

CHAPTER-I

INTRODUCTION

1.1 Background of the Study

Nepal is land locked, agricultural, and developing with undergoing a major transition toward introducing a system of federal republic democratic government. Nepal comprises of 7 provinces and 753 local bodies and has a total population of 28,431,494 with a total area of 147,181 sq. km. (CBS, 2021). Moreover it lies between the two big economic leading countries India and China. It is an agricultural economy as 60 percent of total population depends on agriculture sector (MoF, 2020). Nepal is a country of villages. Most of people are living in rural area and they are engaged in agriculture sector. Geographically, Nepal is divided into three regions namely Mountain, Hill and Tarai. The country has 15 percent Mountain, 68 percent Hill and 17 percent Tarai region of the total land (Sharma, 2020). The large portion of the land of Nepal lies to the mountain and Hilly area. Basically, in these areas the socio-economic condition of the people is based on the barely, potato, millet and animal husbandry. But in Tarai, the socio-economic condition is better than mountain and hill due to the comfort geographical structure and high productivity of the land. But the production in agriculture sector is not satisfactory due to the lack of irrigation, modernization and so on. However, the contribution of agriculture to GDP is more than 31.7 percent (MoF, 2020).

Economically, Nepal is developing country with huge and rich in the natural resources. The resources are underutilized due to the lack of knowledge, man power, capital, modern technology, political stability etc. The poverty and income inequality are the major problems in all over the Nepalese community. 21 percent Nepalese people live below the poverty line (MoF, 2020). Income inequality is the main issue of the Nepalese economy that effect consumption and savings pattern of the people. Income inequality shows the distribution gap between the poor and rich people of the country. Poor people are unable to meet their basic needs. Their marginal propensity to consume is very high and saving is very low. But rich people are luxurious goods and enjoying luxurious life. They spend on unproductive sector. So, inequality brings social conflict and that hampers welfare of the economy (wikipedoa).

Nepal is multi racial, multi linguistic and multi ethnic society comprising of almost 59 castes and ethnic group who have diverse beliefs indifferent religious. People of different origin and different dialect and culture, religion, ethnicity beliefs are all living together in peace of harmony under the shade of Nepalese. Among different caste, ethnic group and tribal groups Tharu people are one of the indigenous people of Nepal. Their historical settlement stretches throughout the southern plains and inner Tarai (*bhitrimadhes*) of Nepal, with dense concentration to the western Tarai. The Tharu are conceivably the oldest and original inhabitants of the Tarai with a continued habitat of 600 years. "Tharu" is blend of "Tha" meaning "plain land" and "Ru" meaning "permanent settlers"(Panjiyar, 2000). Tharu is the fourth largest cast/ethnic group of Nepal with population of 1,737,470 (CBS, 2011).

The Tharu people are distributed across the border in India too, weather they migrated across the border to India or vice versa is difficult to trace. Whereas Tharu people migrated from adjacent Indian Territory to Nepal (Shrivastava, 1958).The Tharu *zimindars* argues that British authority in India and Nepalese state considered Tharu, of either side of their border, as an endogenous group, irrespective their linguistic, culture or geographical differences. And the substantial variation lies within the Tharu people living within the boundary of Nepal. They vary with one another on language, tradition, culture and living arrangements. They are further divided into different sub-castes, mostly categorized on the basis of their regional native habitat (Gunertne, 2002).

Tharu are living in Nepal with 6.6 percent of total population. They have settled over the kingdom of Nepal (CBS, 2012). The whole Tarai belt living in proximity to densely forested region and linguistically. Tharu are divided into sub-groups. Culturally the Tharu of jhapa, Morng, Sunsari, Saptari, Siraha, Sarlahi, Dhanusha, Mahotari, Rautahat are knows kuchila. The mid-westernTarai like Bara, Parsa, Chitwan, Nawalparasi, Rupandehi and Kapilvastu are known as paschuhan. The Tarai are called Dangaura, Rana and Desauri and those living in far western Tarai like Dang, Banke, Bardiya, Kailali and Kanchanpur.

Tharu are innocent shy and relatively timid people. Some of the Tharu earliest settlements of the Tharus were deep in the forest isolated from other ethnic groups. They have been exploited by government authorities in the past and still to lesser degree are out maneuvering by the surrounding non-Tharus. Tharu are not good in

business or home economics. They are often in debt since the gain they produce is frequently used to buy alcoholic drinks. More clever person from the hill will lend money to purchase food and then continue to compound the interest. Eventually the hill man acquires the Tharu land and is relegated to landless status (Pyakurayal, 1982).

The subsistence of market economy of Tharu is agriculture and animal husbandry. They are used to practices ancient means methods in agriculture production and animal husbandry.

Income is an economic phenomenon. For household and individual income is the all the wages, salaries, profits, interests, payments, rents and other forms of earnings received in a given period of time. Consumption is the portion of income that spent by the income earner in foods, cloths, entertainment and other human needs which measured in monetary terms. Income is divided in to two parts: consumption and saving that can be used for investment but if income is less than consumption saving is negative and there is no chance of investment. If the income is greater than consumption there is positive saving that can use for investment but if income is less than consumption saving is negative and there is no chance of investment. Consumption may also be defined as the use of goods and services for satisfying current human needs. Economically, consumption is the use of final goods and services. Consumption is the positive function of income levels i.e., higher the income higher the consumption will be. Keynes psychological law of consumption. When income increase, consumption also increases but by a smaller proportion amount i.e. there is non-proportional relationship between the increase in income and consumption (google.com).

1.2 Statement of the Problem

The government has identified 59 ethnic groups as the indigenous people in the Nepal. Among these ethnic communities Tharu stood as the second largest ethnic group in Nepal. Despite this community live in Tarai they are also term as 'back word ethnic group' in Nepal. More specifically Tharu are disadvantage group and even the urbanization process does not make much impact in their livelihoods, Political change and modernization do not affect majority of Tharu. Most of Tharu live in rural area and some others in urban township. Tharu are depends on agriculture but this

profession is not sufficient for sustaining their livelihoods and 31 percent Tharu haven't own land. And they couldn't able to increase their income due to low income, unproductive land and labor, lack of autonomy, landlessness, illiteracy, lack of technology, unemployment. Therefore lack of land may be cause of insecurity of income and shortfall in meeting minimum consumption need leading to a situation of absolute poverty and sharp different between rich and poor households income and consumption pattern. To fulfill their basic needs, they are doing hard labour in construction field with lower wage rate. Among various economic problem in Tharu community.

The various study examine the extent of income distribution in different ethnic group of Nepal. The low level of income in developing countries is conceived as an absolute phenomenon present in the rural society. Low level of income also caused by a low level of literacy among the people and shortage of access to land may cause of insecurity of income and inequality. The relationship between income and consumption may play vital role to create good or bad economic condition. Employment is the main source of income generation. Which is frequently determined by the amount of productive investment these kind of investment must be supported by the sustainable increasing amount of saving.

Hence, the estimate the relationship between income and consumption pattern in Tikapur municipality is essential in developing country like Nepal is the main statement of the problem of this study. This study will be helps to policy makers and develop the economy with sustainable growth rate. The researcher aim to answer the following questions.

- 1) What are the income sources and pattern of the study area?
- 2) What is the consumption pattern of this community?

1.3 Objectives of the Study

The general objective of the study is to identify income and consumption pattern and income disparities of people in Tharu Community of Tikapur Municipality of Kailali district. The specific objectives of the study are as follows:

- 1) To analyze the income and consumptions pattern of Tharu community,
- 2) To examine the income inequality of Tharu community in the study area.

1.4 Significance of the Study

The employment, skill, education, knowledge determines the level of income. The level of income determines the consumption pattern the people. This study has been associated to estimate income and consumption relation of Tharu community. This study important to give information about the income and consumption pattern in present in scenario of Tharu community to know living standard, source of employment, income level and consumption behavior. Therefore it useful for policy maker, researcher, ethnic explorer, planner and social worker to get information about micro level, characteristic of income, expenditure and consumption behavior of Tharu community. It is also helps to local government for arranging the local development program poverty alleviation as well as other development efforts. It is an important for the *Tharu Aayog* to know the micro level of economic status of Tharu and solving the problem of Tikapur municipality.

1.5 Limitations of the Study

This study is an attempt to analyze income and consumption pattern of the Tharu community where Tharu situated in Tarai region especially Kailali of Nepal.

The study has some limitations.

1. It is attempted to analyze the income and consumption pattern of marginalized people of Tikapur 2, Bijaynagar Sukumbasi Siber of Kailali District.
2. Only 10% household has been included for the data collection because of limited economic resources.

1.6 Organization of the Study

This study has been divided into five chapters. The first chapter comprises statement of the problem, objectives of the study, significance of the study and limitations of the study. The second chapter overviews various kinds of literatures, theses, documents, books, reports about income and consumption. The third chapter describes research methodology of the study that contains research design, nature and sources of data, sampling procedures, tools and techniques of data collection, etc. The fourth chapter analyzes the data presentation and analysis of data. The chapter five concludes summary of findings, conclusion and recommendations.

CHAPTER-II

LITERATURE REVIEW

2.1 Income and Consumption: Origin and Concept

This chapter deals a brief review on the field of income and consumption. Income and consumption is an important field in economics for the income and consumption pattern of Tharu community. Consumption is the positive relationship with income i.e. higher the level of income higher will be the consumption and the lower the income lower will be the consumption. Generally, consumption increase less than in proportion. Various indicators are used to measure the economic condition of the household.

Income play prominent role in determining consumption as expressed by J.M keynes was cited A.C Piguou (1948) arguing that consumer division about consumption spending is gently influence by stock of wealth. According to J.M keynes income increase, consumption also increase but less than increase in income. It can be explain in other way as income increase both average propensity to consume (APC) and marginal propensity consume decrease. Keyns (1936) stated a fundamental psychological law by observing that "men are disposed as a rule and on the average, to increase their consumption as their income increase but not by as much as the increase in their income". This means that marginal propensity to consume (MPC) is positive and less than unity i.e. $0 < MPC$.

To verify these relationship theoretical as well as empirical studies on consumption has been developed. Among them theoretical consumption hypothesis, absolute income hypothesis, relative income hypothesis, permanent income hypothesis and life cycle hypothesis are famous.

2.2 Theoretical Development

The concept of the income and consumption was developed from the economic theory that is related with human behavior and nature. According to classical economists, there is always full employment in the economy and income constant. Classical economists believed that the main determinant of consumption is rate of interest. When interest rate goes up, higher portion of income is allocated for saving, so consumption declines. Consumption was regarded to be a negative function of rate of interest and saving was assumed to be a positive function or rate of interest.

After the publication of Keynes' book "The General Theory of Employment, Interest and Money (1936)", various studies have been done in the field of consumption. Keynes stated the fundamental psychological law of consumption. He argued that when the income of a community rises, consumption also rises. How much consumption rises in response to a given increase in income depends upon the marginal propensity to consume (MPC). However the consumption increases less than the increase in income. It means, the value of MPC is greater than zero and less than unity and there is positive relationship between income and consumption. According to Keynes, consumption is the function of income (characteristic of finding in his overview).

Mathematically, it can be expressed as:

$$C = f(Y_d) \dots\dots\dots (i)$$

Where, C = Consumption

Y_d = Disposable Income

This equation (i) expresses that the consumption is a function of income. This relationship is measured by average and marginal propensity to consume. The average propensity to consume shows the ratio of aggregate consumption expenditure to aggregate income. Mathematically, it is expressed as:

$$APC = C/Y$$

Where,

APC = Average propensity to consume

Y = Income

C = Consumption

On the other hand, marginal propensity to consume indicates the ratio of change in consumption due to the change in income. Mathematically it is expressed as:

$$MPC = \frac{\Delta C}{\Delta Y}$$

Where,

MPC = Marginal propensity to consume.

ΔC = Small incremental change in consumption.

ΔY = Small incremental change in income.

As income increases, consumption also increases but not by as much as the increase in income i.e. marginal propensity to consume is greater than zero but less than unity when the consumption function is linear. Keynesian linear consumption function can be written as:

$$C = a + bY_d \dots\dots\dots (ii)$$

Where,

C = Consumption

a = Autonomous consumption

b = Marginal propensity to consume

Y_d = Disposable Income

Equation (ii) is a short-run linear consumption function. As income is zero in short-run, he or she consumes from previous saving. Therefore, when $y = 0$, i.e. $c = a$. This amount is known as autonomous consumption.

