CAUSES AND CONSEQUENCES OF RURAL POVERTY

A CASE STUDY OF BHOJPUR VDC, BHOJPUR DISTRICT

A Thesis Submitted to the Faculty of Humanities and Social Sciences, in Partial Fulfillment of the Requirement for the Master's Degree of Art's in Rural Development

By

DURGA YONJAN

Regd. No.: 7-1-11-204-99

Central Department of Rural Development

Tribhuvan University

Kirtipur, Kathmandu

Nepal

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RECOMMENDATION LETTER

Durga Yonjan has completed his thesis entitled **"Causes and consequences of poverty"** under my supervision. He has carried out his research from December 2015 to March 2016. I forward it with recommendation for acceptance.

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Suman Kharel

Supervisor

Central Department of Rural Development

Date: 2016-04-08   Kirtipur, Kathmandu

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APPROVAL LETTER

This thesis submitted to the Central Department of Rural Development, Tribhuvan University by Durga Yonjan entitled "Causes and consequences of rural poverty: A Case Study of Bhojpur VDC, Bhojpur District" has been accepted by under signed members of the thesis committee.

Members of the thesis committee:

_____

Prof. Dr. Prem Sharma

(Head of Department)

_____

External Examiner

_____

Suman Kharel

(Supervisor)

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Date: 2016-04-12   Durga Yonjan

   (2072-12- 30)   Kirtipur, Kathmandu

ABSTRACTS

This study was conducted in Bhojpur VDC of Bhojpur district. The objective of the study was to analyze the cause and consequences of rural poverty and the specific objective were to identify the cause and consequences of rural poverty in study area and to provide a basic of the theoretical as well as practical concept and knowledge for further study and research on poverty. This study has adopted both exploratory and descriptive research design. Primary and secondary data from primary and secondary source both were used. Among 2875 households, 90 households were selected for study. To gather the information about study area household survey and questionnaire. Key informant interview, field observation etc. tools and techniques were used.

It has been founded that 31.11 percent of HHS are 34 % of total population are absolutely poor. Similarly 54.44 percent households and 52.38 percent population are respectively poor 85.55 % households and 86.33 population are total poor. It is also found that only 14.45 percent household's and 86.33 population are total poor. It is also formed that only 14.45 percent households and 13.57 % population are found to be non-poor

The mean income of the total sampled households is Rs 242.94 per capita per day and the mean income of the absolute poor households is Rs 43.73 per capita per day.

From the testing of statistical tools it is proved that education, employment and size of landholding determines the living standard. The poverty is inversely related to the level of education, employment average family size and size of landholding among the sampled households. The consumption ratio is very high among the poor with respect to their income and living standard is very low.

CONTENTS

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ABBREVIATION/ACRONYMS

ADB: Asia development bank

CBS: Central Bureau of Statistics

FAO: Food and Agricultural Organization

GNP: Gross National product

HDI: Human Development index

HDR: Human Development Report

HHs: Households

ILO: International labor Organization

MHG/N: His Majesty's Government/Nepal

NGO: Non-Governmental Organization

NLSS: Nepal Living Standard Survey

NO: Number

NPC: National Planning Commission

NRB: Nepal Rasta Bank

SAARC: South Asian Association for Regional cooperation

SFDP: Small Farmer Development program

VDC: Village Development Committee

WB: World Bank

WDI: World Development Index

WDR: World Development Report

CHAPTER –ONE
INTRODUCTION

1.1   Background of the Study

The problem of poverty has been one of the most challenging problem. Poverty is not only the problem of underdeveloped countries, but it is also the problem of developed countries, poverty is defined as the failure come up with a desired level of living where as in underdeveloped countries it means hungry, malnounshed, illiterate, poverty stricken and survival oriented people, however the problem of poverty is deeply rooted in underdeveloped countries.

Poverty in Nepal can be seen from micro and macro perspective. At micro level, it focuses primarily on individual experiences on extreme poverty, which is in terms of low caloric instance per day on material poverty defined as lack of means to satisfy purely materials needs such as food, clothing and shelter. At macro level poverty can be identify in terms of high rate of population growth, low productivity lack of employment opportunities technological and administrative inefficient and lack of marketing facilities .

Nepal is an agricultural country. About 81 percent of the total population are engaged in the agricultural sector but the level of productivity pale unit of land is low (agricultural survey 2001) this is due to small size of landholding technological backwardness, lack of improved seed and lack of irrigation. So most at the Nepalese farmers are not able to save anything out of their farm income what they produce they consume themselves.

The district has a diversity of climate and nature vegetation because of geographical diversity. It has a climate ranging from alpine to tropical monsoon climate. As the district red, grey, soil the land is mostly dry. Bhojpur has 41. 29% of total land of the district as available land 50.29% forest area 3.67% pastures land and 4.75% land rivers stay and clefts and slopes.

The economic resources of this district depend mainly on agriculture. Although economically active population is 63.82%, 89.45% of them are dependent on agriculture 10.55% in non-agricultural occupation.

Bhojpur V.D.C is one of the VDC which lies in the middle part of the Bhojpur district which is populated by ethnic group like Brahmin, Kshetri, Tamang, Rai, Newar, Kami, Damai, etc, it is bounded by Helaucha VDC in the north TaksarVDC in south Bhaisepankha in the east and BokhimVDC in west.

Agriculture is the main occupation of this VDC in order to provide social facilities there are district hospital veterinary services center health post branch office of different bank cooperative stores one government higher secondary school there primary school and a cinema hall is also there for entertainment.

1.2   Statement of Problem

The problem of poverty is not concerned only with underdevelopment countries. It is a problem of developed as well as developing countries but it differs from one nation to another depending upon the development stage of the country. Nepal is a country of village where 3915 village and VDCs are rural localities of Nepal where 81.7% people are living (CBS 2011). Since the agricultural sector is the backbone of development of the Nepal its development plays vital role to uplift the national economy. Due to the factor the production in agriculture is going to decline. The main reason for poor performance in the agricultural sector are lack of irrigation, lack of misuses of chemical fertilizer backward technology small and fragmented holding of land declining fertility of the soil due to deforestation, floods, landslides and soil erosion, drought and inefficacy of agricultural development programs for extension services, bank loans and credits improves agriculture to reach to the level of the poor farmers.

Rural poverty in Nepal is continuing challenging because of the problem of different kind of problem but now a day the number of challenge is decreasing and the difficulties are minimizing day to day. But existing situation of poverty in Nepal is so complex is that it is not easy for the researchers to understand which need more efforts to present the actual picture of the extent and natural situation of rural poor and

poverty by identifying the various causing factor behind it. In this connection the present study is related to the exploration of rural poverty as a rural problem and is an analysis of the problem.

This study tries to specify causes and consequences of poverty with respect of income food sufficiency education and unemployment of the BhojpurVDC of Bhojpur district.

1.3   Objectives of the Study

The general objectives of the study are to find out the causes and consequences of rural poverty and its impacts in BhojpurVDC.

The specific objectives of the study are as follows:

1. To analyze the causes and consequences of rural poverty in study area.
2. To analyze the relationship between education, employment, occupation and income of poor.
3. To suggest appropriate policy measure to reduces poverty.

1.4   Significance of the Study

In the present world poverty is deeply rooted in the developing countries like Nepal furthermore we can say poverty is mostly concentrated in the rural areas of Nepal. In Nepal 83% of the people lives in rural areas.

1.5   Limitation of the Study

The study is based on the following assumption and limitation.

a) This Study has been concentrated only on 90 sampled households of Bhojpur VDC Bhojpur district because of limited resources and time constraint. Thus the study may or may not be equally extended or appreciate for their rural areas of Nepal.
b) The analysis of the study is based upon the information collected from interview with the respondent.

c) Prices of goods have been calculated on the basis of current price and local price in the study area.

d) Financial sources and time dimension are considered as constraints of the study.

e) Simple statistical tools are used to analyze the obtained data.

f) This study is conducted within given time periods and financial constraints.

1.6   Organization of the Study

This study report has been divided into seven different chapters first chapter is related with basic introductory information about the study and its objectives. Chapter Two present the finding from relevant literature review. The methodology of the study is in chapter three. Finding the discussion part of the study is included in chapter four. This chapter mainly consists of three thematic headings and it's brief introduction of district and VDC, cause and consequences of poverty in condition, similarly chapter five is related to the cause of poverty which have same benefits problems relation to rural development with quality life chapter six is related to the consequences of poverty chapter seven deals with conclusion of the study and presents recommendation based on the major findings and conclusion. Bibliography interview schedule and checklists has been attached as annexes at the end of the report.

CHAPTER–TWO
LITERATURE REVIEW

The problem of poverty is most challenging particularly LDC's. Nepal is one of the poorest country in the world. Most economic and social indicators conform a high incidence of poverty in the country. There is a lack of reliable data on the magnitude of poverty in the country. Economic have conducted many studies in this field. However only few research works have been carried out in the context of Nepal. The reliable review of the literature is done in this study.

David Hamilton in his book **A Primer of the Economics of poverty** discuses about the meaning of poverty. He has examined income and its distribution He has also taken the income inequality as the major factor of poverty and he has used Lorenz Curve to show it geometrically. He makes distinction between absolute poverty and relative poverty. However, he uses relative concept for analytical purpose. He has made a due consideration on how to eliminate poverty. He has used secondary data.

Mr. V. Thomas in his research work examines the implication of spatial differences for measuring poverty. He established poverty line after calculating the local cost of a basket of basic needs. Thus, in his study, the extent and location of poverty is measured by using secondary data collected by various publications. In order to analyze the problem various econometric tools like: regional consumer price index, Sen.'s poverty index and other high degree mathematics, which have made his study analytical and complex. According to him. "Spatial differences in income and in the cost of living has serious implications of poverty. He provides an example to support his view that in measuring the extent of the poverty problem, a single money income poverty line, applied across a whole country, may in fact, represent widely different levels of purchasing power. Some of these designed as poor (being below the poverty line) in an area where living costs are low, will in real terms be better off than some living in a high cost area, who are excluded from the target group because their income is above the poverty line. Thus the measure will tend to overestimate the number of poor in low cost areas, and vice- versa.

