CHAPTER – ONE

INTRODUCTION

1.1 Introduction

The term 'poor' is used by a wide range of people, however the concept of poverty is not as clear as is usually assumed. It is a broad term that encompasses everything from a psychological state of mind to severe dietary deficits.

Poverty is the most serious issue confronting developing countries. One billion people live on less than a dollar a day. Approximately 2.7 billion people live on less than two dollars each day. Every year, 11 million youngsters die. About 0.114 million children do not have access to primary education, and 584 million women are illiterate. Malnutrition kills six million children each year. Every day, 800 million people go hungry, 300 of them are children. Around 2.6 billion people, or 40% of the world's population, lack basic sanitation, and one billion are exposed to contaminated drinking water (UNDP, 2002).

Why poverty and inequality are existing? Are poor responsible for their dilemma? Have they been made poor judgment? Are their governments responsible for their predicament? These factors of poverty also hurt the development of the country but on the other hand, there are also such aspects that cause poverty which needs to be discussed. Therefore, along with economic poin of view, social and political factors are equally responsible for poverty. The areas of inequality such as unequal status of women and minority groups of low developed countries represent this aspect of poverty. As a result, rich people continue to flourish, while poor people lag behind. In the global scenario, in last 30 years, the economic growth has occurred but along with the portion of poor people also enlarged. In 1960 the income of 20 percent of richest countries has 30 times more than that of 20 percent of the poorest countries. It was 60 times greater in 1990 and only 20 percent of the world income is accepting by world's poorest countries that are living in poorest countries. So, in the last three decades, the difference between the rich and poor has greater than before. Income sharing between rich and poor is unequal. Rich people 1000 million and are 150 times are richer than the poor people of 1000 million. The access of these poor people is limited. They have only 0.2 percent admittance in loans taking made by 8 commercial banks, 1.3 percent access to international investment, 1 percent access to

international trade and1.7 percent access to international income. If we view natural resources of the world, then we can inspect that African countries and South American countries are most likelyrichest countries. But these are the world's poorer countries (World Bank, 2019b).

The poor countries are poor in their natural resources such as England, Hong Kong, Japan and Taiwan but are prospering people of the world. One cansdisputethat some countries were seen after colonialism. If there is such anobject then Canada, United States, Australia, New Zealand and Hong Kong remained under colonialism. On the other hand, Ethiopia, Skim, Tibet, Nepal, Bhutan, and Thailand were never colonies; but these countries are poorest in the world. Why some countries are rich and why some of countries are poor? This is a problem, and there is no a single justification about this. But there are some causes that creating the gulf between rich and poor (Williams, 2004).

1.1.1 Concept of Well-Being and Poverty

The word 'poverty' means different things to different people because poverty has many facets, connections and ramifications. There is a immense difference of view among scholars about this thought. In the course of defining poverty a number of exercises have been done by many scholars of various disciplines in the 1970's and 1980'. But none of the definitions given is universally acceptable. So, it is a very complex and elusive task to define poverty precisely. It is easier to speak of poverty than to define it (World Bank, 1995).

The objective insight of poverty varies according to the different steps of economic development of various countries. In developing countries as Nepal and India, generally accepted definition of poverty emphasizes minimum level of living, whereas in Western developed countries like U.S.A. and U.K. the definition of poverty emphasizes reasonable level of living. Thus, different scholars have defined it from various angles. Some definitions of poverty given in the context of developing countries have been cited here. The World Bank Report defines poverty as the inability to attain a minimum standard of living. To quote Sen "poverty as a matter of deprivation, Defining poverty Hagenaars writes "poverty might in general be defined as a situation in which needs are not sufficiently satisfied".

The problem of poverty in the developing countries like Nepal and India is absolute one, while the same in the developed countries like USA and UK is relative one. Speaking more precisely, the poverty of the developing world is concerned with absolute poverty and is predominantly a rural phenomenon because about 80 percent of the poor of the developing countries live in rural areas. So, poverty is a rural agrarian phenomenon because majority of the rural people are engaged in this sector. This conclusion is fully applicable in the context of Nepal where 49 percent of the population are absolute poor.About 95 percent of the poor live in the rural areas. Poverty is also primarily an agrarian phenomenon; about 82 percent of the poor are either self-employed in agriculture or agricultural labourers (World Bank, 2001a).

Poverty is a global issue and remains a subject of much concern to observers and researchers alike. Poverty and Quality of Life have got tight links. In lay man's view the word poor is synonymous to poor quality of life and a rich means a good quality of life. But, is this always true in general? Is money the real measure to poverty and Quality of Life? If so, then why despite spontaneous economic growth and achievement, a part of population from the higher-income developing world still finds a part significantly behind in Quality of Life (World Bank, 2004).

World Bank stated that "Poverty is hunger. Poverty is lack of shelter. Poverty is being sick and not being able to see a doctor. Poverty is not having access to school and not knowing how to read. Poverty is not having a job, is fear for the future, living one day at a time. Poverty is losing a child to illness brought about by unclean water. Poverty is powerlessness, lack of representation and freedom". Commonly, there are twotypes of economic indicators that are used in third world countries, where one is poverty line approach (in terms of monetary indicator such as income and consumption). In this view, Head Count Ratio (HCR) defines poverty on national level such as US $1 or US $2 per head per day. People living below the poverty line of US$1 or US$2 per head per day are considered poor. The other indicator is to measure poverty in non-monetary form which is called Unsatisfied Basic Human Needs (BHN). In this aspect, people are unable to have access of basic needs such as housing, basic health services, nutrition, and education (World Bank, 2009).

Poverty is a complex economic and social concept with multiple dimensions and manifests itself in various forms. Poverty is an ex-post measure of well-being (or lack thereof). Poverty reflects resource insufficiency – low incomes and expenditures,

low achievements in education and health, vulnerasbility to adverse shocks such as illness, violence or insecurity and loss of livelihood, and powerlessness in the political, social and economic life of one's community (World Bank, 2001e).

Poverty is with some defined threshold below which they are considered to be poor. This is the most conventional view in which poverty is seen largely in monetary terms and is the starting point for most analyses of poverty. A second approach to well-being is to ask whether people are able to obtain a specific type of consumption good: Do they have enough food? Or shelter? Or health care? Or education?. In this view the analyst goes beyond the more traditional monetary measures of poverty: Nutritional poverty might be measured by examining whether children are stunted or wasted; and educational poverty might be measured by asking whether people are literate or how much formal schooling they have received(World Bank, 2000).

Poverty becomes rampant in an economy where the level of economic development remains at its ebb. One of the problems of economic growth in any nation is poverty. The relationship between economic growth and economic development is vague due to distributive and retributive justice. It's too difficult to give accurate and universally acceptable concept of economic development. In the past, Gross National Product (GNP) measured development of any economy. During 1980's and even 1990's, development was being regarded as first and foremost social instead of an economic phenomenon. According to the World Bank "Economic development is defined as a sustainable increase in living standards that encompass material consumption; education, health and environmental protection" (World Bank, 1999).

Poverty amid plenty is the world's greatest challenge. Thisrecognized view of poverty is encircling not only low income and consumption but also low attainment in education, health, nutrition and other indicators of human development. It elaboratess the definition of poverty including powerlessness, vulnerability, and fear. According to World Bank, "Poverty is concerned with the absolute standard of living of a part of society. So, poverty can be defined as the inability to attain a minimum standard of living" (World Bank & UNDP, 1992).

About 1.2 billion poor of the world which is 75 percent are living in rural areas. Thisclass include landlessness and limited access to land. Large families

famed poor households in many ways. As a consequence, lower education attainment occurs with increased in dependency ratio and lacking in health service. People consider that the large MDGs are reaching their targets or not, level of poverty of Asia and Pacific will decide it, where more than two third of world poor are breathing. Poverty is more potent in rural than urban areas in the countries of Asia. Asia continent is regarded as common social, economic and demographic character,in whichfamilies will help in their old wet days to look after them and play their roles as assurance. Similarly, lack of educationrestrict them to accompany family planning programmes resulting higher population.The rural poor also have inadequate access of basic facilities such as sanitation, clean drinking water, and electricity. Their vulnerability and scarcity is increased due to limited infrastructure particularly in remote and mountainous areas. So, rural poverty has many dimensions and aspects in Asia (IFAD, 2002).

Poverty has many facet and factors such as income inequality, low education, ill health, weak perception and poor governance, corruption.In Nepal population pressure is also supposed the cause of poverty. The standard of living ans status is low in the large family due to limited resources. The other reason about large family is that more children will be serving in the rainy days when people are older. This situation gives birth to child labor and school dropout. As a consequence, poverty goes family generation to family generation, population-poverty trap, and vicious circle of poverty occurred. Higher population growth is not a problem of numbers but also the problem of development and human welfare as well (UNESCAP, 2002).

Deep-rooted and endemic precisely widespread poverty is common place in the development scenario of Nepal.Low percapita income (US $ 190), low life expectancy; high chronic poverty is deep-rooted in the least developed countries like Nepal. Poverty in Nepal is widespread illiteracy (60-5 percent), low health facility, high dependence on agriculture 81.23 percent, high infant mortality 102/1000, large family size 5.6 and high fertility rate 5.6 high growth rate of population 2.08 percentand high share of rural population about 90 percent in total population of Nepal clearly indicate that poverty is prevalent in Nepal, particularly in the rural areas.In brief, the individuals or households whose total earnings are not sufficient to fulfill their minimum needs of live are considered as being absolutely poor and the individuals or households whose total earnings are sufficient to fulfill their minimum,

needs but are left with to satisfy other needs as compared to others are considered being relative poor (CBS, 2011c).

1.1.2 Poverty and Inequality in Nepal

Poverty and inequality have found to be structural and hybrid with the calamities and imperialism in majority of developing countries / parts of the world. The pioneers of dependency school of thought on development: "The cause of under-development lie in the capitalist system itself, and the only remedy against the causes, as well as symptoms of underdevelopment, is revolutionary distraction of bourgeois capitalism and its replacement by social development" Poverty and inequality bears structural characteristics for Nepal. Feudal system, under-developness, bias planning in the past was the causes of poverty and inequality in Nepal. Besides, low profile of agricultural growth, low pace of industrial development and under utilization human and natural resources were the causes of poverty and inequality in Nepal (JBIC, 2003)

1.1.2.1 Characteristics of Poverty in Nepal

The people under poverty line are unable to get a balanced diet and health facilities in Nepal.The other characteristics of poor are high gender discrimination, deprive of government facilities, high dependency ratio, low life expectancy, etc.(JBIC, 2003). Some other specific characteristics of poor are as follows:

(1)   Low income

The level of income of the poor is very low. They are compelled to sell labour at a low wage rate. Most of these poor people earn less than 1.5 $ per day. So, the poor are unable to attain daily expenditure.

(2)   Housing Condition

The housing condition of the majority of the poor is very bad. Due to the large family size, there is always overcrowding in the household. All family members have to live in a limited space and without electricity and other physical facilities.

(3)   Expenditure Pattern

The poor spend nearly all their incomes on consumption. They spend all most all their incomes on food in order to survive. Sometimes, they consume more than

what their income is. In such a situation, expenditure is more than the income. So, instead of saving, a loan is required for consumption.

(4)   Low Educational Status

Majority of the poor are illiterate. The high illiteracy rate is either due to ignorance or poverty or both. They can't get an educational opportunity and they are not capable to provide education to their children.

(5)   Occupation

The occupation of the poor is generally agriculture. Majority of the poor people do not have their own land. They are compelled to do work at a low wage rate. Their income is always insufficient for their subsistence. So, some poor become beggars, garbage shifters, prostitutes, etc.The other characteristics are weak physical and mental condition, lack of land, low production and Productivity, hunger-malnutrition, starvation.

1.1.2.2 Poverty Factors

The poverty factors discussed in this dissertation are borrowed from NLSS data set. JBIC (2013) has explained 7 optimum instructive variables such as access to tap,; access to sanitation (negative); unemployed, week (positive); literacy rate for the population, 15 years and older male (positive); gross secondary enrolment rate, male (negative); gross tertiary enrolment rate, male (negative); vaccination rate (negative).

1.2   Various Aspect of Poverty

Poverty has been perceived from different perspectives. Income based poverty is in terms of monetary poverty measurement and weakness in different aspect of weaknesses in different aspect of human development. Social exclusion is in terms of multidimensional poverty measurement.The Economic aspects of poverty focus on material needs typically including the need of daily living such as food, clothing shelter and safe drinking water.

The Social aspects of poverty links conditions of scarcity to aspects of the distribution of resources and power in a society and recognizes that poverty may be a function of the diminished capability of people to live the kinds of lives they value.

The social aspects of poverty may include lack of access to information, education, health care or political power.

The monetary poverty is correlated with deprivations in other domains, but this correlation is far from perfect. The correlation of monetary and non-monetary poverty differs by regions and dimension. If non-monetary deprivation in all places, there would be little need to measure anything beyond monetary poverty. Monetary and non-monetary poverty explain different phenomena and different people.

1.2.1 Monetary Poverty Measurement in Nepal

The key indicator of income based poverty is the proportion of people living below poverty line. With data of living standard surveys, monetary values of consumption expenditure including independent variables like food, education, housing, health, and assets, were calculated for surveyed households and compared with poverty line below which individuals are termed as poor. Poverty lines were estimated with the help of Basic Needs (BN) approach and the minimum amount of Nepali rupees needed to satisfy caloric requirements and basic needs for non food goods and services (Ravallion, 1998).

1.2.2 Nepalese Practice of Study and Poverty Measurement

Nepal governmenthas introduced the basic needs approach to planning for the period of late 1970's and during 1980s. The underlying principle behind the limitation was to overcome the inability of completion of various development plans to make sure minimum inability to implant the various development plans to ensure minimum standard of life. The Seventh Five year plan (1985-90) of Nepal waslinked with this approach.The bunch of basic needs recognized were food, clothing, fuel, wood, drinking water, peace and security, skill, health condition, and minimum transformation amenities (NPC,1990).

Nepal established its convention and practices from 1995-96, (Nepal Living Standards Survey NLSS-I) onwards to construct poverty line using the (CBN) method. The estimation of poverty in NLSS-II (2003/04) and III (2010-2011) was based on the same methodology with the methodology of adopted for NLSS-I. In BN method, the poverty line is defined as the expenditure value (in local currency) necessary by an individual to fulfill their basic requirements interms of both food and non-foods things.

The poverty line for 2003-04 (NLSS II) round was an revise of prices of same basic needs basket projected for 1995-96 (NLSS I). In case of 2010-11 (NLSS-III),

the poverty line is estimated on a new basic needs basket for poor to replicatethe changes in well being and status over time (CBS, 2011d). On the whole poverty line in Nepal has been obtained by aggregating food and non-food poverty line. The food basket of poverty line is estimited by how much poor spend to sustain a minimum caloric needed for 2,220 kcal per day.

1.2.3   Poverty Dynamics of Nepal

Investigation of poverty profile from 2010/11 NLSS discovered that there ishigh variation in poverty existing by sub-regions of considered analytical domains. Lowest headcount incidence of poverty exists in hill urban regions and it is calculated highest in mountain region 42.2 percent. Poverty has seasonal and cyclic characteristics. There is most poverty afflicted seasons is February to May and its incidence is lower during October to January.Poverty incidence increases with increase in household size. Current estimates of poverty in Nepal are based on the third round of Nepal living standards survey.

Table 1.1

Trends of Poverty in Nepal: Estimated as Head Count Index, 1977-2011

Years of Estimate	Source	Incident of poverty %		
		Rural	Urban	National
1977	NPC	37.2	17.06	36.2
1985	MPHBS/NRB	43.2	19.2	42.5
1989	WB/UNDP	42.0	15.0	40.0
1995/96	CBS-NLSS-I	43.3	21.6	41.8
2003/04	CBS-NLSS-II	34.6	9.6	30.9
2010/11	CBS-NLSS-III	27.4	15.5	25.2

Source*: Nepal South Asia Centre, 1998; Nepal Living Standard Susvey, 2005 and 2011c,* CBS, NPC, GON.

The poverty line established the distinction who is poor and who is not. In particular, according to the 2010-11 poverty line, an individual in Nepal is considered poor if his/her per-capita total annual consumption is below Rs. 19,261. According to the new poverty line, the poverty incidence (headcount rate) for Nepal in 2010-11 is

25.2 percent. The poverty rate is much lower in urban areas 15.5 percent than in rural areas 27.4 percent.

A simple comparison of poverty in 2010-11 is 25.2 percent) with the estimate in the past for 1995-96 is 41.8 percent and 2003-04 is 30.9 percent shows that poverty has been on decline.

The decline is greater if one were to use unchanged poverty lines over the entire period close to 30 percent point decline in the last 15 years. The progress in poverty reduction is about the same and significant measure either in terms of the old or new (higher) poverty line. Table 1.1 shows changes in poverty over time using the old 1995-96 poverty line and changes are based on the "new", more liberal2010-11 poverty line.

Table 1.2

**Poverty Measurement between 1995/96 and 2009/10**

	Poverty headcount index			Poverty gap index			Squared poverty gap index		
	1995/96	2003/04	2009/10	1995/96	2003/04	2009/10	1995/96	2003/04	2009/10
Nepal	41.76	30.85	25.16	11.75	7.60	7.543	4.67	2.70	1.81
Urban	21.56	9.55	15.46	6.54	2.20	3.19	2.65	.70	1.01
Rural	43.27	24.62	27.43	12.14	8.50	5.96	4.83	3.10	2.00

Source**:** *Poverty Trends in Nepal between 1995/96, 2003/04 and 2009/10*, CBS, NPC, GON.

As shown in the table1.2 and figure1.1, comparison of poverty in 2010/11 with that of 1995/96 and 2003/04 show decline in poverty. Poverty headcount ratio is declined by roughly0.30 percent points during this period.

Figure - 1.1

Poverty Trend in Nepal
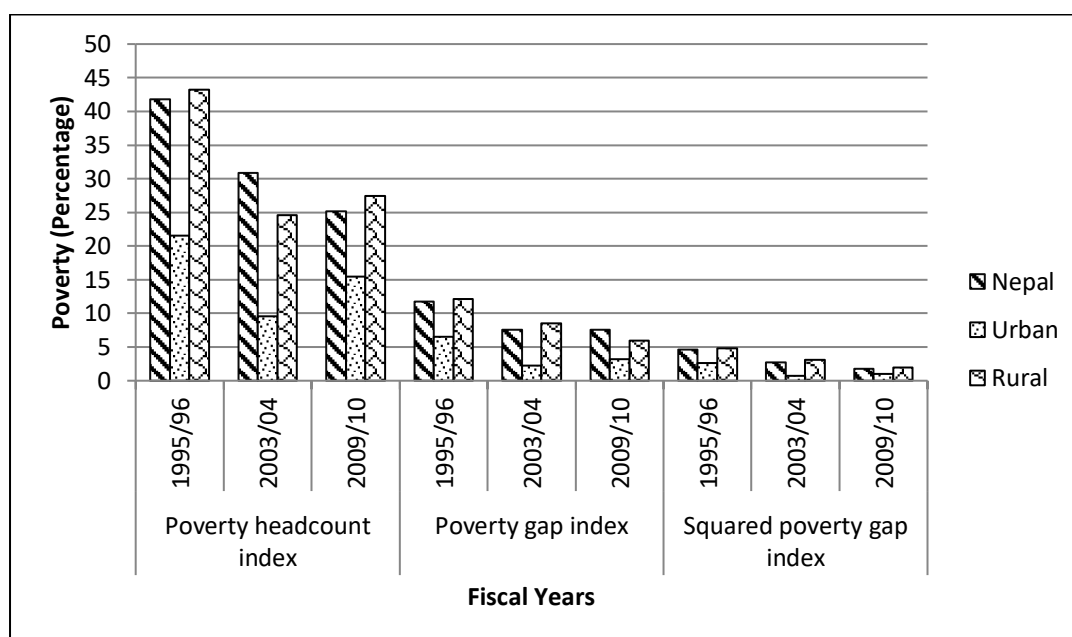
Source**:** Bassed on the table 1.2

1.2.4 Multidimensional Poverty Measurement

Multidimensional poverty encompasses the various deprivations experienced by poor people in their daily lives such as poor health, lack of education, inadequate living standards, disempowerment, poor quality of work, the threat of violence, and living in areas that are environmentally hazardous among others.

Table 1.3

Province Wise Poverty Measurement 2010

Indicators	Nepal	Province 1	Province 2	Province 3	Province 4	Province 5	Province 6	Province 7
Population under absolute poverty%	18.7	12.4	19.9	15.3	15.5	18.2	28.9	33.9
Multidimensional poverty rate	28.6	19.7	47.9	12.2	14.2	29.2	51.2	33.6

Source: *World Bank Staff calculation using Nepal Living Standard Survey, 2010/11,CBS, NPC, GON.*

Table 1.3 showspoverty decline to 18.7 but multi- dimensionalpoverty has increased. The main reason behind it is multi poverty indicators. This method of measuring poverty is rather scientific than traditional monetary measurement method.

1.2.5 Comparison of Economic Growth Rate of South Asian Countries and China (Percent)

The GDP growth has been fluctuating for Bangladesh, Nepal, India and Sri Lanka while it has been increasing for Bhutan and Maldives.The GDP growth of selected South Asian countries from 2014 to 2018.

Table 1.4

Comparison of Economic Growth Rate of South Asian Countries and China

Countries	2014	2015	2016	2017	2018
Bangladesh	6.3	6.8	7.2	7.1	7
Bhutan	7.5	6.1	6.3	6.0	7.1
India	7.6	8.2	7.1	6.7	7.4
Maldives	6.0	2.2	4.5	4.8	5.6
Nepal	5	3.3	3.4	7.5	5.0
Srilanka	4.1	5.0	4.5	3.1	4.0
Pakistan	2.7	4.1	4.5	5.3	5.6
Afghanistan		1.3	2.4	2.5	2.5
China	7.3	6.9	6.7	6.9	6.6

Source: International Monetary Fund, 2018.

In the table1.4,the economic condition of South Asia slows down. According to World Bank, the growth in South Asia is projected to slow to 5.9 percent in 2019. Compared to six month ago, GDP growth in South Asia is revised downward by 1.1 percent points for this year and by0 .7 and 0.4 percent points for the next two year.

1.3 Vulnerable Groups of Nepal

There are two groups; Dalits and Kamaiya are recognized as especially vulnerable groups against high threat of poverty incidence.

Dalits: Nepal is a multi-ethnic country made by 60 ethnic groups which has a vertical social configuration based on the caste system. Even thoughconstitution of Nepal enacted in 1990, restricts caste discrimination after progressing 100 years. The caste system is still remaining in the society. Due to the social discrimination on the basis of caste, gap in living standard between higher and lower caste is giant. Dalits, which account for the total population, is the lowest caste as "untouchable". Dalits

ofNepal are separated into many groups based on their basis of occupation such as Sarki as shoe repairer, Damai as traditional tailor, Kami as blacksmith.

Poverty incidence is tremendously high among Dalits and ethnic minorities are Sarki, Damai, Kami, and Limbu. Socio-economic indicators of those groups were far below the national average. The average life expectancy, per capita income, and adult literacy rate are50.3 years, 4,940 rupees, 23.80 respectively.Dalits have narrow opportunities to get better livelihood restricted by social constraints on occupational and low educational achievement (JBIC, 2003).

Kamaiya: The Kamiaya (pratha) structure induced in the Far and Mid Western region of Tarai. Approximately 40 years ago, Tharu, the indigenous ethnic group in that regions, were expelled from their own land by new settlers from the Hills.

Most of Tharu were compelled to work for the newly landlords as debt bondage labours called "Kamaiya".They had no alternative forms of subsistence other than receiving debt from the landlords. While the debtors were required to offer labor in repayment, the value of labor was almost nothing in many cases that made them difficult to repay their debts completely. Their families inherited the loan and bequeathed it to succeeding generations. The landlords kept the system after the government banned it legally. The population of Kamaiya as of 1995 was 25,762 in the five districts of Dang, Banke, Brdiya, Kailali, and Kanchnpur (JBIC,2003).

1.3.1 Tharus of Nepal

Nepal is a country with multi-ethnic, multi-lingual, multi-religious people and diverse culture. This vast diversity is the most unique feature of Nepal as a country of total inhabited communities. There are 125 caste/ethnic groups reported in the census 2011. The total population of Tharu is 1,737,040 and they are of 6.6 percent in Nepal. The Tharu people can be found at different parts of the country. They are along with the Darai, Majhi and Chepangs and are indigenous of the Terai region of Nepal. They dominant in the Terai and have largely maintained their cultural integrity to a larger extent. They are economically, socially, educationally and politically marginalized and weak. Inequalities in human development and poverty incidence by case and ethnicity have been noted since the 1998. These remain pronounced, despite some evidence that they may be reducing over time (CBS, 2011c).

Table 1.5

Poverty Incidence by Caste and Ethnicity in Nepal

Castle and ethnic group	Poverty head count rate	% of poor	HDI
Hill Brahmans	10.3	5.2	.557
Hill Chhetri	23.4	16.6	.507
Tarai Brahmans	18.6	0.4	.536
Terai middle caste	28.7	17.6	.460
Hill Dalits	43.6	15.2	.446
TeraiDalits	38.2	6.9	.400
Newar	10.3	2.5	.565
Hill Janjati	28.3	24.4	.509
TeraiJanjati	25.9	7.3	.473
Muslim	20.2	3.5	.422
others	12.3	.5	.586
Nepal	25.2	100.0	

Source*: Nepal Living Standard Survey, 2010/11,* CBS, NPC, GON.

In table1.5, Nepal Human Development Report 1998 emphasizes that among the three components sub HDI, differences in educational attainment largely explain inequalities between high and low HDI values for cast and ethnic groups. The Tharu caste belongs toTerai Janjati. Brahman and Chhetris have the highest income per capita, followed by the Janjati and the Dalit.

1.3.1.1 Exploitation of the Tharus

The Tharus are an innocent, shy and relatively timid people. Some of the earliest settlements of Tharus were deep in the forest isolated from other ethnic groups. They have been exploited by government authorities in the past and still less degree by the surrounding non Tharus. Tharus are not good in business or home Economics. They are often in debt since the grain they produce is frequently used to exchange alcoholic drinks. More clever persons from the hills used to lend them

money to purchase food and then continue to compound the interest. Eventually the Hillman acquires the Tharu's land and the Tharu is relegated to landless status. The Tharu of Rautahat district is mosty kochila Tharu.

The Tharus were "sold and bought" until quite recently. If a Tharu borrowed money from a person (usually the lender was a non- Tharu), the borrower had to work on the lender's farm until the money was paid back. Not only the man but all his family members were obligated to serve the master. Since the loan could not be paid back, it would continuously increase due to compounded interest. It was customary that if a Tharu borrower wanted to change his lender, he had to find someone else who would be willing to pay his debts. After the debt was paid to the first lender, the Tharu then belonged to the second. As a Tharu family changed from one master to another, the loan also went on increasing and this invariably led to permanent indebtedness (Chaudhary &Chaudhary, 2005).

1.4   Statement of the Problem

The incidence of rural poverty and extent of inequality is increasing year by year with the growth of population in Nepal. Data shows that 90 percent of the people reside in villages and more than 85 percent of them depend upon agriculture for their livelihood. But agriculture sector is still in a backward condition due to various reasons. The productivity of this sector is very low due to lack of irrigation, chemical fertilizers,pesticides,improved seeds, modern technical skill, agricultural credit, moderate size of farms, and heavy pressure of population on cultivated land. There are problems such as unemployment, underemployment, low level of infrastructure development and inadequate social services which adversely affect the levels of income consumption and saving of the rural poor. But the families having various sources of income have high income, consumption and saving.Thus, the fruits of development do not go to rural poor due to vast inequalities in the distribution of income (CBS, 2011d).

Apart from this, the theoretically, inequalities in the distribution of income, enhance capital formation, investment and employment in the country through the spread effect which ultimately reduces poverty. But due to unfavourable environment of investment this notion has not proved true in the context of Nepal. Its indicator is that the pace of growth is slow. In rural Nepal, the income structure

is like a pyramid with a few families at the top and the majority at the bottom. About 50 percent of children fewer than five years of age are suffering from severe or moderate malnutrition. Thus, poverty in rural area is so widespread that people having insufficient income, wear ragged clothes, takes poor meal, remains in contact with local quakes for treatment, lives in unhealthy environment and is bound to send their children of school going age to work for the sake of earning money to supplement the family income (CBS, 2011d).

Nepal has already completed 14th periodic plans and the 15th plan is being operated.Long term vision of 15[th]plan isto promote good governance, development and Prosperity of the country.The peinciple motto of the current 15th 5-year plan is '' Prosperous Nepal, Happy Nepali''. To increase the economic growth rate to 10.5 percent and eradicate absolute poverty (reduce to zero percent) by 2100 B.S.The government has taken several steps to improve the conditions of the rural poor. But no remarkable progress has been made in this field, rather the condition of the rural poor is deteriorating and overall rural poverty is increasing day by day. Poverty alleviation was a principal objective of the Tenth Plan (2002-2007). It is yet to be seen how far it succeeds in achieving the aim of poverty alleviation (NPC, 2020).

Tharu people can be found at different parts of the country. The situation of Tharu of Kailali region is different from Tharu of this study area and also different with Tharu of eastern Nepal.Tharu of this study area is different from Tharu of other region of the country. Small effort can bring large change in their life.As it relates to Nation building and social, economic and political assimilation of diverse people into the mainstream of developing societies. However, researcher interest in this issue is more than academic; these are critical policy implications involved, and this study would have some meaningful statements and insights to contribute to a strengthening of the social foundations rural Nepal.The present studyhas explored status, level, incidence of poverty and causes of poverty and remedial measure of Tharu of Rautahat to discern clear policy implication.

A number of researches have made research on the ethnic group of Nepal. Some of them deal with the Tharus. Most of the studies made on the Tharus are sociological/anthropological in nature. Some deal with marriage system, while other with culture. Feast and festivals and Kamaiyapratha, they have, thus their own nature and limitation. No research yet been made on the Tharu's dealing with their severity of poverty perspectives.

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. However, earlier household surveys did include social parametres but were not analyzed owing to lack of social concern and economist's preoccupation with macro-level data. So, Nepal living standard surveys 1995/96, 2010/11 and programme of identification and management of poor household 2069 BS are primary source on the economic status by caste and ethnicity.Majority of indigenous people and ethnic groups and economically, socially educationally and politically excluded. Moreover, these groups are deprived of various, types of facility. 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 the Nation.The concept that development of the Nation is only possible through promotion of their special features in these fore necessary (CBS, 2011d).

There is a sharp dichotomy between rapid growth and exclusionary nature.Poverty measurement is important, as it serves as a barometer of the extent to which growth and development are inclusive, and as an indicator of the success or failure of strategies for inclusive growth and poverty reduction.

The major research problems are identified as "Poverty in Tharu Community ofRautahat district of Nepal".To address the problem statement and the knowledge gaps described above, the following research questions are seeking to be answered.

(i)   What is the status of poverty in the Tharu community of Rautahat district?

(ii)   How is the level of poverty in the Tharu community correlated with income and access to resoueces and opportunities?

(iii)   How does the incidence of poverty in the Tharu community look in term of poverty line?

(iv)   Why do the particular status and incidence of poverty prevail in the Tharu commuityand how can it be reduced?

1.5   Objectives of the Study

The general objective is to explain the poverty in Tharu community of Rautahat district.The specific objectives are as follows;

(i)   To state the status of poverty in the Tharu community of Rautahat district.

(ii)   To describe the correlation between the level of poverty and the level of income and access to resources and opportunities in the Tharu community.

(iii)   To examine the incidence of poverty in the Tharu community in terms of poverty line.

(iv)   To explore and analyze the causes of poverty and their remedial measure in the Tharu community.

1.6   Hypotheses of the Study

This research is micro-study and ethnicity based poverty mapping in the 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 and sustainability.Considering all the four objectives, the hypotheses are formuated and tested. The considered hypothesis is; higher the income and resource lower the poverty and its incidence.

Relationship between dependent variable (poverty) and independent variables are studied to measure the incidence and extent of poverty with the help of different statistical tools. The following are the hypotheses of this study.

Hypothesis 1

Null Hypothesis:

H0: B = 0, There is no significant relationship between poverty and level of income and opportunities (employment).