The other type of consumption function is known as long-run consumption function, which shows a proportional relationship between income and consumption. Symbolically, it can be expressed as:

$$C = bY_d$$

Where,

C = Consumption

b = MPC

Y_d = Disposal income

In the long-run case if $Y = 0$ then $C = 0$. In this case, consumption function begins from the origin. In this case both APC and MPC are equal and constant.

According to classical economists, consumption is mainly determined by the rate of interest not by the level of income. They regarded consumption as a negative function of the rate of interest. That means if rate of interest increases, the level of

consumption decreases and vice versa. But at that time, their base of analysis was a full employment economy in which income was considered as constant or they assumed there is always full employment in economy and not variable in determining consumption.

J.M. Keynes, the profunder of consumption function, emphasizes the importance of income in the argument of consumption function, neglecting other factors. According to him as income increases consumption also increases but less than the increase in income. It can be expressed in other way that as income increases both average propensity to consume and marginal propensity to consume decreases.

Income plays a prominent role in determining consumption as expressed by J.M. Keynes was criticized by A.C. Pigou arguing that consumers' decision about consumption spending greatly influenced by the stock of wealth.

There are mainly four hypothesis related with consumption which are propounded by different economists that are analyzed here.

2.2.1 Absolute Income Hypothesis (AIH)

AIH was developed by J.M. Keynes based on a fundamental psychological law of consumption. According to him, current consumption depends upon the current and absolute level of income and there is positive relationship between consumption and income.

That is, $C = f(y)$

In specific form, Keynesian consumption function can be written as:

$$C = a + by_d$$

Where,

C = Consumption

a = autonomous consumption

$$b = \frac{\Delta C}{\Delta Y} \text{ marginal propensity to consume (MPC)}$$

Y_d = disposable income.

As income of the people increases, consumption also increases but less than proportionally. The main properties of absolute income hypothesis are as follows:

1. Marginal propensity to consume is positive i.e. ($MPC > 0$).
2. MPC is always smaller than APC i.e. ($MPC < APC$).
3. The APC declines as income increases.

Keynes analyzed only short term consumption function. Later Simon Kuznets studied the post war data based on the USA from 1868 to 1929 and result showed doubt on the validity of the simple Keynesian consumption function. Kuznets' study found that APC had remained constant over a long period despite the substantial increase in income and $MPC = APC$. Keynesian consumption function applied to the pre-war data predicted a consumption level that was much higher than that of the aggregate income. This is impossible under normal condition (Dwivedi, 2008).

Although Keynes has not explained about the long run consumption behavior, Simon Kuznets by taking the time series data of income and consumption expenditure tested his hypothesis. The empirical study shows that individual's consumption expenditure varies proportionally when income increases along the trend line in the long run (Shapiro, 2009).

2.2.2 Relative Income Hypothesis (RIH)

Relative income hypothesis of consumption was propounded by an American economist, J.S. Duesenberry. According to RIH, consumption of any household is not the function of his absolute income but of his relative position in the income distribution in a society. It means that consumption depends on his income relative to the income of other households in a society. If the income of all households in a society increases by same percentage, then the relative income would remain the same, and their average propensity to consume will remain the same, though his income would have increased. Household consumption expenditure is determined by his neighbors' consumption level not by the absolute income.

He has also used to two different terms; demonstrative effect and ratchet effect. People are influenced by their neighbors of society so they try to copy the consumption level. This effect is called demonstrative effect. On the other side, individual or family want to maintain their previous high life standard in long term. When their income falls, consumption does not fall in proportion to the fall in income. This is called ratchet effect.

Relative income hypothesis suggests that individuals try to imitate the consumption level of their neighbors in a community. This is called demonstration effect. When income of the household falls, their consumption does not fall proportionately because of ratchet effect. They try to maintain their earlier high life standard by reducing their saving. Duesenberry argues that when absolute income increases, absolute consumption increases, but when absolute income decreases, the households do not allow their consumption to fall in proportion to the fall in their income. It is so because household get used to certain standard of living in the long run and hence when their income falls, their consumption falls less than proportionately. When consumption does not fall in proportion to the fall in income then APC rises and MPC falls. This is called ratchet effect (Dwivedi, 2008).

RIH focuses on relative income; this hypothesis emphasizes the imitative or cumulative nature of consumption. A family with any given level of income will typically spend more on consumption if it lives in a community in which that income is relatively low than if it lives in a community in which that income is relatively high. This tendency arises in part from the pressures on the family to "keep up with the Joneses" and in part from the fact, that as the family observed what seem to be superior goods of other families, it will tempt to spend as a result of what J.S. Duesenberry calls the "demonstration" effect (Shapiro, 2009).

2.2.3 Permanent Income Hypothesis (PIH)

An American well known economist, Milton Friedman developed permanent income hypothesis of consumption. According to Friedman, consumption is determined by long-term expected income rather than current income. This long term average expected income which is called by Friedman as permanent income on the basis of which people make their consumption plan. According to Friedman, an individual who is paid or receives income only once a week, say on Friday, he would not concentrate his consumption on one day with zero consumption on all other days on the week. He argues that an individual would prepare a smooth consumption flow per day rather than plenty of consumption today and little consumption tomorrow. Thus, people plan their consumption on the basis of expected average income over a long period which Friedman calls permanent income (Ahuja, 2009).

Each consumer arrives at an approximation of his or her permanent income on the basis of his or her total wealth human and Non-human (Shapiro, 2009).

2.2.4 Life-Cycle Hypothesis (LCH)

The life cycle hypothesis was developed by Franco Modigliani, Richard E Brumberg and Albert Ando. According to this hypothesis, consumption of an individual in any given time period does not depend to a significant degree on his income during that period but depends on the present value of his expected income or his wealth (Shapiro, 2009).

The consumption in any period is not the function of current income of that but of the whole life time expected income. Thus, in LCH, the individual consumption expenditure pattern is determined by expected income in their entire lifetime. They have argued that individual maintains a more or less constant or slightly increasing level of consumption pattern. However, this level of consumption is limited by his expectations of lifetime income. According to LCH, a rational consumer plans to consume based on his lifetime income of consumption overtime and he maximizes his total utility over his life time. A typical individual in this theory in his early years of life spends on consumption either by borrowing from other or family assets, in his middle years; he accumulates wealth, which he consumes in the future years. In his lifetime after retirement he again dissaves, that is, consumes more than his income in these later years of his life but is able to maintain or even slightly increases his consumption in the lifetime after retirement.

The fundamental idea of the life cycle theory is that people make their consumption plans for their entire lifetime income. Thus, in the life cycle model, consumption is not a function of current income but a function of the expected lifetime income. The general consumption behavior as suggested by Ando Modigliani life cycle hypothesis (Ahuja, 2009, p.147) can be expressed in the following functional form:

$$\text{i.e. } C_t = b_1 Y_{Lt} + b_2 Y_L^e + b_3 W_t$$

Where,

C_t = Consumption expenditure in a period 't'

Y_{Lt} = Income earned from doing some labor in the current period 't'

Y_L^e = The average annual income expected to be earned from labor during the further years or working life

W_t = Wealth currently owned.

b_1 = Represents marginal propensity to consume out of current income

b_2 = Marginal propensity to consume out of expected lifetime income

b_3 = Marginal propensity to consume out of wealth

According to LCH, a rational consumer plans consumption on the basis of all his resources and allocates his income to consumption over time so that his total utility over his lifetime will be maximum (Dwivedi, 2008).

2.3 Review of International Empirical Studies

The various empirical international studies on income and consumption have been made. Some selected studies are explained separately.

Kuznets (1942) observed the income consumption relationship of American economy of the period 1869 to 1938. The main objective of the study was to examine whether the consumption income relation is stable or not. The study has showed that the ratio of total consumption to total national income had remained constant while income had quadrupled (Shapiro, 1984). Kuznets' finding was supported by Raymond Gold Smith's Study relating to consumption and personal income. According to Gold Smith "a main enduring characteristic" of saving was the long term stability of aggregate personal saving at approximately one- eighth of income (Vaish, 2002). This means that long run consumption income ratio was stable at seven- eight of income.

Duesenberry (1949) developed a new concept above the determinants of consumption expenditure. According to him, the fraction of family's income devoted to consumption depends on the relation to the income of neighboring families but not on the absolute level of family's income. This theory has focused on the relative aspect of income rather than other component and emphasized the emulative or imitative nature of consumption.

Brumberg and Modigliani (1950) tested their model from the utility function of the individual consumer. According to the life cycle hypothesis, consumption expenditure is not explained by the absolute or relative income but the life time income of consumers.

Branson (1972) suggested that assets as well as level of income have something to do with consumption for a given level of income- consumption may also be a function of assets or wealth.

Adelman and Robinson (1978) analyzed income distribution and cited the cause of shift of priority from rapid rate of economic growth to equitable distribution of income in economics. This study has examined Simon Kuznets hypothesis in case of developing countries especially to South Korea. They use mathematically sophisticated model having both static and dynamic parts to justify their study. In the last part to justify this study, policy experiments of income distribution have been discussed. The major conclusion from the policy experiments was that the time of the size distribution of income was exceedingly stable.

Aigner and Heins (1967) tried to proof empirically Simon Kuznets proposition that income is more equally divided into developed countries. For this they have used statistical notations, linear regression model with partial regression coefficient, t- ratio and R square. The result of study validates the proposition.

U.S. Department of Commerce (1981) conducted an empirical study in taking the family budget data for the years 1929-1980, in constant dollars to observe the income and consumption relationship. The cross- sectional data shows, how aggregate consumption expenditure have varied with aggregate disposable personal income for a given year between 1929-1980. This has concluded that the consumption function is non- proportional in short-run and proportional in long run. Further, it found that for 1970-1980 the MPC is slightly greater than unity because autonomous consumption is negative, the APC have increased as income increase (1990).

Sen (1985) presented the concepts of inequality into measurement. He has described the equality utilitarianism and welfare economics in the first chapter of this book. In second chapter he explained the various methods of measuring inequality which are both positive and normative measures. The positive measure discussed by him is range, relative mean, deviation, variance, standard deviation, Lorenz curve, GC ratio. The fourth and last chapter concerns with the need work and inequality and has viewed inequality as a measure of dispersion from certain level of income as well as a measure of difference between actual distribution of income.

The World Bank (1996) analyzed the micro determinants of consumption, poverty, growth and inequality from 1983 to 1996 using simple regressions. This study had concluded that income, consumption and poverty are determined by education, demographics, land ownership, occupation and location. Per- capita consumption associated with many of these household remained stable overtime. The returns to demographics had a large contribution to growth.

Keynes (1936) discussed about consumption behavior of people and proposed the fundamental psychological law of consumption which provides basis for the consumption function stating consumption is a stable function of disposable income. The consumption expenditure depends upon the present absolute level of income rather than upon the relative or the permanent income. Keynes argued that men are disposed, as a rule and on an average, to increase their consumption as their income increases but not by as much as the increase in their income.

The strength of this hypothesis is its focus on current absolute income which perfectly explains consumption and it can be applicable to purchase of all types of goods and services; durable and non-durables. But its weakness lies in the formulation of a non-proportional relationship between consumption and income which is considered true only for short run. The later studies have shown the existence of proportional consumption function at least over the long-run.

Duesenberry (1945) developed a consumption theory popularly known as the Relative Income Hypothesis. This suggest that the consumption behavior of a consumer, unlike that assumed by Keynes, is not influenced merely by the present level of absolute income, but also by the level of consumption attained in previous periods and the consumption level of his neighbors. It is much more difficult for a family to reduce a level of consumption once attained than to reduce the portion of its income saved in any period, opines Duesenberry. A family even at the time when its income falls wants to maintain the same consumption level that it has accustomed to during the periods of its rising income. The consumption behavior shows irreversible over time due to the ratchet effects.

Second characteristics were the imitative and emulative nature of consumption. The same family with any certain given level of income typically spend more on consumption if it lives in a community in which that is relatively low than if it lives in

a community in which that income is relatively high (Shapiro, 1990). This tendency arises from the pressure on the family to keep up with its neighbour's living standard to which Duesenberry called the demonstration effect. It is concluded that the past level of consumption, past peak income and neighbour's consumption behaviors affect the present consumption.