Mr. M.M. Poudel, in his book **Drive against Poverty** has defined the absolute and relative poverty. He has also discussed in detail about the measure curtailing poverty

problem. For the purpose, he has used tabular method by using secondary data published by NPC and ADB to analyze the situation of poverty. He critically examined the land reform Act 1964. Integrated Rural Development, Community Development Program, Co-operative Program, Small Farmer Development Program, and land settlement program in the context of poverty in Nepal. He recommended that labor initiation program are to be given priority, Welfare program must be complied with which is able to ensure sustained prosperity, education, nutrition and increase in productivity. The study was only descriptive and these where no use of any statistical tools.

A joint study of World Bank and UNDP, **Nepal Poverty and income**, has intended to deepen our understanding of the consequences of poverty in Nepal, of it's causes and of the constraints, which prevent the poor from improving their condition. It investigate the effect of development policies and strategies on personal income and seeks to identify the most promising area for raising income for the poor. The main objectives of this study were to purpose the outlines for a long term country's strategies to reduce poverty as well as to recommend specific measures for government and the donor support. The study showed that the incidents of poverty under three different poverty lines and also that incidents of poverty is more serious in rural areas. Finally it gives some priority element of poverty alleviation of strategies in Nepal.

Kishor Kumar Guru Gharana, in this article, **Trends and Issues in Poverty Alleviation in Nepal** has discussed various causes of poverty and poverty alleviation strategies. The writer has also explained the poverty situation and alleviation strategies of SARC region. According to author poverty in Nepal seems to have explained as well as depended because of the political and Scio- cultural factor and geo-physical factor. Lack of the good governance, concentration of foreign aid in urban areas. Low human development investments are main Scio- political factors which are helping for chronic and pervasive poverty in Nepal.

Poverty is strong determinate of the others. Poverty's contribution to physical weakness through lack of food, small bodies, malnutrition leading to low immune response to infections and inability to reach or pay for health services; to isolation because of the inability to pay the cost of schooling, to buy a radio, or a bicycle to

afford to travel to look for the work, or to live near the village center or a main road; to vulnerability through lack of asserts to pay large expenses or to meet contingences; and to powerlessness because lack of wealth goes with low status: the poor have no voices.

AmatrayaSen in his book **Poverty and Famines** poverty is the characteristics of some people not having food to eat. While the latter can be the cause of the farmer, it is but one of the many possible causes whether and how starvation relates to food supply is matter for factual investigation.

Sen, who won the noble prize of 1998 in Economies on, 'Drought and poverty' has assessed poverty through following approaches:

- Biological
- Relative deprivation
- Inequality
- Democratic pattern

Biological approach to poverty is primary related to biological requirement and nutritional norms, which provide the most elementary concept of basic requirement.

The nation of deprivation has to be considered in broader terms to grips with the modern understanding of poverty. He views poverty as a matter of deprivation both absolute and relative deprivation.

Inequality approach, he says, poverty and inequality are very closely related. So, it relates with a situation when people possess loss of some desire attribute, be it come, favorable employment condition, etc. then to other.

Democratic pattern is the most important factor for poverty. He examined Sudan and North Korea. There was vastly starvation. He wrote that there was not democracy, so there was poverty.

The SAARC independent commission in the report 'meeting thechallenges1992', summarized its main findings about the real incidence of poverty in the south Asia region as follows.

a) The current wave of structural adjustment and liberalization policies are likely to put further strains on the poor, at least in the short run. These all findings and setting are concerned to the poor people. Thus these finding of the report may be a powerful instrument for the anti-poverty programmed.

b) Social absurdities like social-deprivation and discriminations against the poor and lack of access to social goods and services especially in the remote areas further enhance the great problem of poverty.

c) The size of poverty incidence in this region was found to be about 440 million in 1991, which is likely to grow substantially, if the population growth trend continued.

d) The pervasive poverty problem and deprivation are main challenges to democracy as well as social structure of the South Asia, (SAARC Independent commission, 1992).

Poorest of the Poor by Subedi is a comparative study between tow VDC named Hansapur and Belwa of Hill and Terai respectively. For this purpose of analysis, primary sources of data and some statistical tools like comparison tables and Chi-square test are used. The study shows that about 65.6 percent people in Hill village are engaged in agriculture, but 84.4 percent of the Tarai people are engaged in other occupation. It is observed that the main causes of poverty in the study area are lack of food, poor health, unemployment, large family size, low productivity, unskilled labor, lack of opportunities in production, natural disaster and low size of land holding, low market management etc.

NPC has provided a field survey on employment, income distribution and consumption pattern in Nepal to define and quantify the level of poverty. This survey was probably the first biggest conducted to define and quantify the level of poverty in Nepal .The minimum subsistence of level of income and expenditure were used for the deprivation of poverty line. An income level of Rs. 2 per- capita per day at 1976 – 77 prices was taken as minimum subsistence level. This level was based on the assumption of expenditure required to buy food item providing average daily intake of 2256 calories and the value of lowest actual consumption of other basic necessities. Based on the criteria at that time, it was visualized that out of total population, 40.3 % of households or 36.2 % of population live below the absolute poverty line and 20.51

% of household or 18.84 % of population line below relative poverty line. In this survey, some population statistical tools like Gini- coefficient ratio. Lorenz curve was used to make the study more acute and reliable.-

Action Aid published a book **listing to people living in poverty** the departure from dominant understanding of poverty was made when we read the life stories of the people closely. The life stories critically challenge the belief that lack of resources cause human distress and death. Current ways of addressing poverty are merely attacks on the symptoms of the global malaise and not on the causes. These solutions tend to provide short-term relief rather than long- term transformation. Though lack of resources does exacerbate the distress people face, it is symptomatic of the relations that people have, and the extent to which they can values access control and negotiate resource within these relations. Thus 'agency' becomes central to addressing poverty issues. These life stories emphatically place the cause of their distress in the kind of relations within which this decimation occurs.

Bishnu Prasad Sharma in his article 'Impact of GrameenBikas on Rural Poverty Allivation in Nepal' In the economic journal of Nepal states that GrameenBikas Bank based on rural concept come into the existence in 1992 with prime objective of following required credit to disadvantaged people especially in the rural areas to uplift the quality of people. HMG of Nepal in 1993 created to development banks with the share of capital of NRS 50 million each. The progress report of these banks alone with NIRDHAN and self-help banking program demonstrated the significant result as they expected.

The above article also defines the case study to test the impact of the program on the ground of poverty alleviation.

For this purpose, one VDC from Far Eastern Development Region and four VDC from Eastern Development Region have been chosen. This study has been provided on the basis of primary resources of data. Women borrowers are the prime source of data. At the end of the study, it was found that there was significant improvement of various aspect of the rural people that resulted reduction in poverty. Hence, the article proves that the rural development bank has been one of the most powerful financial instrument to reduce the poverty.

The following fundamental factors are identified as the major cause of poverty. (Action, AID 1998)

(a)Insufficient food supply. (b) Lack of access to land and working capital. (c) Lack of access to natural resources such as irrigation and drinking water. (d) Exploitation by local leaders in different forms such as loans, interest rate, crop sharing etc. (e) Lack of contingency fund. (f) Lack of technical knows how. (g) Large household size as against limited access to food and income. (h) Increase in the degree of fragmentation of firms caused by traditional methods of transfer from father of sons. (i) Lack of confidence. (J) Lack of education (k) Lack of easy access to credit by poor. (l) Poor accesses to assets such as land.

Maskey, D and B. Raj Bhandari in their research work **A Micro Perspectives on Poverty** utilized the primary and secondary sources of data to analyze the amenity of Pokhara.

This study found that the main sources of livelihood I the study area is agriculture. The Macro level causes of poverty are low agricultural production, population growth and environmental degradation. The Micro level causes of poverty are lack of land resources lack of technical skills, lack of education, illiteracy etc.

2.1   Review of Poverty Reduction Policies and Convention

Some 1.2 billion people worldwide consume less than a 'standard' dollar- a- day; they are in the dollar poverty. Forty four % are in south Asia, about 24% each in Sub-Saharan Africa and East Asia, and 6.5% in Latin America and the Caribbean. 75 % of the dollar- poor work and live in rural areas; projection suggest that over 60% will continue to do so in 2025. These are good reasons to emphasize rural poverty deduction, and to redirect attention and expenditure towards agricultural development that generates employment. More over official data over estimate the shift of the poor from the country side to cities, further strengthen the case for greater emphasis on rural poverty.

There would be less need to emphasize the importance of reducing rural poverty if

- Public action were more cost effective in reducing urban poverty.

- The rural poor gained for more from urban poverty reduction than vice-versa.
- Rural anti-poverty spending discoursed the poor from migrating; or
- Rural poverty reduction promoted less economic growth than urban poverty reduction.

(Source: Rural Poverty Report 2001, IFAD)

Improving the investment climate the opportunities and incentives for firms to invest productivity, create jobs and expand in the key to sustainable progress in attacking poverty and improving living standard.

With rising populations, economic growth is the only sustainable mechanism for increasing a society's standard of living. Growth is associated not just with higher incomes but with better indicators of human development, such as lower infant mortality, boarder education and longer life expectancy it is also now widely understood that growth must be sustainable, safe guarding the value of national assets- including environmental assets and the potential for future growth policy approaches tailored to better target the needs of poor people.