Alternative Hypothesis

H1: B does not equal to 0, there is significance relationship between poverty and the level of income and opportunities (employment).

Hypothesis 2

Null Hypothesis:

H0: B = 0, there is no significant relationship between illiteracy and poverty.

Alternative Hypothesis

H2: B does not equal to 0, there is significance relationship between illiteracy and poverty.

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1.7   Rationale of the Study

The most formal answer to the quite nagging question (that is, why to study poverty) is to be found deeply in the roots of the theory of justice. This is evident in the new found World Bank's motto "Poverty is bad for our hearts". Is poverty a major issue in poor and rich countries alike? The answer is yes, but the situation is more dramatic in the former group (World Bank, 2019b).

Poverty is really more a matter of concerns in developing countries. Poverty is seen as a mark of underdevelopment and its elimination as the top development priority for governments and donor agencies. It is indicated that poverty has a negative impact on some defined social or economic welfare.Deaton, however, swarns against just focusing on poverty to design development policies, but instead to focus on the broader notion of welfare (Deaton, 2000).

Poverty is not spread equally among geographical regions and sectors, information on geographical and sectoral spread of poor is necessary for micro level policy formulation. Policy package aimed at poverty reduction for a rural area would be different from that for an urban area. Caste and ethnic specific studies are needed in order design effective poverty reduction measure fitting with the socio-economic imperatives of the concerned groups. In this regards, the present study deserves it's own importance.

1.8   Limitations of the Study

Poverty is the multidimensional concept.This means that economic as well as socio – political aspect has direct relationship with poverty.Income poverty is one aspect of the poverty.The livelihood of the people is affected not only by the economic sector but also by the other various social, political and cultural environments . Thus, it could not cover the whole aspect of poverty in Nepal.There may be many aspects eg political, social and cultural. Due to the non –availability of data and information, this study processes certain limitations. The following are the limitations of the study:

(i)   The statistical tools of time series analysis could not be applied due to the unavailability of a complete list of time series the validity of this analysis depends on the validity of secondary data. Primary data are used to validate the results obtained from secondary data.

(ii) The consistency of the research work depends upon the quality and the reliability of data. The present study justified its major findings on the basis of the nature of the data.

(iii) The study is based on cross section data for a particular year (2019) only. Therefore, it does not indicate the trends of inequality of income and poverty in the study area over the years.

(iv) Operational process of statistical tool is based upon the calculation of indices of poverty.

(v) Tharu community are scattered all over the Rautahat district and this study containTharu community as a universe and limited to Rautahat District only.

(vi) Time duration of data collection is in the year 2019. Thus, the findings just represents above mentioned time period.

1.9 Organization of the Study

The thesis isorganized as follows; the first section has discussed statement of the problem, objective, hypothesis and limitations of the study, the second section elaborated a conceptual review of the available existing literature focusing on the theoretical and empirical aspect of poverty in international and national level where as the third section designed to elaborate the research methodology which includes sources of data, sample frame and allocation, sampling technique, survey tools and secondary source etc. The fourth section deals with analysis of the study area where as fifth section incorporates status of poverty in the study area. The sixth section embraces level of poverty where as the seventh sectioncovers poverty and it's incidence in the study area. The eighth section discusses the causes of poverty and their remedial measure and final section concludes summary, conclusion and recommendations.

CHAPTER - TWO

LITERATURE REVIEW

Literature review is provided in the breakdown of theoretical and empirical. Theoretical part of the literature survey is based on the main theories used to explain poverty. Theoretical and Empirical both part is divided into two parts: international literature and literature for Nepal.

2.1   Theoretical Foundation

This study has investigated all types of intermediate theory that attempt to all aspects and aproaches of poverty, main concepts and definitions used in the study; poverty, unit of analysis, equivalence scale, poverty line and measures of poverty, Among various definitions and uses of these concepts, relevant literature review, methodology and analysis.

The poverty notions are explained into policy throughout different definitions and measures. It is important to understand them in order to investigate what determines poverty rather to confuse. Poverty is multidimensional and there is no single precise definition and evaluation of it.Therefore, it is considerable to understand the different concepts and measures of poverty to explore particular economic, social, political and historical perspectives. In practice poverty is often operationalized and measured in terms of income or consumption poverty. Poverty lines can be defined on the basis of absolute needs (e.g., the cost of a minimum food basket plus an allowance for basic non-food basic needs), or on relative social standards that prevail in a given society at a given time.

In view of economic poverty is attached the values such as lack of resources, exclusion, lack of skill and can be more quantified.These measure of poverty include income and consumption along with other social indicatorssuch as nutrition, literacy, infant mortality and life expectancy.Poverty is not only in the perspectives of traditional view that is the lack of income but also exclusion of people who are living in poverty. In this respect, modern definition of poverty illustrates that poverty is multidimensional and there is no single definition to represent (NPC, 2018a).

2.1.1 Poverty: Definition

Poverty is a state of an individual, a family or a society where people are unable to fulfill even their basic necessities of life. When a substantial segment of a society is deprived of the minimum level of living and continues at a bare subsistence level, that society is said to be plagued with mass poverty (Rao, 2005).

Poverty has no social boundaries. It can affect men and women, young and old, and all classes.This chapter presents the review of the literature that focuses on how poverty is conceptualised and defined.The chapter emphasised that the relationship between defining and conceptualising the concept of poverty, puts an impact on how one measures poverty.The current chapter starts with a historical overview of poverty research.A synopsis of various approaches towards conceptualisation and definition of poverty is given together with the perspectives on the definition of poverty (Rao, 2005).

Poverty, like beauty, is easier to recognize than to define and compare. Some social workers and economists, nevertheless, define poverty with reference to certain basic amenities such as food, floor space per person and medical care, etc. When a family lacks a certain proportion of basic amenities it is considered poor, regardless of income. The definition is broad enough to cover a miser who denies himself basic amenities even though he has the ability to purchase these, and a family who has zero income but manages to fulfill the basic needs by borrowing, reducing saving, or living on the charity of friends and relatives. Poverty can be defined as a social phenomenon in which a section of the society is unable to fulfill even its basic necessities of life. In India the generally accepted definition of poverty emphasizes minimum level of living rather than a reasonable level of living (Datt, 2008).

Poverty is defined as a lack of income to acquire minimum necessities of life; per capita income, per capita consumption expenditure, per capita calorie intake and availability of the size of land holding are the main indicators of poverty in different (Sinha & Sen, 2001).

Poverty is pronounced as deprivation in well-being, and comprises many dimensions. It includes low incomes and the inability to acquire the basic goods and services necessary for survival with dignity. Poverty also encompasses low levels of health and education, poor access to clean water and sanitation, inadequate physical security, and opportunity to better one's life (World Bank, 2019a).

United Nations explained that fundamentally, poverty is denial choices and opportunities, a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe to family, not having a school or clinic to go to not having the land on which to grow one's food or a job to earn one's living, and not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living in marginal or fragile environments, without access to clean water or sanitation (UNDP, 2018b).

Amartya Sen described that "Poverty as consisting of a deprivation of a capabilities", So that the poor have inadequate resources (financial, information, and so on) to participate fully in society in short, they are socially excluded (Haughton, 2010).

Poverty is insufficient supply of those things which are requisite for an individual to maintain himself and those dependent upon him in health and vigor. Attempts have been made in all societies to define poverty, but all of them are conditioned by the vision of minimum or good life obtaining in society. There is an effort in all definitions of poverty to approach the average level of living in a society and as such these definitions reflect the existence of inequalities in a society and the extent to which different societies are prepared to tolerate them (Datt, 2008).

2.1.1.1 Twelve Definitions

Poverty can be defined in at least twelve discrete senses. They are discretebecause they can be logically separated, so that circumstances which apply in one sense do not necessarily apply in others(Spicker, 2010).

(i) **Poverty as a Material Concept**

Poverty as a lack of material goods or services.

(ii) **Pattern of Deprivation**

Poverty as a lack of shelter and food

(iii) **Limited Resources**

Insufficient income, wealth and resources to consume.

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(iv)   **Poverty as Economic Circumtances.**

(v)   **Standard of Living**

Poverty is a standard of Consumption which is below what is generally considered to be a decent minimum.

(vi)   **Inequality**

People may be held to be poor because they are disvantaged by comparision with others in society.

(vii)   **Economic Position**

A class of people is a group identified by virtue of their economic position in society. Class is an aspect to ineauality, but the ineauality it represents is mattes of the social structure.

(viii)   **Social Circumtances**

The idea of social class identifiers economic position with socio- economic status, a concept based on the linkage of class is with social and occupational roles. The concept of class is used both as a means of conceptualizing the position of the poor in structure terms.

(ix)   **Dependency**

Poor people are sometimes taken to be those who receive social benefits in consequences of their lacks of means.

(x)   **Lack of Entitlement**

The lack of entitlement is fundamental to the condition of poverty; People have the necessarily are not poor otherwise poor.

(xi)   **Lack of basic Security**

Lack of basic security defined in terms of equivalent to need.

(xii)   **Exclusion and Major Judgement**

Poverty can be seen as a set of social relationship in which people are excluded from participation in the normal pattern of social life. It consists of serious deprivation, and people are held to be poor when their material circumstances are deemed to be morally unacceptable.

2.1.2 Three Major Factors of Poverty

Individual Factors

The individual factors that fuel poverty include individual attitude, human capital, and welfare participation (Gans, 1995). The theory of individualism is rooted in American values and belief in the free market system. The belief in individualism places much emphasis on individual hard work and responsibility to acquire basic needs including food, shelter and health care services (Rank, 2004). Generally, the United States is seen as the land of opportunity, where individuals are provided with vast opportunities to achieve the American dream of material prospect and success.The premise of the American dream stresses that talent, virtue and hard work can lead to success and that individual poverty is an individual failing due to lack of motivation (Rank, 2004).

Cultural and Neighborhood Factors

The concepts of culture of poverty and social isolation provide frameworks that explain how poverty is created and maintained in some neighborhoods or among some groups. The cultural and neighborhood factors relate to the influence of people's residential environment that tends to shape poverty or success. Human capital can have major effects on an individual's risk of poverty or success. The literature indicates that human capital significantly affects people's earning, and consequently lack of human capital can place an individual at risk for poverty.

According to Rank (2004) individuals with greater human capital are more likely to be competitive in the labor market than those who lack human capital.

Structural Factors

Larger economic and social structures have been found to account for poverty. Perspectives regarding structural factors argue that capitalism creates conditions that promote poverty.Beeghley (2000) noted the effect of economic structure stating that irrespective of individual effort (hard work, skill); the structure of the United States economy ensures that millions of people are poor.

Marx (1932) pointed out that every good (including labor) has an exchange value and that the value of a good is the proportion of human labor invested in its production. The same general law that regulates the price of commodities governs the wage or price of labor-power.

2.1.3 Poverty and It's Measure

The Concept of poverty is multi-dimensional (viz. income poverty and no income poverty). It covers not only the levels of income and consumption, but also health and education, vulnerability and risk, and marginalization and exclusion of the poor from the mainstream of the poverty. In popular understanding, poverty is identified with lowness of income, which prevents a family from obtaining and enjoying the basic necessities of life, including a minimum of food, clothing, and shelter water. This concept is defined as income poverty. For a comprehensive picture of poverty those other deprivations, such as in relation to health, education, sanitation and insurance against mishaps, must be taken into account (Rao, 2005).

Literally, poverty means scarcity or few. From social and economic point of view, it refers to that state or condition which fails to provide minimum necessities of life. Thus, poverty leads to extreme lower standard of living, denying even the basic requirements of life to a vast majority of population. Poverty is a state in which a section of society is unable to get the basic necessities of life.

Poverty is a relative concept. No individual or country is absolutely poor or rich. A man is poor or rich in comparison to the others. As Adam smith says, "Man is poor or rich according to the degree in which he can afford to enjoy the necessaries, conveniences and amusements of life." The form of these minimum necessities however changes, with variation in place and time. There is no uniform standard to define poverty throughout the world.

Poverty conventionally refers to inability of the people to attain certain predetermined minim um consumption needs. But in a wider sense, poverty is the constraint which restricts people to enjoy certain facilities of life. This is regarded as capability poverty. Thus, capability poverty is defined as the lack of basic capabilities. When people are unable to reach a certain level of essential human achievements of functioning, they suffer from capability poverty.

Poverty hinders the economic development of a country by reducing working capacity, efficiency, saving and investment. If mass population remains below poverty line it will reduce saving, investment, income and employment. Less income will further lead to less saving, less investment and less income and employment. Thus, vicious circle of poverty operates in a country. Poverty connotes that people

who do not enjoy a certain minimum consumption standard should be regarded as poor. Experts who have studied poverty quantitatively find it difficult to agree on the amount of income that will ensure the minimum consumption standard at a specified time. There are a number of studies made by the Government as well as individuals on incidence of poverty (Aggarwal & shahani, 2005).

2.1.3.1 Nature of Poverty Line

Defining poverty line is the first step for estimating poverty.The poverty estimates are generally divided into an official estimate, from the Planning Commission and non-official estimates by various researchers and others. The official estimates have been much lower than the non-official estimates. The poverty line so defined has been updated over time to take care of changes in price levels (Basu, 2005).

It is generally agreed in our country that only they who fail to reach a certain minimum consumption standard be regarded as poor. But the experts who have examined the question of poverty quantitatively find it difficult to agree on the amount of income that will ensure the minimum consumption standard at a point of time (Rao, 2005).

The strength and weakness of defining poverty lines based on three methods

(a)   The cost of basic needs

(b)   Foods energy intake

(c)   Subjective evaluation

The cost of basic needs approach is most commonly used. It first estimates the cost of acquiring enough food for adequate nutrition usually 2,100 Calories per person per day and then adds the cost of other essentials such as clothing and shelter. When price information is unavailable, the food energy intake method can be used. This method plots expenditure per capita against food consumption (in calories per person per day) to determine the expenditure (or income) level at which a household acquires enough food. Subjective poverty lines are based on asking people what minimum income level is needed just to make ends meet (Haughton & khandker, 2010).

2.1.3.2 Determination of Poverty Lines

The poverty line is the level of welfare that distinguishes poor households from non poor households. This is a pre-determined and well defined standard of

income or value of consumption (expenditure). Poverty lines are often drawn either in relative or absolute terms. In the former, a proportion of the mean expenditure is taken as the poverty line, usually the one third (which defines the core poverty line) and two-third (which defines the moderate poverty line) of mean expenditure have been commonly used. The absolute poverty line is a predetermined one based on some minimum food and non food expenditure below which a household is defined as poor if its consumption level is below this minimum. In other words, the poverty line is fixed in terms of the standard of living it commands over the domain of poverty measurement.

2.1.4 Different Approach to Poverty

Deprivation, disadvantaged inequality, underprivileged are major approaches of poverty definition and measurement.

2.1.4.1 Monetary Approach

The most widely used and dominant measures of poverty are monetary. Monetary measures of poverty track either a lack of income or a lack of consumption-expenditure. While income is undoubtedly very important for most poor people, and measuring consumption- expenditure has some important policy uses, both approaches are nonetheless inadequate as standalone measures of poverty.

This is the traditional approach, which most people and experts hold (even if they don't know they do).It basically defines poverty as the lack of material resources, i.e. income. That is, people are poor if they don't have money.The choice of a poverty line is crucial to poverty measurement. A poverty line may be identified either with respect to a list of basic needs (absolute) or some characteristics of the distribution of the welfare indicators chosen relative (Ravallion,1998).

Ravallion's Food Energy Intake method underscores the level of income or expenditure at which food energy requirements are met.The lack of economic theory to determine minimal level of needs caused the estimation of the poverty line to be influenced by political debates and policy agenda.Because the choice of poverty line has political influence and a lack of economic theory.

Determinants of Monetary Poverty

Monetary poverty is measured as the total income or consumption proxy by either expenditure or income. In most developing countries and the United States, the absolute poverty line is used and food energy requirements are taken into account for the development of the poverty line (Ravallion, 1998). Rank explained that these households share certain characteristics that make them susceptible to and/or have difficulty to get out of poverty. Specifically, racial minorities in inner cities and families with large number of children experience chronic and periodic poverty (Rank, 2005). Schiller explained that an increase in family size can be associated with an increased level of poverty. For instance, an increase in the number of children from one to five can triple the family poverty level. On the contrary, total family income is likely to increase with family size as more members of the family take up employment in the labor market (Schiller, 2008).

2.1.4.2 Capability Approach

Capability approach of materialistic understanding of poverty is the monetary approach. It notes that material resources are not enough to guarantee well-being since their presence doesn't entail their enjoyment. A rich person with a disease might not be able to enjoy his wealth. He may actually be greatly deprived, or, in other words, be poor. Considering this, the capability approach defines poverty as the lack of opportunities to enjoy the kind of lives people value. The approach calls this opportunities "capabilities" and gets its name from this concept. The capability approach views monetary resource as means that that can help to enhance people's well-being.

Determinant of Capability Approach

Schiller (2008) highlighted how personal investment in human capital such as education can operate as a strong mechanism that can influence the distribution of poverty.

According to Schiller, educational achievement is prime factor for distribution of poverty. Those who invest in education have a higher chance of getting out of poverty. Racial discrimination, causes one-third of all minorities to receive inferior education (Schiller, 2008).

2.1.4.3 Social Exclusion

The Social Exclusion approach also notes the narrowness of the monetary approach, but focuses on the processes of marginalization to specific groups. For example, some people may have good jobs, but if they are marginalized by the majority because of their race/religion/ethnicity/etc., then they cannot be said to have a good life. According to this approach, a person may be suffering poverty if he or she is being excluded by other members of society.The multidimensionality of social exclusion refers to idea that the experience of exclusion exists in economic, social, and political forms. Furthermore, social exclusion occurs when a person or group is deprived of its social status. Usually individuals or groups are denied all of their social existence within mainstream society.The multidimensional aspect of social exclusion also emphasizes to the causal connection between the different dimensions of exclusion. Unlike the monetary and capability approaches, which focus on elements of deprivation, the dynamic attributes of social exclusion focus on the process and outcomes of deprivation.

Determinants of Social Exclusion Poverty

Social exclusion poverty is operationalized in terms of median income. It is the relative position of the individual in society with regard to their median income. Any person or family whose income falls below a group or population median income is considered poor.Social exclusion research has emphasized median income as an appropriate to analyze the experience of social exclusion poverty (Atkinson & Hills, 1998).

2.1.4.4 Participatory Approaches

This approach aims to get people themselves to participate in decisions about what it means to be poor and the magnitude of poverty.The practice of participatory poverty assessment (PPA) has evolved from PRA (participatory rural appraisal), it is defined as 'a growing family of approaches and methods to enable local people to share, enhance and analyze n their knowledge of life and conditions to plan and to act.

Participatory approaches do not bother to ask the experts what poverty is. Rather, they seek to understand poverty from the perspective of the poor.They gather the testimonies of greatly deprived people on what poverty is. Based on these testimonies, they note common themes and propose a broad conception of poverty which includes many dimensions.

2.1.4.5 Livelihood Approach

The livelihood approach also accepts the multidimensional nature of human deprivation as it is based on the recognition that poor households typically use a range of strategies to deal with their situations. Understanding these diverse strategies is essential for effective design and implementation of poverty reduction policies. Among other things, the livelihood approach has been useful in sensitizing poverty analysts and policy makers to the concept of vulnerability and the related notion of risk in so far as deprivation is concerned.

2.1.4.6 Right Approach

These four approaches to poverty have different focuses and note many important aspects of what poverty are. But we would be reducing it if we were to equate one of those aspects to poverty itself. Rather, the variety of focuses should lead us to conclude first that poverty is not about the lack of one thing, but of many. In other words, poverty is multidimensional.

If poverty is multi-dimensional, and our conception of poverty should be informed by the testimonies of the poor, the key to understanding poverty is to find out what the poor say are the dimensions of poverty. Each of the three different kinds of poverty holds different assumptions regarding the definition and measurement of poverty.Unlike the income poverty approach, capability poverty tends to focus on people rather than on goods.Capability poverty emphasizes the need to assess individuals' level of capabilities in relation to well-being or poverty

2.1.5 Based on Conceptual Framework

(a) Different theories and concepts tend to shape the determination of predictors as well as the operationalizations and measurements of poverty types.

(b) The different poverty measures result in different estimates of population size of those considered as being poor.Although the three poverty measures are different, they do overlap to capture a size of the population as poor.The also result in information and conclusion discrepancies, which in turn may have serious policy implications.

(c) Predictor variables anticipated to be associated with all the three poverty measures are family size, family structure (marital status), age, race, gender, and place of residence.

(d) What distinguishes one poverty measure from another is each measure unique poverty definition and defined threshold levels (Schiller, 2008). Blank 2007 explained that poverty line is an important aspect of poverty measurement because it conveysuseful information about the theoretical and political conceptualization and measurement of poverty.Individuals or households with resources below the poverty threshold are considered to be poor and those with resources above the poverty line are not poor.

(e) The standards used to set the poverty line vary with each poverty measure such that the three poverty measures may not capture the same people as poor. Therefore, understanding the three poverty measures is crucial to poverty policy/ program formulation and analysis.

2.1.6 Poverty in Different Perspective

Social Scientists have looked at poverty from different broad perspectives viz. absolute, relative and subjective poverty.

(a)   Absolute Poverty

Absolute poverty is a situation in inability to fulfill basic needs of people inability to attain a minimum standard of living.To understand the meaning of absolute poverty it is necessary to understand the concept of poverty line. Poverty line is the minimum income required to fulfill the basic needs of food, clothing and shelter. If the income of a person is below the poverty line, it is known as absolute poverty. It is also measured in term of calorie intake per day is below 2144 (CBS, 2011d).

World Bank (2015a) defined the individual whose income is less than US $ 1.90 per day as absolute poor. This is known as international poverty line. According to this, 15 percent Nepalese are under poverty line.Operationalization and measurement of absolute poverty has been based on focusing on such basic needs as nutrition, shelter, education, health, sanitation etc.

(b)   Relative Poverty

Relative poverty is the situation in which a person has enough income to sustain the life but the income and living standard are lower compased to rest of the community. It is also the condition of less income in a country compared to the

worldwide average. The absolute poverty is the problem of developing countries rather than the relative poverty and relative poverty exists even in developed countries and varies between countries.

There is no generally accepted hard and fast definition of the concept of poverty which would be appropriate at all times and in all countries. There is no unanimity on it's definition. People regarded poor in a given country at a particular period of time may be considered rich is another country.

(c)   Subjective Poverty

Subjective poverty has to do with whether or not individuals or groups actually feel poor. This is because those defined as poor by the standards of the present day, will probably have low self esteem, and hence see themselves as poor.

A moderately-well-to-do person, who might have done much better before, but currently experiencing cash-flow problems, may subjectively feel poor. However he or she may be a way ahead of other members of society, who may not see him/her as poor. Groups or societies, seen as relatively poor by majority standards may also not see themselves as poor. They may either be having different assessment standards.

(d)   Situational Poverty

Situational poverty is generally caused by a sudden crisis or loss and is often temporary. Events causing situational poverty include environmental disasters, divorce, or severe health problems.

(e)   Generational Poverty

Generational poverty occurs in families where at least two generations have been born into poverty. Families living in this type of poverty are not equipped with the tools to move out of their situations.

(f)   Urban Poverty

Urban poverty occurs in metropolitan areas with populations of at least 50,000 people. The urban poor deal with a complex aggregate of chronic and acute stressors (including crowding, violence, and noise) and are dependent on often-inadequate large-city services.

(g)   Rural Poverty

Rural poverty occurs in non-metropolitan areas with populations below 50,000. In rural areas, there are more single-guardian households, and families often have less access to services, support for disabilities, and quality education opportunities. Programs to encourage transition from welfare to work are problematic in remote rural areas, where job opportunities are few (Whitener, Gibbs, & Kusmin, 2003). The rural poverty rate is growing and has exceeded the urban rate every year since data collection began in the 1960s.

2.1.7   International and Nepalese Context

2.1.7.1 International Context

Brady (2019) proposed that most theories of poverty can be productively categorized into three broader families of theories: behavioral, structural, and political. Behavioral theories concentrate on individual behaviors as driven by incentives and culture. Structural theories emphasize the demographic and labor market context, which causes both behavior and poverty. Political theories contend that power and institutions cause policy, which causes poverty and moderates the relationship between behavior and poverty.They reviewed each theory's arguments, contributions, and challenges. Furthermore, he explained how to integrate, classify studies into, and distinguish between theories. Ultimately, he argue that poverty research would benefit from more explicit theory and theoretical debate, as well as greater interdisciplinary and integration between studies of the United States, rich democracies, and developing countries.

Poverty research has not been sufficiently theoretical, and the lack of theoretical debate and explicit theory undermines the field. This article encourages poverty researchers to be more theoretically engaged, to consciously debate between theories, and to explicitly compare evidence against theories. More theoretical engagement will facilitate greater cumulative, interdisciplinary, and international scientific progress; will better clarify what is new and not new; and will facilitate breaking out of our disciplinary and national parochialism.

World Bank (2019b) modified hidden dimension of poverty in five factors: identity; timing and duration; location; environment and environmental policy; and cultural beliefs. The three dimensions that define the core experience of poverty are

deliberately located at the centre of the diagram and discussed first. They draw attention to what people expressed very strongly in the six countries: the suffering resulting from disempowerment caused by privation and maltreatment and the way people respond to it through struggle and resistance. The core dimensions also emphasise that poverty is dynamic and that people in poverty are typically proactive not passive. The relational dimensions of poverty have similarly received little attention from policymakers and academics. And, yet, there was a very close agreement between people experiencing poverty, practitioners and academics about how relational dimensions shape poverty. There was a similar agreement about the importance of the interactions between dimensions. The interactions are the influence of the five modifiers. While everything is potentially related and everybody's experience of poverty unique, the nine dimensions and five moderators are clearly part of the shared experience of people in poverty.

Cantillon, Parolin and Collado (2019) investigated whether declining or sluggish growths in earnings for low-wage workers contribute to declining levels of minimum income protections. Starting from the observation of lacklustre growth in minimum income protections, this article introduces a framework to conceptualize the tensions facing modern welfare states in their attempt to (1) provide poverty-alleviating minimum incomes, (2) achieve employment growth and (3) keep spending levels in check. We argue that, due to downward pressure on low gross wages compared to median household incomes, it has become more difficult to balance each of those three objectives. Estimation results from country-year panel data suggest that declines in minimum wages (or low gross wages) are associated with declines in minimum income protections for the jobless. When growth in minimum income protections does exceed growth in low gross wages, we find that welfare states also increase gross-to-net effort to subsidize the net income of low-wage earners. We argue that these findings point towards a 'structural inadequacy' around minimum income protections for the jobless.

Altaf (2019) explained that extreme poverty is theoretically contested and conceptually blurred, which makes the discourse on extreme poverty unclear. Extreme poor people face deprivations in the three dimensions of well-being; this research concludes that definitions and measurements of extreme poor people are best defined and understood locally to capture important context specific accents.

This research differentiated between poor people and extreme poor people and concludes that while there are apparent differences in the material dimension of wellbeing, this is not 24 the decisive factor. The biggest difference (in the rural case studies) is seen in the social relational and cognitive dimension. Poor people were generally not excluded from their societies and took part in community groups and meetings and had access to important networks (family, community, institutions). Moreover, they were perceived much less negatively than extreme poor people while the causes pushing people into extreme poverty are mostly at an individual or household level, the sustainers of extreme poverty are structural. Contrary to the individual causes, these structural sustainers are context specific and can be broken down into the five main causes of extreme poverty.

Guo, Zhouand Liu (2019) targeted in seventy years of poverty alleviation, China has basically solved the problem of providing food and clothing to the rural poor. However, the islanding effect of the distribution of the poor and the marginal diminishing effect of the antipoverty resources, which restrict the effects of poverty-eliminating strategies, are increasingly obvious. In this context, targeted poverty alleviation is designed by the Chinese central government. Therefore, it is necessary to analyse targeted poverty alleviation and explore the mechanism of its practices. In addition to reviewing the process of antipoverty in rural China, this study investigated the connotation of targeted poverty alleviation and considered the case of Fuping in Hebei Province to explore targeted antipoverty practices. Results showed that poverty alleviation in rural China could be divided into six stages, and the essence of targeted poverty alleviation lied in helping those who truly needed help and achieving genuine outcomes by accurately identifying and assisting poverty-stricken households, accurately managing objects and measures and accurately assessing antipoverty effectiveness. The practices of targeted poverty alleviation in Fuping country mainly involved industrial development, resettlement assistance, financial and educational development, together with medical security and land consolidation, all of which built an endogenous and sustainable mechanism enabling regional development. This study suggests that targeted poverty alleviation is an innovative strategy which is suitable for overcoming the islanding effect of poverty distribution and helping policymakers formulate detailed and targeted measures to eliminate poverty.

UNDP (2019a) presented the report evaluation of UNDP support to poverty reduction in the least developed countries. This report is important as it is an analysis and assessment of the core work of UNDP that cross-cuts several sustainable development (SDGS) especially goals 1 and 16.

Imam, Islam and Hossain (2018) summarized that poverty is a multi-faced problem in the developing world and it is much more complex in rural settings. Hence policy formulation based on national level studies fails to bind remedies of rural poverty. These, the present study aims to identify the determinant of poverty in rural Bangladesh using nationally representative household income and expenditure survey (HIES) 2010 data. The HIES follows a hierarchical structure hence, two level random intercept binary logistic regression model and were used to capture the unobserved heterogeneity between communities along with revealing important factors associated with poverty. The analysis bound that 32 percent of the household were absolute poor and 19 percent were extremely poor in rural Bangladesh. The potential factors having significant association with poverty were found to be age and education of household head, division, household size, household types, numbers of depend , per capital income , household own land, access to electricity amount of cultivable land, engagement in livestock and farm forestry household non-agricultural assets, number of male earner and number of female earners in the family. Significant community-level variations were observed in the analysis which emphasis the need for special attention on the poor performing communities.

Roy, Ray and Haldar (2018) estimated the incidence, depth and severity of multidimensional poverty (MDP) along with the contributions of dimensions to MDP among the rural households using multi-stage random sampling method in West Bengal. They decompose the inequality of deprivation scores between and within different socio-economic, religious and ethnic groups. The factors affecting the probability of falling in multidimensional poverty is also explored here using logistic regression, and the regression results suggest that public infrastructure plays an essential role towards explaining the variations of MDP. The present study is expected to be helpful to the development planners for better understanding.

Chotia and Rao (2017) analyzed the relationship between infrastructure development and poverty reduction for India using the yearly data from 1991 to 2015. Design/methodology/approach - The authors used the principal component analysis to

construct indices for four major sub-sectors, namely, transport, water and sanitation, telecommunications and energy, falling under the broad infrastructure sector and then using these sectorwise indices, the authors construct an overall index which represents infrastructure development.The authors provide evidence on the link between infrastructure development and poverty reduction by using the auto regressive distributed lag (ARDL) bound testing approach.Findings - The ARDL test results suggest that infrastructure development and economic growth reduce poverty in both long run and short run.The causality test confirms that there is a positive and unidirectional causality running from infrastructure development to poverty reduction. Research limitations/implications.The study confirms that India's Infrastructure development plays a vital role in reducing poverty and calls for the Indian Government to adopt economic policies which are aimed at developing and strengthening the infrastructure levels and bringing in more investment in the infrastructure sector in order to help the poor population by making them exposed to better opportunities of employment and income growth, thereby achieving the goal of poverty reduction. Originality/value.This paper is a fresh and unique attempt of its kind to empirically investigate the causal relationship between infrastructure development and poverty reduction.

Dube and Dzimbanhete (2017) explained that determinants of poverty among rural farmers in Ward31of Makoni district in Zimbabwe using primary data collected using a structured questionnaire from a random sample of 103 farm households. The study adopted the basic needs approach in identifying poor and non-poor households.The data were analysed using descriptive statistics and the binary logistic regression analysis in which 75 percent of the sample households were male headed and the average age of the head of household was 53.28 years.The average household size was 6.55 and 49percent of the household were classified as poor based on their failure to meet their monthly basic needs. The result of the binary logistic regression analysis show that the probability of a household being poor reduces with male headed households, age of the head of household, household size, life skills training, distance to nearest economic niche, total cropping area, maize production and total livelihood options. On the other hand, the probability of a household being poor is higher for households with self-employed head of households. The study recommends that the government must promote life skills training as a viable poverty alleviation

strategy for diversifying the livelihood options available for rural households. The government must also identify strategies that help address the poverty vulnerability of female headed households as the result clearly shows that female headed households had a higher probability of being poor.

