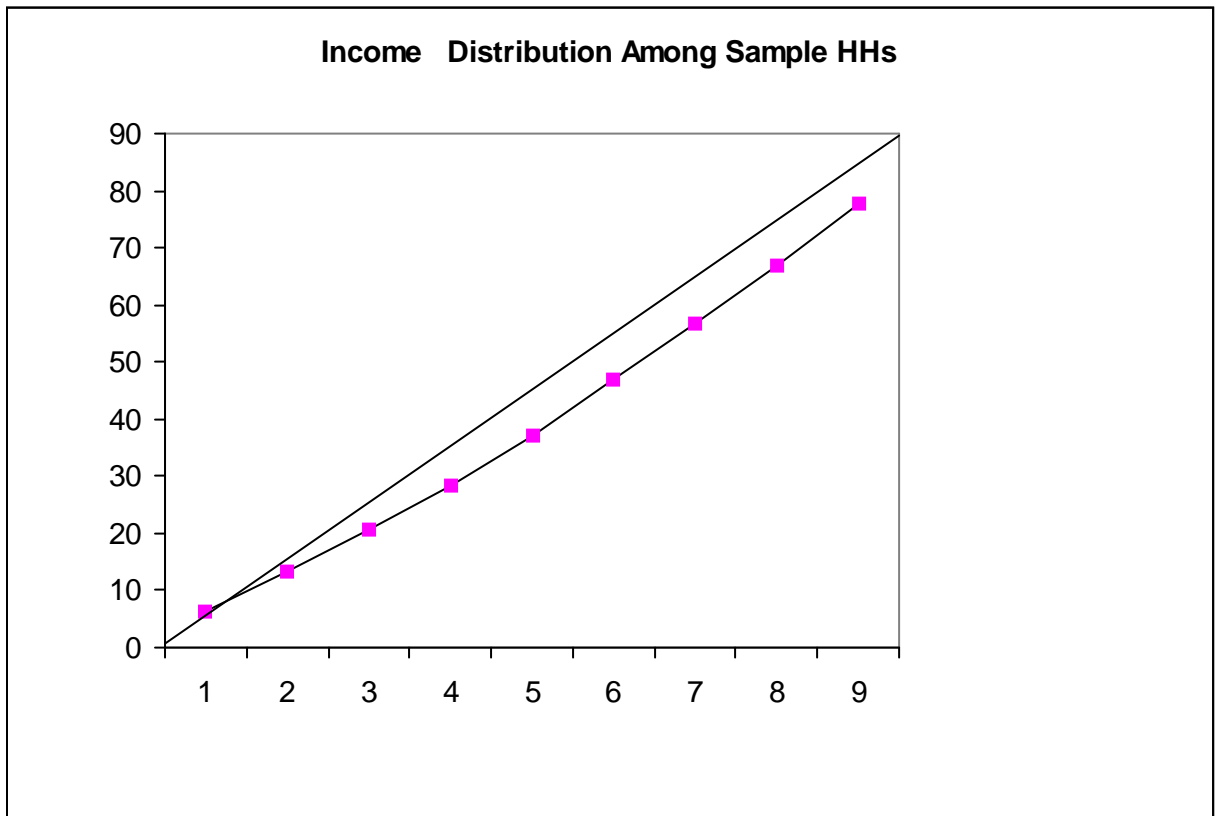
Population Distribution per capita by Decile group.