According to world summit for social development 1995 (page, 57, 67,): government should give the greatest focus to public efforts to eradicate absolute poverty and to reduce overall poverty substantially by:

a. Promoting sustained economic growth, in the context of sustainable development and social progress requiring by boldly based, offering equal opportunities to all people. All countries should recognize their common but differenced responsibilities.

b. Formulation or strengthen preferably by 1996, and implementing national poverty eradication plans to address the structural causes of poverty encompassing action on the local national, sub regional, regional and international levels. These plans should establish within each national context, strategies and affordable time- bound goals and targets for the substantial reduction of overall poverty and the eradication of absolute poverty.

c. Encouraging and supporting local community development project that forester the skill, self-reliance and self- confidence of people living in poverty

and that facilitated their active participation in the efforts to eradication poverty.

d. Ensuring that development polices benefit low-income communities and rural and agricultural development.

e. Addressing the problems faced by the land-locked developing countries in eradicating poverty and supporting their efforts and at social development.

f. Rural poverty should be addressed by: expanding and improving land ownership through such measure as land reform and improving the security of land tenure and ensuring the equal rights of women and men. In this respect, developing new agricultural land prompting fair land rents making land transfer more efficient and fair, and adjudicating land disputes.

g. Poverty is characterized by both economic social factors; social factors are primary focus because of the gender disparities in these social indicators. Early marries perpetuates the feminization of poverty, preventing girls from attaining their full potential in terms of developing their social capabilities.

The fifth Asian and Pacific population conference adopted a plan of action on population and poverty addressing population issues as a key contribution for reducing poverty.

For eliminating poverty government have the obligation of implementing national policies and programs to fight poverty, exercise of rights of education, rights to decent housing to health and social protection, to income security, to natural and economic resource, and to full citizenship.

Female- headed households in general are not more often poorer than male-headed ones, but there are large variations for income within the group. Two roads of poverty are identified; one is the failure of compensation the lack husband by including other adults and form extended families. The other is through divorce, which seems to simply social exclusion or at least obscene of financial support from relatives. Hence, young widows and divorce women with children, who have no other adult household members, are identified as the poorest groups in urban areas.

Rural poverty accounts for nearly 63 % of poverty worldwide, reaching 90 % in some countries like Bangladesh and between 65 and 90 % in sub-Saharan Africa.In defining

who the rural poor are rural document distinguishes among cultivators, non-cultivators, and rural women. Small land owners landless tenants, landless laborers and women are cited as the four based target groups for effective policy design to reduced rural poverty.

"In the Tenth Five year plan (2002-2007)", The main objectives of the Tenth plan is to alleviate poverty by mobilizing optimally the means and resources on the mutual participation of government, local agencies, non-government factors, private sectors and civil society to extent economic opportunities and open new ones enlarging employment opportunities and widen the access to means and economic achievements for women. Dalit, people of remote areas, poor and backward groups through programs kike empowerment, human development, security and targeted projects thereby improve the status of overall economic, human and social indictor.

CHAPTER-THREE
RESEARCH METHODOLOGY

3.1   Research Design

The study is mainly based on micro study of poverty. The study tries to analyze the existing level of poverty in specific study area. So the study is based on exploration and descriptive research design. To interpret the related qualitative information desired during the survey the description research design was adopted. Qualitative and quantitative data from primary and the secondary source both are utilized.

3.2   Nature and Sources of Data

To achieve the objectives of study primary and secondary data from primary and secondary source both were used. Qualitative and quantitative both data were used secondary data were collected from various different books, journals , previous research works reports , acts, articles plans and policies , VDC and DDC profiles related to the other published and unpublished documents related to the subjects and other many more organizations. Similarly primary data were collected from direct field survey with the help of structured questionnaire and field observation.

3.3   Universe and Sampling Procedure

There are 2875 households in Bhojpur VDCand 90 household were selected using proportional to size with random sampling method 10 households from every ward.

3.4   Methods of the Data Collection

 Following techniques and tools were undertaken for collection of the primary data.

3.5   Households Survey and Questionnaire

To collect related and necessary primary data. Household's survey with structural and unstructured questionnaire were conducted. Questionnaire forms were filled by the researcher together with the interview of respondent. Respondent was the senior and cleaver person of households among available member of the family questions were

asked in Nepal language were filled in English language polite method was adopted rather pressure method to ask question with respondent other important information were listed in a diary produced by respondent.

3.6   Key Information Interview

To find out other related and essential information key information interview was taken with local persons like as teacher, politicians, leader, VDC chairperson and other businessmen.

3.7   Field observation

To get exact and first hand information about the causes of poverty and its consequences field observation has been done .Questionnaire were developed and distributed to each and every household after few days those questionnaire were collected and gathered all related factual information for the research work possible. As well as other information which could not meet by questionnaire were asked to the households and by observing their lifestyle and behavior with their economic condition and poverty this research has made success.

3.8   Checklist

 To get more relevant and hidden information about other problem of poverty various questions were asked to the local businessman elite's people's teacher social worker VDC chairperson. Checklists were developed on the basis of information gathered from the desk review.

3.9   Data Analysis

Related data gathered from field by each questionnaire was coded and divided in several groups. Then they were entered into Micro soft excel program. Then they were analyzed tabulated and interpreted simple satisfied tools were used to analyze the data along with tables and figures anecessary. For qualitative data descriptive method also was used. To compute the comparative difference of education and employment situation data and finding was compared.

CHAPTER IV
DATA ANALYSIS AND INTERPRETATION

4.1   Study Area

4.1.1   Bhojpur District

Among the six districts of Koshi zone Bhojpur is one hilly district. The headquarters of this district is Bhojpur Bazzar. There are two political election areas iselakas and 63 VDCs the total population of this district is 28283 (VDC profile 2068)

In the district there lives Bramin, Chhetes,Damai ,Sarki, Newar , Gurung , Tamang etc. most of the population adopt Hindu region . The main festivals of this districts people are Dashain,Tihar,Teej, makarsakarnti, Saunesakranti,Janaipurnima, Loshar, Sakelesele (ChandiZache) etc. The base of economy of this district is agriculture .The agriculture. The agricultural in this district is about hector and main crops are Dhan, Makai, Gahun, Kodo, Phaper, Junelo, Tori,Aalu, and so on. Bhojpur actually have five of Nepal's eight climate zones 3% the district area is below 300 meters elevation in the lower tropical from 300 to 1000 meters 50% of the long area belongs to the subtropical zone between 1000 and 2000 meters and 15% is temperate 2 % rises higher into the subalpine zone. The headquarters of Bhojpur district is connected with Kachchi road.

4.1.2   BhojpurVDC

The research has undertaken of Bhojpur VDC of Bhojpur district in Nepal. This VDC locates in the high region of remote village which is connected with the broder line of these places namely Bokhim VDC in east, Aamtek VDC in west Taksar and Bhisepankha VDC in south and north . This VDC lies in middle of Bhojpur district in the every of this VDC the road and moter has reached.

This VDClies in election area No 2 and elaka no 7. The main village of this VDC and Deurali Kafle, Pokhare,Kodar ,Pluwa, Vangere, etc. This dominant ethnic group are Bramin,Sarkietc.The   main   festivals   of   this   VDC   are   Dashain, Tihar,Chadipurnima,Teej etc. The climate of this VDC is subtropical but it is not

equal or same in 12 months out of total population 5.6 percent are belongs to ethnic group and 16 percent are Bramin, Chhetri, and 18.5 percent are Dalit's. The religion most of the villagers is Hindu. (VDC profile 2012)

Most of the house have zinc thatched roof type and Tayal thatched houses are more than grass thatched houses. The wall of houses are made by local stone and mad. The villagers get drinking water supply from public tap, private tab and personal tap also using water from wells and streams. Peoples of this VDC gets health services from District hospital .There is one post office and one police office. Education facility is accesses by one higher school seven primary school 4 boarding school. Further more people move to Dhankuta, Dharan, Itahari, Biratnagar, Kathmandu.(VDC profile 2012)

The mother tone of all people in this VDC is Nepali 65% people adopted Hindu religion in this VDC 4913 peoples are literate among the 2203 are female and 2610 are male. Out of total population of this VDC 85% people are literate and 15 percent are illiterate. Among them illiterate people 628 are female and 224 are male in this VDC 286 people are bachelor holder 86 people are master degree holder , 11 boys and 17 girls in total 28 children have not joined in the school. (VDC profile 2012)

In this VDC electricity users are 2120 houses and other energy user are i.50 houses.

4.2 Socio-Economic Characteristics of the Study Households

4.2.1 Age and Sex Composition

Table No.1: Age and sex composition

Age group	Male		female		Total	
	No	%	No	%	No	%
0-16	78	31.45	82	33.46	160	33.13
17-59	133	55.64	124	52.65	267	55.28
60 above	32	12.90	34	13.87	66	13.66
Total	243	100	240	100	483	100

Source: Field survey, 2016

Above table shows the population of 0.20 years age group is highest where female are more than male economically active people lies in 2060 years age group. According to this table economically active [people's percentage is 49.4 where male is more than female. And others depend on then it shows that the ratio of children is high and economically active people's ratio is lower and dependency ratio is high.

4.2.2   Education Status by Age and Sex

Education is a basic matter to human development and community development. Where the level of education is high the community is aware. Educated peoples are base of social, economic, political and other development activities. So analysis of education condition is necessary.

Table of below shows the structure of education of study area.

Table No.2: Education status by age and sex

Class	Male		Female		Total	
	No	Percent	No	percent	No	Percent
Under-8	92	36.07	95	41.67	187	38.72
8-10	73	28.63	62	27.19	135	27.95
11-12	67	26.27	57	25.45	124	25.67
Above 12	23	9.02	14	6.14	37	7.66
Total	255	100	228	100	483	100

Above table shows that 38.20 percent people are lies under class 8 among them the number of female is more (Source: Field survey, 2016)

than male. The percentage of people is decreasing when class is increasing. It means more people left study when the reach upper class starts another work. The people's percentage above 12 class is 11.79 which is very lower but it doesn't mean worse condition of education rather it is increasing gradually. Above 12 class the number of male is about double the female it shows females weak condition in education.

