

**POVERTY IN THARU COMMUNITY OF RAUTAHAT
DISTRICT OF NEPAL**

A Dissertation

**Submitted to the Faculty of Humanities and Social Sciences,
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ECONOMICS**

BY

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LETTER OF RECOMMENDATION

We certify that this dissertation entitled **Poverty in Tharu Community of Rautahat District of Nepal** prepared by Mr. **Nand Kishor Kumar** under our guidance, hereby recommend this dissertation for external examination by the Research Committee of the Faculty of Humanities and Social Sciences, Tribhuvan University in fulfilment of the requirement for the Degree of Doctor of Philosophy in Economics.

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DECLARATION

I hereby declare that this Ph.D. dissertation entitled *Poverty in Tharu Community of Rautahat District of Nepal* is submitted to the office of the Dean, Faculty of Humanities and Social Sciences, Tribhuvan University is an entirely original work prepared under the guidance of my supervisor and co-supervisor. I have made due acknowledgement to all ideas and information borrowed from different sources in the course of writing this dissertation. The result presented in this dissertation has not been presented or submitted anywhere else. No part of the content of this dissertation has ever been published in any form before. I shall solely responsible if any evidence is found against my dissertation.

.....
Nand Kishor Kumar
Kathmandu

Date:

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ABSTRACT

Poverty is a situation where people are unable to fulfil their basic requirement by their given income. Poverty studies in the developing countries, is far less with its explanation. There is extreme paucity of economic data on the basis of ethnicity caste. This was partly due to lack of caste/ethnic data in population censuses until 1991.

Most earlier household surveys did include social parameters but were not analyzed owing to lack of social concern and economists pre occupation with macro-level data. Nepal living standard surveys 1995/96, 2010/11 and programme of identification and management of poor household 2069 BS are prime source of Economic status by caste and ethnicity.

Majority of indigenous, ethnic groups are considerably weak. These groups are deprived of various types of facilities. The gap in their level of development is still very significant. In such situation, it is felt necessary to have well balanced progress of each community and ethnic group for the country's all round development. The special features of the ethnic groups are in fact, the asset of country. Concept of development of the nation is only possible through promotion of their special features.

Most previous studies relating to poverty in Nepal reviewed here are area centred. CBS has used to measure poverty at national level, small area level, district level, illaka level. In the twenty first century to have an anti-poverty strategy implies in all caste equally. Since no attempt has been made so far in the context of poverty in Rautahat district. This justifies the present research work. Many NGO/INGO and government too are doing work for uplifting the status of Tharu of eastern and western Nepal, but there is no such development in Rautahat.

The research problems of this study are to study the status, incidence, level and causes of poverty and their remedial measures. This research is micro and ethnicity based poverty mapping in Tharu community of Rautahat district. Poverty is dependent variable and the factors causing poverty are independent variables like land holding, employment, education, fertility, environment, health, vulnerability, livelihood, standards of living exclusion, unsustainability etc. Considering all the four objectives and hypothesis were formulated and tested. The considered hypothesis was; higher the income and resource, lower the poverty and its incidence.

The present research work is descriptive as well as analytical and is mainly based on primary information collected from field survey. The collected data from field survey are processed and analyzed with different statistical tools to meet with the objectives of this study. The major finding of the study were as follows; First, the lack of resources and natural disasters are causes of poverty which are untenable. Second, there is no single one way relationship between poverty and population growth. Third,

and most important, people have fewer attitudes towards education. Fourth, Inequitable distribution of the available social product and also militates against productive utilization of the surplus generated. From the Cost of Basic Needs (CBN) method, Sen's poverty index, wolf point, Gini Co-efficient, variance, range, mean, Lorenz Curve etc were applied and poverty line, incidence, wolf point ,human poverty index, human development index for male/female, head count ratio, dollar a day poverty line, head count index were 43.29, 0.26, 61.83, 44.89, 0 .588 and 0 .519, 44 , 82.57, 46 percent, etc respectively.

The incidence of poverty is inversely related with the level of the education. Regarding poverty by occupation, higher incidence of poverty is found in those household heads whose major occupation is agriculture compared to those who are engaged in non-agriculture. Households engaged in agriculture and wage earning occupation are more poverty- ridden those engaged in business and services. The family size and the incidence of poverty are positively co-related. The higher the family size, the higher is the incidence of poverty. Livestock rearing is an integral part of farming in this community and indicates that it provides extra income which contributes to poverty reduction. The large landholders have lower incidence of poverty compared to landless and small holders. This indicates that marginal landholders have higher incidence of poverty compared to landless and big holders.