% of HHs	Cumulative % of HHs	Population in Decile	% Population	Cumulative % of population	Total per capita daily income	% of income	Cumulative % of income
10	10	31	11.57	11.57	65.52	6.39	6.39
10	20	26	9.70	21.27	70.59	6.89	13.28
10	30	31	11.57	32.84	74.59	7.28	20.56
10	40	34	12.68	45.52	78.95	7.70	28.26
10	50	27	10.07	55.59	91.56	8.93	37.19
10	60	16	5.97	61.56	98.28	9.59	46.78
10	70	17	6.34	67.90	100.97	9.85	56.63
10	80	22	8.21	76.11	105.36	10.28	66.91
10	90	30	11.19	87.30	112.18	10.94	77.85
10	100	34	12.70	100.00	219.88	21.96	100.00
		268			1024.96	100.00	

Source: Field Survey, 2006

The above table shows that income is not distributed equally among the different decile groups. Bottom 10% of HHs received 6.39% of total per capita daily income whereas the top 10% HHs received 21.96%. Similarly the bottom 50% household receive 37.19% of total per capita daily income where the top 50% household receive 63.41%. Thus, this shows that there is inequality in income distribution among the sampled households.

Figure – 2
Income Distribution Among Sample Households.



The inequality in income distribution can be represented graphically in the form of Lorenz curve. In the Lorenz curve, actual and equal distribution lines are plotted. The Lorenz curve shows the difference between actual and equal distribution line is called the area of concentration. The basic notion is that the greater the area of concentration the larger magnitude of income inequality and vice versa. So the above table can be shown in Lorenz curve as below figure – 2. The horizontal axis measures the cumulative percentage of income. The 45 degree line represents the perfect equality line.

From the figure – 2, it is clear that there is the existence of income inequality in the study area. To find the extent of inequality we have to know the area of concentration or extent inequality

CHAPTER – VII

POVERTY PROBLEM AND IT'S NATURE

7.1. Introduction

Poverty is the obstacle of development. It is of multi dimensional nature and it is a multi-sectoral concern.

Talking about poverty, it is essential to scrutinize different socio-economic parameters, like occupation, education level, land holding size and so on. Therefore this study analyzes the socio-economic characteristics of the area and their relationship with poverty for this purpose, the poor households has been taken into consideration.

In this study, poverty also stands as the mainly critical than in other ethnic community most of the satars do not have citizenship, land, their own shelter enough food to eat yearly round and education. Rare people can only be categorized as non-poor.

7.2. Family size and poor

Family size is one of the determining factor of income level and it is also cause of poverty. The table given below examines the relationship between family size and income level of the poor.

Table No. – 15

Income Distribution Absolute Poor

Family size	No of HHs	No of population			Total per capita daily income	Total per capita daily consumption (NRs)	Mean per capita income	Mean per capita consumption
		M	F	Total				
1-3	10	14	63	27	198.46	205.02	19.85	20.50
4-6	23	60	58	118	399.83	420.58	17.38	18.29
7- above	8	30	39	69	135.06	140.58	16.88	17.57
Total	41	104	110	214	733.35	766.18	17.94	18.79

Source: Field survey 2006

The above table shows that as the size of family increase the mean per capital income seems to decrease. It means there is negative relationship between family size and per capita income. This is justified by the face that dependency ratio is high in the case of large family size and there is small number of earners. So the mean per capita income is low. Basically, large family means large number of inactive population i. e. old and children who do not contribute to the income as a family member.

Similarly, by looking at the consumption pattern, it can be seen that in case of large family size their mean per capita consumption is competitively low highly in the large family size than in the small family size.

7.3. Education and Poor

It has been mentioned that 57.84% of satar people are illiterate in the study area. Education is the main pillar of development that steers on the way of employment and income. In this pat the educational status of poor people are presented through the below table.

Table – 16

Education level of poor people in the study area.

Level of education	Population			Percentage		
	M	F	Total	M	F	Total
Illiterate	61	80	141	58.66	72.73	65.89
Literate below SLC	42	30	72	40.38	27.27	33.65
Educated	1	-	1	0.96	-	0.47
Grand Total	104	110	114	100.00	100.00	100.00

Above table shows that illiteracy in poor people is vary high i.e. 65.89% and literate people occupy 33.64% but educated people is only one among the sample population that covers just 0.47%.

7.4. Land Holding and the Poor:

Under developing country, especially in rural based, land plays a vital role as to increase the income. Having more productive land means, being more rich or this regard, the following table show the size of land holding and income of the poor.

