

**CAUSES OF RURAL POVERTY:
(A Case Study of Sandakpur Rural Municipality-4,
Ilam District)**

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LETTER OF RECOMMENDATION

This thesis entitled **CAUSES OF RURAL POVERTY:"A Case Study of Sandakpur Rural Municipality Ilam District)",** submitted by Miss. **Nisha Gurung** has been prepared under my guidance and supervision. This study is original. Thus I recommend it for it's evaluation to the thesis committee.

Date: 2074/12/29
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ABSTRACT

Causes of rural poverty (A Case Study of Sandakpur Rural Municipality-4, Ilam District) is representative vision of the reality. Main thrust of the present study is to examine the state of poverty of Sandakpur Rural Municipality-4, Ilam and to find out the causes of poverty in the study area.

This study is based on fieldwork. The research design was descriptive and exploratory. 50 households was taken as a sample unit for the study. These wards are purposively selected to collect data. This study was based on primary as well as secondary data from the prospective of data collection procedure. On other side, both qualitative and quantitative data are used. Structured Questionnaire, Key-informant Interview Outline, Direct Observation, Note System are the tools and techniques to gather data.

As in other rural areas, due to lack of industries and institutes the employment opportunities are lacking beyond agricultural sector. In reality a large number of rural people are incapable of meeting basic requirement like food, cloths, shelter, health, education etc. i.e. rural people have facing poverty problems.

Poverty in rural areas is basically caused by low productivity of agriculture. The limited base and inadequate growth rate of non-agricultural sector in the economy. Similarly the lack of exploitable mineral resources, poor agricultural policy and topographical disadvantages are also responsible for its economic backwardness and poverty. As well as there is low level of per capita income in rural sector there is low rate of saving, which turn lead to low rate of investment and capital formations. In connection with these realities, the reliance of

farmers on traditional inputs and prevailing technology can also be assumed as the cause of poverty. development effort of the government are also very limited. The private sector is also not properly developed. All these factors are accountable for wide spread of poverty among the people living in the Sandakpur .

Landless condition and limited access to land are the major factors responsible for poverty. There is positive relationship between productive land holding and income while a negative relationship between unproductive land holding and poverty.

Poverty is the main obstacle to the economic growth of the country. The problem of poverty arises due to various reasons such as small size of land holding lack of market facilities lower literacy rate unemployment problem, large family size etc.

The objective of this study was to explore overall situation of rural poverty of the village based upon the facts examined by scientific tools and methodologies. Particularly, to identify the state of rural poverty of Sandakpur of Ilam and to suggest some effective measures for reducing poverty in the study area were two objectives. 72 percentage of the people are facing food deprivation. They have land, more or less, giving insufficient grain production for the twelve months. Neither professional harvesting of vegetable or livestock nor any employment possibility in alternative sectors is seen. This means it has very less production of goods and commodities and almost no sells at all.

Some of the poor are landless or those who have their own land in very small size are living in very small hut with very large family size so far their feeding is concerned they are ill-fed badly suffering from hunger and malnutrition they are frequently ill due badly suffering from hunger and malnutrition. They are frequently ill due to insufficient nutrition as

are their clothing is concerned they are badly clothed most of them wear rags and torn clothes in regards to education most of the poor are illiterate in regards to ethnic group most of the poor are occupational caste as they become the age of 8 or 9, they have to work for earning

The country has enormous potential for raising GDP through maximum utilization of opportunities available in the areas of agro-processing industry, tourism, hydropower, high-value herbs processing industry, education and health. Mobilization of domestic and foreign investments becomes very much necessary for enhancing the use of available exclusive natural wealth. Amidst the current uneasy atmosphere to attract investments, attention of all concerned needs to be drawn towards this reality. It is a challenging responsibility of creating interest of all concerned towards the fact that investments in such industries can make solid contribution towards reducing unemployment and alleviate poverty.

The more number of people are involved in agriculture the less chance to be any country economically strong. Although every house has economically active member and in total 180 people are from the economically active age group the condition of economic activity is critical. Similarly, wage-labour is neither regularly available nor paid well. In gist, there are very less objects for export purpose in comparison to the objects to import. This is the root cause of the poverty prevailing around the Sandakpur .

A big question mark has emerged on our skill of overall economic management in a situation where the Nepalese economy entangled in the vortex of economic sluggishness amidst the double-digit price rise thereby adversely affecting the purchasing power and living standard of Nepalese people. Hence, there is the necessity of wider reform initiatives on development efforts, investments, and regulatory areas for expanding

the economy. The nation is also being made to bear adverse supply shock due to frequent Bandhs, chakka jams, strikes etc. For this, national imperative is making sufficient legal arrangements and ensuring effective enforcement of those provisions for completely banning Bandhs, strikes especially against transportation and movements of the people for allowing the country's economy move ahead in a smooth and natural way, and also providing relief to the people's livelihood.

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