Under class 8 is high because there lies old peoples and very small child also in comparison of lower secondary and higher secondary there is no vague differences it shows that the coming period will be strong in education of study area.

4.2.3 Study Area According to Cast

Cast is basic element of Nepali society every ethnic group and tribal groups has their own costumes and values. Every cast has their own different assumption and activities. There may be different importsof these activities in social work. So analysis of cast is also an important of any social research. The structure of cast of study area is given in the table.

Table No.3: Study area according to cast

Cast	Households	Percentage
Bramin	21	23.33
Chhetri	18	20
Rai	28	31.11
Tamang	14	15.53
Newar	9	10
	90	100

Source: Field survey, 2016

Above table shows that in the study area the population of Rai is highest then all other casts in this study area 23.55 % Bramin 20% Chheter 15.55 % Tamang and 10% Newar are shows it means many of cats presents in this study areas.

4.2.4 Family Size of Respondent

Family size is significant element of society which play vital role in the consumption of economic increasing trend of members of family demands more economic activities in small family is lower and big family is higher given table shows the family size of study area.

Table No.4:Familysize of respondents

Family members	Households	Percentage
1-5	45	50%
6-10	41	45.55%
11-13	4	4.45
13 above	0	
Total	90	100

Source: Field service, 2016

Above table shoes that 50 percent household's here b1-5 member and other 45 percent household's has more than 5 members, it means the family size is big not small called modern then the demand of economic activities is also high.

The average family size of study area is 5.36 it is near about 6 some had joint family and some has more children so the average member is more than 4 .Now a days the family with only 4 members is called modern family which can fulfill their basic need easily.

4.2.5 Main occupation of study area

Occupation refers to economic activities or work it is one of a strong things to decide everything in human life it keep divert relation with the consumption basic needs status of education health of people energy and empowerment of society also. Indirectly it divided people into poor and rich groups. Who have high level of occupation they can earn more money and who have no better occupation they always be back and con not use high technology. The occupation structure of study area is given in the table.

Distribution of sample households and active according to major occupation

Table No. 5:Mainoccupation of study area

May or occupation	Households		Economical	
	No	%	No	%
Agriculture	50	55.55	185	55.24
Service	20	22.22	83	22.99
Labor work	11	12.22	65	18.00
Business	9	100	28	7.75
	90	100	361	100

Source:Fieldsurvey, 2016

The above tables shows that agriculture is the main occupation of 51.24% of total sampled households and 22% population were engaged in service sector similarly 18% households and 6.5 population and 10% households and 28 population were engaged in labor and Business respectively.

4.2.6 Size of Land Holding

From the viewpoint of land holding size there are a large numbers of households in the VDC whose landholding size is relatively small. There is no equal distribution of land among the H.H.S the land is not sufficient to all the H.H.S for cultivation in this areas the crops are paddy and wheat and other agricultural productions vegetables ,mustard ,pluses ,fruits etc. the productivity of land is very low due to the lack of irrigation , fertilizer improved seeds apply traditional method of agriculture. Thus, most of the people who engaged in agriculture are not sufficient to meet their annual consumption .Those households who have less agricultural product fulfill their deficit items buying from the market of the higher prices. They have to borrow from local money ladders at high interest rate or sell their property to fulfill their food grains and other basic requirements if they are engaged only in agriculture and have not any other income source.

The cultivated land can be classified into irrigated and non-irrigated land. The following table represent the distribution of land among the sampled household's.

Here,

1 ropani -16 area

1 area – 4 paisa

Table No.6: Size of landholding

Size of land holding	No of H.H.S	%	Irrigation Land (ropani)	Non-irrigation land (ropani)	Total land in ropani	Average Land hold ropani	Population	
							No	%
Landless marginal up to(R)	7	7.77	-	-	-	-	25	5.17
small	28	31.11	25	37	62	22	168	34.78
(3-5R)	2-9	24.44	57	72	129	4.44	162	33.54
Medium 5-10 R	15	16.66	92	51	143	9.53	87	18.01
Above 10 popani	11	12.22	107	89	196	17.81	41	8.48
	90	100	281	249	530		483	100

Source: Field survey, 2016

The table shows that the total land hold by sample households is 530 ropani the average land of sample households is 5.88 ropani 60.32 of total sample households have less than average land and seven households have no land for cultivation top 28.88 households 63.96 of total land while 60.32 HHS have less than average land 60.32 % households have only 36.03 of total land. Thus we can say that land is equally distributed in this study area most of the households have productive land.

4.2.7 Various Sources of Income

The contribution of income from various sources of total sample households is shown in table.

Table No.7: Annual income of sample households from various sources of income

S.N	Source	Annual income	%	No of households	%
1.	Agriculture	1317920	58.33	55	55.55
2.	Animal husbandry Poultry labor	353452	15.64	9	10
3.	Labor work	240121	10.62	7	7.77
4.	Domestic service	230205	10.18	8	8.88
5.	Foreign labor and Service	219600	9.71	6	6.66
6.	Business	62232	2.75	3	3.33
7.	Other work	55.500	2.45	2	2.22
		22,59.412	100	90	100

The above table indicated the contribution of agriculture sector is 58.33 % households are engaged in this sector it shows that agriculture is main occupation in this study area. Similarly the contribution of another sector animal husbandry and poultry, labor work , domestic services, foreign labor and other business are 15.64%, 10.62%, 10.18%,9.71%,2.75%,2.45% respectively and no of households engaged in that services are 10,7.77%,8.88%,6.66%,2.22,3.53%.

4.2.8 Consumption Pattern

Consumption is the most important aspect of daily activities of the people. It is assumed that when income increase consumption also increase and vice-versa. So that is a positive relationship between income and consumption. The consumption of goods and services for various way is shown in following table.

Table No.8:Annual Consumption pattern of the (SHP)

Items	Annual consumption in (NRS)in yearly	Consumption
On food I	22,32,452	51.23
Non-food items	16,36,123	37.55
On cultural Festivals	212,203	4.87
On production	276,181	6.33
	4356,959	100

Source: Field survey, 2016

Above table shows that 51.23 % the total expenditure of the HHS is spent on food items 37.55 of total expenditure to be spent on non-food items (shelter, education, health care and drinking) sample HHS are also spent 4.87 of total expenditure on cultural festivals and 6.33% of total expenditure productivity to be spent on population which is little to be spent in production is very low.

4.2.9   Level of Education and the Poor

Educational level significantly affects the income level most of the illiterate people are seemed to be in their less earning capacity. If the people are educated their income level is generally higher than of just literate and illiterate. Insufficient education is the serious causes of individual poverty.

If we considered the relationship between literacy and poverty, there is negative relationship between these two variables. The table shows the relationship between the level of education and mean income of the poor

Table No. 9 : Literacy Status and the mean income

SN	Literacy status or HHS	Households head		Total daily per capita income(NRS)	Daily per capita main income(NRS)
		No	%		
1	Illiterate	13	46.42	495.54	38.12
2	Literate	10	35.71	460.30	46.03
3	educated	5	17.85	286.69	53.73
	total	28	100	1224.53	43.73

Source: filed survey, 2016

Above the table shows out of 28 absolute poor households head 46.42% are illiterate 35.71 are literate and only 17.85 are educated. The households with literate head have relatively higher level of income where educated head households mean income is relatively higher than other group.

4.2.10 Employment Status and the Poor

Employment is any job the sources of income if the economically active populations have employment; there is existence poverty of low and vice versa. There is direct relationship between income and employment but inverse relationship between poverty and employment. In the present study, it is assumed that those member who are in the age group 15 to 59 years as the working age group and the reaming are considered an non-working age group. Following tables shows the employment status of the working age poor in the study area.

Table No.10:Distribution of working age poor population by employment status

SN	Employment status	Working age family member	
		No	%
1	Fully-employment	17	15.45
2	Semi-employment	65	59.09
3	unemployment	28	25.45
	Total	110	100

Source: Filed survey 2016

From the above table it is clear that "poor are the poor" because most of them are unemployment or semi-employment who have not any regular source of income. Among the working age poor population 15.45% are fully employed, 59.09% people semi-employed and 25.45% people are unemployed so, we can say that the similar portion of the working age poor population are fully employed but in less productive field. In other hand, cause of their poverty is the insufficient way for the employment.

CHAPTER –V

5.1 The Main Cases Of Poverty in the Study Area

5.1.1 Low Income Level

The Nepal living standard survey shows that about 23% people have no surplus income rather their expenditure always exceeds income level (CDS 2011) The balance in income and consumption is probably met through dissolving causing a gradually depletion of capital property and past saving. This trend in very dangerous as it depends poverty making poor more poor. The BhojpurVDC is also not far from this type of case. The findings of the study means of tables below illustrated shows this clearly.

5.1.2 Occupation

Majority of the poor are engaged in agriculture which is based on traditional technology generally low production then associated with income. The area of land operated by a poor households is also less than that operated by non –poor one and poor has also low access to irrigated land then non-poor one. The following tables used in this study shows similar cases in BhojpurVDC.

5.1.3 Population Growth

The rate of population growths is very high and many people in the study areas as well as in Nepal are indifferent to family planning devices due to lack of knowledge about this.

5.1.4 Education

Most of the people lacks higher technical education and are unemployed and under employed because they do not have skill and knowledge about how to do technical job. Similarly many people are illiterate and they bound to remain in low-level jobgetting low scale salaries and suffering hand to mouth problems in the study area.

5.1.5   Gender Disparity

Women in the study area in Nepal also, suffers from gender disparity because sons are preferred. Women have less accesses to educate health facilities and services activities. While there are 47.20 of sampled women population.