Jha (2016) explained material poverty or deprivation in terms of needs such as food, shelter, clothing etc. As is well-known, such poverty is overwhelmingly located in the developing countries. This chapter begins with a brief survey of the meanings and ways of measuring poverty and goes on to argue that the causes of poverty in the contemporary developing world are best understood by locating the problem in the context of the evolution and dynamics of world capitalism. In particular, it is argued that the roots of contemporary mass poverty in much of Africa, Latin America and Asia cannot be explained adequately without examining the ways they got enmeshed into, and were dominated by, capitalist colonialism and imperialism. Further, as regards the persistence of mass poverty in most countries in these three continents, it is largely on account of the failure to address their agrarian question and rise to the challenge posed by other structural constraints. Finally, it is suggested that the recent worldwide ascendency of neoliberal policies may reflect an increase in the predatory power of capital with negative implications for poverty-mitigation.

UNCTAD (2016) stated "These are the countries where the global battle for poverty eradication will be won or lost", said UNCTAD Secretary-General mukhisa Kituyi launching a report a year ago. The global community pledged to 'leave no one behind', but that is exactly what is happening to the least developed countries [LDCs]. "The proportion of the global poor in the 48 LDCs has more than doubled since 1990, to well over 40 percent. Their share of those without access to water has also doubled to 43.5 percent in the same period. And these countries now account for the majority 53.4 percent of the 1.1 billion people worldwide who do not have access to electricity, an increase of two thirds. In six LDCs, the rate of extreme poverty is between 70 per cent and 80 per cent, and in10more the rate is between 50 per cent and 70 percent. There are only four other countries in the world where the rate is above 30 percen, and nowhere else is it above 50 percent. This leaves many LDCs stuck in a poverty trap, a vicious circle in which poverty leads to poor nutrition and health, and lack of education, undermining productivity and investment. This in turn blocks the sustainable development needed to reduce poverty. Countries can only break out of

such vicious circles with international support in finance, trade and technology. The LDC category was created largely to target such support for those countries that most need it. Countries graduate from the LDC category by satisfying a complex set of economic and social criteria. But only four countries have graduated in the 45 years since this classification was established. In 2011, prompted by this glacial rate of progress, the international community set a goal that half of all LDCs should satisfy the criteria for graduation by 2020. But halfway to the target date, this goal already appears out of reach. Only one country (Samoa) has graduated since 2011; only three more (Equatorial Guinea, Vanuatu and Angola) are scheduled to do so in the coming years. Looking ahead, the Report projects that only 13 more will qualify for graduation by 2021, far short of the 21 needed to meet the goal in 2020.

UlHaq, Jali and Razani (2016) explained thatpoverty reduction as the most important agenda for the least developed countries such as Pakistan. In spite of the modest economic growth in Pakistan, rural poverty has not been reduced due to various reasons. Poverty is a complex phenomenon and it can be articulated in income and non-income components. This study identifies the factors affecting rural household poverty. The study was based on the primary data which was collected through the multi-stage cluster sampling from the rural areas of the Southern Punjab. The responses were collected through face-to-face interviews and the total two hundred heads of household were interviewed. The incidence of poverty was measured through the headcount ratio. A Logit model was used to analyze the relationship between the dependent and the independent variables. The education, health status within the households, the gender of the household head, female participation ratio in labor market and the access to market are inversely related to the household poverty in the said area, while person per room, the female-male ratio (workers), a distance of school from house and dependence ratio are positively related to poverty incidence. Poverty will be alleviated in rural areas of Pakistan if the government improves the basic infrastructure and the market access facilities as well as enhance the household empowerment of rural people.

Wanninayeke (2015) identified the dimensions of poverty of a specific setting is crucial for poverty analysis and designing targeted poverty reducing programs, there is no consensus among researchers, policymakers etc. on the dimensions of poverty. In fact, the criteria for selecting dimensions used in the literature remain

controversial. In the Sri Lankan context, though, poverty has been greatly discussed recently as in many other developing countries, most of the analysis focused solely on the identification of incidence and trends of poverty based on uni-dimensional approach. It is hard to find the methodical attempts which made to identify the aspects of well-being and poverty. The main objective of this paper was to identify the dimensions of rural poverty. Qizilbash"s core poor" framework was applied in this analysis. Findings revealed that food, clean drinking water, agricultural lands, clothes, education and knowledge, health care, housing, income (money), and sanitation are the crucial aspects of well-being of rural people.

World Bank (2014b) reported on Bhutan 10th Five-Year Plan formulated by the Bhutanese government prioritizing poverty reduction in a multidimensional way. Given the boundaries of consumption measures on the whole deprivation, the government also estimates a extra holistic measure called multidimensional poverty index (MPI). The MPI, based on capability deprivation, apply Alkire Foster methodology. This method use three equally weighted dimensions – health, education, and standard of living – each of which is further split into two, two, and nine sub-indicators, respectively. Household deprived 4/13of the weighted indicators is MPI-poor. In 2012, 12.7 percent of the country's population was MPI-poor.This giantdivergence between two measures explains the importance of these two measures. Though, there was large overlap in the living standard, one-seventh of the weight of this dimension is assigned with six indicators that are electricity, sanitation, water, housing material, cooking fuel and road access, and the residual one-seventh of the weight is equally distributed among assets, land ownership and livestock. No households were observed to be deprived in all SL indicators, but 70 percent were deprived in at least one, and more than 32 percent were deprived in at least half of all the indicators.

World Bank (2014a) reported about three major causes of poverty in developing countries, including Myanmar: (i) lack of income and assets to satisfy basic needs; (ii) weak economic, social and political power of certain groups leading to their exclusion from the benefits of development and (iii) vulnerability to shocks (e.g., natural disasters like typhoon Cyclone Nargis and economic shocks such as adjustment in fuel prices) due to the limited coping abilities of persons, households and communities

Chauduri (2014) explored contemporary phenomenon of under-development which is not continuation of the traditional economic order of pre-modern times. The patterns of economic organisation and levels of economic performance in the traditional societies of Asia, before they were enmeshed into the international economy created by first the merchant and later the industrial capitalism of Western Europe, were significantly different from their contemporary counterparts.

In the case of India, the pre-colonial economy in its normal functioning did not generate large groups of half starving people. The author traces the roots of mass poverty in India, as we know it today, to the new institutional framework of agriculture introduced after 1813 which deprived small holders, both tenants and proprietors, of nearly all their surplus, if it did not actually reduce them to landlessness.

Not only the new institutional arrangements, but even the positive developments in agriculture augmented the traditional disparities of India's agrarian society. Thus development of a market for cash crops implied a change in the ratio of non-food crops to food crops until, with increases in population, the output of food grains per head of population declined quite sharply. And where irrigation provided the means of increasing productivity, those in control of large holdings tried and increased their holdings, often at the cost of the poorer agriculturists.

The all-too-familiar phenomenon of today's mass poverty was thus already an established fact of life by the time population began to increase at a steady pace. Thereafter, given the pyramidal structure of rural social, there was a concentration of the increasing numbers in the lower rungs, until the very poor accounted for a hall or more of the rural population.

Nisar, Anwar, Hussain and Akram (2013) explained the causes of poverty and inequality which are complex and multidimensional, based on diverged social, economic, political and demographic shifters. In a country like Pakistan, people generally are deprived of health, education, clothing, housing and human rights. Therefore, it is the need of hour to determine factors affecting the household poverty and inequality. This study presents the facts and figures associated with the household poverty and inequality level using data set of PSLM 2008-09. On the base of consumption expenditures; 34.6 percent, 40.2 percent and 25.2 percent households

were considered as chronic, transient, and non-poor respectively. Poverty line was constructed by converting the 1.25 USD into domestic currency by using the average exchange rate of 2008-09. The Results of the Multinomial logit model revealed that land and Livestock as an asset, male headed households, middle level of education, employment status and woman empowerment significantly reduced the chances of transient poverty. Income distribution is deteriorated in this time period by increasing the gulf between the lower and upper income households.

Junofy (2013) explained that poverty is not simply a lack of adequate income. It is a social phenomenon where a society is unable to fulfil its basic requirements of life. Even with more than a thousand analysis and hundreds of programs to alleviate poverty, the level of poverty has not decreased up to the mark in the world. India is continuing to face this issue in spite of its development in many areas of operation. Article 25 (1) of the Universal Declaration of Human Rights of United Nations1 states that "Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services". This right is further reaffirmed in the International Covenant on Economic, Social and Cultural Rights and the International Covenant on Civil and Political Rights. But this basic right is not conferred on many people. The Human Development Indicator shows that India stands in the 136th position among 186 countries with an index of 0.554 and is in the lowest ebb of the Medium Human Development. Hence this paper intends to study the intensity of poverty and hunger in India by appraising the indices like Global Hunger Index, Below Poverty Line Index and Multidimensional Poverty Index calculated by various global institutions. The Human Poverty Index (HPI) uses indicators of the most basic dimensions of deprivation of human life already reflected in the HDI like longevity or survival, knowledge and a decent standard of living. Hence this study studies the Multidimensional Poverty Index, which also reflects the HDI.

Motwani (2012) highlighted thesignificance of relative poverty over absolute poverty. She declares the significance of poverty line or absolute poverty by other economists.She also explained that relative poverty which is social or custom driven perception of the people. She suggests incorporation of relative dimension of poverty into the absolute measure of poverty used by policy makers in India and also within

the pool of determinants of poverty in India and significance based ordering has kept changing with time.

Lopej and Estela (2011) investigated the growth of poverty and inequality in Mexico between 1992 and 2008. They used excellent practice techniques and in doing so, plan to resolve the differences in emergence between studies which have used the same data. Theyalso investigates some of the underlying processes and factors that drives high levels of poverty and inequality; mappes these on to periods of crisis, reform, recovery and also to changes in the underlying population characteristics. Singh, et al. (2011) explained the removal of nation wide poverty and that has consistently been one of the main objectives of Indian policy. The Indian modern history explainss several examples of discussion on this topic as far back as 1901. India started on a series of Five Year Plans, each contain some kind of poverty eradication or social justice component. The Five Year Plan was launched in India in 1951 only. There have been ten additional plans, the most recent being the eleventh Five Year Plan launched in 2007.

Rahman (2011) explained that majority of the total population lives in miserable poverty and experiencing deprivations and vulnerabilities. Among them some work but stay in poverty and are known as working poor. Majority of the working poor are poor in Bangladesh. The condition of them are growing concern for policy makers, demanding urgent interventions for the sake of socio-economic stability. Essential policy interventions need to understand and identification of the causes determining the poverty of workers. Identification of a few macroeconomic indicators is not enough to imagine policy interventions.

Dartanto (2011) investigated the application of an Endogeneous poverty line and the difference of poverty outcome between applying a fixed and an endogenous poverty line. Applying the microeconomic theory of consumer behavior and the CGE Micro simulation, this study has theoretically and empirically proven that, if a fixed poverty line is applied, the poverty impact of policy reforms (economic shocks) which significantly increase (decrease) price will always be underestimated (overestimated). This study empirically found that there is 0.316 percent point difference in the poverty outcome between applying the endogenous poverty line and the fixed poverty line when analyzing the impact on poverty in Indonesia of 100 percent increase in the world soybean price. Supposing the fixed poverty line, the poverty rate will increase

by 0.180 percent, while supposing the endogenous poverty line, the poverty rate will increase by 0.496 percent. Therefore, applying either an endogenous or a fixed poverty line will have a different policy implication.

Alkire and Santos (2010) discussed the mechanics of the multi-dimensional poverty index developed by OPHI and use it to estimate the poverty situation across the world. The significant findings include differences in poverty situation once the new index is compared to the income measure of poverty.

Usman (2009) defined multidimensionality of poverty and it's causes. A person is poor in Canada is diffeentr in Pakistan. The level of poverty varying.The difference between rich and poor in particular country is also varying. Poor have little access to facilities, hard livelihood, landless, and have big family. The goodcharacter of developed countries is fully education, punctuality, desiplane, hard work, planning, honesty, tolerance and tenacity. On the other hands, developing nations are known for lacking of all things. They made an impact on those nations that are advanced in science and technology. We should promote indigenous knowledge and to empowerment without discrimination.

Bardhan (2007) analyzed the linkage of globalization and poverty reduction of India and China. He studied it on the basis of the experience of these two countries 1980 onwards. His study gives a little acknowledgment to global links for improving the condition of the people. He maintains that factors other than globalization have been stronger at influencing the wages rate of poor.

Krujik and Ruttin (2007) studied the rapid economic and social development of the Maldives and the vulnerability of the island population in terms of poverty remains high. Using household panel data for the period 1997/98 -2004,it show thatalthough the majority of the poor manages to escape from poverty, a substantial part of the non-poor falls back into poverty at the same time. Using Logit regression analysis, the most influential determinants of escaping household poverty are shown to be: the level of education, participation in community activities, and the proportion of adults employed. Factors that have the largest impact on impeding a poverty escape are: the proportion of household members not working due to bad health, living in the North, and the proportion of female household members. The former two factors, in addition to household size, are also most influential on the odds of falling into

poverty. Working in tourism, or the public sector, and taking out a loan to invest are important factors that prevent households from falling into poverty. Policy implications of these results are not only relevant at government level but also at household level. The government may consider paying more attention to the development of the two Northern regions, improve access to good quality education and health care, and further develop (private sector) tourism across the country. Household coping strategies involve investing in education, entering the labour market (especially in tourism and the public sector) and family planning.

Thorpe (2004) explained that family incomes are sufficient to provide access to adequate levels of food, shelter and clothing. Educational and employment opportunities should exist for all and government should not closed and dictatorial. The failure to provide satisfying incomes, human capital enhancing opportunities or democratic rights results in poverty whether it isphysical or intellectual poverty and exclusion. In order to redress this, economic and social policy is of paramount importance. However, in order to measure the effectiveness of policy we need to articulate policy objectives (to set goals) and derive quantifiable indicators which allow us to evaluate just how far we have moved towards realising those goals1. Yet, as deriving a universally accepted indicator is no easy task and each of the commonly deployed indicators used when assessing poverty levels has its own merits and demerits.

Mehata and Shah (2001) summarised the current level of knowledge of chronic poverty in India and recognize the outline for further research. Ageneral idea of the trends in inequality of income poverty in India is summarized. Their chronic poverty included severity, comprehensive duration and multidimensional deficiency.

ADB (2001) analyzed the poverty situation in Asian contries and explained that poverty is concentrated mainly in those countries, where they have majority of agrarian rural labor forces such as, Bangladesh, India, Nepal, and Pakistan. Output and employment in Asian economies are relatively dominated largely by agriculture, vulnerable GDP growth rely on weather conditions.

World Bank (2001a) presented areport for 2000/2001, which has explaineda series of reasonsof causing poverty in developed countries or developing countries. This reports a plan for action of remedial poverty in case of particular countries. This

report also explains the dimensions of poverty to create a improved world, liberated poverty. This report explores the nature, and development of poverty, and its causes, to present a framework of action plan.

World Bank (2001b) defined poverty as 'multiple human depreviation', which includes economic depreciation as well as social and political dimension of poverty. This definition includes three depreciations such as economic, social and political. The economic dimension of depreciation refers to low income level and an inability to meet basic household consumption needs. The social dimension focuses on health and education level measured by such indicators as in font and under five mortality rates, life expectancy and primary school enrolment rates, as well as vulnerability overtime to income a health poverty and other risks such as violence and crime. The political dimension of poverty is, in the World Bank terms "Voicelessness and powerlessness', measured by a combination of methods and indicators such as the extention of civil and political liberties.

Sharma and Chhetry (1996) discussed on a reports that has explained poverty isparticular problem of starvation linked with poverty. He also used econometric tools for the measurement of poverty. Their tools are 'Head Count Ratio'.

World Bank (1995) repoted the poverty profile of Brazil and giving explanation of the causes, effects and policy actions linked to poverty over the period 1960-1995.The burst in poverty with the turn of the last decade of the twentieth century has been of special apprehension. Explaining the policy implications, the bank highlights the want for targeting interventions with particular geographical coverage and expansion of welfare services for the poor.

Rahama and Hossain (1995) explored that a number of the rural population in the developing world continues to live with full of deprivation and vulnerabilities. Nowadays, poverty is the single most important challenge for overall developing world.

Ravallion (1998) explained a new view to examine the magnitude and severity of poverty (incidence) of 86 developing countries using secondary data. For this, they constructed the same poverty line for all the developing countries and the Indian poverty line was used as official. They applied multiple regression model, head count ratio, and income gap ratio andthen observed that 31 dollar per month was actually a

common poverty line amongst the many countries but the range of $23-31 embraces well to the poverty line used by low-income countries. Applying those poverty lines, they knew that about 1137 million people did not achieve the lower and tremendously frugal (prudent) poverty line. They explained that the absolute poverty lines for the poorest countries would change very little as growth initially go on.

Greer and Thorback (1986) investigated the condition of food poverty existing in different provinces of Kenya using the data of first integrated rural survey of Kenya. The study describes the concept of rural poverty in terms of food, income distribution and involvement of market and makes a useful methodological contribution to the measurement of the incidence of food poverty. To study the effects of food prices on household food consumption they applied linear expenditure system and the Knudsen-Scandizzo methods.

Thakur (1985) reported on poverty, Inequality, vulnerabilityof rural India. Their study was based on primary data collected from different parts of Himachal Pradesh. Inthe analysis of data, Lorenz curve, Gini index, Head count index and Sen's index was applied. The estimated Rs. 77.62 per capita per month at 1980-81 prices as the poverty line income by taking into account the required minimum of both the food and non-food items. Accordingly, he found(61.15 percent) people below the poverty line in the rural sector of Himachal Pradesh., the worked-out Gini index, Head count index, Sen's index are 36.59 percent, 61.15 percent, 29.24 percent respectively.

On the basis of findings, this research concluded that unemployment is the main cause of poverty in rural areas. During the study period, he found that a number of the rural poor were suffering from involuntary unemployment and on this ground he suggested that unemployment should be curtailed to reduce poverty.

 The study concluded that poverty was weakly correlated with the households' total land holding size but when land holding size was expressed in average per member, the inverse correlation was very strong. Besides, they observed that land shortage is the major cause of poverty.

Anand (1983) examined the extent of inequality and poverty prevailing in Malaysia.The necessary data was collected from secondary sources adopted absolute and relative approached to define poverty line for the people of the country. This research applied several measures such as Lorenz curve, Gini coefficient, Theil index,

Atkinson measure to ascertain the degree of inequality. Analyzing the data, top5 percent of the households received only 12.2 percent of the total income. Thus, he found high disparities in the pattern of income distribution in Malaysia and concluded that urbanization in Malaysia tended to increase inequality. Analyzing the data by racial group he found the highest inequality among the households of other origins followed by Indians, Malaya's and Chinese. The calculated Gini-coefficients for the rural and urban sectors show higher inequality in the urban sectors than in the rural sectors.

He observed that some 36.5 percent of households and 40.2 percent of individuals were below the poverty line and the incidence of poverty was higher 44.6 percent in the rural sector and 15.8 percent in urban sector He also observed the highest incidence of poverty in Malay origin followed by other origins, Indians and the Chinese.

Thimmaiah (1983) conducted an empirical investigation with a view to examining the pattern of income distribution and the incidence of poverty prevailing in the rural sector in Karnataka, India. The study is based on the time series data of 15 years which were collected by the Institute for the Social and Economic Charge to study the impact of drinking, horse racing, and state lottery in Karnataka.

The worked-out Gini-coefficients for various years state that there was lesser inequality in income distribution between 1960-61 and 1970 and 1970-71 than between 1970-71 and 1974-75. The Gini indices 0.36 for 1960-61, 0.35 for 1970-71 and 0.31 for 1974-75 clearly indicate that the trend of inequality was decreasing over time. Besides, the finding further shows that the degree of inequality was higher in the urban areas than in the rural areas. The trend of inequality was decreasing in both the sectors.

To draw the poverty line, he adopted the same norm which was adopted by Dandekar and Rath. For this purpose of estimation of absolute poverty, he estimated Rs. 172 per capita per year for the rural sector and Rs. 272 for the urban sector as the poverty line. Accordingly, he observed 35.40 percent people in 1960-61, 49 percent in 1970-71 and 37.07 percent in 1974-75 were below the poverty line. Analyzing the data of both sectors, higher incidence of poverty in the urban sector than in the rural sectors has been found. Similarly, analyzing religious group wise data, he observed the highest magnitude of poverty among the Muslins followed by the Hindus and the Christians.

Altimir (1982) investigated the prevalence and degree of absolute poverty in eleven Latin American countries and the area as a whole, during the 1970s. This study employed data from household surveys and demographic censuses, as well as a specified poverty line defining the minimum acceptable of private spending. Estimating poverty lines for each country, he discovered poverty lines ranging from US $ 150 to $250 per household per year. He discovered that 40 percent of Latin American households were impoverished at the start of the 1970s, based on unique poverty thresholds for each country. In addition, after reviewing data from the urban and rural sectors, he discovered.

Sen (1980) provided an overview of changes in poverty over time as well as some of the underlying causes of these changes. It begins with a discussion of several notions of poverty, with a focus on the recent argument over dietary standards and the debate over whether poverty should be defined by "results" such as life expectancy or "inputs" such as income. The comparative success of a wide range of countries in reducing poverty is then reviewed, and chosen countries-South Korea, Sri Lanka, Taiwan, Tanzania, and Yugoslavia-are examined in depth. The "causes of success and the difficulties of drawing lesions" are given special consideration.

Standing and Szal (1979) discussed about the extent and incidence of poverty, as measured by such basic needs as nutrition, health, income-earning opportunities, shelter and education. This book also considers various government policies that have introduced to improve the living condition of the low-incomes of the respective populations. The individual studies are preceded by an introduction, which places the focus on basic human needs in the context of an evolution of development strategies. It also considers various methodological approaches to the analysis of basic needs and briefly discusses the implications for data collection. Though the book throws light on poverty and basic needs of Guyana and the Philippines but still lacks to explain it in the perspective of environment.

2.1.7.2 Nepalese Context

NPC (2020) released the foundation paper (15-30) years plan to make Nepal a middle income country by 2030. At end of 14th Plan, the 21.6 percent of the total population is below poverty line and human development index is 0.574 and life

expectancy7 0 year. There is good progress in poverty reduction from 25.16 percent to 21.6 percent (NPC, 2010).

UNDP (2019b) reported that Nepal's HDi value for 2018 was .579 which put the country in the medium human development category. Nepal's HDi value increased from 0.380 to 0.579, an increase of 52.6 percent. The human inequality coefficient for Nepal is equal to24.9 percent.

Word Bank (2019a) estimated poverty headcount ratio (at the US$ 1.90 per person per day international poverty line) was9.3 percent in 2018, down from 15 percent in 2010. At a higher line of US$ 3.20 a day for Nepal, 41 percent of the population was poor in 2018, 10 percentpoint decrease from 2010. Despite the declining poverty trend, vulnerability remains high Nepal. Almost 10 million people or close to 32 percent of the population, are estimated to live on incomes between US$ 1.90 and US$ 3.20 a day 2018. Climate related shocks, such as further increase vulnerability.

NPC (2018a) explored that multidimensional poverty index for 2014, as well as its partial indices. The incidence of poverty (poverty rate: the proportion of peopleidentified as multidimensionally poor) and the intensity of poverty (or the average proportion of weighted indicators in which the poor are deprived). The incidence of multidimensional poverty is 28.6 percent. Since this estimate is based on a sample, it has a margin of sampling error. The 95 percent confidence interval is also presented in the table. The multidimensional poverty headcount ratio is between 26.2 percent and 31.0 percent of the population. The average intensity of poverty, which reflects the share of deprivations each poor person experiences on average, is 44.2percent. That is, each poor person is, on average, deprived in 44percent of the weighted indicators – so deprived for example in two health or nutrition indicators plus two living standard indicators. Nepal's MPI for 2014, as well as its partial indices: the incidence of poverty (poverty rate: the proportion of people identified as multidimensionally poor) and the intensity of poverty (or the average proportion of weighted indicators in which the poor are deprived). The incidence of multidimensional poverty is 28.6percent. Since this estimate is based on a sample, it has a margin of sampling error.95percent confidence interval. In words, we can say with 95percentconfidence that the true multidimensional poverty headcount ratio is between 26.2percent and 31percent of the population. The average intensity of

poverty, which reflects the share of deprivations each poor person experiences on average, is 44.2 percent That is, each poor person is, on average, deprived in 44percent of the weighted indicators – so deprived for example in two health or nutrition indicators plus two living standard indicators.

The rural poverty headcount ratio is much higher than for urban areas – 33.2 percent and 7 percent respectively. It is worth noticing that almost 80 percent of Nepal's population of nearly 30 million live in rural areas. Figure 3.2 compares the distribution of the poor and general population across urban and rural areas. While about 80 percent of the population reside in rural areas in 2014, more than 90percentof multidimensionally poor peoplelive in those areas. Only about 5 percent of the country's multidimensionally poor people reside in urban areas; 95percent of Nepal's poor people live in rural areas

CBS (2019) explained the preliminary result of national economic census 2018,in which the sex ratio of number of person engaged by district are Bara 301.9, Rautahat 300., Parsa 281., Kapilbastu 268.5, Mahottari 264.4 in males per 100 females ratio. These five districts are located in the south side of country where is in plain areas. The higher ratio may be due to fact that large proportion of be make may be involved in agricultural occupation in these districts.

DFID (2017) highlighted the predominance of poverty in rural areas is a function of the fact that returns to those working in agriculture is low. Factors that contribute to the poverty status of those employed in the agricultural sector include small landholdings size, poor access to affordable technology and irrigation, poor quality land, and reduced employment options in the non-agricultural sector.

Low social status is also an important determinant of poverty in Nepal. Certain caste and ethnic groups have remained poor for generations because of socio-cultural norms which restrict or deny them access to resources and livelihood opportunities. The relation between low literacy levels and poverty are well established with the former seen as depriving people from opportunities that may derive from economic growth. Drawing on the Nepal Living Standards Survey (1995/95 and 2003/04).

KC (2018) measured the Multi-dimensional poverty of the poverty alleviation fund intervention program districts of Nepal. This study uses quantitative only non-experimental, descriptive and exploratory study/survey design applying multi-stage Cluster Random Sampling method. At 5 percent margin of error and 95percent confidence level sample size of 2,660 households from 14 districts (two districts from

each of seven provinces) is determined as representative for the study. The study finds that Multi-Dimensional Poverty Index (MPI) for the study population is slightly higher 0.133 than that of national level 0. 127 (NPC, 2018a). The rational reason is that the current study was based on PAF households only or economically it is homogeneous population. People living in three different places of residence (urban 0.117 and hill 0.116 found to have better quality of life as compared to corresponding other places (Rural 0.153, Mountain 0.162 and Terai 0.138. Despite having low human development index (NPC, 2014), provinces No.7 recorded the lowest MPI value0.084, which is urgently needed to be investigated again. By caste/ethnicity, other categories (Marwadi, Bangali, Sikh. Jain, Panjawi among others) found lowest poverty level 0.064, followed by Brahmin/Chhetri) 0.069. The highest proportion of headcount ratio 51.5 is noticed in Province No. 2. The gravity of poverty is found high among the Muslim community 44.6. One in every four households 22.9 percent has the likelihood of being vulnerable to poverty. Households situated in Province No.1 are more vulnerable to poor as compared to population from other provinces.

NPC (2018a) reported that multidimensional approach to measuring poverty, one designed to complement conventional income poverty measures. Both measures provide an important source of information for public policy. Nepal's national MPI can, in particular, help to monitor progress in meeting the social and infrastructure goals in the 14th Periodic Plan of the Government of Nepal. It is expected that the recently elected provincial parliaments and governments will particularly find this report useful. The national multidimensional poverty rate of 28.6percent in 2014 is slightly higher than the income poverty rate of 23.8percent in 2014. This is because the MPI is a broader measure. Nepal's MPI of 0.127 indicates that poor people in Nepal experience12.7percent of the deprivations that would be experienced if all people in Nepal were deprived in all indicators. The largest contributions to national poverty are deprivations in years of schooling 17.7percent, followed by nutrition 15.9percent. If aggregated by dimensions, the largest contribution is due to living standards 44.4 percent.The health and education dimensions contribute28.3percent and 27.3percent, respectively. As Nepal moves into a new era of governance, this report provides a rigorous baseline of the level and composition of poverty by province and social groups. The information in this report can thus support decisions

pertaining to resource allocation, integrated and multisectoral policy design, policy coordination, and monitoring of the SDGs.

Khalae (2018) suggested Facts about poverty in Nepal, struggle and progress.Following are the facts.

(a)   Nepal is the fourth poorest country in Asia, with a GDP per capita of merely $2,573.This explains why25 percent of Nepalis live below the poverty line in Nepal, which amounts to Rs19,261 per year for every person, according to the Central Bureau of Statistics

(b)   The second of the facts about poverty in Nepal is that contrary to popular assumptions about urban poverty decreasing at the highest rate when a country develops, poverty in Nepal increased by 5.46 percent points in 2010-11 compared to 2003-04. .

(c)   Nepal is heavily affected by natural disasters, such as the 2015 earthquake which affected not only infrastructure but also homes and economic growth. The effects of the earthquake were exacerbated by Nepal's existing problems, such as persistent power shortages and underdevelopment of roads and transportation infrastructure.

Dhakal (2015) observed the three distinct patterns of poverty dynamics: upward mobility, downward mobility and relative stability. Poverty being a complex and multidimensional social phenomenon, no single cause of poverty or pathway could be single out. Even if different families share the same or similar political-economic and geo-ecological context, they cannot be considered as homogenous and therefore different factors affect individuals' lives in different ways. In this process, despite the fact that land is still a prime determinant of the level of poverty, shifts to the non-farm sectors, particularly into the labor market operated by the private sector, has appeared to be one of the pathways to escape chronic poverty. Households in different social positions and with different economic capabilities participate differently economic, social, cultural and symbolic, shape the process and nature of poverty dynamics

UNDP (2015) reported that Nepal has made successful strides in reducing poverty from 25.2 percent in 2011 to 21.6 percent in 2015. But these numbers belie a harsh reality; huge disparity and inequality persist between region and social groups.

There are some achievements i the millennium development goal 1 (Eradicate extreme poverty and hunger. The progress till date indicates that the target is likely to be achieved. But, there is a need for sufficient interactions to achieve the MDG target on poverty reduction. The proposition of the people living below poverty line is expected to be 21 percent in 2013 which is also the target for 2015 which is also 21 percent. Similarly, the proposition of the population on less than US $ 1 per day is 16.4 percent in 2013, while MDG target is 17 percent for 2015. The progress till date hasn't been sufficient to meet the target on hunger (NPC & UNDP, 2011).

Pokharel (2015) explored that official data as of 2010/11 affirms around 25 percent Nepali live under absolute poverty line. The poverty line is derived at annual per capita earning of $225 as of 2013 December. There are debates whether the poverty line really defines basic necessities of survival. On contrary, the Human Poverty Index shows 44 percent of Nepali is deprived of basic education, health and access to resources. Achieving sustainable human development is highly regarded and committed development goal in Nepal as elsewhere. However, the existing poverty indicators are putting a serve challenge how really these goals can be achieved by a defined target of 2020. Distribution of poverty across the country varies with high severity in rural mountain and low in urban areas. Despite illustrating development efforts, there is still a sharp divide in development inputs, process and outcomes. The development policies of Nepal have less room to criticise. However, the implementation status and results explain different but gloomy phenomenon. Being poor means having multiple characteristics which denies recognition, share in resources and opportunities, participation in decision making and influencing the processes that affect themselves which as a result challenges their survival freedom. Empowering poor, disadvantaged and marginalized and developing their wealth asset including education, health and employment must be the central agenda of the development planning in Nepal in order to achieve sustainable human development

Phuyal and Phuyal (2014) analyzed different natures of rural poverty, and estimate the regression line between income and consumption relationship of Kantai Village Development Committee of Darchula district of Nepal. Absolute poverty line

is Rs. 33.76 which is 60 percent of sample population. Similarly, upper poverty line Wolf point has been estimated to Rs.41.87 per day per capita which is, 78 percent of sample population whereas 17.5 percent people are relatively poor and22 percent are non poor. Gini's coefficient among the total sample households is found 0.34 and marginal propensity to consume of absolutely poor households is 0.74. The correlation coefficient between income and consumption among total sampled households is 0.83. Hence, the entire outcomes conclude that there is positive correlation between income and consumption. The study also traces out about the high disparity in landholding where most of the poor households are found to be landless. The result recommends that government should provide basic education, nutrition, electricity, and communication facilities to the people of study area, and also support them for creating alternative opportunities of employments for their livelihood.