Table – 17

Per capita land holding and the mean per Capita income

Per capita Land (Kattha)	No of HHs	% of HHs	Total per capita income	Mean percapita
Landless	39	95.12	672.59	17.26
1-10	2	4.88	42.29	21.15

The above table presents the facts that satar community do not have access in land. 39HHs out of 41 are landless. Only 2HHs of the absolute poor have land.

7.5. Consumption pattern of the poor.

While discussing economic part, especially consumption part, of the poor, we do not forget living style and culture of satar community. They fond of hunting, kill the wild animals and eat as meat. They are simple and don't like any kind of pressure. When they feel pressure

from the other caste, they migrate and settle where there is their own community.

The consumption pattern of satar community is not systematic. Consumption is the most important variable of economic system. Theoretically, there is the positive relationship between income and consumption, when income is increase, consumption also increases and vice versa. Hence our main concentration is the consumption pattern of the poor satars. Consumption is divided into two groups i. e. food and non-food consumption like clothing foot wear, smoking, drinking, health, education etc. They spend a lot in MELA. The annual consumption have been shown in the following table:

Table - 18
Annual consumption of the poor.

Annual	Annual consumption (NRs.)	% of consumption
Food item	11,17,402/-	76.67
Non food (Clothing, foot wear, smoking)	3,40,018/-	23.33
Total	14,57,420/-	

The above table shows that 76.67% of the total expenditure of the poor household is spent on food item and only 23.33% of the total

expenditure is found to be spent on non-food items education has above been included in non-food item that their expenditure on education is very low. Thus, the nature of poverty is also determined by the consumption pattern of the households under taken.

7.6. Some Social Indicators and Poor

During field study the real condition of star seemed to be very low than thought before study. The table below show the reality of satars on those indicators.

Tabel – 18
Social indicators among statar people

Indicators	HHs		HH %	
	Have	Have not	Have	Have not
Citizenship	14	27	34.15	65.85
Electricity	5	36	12.19	87.81
Health care (going heath post)	9	32	21.96	78.04
Drinking water (tube well)	17	24	41.46	58.54
Family planning	3	38	7.32	92.68
Approach govt. service	-	41	0	100.00

The above table exposes the backwardness of satars. 65.85% of sample households are excluded from citizenship only 12.19 % people are using electricity, 78.04% HHs do not go health post and 7.32% HHs have knowledge of family planning.

CHAPTER – VIII

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

8.1. Summary

- In the total population, the percentage of female populations slightly more than male population which is 50.75%.
- The economically active population percentage 70.15 and depended population is 29.85%.
- Of the sample population, 57.84% people are illiterate whereas 40.30% people can just read and write and 1.86% have passed SLC.
- Agriculture is the main occupation in the study area, out of total sample population, 94% people involve in agriculture, most of them, do not have their own land. Hence, so large population are engaged as agricultural labor.
- In the study area, Rs. 22.17 per capita per day has been drawn as the absolute poverty line with the basis of this 79.85% people are found to be absolute poor.
- For the study area, 47 HHs are drawn as total poverty line. Hence 94% HHs are under the total poverty line.
- It has also found that 6% HHs of people are relatively poor.

8.2. Conclusions

Most of the Nepalese people live in rural areas where the poverty is prevailing abundantly in comparison to urban area which has been caused by landlessness or small size of land holding, traditional production trend and production for self-consumption. And more of this, there is low rate of wage, discrimination in wage market facility, and off farm job.

In this study area, there is existence of problem of illiteracy, unemployment, malnutrition, landlessness, hunger. Hence it can be concluded that on the basis of all results of this study that they have either no land or low land. They engage as agricultural labor with low level of wages. So, they can't generate sufficient income poor people are mostly illiterate because they have no sufficient income to expense on education. They are underemployed because they have no land, skills, approaches and education.