Duesenberry (1952) gave a new concept about the determinant of consumption expenditure. According to him, the fraction of family income sacrificed for the consumption depends on the relation to the income of neighbouring families but not on the absolute level or current level of income. This theory has focused on the relative aspect of income rather than other components and emphasized the imitative and emulative nature of consumption. He calls it the "Demonstration effect".

Modigliani, Franco and Richard (1954) proposed an alternative theory of consumption called the life cycle Hypothesis. Based on utility maximizing behavior, Modigliani and Richard viewed consumers as planning their consumption and savings behavior over long periods with the intention of allocating their consumption in the best possible way over their entire lifetime. The household does not change consumption in an erratic way as income would change but tries to maintain a stable and a smooth consumption pattern over the life cycle. Household consumption depends upon the lifetime resource as well as the composition of the households.

The life cycle approach has been most popular in analyzing household survey data in which age, marital status and other demographic variables play an important role. But unlike the Keynesian hypothesis, this approach is strictly applicable only to the consumption of service flows and to purchases of non-durable goods.

Redhakrishna and Misra (1970) analyzed the study shows that consumption is influenced by the income level. This paper has shown that the regional variation in consumption pattern and the Engel Elasticities of major consumption items. They have used many tools to make this analysis such as semi-log and double log-linear model to show the function and their elasticities.

This study is related with Bihar of India. This study has concluded that the expenditure elasticities for goods in rural areas are higher in Bihar and low in urban areas of Bihar. It has concluded that as income of households increases from their

subsistence level than the demand of non-food items increases but demand of food items decreases.

2.4 Review of South Asian Studies

Chakerabaty (1961) analyzed the estimation of engle elasticities through the concentration curve and tried to estimate angle elasticity of several of expenditure based on the method of Lyonger i.e. through the concentration curve and specific concentration curve. This concentration shows the interrelations between income and expenditure with take place on particular items.

Mehta (1983) examined the consumption pattern through current total expenditure as a permanent income by using Engle function in Rajastan. He has shown the elasticity values are very similar to those of less develop countries in general and other in India. He has concluded that at mean expenditure level is generally lower is generally lower in urban areas than in rural areas in the case of food grains and other items and in larger in urban places in the case non-food items, especially on clothing.

Krishna and Mishra (1970) jointly tested that consumption is influenced by the income level. This study shows that regional variation in consumption pattern and Engle Elasticity's of major consumption items. They have used many tools to make this analysis such as semi-log and double log-linear model to show the function and their elasticites. This study related with Bihar of India. This study had concluded that the expenditure elasticity for goods items in rural are higher in Bihar and low urban area of Bihar. It was concluded that as income of household increases from their subsistence level than the demand of non-food items increases but demand for food items decreases.

Dowling and Lahiri (1990) attempted to explore the behavior of private consumption in Asian countries to understand their growth experience in savings. They utilize of data of nine Asian countries over the period 1960 1980 to know the consumption behavior in the selected countries. They use the Life-cycle theory of saving to investigate the problem and log linear regression model have been utilized to find out the marginal propensity to consume (saving). They found that the consumption propensities in the agricultural developing economies of Asia have been falling partly in response to the structural shifts they have been experiencing due to industrialization.

The researcher found that there doesn't appear to be any evidence in favors of the absolute income hypothesis or the permanent income hypothesis. The sensitivity of the average propensity to consume sectored composition of income arises from the enormous differences in the physical and financial infrastructural facilities, demographic factors, and basic nature of economic activity and market features in rural and urban areas.

Adelman and Robinson (1978) analyzed income distribution and cited the causes of shift of priority from rapid rate of economic growth to equitable distribution of income in economics. This study has examined Simon Kuznet's hypothesis in case of developing countries especially to South Korea. Adelman and Robinson had mathematically sophisticated model having both static and dynamic parts to justify their study in the last part of this study, rural and urban policy experiments of income distribution have been discussed. The major conclusion from the policy experiment was the time path of the size distribution of income was exceedingly stable.

2.5 Review in the Nepalese Context

In the fields of income and consumption, various studies have been made in Nepal and major findings of specific studies are reviewed in the following section:

Dev (1986) made a study on 'Income Distribution and Expenditure' at Sakarpura in Saptari District by taking the primary household data and concluded that the income distribution in Sakarpura village is unequal and MPC is around 0.90.

Nepal Rastra Bank (1988) conducted an empirical survey in twenty three districts and twelve town panchayats of the selected district. The survey field work began in Mid-March in 1984 and ended in mid-Feb 1985. The survey showed that the national average monthly household income, including the rental values of self-own homes, is estimated of Rs. 1,233. For rural and Urban household it works out to Rs. 1,192 and Rs. 1,785 respectively. The Gini-coefficient of 0.57, based on average household income shows greater income inequality. The average monthly expenditure of rural and urban household worked out to Rs. 1,147 and Rs. 1,618 respectively. In term of population out of 22,572 persons covered by the survey, 43.1 percent in rural and 24.1 percent in urban areas were living below the poverty line.

Rijal (2002) suggested that an empirical survey which has taken sample 110 households out of 1110. Agriculture is the main sources of income while 55.45 percent

People are engaged in this sector. He has found to be MPC and Gini coefficient are 0.57 and 33.58 respectively.

He estimated average annual household income, expenditure, per capita income, and per capita expenditure equal to Rs.52725.04, Rs.46378.10, Rs.7702.2 and Rs.6775.02 respectively. He has found that 68.57percent of the total expenditure is on food items and remaining 31.43percent is made on non-food items. He comes to a conclusion that there is the problem of low productivity in his field area. He has recommended farming system should be modernized for high productivity, government should provide fertilizer to farmer and to improve irrigation facilities.

Lamichhane (2002) suggested that Income and Consumption Pattern in Jagatpur VDC of Chitwan District in the Central Inner Terai based on primary and secondary data to meet the specified objectives. Primary data have been collected through direct personal interview using questionnaire while secondary data collected from VDC and other offices. He has used common statistical tools viz. range, Gini coefficient, Lorenz curve, correlation analysis, etc.

In his study area, he has selected 10 percent of the households randomly to collect information. He has estimated the value of Gini coefficient, range and regression is 0.18, 1.95 and 0.83 respectively. He has found that 67.78percent population was engaged in agriculture sector and remaining in other sectors. At last, he has concluded that there is high inequality in the assets distribution. To reduce this inequality, it is necessary to re-adjust the asset-structure in more productive channel. Saving should be mobilized to high return yielding sectors like industries, business from traditional assets like land. Agriculture sector is the major sources of income. Modern farming methods, techniques and irrigation family should be enhanced for the development of agriculture in his study area.

Acharya (2005) analyzed that primary data to meet the specified objectives. He found that the average annual household income is Rs.80414.75. He has found that 42.3 percent population is involved in agriculture, 16.34 percent involved in non-agriculture. He concluded that there was highly disparity in asset distribution in his study area. At last, he has recommended that the modern technology should be applied in farming system and to manage irrigation system to increase productivity of both land and labor resources

Ghimire (2010) suggested that the income and consumption pattern in Damak Municipality is very good as consumption and spending behaviors. In his study area, there were 762 households. Out of them, he has selected 164 households randomly. To collect information, he has used primary and secondary data to find out socio-economic condition. Primary data have been collected through household survey by using interview questionnaires and the sources of secondary data were government offices, municipality, visiting different website etc. To analyze data, he has used range, variance, method of estimation, Gini coefficient, regression analysis etc.

He has estimated average annual household income, per household expenditure and per capita income equal to Rs.37662355, Rs.128353.64 and Rs.115370.77 respectively. The Gini-coefficient estimated by this study is 0.255. It depicts the less inequality in the size of distribution of income and range, variance, and coefficient of variation is 46000, 47.9 and 2.98 respectively which shows the inequality in the distribution of income. He has also recommended to improve the unequal distribution of income between different households and modernized in agriculture system

Timsina (2010) specified the nature of income and expenditure patterns in his study area. The main objective of her thesis is to investigate the income distribution and expenditure pattern of villagers. She has used collected information from 120 households using random sampling technique. Both primary and secondary data were used to fulfill the specified objectives of the study. The primary data have been collected through direct personal interview using questionnaire and secondary data were collected from Nepal Rastra Bank, Nepal Planning Commission, UNDP, The World Bank, household budget survey, and Central Bureau of Statistics, etc. She has used Gini coefficient, Lorenz curve, range, variance, standard deviation, relative mean deviation, correlation, etc. as the tools of analysis.

She has estimated average annual household income, per capita income, per capita expenditure, household expenditure equal to Rs.94777.35, Rs.10762.143, Rs.14363.32 and Rs.10341593.00 respectively. The Gini coefficient estimated by this study is based on household income and per capita income level is 0.2077 and 0.144 respectively. She has found to be 68 households engaged in agriculture sector and remaining engaged in non-agriculture sector. 56.67 percent households earn their income mainly from agriculture. So, the main source of income in Bayarbana VDC is agriculture.

Regmi (2013) attempted to analyze the study based on primary data. To show the relationship between income and consumption, she has used various statistical tools like Range, Regression, Analysis, Gini-coefficient. She found that higher percentage of household income derived from agricultural sharing is 42.36 percent in total income. Similarly, she found G.C.=0.311(on the basis of per capital income) and she also found that a major part of income 33.25 percent is spent on food items, 36.45 percent on the non-food items. She concluded that there was inequality in community also.

From the marginal propensity to consume we can tell how much income and employment will increase as a result of a given increase in investment. If the propensity to consume is given we can find a proportional relation (ratio) between investment and income. This ratio is called investment multiplier.

Domestic saving need to mobilize to make feasible the growth targets of developing nations. Since saving is the surplus of income over consumption, a proper understanding of demand behavior necessarily implies an addition to knowledge concerning saving behavior.

Paneru (2015) studied 5254 households in Kailpalmandu VDC of Dadhekdhura District. All words are Dalit households in study area among the 5254 the 173 household are selected. The conclusion are drown using simple random sampling, Gini coefficient, Lorenze curve, Regression equation, Correlation Coefficient. The value of Gini Coefficient is 50.769 percent implies that there is high Degree of inequality of income. The value of autonomous consumption and marginal propensity to consumption are 12.61 and 0.62 respectively. There is high degree of correlation between consumption and income. Simple correlation between consumption and income is 0.947, the partial correlation coefficient between consumption and income while effect of literacy is constant is 0.9178 and multiple correlation coefficient between consumption and combined effect of income and literacy is 0.947. He found that socio-economic condition of Dalits is not satisfactory because of illiteracy, poverty, low income, unemployment and discrimination. His findings suggest the development program should be focused to Dalit community to build their capacity to increase their income.

Pathak (2016) analyzed the income and expenditure behavior of household in Mechinagar, Jhapa District based on primary as well as secondary data to meet the specific objectives of the study. The study used Regression analysis, Godness of fit, Test of significance of parameter, Test of overall significance. In his study 13181 household and selected 130 household randomly. The study estimated MPC and APC as 0.47 and 0.78 percent respectively. The study found that 34.64 percent of total expenditure is on food items and remaining 65.36 percent of total consumption expenditure on non-food items. In his study major source of income are business sector where 52.36 percent of total income generated Business.

Dulal (2016) studied the income distribution and Expenditure pattern in Tokha Municipality Kathmandu district based on primary data taking 60 households out of 239 household. The study used Random sampling in selection the household 60 household. The study used simple regression analysis, Lorenze curve and Gini coefficient used.

The study found that the major source of income are foreign job which constitutes 39.75 percent of total income. The Gini coefficient for the study was found to be 0.2925 on household income.

2.6 Research Gap

Low income groups have high MPC and they spent more on food than non-food items and people have been found less conscious about significance of education and health. To raise the income, productivity of agriculture sector, there should be increased by providing improved seeds, necessary pesticides, fertilizer and manage irrigation facility have been suggested. This study is the more attractive study about income distribution and expenditure pattern of Tharu Community in Tikapur Municipality. So, this study shows the income and consumption pattern different from other Municipality of Tharu Community.

CHAPTER-III

RESEARCH METHODOLOGY

3.1 Research Design

This study is based on primary data. Primary data were collected by questionnaires, survey and key information was collected through interview of the respondent based on the micro study of income and consumption patterns of Tharu community. Under the existing framework this research tries to analyze and describe the specific problem of income and consumption pattern in study area. The study follows descriptive as well as an analytical framework. Descriptive and exploratory research designs along with the help of various research tools and techniques have been used. Study has been focused on quantitative data of income and consumption. Study has gone via the exploratory method.