5.2   Poverty Situation in the Study Area

By global standard expect a few business professionals and high-ranking officials almost everyone in Nepal is poor. Regarding this statement all of the people in the study area may be easily considered as poor because all of them are not able to be any high –ranking officials or so good businessman. However it is still necessary to identify the poor in the study area. By estimating the study line. This section of the study mainly attempts to show the extent of the poverty by estimating poverty lines.

5.2.1   Estimation of the Poverty Line and the Poor

In the present study in order to define the extent of poverty in the study area, mainly two types of poverty line are estimated viz. Absolute poverty line and relative poverty line. The absolute poverty line is determined on the basis of minimum income required to purchase the subsist caloric requirement per day per person i.e. known as subsistence norm. The relative poverty line determined Keynesian consumption nation of break –even point, an individual whose income is a bone absolute poverty line and below the break-even point is known as relative poor in other words, break-even point is the level of income where it just equals the consumption expenditure. Thus break-even point is known as total poverty line and people below the break-even point are considered as total poor. Therefore the total poor is the sum of absolute poor and relative poor.

5.2.2   Absolute Poverty Line and the Absolute Poor

People who are unable to obtain the fundamentals costs of living as a human being are known as absolute poor. The income level that absolute that required purchasing basic need is defined as absolute poverty line. This level of income is only sufficient for survival and appends all that time struggling for food of least to survive computation of the absolute poverty line minimum subsistence norm is followed.

The national planning commission has also fixed the basic needs income for the regional as well as the national level. The minimum daily caloric, requirement for mountainous region has been fixed of 1340 caloric and forTarai, it is 2140. Therefore it has fixed of 2256 caloric for national level.

TheFAO1973) standard has been follows in the study area. According to this standard 2256 caloric per capita per day net consumption 605 gms of cereals and 60 gms of pulses which provides 5.2042 calories and 124 calories making together 2256. But most special the minimum daily calories requirement for the people of BhojpurVDC 2256 calories is to be fulfill by the consumption of 605 gms of cereals like rice, wheat, maize, individually or in combination and 60 gms of pulses like mass, rahar, musuro, soya bean, peas, etc. individually or in combination in present study only those cereal's and pulses items are considered which are easily available in the local market and commonly used by the people. Considering these items the values of 605 gms of cereals and 60 mgs of pulses found to be Rs 24.44 and Rs 5.30 respectively in the study areaoflocal market in prevailing time. The total value of subsistence found consumption to meet 2256 calories is Rs 2974 per capita per day. (See Annex 1)According to NPC the expenditure on food items (2256 calories) convey only 65 percent of total subsistence expenditure per capita per day. The Rs, 29.74 gives us only 65% of their expenditure per capita per remaining 35% of total expenditure expended on their food items basic non-food items are essentially required for the existence in other food items. Like vegetables, meat, oil, ghee, salt, tea, sugar, spicy, things etc, and basic non-food items like shelter, clothes, footwear, education, health care etc. thus 35% of total subsistence consumption expenditure found to be.

Thus the total subsistence consumption expenditure for the study area is estimated as Rs per capita per day (see annex 1). Which is absolute poverty line for the BhojpurVDC by taking as absolute poverty line out of 90 sample house hold and 483 population.164 or 33.95persent population and 28 household per capita dally income level is less than absolute level income.Sothey are the absolute poor in the study area various researches conducted in the different time period has been determined different absolute poverty line for rural Nepal. The different results in different studies are shown in the table no 9.

Table No. 11: Absolute poverty line estimated in different studies

SN	Study area	Average daily value of 2256 of calories (RS)	Average daily consumption expansion on other item (RS)	Absolute poverty line (RS)
1	Rural Nepal	1.32	0.70	2.02
2	Nepal hillmauntain	3.86	2.08	5.94
3	Kihun, tanhun	12.05	6.48	18.53
4	Bijauri, dang	7.45	4.41	11.46
5	Dodhara, kanchanpur	12.87	6.90	19.73
6	Bhojpur, bhojpur	37.12	19.98	57.1

Source,

1   NPC, 1978, P. 158

2   NRB, multi-purposeH.H survey 1988

3   Sigdel, RC, 2000 P. 48

4   Sharma, RC 2000 P. 48

5   Upadhyaya, kirshna raj, 2006 P. 53

6   Field survey, 2016

From table 9 it has been found that the estimated value of absolute poverty line in present study is highest. There are mainly two reasons behind it first, there is time gap between the present study and other studies, secondly value of goods becoming more expensive due to sky-high inflation.

5.2.3   Relative Poverty Level and Relative Poor

Relative poverty level is that level of income line between absolute poverty line and wolf point. The population on household is known as relative poor whose income level is lower than wolf point and higher than absolute poverty line. These households income level is able to meet minimum substance level but not sufficient to meet their total expenditure. So relative poor are also known as above absolute line poor.

To estimate the relative poverty line wolf point is computed. Wolf point is calculated by Keynesian consumption faction using equality between income and consumption. They the wolf point is a\1-b is Keynesian liner consumption function if household income falls below this point the household's consumption expenditure exceeds income . Such households have nothing to save. So either they take loan or shell their properties to maintain the balance.

In the present study the calculated value of wolf point is 63298 per capita per day (Annx-4) and absolute poverty line is Rs. 57% per capita per day in the study area in this way the household's with income level between these two point is called relative poor. On the basis of wolf point and absolute poverty line out of 90 total sample household's and total 483 sample population 49 householdsand 253 or 52.38% of total sample population are found to be relative poor. Whose income level falls below the wolf point and greater than absolute poverty line income in the study area comparison of the present result with other studies is shown in the table-10

Table No. 12: Relative poverty level and relative poor

SN	Study area	Relative poor		Relative poor %	
		No	%	No	%
1.	Bijauri	28	35.00	228	36.13
2.	Kihun	31	34.45	202	33.95
3.	Panchthar	23	26.00	132	19.61
4.	Dodhara	53	58.88	344	56.20
5.	Bhojpur	49	54.44	253	52.38

Source:

1. Sharma, S.M. 1999.P.81

2. Sigdel, .R.C, 200, P. 51

3. K.KDahal and M.KSthapit1987

4. Field survey 2016

From the above table, it is clear, it is clear that the percentage of the relative poor HHS 54.44 is second higher in the study area then other former studies similarly the study area second high percentage of relative poor population (52.38) then other

previous studies. It is because of random similarly error socio-economic and geographical features of the study area lack of accounting system of income from various sources and consumption expenditure made on different items and respondents biasedness also.

5.2.4 Total Poverty Line and the Total Poor

The 'wolf point' on break –even point determined the poverty line or the total poor line where income equals expenditure .So the household's or individuals whose income level is below this level are poor because they cannot save and they fulfill their consumption by selling assets or by incurring debts under poverty line absolute poor as well as relative poor are include.

In the present study Rs 632.98 per capita per day income is the estimated total poverty line i.e. wolf point. On this basis out of 90 sample households 77 households are total poor and out of 483 sample population 417 people are poor in other words 85.55% household's and 86.33% people are poor in the study area. Absolute, relative, total and non-poor in the present study are shown in table -11.

Table No. 13: Absolute Relative total poor and Non-poor in the study Area

SN	Class	Household's		Population	
		No.	%	No.	%
1.	Absolute poor	28	31.11	164	33.95
2.	Relative poor	49	54.44	253	52.38
3.	Total poor	77	85.55	417	86.33
4.	Non-poor	13	14.45	66	13.67

Source: Field survey, 2016

The above table shows that 77 household's (86.37) are total poor whereas 13 household's (13.67%) are non-poor.

Table No. 14:Total poverty line and total poor in different studies

S.N	Study Area	Total poverty line (in NRS)	Total poor HHS		Total poor Population	
			No.	%	No.	%
1.	Markhu	15.72	61	76.25	350	74.63
2.	Bijauri	22.95	62	76.25	472	74.80
3.	Kihun	33.14	72	78.90	482	81.01
4.	Dodhaura	70.27	76	84.44	497	81.02
5.	Bhojpur	632.98	77	85.55	417	86.39

Source:

1. ShresthaBinaya, 1994.p.44

2. Sharma,S.M 1999, P.82

3. Sigdel, R.C, 200, p.52

4. UpadyayaK.R 2006, p57

Field survey 2016

5.2.5 Measurement of the Poverty Problem

Poverty exists on both developed and less countries though there is a significant difference in their living standard. Basically the rural poverty is the feature of the poverty of developing countries where as the failure to come up with desired situation in that of developed. Countries the nature of poverty depends upon the geo-political structure of a country. If the country is landlocked and most of its areas are hilly and sloppy the extent of poverty is high and vice-versa. Nepal falls in the first category.

Poverty is one of the serious and burning problems and it is the presentation of the rural phenomenon poverty is multidimensional and the dynamic of poverty in equality and nutritional deficiencies are related to each other through a complex chain of interaction each of these phenomena reinforces the other and they are number of other socio-parameters.

Therefore, there is interpretation between poverty and socio-economic structure to find the consequence of poverty is one of the adjective of this study because any poverty alleviated program should first identified the consequences of poverty. Poverty is one of the main obstacles of socio-economic development.

Though there are several views towards the study on consequences of poverty but the conclusion is same poverty a rise due to the small land holding, large family size, and illiteracy low level of education, unemployment and socio-economic composition which cause less income.

As considering the total sample households or population. There are two types of poor households or population i.e. living below and living above the absolute poverty line in the study area. In these two types of poor, if only farmer .i.e. living below the absolute poverty line are considered as poor and later as non-poor similarly.