Nikku and Azman (2014) summarized that unacceptable human condition which does not have to be inevitable. But the fact is that more than one billion people live in poverty around the world and the great majority of them are women. Poverty in Nepal is deep, diverse and multifaceted. This article examines the conceptual and policy links between poverty, policies and human rights. This paper aims to provide some pathways for an increased understanding of policy and politics dimensions of poverty in Nepal. This examination is further informed by a critical social work perspective, sharpened through the authors' presentation at a USM and CSU sponsored research colloquium on poverty as a human rights violation. Beginning with a description of the present level of poverty in Nepal and the values underpinning Nepalese social policy, we then analyse anti-poverty initiatives by the Nepalese successive governments and non state actors and examine the role of Nepalese nascent social work profession in the gigantic task of crafting poverty free Nepal.

PAF (2013) initiated the project to mid-March 2012, programs (including innovative ideas-based programs) are 120 being implemented in 1619 VDCs of 49 districts by 22,534 community Organizations through which 640,522 targeted households have benefited.Total household beneficiaries of the fund's program. Dalits constitute 08.5 percent while Janajatis are 24.4 percent. Likewise, a greater number of women of 75.0 percent among the community organization members is the evidence for the fund to have meaningful effort directly outreaching the poor and backward

communities as targeted by the Three-Year interim plan The study has also shown that the food availability to the poor rose by 10 percent. Likewise, another social analysis study showed 82.5 percent growth in the average income of beneficiary households. Between FY 2004/05 and FY 2011/12, a total grant of Rs. 10.62 billion has been provided to Community Organizations (COs) that is running income generating programs, small infrastructure development program and new programs under PAF in 49 districts. As the flow of grant amount from PAF to Cos has been growing, it is felt necessary to conduct effectiveness reassessment study.

World Bank and CBS (2013) estimated the small area computation of poverty have become useful tool in targeting poverty reduction by geographic areasThis report presents 2010/11 small-area estimates and maps for Nepal at the 75 district, 967 ilaka and 2344 "target area" level, of poverty incidence, poverty gap, and povertyseverity. The report also provides maps of the number of poor and their average consumption. The findings confirm the spatial distribution of poverty in Nepal. Poverty - both as a rate and headcount - is high in the hilly areas of Far West and parts of Mid-West. The percentage of poor varies from negligible in parts of Kathmandu to 75 percent in parts of Gorkha district. A comparison with the poverty map of 2006 shows that though prosperity is spreading in Nepal. It has a hard time moving west and climbing hills. Poverty concentration in the east and central has declined while it increased in the rest. Nearly half the small areas have poverty higher than the national average of 25.2 percent and contain two-thirds of the poor in Nepal. The character of the spatial distribution of poverty in Nepal is not new but the estimates at 2344 small areas along with their standard errors should help in better design of development interventions. While it is straight forward to target development activities in areas with extreme poverty, in areas where poverty is not distinctly different, randomized experiment designs can be used to pick appropriate interventions that are most effective. The poverty maps could usefully be expanded to other indicators of welfare such as nutrition and food security like in 2006. Detailed spatial distribution of poverty offers an opportunity to explore further the causes of poverty trends in Nepal.

Bharadwaj (2012) explained that Nepal is least developing country of villages. Poverty reduction has been identified as an integrated development approach. In spite of huge potentialities, rural areas have weak domain of transferability. Weak domain of transferability can lead to persistent and chronic poverty.Therefore strategy of

breaking vicious poverty cycle should be so designed that will support for a) quality asset, b) strengthen access and c) creates competitive transferability. Cooperative is a member based business with well defined norms and principles. Cooperative has been identified as a potential component of Nepalese three pillar economy. The paper incepts in the contribution of cooperative in poverty reduction. It was observed that cooperative and poverty reduction goes hand in hand. Cooperative can be effective institutional arrangement in breaking the vicious cycle of poverty in the rural socio-economic context. Under effective supervision, if cooperative can be well managed and strengthened; cooperative can potentially strengthen the domain of transferability of rural community and there forwards to contribute to sustainable reduction of poverty.

Bhusal (2012) explored that orthodox approach systematically underestimates the extent of poverty and undermines welfare-oriented developmental policies. Taking Nepal as an illustration, this article demonstrates that the emergence of multiple poverty estimates has provided a choice to the development policy-makers and practitioners in the global south. It argues that while both the dominant national poverty and $1.25 day poverty estimates distort and downsize the dimensions and extent of poverty, the Multidimensional Poverty Index (MPI) is a better reflection of multiple faces of poverty and the level of poverty perceived by the people. It has been argued that the former two money-metric poverty estimates lend support to a neo-liberal perspective on reducing the role of the welfare state. Anti-poverty policy-making faces a choice between two alternatives: the risk-based and targeted safety net approach implied by the money-metric poverty estimates; and the capability and rights-based approach that favours universal social security implied by the MPI estimates. The empirical evidence from Nepal demonstrates the inadequacy of the money-metric approach and the strength of the capability and rights-based approach for reducing poverty through the universalisation of the welfare state.

WFP Napal (2009) explained the hunger index for Nepal which shows that hunger is a substantive and urgent issue in Nepal that needs to be addressed. The situation is extremely alarming in the Far- and Mid-Western Mountains. The latter sub-region ranks one but last on the global hunger index scale. The food security situation in most of Nepal's sub-regions is alarming and only 3 sub-regions are considered seriously food insecure. Not a single subregion in Nepal can be classified

as moderate or low in terms of their hunger index scores. The analysis shows that there are substantive differences in food insecurity from one area to the next. Poverty, economic activity, agricultural productivity, access to basic services like health facilities and food markets all play a role. The analysis points out that increased economic growth in many of the remote sub-regions is urgently required to combat poverty, which is a key underlying factor to the hunger problem in Nepal. Economic growth, preferably through increased investments in a much neglected agricultural sector, is however not enough, and there is an urgent need to invest solidly in direct nutrition interventions to address the huge issue of child malnutrition. This includes investing in the health sector, increasing nutritional awareness, improving behavioural practices such as hand washing, breast feeding and water treatment, and providing access to proper sanitation facilities to rural populations. In addition, sufficient access to food will need to be ensured to the most vulnerable, including the landless, disadvantaged ethnic groups, female headed households, elderly and handicapped, through targeted social protection programmes. Therefore, to address the hunger issue in Nepal, a substantive and urgent effort is required to increase agricultural production, improve market infrastructure and ensure access to food by all population groups. Most importantly, the huge challenge of malnutrition in the country needs to be addressed to give children, regardless where they are born in Nepal, a chance to a healthy and active life.

Bhandary (2008) explained the difficulty in allocating development resource at the local level due to the unavailability of an objective method that justifies the allocation.Poverty measurement methods, such as consumption based poverty measurement or human development index could be used for the process, but those techniques are difficult to apply at the local level because of the constraint of resource. Therefore, a simple technique to categorize villages in terms of their development levels is always desired. This research is an attempt to address this problem. It has used socioeconomic and natural aspects to categorize villages in a district of Nepal. 24 variables are used to design five indexes - poverty index, social index, women empowerment index, infrastructure and institutional index and natural resources index. Correlation tests are applied to see the relationship between income data and indexes, and among the indexes themselves. The result shows a significant correlation between income and poverty index whereas no statistically significant

correlation between income and other indexes. As expected, natural resources index shows significant correlation with other indexes. Based on the results, it can be asserted that income can be represented by an index prepared from certain variables in the rural context. Also the natural resources index can represent the development levels: the better the natural resources of a village the better the development. These variables and indexes help to compare the villages; when mapped in GIS, local planners and policy makers can understand the analytical results. This helps them to compare the level of development of their village to the district and national achievement which further helps them in bargaining resources with the concerned agencies.

NPC (2007a) highlighted the tenth Plan in itself is the strategic document for alleviating poverty; its only objective is poverty alleviation. The Tenth Plan represents a renewed commitment by His Majesty's Government of Nepal to reduce poverty from 38 percent of the population at the beginning of the Plan period to 30 percent by the end of the Tenth Plan, and to further reduce the poverty ratio to 10 percent in about fifteen fears' time. The Tenth plan's sole objective is to bring about a remarkable and sustainable reduction in the poverty level in Nepal over the next five years. The four strategic pillars adopted by the plan for poverty alleviation are a) high, sustainable and broad based economic growth, b) social sector and rural infrastructure development, c) targeted programme and d) good governance. National planning commission organized a discussion of NGOs, civil society, academic intellectuals along with backward indigenous people, women activists and disabled.

The recognition of poverty causing gender linked aspects, low productivity, high consuming and energy consuming, low remuneration and often poor quality of product characterize much of the work of poor woman. A single approach or intervention is not enough in achieving the broad goal program. In the process of overall development both practical needs (education, healthcare, and empowerment) are equally important and have to be address simultaneously. Absence of any one intervention would defunct the process. Development cannot be said to have occurred it women, as a major proportion of the population in every country are ignored. The challenge is to find ways to optimize the returns to and contribution of this group of people.

These discussions categorically identify that the incidence of poverty is higher on occupational castes such as Mussahar, Chamar, Damain, Sharki, Kami, Kumal, Badi, Jhangad, Dushad, and on the people of different social low castes such as Tamang, Rai, Limbu, Magar, Bhote, Tharu, and other backward indigenous people. Landless agricultural labourers, indigenous groups and people residing in remote areas are also identified as extremely poor.

The main factors causing poverty have been identified in course of various discussions held between civil society and people. The factors included are related to problems such as distribution of farm lands, debilitated approach of poor in resources, fragmentation of holdings and causes related to weak implementation such as incapacity to curb down the leakages and irregularities, political instability, lack of uniformity between policy and programming, ineffective plan formulation, and resource allocation and weak monitoring. There are other worth-mentioning socioeconomic causes such as low rate of economic growth, lack of technical education, unexpectedly low positive response from private sector and social security problem etc.

Bhatta and Sharma (2006) argued that chronically poor households are particularly disadvantaged in terms of educational attainment. For example only 15 percent of chronically poor household adults can read and write while the 42 percent for non-poor households. The geographical variation in educational attainment: literacy rates are higher in urban areas and significantly lower in remote areas. Gender differences are also very apparent with males having higher educational attainment than women and with the difference widening in more remote areas and in successive levels of educational attainment.outcomes and educational attainment levels are significantly higher among the higher caste groups; and lower castes are far less represented in key political positions and score significantly less on the composite empowerment and social inclusion index.

CBS (2005) indicated that poverty has radically declined in Nepal between 1995-96 and 2003-04. In 2003-04, 31.00 percent of people were poor in Nepal compared to 42 percent in 1995-96.The incidence of poverty in Nepal declined by about 11 percent average. The incidence of poverty in urban areas more than halved than that of the rural area. While poverty in rural areas has also declined, at 1 percentage point per year, but its incidence remains higher than in urban areas.

The incidence of poverty in 2003-04 varied considerably in different parts of the country, ranging from a low of 3.30 percent in Kathmandu to 42.90 percent in rural Easter Hill and 38.10 per cent in rural Western Terai. Between 1995-96 and 2003-04, poverty declined in both urban areas under consideration: in Kathmandu by 23.00 per cent and in other urban areas by 59.00 percent. In rural areas highest decline in poverty occurred in rural Eastern Terai 33.00 percent and rural Western Hills32.00 percent. The incidence of poverty declined in rural Western Terai by17.00 percent. By contrast poverty in rural Eastern Hills increased from 36-43.00 per cent. These changes affected the poverty ranking of the regions, with Eastern Hill undergoing the most dramatic shift from having the third lowest incidence of poverty in 1995-96 to having the highest incidence in 2003-04. This study has shown rural urban poverty clearly.

Wagle (2005) estimated the multidimensional model of poverty suggests several important findings. The finding that select indicators are appropriate to measure poverty dimensions insinuates that policy-makers refocus on each of the thematic policy areas differently. First, although consumption itself and subjective views on the adequacy of income are important, one can easily deduce from the leading role of income in this highly urbanized setting that the major policy concern to improve economic well-being should be on increasing household income. Paid employment being the major source of income in Kathmandu, especially for the economically less well-off households, the highly inadequate wages these households receive require serious attention.Second, providing educational opportunities especially for women and providing health care facilities appear to be more fundamental at enhancing capability. The role of education, however, can be the most central of all in a society in which a lack of education is clearly linked to one's inability to maintain good health together with practices that undermine the economic and other potentials of daughters. Third, promoting inclusion of households in the labor market and other economic activities invokes policies focusing on preparing skilled manpower, creating employment opportunities, and providing access to institutional finances. In a society where there are stark social and economic discrepancies between skilled and unskilled jobs, and where new entrepreneurs lack the needed financial support, appropriate policy initiatives can make a difference.

Acharya (2004) explored that income poverty has increased in Nepal over the last 20 years despite a marginal increase in per capita income. A distinct progress in the social aspects of life, especially the education and health care has taken place over the same period. For these reasons, human poverty has steadily declined. A comparison between income and human poverty indices has shown that income poverty is more volatile than human poverty. Spatial distribution of Nepalese poverty reveals that it is deeper, more pervasive, and uneven among mountain people and in western hills. Moreover, it is more concentrated among the lower caste people. While making a comparative study of poverty indicators between Nepal and the rest of the South Asian countries, the gap is significantly wider for economic over social indicators. Per capita income and the employment rate are quite lower in Nepal as compared with the rest of the South Asia. Although the causes of poverty and characteristics of the poor are similar in many developing countries, their degrees are different across regions and over time. The causes of Nepalese poverty are mixed; they have both economic and socio-cultural origins. The structure of Nepalese society shows a persistent gender gap coupled with a widespread caste system based on hierarchical and occupational differences. The effect of globalisation may, hopefully, eradicate these traditional norms over a span of time; they have sadly become barricades to economic development. Articulating tangible economic factors, therefore, would be a better strategy now for curbing the problem in an effective way. The available comparative static data among South Asian countries show a higher proportion of working age population in Nepal coupled with a higher rate of unemployment over the years. In this context, restructuring the Nepalese labour market for promoting overall employment might be an effective strategy for addressing the problem of widespread poverty in the country during these years.

UNDP (2004a) described the broad macroeconomic stability during the last decade or since the reforms. However, the stability could not stimulate economic growth a key to poverty reduction. The data indicate that some segments of the poor are hard core poor, and having a low living with lack of basic infrastructure. The distribution pattern of assets is equally responsible for creation of poverty which is unequal. Similarly, poverty in Nepal is associated with lack of access to education, health facilities and economic infrastructure. Further, the poor also generally have limited access to paid employment. Employment is a key variable which can be

integrated to poverty reduction: and it is necessary that any poverty reduction strategy aims at reducing underemployment and unemployment.

Low rate of economic growth, narrow based agricultural growth which was not much faster than population growth were the causes to increase poverty. The incidence of poverty in rural area is deeper and critical. The rural poor own less land, have less access to irrigation and other basic infrastructure, and have lower level of education than the non-poor. It is also noted that poverty incidence is significant even among the rural farm households with relatively large farm size. This is the indicator of low productivity of land; and poor in Nepal are facing food insecurity especially in the remote areas of mountain and Hills. In an agricultural country like Nepal with high level of rural poverty, agriculture growth is of central importance in the area of poverty reduction. The government has to mobilize funds for the development of irrigation through appropriate fiscal policy. Similarly, a higher skewed distribution of land and declining farm size are two factors which act as structural constraints to poverty reduction through agricultural growth. The issue of land reform needs high priority in the policy agenda. Furthermore, income level of the rural poor can be raised only by integrating them into growth process. The poor needs increased access to productive assets like land, irrigation facilities, credit, education and training. Without policy interventions for the poor, they cannot go up from the level of poverty. Broad based economic stability, competitive markets and public investment in physical and social infrastructure are widely recognized as the basic requirements for sustained high economic growth and poverty reduction. The relation between economic growth, income distribution and poverty have been extensively studied in the recent literature and it is concluded that absolute poverty can be reduced only if economic growth takes place on a sustained basis.

UNDP (2004b) reported that Nepal has recently been declared as a medium human development country. Among 177 countries, Nepal ranked 140 with a Human Development Index (HDI) value of 0.50 in 2002. This is, however, still lower that the South Asian Average of 0.58. In term of gander development index, Nepal's position has improved over the year and at the latest it ranked 116 among 144 countries in the world with a value of 0.484 in 2002.

In terms of UNDP's Human poverty index, it ranked 69 among 95 countries in the world with a value of 41.2 percent in 2002, which implies that about 40percent of Nepal are deprived of basic human aspect.

Nepal has been given priority to extending access of people to social services especially, the basic social services (e.g. dirking water, basic and primary education, primary health care etc.) Nepal was spending about 20percent of its national budget on social services in 1990, which has gradually increased to over 30percent at present. Due to this increased public sector attending there has been significant improvement in social indicators. Some key social indicators, which are also considered as part of poverty indicators because of their crucial role in human capability enhancement, are discussed below.

Latest educational data show that the net enrolment is now nearly 81percent which is a very significant increase from about 64percent in 1990. It is, however, a matter of concern that children who are still not able to go to primary school are virtually all from the absolute poor house or those from the disadvantaged group such as dalit and indigenous group.

There is also a significant gap in the education achievement of male and female in Nepal, which is result of existing patriarchal society that discriminates against women in many different ways. The net primary enrolment rate for boy in 2001 was 87percent where as it was only 75percent. Similarly, although there has been improved in the literacy rates of the country, a large male-female gap persists 63percent compared to 35percent in 2001.

NPC (2002) explained the main objectives of Ninenth plan which was mostly poverty alleviation.The target of the ninenth plan was to increase industrial production by 6 percent per annum the investment both domestic and foreign was estimated to be Rs. 35 billion. The plan also estimated creation of additional 0.35 million job. Industrial contribution to the GDP was expected to reach 14percent by the end of the plan period. Many of these targetss could not be achieved during the plan period. The Ninth Plan of Nepal had given alleviation of poverty as it's almost priority. In this plan, the government initiates long-term perspective i.e. 20 years vision for reducing existing poverty level. The strategy at present is to mitigate the population below poverty line from 38 percent to 32.5 percent, 22.5 percent, 15 percent and 10 percent during the Ninth, Eleventh, and Twelfth plans respectively.

In this plan efforts have fallen behind to meet the expectations of poverty reduction. Poverty is more widespread particularly in rural areas; and that it is deeper and more severe among ethnic groups and Dalits, and those living in backward areas-

Mid and the Far Western and Mountain areas. Poverty could not be reduced to a desired level due to the failure to achieve high and sustained broad-based economic growth particularly in rural areas; inadequate human development commensurate with heightened desires and needs of the people, in large part due to less than satisfactory implementation of public actions to provide essential social and economic services and infrastructure to the poor and backward community and area; poor accountability, economic malpractices, and poor implementation and monitoring of development programs. Poverty is viewed from two dimensions: spatial and cyclical. The overriding objective of development efforts in Nepal is poverty alleviation. In spite of noticeable progress achieved over the past decade, there is still widespread poverty.

Timilsina (2000) explained that high population growth rate, lower life expectancy at birth, high infant mortality rate, high maternal mortality rate along with other factors are dominant characters in Nepal. This paper, basically, discusses issues related to employment and poverty in the country as well as the major initiatives to address it. This paper ends forward some future course of action to address poverty in Nepal. Though this paper expounds poverty and poverty related major issue, major initiatives to address it, future course of action beautifully, but lack to expose it in respect of status and level of poverty.

World Bank (1999) reported that much work is required to ensure that those who monitor Nepali poverty now will not find the same bleak lack of progress that this report has summarized. The data of ten years from now will reflect a significantly diminished incidence of rural destitution. That outcome is possible. It requires a fresh and full commitment to mount programs that actually reach the rural poor – roads and irrigation systems, agricultural extension and veterinary services, affordable and accessible schools and health facilities and greater availability of credit at the grassroots -- and transform rural areas. That commitment can be realized at least in part through tradeoffs with programs that benefit regions and households whose need is not as great. It cannot be realized in full or efficiently, however, unless it is expressed in a new outreach to the poor themselves, an invitation that can take many forms while aiming for a single goal: the energetic participation of the poor in designing and using the levers that can lighten the burden of their poverty and the weight of poverty on the future of Nepal.

Deo (1997) explained the Inequality of Poverty in Rural Nepal. The study was based on cross section secondary data collected by Nepal Rasta Bank, ADB etc. For

the analysis of data, this study applied lorenz curve, gini coefficient, standard deviation of logarithm, variance of logarithm, extreme deciles ratio etc. Regarding income inequality prevailing within the poor household and the non -poor households, the findings of the study show that inequality exists in both groups of households but the degree of inequality prevalent among the non-poor households is higher than that of the poor households. The figures computed for the non-poor household's shows that the bottom 40 percentof the households receives 20.86 percent of the total income of the group whereas the top 10 percent and the middle 50 percent of the households receive 21.37 percent and 57.77 percent respectively. Likewise, figures calculated for the poor households show that the share of the bottom 40 percent of the households in the total income of the group is 20.71 percent, while the share of the top10percent and the middle 50 percent are 20.66 percent and 58.63 percent respectively. Though the research shows the fact on the income inequality and poverty in rural Nepal and implemented different way for reducing poverty but still lacks to show the relation between poverty in ethnic group.

Gewali (1994) explained that rural poverty in the country for the last four decades shows no visible impact on the lives of poor in the rural society. Insead, over the years, the rural sector is adding the total number as well as proportion of the total population who is below the poverty line.The redisturbutive land reform as a first important policy against the rural poverty ended up with its very insignificant impact on rural population,with no sign of betterment in agriculture production as well as creation of new employment oppurtunities.The reasons behind the lack of sucesss have been that the objectives and assumption of the policy took least account of the institutional viability and could not recognize the reality of rural problem . Integrated rural developmnent policy also proved to be far from success act against the rural poverty mainly because it carried unrealised objectives like agriculture development in the hill areas and enhancement of the employment oppurnities through the development this sector based on assumption that the rural development is static phenomenon. The credit policy for the rural poor also could not reach the majotity of loan-seeking rural population mainly due to its patchy nature,pretty size of credit, ambiguity involved in the action of financial institution,Shortage of interlinkages with other programs , and indaquacy of coordination between implementing institution and line agencies.To conclude ,the insignificant impact of the polices on lives the rural

poor has been due to the fact that they could not address the real nature of the problem existing in rural society . The shortage of agriculture land coupled with fast growing size of rural labor force means that no alternatives policy would be appropriate other than expanding the labor-absorbing non –farm sector. The recent problem of poverty in the Nepal is very much linked with the unemployment and underemploment of the widening size the population. But the Past policies, particularly land reform and intergrated rural development, either completely ignoured or least accounted the side of the reality. Despite the introduction of the target –oriented pocket area development approach in the rural credit policy, only few efforts have been made to national context. Therefore, it can be agrued that, given the nature of the problem of rural Nepal, if the incidence of rural poverty is to be reduced, the policies should be driven toward creating new job oppurtunities in the non-farm sector even through public undertakings. Of the existing anti-poverty measures, rurtal credit policy seems to be more problem-focused. Therefore, it should be given macro status with added resources, provision of greater size of credit and implemented with strong political commitment.

World Bank and UNDP (1992) explained the nature of income and poverty in Nepal. The study uses a quantitative analysis for examining the condition of the poor and non poor, their sources and level of incomes .It attempts to evaluate effectiveness of existing poverty alleviation programmes. It investigates the effect of development policies and strategies on personal income of the poor. The objective of the study is to propose the outlines of a long term strategy of the country to reduce poverty. It has been found out that among the rural, poor area only 35 percent of income is in cash which is generated mostly from wages. The poors get a larger share of their income from wages and salaries accounts for only a quarter incomes among the rural poor in Nepal.

Dahal and Shrestha (1987) discussed a micro level study in Nepal using the primary data collected from a village of eastern mountain. They estimated Rs. 131 per capita per month as poverty line for the study areas. Besides, he estimated wolf point Rs. 216 per capita per month for the study area. Accordingly, they observed that 63 percent of the households were absolutely poor and in terms of wolf point he observed 26 percent of the households were relatively poor. Calculating the total number of the poor, they found that 89 percent of the households were poor. In addition, they also

analyzed the nature of poverty by taking household size, land holding size and ethnic group into consideration.

Rai and Sayenju (1987) discussed a study of the central mountain area. The study shows that prolonged illness of principal earners, death of principal earners, large number of children, unskilled family labour force, unnecessary expenditure on unproductive works, ceremonies, festivals and entertainment are main causes of rural poverty.

Maskey and Rajbhandary (1987) explained that 78 percent of population was illiterate. Regarding income distribution, the study shows that about 47 percent of the households had an income of less than Rs. 10,000 per annum, whereas 3 percent of the households had an annual income of more than Rs. 20,000. As regards the causes of poverty the study shows lack of land resource, lack of education, technical skills underemployment, low productivity and expensive consumer goods were the main causes of rural poverty.

Seddon (1987) examined the roots of poverty and inequality in Nepal. This analysis is based on both primary and secondary source of data. In his work, he derived that extensive population growth, wide gap in the distribution of income and crisis in agriculture sector were the major causes of poverty. The struggle for basic essential, of life has been given due consideration by David Seddon. Lastly, he has recommended some policies for curtailing poverty (Seddon, 1987).

Suvedi (1986) discussed comparative study on the poorest of the poor by collecting the primary data from two villages; one from the hilly region and another from the Tarai region. The data were analyzed quantitatively as well as qualitatively. Descriptive statistics and chi-square tests are used to compare the situations in the two villages.

Analyzing the data, he observed that the poor in both villages earned their living by doing many works but farming and wage labour were their main sources of earnings in cash. The average annual income of the poor of the Tarai areas was greater than that of the hill areas and income inequality was also found higher among the poor of the Tarai region.

The findings of the study show that there were many causes of poverty in these areas. They were lack of income to assure subsistence, large family size, family debt, low productivity of family labour, poor health, large number of dependents, and

lack of productivity of family labour debt, poor health, wedding costs, education and employment for the family members.

Paudel (1986) explained with the concept of poverty (absolute as well as relative poverty) and the major causes of poverty in Nepal. This study is based on secondary data compiled from various publications. Analyzing the data, he observed that incidence of poverty was not the same in all the regions in Nepal and the land distribution was also not even. The mountain and hill regions have high magnitudes of poverty but a low amount of arable land.

The author pointed out that the productivity in the agricultural sector had been declining because of improper use of existing irrigation facilities, declining fertility of soil due to deforestation, flood, landslides, erosion and lack of adequate agricultural development services. In addition, he evaluated the existing poverty alleviation programmmes and recommended for initiating labour intensive progrmmes to ensure alleviation of poverty, increase in spread of education, nutrition and productivity.

NRB (1985) examined the employment, income distribution and consumption pattern of the Nepalese. For the purpose of the study 5323 households were interviewed (1634, 2352 and 2337 households from the mountain, hill and Tarai zones respectively). The findings of the study clearly indicate that the income distribution pattern is not even. The income inequality was found the highest in the hill zone followed by the Tarai and mountain zones. Similarly, it was found higher in the urban sector than in the rural sector.

In addition, the studyalso estimated the incidence of poverty prevailing in the country. Adopting the calorie norm of 2250, Rs. 160.8 per person per month for the hill/mountain zones and 125.04 per person per month for the people of the Tarai were estimated as poverty lines. Accordingly, the incidence of poverty was found highest 50 percent of the people in the hill zone followed by the mountain zone 44.1 percent of the people and the lowest 34.5 percent of the people in the Tarai zone. The survey further reveals that the incidence of poverty was higher 43.1 percentof people in the rural sector than in the urban areas 19.2 percent of people.

Okada and Rana (1973) discussed about poverty in Nepal with a view to a clear picture of child beggar in Kathmandu valley. This study is based on primary data which were collected from 780 beggars through interview method. Among the

total sample beggars, 149 were children. The tabular analysis has been done to highlight the problems and the analysis systematically describes the reasons for beggary and its characteristics. Analyzing the data, they observed that three main factors namely poor physical condition and social factors are responsible for making beggars. The numerical findings of the study show that out of a total sample of beggars 92 percent, 5.3 percent and 2.7 percent of beggars took to beginning due to social reason, poor economic condition and poor physical condition respectively. Thus, this study clearly indicates that poor economic condition is not the prime cause of beginning but one of the causes of begging.They suggested two kinds of policies, i.e., curative and preventive.

Sen (1980) explained that the measurement of poverty can be seen as consisting of two distinct through interrelated exercises, i.e.(I) identification of the poor and(II) aggregation of the statistics regarding the identified poor to derive and overall index of poverty. In the traditional 'head count' approach, the identification exercise is done through the use of the poverty line income as a cut off. Then, the aggregation is done simply through counting the number of the poor and calculating the proportion the 'head count ratio' of people below the poverty line. Both the exercises are in this approach thoroughly dependent on seeing deprivation in terms of low income as such. This book is concerned only poverty inequality and its measurement but still lack to show ethnic poverty.

2.2   Empirical Foundation

The availability of longitudinal data on income in the 1990s has led to a substantial growth in the number of studies on poverty dynamics. Since the panel data are available mostly for the US and EU countries, the literature is mostly comprised of studies on these countries. Different methodologies allow different questions to be asked: "Is poverty a more common experience when viewed longitudinally rather than cross-sectionally?"; "How long does poverty last?"; "What are the beginning and ending events of poverty?"; "Which groups make up the short and longer-term poor?"; "What are the exit and entry rates of poverty?"; "What is/are the reason/s of poverty persistence?". Most of studies find high turnover amongst the poor; individuals below the poverty line are not the same individuals across years. Due to high exit and entry rates, poverty is more widespread than what static rates suggest.

2.2.1 Poverty and Well-being: One-dimensional to Multidimensional Concepts and Measurements

Poverty is synonym to ill-being and reducing it is a major objective of overall development. Preoccupation with economists is that economic growth is necessary condition for alleviating poverty (Glewwe and Gaag, 1990) and meeting wellbeing. Yet it has been increasingly recognized in the past half a century's efforts that growth alone may not be sufficient to bring about substantial reduction in levels of poverty and creation of broader based wellbeing. Thus, the development efforts started to supplementing growth-promotion policies with policies specifically designed to improve the lot of poor. While designing such specific policies, it is inevitable to identify the poor, particularly those systematically being excluded of the opportunities for wellbeing. This leads a question of who the poor and the issue of how poverty is defined (Glewwe & Gaag, 1990).

In practice many definitions of poverty and or wellbeing have been postulated, and it is no means certain that they identify the same people as poor. To the sense of Ravallion and Bidani (1994) comparisons of poverty, such as where or when poverty is greatest, typically matter far more for policy choices than do aggregate measures of poverty. Perceiving this fact, Dasgupta (1993) concluded that constituents of personal wellbeing are quantitatively illusive. Leaving, aside such practical problem of definition and measurement, two ways of assessing poverty/wellbeing and its changes in common are (i) to measure the constituents of wellbeing – utility and freedoms, as in education, health, and (ii) to value the commodity determinants of wellbeing-goods and services which are inputs in the production of wellbing. The former produces measure 'output' such as indices of health and the later evaluates and aggregates 'inputs' such as real national income (Dasgupta, 1993).