As mentioned above, satar is the poorest indigenous group in the study area. More than 94% people are follow the dominant sector i. e. agriculture. About 70% people are unable to maintain even just subsistence level.

Satars are interested in sports especially in athletics. In the local competitions, they take part and capture the important places. But due to lack of approaches, they can't get any support to get forward. Hence, lose their capability on the local level as their age.

8.3. Recommendations

We can observe that satar community are small ethnic/indigenous group living in eastern Nepal specifically Jhapa and Morang. They have own culture and own language. But it is great problem that now they are becoming poorer and disappearing. Thus, some recommendations are given in this chapter, which might help to reduce existing poverty to some extent.

Access in Land:

From the field survey, 78% of the households donot have land, even if they all engage in agriculture. They work as agriculture labour. If tye feel any pressure form the landlord or any they leave the land and migrte from the place. The government should make access in land for them. The land may be the basis to reduce poverty.

Land is the major source of income in rural area. The production seems to be quite low owing to the less use of improved seeds,

fertilizer and traditional method of farming. Hence productivity is low but rent of land is very high. So it is necessary to make access of the satar community.

Improvement in agriculture

Satars are following traditional farming approaches. They do not have tools and knowledge to invest in farm. In this study area livestock, poultry, vegetable farming are not significant in production in spite of there is harvest in large scale. In order to increase the income level of the poor, they must be encouraged towards these things. For this, financial assistance and essential ideas should be provided and finally market facilities should be arranged for their products.

There is low productivity due to the traditional methods and approach of farming. The actual farmers do not have improved seeds, fertilizer and modern ideas. The government has to provide training for modern method of farming along with the load in low interest rate so as to buy agricultural instruments. In this study area, people are found to be quite ignorant towards banking process of getting loan.

Reduction in unemployment/under employment

Unemployment is a strong cause of poverty. Twenty-four percent of the households are depend on agriculture. But agriculture alone cannot raise their living standard unless it is modernized and created employment opportunities. Most of the people in this community are underemployed.

Thus, the most important policy relating to income redistribution in order to reduce the poverty problem is the creation of employment opportunities.

Provide compulsory education

As the educated households have relatively higher income level in the study area. It is clear that education may help to reduce the absolute poverty. So the government should make a program to promote educational opportunities to them. Non-formal educational program should be increased.

Necessary to Medical Help

From the study, it was found that Satar community are suffered from malnutrition, polio and son on. Hence it is necessary to understand them for good health practices, personal hyging, nugrion and sanitation.

Promotion of woman Development program

However women contribute indirectly, the principal earner of the family is usually the male need of the household in Nepalese society. Female is compelled to depend on principal earner. But women can contribute for family as well as male. So, it inessential to promote income generating activities for female in Satar community.

Change in Attitude

Spending on Alcohol, smoking and traditional festivals should be reduced. It can be done by conducting some public Awareness programs.

Launch Co-operative programs

Although the NGOs and INGOs are as mushroom in the country, no NGOs are yet found to be working in this community. So government should encourage them to develop the economical, educational and social status of this ethnic groups.

Increase Transport Facility

Transportation plays vital role to develop the market and hence, boosts the standard of living of the poor.

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ANNEX – 1

Calculation of Minimum Subsistence level of income

S. No.	Cereals Items	Price/Kg g in NRs	Pulses Items	Price/Kg in Nrs.
1	Rice (Mansuli)	25/-	Rahar Dal	43/-
2	Rice (Mota)	21/-	Chana	38/-
3	Rice (Usina)	20/-	Musuro	35/-
4	Wheat	15/-	Soyabean	26/-
5	Maize	9/-	Beans	45/-
6	Beaten Rice	30/-	Kalo Dal	44/-
	Total	120/-		231

Now,

6,000 gms of cereals' cost = Rs. 120/-

1 of Cereals cost = Rs. 120/6000

605 of Cereals cost = Rs. 120/600 x 121

= Rs. 12.10

Again,

6,000 gms of Pulse cost = Rs. 231/-

1 of Pluse cost = Rs. 231/6000

605 of Pluse cost = Rs. 231/600 x 60

= Rs. 2.31

The total cost required for 605gm of Cereals and 60 gms of pulses =
 $\text{Rs. } 12.10 + 2.31 = \text{Rs. } 14.41$

NPC Report says minimum food requirement covers 65 percent of subsistence consumption expenditure and 35 percent will be spent on non-food items.