3.2 Nature and Sources of Data

The nature of the study is analytical as well as descriptive. This study has been based on the primary as well as secondary data in order to meet the objective of the study.

3.2.1 Primary Data

Primary data and information have been collected by using field visit such as household survey, structured questionnaires, personal interview and participant observations method. The household has been selected on the basis of simple random sampling. The researcher has been collecting the required and relevant primary data from the surveyed household and researcher has used direct participation with people of Tikapur Municipality of Kailali District.

3.2.2 Secondary Data

Secondary data was also collected from official and unofficial sources, The World Bank, NRB, CBS, DDC Office, Municipality, Ward Office, various published and unpublished documents, theses, journals, national daily magazines, books, Excel and related subject matters.

3.3 Rationale for Selection of Study Area

The study was undertaken on the ex-kamaya or Muktakamiya Sukumbasi Siber marginalized Tharu community of Tikapur municipality Ward No. 2 of Kailali district.

Tikapur municipality consists 9 ward and the population of Tikapur municipality is 76,114 (CBS, 2011). The interview was taken from 2 no ward of Tikapur municipality. There is no study conducted regarding income and consumption pattern. Thus, this study helps to attempts to explore the factor that determine impact of income and consumption. This study area was selected on the basis of researcher's interest and familiarity to the area. Moreover, the issue of marginalized indigenous people is the most discussed topic in the present political scenario.

3.4 Sample Selection Procedures

The study area is in rural area of Tikapur Municipality of Kailali District. There are 477 household. From the area sample for 45 household are randomly selected and have been interviewed them for data collection. The cross sectional data have been used for the data collection.

3.5 Data Processing

All information for the field survey, questionnaire was presented in table with several rows and columns. These data were manually by using cross-tabulation. Data processing was done with help of a scientific calculator.

3.6 Statistical Tools

Various statistical tools have been used to measure and analyze the extent of inequality in the size distribution of income. To analyze the data some statistical tools are used where ever necessary.

3.6.1 Lorenz Curve

Lorenz curve is a graphical method for measuring the dispersion in distribution. This method of measuring inequality come into existence when Lorenz first of all applied to measure inequality of income and wealth in U.S.A. Although sometimes this curve is used to measures the distribution of profit, wages, production etc. It is a cumulative percentage curve in which the percentage of items is combined with the percentage of other things as income, wealth, profit etc. The Lorenz curve shows the difference between equal distribution and actual distribution.

3.6.2 Gini Coefficient

The Gini coefficient method of measuring inequality is considered as a powerful tool for the study of size distribution of income.

Mathematically,

$$GC = \frac{\text{Area between the lorenze curve and } 45^0 \text{ line}}{\text{Total area below the } 45^0 \text{ line}}$$

This method is a more direct method of measuring inequality. The Gini concentration, ratio is the ratio of the area concentration, shown by the Lorenz curve to the area to minimum possible concentration. This ratio can be calculated by different methods such as algebraic and arithmetic formulations. If the Lorenz curve coincides on the 45^0 line, the value of GC is zero i.e. there is equal distribution of concerned variable whereas, if the Lorenz curve covers the whole area below the 45^0 line, GC will be equal to unity i.e. there is the highest inequality in the distribution of concerned variable. Hence the value GC is always positive and less than one on notation $0 \leq GC \leq 1$.

The formula for the computation of GC is classified into two categories as:

(i) For grouped data:

$$GC = \frac{1}{100} [\sum X_i Y_{i+1} - \sum X_{i+1} Y_i] \%$$

Where,

GC = Gini coefficient

X_i = Cumulative of variable on X.

Y_i = Cumulative of variable on Y.

3.6.3 Variance

It is an important statistical tool and is defined as the square of standard deviation taken from the mean of the given series. Symbolically variance

$$V = \frac{\sum (X - \bar{X})^2}{n} = \sigma^2$$

Where,

V = Variance

X = Stands for the values of individual items.

\bar{X} = Stands for the mean of the series and

n = Stands for the total number of items.

Variance is a frequently used measure of variation.

3.6.4 Coefficient of Variance (CV)

Coefficient of variance shows the ratio of standard deviation and mean.

We have the formula to calculate coefficient of variation,

v= variance, y= mean

3.6.5 Range

Range is one of the important ways of measuring inequality. The difference between the highest and the lowest income level as a ratio of mean income is defined as range.

As the value of E tends to zero, it signifies that there is equality in the distribution of income and vice-versa. We calculate the range using following formula:

$$\text{Range} = \text{Max } Y - \text{Min } Y$$

3.6.6 Correlation

Correlation is the state or relation of being correlated specifically : a relation existing between phenomena or things or between mathematical or statistical variables which tend to vary, be associated, or occur together in a way not expected on the basis of chance alone. Karl Pearson's method, popularly known as Paersonian coefficient of correlation, is most widely used in practice.

$$r = \frac{\sum xy}{\sqrt{\sum x^2 \times \sum y^2}}$$

where, $x = X - \bar{X}$, and $y = Y - \bar{Y}$

3.7 Concept of Variables

- a) **Household:** The household is defined as a group of person dwelling in a residence and a sharing a common kitchen. With common household they are also interrelated by income, consumption and expenditure. But those members who continuously live outside the home and do not share income and expenditure of the family are not counted as the umbrella of a household sharing each other in common, represent the household size.

- b) **Income:** The income of household is defined as earning in cash and transfer representing to all present members of the family during the reference period. Income finger are used on yearly basis in the analysis. The per capita income obtained from household income divided by corresponding family size.
- c) **Consumption Expenditure:** In this study consumption expenditure means expenditure refers food items and non-food items. Food items consist of cereal, pluses, meat, vegetables, milk, etc. non-food include education, health care, clothing, investment, etc.
- d) **Main Occupation:** an occupation which accounts for the major part of income is taken as the main occupation.
- e) **Landless Household Population:** landless includes those household who do not possess any agricultural land to cultivate excluding kitchen garden.
- f) **Earners:** Earners are members who contribute in the total income of the household. All economically active members of household who are employed are considered as earners.
- g) **Income:** Income refers to the money that a person or entity receives in exchange for their labor or products. Income may have different definitions depending on the context for example, taxation, financial accounting, or economic analysis.
- h) **Consumption:** Consumption is the using of goods and services in an economy, or the amount of goods and services used by people and the government

CHAPTER-IV

PRESENTATION AND ANALYSIS OF DATA

4.1 A General Introduction of the Study Area

Kailali District located in south western part of Tarai in the Far-Western province of Nepal. It has covered by plane area of Tarai region and some part of the district falls on Chure Hills. It bordered Surkhet and Doti district in the North, Kanchanpur and Dadeldhura district in the west, the Indian state in the South and Bardiya district in the east. Dhangadhi as the Headquarter of the kailali district. There are 13 local level governments with the one sub- metropolitan city in the kailali district. 48.03 percent reside in urban areas and remaining 51.97 percent reside in rural areas. Kailali district represent the 2.2 percent land area of Nepal and 775,709 with 2.93% of the total population. The distribution of population on the basis of ethnic group is tharu 41.52 percent, Chhetree 21.13 percent, Brahmin 12.46 percent, Kami 8.35 percent, Thakuri 3.96 percent Damai 2.22 percent, Sarki 0.94 percent, Musalman 0.64 percent, Dasnami 0.56 percent, Other 4.46 percent and not stated 0.02 percent of the total population of Kailali district (CBS,2011).

Tikapur municipality is in Sudurpashchim Province of Nepal. This municipality center lies 14 km southern from Mahendra Highway and 14 km northern from Indian border. Tikapur municipality was established in January 1997. Tikapur municipality was further expanded on 10 march 2017 through merger with two village development committees Narayanpur and Dhansinghapur now occupies 9 ward in municipality. It is lies on the bank of the karnali River. Most of the people engaged on agriculture some are on trade and few people of service sector. Human Development Index (HDI) of this municipality is 0.409 approximately (UNDP, 2002) and per capita income of this municipality is 725 US\$. The total population is 76,114 whereas 36245 male and 39869 female living in 11630 individual household. The caste group is Janajati 45.31 percent Brahmin/ Chhetree 33.10 percent Dalit 18.51% and other 3.08 percent (CBS, 2011).

4.2 Demographic Information

This chapter consists of different including demographic feature distribution of sample population by age and sex, educational status, family size, occupational

distribution size, distribution of income, consumption structure, distribution income and consumption annual expenditure and total expenditure.

4.2.1 Distribution of Sample Population by Age and Sex

The sex-ratio indicates the number of males per 100 females. It is great importance to note that a sex-ratio more than 100 i.e. there are more man than the women. A sex-ratio less than 100, signifies that there are more women than men. Sex-ratio for some specific group and sample population distribution by age presented in 4.1 table.

Table 4.1
Distribution of Sample Population by Age and Sex

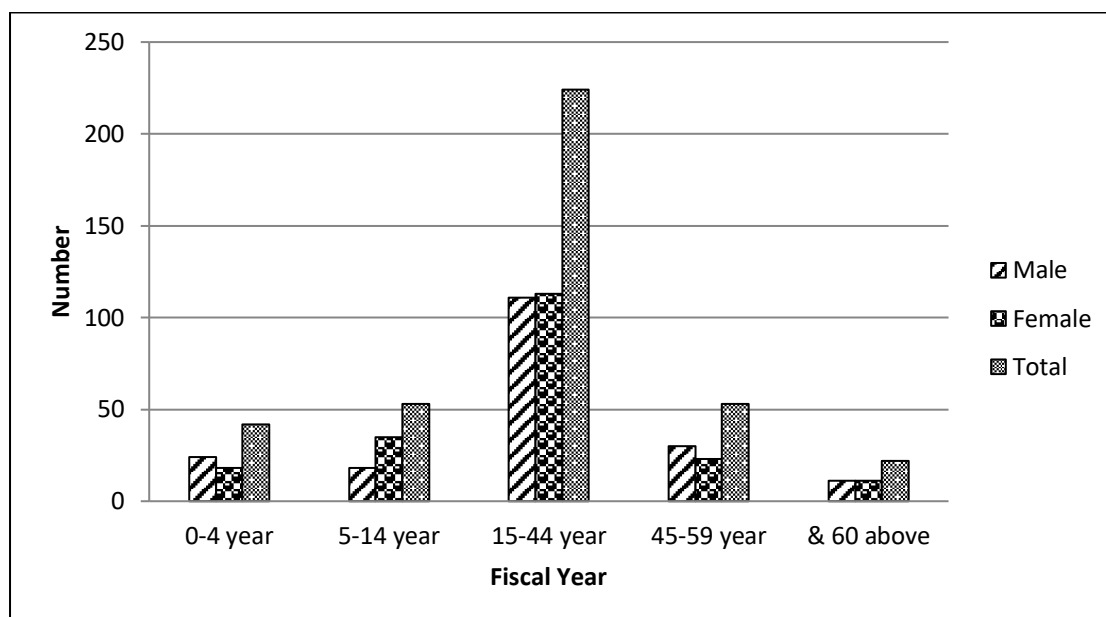
Age Group	Male	Female	Total	Percentage	Sex ratio
0-4 year	24	18	42	10.66	133.00
5-14 year	18	35	53	13.46	51.00
15-44 year	111	113	224	56.86	98.23
45-59 year	30	23	53	13.46	130.00
& 60 above	11	11	22	5.59	100.00
Total	194	200	394	100.00	
Percentage	49.23	50.77			

Source: Field Survey, 2021

Table 4.1 shows that out of total population 49.23 percent are male and 50.77 percent are female. From the table it is found that 56.86 percent population falls under 15-44 year age, 13.46 percent at 5-14 year of age, 13.46 percent at below 44-59 years of age, 10.66 percent at below 4 years and 5.59 percent at above 60 years of age. Here main contribution is made by working age of 15- 44 years. The sex ratio for the first age group is 133 which implies signifies that the male birth are slightly more frequent than female birth. The girls between the Ages 5-14 are more than the boys in the same age. The sex-ratio for age 15-44 female is higher than the male ratio. The age group 45-59 were sex-ratio is 130 and age group 60 and above is 100.

Figure 4.1

Distribution of Sample Population by Age and Sex



Source: Based on Table 4.1.