The act of 'defining' poverty involves classification of population into poor and non-poor groups and aggregates the 'amount' of poverty into a single statistics (Glewwe, & Gaag, 1990). In practice, hence, there seems to be at least three broad kinds of definitions and indices of measurements one can use in constructing, a measure of a person's wellbeing as (i) her/his current and prospective real income-inclusive of certain non-marketed goods and services, her/his current and future states of health, and (iii) her/his educational attainments. These three are the different categories of goods: where, health and education are an embodiment of positive

freedoms, and income contributes to the enjoyments of these freedoms Dasgupta. 1993). The three indicators, real-income, health and education are viewed to capture in their various ways a number of constituents of a person's ill-being or wellbeing in most of the development discourses. Health and education captures the multidimensional capability aspects of human poverty and the income analyses material aspects of wellbeing. Poverty research and social policy employ a wide variety of poverty definitions. Hagenaars and Vos (1998) found all poverty definitions to be fit into absolute relative and their combinations

2.2.2 Income Poverty: Poverty Line Approach

A 'poverty line' separates the population into those who have an adequate level of welfare from those who do not. Poverty lines can thus be interpreted as deflators that establish the welfare comparability of nominal expenditures (or incomes) across the poverty profile (Ravallion & Bidani, 1994). Common practice to construct a poverty line follows the Basic needs (BN) approach. That takes poverty to mean a lack of command over basic consumption needs, and the poverty line to be the cost of those needs. One method of implementing this definition is to stipulate a consumption bundle considered adequate for basic consumption needs and then to estimate its cost for each of the subgroups being compared in the poverty profile. Following, this, a number of studies for developing countries, worked on to construct poverty profile. The income line drawn based on the cost-of-basic needs generally utilizes household level consumption data with an assumption that welfare is the utility function. As more goods and services are consumed, increases the index of wellbeing. It is assumed that each individuals or households possess the same utility functionand enjoy the same level of consumption wellbeing and regrettably ignores the important question of the intra household distribution of consumption (Glewwe&Gaag, 1990) allocated to the women and children.

To monitor poverty, countries typically use either an absolute or a relative indicator (Notten & Chris, 2011). Absolute and relative indicators reflect different perceptions of poverty. People in absolute poverty have not enough financial means to achieve a basic living standard, while people in relative poverty have much less financial means to achieve what is considered a normal living standard. As the choice of a particular indicator influences the estimates of the number of poor, measuring only one perspective means missing out on what happens according the other

perspective. Though the absolute and relative poverty groups partially overlap, there is also a group of people who are poor in relative terms but not in absolute terms. Common practice of drawing a poverty line is to select a cut-off level of income below which a person or household is deemed to be poor (the poverty level), and gives estimates of the proportion of population whose income is below it. The poverty line per se, headcount index is derived by:

$HI=M/N.$

where, stands for the number of poor whose income is below the cut-off level of income line (poverty line), and N refers to the total population under study.

2.2.3 Basic Needs: Poverty as Ends Perspective

The basic approach of 1970s emerged as alternatives to poverty line or head count index perspective of measuring poverty - wellbeing at households and individuals level. The approach concerned to provide people with their basic needs as an 'ends' to achieve fullest possible of welling. ILO defined basic needs in terms of food, clothing, housing, education and public transportation and put employment as both a 'means' and an 'ends' of poverty, including participation in decision making. This concept defines households as poor if their food, clothing, medical, educational and other pertinent needs are not met. It does not attempt to aggregate the various aspects of basic needs into a single welfare indicator, complicating the classification of households as poor or non-poor. Subjectivity in determining, adequate levels of health care, housing, education and cultural amenities are seen further problems in measuring levels of wellbeing under the basic-needs perspective.

The basic needs approach emerged in the ground to development debate with the advent of the 1976 World Employment Conference of ILO viewed poverty alleviation strategies to be framed from *'ends '* perspective. It forwarded approach and methodology to quantify basic needs for the 25 years (1975-2000) target period and required growth - what GDP must be, if even the poorest 20 percent of the population would have enough to eat, decent housing, and high quality education (Emmerij, 2010). Inherent contention of the approach is that 'the satisfaction of basic needs – esteems from the belief that whatever these needs are, they can be satisfied through a sufficient level of purchasing power' (Kabeer, 1994) - an adequate index of needs satisfaction.

The basic needs perspective connotes 'human needs is about more than physiological survival (i.e. basic calorie needs): it is also about living a healthy active life and participating in the life of the community'. These are the 'beings and doing' that people value to have their full 'agency achievements' (Kabeer, 1994). Basic-needs therefore encompass culturally defined levels of physical (health, housing, clothing, sanitation) and social (education, wellbeing security) wellbeing including otherintangible aspects of deprivation i.e. powerlessness, dependence, isolation and humiliation (Chabmer, 1995).

2.2.4 Poverty as Entitlements Failure

The concept of entitlement in poverty discourse comes from Sen (1981). It asserts that the distribution resources in any society occurs through a complex system of claims, which are in turn embedded within the social relations and practices that govern possession, distribution and use in that society. Poverty occurs 'because of the value of the two main parameters — endowment and exchange entitlements — that constitute the basis of household or individual claims to the social products is not sufficient to cover basic needs (Kabeer, 1994)

2.3 International Context

Vreyer, Philippe and Sylvie (2020) explained that Intra-household inequalities have long been a source of concern for policy design, but there is very little evidence. The current practice of ignoring inequality within households could lead to an underestimation of both overall inequality and poverty levels, as well as to the misclassification of some individuals as regards to their poverty status. Using a novel survey for Senegal in which consumption data were collected at a disaggregated level, this paper quantifies these various effects. In total, two opposing effects, one on mean and one on inequality, compensate each other in terms of the overall poverty rate, but individual poverty statuses are affected.Intra-household consumption inequalities accounts for14 percent of inequality in Senegal.The authors uncover the fact that household structure and organization are key correlates of intra-household inequality and individual risk of poverty.

Neubert (2019) concluded that social inequality with a focus on poverty has part and parcel of the development debate at least since the 1970`s. The main data on inequality is provided by development organization (world Development Report,

Human Development report). These reports offer an increasingly nuanced analysis of inequality from the late 1970 upto the present with Amartya sen's writing, the concept of poverty went beyond the simplified notion of per capita income, and current concepts includes access to entitlements and freedom of action. Sen's ground-breaking ideas led to multi dimensional concepts of poverty, including, access to basic needs and assets to guarantee survival. These applied concepts show that simple criteria such as control over the means of production, occupational position, can not describe people's social position and vulnerability.

Khurram and Hassan (2019) sought to measure the incidence of poverty and explore correlates of rural poverty in district Bhakkar - Pakistan. The study employed the Foster-Greer-Thorbecke (FGT) class of decomposable poverty measure as an analytical tool to decompose poverty against various household groups and their characteristics. Analysis of data collected from 300 households showed that household size, dependency ratio, gender, age and educational attainments of household head, female-male ratio, participation rate, landholding size and ownership of livestock and physical assets were found to be correlated with the household poverty status. Poverty headcount, gap and severity indices in the area worked out to be 64percent, 31percent and 19percent respectively. The results were consistent with findings of the literature.The study suggests investment on socio-economic conditions as a remedy to reduce poverty.

Kapur (2019) explained the major causes of are poverty, illiteracy, unemployment, homelessness and crime and violence. Poverty is the condition, when the individuals do not possess sufficient financial resources to sustain their living conditions. The major causes of poverty are, unemployment, participation in minority jobs, illiteracy and unawareness,occurrence of natural calamities and disasters, inadequate financial management, borrowing loans, large families, health care needs, migration and participation in other activities. Illiteracy is the inability of the individuals to identify, interpret, understand, create, communicate, and compute, printed and written materials. Causes of illiteracy are, lack of financial resources, parental illiteracy, lack of educational facilities, lack of teaching-learning methods, lack of interest in studies, transportation problems, shortage of teachers, engagement in employment opportunities, child labour and social disputes. Unemployment is the condition, when individuals are not involved in any job or activity, primarily to

generate income. The major causes of unemployment are, increased education expectations, lack of basic literacy skills, family and household responsibilities, decent work deficit, lack of information, health problems and illnesses, temporary contracts, skills mismatch, lack of training for work and social restraints upon women.

The state of homelessness is characterized by lack of housing accommodation or shelter. The homeless individuals live in various areas, including roadsides, temporary shelters, or with relatives and friends. These are, displaced individuals, migrants, inmates of institutions, living in other households, urban slums and itinerant groups. The major causes of homelessness are poverty, landlessness, natural calamities and disasters, wars, communal riots and political conflicts. In rural communities, the various forms of criminal and violent acts are, verbal abuse, physical abuse, trafficking, exploitation, theft and robbery, sexual harassment, dowry deaths, domestic violence, rape and acid attacks. Women and girls mostly experience various forms of crime and violence, within and outside the household. The difficulties that individuals are required to experience depend upon the extent of these problems.There have been formulation of measures, policies and programs by the government, organizations and agencies, which aim to alleviate these problems and facilitate education, health care and employment opportunities among the individuals.

Yoga, Budhi and Setiawina (2019) examined the Socio-Economic factors on the results of the descriptive analysis and discussion that has been described. It can be concluded that education, investment, and the contribution of the agricultural sector have a negative effect on the level of poverty in Bali Province. Education, investment, and the contribution of the agricultural sector show an inverse relationship; so that the increase in investment education and the contribution of the agricultural sector will reduce the level of poverty in the Province of Bali.While population density, unemployment rate, life expectancy, and income distribution have a positive effect on poverty levels in Bali Province. This means that population density, unemployment rate, life expectancy, and income distribution show a unidirectional relationship, so that increasing population density, unemployment rate, life expectancy, and income distribution will increase the poverty rate in Bali Province.

Based on the analysis, discussion, and conclusions described earlier, to improve the welfare of the people in Bali, especially to reduce poverty levels, it can be suggested to the Bali Provincial Government to encourage low-investment districts

(Bangli, Karangasem, & Jembrana Regencies) to make breakthrough efforts innovative attract investors to invest their capital in accordance with the potential of each region to support the sustainable development of Bali. Development programs implemented to focus on inclusive economic growth based on equity (inclusive economic growth based on equity). Physical infrastructure investment opens access to remote rural areas reaching the lowest income groups of the community economy.

Kabuye and Muskasa (2018) explained the older people's understandings of poverty and government policies for fighting poverty.It employed qualitative method, including focus group discussions and key informant interviews. A total of 120 older people in two districts in Uganda participated in the study. Based on the thematic analysis and observation of non-verbal communication, older people's perspective on poverty included a wide range of deprivation in their household. It tells, their is a lack of legislation support and effective information for old people to demand accountability or influence policy strategies to address poverty.

Iqbal, et al. (2018) analyzed the current poverty status and determinants of poverty in Punjab of Pakistan. Based on a cross-sectional data of 480 farmers collected from six districts in2014.Survey of farmers were interviewed with semi-structured questionnaire.Thestudy reveals that poverty is widespreading all districts and about half of the sample farm households fall below the poverty line ($2 a day). The results of the study show that severity and extent of poverty reduce with increase in the diversification of income sources moving from agriculture to other off-farm sources of income. If there is only agriculture as source of income then 68percent of the farm householdswere under the poverty line, while adding non-farm and unearned income sources to agriculture sector will reduce poverty up to54percent. This study also reveals important findings in defining rural poverty in study areas.This study shows that education, farming area, distance from input market, access to credit, livestock ownership is negatively related to poverty status of farmers which implies that these factors may be important to consider while designing effective policies to eradicate rural poverty in Pakistan. The study also shows an important role of adaptation to various environmental risks in eradicating poverty in the study areas. The highly significant impact of adaptation on poverty status of farmers implies that by adapting to various kind of environmental risk, the farm may avoid potential losses

to their crops and farm. All these adaptation efforts may enable farmers to enhance their farm productivity and farm incomes. The study reveals that still most of the farmers are relying only on agriculture sector which could be one of the main reasons for existing poverty in the study areas. Hence, proper policies are required to address these issues. Farmers' may need awareness or proper guidance to diversify their farm to divide or share their risk. This risk aversion behavior may be an effective tool in reducing poverty in the rural areas.

Bijla (2018) explored that India had made notable progress in reducing poverty. Incidence of poverty declined from 35 percent in 1993-94 to 22 percent in 2011-2012. It declined in both urban and rural areas. Poverty, however, remains a rural phenomenon where live 80 percent of the total poor. For the rural poor, agriculture is the main source of livelihood, but it is vulnerable to several production and market risks. Diversification of agriculture towards livestock is considered a pathway out of poverty, and this paper examines whether it helps escape poverty.This results confirm that the poverty in rural areas has fallen, and livestock, particularly dairy animals, have played a significant role in it. Bovines prevent households from falling into poverty, and also help them to escape poverty. On the other hand, small ruminants are not much effective in poverty alleviation as these are mainly reared by the extremely poor households for subsistence purpose. On the other hand, India's majority of the population is vegetarian with milk and milk products as important components of its diet. Market for dairy products is better organized than for the meat and wool. These results clearly suggest need for greater investment in livestock sector to harness its pro-poor growth potential.

Zhang, Zuo and Zhou (2018) studied rural poverty and poverty reduction are not only the focal issues that have attracted worldwide attention, but also the vital issues on people's livelihood that has attached great importance and aimed to be solved by the central and local governments of China. Based on the survey data of 354 farming households, this paper, taking the national poverty county of Lingao County, Hainan Province for an example, examined the characteristics of rural poverty of the county. Moreover, this paper established the spatial lag model (SLM) from five dimensions, namely, status of the household head, household structure, health status, income composition and traffic accessibility, to analyze the main influencing factors of rural poverty according to the values of Moran's I and the

diagnosis of spatial dependence of the OLS model. It is found that the poor farming households gathered mainly in five towns in the north and southwest of the county, and the rural poverty have the characteristics of low educational level of the heads, more minor children, high population of farming peasants, high incidence of disease and low proportion of household wage-equivalent income. The results also showed that the variables such as the number of minor children, the number of migrant worker, the number of farming peasants and the proportion of wage-equivalent income have significant effectiveness on rural poverty, while the status of the household head, health status and traffic accessibility have little influence. It is an important way to realize the goal of poverty alleviation by controlling the number of farmers' fertility, strengthening the vocational skills training of farmers, vigorously developing specialization and large-scale agriculture and increasing the employment opportunities of farmers.

Dey (2018) combined two relatively nascent and inter-related approaches to poverty analysis and measurement, that is, the asset-based approach and the vulnerability approach to assess the poverty status of various land-owning classes in rural India. Contingent on the finding that marginal and small-holder households constitute a high-risk group in terms of the incidence of current poverty and vulnerability to future poverty, the study explores the role of non-agricultural activity in providing livelihood security and tackling poverty and vulnerability among land-poor rural households. The findings reveal that while most types of rural non-farm employment have significant poverty-reducing effects, human capital constitutes the most potent element in tackling poverty in the target group. We therefore suggest that an emphasis on skill upgradation of marginal and small landholders, coupled with policies directed towards development of non-farm activity, could provide an effective, permanent solution for curbing poverty and mitigating livelihood risks among these households.

Johnson (2017) examined why poverty has been persistent in all regimes that have tried to use public policy to eradicate it with no success. This research begins to examine the economic, fiscal, and current Federal Reserve monetary policy for an understanding of why poverty persists. The purpose of this experimental, cross-sectional design is to test the relationship between poverty level, population size, gross domestic product and the Gini coefficient. The most important outcome of the

research is to understand if poverty is an unintended consequence of economic activity and not individual circumstance. In the dissertation, 5 U.S. states are examined in the year 2014. The data were collected using the U.S. Census Bureau and American Community Surveys. Using multiple regressions, this research aimed to establish the minimum amount of expected poverty in the sample's population and gross domestic product (GDP). Using the results and further research, a predictive model could be created to understand how poverty, population, and GDP intersect to create stable economies. The key results yielded the Gini coefficient has no effect in predicting expected poverty levels. As determined by the model, Arizona would have a poverty decrease of 17.1 percent and Illinois' poverty would decrease by 7.7 percent Georgia and Washington would increase by 9.4percent and 21.8percent, respectively. New York's levels would remain the same. One of the recommendations is continuing research to understand other quantitative factors that reduce or increase poverty numbers.These results help promote social change by possibly informing monetary policymakers more targeted solutions to mitigating poverty levels.

Andriopoulou, Karakitsios and Tsakloglou (2017) examined the levels of inequality and poverty in Greece during the recent crisis and compared their structures before and close to the peak of the crisis, using the information of EU-SILC. During the period under examination, 2007-2014, there was a decline in the income shares of the two lowest and the top decile. As a result, indices sensitive to the existence of very low incomes record a substantial increase in inequality, while indices that are relatively more sensitive to changes in the middle or the top of the distribution record a more modest increase in inequality (or, even, decline). Relative poverty, measured using "floating" poverty lines recorded an increase that appears to be quite substantial when distribution sensitive poverty indices are utilized. Taking into account that disposable income declined by almost 40percent in the period under examination, it is not surprising to find that poverty using "anchored" poverty lines shot up. Depending on the index and its sensitivity to the existence of very low incomes, the estimated poverty indices rose between 100 percent and 200 percent. Changes in the structure of inequality and, particularly, poverty were driven primarily by the enormous increase in unemployment. Regarding its structure, both before and during the crisis inequality emanated primarily from differences "within" rather than "between" population groups. During the crisis, the importance of differences between socio-economic

groups in shaping aggregate inequality rose, while that of differences between educational groups declined. With respect to the structure of poverty, the effects of the increase in unemployment are evident in every partitioning of the population. On the contrary, despite the decline in their income in absolute terms during the crisis, the pensioners improved considerably their relative position and their contribution to aggregate poverty declined substantially – on the flip side of the coin, there were increases in the contributions of households with children and better educated households.

Mduduzi and Talent (2017) explained the the first four waves of the National Income Dynamic Study to determine the factors that influence poverty and household welfare in South Africa.Contrary to most existing studies, which have applied ordinary least squares and probit/logit models on cross-sectional data, this analysis captures unobserved individual heterogeneity and endogeneity, both via fixed effect, and via a robust alternative based on random effect probit estimation. The results from fixed effect and random effect probit indicate that levels of education of the household head, some province dummies, race of the household head, dependency ratio, gender of the household head, employment status of the household head and marital status of the household head are statistically significant determinants of household welfare. Consistent with previous research, we also found that, compared to traditional rural areas (used as reference category), households living in urban and farms are less likely to be poverty stricken, which implies that rural areas (traditional rural areas) should continue to be a major focus of poverty alleviation efforts in South Africa.

Meyer and Niyimbanira (2016) explained Poverty is a multi-dimensional socio-economic problem in most sub-Saharan African countries. The purpose of this study is to analyse the relationship between household size and poverty in low-income communities. The Northern Free State region in South Africa was selected as the study region. A sample of approximately 1 900 households was randomly selected within 11 poor communities in the region. A poverty line was calculated and 74% of all households were found to live below the poverty line. The Pearson's chi-square test indicated a positive relationship between household size and poverty in eleven of the twelve low-income communities. Households below the poverty line presented larger households than those households above the poverty line. This finding is in

contradiction with some findings in other African countries due to the fact that South Africa has higher levels of modernisation with less access to land for subsistence farming. Effective provision of basic needs, community facilities and access to assets such as land could assist poor households with better quality of life. Poor households also need to be granted access to economic opportunities, while also receiving adult education regarding financial management and reproductive health.

Wang, et al. (2016) investigated the relationship between income poverty and multidimensional poverty in China and their findings show that one, income plays a crucial role in poverty measurement, and two, the results of income poverty and multidimensional poverty measurement are largely consistent up to a certain point. However, their study reported that 75 percent of the extreme multidimensionally poor are not income poor, thus supporting the notion that income poverty alone is unable to capture a comprehensive picture of poverty.

Suppa (2016) explained towards discrepancies between income poverty and multidimensional poverty. Suppa conducted a study in Germany with the objective of comparing Germany's official incomebased poverty measure with multidimensional poverty based on the AFM and found a significant discrepancy in the identification of the poor. The author concluded that the mismatch of identifying the poor accurately is due to inherent conceptual flaws in the income poverty measure. Furthermore, the author concluded that no clear correlation exists between income poverty and multidimensional poverty.

Sehrawat and Giri (2016) attempted to answer the critical question: does financial sector development lead to poverty reduction? Design/ methodology/ approach - stationarity properties of the series are checked by using Ng-Perron unit root test. The paper uses the auto regressive distributed lag (ARDL) bound testing approach to co-integration to examine the existence of long-run relationship; error-correction mechanism for the short-run dynamics and granger non-causality test to test the direction of causality. The co-integration test confirms a long-run relationship between financial development and poverty reduction for India. The ARDL test results suggest that financial development and economic growth reduces poverty in both long run and short run. The causality test confirms that there is a positive and unidirectional causality running from financial development to poverty reduction. Research limitations/implications.This study implies that poverty in India can be

reduced by financial inclusion and financial accessibility to the poor. For a fast growing economy with respect to financial sector development this may have far-reaching implication toward inclusive growth.This paper is the first of its kind to empirically examine the causal relationship between financial sector development and poverty reduction in India using modern econometric techniques.

Katsushi, Raghav and Wenya (2016) examined the role of agricultural growth in reducing inequality and poverty in developing countries by modelling the linkage between agricultural and non-agricultural sectors. They have found that agricultural growth is more important in reducing poverty. The study has emphasised the revival of agriculture as the main driver of growth and elimination of extreme poverty. Although the official methodology to estimate poverty has been revised by the Planning Commission of India in 2009, yet no study has been done to link poverty in India with the sectoral growth using latest Tendulkar methodology. Hence, this paper tries to fill this gap and analyse poverty estimates based on Tendulkar Methodology which provides a broader definition of poverty. It defines poverty not in terms of annual income but on the basis of consumption or spending per individual over a certain period for a basket of needed goods. The study is thus expected to provide better understanding of importance of sectoral composition of growth for poverty reduction in India.

Nindi and Odhiambo (2015) examined the causal relationship between poverty reduction and economic growth in Swaziland during the period 1980–2011. They used ADRL-bounds testing approach to co-integration, and the VECM-based granger causality method to examine this linkage. The study also incorporates financial development as a third variable affecting both poverty reduction and economic growth – thereby leading to a trivariate model. The results of this study show that economic poverty reduction in Swaziland – either in the short run or in the long run. Instead, the study finds a causal flow from poverty reduction to economic growth in the short runor in the long run. These findings, however, are not surprising, given the high level of income inequality in Swaziland. Studies have shown that when the level of income inequality is too high, economic growth alone may not necessarily lead to poverty reduction.

Majeed and Malik (2015) examined household characteristics and personal characteristics of the household head as the determinants of poverty in Pakistan. The study decomposes education of the household into different levels: primary, middle,

matriculation, intermediate, bachelors and higher studies and finds evidence that poverty is greatest among the less literate households and declines as education level increases. The probability of being poor reduces in urban area implying that incidence and severity of poverty is more pronounced in rural areas. The role of remittances appeared significant in reducing probability of being poor and this is more striking in rural areas. The variables that are negatively related with the probability of being poor are: experience, age square and agriculture employment status. While the variables that are positively related with the probability of being poor are: household size, age of the household head, male-headed households and the provincial residence.

Marriott and Sim (2014) investigated a number of inequality indicators in New Zealand.The research examines the current gaps in the indicators between the European population, and Māori and Pacific people. The study also undertakes a comparison of the changes in the gaps over a period approximating 10 years for each of the indicators. A total of 21 indicators are investigated in this study, incorporating measures of health; knowledge and skills; employment; standards of living; cultural identity; and social connectedness. The aim of this research is to assess the extent to which indicators suggest that the inequality gap is increasing or decreasing between European and Māori, and European and Pacific people in New Zealand. In general, all ethnic group measurements are moving in the same direction, that is, most ethnic groups are improving or not improving for a specific measure. However, increases are visible in gaps for the majority of the indicators examined in this article, that is, the indicators suggest greater inequality has resulted over the 10-year period for both Māori and Pacific people. Of the 21 indicators assessed in this study, eight 38 per cent show improvements in the form of a decreasing gap between European and Māori, although not all of these improvements are significant. Less positive results are visible in 12 indicators 57 percent, which produce increasing gaps between European and Māori. One indicator is largely unchanged. Not all indicators are available for Pacific people, but of the indicators measured, five 29 percent showed an improvement in the form of closing gaps between the European population and Pacific people. Again not all of the decreases in gaps are significant. Worsening differences were found in 11 65 percent of the indicators measuring inequality between the European population and Pacific people. Similarly to the Māori population, one indicator remained unchanged.

Khan and Shamshad (2014) analyzed the spatial variations in the incidence of poverty and level of deprivation in India. The causal relationship between poverty rate (dependent variable) and twenty five selected socio-economic variables (independent variables) of deprivation has been also taken into account. The state/union territory has beentaken asthe smallest unit of study. The entire research work is based on secondary sources of data. The study reveals that the level of poverty is low in northern and southern states of India, and it is high in central-eastern states extending from the state of Maharashtra in the west to the state of Bihar in the east. The level of deprivation is high in the states extending from Rajasthan in the west to Orissa in the east, medium level in the southern, north-western and north-eastern states and it is low in the northern and southern most states of India.

Gelaw and sileshi (2013) evaluated the impact of food prices inflation on consumption expenditure and poverty status using panel data of 1,078 rural households collected in 2004 and 2009 from four regional states in Ethiopia. The study revealed that the incidence of poverty was 37 percent in 2004 and increased to 54percent in 2009 while the inflation rate between these two periods was 308.09 percent. The random effect regression results indicate that the use of fertilizer, livestock holding, participation in off-farm activities, family size and land size significantly determine poverty status. Controlling these factors, the level of poverty was also found to increase with the rise in prices of grains. The study also predicts that a one-percent rise in grain prices is expected to increase the incidence of poverty, the poverty gap and the severity of poverty by 0.25 percent, 0.13 percent and 0.08 percent respectively. Also controlling for production related shocks, it was found that the rapid rise in the price of grains was responsible for the observed increase in poverty between the two periods.The policy implication is that the country's overriding objective of reducing poverty cannot be achieved without reducing the negative impact of rapidly rising grain prices.

The rise of grain prices could have a direct implication for households consumption and hence, poverty level.It`s impact however would depends on whether the rise in prices affects consumption more than the income of households. Also the effect of the increase in grain price on household`s poverty may depend on whether the households are majority net buyers or net sellers of the grains. The other factors that may have bearing pertaining to grain price in explaining poverty is the relative

magnitude of rise in price of grain vis-a-vis the price of non-grain consumption items. The magnitude of price hike relation to the price of non-grain food products could also be important factors in determining the direction of the effect of grain price hikes on poverty level.Other causes of factor was relative magnitude of price of grains to price of inputs. The more significant increase in price of these input relative to the price of grains could increase the cost of grain production and thereby lead to poverty as a result of the reduction in producer`s net income.

ADB (2013) prescribed the strategy envisions on Asia and pacific that is inclusive, where the region's gain and opportunities are shared by all. A development strategy anchored in inclusive growth will have two mutually reinforcing strategic focuses: First, high, sustainable growth will create and expand economic opportunities second, broads access to these opportunities will ensure that member of society can participate in and benefit from growth, without props attention and planning it will become increasingly difficult for growth to reach the impoverished who remain excluded by circumstances poor. ADB's support for achieving growth in developing countries includes investment in infrastructure to achieve high sustainable economic progress connect to poor to market and increase their access to basic productive assets. The majority of the poor in the region, including most of the absolute poor are women. Women comprise the largest group among those excluded from the benefits of the region's economic expansion. ADB emphasizes gender equality and the empowerment of women as fundamental element in achieving inclusive growth. It also work to increase investments aimed at providing women with better access to education and other economic resources such as credit.

Ahmad (2013) explored that Poverty is the core issue of South Asian countries where poverty prevails consistently and it is an immense obstacle in the way of development of these countries. Like other South Asian countries, Pakistan is also struggling to combat against the genie of poverty. It is also well known fact that poverty is a rural phenomenon in developing countries like Pakistan. Hence, in this study we focus our attention towards rural aspect of the poverty. Out of different channels to alleviate rural poverty we choose to investigate the impact of rural infrastructural development on rural poverty alleviation of the Pakistan. Therefore, in this study, question of thesis will be to determine the effects of "rural infrastructural development" on poverty alleviation and growth enhancement of rural Pakistan

because it is believed that rural infrastructural development has two way effects on poverty reduction. Firstly, it directly affects the poverty scenario of the masses through employment generation. Secondly, it helps the masses to fight against the poverty through growth enhancement because increased growth has supposed to be helpful for poverty reduction of the country.

Khudri and Chaudhury (2013) evaluated living standards and socio-economic status of Bangladeshi households through constructing an asset index and identify key determinants of poverty in Bangladesh using the data extracted from 2007. Remarkable progress in basic services which include availability of electricity, source of drinking water and sanitation facilities as well as housing characteristics provided the evidence that overall condition of households was improved in 2007 relative to 2004. Ownership of land and dwelling made of cemented floor, roof, and wall indicated positive impact on socio-economic status of any household whereas poor source of drinking water, sanitation facilities and dwelling made of low quality construction materials had negative impact on the index. Using logistic regression model, a set of demographic variables such as division, type of place of residence, own land usable for agriculture, highest education level and employment status were identified as key determinants of poverty. The results also revealed that ownership of agricultural land, having higher education reduce the likelihood of being poor whereas rural and unemployed people were more prone to poverty. The quality of life of the population in Bangladesh appears to have improved very significantly in recent years. This is reflected in reduced incidence of poverty with substantial improvement in standard of living in terms of non-food indicators and increased nutrition from a more diversified food consumption basket. Access to basic services has increased remarkably and the distribution of income and expenditure has become stable since a couple of years. In accordance with HIES 2010, poverty rate in Bangladesh (estimated using the upper poverty line) has dropped to 31.5 percent, and 8.5 percent decline in the last five years since 2005.

Andriopoulou and Tsakloglou (2011) analyze the poverty dynamics in 14 European countries in a seven-year period and find that the prevalence poverty rate, which measures the proportion of individuals that experience poverty at least once in the whole period of the survey to the total population, is almost double than the

poverty rate.This is an indication that mobility exists and that for a substantial proportion of the population poverty is a transient situation.

Wickeri (2011) analysed many aspects of land ownership in Nepal, including the related issues of agricultural development, the impact of non state actors in newly-formed special economic zones, and the claims of landlords returning to land seized during the Maoist conflict is beyond the scope of this project. The Report and study focused on documenting the impact that inadequate access to land has on the human rights of landless people, including rights to housing, food, water, work, and access to justice. The Report consists of four parts. Part I provide a background of the legal framework and political context of land rights in Nepal and detail the domestic law and document several of its shortcomings. It also provides background on gender, ethnic, and caste discrimination despite prohibitions. Part II presents the delegation's findings regarding the impact of landlessness on a range of rights, focusing on the impact on socio-economic rights and the attendant vulnerability to further exploitation that this impact has. Part III considers the place of land rights in the international legal framework. It considers the gap-the lack of an explicit "right to land"-that exists and its impact, and also examines the relevant human rights that underlie access to land. The final Part provides some conclusions and recommendations to the Nepali government and civil society, as well as the international community. The recommendations are drafted with the understanding that the constitution drafting process is ongoing with a view to providing possible steps that are realistic and also effective.

Loayza and Raddatz (2010) studied the relationship between output growth and poverty for more than 50 countries. They found that the composition of growth which involves severe use of unskilled labour leads to more significant reduction in poverty. This is because poor people can afford only this type of input to the production process. Therefore, sectors which are more labour intensive have more strong effect on poverty reduction. The study found that agriculture is the most poverty-reducing sector, followed by construction and manufacturing.

Ligon and Sadoulet (2008) explored in their paper which is done as a background for the World Bank's 2008 World Development Report found two contrary results. For the poorer sections of the society, agricultural sector growth is more important than the non-agricultural sector growth whereas the opposite is true

for the richer sections i.e. the expenditure elasticity non-agricultural growth is much higher than for agricultural growth whereas the opposite is true for the richer sections i.e. the expenditure elasticity non-agricultural growth is much higher than for agricultural growth.

Bresciani and Valdes (2007) explored that labour market, farm income and food prices links agricultural growth to poverty. They provide a theoretical framework for examining the quantitative importance of these links and their analysis considers six country case studies. They conclude that when both the direct and indirect effects of agricultural growth are considered, such growth is stronger in reducing poverty than growth in non-agricultural sectors.

Christiaensen and Demery (2007) explained that the contribution of economic growth to poverty reduction may vary across sectors because the benefits of growth can be easily enjoyed by the poor. People if growth occurs where they are located. They find the growth from agriculture is significantly more poverty reducing than growth outside agriculture.

World Bank (2005) defined poverty that applies to individual but is measured from household data; and in practice it nearly always use headcount measure, even through this is just one of many possible measures. The first problem is determining the purchasing power of dollar in each country. One dollar buys less in the U.S than in India. So, someone living in $500 per month in the U.S would be poor, in India they would be comfortably off.