Table No. 15: Distribution of Total mean income among the poor and non-poor

SN	Standard Living	Households		Total % daily Income		Average Income
		No	%	NRS	%	
1.	Poor	28	31.11	1224.63	5.60	43.73
2.	Non-poor	62	68.89	20640	94.39	332.90
	Total	90	100	21864.63	100	242.94

Source: Field survey, 2016

Above the table shows that total per capita income of sample household's has been found to be NRS.21864.63 and total daily per capita of the poor household's found to be NRS.1224.63 it refers that the poor earns only 5.60 of total daily per capita income of sample household's .

CHAPTER –VI
CONSEQUENCES OF THE POVERTY IN THE STUDY AREA

Due to its multi –dimensional consequences and multi-sector concern poverty has been proved to be major challenge for every communities and countries. There are several views on poverty expressed by different writers and researchers. Most of them however state that rural poverty is characterized by a small landholding, low income, large family size, illiteracy and socio-economic condition.

In this chapter, the consequences of poverty and it's relation with other variables such as income, education, size of landholding etc. are taken in to consideration. Thus the consequences of poverty is influenced by the socio-economic characteristics and variables existing in the society. We discuss and examine the socio-economic characteristics of the study area and their relationship with the poverty problem while establishing the relationship between the socio-economic characteristics and poverty only absolute poor are considered.

6.1   Main occupation and the Poor

The study has also attempted to examine the consequences of poverty by examining the relationship between occupation and the poor. The income levels of every household's and the individual are highly influenced by the main occupation in which they are engaged. The largest percentage of population in the study area is basically engaged in agriculture and it is their main occupation .Due to the low productivity of land, marginal or small landholding size and lack of other agricultural services the poor work hard for low income. Similarly the population engaged in a business services has higher income than those population engaged in agriculture labor work etc. The following table shows that relationship between occupation and the poor.

Table No. 16: Distinction of poor and income by main occupation

SN	Main occupation	Household's		population		Total of daily per capita income	Daily per Capita income of poor
		No	%	No	%		
1.	Agriculture	16	57.14	109	62..02	724.55	44.73
2	Labor work	8	28.57	49	23.78	306.25	38.28
3	Business	2	7.14	6	36.5	93.50	46.75
4.	services	2	7.14	4	2.44	100.28	50.14
	Total	28	100	164	100	1224.3	43.73

Source: Field survey, 2016

Above table showsthat the income level of those is very low whose main occupation is labor and agriculture. Income level of those is relatively higher who are engaged in business and services. The main cause of having the lowest income of those whose occupation is labor work is the lack of opportunities and regular work. Seasonal working low wage rate etc. such that household's income of those who are basically engaged in agriculture is also low due to productivity of agriculture small size of land holding traditional farming technique lack of irrigation etc. But income level of the household's whose main occupation in business and services is relatively higher due to regular and high income yielding consequences.

6.2   Size of Landholding of the Poor

The most important and productive assets for income in our society is land is land. Nepal is predominantly an agricultural country where more than 80% of the economically active population is estimated to be involved in agricultural sector. This is positive relationship between land holding and income whereas inverse relationship between landholding and poverty line is not equally distributed among the sample HHS in the study area. So the nature of poverty is significantly affected by the size of land holdings. The table given below shows the distribution of absolute poor HHS according to size of land holding in the study area.

Table No.17: Distribution of poor by landholding size and the per capita daily income

S.N	Landholding Size in(Ropani)	Household's		population		Total of daily per capita income(RS)	Income of poor in RS(per capita)
		No	%	No	%		
1.	Landless	6	21.45	34	20.73	225.8	37
2	Up to 2 ropani	13	46.43	78	47.56	528.5	40.5
	2-5 ropani						
3	5-10 ropani	5	17.85	27	16.46	252.5	50.5
4	Above 11	3	10.71	19	11.58	162.3	54
5	Rapani	1	3.57	6	3.65	55.43	55.43
	Total	28	100	164	100	1224.53	43.73

Where R= Ropani

Source: Field survey 2016

Above table shows that size of handholding and income level of the poor are positively correlated among the out of 28 poor household's 6 household's landless and their per capita daily average income is RS.37.3. Thirteen household's belongs to the low size of landholding group and per capita daily income 40.5. but the household of higher size of landholding covers 3.57 % of poor household and it's per capita daily average income is Rs 57.43 which is near to the minimum subsistence level income , So we can easily say that income is positively related with size of landholding but poverty is inversely relates with the size of landholding in the present study.

6.3 Household Size and the Poor

Family size is also one variable to determines the income level and poverty level. There may be positive and negative relation between family and income level. If the family member are engaged in any income earning work, there is positive relationship and if the household member are unemployed, unskilled and there is dependency ratio is resulting the negative relationship between income and family size and positive

relationship between family size and poverty. The table shows the relationship between the poverty problem and household's size.

Table No. 18: Distribution of household size and the main income of the poor

SN	Household's	Household's		population		Total daily per capita income	Daily per capita income of poor (Rs)
		N0	%	N0	%		
1	1-3	5	17.86	8	4.88	107.15	21.43
2	4-6	8	28.57	37	22.56	310.35	38.79
3	7-9	12	42.86	87	53.04	653.40	54.45
4	10 over	3	10	38	19.51	153.63	51.21
	Total	28	100	164	100	1224.53	43.73

Source: Field survey, 2016

Above the table shows that the mean per capita daily income of families with one to three member is RS 21.43 and four to six member is 38.79, while that families with ten or more member is RS 51.21. the level of income is very low in small family size as well as very big family size. If the family size is very small it means that households have less member of income earners. So the mean per capita is also low. Similarly, a family of seven to nine members has relatively higher level of income due to greater member of income earner and less depended ratio.

Very large ten family members have also relatively low level of income but the dependent ratio is high. Thus the very large families mean income is low then the middle family size. So, the poverty problem is serious in very small as well as large family size.

6.4   Educational Status and the Poor

Educational level significantly affects the income level. Most of the illiterate people are seemed to be in their less earning capacity. If the people are educated, their

income level is generally higher than that of just literate and illiterate. In sufficient education is the serious consequences of individual poverty.

If we considered the relationship between literacy and poverty. There is negative relationship between these two variable. The table shows the relationship between the problem and educational statusTable no 16.

Table No.19: Literacy status and main income of the poor

SN	Literacy status or HHS Head	Household Head		Total daily per capita income (NRS)	Daily per capita main income (NRS)
		No	%		
1.	Illiterate	13	46.42	495.54	38.12
2.	Literate	10	35.71	460.30	46.03
3.	Educated	5	17.85	286.69	53.73
	Total	28	100	1224.53	43.73

Source: Field survey, 2016

Above table shows out of 28 absolute poor household's head 46.42% are illiterate 35.71 are literate and only 17.85 % are educated. The household's with literate head have relatively higher level of income whereas educated head household's mean income is relatively higher than other group. Therefore it is found that the nature of poverty is affected from literary status and illiterate poor then literate and educated poor.

CHAPTER- VIII
FINDING

7.1   Finding

Majority people live in poor state poverty is more dominant in rural setting thanthat of urban areas. Nepal ranks a one of the poorest country in the world in terms of poor capita income levels as well as or a whole range of other socio-economic indicators**.**

Poverty has become the most dominant obstacles in the process of economic development of Nepalese people is also suffering from the problems of acute poverty, in Nepalese context each and every aspect of the economy is influenced by this problem. Rural areas of Nepal are more affected by the problem than that of urban area. Small size of land holding substance agriculture lower literacy rate problems of unemployment and disguised unemployment and major issues of rural poverty to analyze matured causes of poverty to examine the income distribution pattern and to recommended appropriate solution for alleviation of poverty in the study area the main objectives of the study . The above mentioned objective of BojpurVDC of Bhojpur district has taken as the study area.

7.1.1   The Major Findings

1. The main objectives of the study is to identify the causes of poverty and determine its specific consequences analyze the relationship of educated, employment and income and suggest appropriate policy measures to relative poverty.

2. The per capita per day income has been estimated as Rs. 57 % as the absolute poverty line in the study area on the basis of this it is found that 31.11 percent of household's and 33.95 of total population are absolute poor.

3. According to Keynesian consumption function Rs. 632.98 per capita daily income has been estimated to the total poverty line for the study area. This is the wolf point level of income and consumption on this basis 85.55 % HHS and 86.33 population are total poor.

4. Of the total 54.44 % household and 52.38 % population are found to be relative poor.

5. Of the total 14.45 % house hold's ad 13.67 % population are found to be non-poor.

6. The mean income of total sample household's is RS 242.94 per capita per day and the mean income of the absolute poor household's is Rs. 43.73 per capita per day. This shows that mean income of absolute poor is very low then absolute poverty line.

7. The income consumption relationship among total sampled HHS has been estimated MPC at 0.41 and the value of correlation coefficient between income and consumption of the total sampled HHS 0.81. That indicated the positive correlation between income and consumption.

8. The distribution of the income among sample households is unequal. It is found that top 10% of sample households earn 43.70%of the total income while bottom 10% house hold earn only 1.43% of total income.

9. The dependency ratio of sample population is high in the study area. Out of 483 total population, 226 or 46.79%of total population are non-working age group. The dependency ratio higher among poor.

10. The causes of poverty is serious between whose main occupation is agriculture and labor work but it is less serious in business and service sector.

11. In the study area, there exist high proportion unemployed and semi-employed poor which causes of poverty.

12. The distribution of land is unequal in the study area, Most of the poor people are landless. There is positive relationship between size of landholding and income and negative relationship between landholding and poverty.

13. In the study area, it is noticed that there is positive relationship between level of education and income level among total sampled HHS.

14. Most of household heads are either illiterate or general literate can just read or write. The poor are poor because they are illiterate and the poor are illiterate because they are poor in the study area.

15. The cause is more serious in lower ethnic caste, it is less serious in Bramin ,magar and Gurung are Chhetri.

7.2.2 Conclusion

In the study area, there is highly unequal distribution of income which helps to strengthen the vicious circles of poverty. Thus the present study find out the situation of poverty problems as well as identity causes and consequences of poverty and situation of income distribution of Bhojpur VDC.