4.2.2 Educational Status of the Study Area

Education is one of the major indicators for the development of nation. It helps to bring awareness and change in society. Literacy is the critical choice of uplifting development as well as life style. Education attainment is more marked for younger age group than the older age groups. The level of education will not only help individual development but also provides knowledge and skill to develop the community and nation as well. The education status of people has been shown in the following table.

Table 4.2

Educational Status in Surveyed Area

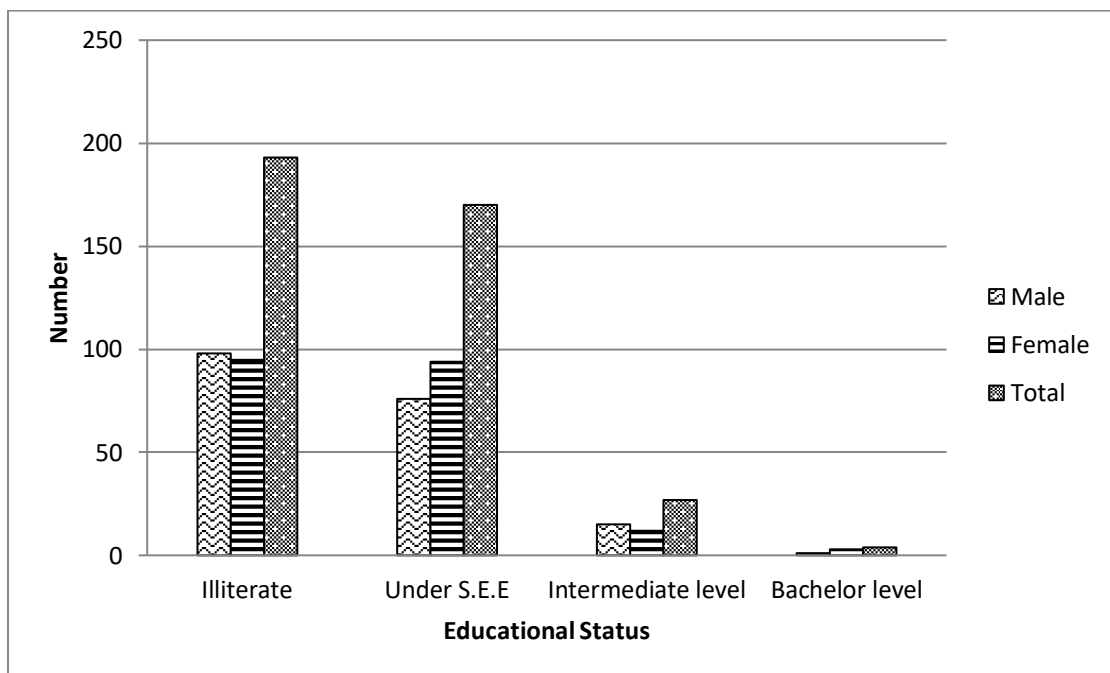
Educational Status	Male	Female	Total	Male %	Female%	Total%
Illiterate	98	95	193	51.58	46.57	48.99
Under S.E.E	76	94	170	40.00	46.07	43.14
Intermediate level	15	12	27	7.90	5.89	6.86
Bachelor level	1	3	4	0.52	1.47	1.01
Total	174	187	361	100.00	100.00	100.00

Source: Field Survey, 2021

In the study area, illiterate household of Tharu community of Bijaynagar is high. The table shows that 48.99 percent of total population is illiterate which very big challenge for the education sector. A literate person below the SEE is 43.14 percent of the sample populations. Out of the total population intermediate level holder people is only 6.86 percent and bachelor level holder people is quit few 1.01 percent which is very less. The educational status of this village is very poor because most of the student are discontinue their higher education causes education environment, livelihood and economically weak condition.

Figure 4.2

Educational Status in Surveyed Area



Source: Based on Table 4.2.

4.2.3 Occupational Status of the Study Area

Occupation is one of the source of earning income and evaluating socio-economic status of the people in study area Tharu are involved in various sector like agriculture, business, service, foreign employment, and labour sector. These are their source of income.

Table 4.3
Occupational Distributional of Sampled Population

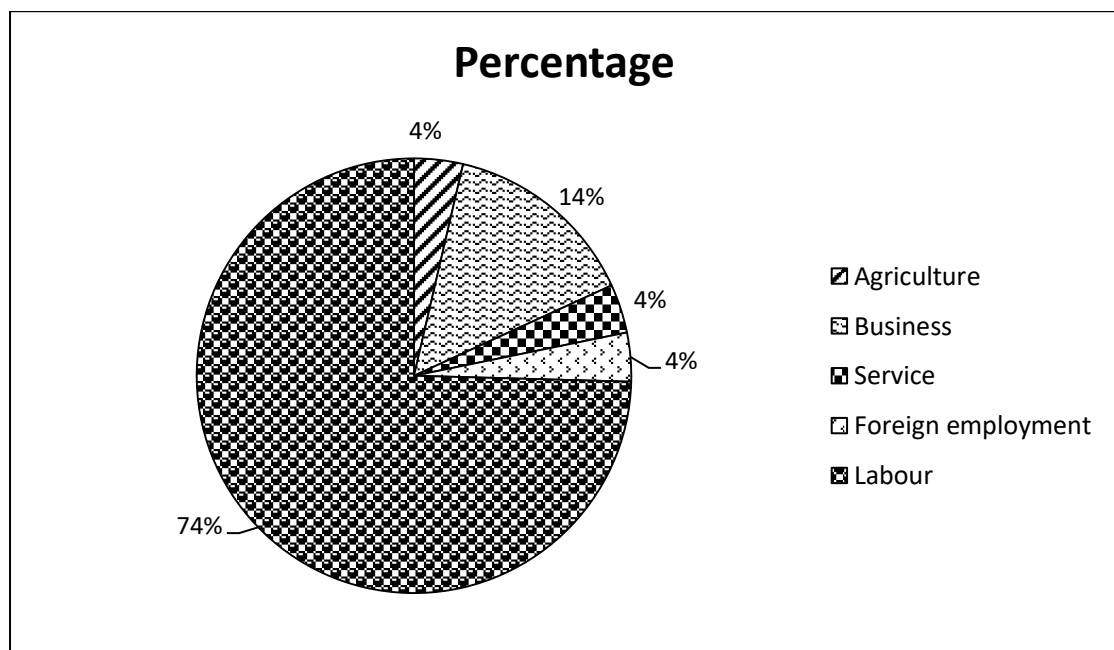
Occupation	Number of Household	Percentage
Agriculture	2	3.63
Business	8	14.54
Service	2	3.63
Foreign employment	2	3.63
Labour	41	74.54
Total	55	100.00

Source: Field Survey, 2021

Table 4.3 depicts that among the all occupation 74.54 percent of the household earn their income mainly from labour sector. The people of this area mostly involved in labour worker. Beside other occupation business is 14.54 percent. Similarly agriculture sector, service sector and foreign sector have 3.63 percent, 3.63 percent, 3.63 percent respectively. The contribution on income earning of agriculture sector is negligible which shows they have no sufficient land to cultivate in *sukumbasi sebir*.

There is residential purpose for land distributed by the government that is 2 katha per household in the study area.

Figure 4.3
Occupational Distributional of Sampled Population



Source: Based on Table 4.3.

4.2.4 Types of House

Table 4.4
Types of House of the Sampled Population

Types of House	Number of House	Percentage of House
Jhupadi	2	3.63
Kachee	46	83.63
Pakki	7	12.72
Total	55	100.00

Source: Field Survey, 2021

The table 4.4 shows that 46 houses are kachee out of total 55 houses. This is made by Tiles and Jastako use in roof with 83.63 percent. 7 houses are made by Rcc dhalan and other 2 house which is 3.63 percent made by wood, clay and khar in the study area.

4.2.5 Electricity and Toilet Facility

All sampled household has electricity facility from the national grid. Among the total sampled household 44 household have general toilet and 11 household have deep Whole toilet.

Table 4.5
Types of Toilet Use by the Household

Types of Toilet	Number of Toilet	Percent
General	44	80
Deep whole	11	20
Total	55	100

Source: Field Survey, 2021

Table 4.5 shows that most of the respondents are general toilet user i.e. 80 percent out of total household and 20 percent of the total household are using deep whole toilet.

This shows that respondent are couldn't afford deep whole toilet due to lack of economic or lack sanitation education in the study area.

4.2.6 Drinking Water Facility

The sampled households has drinking water facility from their own source i.e. tap. The 41 household with 74.54 percent of the total population have using pure drinking water from tap. Similarly, 25.46 percent with 14 households have using drinking water from the hand pump. The local government pure drinking water facility is in under construction for spreading water facility.

4.2.7 Land Distribution

According to field survey, the respondents have no sufficient land for any survive occupation. It is only for the residential purpose. The household have 2 katta per household provided by the government of Nepal during the establishment of all household in *Sukhumbasi Siber* of Bijaynagar at 2003 A.D. in Tikapur municipality of Kailali.

4.2.8 Family Size Structure of Household

Family is basic needs of human. To categorize the sampled household by the number of family member range are taken as 1-4, 4-8, and 9 and 9 above.

Table 4.6
Family Size Structure of Household

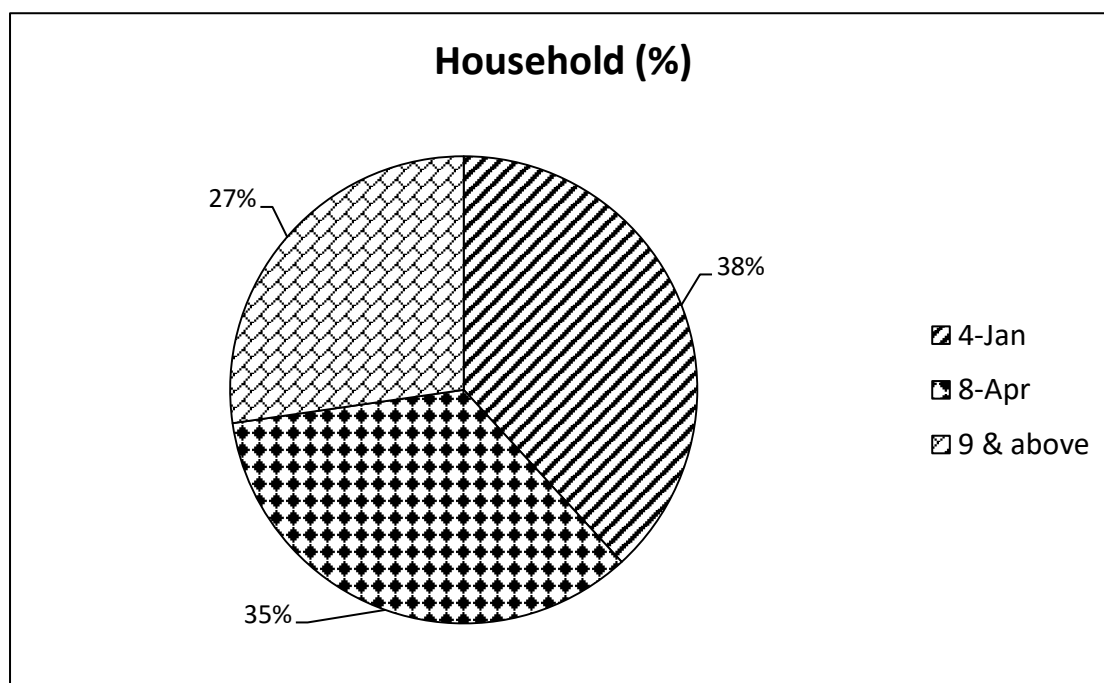
Family Size	No. of Household	Total Population	Household (%)
1-4	21	74	38.18
4-8	19	143	34.54
9 & above	15	177	27.28
Total	55	394	100.00

Source: Field Survey, 2021

Table 4.6 represents that the 55 sampled household have 394 people in total population. From the 55 household the 38.18 percent of household are having family

size 1-4 person. About 34.54 percent of households are having 4-8 person. Similarly, 27.28 percent of household have family size 9 and above in the study area.

Figure 4.4
Family Size Structure of Household



Source: Based on Table 4.4.