The relationship between poverty and education is particularly important because of the key role played by education in a rising economic growth and reducing poverty. The better educated have higher incomes and thus are much less likely to be poor. Combodians living in household with an uneducated household head are more likely an to be, with the poverty rate of 47 percent in 1993/94. With higher level of education, the likelihood of being poor falls considerably. Rising education attainment is clearly a high priority in order to improve living standards and reduce poverty. Policies and programmes designed to help poor seemed good on paper but in practice, do not work as expected. To judge the effect, own would ideally like to monitor the effect of policy on the poor, and evaluate the outcome in comparison with a controlled

group. Rigorous analysis of this kind is needed both to improve the design of the project and programmes, and to weed out ones that are not working.

Measurement of poverty is necessary, but not sufficient; it is also important to think clearly and systematically about how the position of the poor improved and to act in consequence.

Regarding income or expenditure as the measure of poverty most developed countries measure poverty using income, while most poor countries use expenditure. There is logic to this; in rich countries, income is comparatively easy to measure while in poor countries expenditure is easy to measure than income.

SAARC (2005) explained poverty and inequality, women empowerment, labour skills, mobility and poverty reduction, remittances and poverty reduction. Regarding the methodology, RPP country teams were formed in each of the seven SAARC Member States to collect data and write reports. The country teams generally consisted of one representative from a designated nodle agency, one statistician/ demographer and one economist/researcher from an independent research institute.

The RPP main report is based largely on the data and analyses provided by the country teams. Data and also analyses, obtained from other sources such as, UNDP, ILO. The World Bank and ADB were used.The report describes that SAARC countries have made remarkable progress in accelerating per capita GDP growth rates and reducing poverty in the last two decades. However, unequal distribution of the gains of growth has created an emerging challenge in the area of poverty reduction.

Gender Development Index (GDI) in most countries of the region is still very low. It is absolutely necessary to address the gender disparity as soon as possible. Poverty alleviation efforts cannot be sustainable until the female segment of the society is able to play their proper role. Further unskilled labor power is the main asset of the poor. But without land or other physical productive or human capital assets cannot take the poor far. The shift of workers out of agriculture is increasing. It is reflected in the low and declining levels of employment elasticity in the agricultural sectors in most of the SAARC countries. However, the low and declining employment elasticity in the farm sector themselves is a major challenge to employment policy makers in SAARC countries.Remittances have had a very significant role on reducing

poverty in these countries. Remittances are transferred through different channels that differ with respect to cost, speed and convenience. Regarding a policy perspective, it is desirable to reduce transfer cost, discourage the use of informal channels and promote transfer that enters financial institutions in the receiving countries.More attention needs to be paid to collecting and publishing credible data on international migration and remittances in general and contractual labor within south Asian countries in particular.

Sen (2005) explained his feelings about the perspective of poverty in SAARC Nations. The author strongly holds the view that people are not born to alleviate their poverty they are born with the right to express themselves as well as to apply their talents and creative power. Even poor parents long to see that their children have come out victorious in the struggle for existence. They gladly starve themselves to assist their children to march on in life. At the same time, we are seeing that the society has provided some opportunities for the people; and many of us are satisfied with what the society has done for them, as against a class of people in the society enjoying political and economic honeymoon.

But it is a tragedy that we have not yet had the opportunity to see that the poor producers are turned into economic growth agents either in the field of agriculture or industry. It is a pity that we never feel that social justice is never like anything to be given out of favour rather it is to be given as a matter of social obligation and responsibility.They still ignore in calculus of economics that it is the 17 hardworking poor who are the most efficient of our social classes. Their rates of returns on capital are the highest, their choice of technology, more appropriate to our resource base, their consumption less, import-intensive, their willingness to state their own equity more apparent and their repayment of loans more reliable than the better-off classes of our society. To leave the toil of this class unrewarded, its skills under used and its capacity to use resources under-utilized is a luxury that no poverty stricken and externally dependent nation can afford. Hence, the need for the society's categorical duty towards the have-notes is to honor the principles of justice in regard to awarding co-ownership of the factors of production by turning them into growth agents, if there is at all to be any social justice in the truest sense of the term. It is, therefore, imperative for the economists, national planners and thinkers to realize this

humanness of people. They are required to be very much particular in devising policies and strategies for the establishment of social justice. And if they do so in real earnest, there will be no need for separately for separate endeavor to alleviate poverty and the need to be concerned poverty alleviation will automatically disappear.

Osinubi (2005) explored out that there is high level of poverty in Nigeria. Majority of people live in object poverty. Unemployment is also a serious threat in the country. It has the relation with poverty. The estimates of the model of the study, however, show an inverse relationship between poverty level and unemployment rate which implies that increase in unemployment rate reduces poverty in Nigeria, and increase in level of poverty reduces unemployment rate. This was due to the fact that when people become unemployed in the official sense in Nigeria, many still engage in various types of irregular jobs which are not officially regarded as employment. These irregular jobs make many of the workers better-off and increase their quality of life and bring them out of poverty. Also, some of the workers who become unemployed in Nigeria depend on their non-poor relatives for survival, and in many cases, their non-poor relatives make them to be better-off and bring them out of poverty. By implication, when people become very poor, they tend to accept jobs that go with very low wages, this reduces unemployment.

Economic growth is not alleviating poverty and unemployment rate in Nigeria rather in exacerbates it. For poverty alleviation and unemployment reduction, the growth is a necessary but not only condition. For growth to be an effective strategy, it has to be mixed by a deliberate policy of redistribution. The pattern of growth in Nigeria needs to be changed so 16 that the poor in rural and urban areas can adequately participate in the process. Nigeria needs broad-based and labour intensive growth strategies. Adequate social services and infrastructure to reduce the depth and severity of poverty in Nigeria should be provided. Growth strategies should be targeted at the poor, more investment should be made in human capital, agriculture should be adequately boosted and adequate emphasis should be placed on manufacturing and petroleum industries.

DFID (2004) emphasised the relationship between poverty reduction and the growth of agricultural productivity. They have linked the relationship through four transmission mechanisms: (1) direct impact of improved agricultural performance on rural incomes; (2) impact of cheaper food for both urban and rural poor; (3)

agriculture's contribution to growth and the generation of economic opportunity in the non-farm sector; and 4) agriculture's fundamental role in stimulating and sustaining economic transition. They concluded that these transmission mechanisms can lead to poverty reduction depending on the extent to which agricultural productivity can be increased where it is most needed

Dao (2004) studied statistical model and data from a sample of 32 developing countries to empirically analyze the determinants of rural poverty in developing countries based on theoretical explanatory variables suggested by the economic development literature as well as those that come from case studies for specific countries or regions of the world. The empirical results are robust as indicated by the high value of the adjusted coefficient of determination. From these, we are able to make the following conclusions:

(a)   To alleviate rural poverty in developing countries, effort must be made to increase the share of income or consumption by the lowest income decile in the population.

(b)   Since the rural poor are poor in developing countries because they lack economic resources such as physical capital and human capital (in the form of training) which assist them in improving their agricultural productivity, government programs designed to raise the level of both physical and human capital of agricultural workers will go a long way toward alleviating rural poverty.

(c)   Government efforts to lower the total fertility rate through the introduction and encouragement of the use of various methods of contraception and to increase the female adult literacy rate will help break the vicious cycle of high fertility-increased rural poverty.

(d)   Where rural areas can be used as tourist attractions, governments in developing countries need to invest in infrastructure while encouraging private business to provide tourist services via tax break incentives.

(e)   Government assistance in irrigation of croplands is called for in the quest for the reduction of rural poverty in developing countries.

Heshmati (2004) explained that inequality and poverty is that the simultaneous and direction of causal relationship between these key variables has been neglected. An establishment of linkage and direction of causality will have major impacts on the

relevance of results and inferences made based on such result. The empirical findings based on large sample of countries and relatively long time period indicates presence of convergence in per capita income but divergence in income inequality. There is evidence of strong convergence among more homogenous and integrated advanced countries but also divergence among less developed countries or regions of countries and the world. The between country contribution is much higher then within country contribution to the world inequality. Democratisation in Western 18 countries has led to institutional changes and changes in taxation and redistribution reducing inequality. Other paths are East Asian Miracle with low inequality and high growth, while the Sub-Saharan Africa with high inequality and low growth. There is a conflicting viewpoint about the causal effects of inequality on growth. Empirical results on the relationship between growth, inequality and poverty, show that outcomes of policy measures are heterogeneous. Depending on the initial position of the poor and diversity of impacts the poor might gain more from redistribution, but also suffer more from economic contraction.

Results based on micro data indicates that asset inequality affects negatively consumption growth and the effect usually vanishes in an aggregate level like that in regional growth models. In general it is rather difficult to measure the effects of inequality and growth on the efforts to reduce poverty in the course of economic development in developing countries. In sum economic growth benefits the poor but at the absence of effective redistribution policies it might deteriorate the income distribution. Initial conditions, institutions, specific country structures, and time horizons each play a significant role in targeting policies to make economic growth pro-poor. Globalisation, openness and technical change have been biased to skilled labour in industrialised countries widening wage differentials suggesting positive association between openness and wage inequality. However, the pattern is seen more complex. For developing countries these changes reduce wage inequality by narrowing the wage gap between skilled and unskilled workers. The relative demand for skilled labour and wage inequality has been developed differently across countries.

Wolfgang (2002) explored a theoretical discussion of welfare measurement on a micro level and of identification of poverty. The theoretical ideas will be illustrated by a description of empirical measures that were used in research on

poverty and distribu tion and examples based on the European Community Household Panel (ECHP). This data set gives the possibility to calculate several poverty measures for relative income poverty, subjective income poverty and relative deprivation. Poverty can be, and in almost all cases it is (explicitly or implicitly), defined as a lack of welfare. On the basis of this very general definition, the paper shows first how welfare can be defined theoretically. For this purpose we use microeconomic household theory. Interestingly, there is a great parallelism between the way the production of utility or welfare is dealt with in microeconomics and the measurement of welfare and poverty in empirical distribution studies. In this theoretical framework the empirical possibilities of poverty and welfare measurement that can be found in the literature will be discussed, including own calculated results on the basis of the ECHP. Second, we take a look at the question of drawing the line. It will be described how this question is answered in empirical poverty research. Again, this will be commended with own calculations on the basis of the ECHP. This welfare theory based classification of poverty measures has the advantage that underlying assumptions of poverty measures can be discovered and that differences between and the advantages and disadvantages of different poverty measures can be seen and be discussed more clearly.

Kakwani (2000) applied methodology of decomposition for poverty in Thailand covering the periods from 1988 to 1994. The four socioeconomic surveys conducted in Thailand during the years 1988, 1990, 1992 and 1994 were utilized for this purpose. The growth and inequality effects were computed for changes in poverty in Thailand. It was observed that the 13 inequality effect was positive for all the periods except for the last one 1992-94 when it was negative for the headcount and poverty gap ratios. The results implied that the redistribution of income which had occurred with the economic growth in Thailand gave more benefit to rich. As a result, the economic growth had resulted in much less reduction in poverty. For instance, if inequality had not changed, the percentage of poor would have been reduced by 20.65 percent) points in the 1988-94 periods but the actual reduction was 16.27 percent. Thus, the change in inequality had contributed the ratio of poor by 4.38 percent points in the same period. The reduction in poverty, as measured by the headcount ratio, was maximum in the 1992-94 periods. This was mainly due to the fact that the redistribution of income had contributed to a reduction in poverty (instead of an

increase as is the case for other years). Overall, for both the headcount and poverty-gap ratios, the growth effect dominated over the inequality effect which resulted into a substantial reduction in poverty.

World Bank (2001b) recognized that poverty is vulnerability and lack of voice, power and representation. This multi- dimensional view of poverty has been greater complexity in poverty reduction strategies since social and cultural forces need to be taken into account.

The way to deal with this complexity is the way through empowerment and participation in local, national and international level. National governments should be fully careful to their citizens regarding development activities. Participatory mechanism facilitates providing voice to men and women, especially those from poor and excluded group of society. The design of decentralized agencies and services needs to reflect according to local situations, social structures and cultural norms and heritage. International institutions should listen the voice of and promote the interest of the poor people. Poor must be brought at centre in designing, implementing and monitoring anti-poverty strategies since the poor are the main actors in the fight against poverty.

Fighting against poverty program should be launched in three complementary areas: promoting economic opportunities for poor people through equitable growth, better access to markets and expanded assets: facilitating empowerment by making state institutions more responsive to poor people and removing social barriers that exclude women, ethnic and racial groups and socially disadvantaged; and enhancing security by preventing and managing economy wide shocks and providing mechanism to reduce the sources vulnerability. For this attempt only from countries and communities will not be enough. Global actions with strong support needed.

Dollar and Aart (2000) explored that when average income rises, the average incomes of the poorest fifth of society rise proportionately.This is a consequence of the strong empirical regularity that the share of income accruing to the bottom quintile does not vary systematically with average income. The authors document this empirical regularity in a sample of 92 countries spanning the past four decades and show that it holds across regions, periods, income levels, and growth rates. The authors next ask whether the factors that explain cross-country differences in the growth rates of average incomes have differential effects on the poorest fifth of

society. They find that several determinants of growth--such as good rule of law, openness to international trade, and developed financial markets--have little systematic effect on the share of income that accrues to the bottom quintile. Consequently, these factors benefit the poorest fifth of society as much as everyone else. There is some weak evidence that stabilization from high inflation and reductions in the overall size of government not only increase growth but also increase the income share of the poorest fifth in society. Finally, the authors examine several factors commonly thought to disproportionately benefit the poorest in society, but find little evidence of their effects. The absence of robust findings emphasizes that relatively little is known about the broad forces that account for the cross-country and inter temporal variation in the share of income accruing to the poorest fifth of society.

Lanjouw and Stern (1991) defined the meaning and identification of poverty are examined using three indicators of standard of living in the North Indian village of Palanpur. The first is intended as a measure of "apparent prosperity" based on the personal assessments of investigators after intensive field work in the village over the full agricultural year 1983-84. The other two are income in 1983-84, and a measure of permanent income obtained by averaging incomes from four surveys conducted over a twenty-six-year interval. A comparison of these three indicator shows that income measured in any one year may give a misleading impression of the incidence of poverty. The risk of poverty for households is calculated. Vulnerability is high among low-caste households and those which are involved in agricultural labor. Categories, however, are not homogeneous; for example, whereas the landless and widows are more likely to be poor, some of such households are quite well off. It is argued that poverty in a good agricultural year is a better indicator of sustained poverty than poverty in a bad year. Occupational mobility out of agricultural labor is low, and changes in the distribution of land are largely accounted for by demographic process such as household splits.

Todaro (1987) defined poverty-trap with the help of three key variables. They are low levels of living, low self-esteem and limited freedom. The first variable Low level of living creates cultural vulnerability and limits freedom of people. Consequently people fail to control their destiny which results into low self esteem, poor attitude and again lower standard of living. Conversely, there would be another effect with International Transfer of Material Values, Willingness to be dominated and dependent and finally "backwash" effects of international power relationships.

Arguably, however, a more fundamental issue is whether income deprivation is the most appropriate yardstick to measure poverty in the first place. It has become widely accepted among researchers that poverty may be defined in many ways, and that lack of access to basic services such as health and education may ostensibly be a greater cause of poverty and underdevelopment the income deprivation alone. Measures such as the Human Poverty Index (HPI) put forth by the United Nations Development Programme (UNDP) make effort to address this issue and will be discussed as another potential method for measuring poverty.

Therefore, poverty may at its core be defined as a deprivation of human capabilities whose solution is the introduction of basic freedoms. In sum, Sen puts forth, freedom is both the ends and the means of development. The merits and details of Sen's "capabilities approach" will be thoroughly examined in this paper, along with counterpoints addressing the challenges to operationalzing such a definition of poverty.

Founded on the premise that "the poor are the true poverty experts," the Bank's "Voices of the Poor" study sought to draw connections and partnerships with the poor in order to include their perspectives in the process of developing a comprehensive, functional, and effective definition of poverty. What emerged was a multidimensional conception of poverty, with income deprivation and food 3 insecurity joining powerlessness, social exclusion, and insufficient access to basic services as the most important factors describing their reality.

Sen (1981) discussed poverty and entitlements, poverty and its identifications, starvation and famines: Similarly, he has given the vivid picture of Bengal famine, Ethiopian famines and drought and famine in Sahel. On poverty and entitlements, he has started his study in poverty and starvation from the ownership concept. According to him, a person should have the ownership of some commodity. On this basis, the person can exchange his extra commodity to fulfill his/her requirements. The person can get the required commodity directly by exchanging the commodities. According to him, entitlements are trade based, production based, labor and inheritance. Similarly, he focused on social security, and employment opportunities which are also the determinants of poverty and starvation. If there are very few chances of employment opportunities in the economy, the rate of unemployment automatically increases and most of the people have absolutely low level of purchasing power. Similarly, social security program has also a key role to

play in famine and starvation. If the government is unable to provide unemployment allowance and pension for an old age group, this makes their purchasing power in term of food item will automatically low; and famine and starvation are likely to occur. Starvation is a function of availability of food in the society to some extent. But Sen has focused that starvation and famines prevail while there is the availability of food even in the society. That's why poor people cannot purchase required quantity of food by the lack of money even if there are sufficient food items available in the market. Regarding starvation and famine Sen has discussed that both are the symptoms of poverty. And in the entitlements approach he has shown that ownership of food is one of the most important primitive property rights. The entitlements approach centralized ones each person's entitlements to commodity bundles including food items. Starvation is the result of failure to be entitled to a bundle within the food.

2.3.1 Human Poverty Measurements

While income/consumption measures continue to serve as an important tool for the evaluation of global poverty, it has been widely recognized that income-generation programs are not sufficient for poverty alleviation. Rather than concentrating on the main objective of development, "to create an enabling environment for people to enjoy long, healthy and creative lives," the focus on economic growth often ends up taking the driver's seat, leaving people behind. The poor are frequently the most marginalized though they are the ones in greatest need of economic opportunities. The Human Poverty Index (HPI), created by the United Nations Development Programme (UNDP, 1997) to incorporate into their Human Development Reports (HDRs), aims to ameliorate this problem by creating people – centered indicators to measure the depth of deprivation across counties.

The HPI builds a composite index utilizing three key indices" to assess human poverty: a short life, a lack of basic education, and a lack of access to public and private resources. The first deprivation is related to survival and assesses the risk of dying at a young age. The index in developing countries shows the percentage of people who are anticipated to die before the age of 40. The index shows the percentage of persons predicted to die before the age of 60 in highly developed industrialized countries.

2.3.2 Understanding Poverty Using the HPI

Using the HPI to Understand Poverty, it is true that higher-income countries have longer life expectancies, higher literacy rates, and greater access to private and public amenities such as healthcare and water. With that said, some may ask, "Why not simply focus efforts on improving income-based poverty measurements because it is an established method that also reflects progress in human development?" The explanation is that, while higher-income countries tend to have better rates of human development, the relationship is far from causal.

Income explains less than half of the variation in life expectancy or child mortality. Adult literacy variations may be accounted by an even smaller percentage (Moez, 1997). So, while there is a clear relationship between material riches and human well-being, the relationship fails in far too many cases to be employed as a reliable tool for describing success stories in both areas. The HPI provides counties with an alternative method of measuring poverty based on indices of human welfare that aid in assessing the impact of economic investments on human development and poverty eradication.

Significantly, the HPI was established in an attempt to promote a human development focus on poverty rather than an economic development focus on poverty. Though some fascinating efforts are being done to combine economic and social indices to assess poverty, the HPI index is not geared toward this goal. Indeed, many advocates in the field continue to discourage such efforts, claiming that the more pressing need is to more effectively describe the severity of poverty within each area (economic, social, etc.) rather than to merge data that may eventually prevent us from fully understanding any of the dimensions.

2.3.3 Adapting the HPI to Local Priorities

The UNDP proposes that, in addition to breaking down the overall HPI composite number, individual countries and regions adopt indicators that more properly reflect local objectives.Similarly to how the Human Development Index (HDI) includes information on HIV/AIDS in African nations; the HPI might incorporate country-specific information on unemployment other indicators that have a substantial impact on poverty. To make the HPI useful for program development at the national and sub-national levels, each country should adopt additional indicators

that can be published with the overall HPI in its country - a Human Poverty Profile.As a result, the overall HPI can be used to compare human poverty between countries, while other indicators of local importance can also be used.

2.3.4   Strengths and Weakness of the HPI

The HPI has various advantages. On the one hand, it serves as a timely reminder that eradicating poverty cannot be accomplished solely through economic growth.The disparities between income poverty and human poverty measurements highlight the need for the international community to adopt a broader definition that includes a more condensed conception of deprivation that includes both economic and social components. When considered together, headcount estimates of the poor based on the worldwide absolute poverty line, as well as figures revealing the depth of human poverty inside countries, will remind policymakers of the significance of promoting economic and social agendas at the same time.

Furthermore, differences between the two metrics provide substantial support for the conclusion that policies centered purely on economic growth may not always increase the well-being of the poor. Both indicators can act as "checks and balances" on the impact of various economic and social policies on the people.The HPI has the extra benefit of being accessible to both specialists and non-experts due to its user-friendly presentation and easy technique. The HPI is an important instrument for communicating the scope of poverty within countries in an area where collaborations between the poor and non-poor, government and non-governmental organizations are critical for effective program implementation. It also gives a clear baseline for the progress that has been done.

Simple and easy-to-understand information regarding the global levels of human poverty may also serve to rally the public, accelerate donor financial support, and strengthen government political will. The HPI facilitates the identification of priorities within countries while also providing a basis for overall comparisons between countries by offering statistics on human poverty in aggregate as well as by individual indicators (e.g., illiteracy, health, etc.). This may help advocates in specialized sectors press harder for resources in disadvantaged areas, allowing resources to be directed where they are most needed. Finally, non-monetary indices of

poverty have the advantage of being less subject to large market movements, which can present problems when employing income-based measurements.

However, unlike measures based on an absolute poverty line, the HPI does not provide a tally of the number of persons living below a certain level. Rather, it merely provides the total incidence of poverty as evaluated by the composite's three components. In other words, while one may be able to state that "25 percent of a country's population is affected by the forms of human deficiency included in the HPI measure," one may not be able to provide a matching number of people as in the headcount technique. However, with proper demographic information, one may be able to calculate headcounts.

Another issue with the HPI is the issue with composite measurements in general. When indicators are merged to provide an overall assessment, weighting issues should always be considered. No matter how much effort is expended to ensure that weights accurately represent the overall circumstances within a population, such approaches are ultimately flawed and should be acknowledged as such. Furthermore, displaying human poverty as an aggregate index number can obscure the effects of inequality within social groups (for example, gender and race). While providing disaggregated estimates of the HPI is one possible fix, governments have yet to broadly adopt this practice due to a lack of available resources

It is also crucial to remember that the HPI has limits for analyzing short-term poverty alleviation progress. Because two of the index's three components (life expectancy and adult literacy) only improve with time, the HPI becomes a less effective instrument for short-term assessments. Individual countries, however, might add short-term indicators to their poverty profile to mitigate the effects of this limitation. Despite its flaws, this adaption can help by providing a foundation for review throughout the development process.

Finally, some detractors wonder, "Why are only three indicators included in the HPI?" In actuality, this fact has both advantages and cons. One advantage is that it keeps the measure simple to grasp and policymakers focused on the primary causes of human poverty. Furthermore, the presence of too many indications may result in a confounding effect. However, due to the consistency and quality of current data, there are limitations to the type of information that may be added. As more information

becomes accessible on a regular basis through surveys or rapid assessments, the question of whether the HPI should be updated to cover a larger number of indicators may become more pressing.

2.4 Context of Nepal

Ensor, Bhattarai, Manandhar,Poudel,Dungel and Baral (2020) conducted a survey of 1,180 household in Kathmandu valley between November 2017 to January 2018 a separate survey of a subject of households was conducted using participates qualitative methods in slum and non-slum neighborhoods. A series of used indices of deprivation were calculated from questionnaire date. Survey used bivariate statistical methods to examine the association between each index and identify characteristics of poor and non- poor qualitative data was used to identify characteristics of poverty index that combine asset and consumption focused context specific measure of that could be proxied by easily measured indicators assessed through multivariate modeling. It found a strong but less feet association between each measure of poverty. These were disagreement comparing the consumption and deprivation index on the classification of 19 percent of the sample choice of sheet-term monetary and longer-term capital approaches accounted for much of the difference. Those who reported migrating due to economic necessity were most likely to be categorized poor. A combined index was developed to capture these dimensions of poverty and understand us ban vulnerability. A second version of the index was constructed that can be computed using a smaller range of variables to identify those in poverty. Current measure may hide important aspect of urban poverty. These who migrate out of economic necessity are particularly vulnerable. A composite index of socioeconomic status helps to capture the complex nature of economic vulnerability.

Upreti (2019) studied time to reach education centers, health facility centers, poverty status and geography: A multivariate approach concluded that the mean vector of time to reach the nearest education center are significantly different between poor and non-poor households in each ecological region. The average time to reach the nealth facility centers is also significantly different in poor and non-poor households within each ecological region.

Khanal, et al. (2019) explained that more than 8.1 million Nepali's live in poverty.Women and girls are more likely to be poor,despite the significant

contribution they make to be the economy especially through unpaid care and household work more than one third of Nepal's children under 5 years are studied and 10 percent suffer wasting due to a cute malnutrition. Without a concerted effort to tackle inequality and pursue policies that benefit the many rather than the richest, few the poorest and most marginalized Nepali does will continue to be excluded from progress.

This report seeks to take stock of the context and drivers of in equality in Nepal and offer evidence – based recommendation that can support the government commitment to tackling inequality. To build a more equal country that leaves nobody behind. Nepal must act now to put the right policies in place and enable citizens and social movements to advocate the progressive change and hold decision makers to account.

UNDP (2018a) stated that Nepal needs to bring more investment to accelerate progress towards meeting the sustainable development goals and is on the frontlines in the process of localizing the SDG'S substantive investment is need to make sure Nepal meets all the SDG targets. The federalization is an additional opportunity to entrench the vales of the SDGS at all levels in programing and decision making within the spirit of leaving no one behind.

World Bank (2018) explained that significant progress has been made over the last two decades in reducing poverty and increasing shared prosperity. The proportion of Nepalese households living in poverty, as assessed by the international extreme poverty level, decreased from 46 percent in 1996 to 15 percent in 2011, with a comparable significant improvement in well-being shown when the national poverty line is included. In 2011, the national poverty rate was 25%, and increases in other aspects of welfare are also visible. It also noted that Nepal has a diversified ethnic population. Geographically, it is heterogeneous, with few regions where any ethnic group or caste has a majority.

USAID (2018) reported that 25 percent Nepali live under absolute poverty line. The poverty line is derived at annual per capita earning of $225 as of 2013 December. There are debates whether the poverty line really defines basic necessities of survival. On contrary, the Human Poverty Index shows 44 percent of Nepali are deprived of basic education, health and access to resources. Achieving sustainable

human development is highly regarded and committed development goal in Nepal as elsewhere. However, the existing poverty indicators are putting a serve challenge how really these goals can be achieved by a defined target of 2020. Distribution of poverty across the country varies with high severity in rural mountain and low in urban areas. Despite illustrating development efforts, there is still a sharp divide in development inputs, process and outcomes. The development policies of Nepal have less room to criticise. However, the implementation status and results explain different but gloomy phenomenon. Being poor means having multiple characteristics which denies recognition, share in resources and opportunities, participation in decision making and influencing the processes that affect themselves which as a result challenges their survival freedom. Empowering poor disadvantaged and marginalized and developing their wealth asset including education, health and employment must be the central agenda of the development planning in Nepal in order to achieve sustainable human development.

Zhang, Liu, Hutton, and Koirala (2018) explained that Poverty eradication is currently a central priority in developing countries' national economic development strategies.   Understanding the spatial changes and potential determinants of poverty from various geographical viewpoints has the potential to provide policy-relevant insights into poverty patterns. Using district-level data, poverty incidence (PI), and a statistical analysis from 2005 to 2011, we examined the poverty concentration and spatial-temporal fluctuation of poverty in Nepal using the location quotient (LQ) and the Lorenz curve. As a result, this study examined the shift in recognized poverty typologies using an approach that takes into consideration inter-regional and three identified terrain components. The PI methodological technique was used to (i) compare the spatial change in poverty in Nepal during the study period from a geographical-administrative standpoint, and (ii) generate Lorenze curves that reflect the change in poverty concentration over the study period.

PI was also employed in the Foster-Greer-Thorbecke (FGT) approach, along with the indices of poverty gap (PG) and squared poverty gap (SPG), to highlight unidimensional poverty (UP),that is, the incidence, depth, and severity of poverty between 2005 and 2011. Simultaneously, the spatial link between UP and economic development was evaluated, yielding five distinct economic modes or poverty typologies. According to our data, proportional poverty appears to have increased in

mountainous locations as well as more urbanized and developed regions, but mid-hill regions have progressively reduced poverty proportions. They present a theory for further investigation, claiming that the increase in proportional poverty in the mountain regions is due to the exodus of Nepal's relatively less poor to the country's urban centers, leaving behind a trapped poorer population. Contrary to popular belief, migration of the relatively less poor to urban regions resulted in an increase in proportional poverty in urban areas. This is because, while this demographic represents affluent mountain communities, they are nonetheless very poor in urban areas.

NPC (2017) explained the targets and indicators for sustainable development goals.The targets for SDG 1 include for 2030 are to reduce extreme poverty to less than five percent, reduce poverty gap to 2.8 percent, raise per capita income to US$ 2,500,and raise social protection budget to 15 percentof total budget.The targets for SDG 2 include reduction in prevalence of undernourishment (measure of sufficiency of access to food) to 3 percent and prevalence of underweight children under five years of age to 5 percent by 2030.The proposed SDG 3 targets include reduction of MMR to less than 70 percent 100 thousand live births by 2030 which is in line with the global target. The child health targets include reduction of preventable death of newborn and children to less than one percent. However, for overall newborn and U5 mortality rates, the targets are to reduce them from 23 and 38 per thousand live births in 2015 to 10 and 22 respectively by 2030. The other targets include almost elimination of the prevalence of HIV, TB, Malaria and other Tropical Diseases, and water borne diseases. The major targets for SDG 4 include 99.5 percent net enrolment and completion of primary education, and 99 percent gross enrolment in secondary education by 2030.

DFID (2017) stated that there are serious gaps in our understanding of chronic poverty in Nepal. Chronic poverty is qualitative distinct from ordinary poverty in Nepal and as such demands differentiated policy response more systematic research into chronic poverty is squished. While these are one useful quantitative data with which it can begin to explore the specific characteristics of chronic poverty. There is a real lack of qualitative data so, it is best to promote research into chronic poverty which integrates both quantitative and qualitative data is carried out longitudinally.

IDM (2016) studied about suitability of the IDM survey, sampling and analysis methods in a low-income country. This field report has summarized the approach to this undertaking, including examining existing national surveys administrated in Nepal, income based and multi-dimensional poverty analysis produced from these surveys, and a literature review of current research regarding poverty and gender, inter sectionality and with in-household dynamics in Nepal is presented.A description of the IDM Nepal method has been provided, including detailed steps involved in administering and IDM study, and focusing particularly on areas where the method of survey administration, sampling strategy , and survey design have changed from previous IDM studies. This report has noted where changes were effective and where further revision was required. As much as possible this report has taken into account feedback from local research partners, supervisor's and enumerators, and is intended to provide not just procedural information, but a reflective account of the challenges and opportunities involved in administering the IDM Nepal study.

Uematsu,Akhmad and Tiwari (2016) explained about remarkable progress in poverty reduction between 1995 and 2010, a period coinciding with a decade-long violent conflict followed by tumultuous post-conflict recovery.Although improving agricultural productivity was long regarded as instrumental to lifting the living conditions of Nepal's impoverished rural areas, a bulk of the observed poverty reduction has come as a result of exogenous improvements in economic opportunities for poor Nepalis outside Nepal's borders. About 50 percent of the poverty reduction witnessed between 1995 and 2010 was associated with growth in labor incomes, particularly in nonagricultural activities. Private remittance receipts account for a little over a quarter of the total poverty reduction seen in Nepal. This is consistent with increased nonfarm diversification of rural households as well as the increase in nonfarm wages over the period. Household demographic changes, brought about by a sharp decline in fertility rates and the changing dependency structure as a result of migration, have also played an important role.