Hence,

65 percent of subsistence expenditure = 14.41

1 percent of subsistence expenditure = $14.41/65$

35 percent of subsistence expenditure = $14.41/65 \times 35 = \text{Rs. } 7.76$

Thus, the total required expenditure per capita per day = $\text{Rs. } 14.41 + 7.76 =$
 $\text{Rs. } 22.17$

Absolute poverty line is $\text{Rs. } 22.17$ per capita per day.

ANNEX -2

Wolf point is defined as the point of equity between income and expenditure per capita per day in the Keynesian function.

$$C1 = a + by,$$

If, $C1 = Y1$ (This gives wolf point value).

$$C1 = a + by,$$

$$\text{Or } C1(1 - b) = a \text{ (where } C1 = Y1)$$

$$\text{Or } C1 = a/1 - b$$

Where, $A = 7.725$

$$B = 0.653$$

$$C1 = 7.725/1-0.653$$

$$= 22.97$$

This gives the value of total poverty line.

Appendix -1

S. No.	Family Size			Per capita/day	Per capita consumption/day	Type of poor
	M	F	T			
1	2	3	5	20.31	22.53	
2	2	2	4	13.25	17.26	
3	4	1	5	21.14	22.18	
4	3	2	5	15.13	18.21	
5	3	4	7	14.29	15.37	
6	3	3	6	15.2	14.46	
7	3	2	5	20.86	21.93	
8	3	2	5	19.57	20.12	
9	2	1	3	20.16	21.04	
10	4	7	11	17.27	19.91	
11	2	4	6	213.89	14.52	
12	1	1	2	20.19	20.98	
13	3	2	5	713.51	14.05	
14	1	2	3	20.28	21.19	
15	2	4	6	312.96	13.03	
16	2	3	5	412.81	12.99	
17	1	2	3	19.58	20.01	
18	1	1	2	14.37	15.06	
19	2	3	5	14.98	15.10	

20	2	5	7	513.13	13.51	
21	2	3	5	14.55	14.57	
22	3	2	5	15.88	15.90	
23	4	2	6	18.91	20.96	
24	3	3	6	14.53	14.73	
25	3	2	5	21.54	21.14	
26	4	2	9	13.37	13.97	
27	2	5	3	19.79	19.87	
28	2	1	3	19.83	19.91	
29	3	3	6	17.59	18.11	
30	4	3	7	18.77	18.89	
31	2	2	4	20.03	20.33	
32	3	5	8	15.42	15.99	
33	1	1	2	19.51	20.02	
34	2	1	3	21.5	21.89	
35	5	5	10	21.98	22.19	
36	1	4	5	18.1	19.01	
37	2	2	4	20.31	20.48	
38	1	2	3	18.19	20.05	
39	2	3	5	15.23	16.34	
40	4	1	5	15.09	15.63	
41	5	5	10	14.73	14.75	
42	2	3	5	22.7	22.78	

43	4	2	6	22.33	22.36	
44	4	1	5	22.59	23.00	
45	2	2	4	22.58	22.91	
46	1	2	3	22.72	22.7	
47	5	5	10	22.96	22.92	
48	3	4	7	35.54	38.21	
49	2	4	6	49.95	35.11	
50	5	3	8	88.71	42.66	