4.3 Composition and Level of Income

The level of income determines the level of consumption and expenditure. Therefore, level of expenditure influenced by level of income. Income level determines the household consumption pattern of people i.e. how much transaction will be paid for household consumption in given period of time. If family earned more income of its member, they will spend more amount consumer goods and services but if family has low level of income then its households expenditure will fall lower amount from income. The income level also determines level of poverty and poverty problem is influenced by the income earning occupational structure. Most of the people is in engaged in the subsistence level of income and traditional work. Most of the Tharu are engaged in manual labour which is construction field and daily labour manufacture in company and different sector.

Due to lack of education, technical framing, capable human resource, lack of capital, irrigation and lack of operational land they couldn't rid of the subsistence level of income. Without the specialization in the occupation Tharu people will adopting labour occupation for their livelihood in the study area.

Table 4.7
Distribution of Sampled Household by Income Group

S.N.	Yearly Income (in Rs. Thousand)	Number of Household	HHs (%)
1.	0 to 100	4	7.27
2.	100 to 200	15	27.27
3.	200 to 300	9	16.37
4.	300 to 400	14	25.46
5.	400 to 500	4	7.27
6.	500 to 600	4	7.27
7.	600 to 700	3	5.45
8.	and 700 above	2	3.64
9.	Total	55	100.00

Source: Field Survey, 2021

Table 4.7 represent that 7.27 percents household have income Rs. 0 to 100000 and 100000 to 200000 of the income per year is 27.27 Percent. 16.37 percent have the income level of 200000 to 300000. 25.46 percent households have income 300000 to 400000. Similarly, 7.27 percent and 7.27 percent have 400000 to 500000 and 500000 to 600000 in annually. 5.45 percent and 3.64 percent households have 600000 to 700000 and 700000 above per year in the study area. It shows that the Tharu household have low and middle level of income group. The sampled households have most of income from occupation of labour sector. That means that the low level of income group have high marginal propensity to consume.

4.3.1 Sources of Income

The level of income is a prime factor in determining economic well of household. There are different source of household income. There are engaged in various sectors like agriculture, business, service, foreign employment, labour and other unspecified job. The following table shows the source of household income from the different source of occupation in the Tharu community.

Table 4.8
Distribution of Income from the Occupation

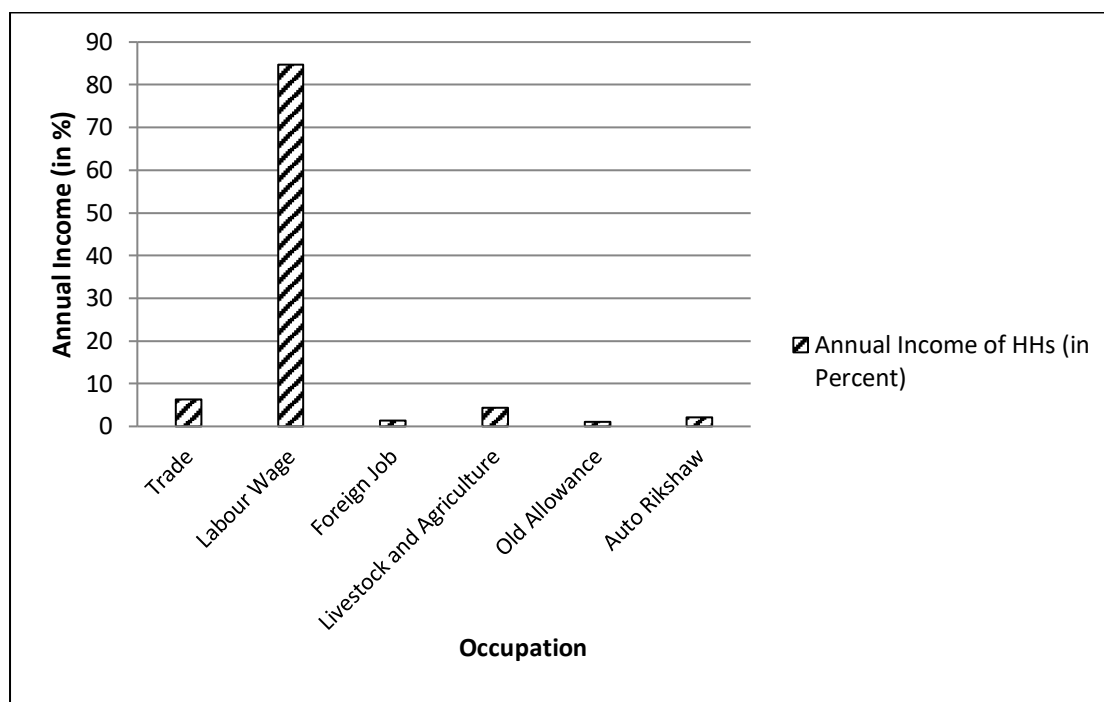
S.N.	Occupation	Number of HHs	Annual Income (in Rs.)	Annual Income of HHs (in Percent)	Percent of HHs
1.	Trade	9	1068000	6.37	16.37
2.	Labour Wage	36	14226325	84.73	65.00
3.	Foreign Job	1	240000	1.42	1.81
4.	Livestock and Agriculture	5	733200	4.37	9.09
5.	Old Allowance	2	168000	1.00	3.63
6.	Auto Rikshaw	2	354000	2.10	3.63
7.	Total	55	16789525	100.00	100.00

Source: Field Survey, 2021

Table 4.8 shows the major portion of households 65 percent people generates 84.73 percent of income form the labour occupation. This shows that the labour occupation is dominant occupation of this study area. Similarly, 16 percent of household generated 6.37 percent of the income from the trade occupation. The foreign job 1.81 percent of household occupies 1.42 percent of the income from foreign job. The 9.09 percent of household generate the income from the livestock and agriculture sector have very low even though Nepal is agro based economy. Auto rikshaw is emerging occupation of generation the income which has 3.63 percent households have 2.24 percent of the income. The old allowance contributes the subsistence for the old people which is 3.63 percent of the income in study area.

Figure 4.5

Distribution of Income from the Occupation



Source: Based on Table 4.8.

4.4 Consumption Expenditure of Sampled Household

Consumption expenditure represents the total amount of good and services bought and consumed by the consumer during a period of time. Consumption expenditure is a depending variable of income level that indicates our economic condition. Consumption expenditure is influenced by various factor such as income status, geographical situation, education etc. consumption behavior helps to know about economic condition of the people such as domestic production, import, consumer goods, saving potentiality and capital formation of the country. Consumer goods, saving potentiality and capital formation of the country.

To analyze the consumption pattern of Tharu community in Tikapur Municipality various item of consumption such as food items and non-food items can be classified in the table.

Food items are divided into eight commodities, which are usually used by household to fulfill their daily needs. Household consumption expenditure on food items are presented in the following table:

Table 4.9
Household's Expenditure Consumption of Food Items

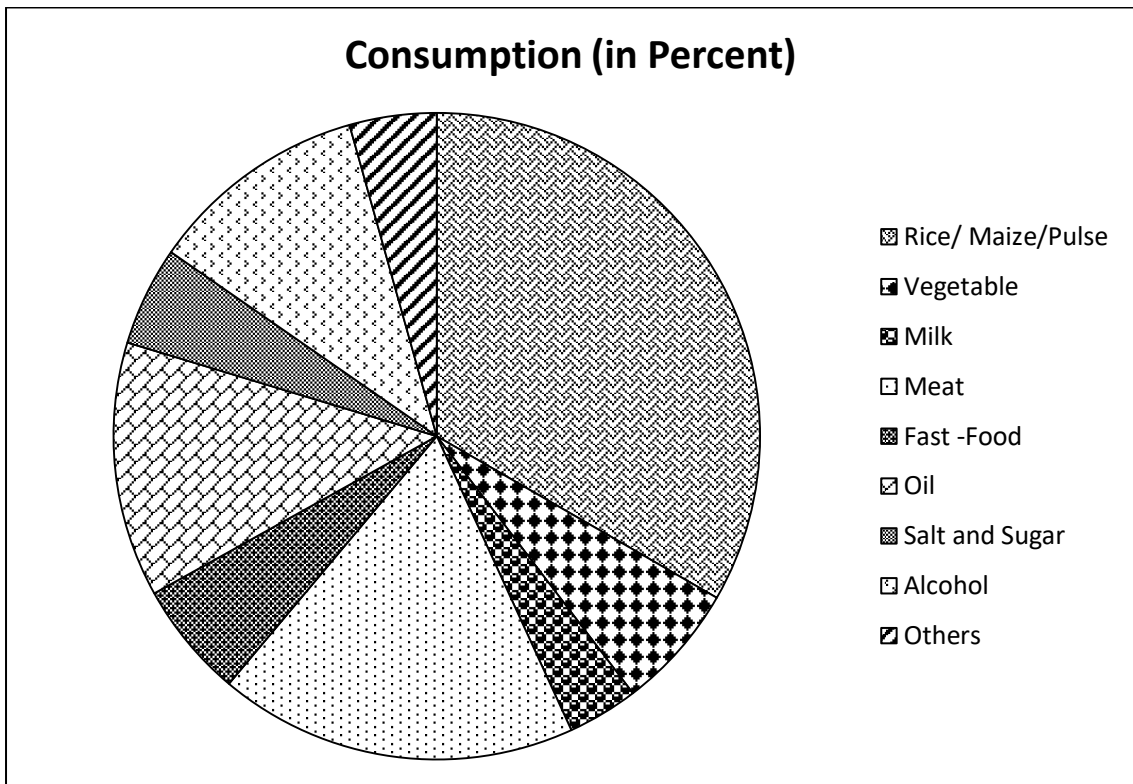
S.N.	Food Items	Expenditure (in Rs.)	Consumption (in Percent)
1.	Rice/ Maize/Pulse	1648025	33.31
2.	Vegetables	311600	6.29
3.	Milk	175610	3.54
4.	Meat	887830	17.94
5.	Fast -Food	286980	5.80
6.	Oil	630910	12.75
7.	Salt and Sugar	245820	4.96
8.	Alcohol	544635	11.00
9.	Others	215450	4.35
10.	Total	4946860	100.00

Source: Field Survey, 2021

Table 4.9 shows that the consumption expenditure is made on food items. The total annual expenditure on rice is high portion about 33.31 percent with expenditure is Rs. 1648025 out of total expenditure. The consumption expenditure on meat is 17.94 percent with Rs. 887830. 12.75 percent on oil and 11.00 percent on alcohol consumption expenditure. The small portion of consumption expenditure on vegetable, milk, fast food , salt and sugar, and other items are have 6.25 percent, 3.54 percent, 5.80 percent, 4.96 percent and 4.35 percent respectively. The high portion of total consumption expenditure is devoted to food items in the study area. And also shows that the consumption of food items shows that huge consumption behavior on alcohol items is high in comparison to healthy food item like milk and vegetables.

Figure 4.6

Household's Expenditure Consumption of Food Items



Source: Based on Table 4.9.

4.4.1 Yearly Consumption Expenditure Distribution of Non- food Items

In this study, consumption expenditure on Non-foods items is classified into fourteen different categories which are expenditure on education, health, clothing, housing operating, communication, transportation, fuel, Government tax, items, entertainment, electricity bills, water bills, agriculture and livestock and other expenditure are Non-food consumption expenditure. The household consumption expenditure on Non-food items are presented in the following table.

Table 4.10
Household Consumption Expenditure on Non- food Items

S.N.	Non-food Items	Expenditure (in Rs.)	Household Expenditure (in Percent)
1.	Education	881650	12.84
2.	Health and Sanitation	1091595	15.90
3.	Clothing and Footwear	1652175	24.06
5.	Housing Operating	539000	7.85
6.	Communication	571100	8.31
7.	Transportation	303000	4.41
8.	Fuel/ LP Gas	419700	6.11
9.	Government Tax	18250	0.27
10.	Electric Items	144160	2.10
11.	Entertainment	289075	4.21
12.	Electricity Bill	241900	3.52
13.	Water Bill	40000	0.59
14.	Livestock and Agriculture	163150	2.38
15.	Others	511375	7.44
16.	Total	6864330	100.00

Source: Field Survey, 2021

Table 4.10 shows expenditure on Non- food items. The high expenditure on non-food items included education, health and sanitation, clothing and foot wear occupies 12.84 percent, 15.90 percent, and 24.06 percent of expenditure with Rs. 881650, 1091595 and 1652175 respectively. In such a way the other Non-Food item included are housing operating, communication, transportation, fuel and l.p. gas, Government tax, electric items, entertainment, electricity bill, water bill, livestock and agriculture and other items are have consumption expenditure occupies 7.85 percent, 8.31 percent, 4.41 percent, 6.11 percent, 0.27 percent, 2.10 percent, 4.21 percent, 3.52 percent, 0.59 percent, 2.38 percent, and 7.44 percent on Non-food items from the above table in the study area. It shows that the consumption expenditure pattern have Non-food items is higher than the food items.