Nepal (2015) analyzed using a panel dataset from an anti-poverty program in Nepal; the paper investigates the causal impact of income-generating activities on remittances, migration, and welfare measures. The unique dataset from a quasi-experimental design provides a setting to understand the causal effects of a

development program on remittances and migration.This paper that policy makers should be aware that community driven development programs have unintended consequences for migration and remittances, which are distinct from the primary goals of the program: alleviating poverty and improving food security. The Poverty Alleviation Fund (PAF) program, which is a social fund program, has been providing its services to marginalized communities in Nepal through various income-generating activities since 2006. Unlike previous research that has used conditional cash transfer programs (CCTs) to study the role of a development program on migration and remittances, employing the data from the community-driven anti-poverty program that provides income-generating activities to participants. The program results in a decrease of approximately Rs.6000 (approximately six percent of total household consumption) in remittances received, crowding out private transfers in the presence of public transfers. The paper shows an increase in domestic migration, but no change in international migration due to the program.

Subba, et al. (2014) stated that NLSS failed to provide adequate data on the socio-economic status of individual groups particularly indigenous groups. This leaves policy makers. Hegemonic development framework and implement more inclusive and just development processes and outcomes.This report attempt to address the lack of adequate disaggregated data and statistics regarding caste and ethic groups, and specific indigenous people in Nepal.This report further disaggregated the NLSS data into 17 caste ethic group categories, from the 11 categories referenced in the NLSS III.

Libois and Somville (2014) explored that Population control policies keep on attracting a lot of attention.The main argument in favour of a reduction in fertility rates, is that having more children contributes directly to a household's poverty. Using the last three rounds of the Nepal Living Standards Surveys, they investigated the links between household's fertility decisions and their consequent achievements in incomes and consumption. In contradiction with the popular presumptions, they found that having more children does not have a negative effect on incomes (per capita) and consumption.In fact, because households are parts of extended family networks, those who have fewer children will host other relatives.They showed that the size of the household does not change with additional births, only the household composition is affected. An additional birth reduces the number of adult members and increases the

number of child members.As a result, it has an ambiguous impact on the consumption per capita,that depends on the importance of the gain in lower consumption versus the cost of a lower income.To identify the causal relationship, they used the gender of the first born child to instrument the total number of consecutive children.The results question the relevance of the policies and information campaigns aiming at reducing the fertility of the poorest people.

Thapa (2013) discussed that education is the first phase in the development process, and it serves as the foundation for a country's socioeconomic progress. It is a life-changing tool for all that the impoverished require the most. It empowers the disadvantaged by combating illiteracy, instilling good attitudes, and increasing productivity. The end consequence is a rise in production and, as a result, the earning capacity of the impoverished. Despite its critical relevance, education has been neglected throughout South Asia, with a very low percentage of GDP given to this sector.This could be the result of the country's elite-dominated political superstructure.This study provided a quick overview of the relationship between income poverty and education in Nepal.

The study's findings are as follows: (i) that there is a negative relationship between literacy rate and household income (poverty): as literacy rate increases, so does poverty; (ii) that there is a positive relationship between private school goers and income levels: as income level increases, so does the percentage of private school goers. Similarly, there is a negative association between government school attendance and income levels: (iii) that there is an inverse relationship between gross enrollment rate and income poverty: as poverty declines, the gross enrollment rate increases at the national level and consumption quintile as well, (iv) that mean years of schooling is positively associated with consumption quintile: The average number of school years has grown.

The current analysis clearly showed that educational attainment is a positive function of income and a negative function of income. Though many of the findings reported below are not novel in the literary context, the empirical data discussed here provides new insights into the degree and causes of educational deprivation among the poor in Nepal.The final word Based on the foregoing conclusions, it is recommended that the Government of Nepal increase the volume of investment

(generally and specifically in education) in terms of both fiscal and national efforts if the government is truly committed to reducing poverty among Nepal's poor.

Patel (2012) stated thatpoverty incidence in Nepal by Caste Ethnicity: estimate that poverty is based on the Nepal Living Standard Survey 2010- 11. Poverty is widespread in Nepal.There is strong convergence between social hierarchy and poverty. Poverty is markedly more pronounced among the Dalits and the Janajati. The causes of poverty are complex and multidimensional. The policy makers should adopt egalitarian policy for eradication of poverty in Nepal.

Shrestha and Chaudhary (2012) examined the impact of food price hike on poverty in Nepal employing cross-sectional sample household consumption data of Nepal Living Standard Survey III. The findings of the study suggest that a(10 percent) rise in food prices is likely to increase overall poverty in Nepal by(4 percent) points.It implies that (one percent) rise in food inflation will push 100 thousand additional people into overall poverty and 180 thousand additional people into food poverty.The paper also analyses the impact at the regional level and suggests some policy options to contain the food inflation and to mitigate the impact of food price hike on the poor section of the population.

Joshi et al. (2010) described that Nepal being the poorest country in the world, poverty has remained a critical development priority in Nepal since the country began its development efforts in 1956. As a result, this review article examines Nepal's poverty and food insecurity. Macroeconomic statistics of the country, such as GDP growth rate and inflation rate, suggest that the country has historically been a low growth country, with inflation rate always being greater than GDP growth rate. As a result, macroeconomic indicators are not in a position to address the country's overriding problem of poverty incidence. Poverty incidence in Nepal has been growing since 1976/77.Only in 2003/04 was some success in poverty reduction documented.

This resulted not only in a decrease in the proportion of the population living in poverty, but also in a decrease in the absolute number of people living in poverty. However, such a reduction in poverty incidence came at the expense of rising inequality.In 1984/85, the gini coefficient was 0.24; in 2003/04, it was 0.41. Gini coefficient rise could be attributed to unbalanced growth in rural and urban areas.

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Poverty reduction in metropolitan areas is always high. As a result, poverty incidence is always highest in the Midwestern and Far Western rural highlands. Furthermore, female-headed households, dalit and ethnic communities, small landholding households, working and agricultural households have the highest rates of poverty and food insecurity.

Adhikari (2008) explored land is the main source of income and consumption for Nepalese people. This study analyses the economic relationship between access to land and poverty in Nepal by establishing the link between land and consumption as well as land and income. A generalised additive model and OLS demonstrate that greater access to land for the poor increases income and consumption and thereby reduces poverty. The significant marginal value of land of both consumption and income implies that an effective land reform policy could well be the most effective approach to alleviate rural poverty. However, land reform must come as part of a larger overhaul. Cluster analysis shows that land reform should target appropriate subgroups within the community in order to differentiate those who would make use of the extra land from those who would not and so applying strategies to each one. It reveals the importance of subgroups in determining an appropriate strategy for tackling poverty. Three distinct groups are found within our dataset that explain most of the variation.

NPC (2007b) consulted with civil society and people, expressed their views in various consultation program who do not markedly differ on nature and structure of poverty, these discussion were held during the Formulalation process of tenth plan and formulation of interior poverty reduction strategists and in the process of selecting indications for monitoring poverty .These discussion helped to define those people as poor whose income does not allow two meals a day, two sets of cloths in a years, do not have settled residence (home) cannot send their children for education and those people whose access to resources and skills necessary to earn to earn a livelihood is denied. These discussions categorically identify that the incidence of poverty is high on occupation, caste such as musshar, chamar, sharki, kami kumal, badi, jhangad, dushad and the people of different social low caste such as tamang, rai, limbu, magar, Thapa, and other backward indigenous people and people residing in remote area are also identified as extremely poor.

NPC (2007b) stated SDGs as the Millennium Development Goals (MDGs). There are eight MDGs that include: A list of 18 numerical targets and 48 indicators has been agreed upon to ensure comparability across countries.

(a)   Eradicate extreme poverty and hunger

(b)   The SDGs, also known as Global Goals, build on the success of the Milleniam Developments Goals (MDG). The MDG programs are linked with the programs of the ongoing 10th Plan (2002-2007).The international development targets and the development goals were merged together and renamed eve universal primary education

(c)   Promote gender equality and empower women

(d)   Reduce child mortality to Improve maternal health

(e)   Combat HIV/AIDS, malaria, and other diseases

(f)   Make sure of environmental sustainability

(g)   Develop a global joint venture for development

Chaudhari and Chaudhari (2005) discussed that Tharus are the indigenous people of Nepal; they are dominant in the Tarai and have largely maintained their cultural integrity to a larger extent. The total population of Tharus in Nepal is estimated to be 1533879, which is 6.75 percent of the total population of the country (CBS, 2001). It is widely accepted that Tharus have been politically, economically, socio-culturally marginalized in their own land compared to the living status of other hill people who migrated to Tarai in recent past.

Maltsoglou and Taniguchi (2004) explainrd that agriculture and livestock are key component of the livelihoods of the poor. Livestock make a substantial contribution to household livelihoods' and currently sustain the livelihoods of an estimated 700 million rural poor in developing countries. In Nepal, poverty levels are extremely high and more than 80 percent of the population relies on the agriculture sector for employment and income generation. In this context, it is important to understand the link between poverty and livestock and the possible impact of livestock policies on the poor. The aim of the analysis presented in this paper is twofold: firstly, to gain an in-depth understanding of the features that characterize the poor in Nepal so as to determine the role livestock plays in and for household's

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income and income sources; secondly, based on the findings, set up household typologies related to livestock to be used to identify household groups within the country to better target specific livestock policies.

UNDP (2003a) developed the notion of human poverty and human development reports to broaden the scope of deprivation beyond income poverty. Human poverty includes a lack of capabilities, a loss of freedom, and an incapacity to participate in community life. The human poverty index (HDP) attempts to quantify the degree of depravity in these areas by assessing five aspects of poverty: illiteracy, childhood malnutrition, premature death, poor health, and a lack of access to good water.

UNDP (2003b) described that Nepal's HPI is 38.7, ranking 74th out of 90 developing nations. Except for Bhutan and Bangladesh, Nepal's HDI value is greater than that of any other South Asian country, suggesting a worse situation. In comparison, Bangladesh's HPI was 44.1, Pakistan's 37.1, India's 33.3, the Maldives' 16.6, and Sri Lanka's 18.0.

Using the most recent statistics available, this national development report calculated Nepal's HPI 39.2. Significant progress has been made in recent years. Nonetheless, chronic malnutrition among children under the age of five, as well as the proportion of persons who are not anticipated to live past the age of 40, remain among the highest in the world.

This is due not only to the continuance of monetary poverty, but also to inadequate access to health-care services. Although it is dubious that much of the water is safe to drink, the fraction of the people without access to safe water has decreased significantly. Despite the fact that half of the population cannot read or write, there has been a continuous improvement in adult illiteracy.

Human poverty in the countryside 41.4 percent is nearly twice as high as 23.9 percent in urban areas, and, like income poverty, varies greatly across ecological zones. The mountain has the greatest HPI (46.1%), followed by Tarai (40.2%) and hills (37.2%).This conforms to the general distribution of income poverty, in which the difference between the hill and Tarai is little, but the mountains lag far behind. However, it is not always the case that is lowest where income is highest or vice versa.

Shiba (2001) explained the economic situation of a poor, rural area in Tarai region in Nepal. According to our household survey, the average level of per capita income was about 5,000 to 8,000 Rs. in 1998. This income level was very low compared to the Nepalese standard. A regression analysis of per capita income indicates the following: The amount of land owned by the household and the education level of household owner has a positive relation with the per capita income level. They could not find any difference in income level among the castes. Household income level depends on the amount of land owned at the time of immigration and the possibility of getting a job in the off-farm sector. Rural poverty in Nepal is found among landless households and lower castes that do not have a traditional occupation. The resulting lack of income in these communities created a stagnant economy. In contrast to this, households which had an employed member could afford to buy agricultural land from their off-farm income and could earn a living comparable to those who previously had land based income.

UNDP (2000a) explained that poverty is defined as a low income that is insufficient to support a dignified existence; a low level of human capacities that limits a citizen's alternatives to live a life of his or her choosing (UNDP, 2000a). Poverty is a type of deprivation with strong interactive links to other forms of deprivation such as physical weakness, social and psychological deprivation that occurs when people or countries lack sufficient ownership, control, or access to sustain minimum acceptable living standards. It depicts an exclusionary relationship in which individuals or nations are denied access to adequate resource packages (World Bank, 1988).

UNDP (2000b) explained that poverty is defined as insufficient consumption or income. However, defining a poverty line to assess poverty reduction efforts remains a contentious issue at both the national and international levels. Because of the numerous facets of poverty--from calorie consumption to marginalization within a single household--its changing character throughout time, including seasonal variations that determine whether food is available or scarce, and when roads and trails are passable or not.

Nepal, according to a government paper published a few years ago, is a poor country that is getting poorer by the day. This is reflected in a variety of social and economic indices, as well as Nepal's current ranking of 129th in the Human

Development Index (HDI). According to the national planning commission's mid-term evaluation of the ninth plan, the latest estimate of Nepal's poverty head-count index is 38%. Using household consumption expenditure data, the Nepal Living Standards Survey (NLSS) assessed the head count indicator of poverty at the national level to be 42 percent (UNDP, 2000b).

Poverty differs not only geographically, but also socially. The prevalence is higher among ethnic minorities such as the Limbos, Tamangs, Magars, Tharus, and Musahars, indicating a severe lack of opportunities in many aspects of life. The position of women from disadvantaged groups is even more concerning; their social indicators are far lower than those of their male counterparts. The dalit are another vulnerable group, with employment castes such as Kami (blacksmith), Dami (tailor), and Sarki (Talor) and Sarki (shoemaker).

Jnawali (1999) explained that ecological and population perspectives of the Tharus indicate that the Tharus are very rich in cultural aspects whereas their socio-economic status is still in a pathetic condition. Kamaiyapratha is its evidence. It is also obvious that factors. It is mainly culture-dominant. Family planning programme cannot bring immediate effect in limiting family size in such a community where most of the people are illiterate, ignorant and unconscious about the evil consequences of rapid population growth. The community is backward even in the areas of maternal and child wealth. Education is the most important factor creating awareness among them. Through education, their attitude can be changed and the concept of small families can be made popular. The female age at marriage must be raised because it has become a major determinant of high fertility.

Population and health education programmes are very essential to improve their health condition and existing demographic scenario. The government should develop plan to start some income-generation programmes by which married couple could be motivated towards reducing fertility and limiting their family size. In the same way, the extension of infrastructure facilities such as transport and communication, social institutions, schools and health posts in the area of the Tharus. There is also a strong need of effective programmes for eradicating malaria and encephalitis. In the area of health status, quick and adequate medical facilities should be provided. In the same way, maternal and child health care facilities should be expanded at the hospital and health posts so that more women would get assistance

during the period of childbirth. However, this study is on ecological and population perspectives of the Tharus of Bardiya District. This study doesn't contain the poverty situation of the Tharu community.

UNDP (1998) investigated that some castes are high above the average while some others fall far behind.This so called low caste people, in Nepalese social hierarchy who actually are occupational castes, fall back in almost at HDIs. The other backward castes are Rajbanshi and Tharus and their HDI is also at low ebb. This root cause of the backwardness manifested in their lack of access to development programmes which in habits their own development process.

World Bank (1998) raised the question where did we go wrong? Why have our venerable developmental plans not been able to tackle the number one problem of the country? This study show that poverty is primarily a rural phenomenon although significant poverty still remains in urban areas. In fact the urban areas of Nepal witnessed some fall in poverty level over the years. In high growth areas such as Kathmandu, the population of poor households went down quite significantly

Sharma (1989) examined the regional inequality in the size distribution of income in Nepal. This study was based on the data of household's budget survey 1973-75 and 1984-85 conducted by NRB. He applied different measures of inequality such as Lorenz curve, Gini coefficient, S.D. of logs, coefficient of variation, Theil index and variance of natural logarithms. Analyzing the figures, he found that the magnitude of inequality was more skewed at the household level than at the individual level. The findings of the study show that urban inequality Nepal was relatively greater than in rural Nepal. The degree of inequality in urban Nepal was relatively greater than in rural area Nepal. Degree of inequality is slightly higher in the hill zone than in the Tarai zone. In addition, regression coefficients reveal that inequality in educational attainment, particularly high school education, is positively related to income inequality, whereas middle-income occupation and age of household head are negatively related to income inequality.

Lohani (1978) carried out a study to find out the extent of income inequality in Nepal. The study is based on the data published by NPC/N in 1977. Analyzing the data, he observed that the pattern of income distribution in Nepal was quite uneven. Their findings clearly indicate that lowest 40 percent of the households got no more

than 8.14percent of total income, whereas highest 20 percent of the households received more than 59 percent in total income. The calculated Gini coefficients for the rural sector0.60 and the urban sector 0.55 also support the above fact and further indicate that income distribution is more twisted in the rural sector than in the urban sector.

2.5   Derivation of Research Problem from Literature Reviews

Based on the literature review the focus of the study and the gap is highlighted in the following sections.

2.5.1   Findings from Poverty Literature

Reducing poverty does not necessarily lead to reduction in inequality. Unless the poor derive a proportionally a large share of incremental income than the rich, the degree of income inequality would not be reduced. The available data reviles that the trend in income in income/consumption inequality over the last two decades for the South Asia show the mixed picture.

In this regard south Asia faces significant challenges and need, especially to take some difficult policy decisions, to realize its potential in pro poor growth. Concerted policy action is needed to alleviate poverty, which is concentrated in rural areas of certain provinces of SAARC member countries. Poverty in urban area is also worsening in recent years. Thus, a conscious effort is also needed to be made to tackle the incidence of poverty in urban area. Programmes that shelter and improve living conditions in urban slumps have to be taken up. Removal of through programmes for equipping the urban with skill and assets, which rise the productivity and supply potentials, integration of their livelihoods with the formal sector of the economy and an enabling environment which recognizes their contribution are some of the strategies that have.

Almost all the countries of the world have been making conscious effort to reduce the incidence through public investment education, health service and infrastructure facilities. However, Nepal has to travel a long way before achieving gender parity in human development. Strong pro-poor economic growth, which leads to income and employment generation for the poor, is necessary for reducing inequality and accelerating progress. Micro-economic policies can pay a big role by ensuring the benefits of economic growth distributed progressively.

Nepal trade liberalization has been encouragingly promoting exports and overall growth consequently. However, increased export growth has not resulted in high rate of employment growth consequently, the impact of trade liberalization on poverty reduction is not clear.

(a)   The status of net primary enrolment ratio in SA was 77 percent in 1997, 99 percent in EAP and 94 percent in LAC. This implies that nearly one in four primary school aged children of SA is out of school;

(b)   The progress in primary enrolment in SA is rather slow in between 1980 and 1997 and the ratio has increased from 64 to 77 percent implying an average annual increment of around 0.8 percentage points;

Data on enrolment ratios by country are very sometimes accessible. However, current figures show that Sri Lanka, and most likely the Maldives, have already met the Millennium Development Goal. On the contrary, other countries such as Bangladesh, India, and Nepal, as well as Bhutan and Pakistan, are far from the aim. If current primary enrollment trends continue, Bangladesh, India, and Nepal, as well as Bhutan and Pakistan, will have achieved universal primary education by 2025.

In 2000, the adult literacy rate in South Asia was 55.6 percent, suggesting that 44 out of every 100 South Asian adults are illiterate. Adult literacy in South Africa is lower than in any other region of the world. The current level of young literacy is likewise unsatisfactory; in 2000, the percentage was 69.8 percent, which is lower than in any other region of the world. The following indications, however, vary greatly across the region. Adult and young literacy rates in Maldives and Sri Lanka exceed 90%, while adult literacy rates in Bangladesh, Nepal, and Pakistan are less than 50%, and young literacy rates in Pakistan and Bangladesh are less than 60%.

The under-five mortality rate varies greatly across the country. In 2000, for example, it ranged from 19 fatalities per 1000 births in Sri Lanka to 110 deaths per 1000 births in Pakistan. Some countries made considerable success in reducing fewer than five death rates between 1000 and 2000, while others made only moderate improvement. During this era, Bangladesh and Nepal, for example, were able to cut 98 and 89 deaths/1000 births, respectively, but India and Pakistan were only able to lower 46 and 48 deaths/1000 births, respectively. The current rate of reduction in

under-five mortality in India and Pakistan is insufficient to meet the Millennium Development Goals.

2.5.2 Research Gap

Poverty is a multidimensional concept which involves various dimensions fromincome to empowerment.The concept also includes the issues of vulnerability, inequality, human right, price inflation, and environmental condition and so on. It thus includes multiple dimensions such as social, political, cultural and environmental. This is how the concept of poverty varies from income based poverty to MPI.

 Earlier studies describing to poverty in Nepal reviewed here are either area centered. CBS used to measure poverty at national level, small area level, district level, illaka level. It is already known that there are numbers of research on poverty measurement, poverty reduction, even though proper and specific studies on caste/Ethnicity are not carried out till now about the on household level poverty.

Moreover, some other previous studies on poverty in Nepal reviewed here are area centered. Based on this area estimation, CBS has measured poverty at various areas such asnational, district, and illaka. These studies have focused on area based poverty rather than caste/ethnicity based poverty at individual and household level.

There is paucity of economic data on the basis of caste/ethnicity. The gap in their level of development is still very significant. Further research is needed to gain a more precise understanding of the poverty in Nepal; information, as in many other areas, is the precondition for fact-based decision making, which is lacking in matters of remedial measure. This study aims to reduce information gaps and increase knowledge and understand poverty phenomena.

Hence the study justifies the present work and signifies the contribution regarding caste/ ethnicity based poverty at individual and household level.

CHAPTER - THREE

RESEARCH METHODOLOGY

Chapter two reviewed the established theories and literature on poverty in Tharu community in different modalities and showed that researchers continue to investigate and add to the body of knowledge around multidimensional poverty. The framework includes several dimension of poverty, lack of confidence, limited household assets, social exclusion and their perception of their own economics welfare.The selection of the suitable research approach is a critical part of the research. It functions as a guide for data collection. The most significant aspect is that it specifies the type of data that will be used.

The current study is both descriptive and analytical, and it makes use of both primary and secondary data. Primary data were acquired from field surveys using structured questionnaire procedures. Secondary data and information were also used to supplement and supplement primary data and information.The methodological and theoretical approach is briefly detailed here.

3.1 Study Area

Rautahat District has been purposively selected since various socio-economic data outlined as before indicated their low status in comparison with other districts of Nepal. One of the most important demographic characteristics in the Rautahat district at present is the presence of Tharu inhabitant.

It is located in the middle region of Nepal in the Terai, province two. The total population of all caste of Rautahat district is 688,722 including 351,079 male and 356,643 females (CBS, 2011). The district headquarter is Gaur, including municipalities like Garuda, Chandrapur, Paroha, covers an area of 1,126 km^2. The distric has a total of 2 VDCs and 16 municipalities. Among other districts, Rautahat district has the largest percent of Muslims.

3.2 Conceptual Structure

There is disagreement on how poverty data and consumption expenditures are collected in the form of poverty measures. This subject has gotten a lot of attention, and a number of studies (Foster et al.1984, &Atkinson,1987) have been done on it. Poverty incidence, depth of poverty, and severity of poverty are the most often used poverty measures. These are the three poverty ideas examined in this research.

3.3 Theoretical and Methodological Framework

Household head, participation rate, land holding size, value of livestock and value physical assets as independent variables having impact on poverty. It can be based upon the discussion in the literature review, following theoretical framework for the present study was drawn with poverty as dependent variable and household size, dependency ratio, gender of household head, age of household head, female – male ratio, education are as independent variable. In the theoretical framework, the relationship between independent and dependent variables is clearly explained by literature and variables used by previous studies in local as well as in comparable developing countries. The literature explains that the economic, social and demographic characteristics of a household play an important role towards determining its poverty status. The increased demographic burden increases poverty, while an improvement in economic status leads to a positive impact on a household's well-being. The rural areas in developing countries are generally characterized by location disadvantages, such as less than desirable availability and access towards social as well as economic infrastructure. The literature on poverty, therefore, clearly suggests that structural and economic realities are important towards defining the poverty status of a household.

Theoretical framework of the present study grounded itselfin structural paradigm of poverty theory and attempts to test the relationship between socio-economic characteristics of households and its poverty.

3.4 Methodology

Poverty line, which is regarded as an income level considered to the borderline between poor and non-poor, is identified and part of community with income below this line are poor. This study area is rural aspect of the poverty. Absolute poverty is clearly a bigger problem in this study area. The status and level of the Tharu community could not be termed as satisfactory and sufficient for improving the quality of life. The collected data from field survey are processed and analyzed with different statistical tools to meet with the objectives of this study. Basic needs (BN) method, Sen's poverty index, Gini Co-efficient, variance, range, mean, wolf point, Lorenz Curve etc were applied to measured 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 etc.

Field observations were conducted in order to gather information and become acquainted with the surroundings. The following sections go into greater detail on the fieldwork.

3.4.1 Unit of Analysis and Equivalence Scale

Any poverty analysis should begin by deciding on the unit of analysis. Some studies use households and some use individuals as the unit of analysis. Household (or family for that matter) of the Tharu was taken as the unit of analysis, the need to adjust household income for household size arises.

3.4.2 Population and Unit of Sampling

The total population of Tharu community of Rautahat District has been chosen as universe of this study. The unit of analysis was households. The total household of Tharu community in this study area was to be 3420 (CBS, 2011c). A stratified random sampling method was applied to select households and respondents. The stratification was done on the basis of ethnicity.

3.4.3 Sampling Frame and Techniques

The sample frame was a list of homes maintained by the municipality and the VDC for their respective areas. The sampling method employed in this investigation was stratified random sampling without replacement.

3.4.3.1 Nature and Sources of Data

This study is quantitative in nature. Data collection was made to fit the need of the research design. Primary data and information were collected from the field survey. Secondary data were mainly collected from the published and unpublished records of Government of Nepal (GON), SAARC secretariat, World Bank Report, Nepal Rastrya Bank.

3.4.4 Sampling Procedure

The idea of income considered in this study includes both cash and in-kind earnings. So money values were allocated to receipt of income in kind and household consumption of crops and livestock produced based on prevailing market prices; values were also computed for houses occupied by their owners. The study identified the following sources of income;

(i) Non-Farm income; income from non-farm labors, government and private sector employment

(ii) Agricultural income; Include net income from all crop production with imputed values from production and agricultural labors.

(iii) Transfer Income; include income from relation relatives within and outside

the country, Government pension and other gifts received.

(iv)   Livestock income; includes Net income from cattle, poultry, sheep, Government and pigs.

(v)   Rental Income; Include Net income received /ownership of assets.

3.4.5   Research Design

The research design followed in this research is descriptive as well as analytical and was conducted using quantitative method of collection of relevant data from both primary and secondary sources, dependent and independent variables are chosen to answer the research question of this study. The primary data regarding independent variable of poverty income, land holding, education, employment etc are collected with questionnaire and tested on the livelihood strategy. Secondary data was taken from CBS, NPC, NRB and other related institutions.

3.4.6   Household Survey

Quantitative data with respect to independent variables of poverty in the study area were collected through random sampling without replacement techniques. The variables used in the questionnaire are shown in table 1.

Table 3.1

Variable and Measurement

S.N.	Variables	Tools	Measurement
1.	Income	CBN Method of NPC	Absolute Poverty Line
	,,	Wolf Point	Relative Poverty Line (non-poor)
	,,	Sen's Poverty Index	Intensity of Poverty
	,,	Relative Mean Deviation	Equality in Income distribution
	,,	Range/Gini coefficient	Inequity
	,,	Lorenz Curve	Income inequality
2.	Landholding	Length/breath Measurement	Bigaha
3.	Living standard	Low, High	High, Low
4.	Education	Questionnaire	Illiterate,
5.	Employment	Questionnaire	Illiterate, Employed, Semi-employed, Unemployed

3.4.7   Sample Selection

350 families were chosen from the Tharu community in the research region using simple random selection without replacement procedures of purposive sampling. The data collection was designed to meet the needs of the research

design. The field survey yielded primary data and information. Secondary data were gathered from secondary sources, primarily the Government of Nepal's published and unpublished records, the SAARC secretariat, the World Bank Report, and the Nepal Rastrya Bank.

3.4.8 Demographic Feature by Total Population in Total Households

Tharu people reside mainly in 9 vdc. The demographic feature of total 3420 households and sampled households taken from simple random sampling has been shown in the following table 3.2.

Arbitary Approach: Based on this approach, it is assumed that the minimum size of sample is five percent of the population. In order to make the sample more representative, as assumed by the arbitrary approach, it would be good to go for 10 percent. Therefore, the researcher decided to select ten percent of the sample of total 3420 households which becomes 350 households. This total sample size was allocated proportionately to all the villages based on population proportion of the total households.

Table 3.2

Distribution of Sampled Households by VDC/Municipality

SN	Villages/Municipality	Total Population	Total Households	Sampled Households %
1	Rangpur,Simara,Pattuwa	6901	681	19.7
2	Dumariya Matiwon	6337	711	20.6
3	Judibela	1532	171	5.1
4	Chandrapur	2820	312	9.1
5	Santpur	4437	511	14.9
6	Kanakpur	3002	341	10.0
7	Laxminiya	4397	501	14.6
8	Samanpur, Bishrampur	1320	151	4.6
9	Gaur Municipality	65	41	1.4
Total		30,811	3420	100

Source: Field Survey, 2019.

The sampling method was simple random without replacement. While drawing the sample households no household was found missing.

3.5   Presentation/Tabulation of Data

Primary data from the field survey were collected and organized in tables to obtain relevant information with research difficulties, and statistical analysis of these data is presented in the form of tables and graphs.

3.6   Method of Data Analysis and Interpretation

The collected data from field survey were processed and analyzed with different statistical tools to meet with the objectives of this study. This study had investigated status, level, incidence and cause and their remedial of poverty of Tharu community. Basic needs (BN) method, Sen's poverty index, Gini Co-efficent, variance, range, mean, wolf point, Lorenz Curve etc were apply to measure level of poverty, incidence of poverty, status and causes of poverty of Tharu community.

After the completion of field survey, data from questionnaires were collected together. A master table was prepared from the completed questionnaire incorporating the different socio-economic characteristic eg. Income, loan, education, employment, land hold size, family size etc. On the basic of master sheet of information further grouping and sub grouping and classification of data were done to make it fair and to meet the objectives. The main purpose of analyzing or processing data was change information into understandable form.

The first objective was to study the status of poverty discussed in the fifth chapter. The poverty line, relative poverty line is evaluated with BN method and wolf point and compared with different studies of different geography. Absolute poverty line, head count ratio, dollar a day poverty line, head count index. The second objective was to level of poverty discussed in the sixth chapter. The third objective was to incidence of poverty is measured with the help of Sen's poverty index, Gini-coefficient, Lorenz curve, range.

The level of poverty is measured with the indices, human development index, human poverty index, gender development index. The fourth objective was to explore the causes and their remedial measure discussed in the eight chapters. The causes and their remedial overcome were explore with analytic analysis of independent variables eg.land, education, income, infrastructure. Based on the finding, summary, conclusion

and policy implication was concluded.The calculation of statistical tools, questionnaires, and related information was presented in the annexes.Poverty and its extent have been measured using descriptive and statistical methodologies. The study, in particular, assesses the absolute, relative, and total poverty line. Furthermore, research has demonstrated the association between poverty and other factors such as income disparity, unemployment, and level of education. The following are thorough descriptions of the statistical tools and methodologies that were used:

Absolute Poverty Line

Absolute Poverty has been measured with indicators and bases in the quantities unit. According to National Planning Commission (NPC) and the latest report of FAO, spending on the minimum food requirement per capita per day per person calorie for survival in this region is 2220 Kcal, which requires net consumption of 605 gms of cereals and 60 gms of pulses, which accounts for only 65 percent of total consumption, with the remaining 35% spent on other food and non-food items.

After deducting 35 percent of consumption expenditure on other basic necessities of life, the minimal subsistence level of income is calculated. To calculate absolute poverty, the minimum subsistence standard is used. Absolute poverty is defined as a household with a per-capital income that is less than the minimum sustenance threshold. The FAO's minimum subsistence criterion is used to calculate the absolute poverty level.