Appendix - 2

Description of Respondents

S. No.	Name of Respondent	Family size			Land holding (kattha)	Education			Economically		
		Male	Female	Total		ilite	litel	Edu	0-10	59	10-59 60- above
1	Iswor Murmu	2	3	5	30	1	4	0	1	4	0
2	Charan Satar	2	2	4	0	1	3	0	2	2	0
3	Lalu Satar	5	5	10	9.5	6	3	1	3	7	0
4	Hapan Mai Satar	3	2	5	0	2	3	0	2	3	0
5	Bhutad Murju	4	1	5	3	1	2	2	0	4	1
6	Bhaikam Hasda	3	3	6	0	2	4	0	3	3	0
7	Jetho Murmu	4	2	6	0	6	0	0	1	5	0
8	Lal Murmu	1	1	2	0	1	1	0	1	1	0
9	Ravan Murmu	2	5	7	0	6	1	0	3	4	0
10	Mangal Murmu	1	2	3	0	1	2	0	1	2	0
11	Raja Tudu	1	4	5	0	4	1	0	2	3	0
12	Lakhan Tudu	2	2	4	0	3	1	4	1	3	0
13	Bhunte Tudu	2	3	5	0	3	2	0	2	3	0
14	Lukhi Ram Soren	3	4	7	18	1	6	0	2	5	0
15	Pramod Satar	2	1	3	0	3	0	0	1	2	0
16	Chunda Soren	4	2	6	2.5	2	4	0	3	3	0
17	Mangal Mardi	3	4	7	0	4	3	0	3	4	0
18	Charan Tudu	2	1	3	0	3	0	0	1	2	0
19	Som Murmu	2	2	4	5	1	2	1	2	2	0
20	Raska Murmu	4	1	5	3	3	2	0	2	3	0

21	Mangal Soren	3	3	6	0	3	2	1	0	5	1
22	Narayan Satar	1	1	2	0	2	0	0	0	2	0
23	Jharia Kisku	2	1	3	0	3	0	0	0	3	0
24	Matal Murmu	2	4	6	0	0	6	0	4	2	0
25	Phatyang	1	1	2	0	1	1	0	0	2	0
26	Ramu Besda	2	5	7	0	4	3	0	2	5	0
27	Jhaple Hasda	3	3	6	0	3	3	0	1	5	0
28	Manjai Besra	2	2	4	0	3	1	0	2	2	0
29	Kamta Mardi	2	4	6	0	5	1	0	3	3	0
30	Sano Happan Murmu	4	7	11	0	5	6	0	3	8	0
31	Buddhi Lal	3	2	5	0	3	2	0	0	5	0
32	Tala Mai	3	2	5	0	3	2	5	1	4	0
33	Dhumma	2	4	6	20	4	2	0	3	3	0
34	Sukle	2	3	5	0	2	3	0	2	3	0
35	Gasdar	2	1	3	0	2	1	0	0	3	0
36	Budrai Hasda	1	3	4	0	4	0	0	0	3	1
37	Dhina Hemrum	2	2	4	0	2	2	0	0	4	0
38	Mangal Hasda	5	5	10	80	5	5	0	3	6	1
39	Tala Murmu	2	3	5	0	4	1	0	0	5	0
40	Rameshwor Hasda	3	3	6	0	6	0	0	2	3	1
41	Lalu Murmu	3	2	5	0	3	2	0	2	3	0
42	Raigum Murmu	2	2	4	0	2	2	0	0	4	0
43	Lukhi Ram Marid	4	1	5	0	1	4	0	0	5	0
44	Bhim Soren	1	1	2	0	1	1	0	0	2	0
45	Dhel Murmu	5	5	10	0	6	4	0	2	8	0
46	Ledam Soren	3	3	6	0	4	2	0	1	5	0

47	Singra Hasda	4	3	7	0	5	2	0	1	6	0
48	Chandra Soren	1	2	3	10	1	2	0	0	3	0
49	Yunes Hasda	4	5	9	0	5	4	0	3	5	1
50	Ram Pd. Mardi	6	3	9	280	1	8	0	2	7	0