4.5 Measurement of Income Inequality

Income inequality is a major part of economics development. It shows the disparities among the individual income and wealth. It also refers to which income evenly

distributed with in a population. The distribution of income inequality in the study area has been shown by the various method of measuring inequality. The Gini coefficient is a typical method to measuring income inequality with the coefficient various between 0 to1. The researcher has been used the Lorenz curve and Gini coefficient to measure the income inequality in the Tharu community.

4.5.1 Lorenz Curve

Lorenz curve is graphical representation to measuring of deviation of actual distribution from the line of equal distribution. First of all this method was used by Gr. Max. O. Lorenz to measure inequality. It shows the relationship between cumulative percent of household and cumulative percent of income in the study area.

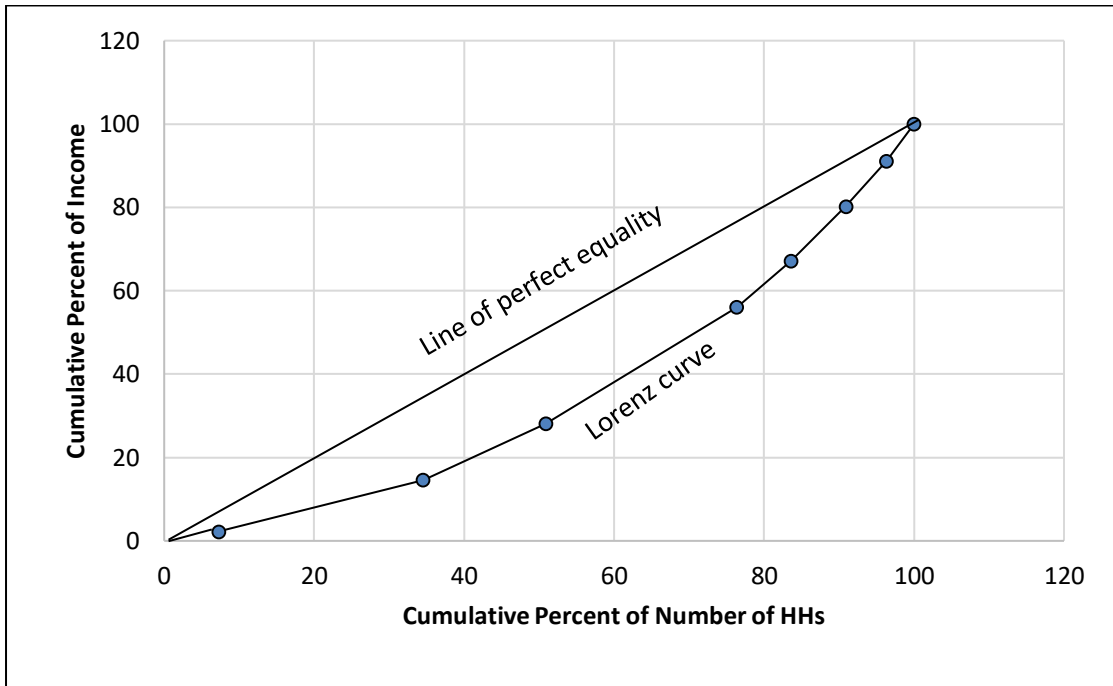
Table 4.11
Calculation of Loranze Curve

S. N.	Yearly Income Rs(000)	Nu m- ber of HHs	Total Income	Cumulativ e of Total Income	Cumulative of Number of HHs	Cumulat -ive % of Income	Cumulativ e % of Number of HHs
1.	0-100	4	381550	381550	4	2.28	7.28
2.	100-200	15	2072775	2454325	19	14.61	34.54
3.	200-300	9	2262000	4716325	28	28.09	50.90
4.	300-400	14	4702200	9418525	42	56.09	76.36
5.	400-500	4	1870000	11288525	46	67.23	83.63
6.	500-600	4	2194000	13482525	40	80.30	90.90
7.	600-700	3	1827000	15309525	53	91.18	96.36
8.	700-800	2	1480000	16789525	55	100.00	100.00

Source: Researcher's Calculation

Table 4.11 represents that cumulative percent of household and cumulative percent of income. With the help of the table figure Loraze curve has been derived as following.

Figure 4.7
Lorenz Curve Showing Inequality



Source: Based on Table 4.11

Figure 4.1 shows in the case of equal income of all household. The Lorenz curve overlaps line of perfect equality and in the case of inequality the Lorenz curve have a distance from perfect equality line. It indicates the degree of income inequality is the higher in the study area which is 9.

4.5.2 Gini Coefficient

Based on the property of the Lorenz curve, Gini coefficient can be defined as the ratio of the area that lies between the line of equality and Lorenz curve over the total area under the line of equality. The higher value of Gini coefficient implies that higher degree of inequality and vice versa. In the research we have the value of Gini coefficient is 30.79 which is 0.30. It shows relative income equality less than the national figure i.e. 0.49 (NLSS, 2019). It shows there is relative income equality in the study area. That means comparative income distribution situation is not very worse that implies there is no different between the “haves” and “haves not” in the people under this study.

4.5.3 Calculation of Gini Coefficient

Table 4.12
Calculation of Gini Coefficient (In Rupees) per Annum

S.N.	Cumulative Percent of Total Income (Yi)	Cumulative Percent of Number of HHs(Xi)	Xi.Yi+1	Xi+1.Yi
1.	2.28	7.28	106.36	
2.	14.61	34.54	970.22	78.75
3.	28.09	50.90	2854.99	743.64
4.	56.09	76.36	5133.69	2144.95
5.	67.23	83.63	6715.49	4690.80
6.	80.30	90.90	8288.27	6111.20
7.	91.18	96.36	9636.00	7737.70
8.	100.00	100.00		9118.00
			€Xi.Yi+1=33705.02	€Xi+1.Yi=30625.04

We have,

$$€X_i.Y_{i+1} = 33705.02$$

$$€X_{i+1}.Y_i = 30625.04$$

$$\begin{aligned}
 G_c &= \frac{1}{100} [\sum X_i Y_{i+1} - \sum X_{i+1} Y_i] \% \\
 &= \frac{1}{100} [33705.02 - 30625.04] \% \\
 &= \frac{3079.98\%}{100} \\
 &= 30.79\% \\
 \therefore G_c &= 0.31
 \end{aligned}$$

4.6 Income Analysis

As obtained from the field study per households yearly lowest income strata and highest income strata are given below in table 4.13

Table 4.13
Income Analysis of Sample Households

Lowest Yearly Income	Rs.90800
Highest Yearly Income	Rs.760000

Source: Field Survey, 2021.

Table 4.13 shows that the lowest yearly income of the sample household is Rs. 90800 whereas highest yearly income of the sample household is Rs 760000 This shows that there is wide gap of income between sample household in the study area. This is also implies that there is highly unequal distribution of the income in the community.

4.7 Measuring Inequality

The word income inequality is very familiar in economics literature. Unequal distribution of income is serious problem in develop and developing nations. The measuring income inequality have different types of method to shows the concentration of income and wealth. The table 4.7 shows the different result of income inequality measures.

Table 4.14
Different Result of Income Inequality Measure

	Mean	Standard Deviation	Range	Variance	Coefficient of Variance
Income	305264	175890	669200	30937317680	57
Consumption	282808	189529	631400	3592150927	67

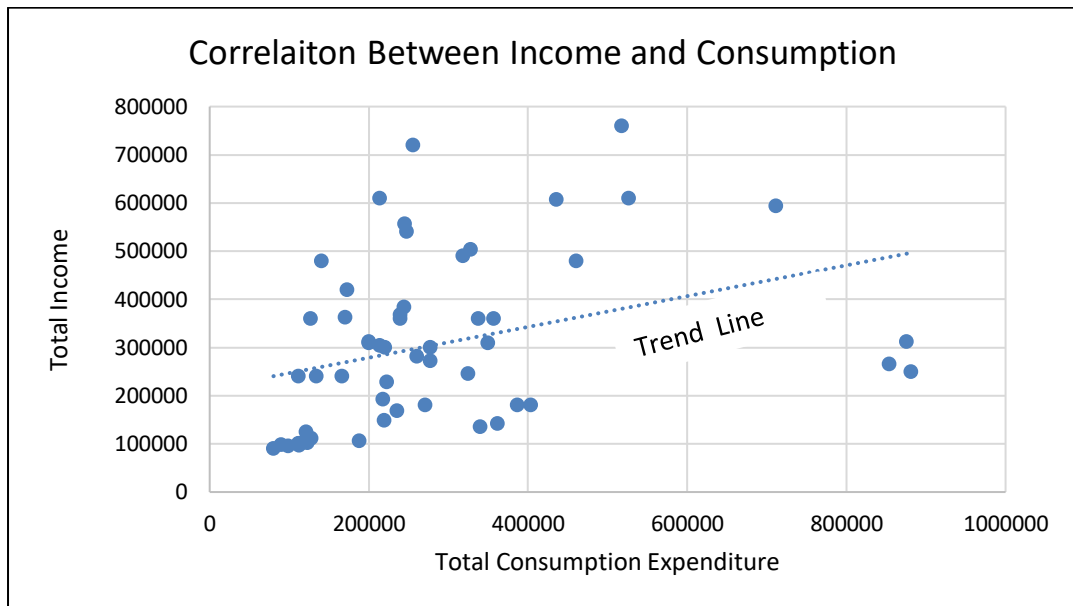
Source: Researcher's Calculation

Table 4.14 depicts that there highly unequal distribution of income in the community with income range 669200. There is large gap between lowest income group and highest income household. and all this indicators shows inequality in income distribution Range of income is high in the comparison of consumption which suggest that the level of consumption seems to be similar than the amount of income.

4.8 Correlation Analysis of Income and Expenditure

Figure 4.8

Correlation Analysis of Income and Expenditure



Sources: Based on Appendix-III.

Using Karl Pearson's Coefficient of Correlation

Coefficient Value = 0.344 (by using excel method)

CHAPTER-V

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Summary of Findings

This chapter has attempted to analyze the income and consumption pattern of Tharu community in Tikapur municipality Kailali district. The location of survey selected was Mukta kamaya family based on the 55 sampled household out of total 466 households. The statistical analysis of the study area has been based of the data collection method through direct personal interview, simple random sampling method, observation method using questionnaire related to their source of income, consumption, education status, literacy, etc. To test the income inequality in income distribution, Gini concentration ration, Lorenz cure, Standard deviation, Coefficient of variation method is used. The secondary data from CBS, VDC, DDC, MoF, National and International publications. This study conducted using both descriptive and analytical method.

The key findings of the study are as follows:

1. In the field survey, total sampled population is 394 consisting 194 male and 200 female.
2. In the study area 48.99% of population are illiterate where the number of male 98 and 95 are female. 43.14% of sampled population are found to be literate with under SEE. 6.86% of population get Bachelor level of education and 1.01% of population get master level of education.
3. Out of 55 sampled household 74.54% of household are engaged in manual labour. In the same way 14.54% in business, 3.63% in agriculture, 3.63% in service sector and 3.63% of household in engaged in foreign employment.
4. All the sampled household 83.63% have kachhe house, 12.72% have pakki house with roof jasta and 3.63% percent have jhupdi house.
5. 80% of household using general types of toilet and 20% household have using deep whole toilet facility.