Most of the people are either illiterate or literate and the educated people are very low in the study area. Majority of literate and illiterate as well as semi-employed and unemployed therefore, unemployment is one important cause to increase the poverty problem in the study area. It is found in this field observation that the poor either landless or have very small size of land. They are living in Kachhe house with big size of family. They are also vast burden of loan. The poor persons take loan from the businessman and landlords with high interest rate. They have to sell their land or other fixed properties to pay the loan which push then even in more working condition. The poor are badly suffering from hunger and malnutrition in the study are and their wrinkled face and slender body so the vivid picture of poverty and the majority of the female does not go to cook for wage earning but they have to work in household as well as in the farm. They always seem busy and dominated by male.

7.2.3 Recommendation

In the study area, there are various factors responsible to raise the poverty problem. Large number of household's and population are suffering from this problem. So, it is necessary not only to understand the problem but also necessary to solve it. Thus, on the basis of the finding results, some views are recommended and suggested as follows:

- As agriculture is the main source of income and employment, it is necessary to improve the agriculture sector. For this, irrigation facility, agriculture credit without interest or at very minimum rate of interest, fertilizer in subsidized price etc. should be provided in time. The traditional farming system should be improved and the modern technology of farming should be encouraged.
- In the study area, most of the households have very small size of land and even the land less as well. . To increase the production capacity of small size

of land, intensive agriculture practice, and multiple cropping system should be adopted.

- In this rural area, more people are forced to involve in agriculture due to lack of alternatives employment opportunities and as the employment opportunities in agriculture sector is seasonable in nature, excess labor forced engaged in agriculture should be transferred to other productive sectors. For these cottage industries should be encouraged.

- Electricity, transportation and communication facilities should be expanded in the study area because these facilities can develop the market for the local production and these facilities can also help to establish the cottage industries which can raise the living standard of the poor.

- Large family size is another serious problem of poverty in the study area. So the importance of family planning should be taught to the villages.

- As the educated households have relatively higher income in the study area, it is clear that education may help to reduce the primary education, adult literacy, skill development, basic healthy nutrition and drinking water facilities should be increased.

- To increase enrolment of school age children in school and to control the dropout, compulsory education program should be launched. Scholarship should be provided to those children who cannot afford to continue their study because of poverty, the scholarship should be provided particularly to children belonging to occupational caste as they are not enrolled and they also have dropout.

- To increase saving capacity of the people, it is necessary to control extravagant spending on traditional feast and festivals, drinking alcohol, smoking, gambling etc.

- Banks and other financial institutions should be established in the rural areas which would provide credits and loans at low interest as well as provides on easy access to loan.

- Finally, there should be a strong commitment of people and government towards reducing poverty. For this there is a need of their cooperation in the programs initiated in this direction.

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Consumption of Minimum Substance Level Absolute Poverty Line

SN	Current Items	Local price per kg in RS
1	Rice	80
2	Wheat	40
3	Maize	38
4	Beaten Rice	70
5	Millet	35

Source: Field survey 2013

On the basis of above table

5000 gems cereals items price = 363

605 gems cereals items price = $\frac{363}{5000} \times 605$

Therefore, 605 gems cereals price = 31.82

SN	Pulse Items	Local price per Kg
1	Mass (black gram)	105
2	Musuro	85
3	Rahar	90
4	Soybean	80
5	chana	82
		442

0n the basis of above table,

500 gms pulses item price = 442

1 gms pulses item price= $\frac{442}{500}$

60 gms pulse item price= $\frac{442}{500} \times 60$

$$= 5.30$$

Therefore, the 60 gms pulses item price =   RS 5.30

The total value of 605 gms cereals and 60 gms pulses,

RS 31.82+ RS5.30

= 37.12 per capita per day

Also, according to NPC the expenditure on 605 gems cereals and 60 gems pulses covers only 65% of total consumption expenditure remaining 35% of total consumption expenditure goes on other non-food items.

Hence,

65% of subsistence expenditure

$$= Rs37.13$$

1% of substance expenditure $= Rs\dfrac{37.12}{65}$

35% subsistence expenditure $= Rs\dfrac{37.12}{65} \times 35$

=Rs 57.1

Hence, absolute poverty line = Rs 20841.50 per capita per years

Worksheet Income and Consumption in The Study Area

S.N	No of person in HHS	Per capita per day HHS income (in RS). Y_i	Per capita per day HHS consumption (in Rs) C_i	Yi	Yi2	Yici
1.	5	31.86	83.14	1015.05	6912.26	2648.84
2.	8	32.89	252.34	10181.75	63675.47	8299.46
3.	10	32.93	278.12	1084.38	77350.73	9158.49
4.	6	34.12	166.81	1164.17	27825.58	5691.56
5.	4.	34.44	108.29	1186.11	11726.72	3729.51
6.	4	35.08	92.31	1230.61	8521.14	3238.23
7.	4	36.92	111.23	1363.09	12372.11	4106.61
8.	3	37.73	74.40	1423.55	5535.36	2007.11
9.	6	38.78	185.63	1503.89	34458.50	7198.73
10.	8	39.92	276.72	1593.61	76573.96	11046.66
11.	3	40.28	88.43	1622.48	7819.86	3561.96
12.	4	40.98	1.30	1679.36	1711.26	53360.59
13.	8	41.36	1.45.36	1710.65	21129.53	6012.09
14.	9	41.72	247.69	1740.56	61350.34	10333.63
15.	6	43.96	170.46	1932.48	29056.61	7493.42
16.	4	44.01	192.90	1936.88	37210.41	8489.53
17.	7	44.78	205.72	2005.25	42320.78	9212.14
18.	7	45.18	220.23	2041.23	48501.25	9949.99
19.	6	41.30	244.32	2237.29	59629.26	11556.34
20.	8	49.45	162.69	2445.30	69606.04	12990.02
21.	8	50.88	234.66	2588.77	55065.31	11939.50
22.	5	51.41	195.66	2642.99	38282.83	10058.88
23.	4	51.84	120.63	2687.38	14551.60	6253.46
24.	5	53.97	165.72	2912.76	27463.12	8943.91
25.	5	54.10	203.23	2926.81	41302.43	10994.74
26.	4	55.28	108.43	3055.88	11757.06	5994.09
27	6	56.55	217.29	3197.90	47214.94	12287.75

28.	7	56.81	292.69	3227.38	85667.44	16627.7
29.	4	57.09	120.61	3259.27	14546.77	6885.62
30.	5	58.18	196.21	3384.91	38498.36	11415.50
31.	6	58.94	210.24	3473.92	44200.86	12391.54
32.	5	59.71	288.13	3565.28	83365.01	17240.07
33.	4	60.15	197.31	3618.02	38950.97	11871.20
34.	3	61.35	105.31	3763.82	11090.20	6460.77
35.	3	61.73	193.21	3810.59	8688.10	5753.85
36.	3	62.44	242.13	3898.75	58626.94	15118.60
37.	5	63.56	267.36	4039.87	71481.37	16993.40
38.	9	64.25	286.58	4128.06	82128.10	18412.76
39.	7	64.47	248.26	4156.38	61633.03	16005.32
40.	5	64.81	137.12	4200.34	18801.89	8886.75
41.	4	65.93	84.32	4346.76	7109.86	5559.22
42.	4	67.18	156.74	4513.15	24567.43	10529.79
43.	6	68.15	132.36	4644.42	27519.17	9020.33
44.	5	69.65	196.31	4851.12	28537.62	13672.99
45.	5	70.45	157.26	4963.20	24730.71	11078.97
46.	4	70.72	110.18	5001.32	12139.63	7791.93
47.	4	71.94	130.63	5175.36	17064.20	9397.52
48.	4	72.36	128.32	5325.97	16466.02	9285.23
49.	4	72.55	122.16	5263.50	14923.06	8862.71
50.	6	72.84	197.79	5302.66	39120.88	14407.02
51.	5	75.21	163.27	5656.54	26657.09	12279.54
52.	4	76.21	145.51	5807.96	21173.16	11089.32
53.	5	79.46	172.26	6313.89	29763.51	13687.78
54.	7	82.75	218.20	6847.56	47611.24	18056.05
55.	8	83.92	458.10	7042.57	209855.61	38443.75
56.	6	84.68	201.12	7170.70	40449.25	17030.84
57.	8	88.66	434.28	7860.59	188599.12	38503.26
58.	5	88.88	144.40	7899.65	20851.36	12834.27
59.	7	93.09	227.20	8665.75	51619.84	21150.05
60.	5	98.25	192.70	9653.06	37133.29	18932.77

61.	4	103.35	112.36	10681.22	12624.77	11612.41
62.	4	107.60	124.60	11577.76	15525.16	13406.96
63.	4	108.65	217.50	11804.82	47306.25	23631.37
64.	5	215.15	244.36	46289.52	59711.81	52574.05
65.	7	218.25	308.50	47633.06	95172.25	67330.12
66.	6	279.72	387.20	78243.28	149923.84	108307.58
67.	4	307.86	322.10	94777.78	103748.41	99161.71
68.	5	329.74	336.18	108728.46	113016.99	110851.99
69.	5	430.75	216.60	185545.56	46915.56	93300.45
70.	7	436.70	220.30	190706.89	48532.09	96205.01
71.	8	444.65	476.69	197713.62	224233.36	211960.21
72.	6	445.55	538.15	198514.80	289637.71	239786.09
73.	4	447.44	204.10	200202.55	41656.81	91322.50
74.	4	548.42	188.12	300764.50	35389.13	103168.77
75.	5	549.46	344.37	301906.29	118590.70	189217.54
76.	3	557.55	275.78	310826.0	30898.61	98006.14
77.	7	580.74	640.88	337258.95	410727.17	372184.65
78.	4	663.85	298.17	440696.82	88905.35	197940.15
79.	4	666.97	277.28	444848.98	76884.20	184937.44
80.	4	668.92	455.22	447453.97	207225.25	304168.89
81.	5	774.18	488.26	599354.67	238397.83	378001.13
82.	3	779.35	273.37	607386.43	139405.16	290985.91
83.	6	882.52	387.31	778841.55	344933.04	518312.82
84.	6	885.66	646.50	784393.63	417962.25	572579.19
85.	7	950.30	782.20	903070.09	611836.84	743324.66
86.	8	1020.62	850.57	1041665.18	723469.32	868108.75
87.	4	1140.30	350.46	1300284.09	122822.21	399629.54
88.	3	1265.45	227.60	1601363.70	51810.76	288016.42
89.	6	1280.36	940.20	1639321.73	883976.04	1175588.5
90.	6	135072	87.47	1824444.39	757718.02	
	403	21865.48	23447.57	15269090.94	8658776.44	9780707.69

Relationship between income and consumption of the sample households and calculation of correlation of coefficient.