The implication of the study are quite clear, namely that without changes in the attitude toward education, saving, nature of extravagant etc, it is well-nigh impossible to eradicate poverty of the scale and dimensions that engulfs contemporary rural Rautahat. So, strategy and policy implication for reducing poverty must include centrality of growth ,centrality of growth in agriculture, empowering the power by improving their assets ,ruler infrastructure, empowering small producer and access to market, increasing social and food security, reducing more general risk factor of poor, increase wage, use local resource and skill, increase infrastructure and transportation.

This study recommends that there should be a pro-active role for the planner in promoting awareness of planning issue among the poor, reduction in economic growth and market-based policies. These findings contribute to broadening the knowledge base on pro-poor planning and development of the nation.

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LIST OF ACRONYMS/ ABBREVIATIONS

AD	Anno Domini (a year after Jesus Christ was born)
ADB	Asian Development Bank
ARDL	Auto Regressive Distributive Lag
BHN	Basic Human Needs
BPL	Below Poverty Line
BS	Bikram Samvat
CBN	Cost of Basic Needs
CBS	Central Bureau of Statistics
CDO	Chief District Officer
CPM	Capability Poverty Measure
CEDA	Central for Economic Development and Administration
CIP	Country Investigation Plan
CPI	Consumer Price Index
DDC	District Development Committee
DFID	Department for International Development
DOE	Department of Economics
DHS	Demographic Health Survey
DAG	Disadvantaged Group
EU	European Union
ESCR	Economic, Social and Culture Rights
GHI	Global Hunger Index
GNP	Gross National Product
GDP	Gross Domestic Product
GON	Government of Nepal
Ha	Hectare
HP	Human Poverty

HCR	Head count Ratio
HPI	Human poverty Index
HDI	Human Development Index
HDR	Human Development Report
HIES	Household Income and Expenditure Survey
IC	Income Consumption
IKT	Indigenous Knowledge and Technology
I/NGOs	International / Non Government Organization
IFAD	International Fund for Agriculture Development
IA	Impact Assessment
IDM	Individual Deprivation Measure
IMF	International Monetary Fund
ILO	International Labour Organization
JBIC	Japan Bank for International Cooperation
Kcal	Kilocalorie
LA	Local Agency
LB	Local Body
LG	Local Government
MDGs	Millennium Development Goals
MHHH	Male Headed Households
MOAC	Ministry of Agriculture and Cooperatives
MOAD	Ministry of Agriculture Development
MOF	Ministry of Finance
MICS	Multiple Indicator Cluster Survey Report
MPS	marginal propensity to save
MPC	Marginal propensity to consume
MPI	Multidimensional Poverty Index

MOH	Ministry of Health
MDG	Millennium Development Goals
MDP	Multidimensional Poverty
NESAC	Nepal South Asia Centre
NPC	National Planning Commission
NLSS	Nepal Living Standard Survey
NRB	Nepal Rastra Bank
NP	Nagar Palika
NBL	Nepal Bank Limited
NDHS	Nepal Demographic and Health Survey
NIUA	National Institute of Urban Affairs
NFC	Nepal Food Corporation
NFIs	Non Food Items
NRM	National Resource Management
NRs	Nepalese Rupees
PAF	Poverty Alleviation Fund
PRA	Participatory Rural Appraisal
PhD	Doctor of Philosophy
PPP	Purchasing Power Parity
PSU	Primary Sampling Unit
QOL	Quality of Life
R&D	Research and Development
SAARC	South Asian Association for Regional Co-operation
SAE	Small Area Estimation
SD	Standard Deviation
SDGs	Sustainable Development Goals
SLA	Sustainable Livelihood Approach
SLC	School Leaving Certificate

SOL	Standard of Living
TU	Tribhuvan University
UN	United Nations
UNDP	United Nations Development Programme
UNESCAP	United Nations Economic and Social Commission For Asia and The Pacific
UNCTAD	United Nations Conference on Trade and Development
UNICEF	United Nations International Children's Emergency Fund
USD	United States Dollars
USAID	United States Agency for International Development
VDC	Village Development Committee
WAO	World Agriculture Organization
WB	World Bank
WDR	World Development Report
WFP	World Food Programme
WHO	World Health Organization
WTO	World Trade Organization
WFP	World Food Programme