6. In the study area 74.54% of population have using pure drinking water from tap. Simerlarly, 25.46% of household have using drinking water from hand pump.
7. All the sampled household have 2 katta distributed by the government of Nepal during the establishment of Sukumbasi Siber of Bijaynagar at B.S. 2060.
8. In the study area 38.18% of household are having family size 1 to 4 person. Similarly, 34.54% of household are having 4 to 8 person and 27.28% of household have size 9 and above.
9. On the basis of income group 7.27% of household earn income up to 1 lakh per year. 27.27% household are receiving 1 to 2 lakh per annum. 16.37% household earn 2 to 3 lakh, 25.46% of household earn 4 to 5 lakh, 7.27% household earn 5 to 6 lakh and 3.64 percent of household earn 7 lakh of income receiving annually.
10. Among the food items have highest share is occupied by rice, maize and pulse are 33.31%. Expenditure on vegetable 6.29%. Similarly, milk, meat, fast food, oil, sugar, alcohol and other items have 3.54%, 17.94%, 5.80%, 12.75%, 4.96%, 11.00% and 4.35% consumption expenditure.
11. Among Non-food items the highest share is occupied by education i.e. 12.84%.Health and sanitation occupy 15.90% and 24.06% on clothing and foot wear.
12. The total consumption expenditure made of food items is 31.80% and 44.13% made on non-food items from the total consumption expenditure.
13. Most of the respondent received loan to fulfill their basic needs from cooperatives and relatives.
14. There is inequality in the distribution of income shown by Gini coefficient value is 0.31. Similarly, the lowest earning income of household is 90800 and highest earning of household is 760000.
15. The coefficient value is 0.34 between income and consumption.

5.2 Conclusion

The study found that main sources of income from the labour wage. The distribution of population by sex is 49.23 percent male and 50.77 percent of female. The labour sector of occupational income share 83.74 percent of the total income. The expenditure on food items found 31.80 percent of total consumption and expenditure on Non-food items found that 44.13 percent of total consumption expenditure. On the basis of total income and consumption expenditure difference income level is high than the expenditure level. In the study distribution of population by age group were found as between the age of 0 to 4 years, 5 to 14 years, 15 to 44 years, 45 to 59 years and above 60 years are 10.66 percent, 13.46 percent, 56.86 percent, 13.46 percent and 5.59 percent respectively.

Total sampled population of female is higher than the male. The economically active population is high which lies between the age group 15-64 years. Educational status of sampled house is not satisfactory. Most of the literate people have the education is under SEE. Literacy rate of female is higher than the male. Only few household are engaged in service sector and foreign employment. The share of consumption expenditure on non-food items is higher than food items. According to respondent expenditure on meat, alcohol and oil is higher than other food items. The sampled household expenditure on education, health and clothing is higher than the other non-food items. In the study area 27.27% household lies in the income group of 1 to 2 lakh and 3.64% earn 7 lakh. Livestock, agriculture, poultry farm and service sector have few household engaged.

5.3 Recommendations

Tharu community is the backward community of Nepal. They are economically, politically, educationally backward in the country. Unequal distribution of income is found in research. The few household involved in administration and politics. To decrease income inequality following recommendation are presented:

1. Most of the household earning is labour wage in construction area. The labour force should be utilized in production sector like poultry, livestock, farming and other cash crop that yield better income.

2. Education is key of economic development. Local government should implement technical and vocational education program that would support uplift the economic status of people.
3. The people have only 2 Kattha land provided by government for residential purpose there is no sufficient land to survive. The government should give land for the agriculture production.
4. The consumption of traditional Tharu food are going to be less consumption. For the preserve traditional Tharu food it should marketing, emphasize to open Tharu food land in the urban area.
5. Respondent spent their source of earning on entertainment, drinking alcohol, cigarette and tobacco. Therefore, the awareness program should conduct by concerned parties.
6. In the study area productivity of agriculture is low. Modern farming method techniques, irrigation facilities, fertilizer, chemical, improved seeds, agriculture training should be implementation for the development in agriculture.
7. The high income inequality in study area caused by their occupation. Thus, government should generate lots of employment source and effective employment for the low income group of people.
8. The local government capital expenditure should be channelized in women empowerment which may the employment opportunity for the unemployment, underemployment and unemployment women in the society for income generation.

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APPENDIX-I

Household Survey Questionnaire

HOUSEHOLD SURVEY QUESTIONNAIR OF TIKAPUR MUNICIPALITY

Date of Interview:

(1) Name of Household Head: Sex:

Age: Education: Religion:

District: Municipality: Ward No.:

(2) Family Structure by Age and Sex

Age Group	Male	Female	Total
0-4 years			
5-14			
15-44			
45-60			
& 60 above			

(3) Education Status

Education	Male	Female	Total
Illiterate			
Under S.E.E			
Intermediate Level			
Bachelor Level			

(4) Occupational Status of Economically Active Population (15-59).

Occupation	Male	Female	Total
Agriculture			
Business/ Trade			
Service			
Foreign Employment			
Labour			
Livestock and Agriculture			
Others			

(5) Types of House

(a) Jhupadi () (b) Kachee () (c) Pakkee ()

(6) Type of Toilet

(a) General () (b) Deep hole () (c) Open ()

(7) What are the sources of Drinking Water?

(a) Tap () (b) Hand Pump () (c) Deep Well ()
(d) River () (e) Others ()

(8) Amount of Land Provided by the Government

(a) 2 Kattha () (b) 3 Kattha () (c) 5 Kattha ()

(9) Distribution of Family Size by Household

Family Size	Household	Population
1-4		
5-9		
& 9 above		

(10) Annual Sources of Income

(a) Income from Agriculture and Livestock

S.N.	Crops	Per Month HHs Income	Annual Income (in Rs.)
1.	Paddy/ Wheat/ Maize		
2.	Vegetables		
3.	Hen/Egg/Milk/Fishery		
4.	Pig/Bufflo/Cow		
5.	Goat		
6.	Fruits		
7.	Others(specify)		
8.	Total		

(b) Income from Non -Agriculture Sector

S.N.	Source of Income	Monthly Income (Rs.)	Annual Income (Rs.)
1.	Trade and Business		
2.	Service		
3.	Labour Wage		
4.	Foreign Job		
5.	Old Age Allowance		
6.	Auto Rikshaw		
7.	Others		

(11) Description of Consumption Expenditure

(a) Consumption Expenditure on Food Items

S.N.	Consumption Items	Qty (in Kg.)	Price (in Rs.)	Value (in Rs.)
1.	Rice/Wheat/Maize			
2.	Vegetables and Fruits			
3.	Milk Products			
4.	Meat and Eggs			
5.	Snack and Fast Foods			
6.	Oil			
7.	Salt and Sugar			
8.	Cigarette/Alcohol			
9.	Others			

(b) Expenditure on Non- food Items

S.N.	Items	Expenditure (in Rs.)
1.	Education	
2.	Health and Sanitation	
3.	Clothing and Footwear	
4.	Housing Operating	
5.	Communication	
6.	Transportation	
7.	Fuel/LP Gas	
8.	Government Tax	
9.	Electric Items	
10.	Entertainment	
11.	Electricity Bill	
12.	Water Bill	
13.	Others	

(c) Expenditure on Agriculture Production

S.N.	Items	Expenditures (in Rs.)
1.	Seeds	
2.	Fertilizers	
3.	Harvesting	
4.	Insecticides	
5.	Irrigation	
6.	Others	

(d) Expenditure on Livestock Production

S.N.	Livestock	Feeding	Medicine	Other Expenditure (in Rs.)	Total
1.	Cow				
2.	Buffalo				
3.	Goats				
4.	Pigs				
5.	Hen/Cocks				
6.	Oxen				
7.	Others				

(13) Dose your Production help to Sustain your Family? ()

- 1).Yes 2) No

If yes how month does it help? ()

- 1) Less than 3 month 2) 3-6 month
3) 6-9 month 4) 9-12 month

(14) Does your Income Fulfill the Expenditure of your Family? ()

- 1) Yes 2) No

If No how can manage? ()

- 1) Loan 2) Barrow 3) Selling asset

APPENDIX-II

Occupational Income (in Rs.)

S.N.	HHs	Trade	Labour	Foreign Gob	Livestock and Agriculture	Old Allowance	Auto Rikshwa	Total Income
1.	H1	60000	540000		7000			607000
2.	H2	84000	360000		150000			594000
3.	H3		240000					240000
4.	H4		300000					300000
5.	H5		300000					300000
6.	H6		120000		15000			135000
7.	H7		300000		10000			310000
8.	H8		360000					360000
9.	H9		720000					720000
10.	H10	24000	180000			24000		228000
11.	H11	480000						480000
12.	H12	36000	240000		6000			282000
13.	H13		280000		56000		24000	360000
14.	H14	180000	180000			24000		384000
15.	H15		180000					180000
16.	H16		360000					360000
17.	H17		360000		2200			362200
18.	H18		240000					240000
19.	H19		240000					240000
20.	H20		180000		12000			192000
21.	H21		60000		84000	24000		168000
22.	H22	48000			200000	24000		272000
23.	H23		60000	240000	12000			312000
24.	H24					24000	280000	304000
25.	H25		252000		14000			266000
26.	H26		480000			24000		504000
27.	H27		540000		16000			556000
28.	H28		180000					180000
29.	H29		60000		15000	24000	50000	149000
30.	H30		600000		10000			610000

31.	H31		480000		10000			490000
32.	H32		180000					180000
33.	H33		360000		8000			368000
34.	H34		720000		40000			760000
35.	H35		300000		10000			310000
36.	H36		480000					480000
37.	H37		240000		5000			245000
38	H38		96000		10000			106000
39	H39		540000					540000
40	H40		420000					420000
41	H41	120000			22000			142000
42	H42		360000					360000
43	H43		240000		9000			249000
44	H44		600000		10000			610000
45	H45	36000	276000					312000
46	H46		90800					90800
47	H47		98150					98150
48	H48		95400					95400
49	H49		100250					100250
50	H50		97200					97200
51	H51		100525					100525
52	H52		101000					101000
53	H53		112000					112000
54	H54		102000					102000
55	H55		125000					125000
	Total	1068000	14226325	240000	733200	168000	354000	16789525

APPENDIX-III**Food and Non-food Consumption (in Rs.)**

S.N	HHs	Food	Non-Food Items	Total Expenditure	Total Income
1.	H1	71520	179300	435500	607000
2.	H2	52640	348500	711500	594000
3.	H3	60400	70800	166400	240000
4.	H4	55280	132425	276875	300000
5.	H5	7730	99715	220145	300000
6.	H6	18520	160125	339875	135000
7.	H7	22250	87660	200080	310000
8.	H8	119500	149325	356375	360000
9.	H9	106080	107975	255525	720000
10.	H10	76800	101325	222075	228000
11.	H11	49680	53625	140075	480000
12.	H12	129960	104725	259775	282000
13.	H13	77880	100725	239375	360000
14.	H14	84800	94625	243675	384000
15.	H15	85200	165025	386075	180000
16.	H17	101800	152725	337575	360000
17.	H18	77880	79425	170075	362200
18.	H19	131800	60825	133475	240000
19.	H20	66480	50325	111575	240000
20.	H21	112200	92925	217375	192000
21.	H22	116400	96825	234975	168000

22.	H23	88800	111465	276995	272000
23.	H24	204100	385825	875375	312000
24.	H25	72080	92425	213275	304000
25.	H26	169200	390525	853575	266000
26.	H27	210600	145725	327775	504000
27.	H28	117500	102625	244475	556000
28.	H29	112800	189625	403475	180000
29.	H30	56000	103225	219275	149000
30.	H31	68400	92525	213375	610000
31.	H32	115800	150725	317775	490000
32.	H33	71400	121625	270475	180000
33.	H34	70200	95835	239105	368000
34.	H35	115600	228825	517475	760000
35.	H36	113400	153825	349075	310000
36.	H37	149900	214325	460175	480000
37.	H38	191880	143225	324275	245000
38.	H39	124200	87475	188025	106000
39.	H40	128200	107125	246975	540000
40.	H41	73600	79025	172675	420000
41.	H42	215600	137025	361075	142000
42.	H43	57700	56085	126255	360000
43.	H44	127200	393650	880950	249000
44.	H45	67700	237550	526250	610000
45.	H46	154000	91350	199650	312000

46.	H47	42200	34200	80100	90800
47.	H48	40400	37720	89665	98150
48.	H49	48400	40400	98200	95400
49.	H50	40550	48550	111150	100250
50.	H51	42475	48225	111925	97200
51.	H52	42750	48250	112575	100525
52.	H53	50100	48050	113650	101000
53.	H54	43575	55225	127675	112000
54.	H55	47250	52150	122450	102000
55.	H56	48500	51000	120900	125000
	Total	4946860	6864330	15554470	16789525
	Mean			282808.5455	305264.0909
	Std.			189529.7051	175890.0727
	Variance			35921509127	30937317680
	C.V.			0.670169654	0.576189856
	Correlation	0.344			