In this, we assume that liner consumption function

$$C = F(Y), \text{then}$$
$$C_i = a + bY_i \ldots\ldots\ldots\ldots(1)$$

Where,

$$C_i = \text{Consumptio n}$$
$$Y_i = \text{income}$$

To find out autonomous consumption and MPC we should use least square method.

The equation (1) has two normal equation as,

$$\sum C_i = Na + b\sum Y_i \ldots\ldots\ldots(ii)$$
$$\sum C_i Y_i = a\sum Y_i + b\sum Y_i^2 \ldots\ldots\ldots(iii)$$

From the worksheet (Annex -2) we have

$$\sum Y_i = 21865.48,$$
$$\sum Ci = 23447.57$$
$$\sum CiY_i = 9780707.69$$
$$\sum Y_i^2 = 15269091.94$$

3.1 Calculation of a and b by using determinate method.

$$a. \quad \frac{\begin{vmatrix} \sum c_i & \sum Y_i \\ \sum c_i Y_i & \sum Y_i^2 \end{vmatrix}}{\begin{vmatrix} N & \sum Y_i \\ \sum Y_i & \sum Y_i^2 \end{vmatrix}}$$

$$= \frac{\Sigma Yi^2 \Sigma C - \Sigma C_i Y_i \Sigma y_i}{N\Sigma Y_i^2 - (\Sigma Y_i)^2}$$

$$= \frac{15269091.94 \times 23447.57 - 9780707.69 \times 21835.48}{90 \times 15269091.94. - (21865.48)^2}$$

$$= \frac{358014376077 - 23388609666}{1374218275 - 478099215.6}$$

$$= \frac{334625766411}{896119059.4}$$

a = 373.46

Hence, autonomous consumption sampled HHS (a)=Rs. 373.46

Similarly

b. $\dfrac{\begin{vmatrix} N & \sum c_i \\ \sum Y_i & \sum c_i Y_i \end{vmatrix}}{\begin{vmatrix} N & \sum Y_i \\ \sum Y_i & \sum Y^2_i \end{vmatrix}}$

$$= \frac{N\Sigma C_i Y_i - \Sigma Y_i \Sigma C_i}{N\Sigma Y_i^2 - (\Sigma Y_i)^2}$$

$$= \frac{90 \times 9780707.69 - 21865.48 \times 23447.57}{90 \times 15269091.94 - (21865.48)^2}$$

$$= \frac{880263692.1 - 512692372.9}{1374218275 - 478099215.6}$$

$$= \frac{367571319.2}{896119059.4}$$

$$= 0.41$$

Thus marginal prosperity to consume (MPC) of sampled household

b = 0.41Rs

3.2 Estimation correlation coefficient of sampled households

The correlation coefficient is given by

$$r = \frac{N\Sigma Y_i C_i - \Sigma Y_i \Sigma C_i}{\sqrt{N\Sigma Y_i^2 - (\Sigma Y_i)^2} \times \sqrt{N\Sigma C_i^2 - (\Sigma C_i)^2}}$$

Where,

r = Correlation coefficient

N = number of sampled households

ΣY_i = Total per capita daily income of sampled households

ΣC_i = Total per capita daily consumption sampled households

Hence,

$$\frac{90 \times 9780707.69 - 21865.48 \times 23447.5}{\sqrt{90 \times 15269091.94 - (21865.48)^2} \times \sqrt{90 \times 8658776.44 - (23447.57)^2}}$$

$$= \frac{880263692.1 - 512692312.9}{29935.25 \times 15149.30}$$

$$= \frac{369944548.2}{453498082.8}$$

$$= 0.81$$

Therefore, correlation coefficient = 0.81

Annex 4

Wolf point defined as the point of equality between income and consumption in Keynesian consumption function. Wolf point is also called breakeven point.

Thus, if $C_i = Y_i$ it gives wolf point, we have the liner Keynesian consumption function is

$$C_i = a + bY_i \ldots\ldots\ldots\ldots(1)$$

Thus, if $C_i = Y_i$ then equation (1) becomes as

$$Y_i = a + bY_i$$

$$\text{Or } Y_i = \frac{a}{1-b}$$

We have from Annex -3

$$a = 373.\ 46$$

$$b = 0.41$$

$$Y_i = \frac{373.46}{1-0.41}$$

$$\frac{373.46}{0.59} = 632.98$$

Hence Rs 632.98 per capita daily is the total poverty line for the total sampled households in present study.

Annex:-5

Measurement of magnitude at the poverty problem. The head count approach of measure the extent of poverty is only the ratio of the poor below the poverty line to the total number of people.

$$H = \frac{N}{M}$$

Where,

H= head count index

N = Number of total poor population below poverty line

M= Total number of population

From Annex-2

N= 164

M=483

$$= 0.34$$

$$H = \frac{164}{483}$$

H= 0.34 means that 34 % of the population are deemed to be absolute poverty.

Nature and Cause of Rural poverty a cause study

Of

Bhojpur District

A survey – 2012

Questionnaire

1. Name of the household head	Ward No:
Level of education	Caste:
Occupation	Religion:

2. Name of the Respondent :	Age:
Sex:	Level of education
Relation with household:	

3. Household structure of family by age sex and level of education				
S.N	Name	Age	Academic Qualification	Occupation

4. What is main occupation of your family?	
Agriculture :	Services :
Laboring :	Small enterprises:
Others (Specify……………)	

5. Types of houses	

6. Land holding in (Ropani, Paisa , Aana			
Kind of land	Ropani	Aana	Paisa
Own land			
Land rented in			
Mohi land taken from other			
Mohi and given to other			
Others			

7. Types of land …………	Abbey	Doyam	Sim
Chahar…………			

8. What are the main agricultural productions of your land?		
a………………..	b………………	c………………..
d………………..	e………………	f…………………

9. Income from agricultural production					
S.N	Crops	Cultivated land area	Total production	Local unit price	Total
1.					
2.					
3.					
4.					

10. If you have agricultural production sufficient to meet the the family's consumption?	
Yes No	
If 'No' for how many days and months?	
If 'yes' Have you any surplus?	
If 'yes' how much?	
What do you with surplus?	Sale……………………..other

11. Do you have income from the family member who works in abroad? If yes, from where and how much?
…………………………………………………………………………………… …………………………………………………………………………………… …………………………………………………………………………………… …………………………………………

12. How much annual income does your family receive from?	
Selling Agricultural product	Rs……………………………….
Selling milk and milk product	Rs………………………………..
Selling chicken and eggs	Rs……………………………….
Selling goats ,pigs, and duck	Rs…………………………………
If other please specify	Rs…………………………………

13. Family's income from other sources.		
Sources	Annual income (Rs)	Number of family member engaged
Business		

Services		
Pension		
Labor		
Income from abroad		
Miscellaneous		

14. Have you taken loan or borrowing?
a) Yes…………………. b) No…………………….

15. What are the sources, amount in rupees and yearly interest rate (%) on the loans?		
Source of loan	Amount (Rs)	Interest rate (%)
Bank		
Local money Lender /merchant		
Relatives /neighbor's		
Other (specify)		

16. What are the main causes of borrowing?
1…………………………………………………………………………………
2………………………………………………………………………………..
3…………………………………………………………………………………

17. Expenditure on food items		
Kinds	If own Production Quantity	If purchased quantity
Paddy /Rice		
Wheat/ Rice		
Wheat/Wheat flour		
Vegetables		
Milk/Milk product		
Dall		

Meat Fish		
Eggs		
Fruits		
Others (specific)		

18. Expenditure on non-food items	
Clothes	
Education	
Health and personal care	
Festival / customs/ rituals	
Smoking / drinking	
Lighting	
Entertainment	
Transportation	
Others	
Total	

19 What is your family annual cost on various crops for the following items?	
Items	Rs……………………………………………..
Seeds/fertilizer	………………………………………………….
Labor	…………………………………………………
Insect ideas / Pesticides	……………………………………………………
Irrigation	…………………………………………………

20 Economically active member engaged in number	
Agriculture	…………………………………………………
Non-agriculture	…………………………………………………

21 Is your family's income enough to fulfill your basic needs?	
Yes, any saving	In Rs…………………………………
No, if deficit	In Rs…………………………………

22 if income is not sufficient to meet your family's requirement, what are the main causes?
Lack of working of family member
Lack of fertile land
Lack of employment
Less productivity of agricultural production
Low salary from your job
Lack of alternative job in off-season of agricultural
Any others……………………………………………………

23 Do you think that micro enterprises will substitute to your family income?	
Yes	No

24 what type of help/support should be provided for that?
Provision of low rate of interest
Raw material in subsidized
Developing human skill/skilled manpower
Others………………………………………

25 what type of energy has used?		
energy	Cooking	lighting
Fuel		
biogas		
kerosene		
Lp gas		
Others		