Creating a Total Poverty Line

For computation of total poverty line, Keynesian consumption function and wolf point technique have heen used.

Keynesian consumption function: Consumption is the function of income.Thus,it is expressed as;

$$C = f(Y)$$

$$C_i = a + bY_i$$

$$\Sigma C_i = na + b\Sigma Y_i$$

$$\Sigma C_i Y_i = a\Sigma Y_i + \Sigma Y$$

Where,

a = Autonomous Consumption, b= Marginal Propensity to Consume, Ci= Consumption Expenditure, Yi= Income

Computation of wolf-point: Wolf-point is also known as break even point and implies equality between income and expenditure ieCi and Yi (income and expenditure) are equal in Keynesian consumption function.

Mathematically, Ci=a+bYi if Ci andYi are equal, the expression;

If Ci = Yi gives wolf point value,

Ci = βCi = α

Wolf- point= $\frac{a}{1-b}$ can be obtained. The value of aand b is calculated in Keynesian consumption function with the help of least squre regression analysis as follows:

C_i= a+bY_i

$\sum C_i$= na+ $b \sum Y_i$

$\sum C_i Y_i$=a$\sum Y_i + b \sum Y_i$

Thus, the wolf gives total poverty line, so the household whose income falls below this point is called poor(Todaro,2004).

(a) Derivation of relative poverty line

The relative poverty line is derived on basis of absolute poverty line and wolf-point because the relative poverty level is income level between the absolute poverty line and the wolf-point.

(b) Estimation of Non-poor

Those households are considered to be non-poor whose income is above the breakeven level of income (wolf-point) ie abovethe equality point of income and expenditure.

(c) Estimation of Intensity of Poverty

To identify the intensity of the existing situation of the poverty, Sen' poverty index has been used. The poverty index can be calculated with considering inequality and without considering inequality among the poor, it is calculated as follows:

Considering inequality $P^* = \dfrac{X^*}{C^*P}\left\{C^PP - CP(1-GP)\right\}$ (Atkinson,1987)

Without considering inequality

P* =X/C*P(C*P-CP)

Where

  P* = poverty index

  X = percentage of population living below the poverty line

  C*P = poverty line

  CP = mean income of the poor

  GP = Gini coefficient of the poor

Value of poverty index approaches near to zero, indicates lower intensity of poverty. If it approaches near to one, it shows higher intensity of the problem.

(d) Calculation of the extent of Income inequality and Distribution of income among the sample Households

There are different ways of calculating the extent of income inequality. Some of the techniques of calculating inequality is discussed in the following sections.

Lorenz Curve

Lorenz Curve is a graphical method of showing the inequality in income distribution. It represents the difference between actual distribution and equal distribution of income. Degree of inequality is indicated by the area of concentration, which is the area between equal distribution curve and Lorenz Curve.The higher the area of concentration, the greater is the inequality and vice versa.

Gini- Coefficient

Gini coefficient is another tool used in the study to measure inequality in income distribution, which is the notion of an area of concentration shown by the Lorenz Curve to the area of minimum possible concentration. The simple formula to compute Gini coefficient is given below:

$$G = \frac{2}{N^2Y}(Y_1 + 2Y_2) + - - - - - - - - - - - - - + NYN) - \frac{1}{N} - 1 \quad \text{(Sen.A. 1976)}$$

where,

G.C. = Gini Coefficient

N = Number of income receiving unit   Y = Mean income

Y_1Y_2 = Y = Percentage of income received by the corresponding units.

- **Variance**

It is used to show inequality in income distribution on which is calculated by using the following formula:

$$\text{Variance} = (V) = \sigma^2 = \frac{\sum(Y - \overline{Y})^2}{N}$$

- **Mean Deviation**

$$\text{Mean Deviation} = \frac{\sum(Y - Y_1)^2}{N\overline{Y}}$$

- **Co-efficient of Variation**

It shows the standard deviation to mean. It is calculated as:

$$\text{C.V.} = \frac{\sigma}{Y} = \frac{\sqrt{Var}}{Y}$$

- **Range**

The range is the simplest of all the measures of dispersion. It is the difference between the maximum and minimum observation of the distribution. It is computed by using following formula.

Range = MaxY-MinY/MinY

The value of range indicates equality in the distribution.

(e) **Simple Regression Analysis**

The simple regression analysis has been used to measure the degree of relationship between income and consumption and similarly between income and family size in order to examine the relationship between income and consumption. The following consumption function has been used.

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$$C_1 = a + bY_1$$

To determine relationship between income and family size, the following linear equation is used.

$$Y_1 = a + bX_1$$

-Correlation Co-efficient and Co-efficient of Determination

In the present study, correlation coefficient is computed to show the relationship between income and consumption. It is also used to show relationship between income level and the family size. It is calculated by using following formula.

$$r = \frac{N\sum Ciyi - \sum yi.\sum Ci}{\sqrt{N\sum Ci2 - (\sum Ci)2} \cdot \sqrt{N\sum yi2 - (\sum yi)2}} \quad \text{(Sen,1980).}$$

The value of correlation coefficient is always $-1 \leq T \leq 1$. If $T = +1$ it implies perfect positive correlation between variables $T = 1$. The coefficient of determination is used to show variation in the dependent variable that is accounted for by the independent variable, it is given by the square of the correlation coefficient thus coefficient of determination $T^2 = R^2$.

(h) Identification of Nature of Poverty

In order to analyze the nature of poverty, a descriptive method has been followed. For this, poor households are classified into a number of gaps on the basis of family size, occupation, education status, ethnically group, land holding size etc.

Relationship between these socio-economic characteristics and poverty has been established to examine the nature of poverty.

(i) Sen's Index of Poverty (Ps)

Both Hp and Ip are complementary.The Hp measures the number of the people in poverty but not its depth while the poverty gap captures the depth of poverty but is insensitive to the number involved. Both the measures are insensitive to change in the income distribution of the poor. For example, if income is transferred from a poor person to a relatively less poor person, values of both the indices remain unchanged. Having realized the need for a better index, Sen developed a measure of combines both the measures and is also sensitive to change in income distribution of the poor. Hence, this measure reflects a more realistic picture of the incidence of poverty. Operationally,

$$Ps = 2/(q+1)nZ \sum_{i=1}^{q}(Z - y_i)\,(q + 1 - i) \qquad \text{(Sen, 1976)}$$

where,

Ps = Sen's Index of poverty

q = the number of people below the specified poverty line

n = population size

Z = minimum acceptable level of income or poverty line

y_i = income of the ith unit arranged in ascending order of magnitude.

This measure is clearly a superior one as it overcomes the limitations of the earlier crude measures (Hp and Ip) through more demanding axiomatic structure.

It may be used to express Ps in an alternative form in order to choose between different policy measures. Sen shows that for large numbers of the poor (q), Ps can be written as:

Ps = Hp [Ip+(1-Ip) Gp]
where,

$$Ip = \sum_{i=1}^{q}(Z - y_i)/qZ \ \text{ and Hp = q/n} \qquad \text{(Sen, 1976)}$$

Gp is the Gini – coefficient of the income distribution of the poor. Ip can be written as:

$$Ip = q(Z - \overline{y_p})/qZ = 1 - \overline{y_p}/z$$

Yp is the mean income of the poor.

Substituting Ip in above equation (i)

$$P_s = H_p[1 - \overline{y_p}/Z + (1+1+\overline{y_p}/Z)\ G_p]$$

$$P_s = H_p[1 - \overline{y_p}/Z + (1+1+\overline{y_p}/Z.\ G_p]$$

from (ii) it is clear that P_s depends on the parameters H_p, $\overline{y_p}$ and G_p

$$P_s = H_p[1 - Y_p/Z\ .\ (1- G)]$$

Besides, Sen's index of poverty does not suffer from the shortcoming of Hp and Ip. It lies between 0 and 1. Further, it satisfies the axioms of monotonicity and stransfer. However, it is not totally free from weaknesses. For instance, Gini index as used in Ps, matters more around the middle income classes. Consequently, the use of G_p in the distribution among the poor assigns more weight to the top income classes among the poor (i.e., those close to the poverty line) where transfer sensitivity will also be greater. Kakwani viewed that the relative transfer sensitivity is desirable to be greater at the bottom than at the top income classes. In addition, this measure fails to satisfy a useful property called "additivity" or "decomposability". This property is considered useful and implies that aggregate poverty index is equal to the population weighted poverty indices in various well-defined sub-groups of society (e.g., rural/urban and male/female).

(j) Head Count Ratio (H_p)

It is one of the simplest and possibly the most commonly used measure of poverty. It is a traditional measure of poverty. Under this measure the number of people or households falling below the poverty line is counted and then expressed as the ratio to total population or households. Symbolically, the head count ratio or the poverty incidence ratio can be expressed as follows:

$H_p = q/n$

where,

H_p = Head count ratio or poverty incidence ratio

q = Number of people or households having average per capita income falling below the poverty line

n = Total number of people or households.

But the head count ratio is a crude index of poverty because of two main drawbacks: it is insensitive to decrease in income of families below the poverty line, and to transfers of income among the poor as well as to transfers from the poor to the non-poor.Thus, this measure clearly violates both monotonicity and transfer axioms.

(j) Poverty Gap Ratio (I_p)

This index, which has been used by the social security administration of United States is simply the aggregate shortfall of income from the poverty line of all the poor taken together. In other words, the income gap(gi) of any individual is the difference between the poverty line Z and income.

$$G_p = (Z-Y_i)$$

The total poverty gap for the poor is

$$g = \sum_{i=1}^{q} g_i = \sum_{i=1}^{q} (Z - Y_i) \qquad \text{(Sen,1976)}$$

and average poverty gap:

$$g^* = g/n$$

where,

Z = poverty line, Y_i = the income/expenditure of the ith income and $Y_i < Y_2 < Y_3 ... < Z$.

This measure is silent to the number of people who share this gap, but it can be easily normalized into a percentage gap I_p which may be called the income gap ratio. The income gap ratio (Sen 1980) which is commonly used, is expressed as:

$$I_p = \sum_{i=1}^{q} g_i / nZ = 1- \overline{Y} \text{ p/z}$$

where,

$g_i = (Z-y_i) \geq 0$,

Z = poverty line and

Y_p = average income of the poor.

It is clear that this measure is simply a ratio of the arithmetic mean of shortfalls of incomes to the level of poverty line. It reflects the intensity of poverty suffered by the poor. But this measure of poverty is completely insensitive to transfer of income among the poor so long as they remain below the poverty line and to the number (or the percentage) of the people who shared poverty. In other words, I_p concentrates on the aggregate shortfalls, no matter how it is distributed among how many.

3.6.1 Income Consumption (I–C) Approach

Income consumption approach defines poor income a consumption falls below the poverty line.A person is poor if, her/his access to economic resource is insufficient to acquire enough commodities to meet basic material needs adequately. This approach combines two distinct elements such as wellbeing is conceived as preference fulfillment and represented in terms of equivalent income or consumption and income consumption poverty line is drawn which represent a need adequacy level (Shaffer, 2008).

3.6.2 Basic Needs (BN) Approach

Basic Human needs approach to poverty is interpreted in terms of minimum specific quantities of such things as food, clothing, shelter, water and sanitation.If any of these basic needs is not met, then human cannot survive.

3.6.3 Human Development Index (HDI) Approach

The Human Development index measures the overall achievements in a country: three basic dimensions of human development longevity, knowledge and decent standard of living. It is measured by life expectancy, educational attainment and adjusted income per capita in purchasing power parity (PPP) US dollars. The HD is a summary, not a comprehensive measure of human development (UNDP, 2000c).

3.6.4 MICS (2014) Multiple Indicator Cluster Survey Report 2014

Monitoring the situation of children and women in Nepal, MICS was carried out in 2014 by the CBS as a part of global MICS programme.This programme was developed by UNICEF in the 1990's as an international household survey programme to support countries in the collection of internationally comparable data on a wide range of indicators on the situation of children and women.MICS surveys measure key indicators that allow countries to generate data for use in policies and programmes.

3.7   Validity and Reliability

A research tool is laid to be valid if it measure what it is expected to measure. Validity is commonly of three type i.e. content validity, construct validity and criterion validity.

3.8   Hypothesis Testing

The hypothesis of this study was tested.

3.9   Definition of Key Terms

Household

A household is a group of family members normally living together under one roof as one family and sharing a common kitchen.

Earner

All those household members who contribute financially towards the total family income are known as earners and who do not warn income at all or depend completely on others for their maintenance are known as non-earner..

Household income

It is a sum total of the current income of all members of the households from all sources. It consists of both farm and non-farm income.

Inequality

The term "inequality" refers to unequal distribution of income among the inhabitants of a country. This results from unequal earning of the people in a society. Unequal earning is, in turn, due to unequal opportunities, unequal abilities, unequal ownership of assets and a lot of other institutional factors. Income inequality is a universal phenomenon existing in almost all the countries of the world but in different degrees.

Incidence of poverty (headcount index)

Incidence of poverty determines what percentage of the population live below the cut-off point. Measuring the poverty gap (how far below the poverty line a person or a household is – also known as(incidence of poverty) captures the average shortfall in income of the population living below the poverty line.

Severity of Poverty

Squaring the poverty gap (severity of poverty) gives an indication of inequality among the population living below the poverty line. In other words, measure of the severity of deprivation of those living in absolute poverty.

Vulnerability

Vulnerability is the risk today (for a person or a household) of falling below the poverty line tomorrow, or for a person or household already below the threshold, of falling deeper into poverty.

Poor

A family or a individual is defined as poor whose standard of living is below the poverty line or a specified threshold. Traditionally income or consumption was measured in the standard of living of individual according to the Human Development Report of Standard of Living is educational attainment (a proxy for knowledge and life expectancy or proxy for health, nutrition and sanitation).

Those individual/classes that are unable to afford basic requirements as food, shelter, clothing, foot ware, drinking water, elementary education, primary health care etc grouped under the poor.

Ultra – Poor

Having no income base, having some farm land and others source of income insufficient to support the family of four (couple and two children) throughout the year. This people can be classified into 4 categories:

- Those able to support family only for three months.
- Those able to support family only to three to six months.
- Those able to support family only to nine months.
- Those able to support family for 12 months.

Inequality vs. Poverty

There is a close relationship between these two socio-economic phenomena. Generally, a high degree of inequality is associated with high extent of poverty. But these two are distinct concepts and neither sub sum of other. Theoretically, inequality can exist without absolute poverty for inequality refers to only an unequal level of income or wealth. Such unequal levels may exist even among the rich as among the poor.

Employment

It is defined as engagement in agriculture, industry, government and private offices and institutions for which employs get reward at the prevailing rate either in cash or in kind.

Agricultural Labourer

A person without any land but having a home stead and deriving more than 50 percent of his income from agricultural wages has been termed as agricultural labourer.

The income earned by all family members from various sources of income from agriculture, income from livestock, and total income from wage labor.

Total Households Consumption

The tatal household's consumption expenditure is sum of the expenses made by all households' members, to fulfil their requirement on food/ non-food items in a year.

Literate/Illiterate

Those people who can read and write their own language are literate, those who can pass S.L.C. or more they are educated and the persons who are unable to read and write in their own tounge language are illiterate.

Working Age Group Population

Thehousehold members who are in between 14-19 are actrive/working age group population.

Main occupation

Occupation is mainly dependent and contributes main share in total annual income of the household.

Non-agricultural Labourer

Person who work as construction workers, rickshaw-pullers, coolies, porter and do other manual works and derive more than (50 percent) of their total income from these sources are termed as non-agricultural laborer.

Unemployment

Unemployment is a situation when persons fit to work and willing to work do not get works at the prevailing rate of wage even after their best possible efforts.

Under-employment

Under-employment is a situation when persons are engaged in works/jobs at a wage rate which is lower according to their qualification and abilities. All those persons are considered to be underemployed if they are forced to take a job that is not adequately renumerate or not commensurate with their skill, ability and training. According to tome criterion, under-employment is a situation when persons are either

gainfully occupied during the year for a number of hours (or days), Less than some normal or optional hours (days). According to willingness criterion, workers are under- employed if they are willing to do more work than they are doing at present.

Primary Occupation

Primary occupation has been taken as the one among the listed occupations from which a household derived maximum percentage of income, i.e., greater than 50 percent of the total household income.

Consumption Expenditure

It is sum total of all payments which are made on different items of consumption. In other words, it implies all expenditures incurred by a household exclusively towards it non-productive domestic consumption.

Saving

Saving is that part of the income which is not spent on the satisfaction of the present wants. Income which is utilized for the current wants is known as spending and the income that is set for the satisfaction of the future wants as known as saving.

Literate

Those members of the family who can read and/or write have been considered as literate.

Operational Holding

An operational holding includes all land, irrespective of quantity and location, used for agricultural production, owned by one household or person and operated as a technical unit. The technical unit is that which is under the same means of production such as labor force, machinery and animals.

Demonstration Effect

The consumption standard of low income groups are greatly affected by the consumption standards of high income groups. This phenomenon is called demonstration effect.

CHAPTER - FOUR

PROFILE OFSTUDY AREA

4.1   Geographical Situation

Rautahat District, a part of Madhesh Pradesh, is a one of the seventy-seven district of Nepal. It is located in the Narayani Zone, central Madesh Pradesh and has an area of 1,126 square kilometres. It rises from 122 meters to 244 meters above sea level.

4.1.1   Climate

The climate of Rautahat contain lower tropical with elevation range below 1000 ft and upper tropical with elevation between 1000ft to 3300ft.The lower tropical belongs to 94.4 percent of area where as upper tropical belong 5.6 percent of area of Rautahat.

4.1.2   Natural Disaster

It is very prone to flooding because it is part of the Indo-Gangetic plain. The Bagmati river in the east, the Lal Bakaiya river in the west, and the Jhanjh river in the north are all prone to flooding. The Bagmati River is the most important river in the country and a perennial river, whereas the Lal Bakaiya and Jhanjh rivers are not perennial and have a high risk of flash flooding from the Chure region. The restricted passage along the river and the high raised road along the Nepal-India border generate a massive foundation over the flood plain, which eventually spills over the embankments and floods the settlement area. Rapid deforestation, illegal resource sorting and mining of sand, boulders, and stones in the northern belt enhanced by migration into that region add to environmental degradation of the chure hills.

The most prevalent disasters in the municipality include floods, home fires, heat waves, and cold waves. Many individuals died as a result of the cold and heat waves. Flooding is a recurring event that causes significant human and economic loss each year.

In the current period, there have been a number of projects for flood catastrophe preparedness in Nepal's terai region, including the Gaur Municipality. The Nepal Red Cross Society, Nepal Scout, UNICEF, Rural Development Centre, Poverty Alleviation Fund, Government Agencies (Municipalities, Health and Education

Sectors), and Rural Education Development Centre are all involved in disaster preparedness activities that include gender equality and social inclusion components.

4.2   Natural Resources

Bagmati, Lal Bakaiya and jhanj are major rivers of Rautahat, district. Bagmati flows to eastern part of the district and Mahendra high way passing through northern part of district.

Rautahat district is one of the areas of productive land, and agriculture has been the major source of livelihood of the people. The soil is soft and rich in water resources. The land area offers numerous opportunities for intensive cultivation. Farmers, however, continue to practice the traditional farming system. Through a deep drilling system, a large amount of subsurface water may be exploited for agricultural growth in this area. During the rainy season, the Bagmati River's high flow causes flooding and the destruction of physical infrastructure such as roads, bridges, and towers.

Total forest land in Rautahat is to be 29,400 hectares (CBS,2011c).Large tracts of fruitful forest are found in the district's north, including sal, sisau, satisal, simal, and sakhuwa. There are also several varieties of wild animals and birds. In the jungle, various creatures such as chitua, Bandel, chital, fox, monkey, bear, and birds like as Dangere, Dhukur, hen, and others can be found. Deforestation exacerbates the expansion of farmed land and the export of forest wood.

4.2.1   Public places

Shiv mandir in Shiv nagar and Paurai baba temple are famous temple in this study area. The republic park near the bank of Chandi river is tourist destination. Nunther is also famous tourist destination.

4.2.2   Water Supply and Health

The major source of water is ground water. Most number of houses use tube wall for the purpose of drinking water while the water extracted through deep boring within the district is limited.The deep boring storage is not sufficient.

In rural locations, health problems, particularly water-borne infections, are likely. The key implications in this district are ground water contamination, water management, nutrition, and hygiene. There is one district hospital, four main health

care centre eight health posts, 85 sub-health posts, and twelve birthing centres (CBS, 2011c).Health services are required. The majority of people rely on other private hospitals.

Rautahat is located in a district with a high prevalence of stunting, moderate acute malnutrition, and anaemia in children under the age of five.

4.2.3   Infrastructure

Gaur is the district's administrative centre. It is 42 kilometres to Chandrapur and 26 kilometres to the East-West highway on a blacktop road. The nearest airport is at Simara, and a fifteen-minute flight connects the area to Kathmandu. Work on developing a full project report has recently begun as part of the government's intention to build Rautahat's Chandrapur municipality as a smart city (CBS, 2011c).

4.3   Agriculture and Land Holding

The total agricultural land use area in Rautahat district is 1, 24,491 hectares in which arable land was 48 percent, temporary crops47 percent, other land 2 percent, permanent crops 1 percent.The agricultural land holding size was 64,835 hectares in which owned land holdings were 92 percent and rented land holding was 8 percent (CBS, 2011d).

While census of agriculture in 2001, 1,781 landless farmers cropped in 16.8 hectares, census 2001, 3,671 landless farmers cropped in only 13.8 hectares.65, 222 farmers with holding land cropped in 66,354.9 hectares in 2001 and 75,562 farmers with holding cropped in only 64,750.8 hectares in 2011.The number of rental farmers are increased with increase in fragmentation of land (CBS, 2011d).

Land disintegration is deeply rooted in traditional inheritance procedures that divide family land evenly among sons. Because of a paucity of off-farm work possibilities, parental land inheritance is typically critical for Nepal's primarily agricultural-dependent family. Every generation, agricultural land gets redistributed, disintegrated, and fragmented as a result of these two fundamental qualities. Because of their reliance on subsistence agriculture and limited accessible resources, most farmers are not driven to pursue larger packages. The increase in land prices around the millennium also contributed to increased land disintegration and fragmentation. Conversion of agricultural land to non-agricultural use (mostly for residents) was also strongly ingrained in farmers' subsistence-oriented behaviour.

4.3.1 Livestock

Livestock farming is done to contribute to agriculture. Agriculture cannot exist without livestock. Cow husbandry is very important in livestock farming. It is bred to produce milk, manure, and ploughing ground. Similarly, goat is more popular in this district. It is raised primarily for the purpose of earning money. Pigs are mostly raised by Janati and Dalit people such as Tamang, Magar, Limbu, Kami and Dami, Daniwar, and others.

4.3.2 Poultry and Fish Farming

Poultry farming is also popular for commercial reasons. Fish farming is another important source of revenue for Rautahat residents. It is growing increasingly popular, and demand is high in both local and metropolitan market areas.

4.4   Occupation

Agriculture is the main occupation of people of Rautahat. In general, mostly people were involved in their traditional occupation agriculture. Most of them belongs their own family farm and where they grow both main crops and different cash crops season.Rautahat is known for livestock,livestock production, bee keeping, slow economic growth, unequal distribution of wealth,low agricultural wage rate ,lack of capital are major problems.The other occupation was cottage industries,general manufactures,livestock,goods trading,private and government job etc. Most of these industries were agro-based.In addition,Rautahat is rich in forestry.

Rautahat is still relies mostly on old age techniques such as bullock-cart of transportation and bull ploy for tilling the agriculture fields.However,it is a slow introduction of modern techniques such as a tractor for good transportation, thrasher and so on. Farmers rely on the monsoon, and very few utilize deep bore irrigation in their farmland. It is recognized as an important factor in agricultural production. Shallow tube wells are the primary source of irrigation in this district. During the summer, the majority of farmers rely on rainwater. During the monsoon, little cannels and kulos from the Bagmati cannel water the land. Paddy is the most important crop on irrigated farms. In addition, as a winter crop, maize, wheat, and millet are grown. Some farmers prefer to plant green vegetables with high market value, such as cauliflower, cabbage, potato, radish, and tomato, as opposed to wheat. Paddy and wheat are the most typical farming patterns in the district.

Fish farming also play a great job to raise the living standard of people as it has become a significant source of income.

4.4.1 Wage Work and Remittances

In Nepal, unemployment and off-farm employment are major issues. Due to a shortage of job opportunities, many young people are migrating to foreign nations to work as labor migrants. Remittances from foreign employment have been a significant source of income for the country. As a result, it has become a key part of the Nepalese economy. Aside from tharu, the majority of Rautahat residents seek jobs in foreign nations.

4.4.2 Income Source

Diversification of revenue sources implies that people work in a variety of occupations. Agriculture is a major source of income for many individuals. Few persons appear to be involved in government and non-government services, non-farm labour, government and private sector employment (full or part-time), and revenues from non-farm companies.

(a) Agricultural income; Include net income from all crop production with imputed values from production and agricultural labors.

(b) Transfer Income; include income from relation relatives within and outside the country, Government pension and other gifts received.

(c) Livestock income; includes Net income from cattle, poultry, sheep, Government and pigs.

(d) Rental Income; Include Net income received /ownership of assets.

4.5 Business and Entrepreneurship

In Rautahat, 1,515 cottage and small industries were registered, with 151 of these being new in 2011/12. The district has 1,261 big industries listed (CBS, 2011d).This district lacks sufficient industries. Due to irregular rain patterns, land becomes barren and unproductive.

Entrepreneurship has a vital role in both industrial and economic development. It creates job opportunities, raises income, and breaks the cycle of poverty. The Rural Development Centre Nepal successfully implemented the "Livelihood support

project-entrepreneurship development in Rautahat district" to improve the livelihood and economic condition of poor and vulnerable people.

4.6   Education

There are 505 schools and 16 campuses. Chandrapur municipality is second head quarter of Rautahat. Most of the administrative service unit are shifted in Chandrapur.The condition and quality of public school are worse,is the main cause of growing private school.Now Chandra pur municipality is developing as education hubs.This is education hubs for school level education.

Despite the government's decision to make education for all,there are many children in Rautahat who are still not within the reach of a school. Rautahat has least literacy rate among all districts in Nepal where one-third of the children in the district do not go to school.Literacy rate of Rautahat was 42 percent in which female was 32 percent and male was 51percent.The lowest literacy rate is recorded in Rautahat district 41.7.Several municipalities allocate half their budget to construction, and less than a fifth to education and health combined(CBS,2011d).

4.7   Poverty Trends

The poverty in the district is a problem with severe dimension.The percent of poor was increased from 30.2 percent to 33.2 percent from 2006 to2011 in Rautahat.It has 46.43percent of its population under multidimensional poverty index.The human poverty index of Rautahat district is just below 50 and it stands third position in top ten districts with high poverty index in Nepal.The human development index of Rautahat was to be 0.463 (CBS,2011d).This category is justifies as resources-poor in terms of assets, skill and credit availability which results in low productivity.

It was also a district with one of the lowest Human Development Index ratings—0.387—in the country, which is lower than that of several districts in the Karnali such as Jumla, Dolpa and Mugu(UNDP, 2014). It was the multi-dimensionally poorest and least literate district in the province. It has 46.43 percent of its population under the multidimensional poverty index. Rautahat is home to one of the most underprivileged tribes.

4.7.1   PAF Programme

Sustainable livelihood development through social empowerment and economic promotion program implemented in Rautahat district began in 2063 and has covered 3 VDCs in the first stage, 2 VDCs in the second stage, and 5 VDCs in the third stage with various planned activities. This program comprises a total of 4681 households, 1286 of whom are Dalits, 480 are Janajatis, 682 are Muslims, and 2233 are others who were directly involved in income production activities. During the reporting year, 180 companies enrolled in PAF, 85 companies effectively ran with better revolving funds, and 17 companies transferred money from PAF to savings accounts and distributed it as loans.

Similarly, 76 co-operatives have made ideas, such as the two co-operatives created and raised in the Gaur division co-operatives office. Under the revenue generation program, 335 households were active in agriculture with various seasonal vegetable seeds, paddy, and wheat farming, while 325 households were involved in livestock programs such as goat keeping, cattle farming (buffalo, cow, hen, ox, and bull), pig rearing, and poultry rearing. Similarly, 167 households are involved in various small businesses such as kirana, Galla, cattle trade, tea shop, parchun, agri-business, paddy mill, and sailun (barber).

These revenue generation programs directly and indirectly create self-employment options. Under the livestock development program, 850 animals in Rautahat were soaked and vaccinated at Raghunathpur, Gamariya Birta, Pipra Pokhariya, Jaya Nagar, and Sarmujwa. Another key program support activity was the skill enhancement/capacity building training program, in which 2400 individuals were trained in various sorts of trainings. The concept of federation of companies is critical to the scheme, and four federations of companies have registered in PAF and presented livestock insurance proposals. Ten low-income Co's members have been trained as veterinary technicians to help the neighbourhood.

Agricultural product collection sheds in Pipra, Pokhariya, and Gamariya Birta VDCs, as well as culvert construction in Raghunathpur VDC, have been completed as part of the infrastructure development initiative. The primary results of this program are the improvement of defenceless people's livelihoods, women's empowerment, and increased access to community resources (NPC, 2010).

4.8   Language, Culture and Religion

According to Population census 2011, 60.3 percent speak Bajjika followed by 19.3 percent urdu,6.1percent Nepali,4.3 percent Bhojpuri, 3.3 percent Tharu, 3 percent Maithili and 1.7 percent Tamang as their first language. 30.4 percent of the population in the District spoke Hindi, 16.8 percent speak Nepali, 10.8 percent Bhijpuri and 3.6 percent Bajjika as their second language.

There are always some festivals nearby in Rautahat because of the diverse social and religious groups. Every group has their festival sand celebrations, and there is mass participation in every festival. The people of every religion take part in others festival being enthusiastic and happy for each other. Some of the festival is celebrated nationally; some festivals are specific to the particular community. But each festival has its own historical and religious background in the Nepalese society. Chhath, Bijaya Dashami, Dipawali, Phagu Purnima are celebrated. Chhath is the major festival of Rautahat and women worship to God Sun. In Hinduism, Sun is believed to be the curator of diseases and ensure the prosperity and longevity of life. On the other hand Islam celebrates Moharram. There existed religious harmony among all the religious groups.

4.8.1   Costume

Rautahat has a hot climate, so the people wear light cotton dresses. Most of the male members are seen in lungis or loose garment in villages.In town area,men wear pants and shirts and women wear saris and blouses.

4.8.2   Festivals

This district is known for being multi-ethnic, multi-cultural, and multi-lingual. This area is rich in indigenous culture and customs. Dashain and Tihar, two prominent Nepalese festivals, are also celebrated in this district. The Terai is the only region where Chhath (sun worship) is practiced entirely. In this district, Fagupurnima is equally well-known. The important Muslim festivals are Id, Bakarid, Moharram, and Shobarat. These festivities are fervently celebrated. To increase tourism in this district, it is critical to promote and preserve local culture and customs.

Several of the festivals in Nepal last from one to several days. Dashain is the longest and the great festival of Nepal. Generally, Dashain falls in late September to

mid-October, right after the end of the monsoon season. It is "a day of conquest over Demons". The Newars community celebrate the festival as Mohani.Tihar or Swanti and Chhath are great festivals of Nepal. New Year's day of the lunar calendar Nepal sambat occurs at this time.

4.8.3 Culture

Rautahat is home to Tharu, Madhesi, Dhimal, Satar, Muslim, Jhangad, Musahar, Rajbansi, and Hill migrants. They reside at elevations ranging from 188 to 3000 feet above sea level. The plain land is thought to be Nepal's rice basin. Their occupations are farming and business. Tharus are culturally aware individuals. Their culture and civilization are distinct due to cultural dance, death ceremonies, tradition, and way of life. People in subtropical and tropical climates have both tiny and huge joint families.

The temperature continues to rise, reaching 42° Celsius. Rice, wheat, mustard, lentil, maize, sugarcane, jute, pineapple, mango, banana, and jackfruit are all produced. Agriculture is essential to their culture and society. Their main occupations include animal husbandry, industry labours, mason, carpenter, and fishing. There are exchange, age variation, levirate, and parallel cousin marriage systems in place. People who have died will be cremated and buried, and their mourning period will last 3 to 13 days.

4.8.4 Religion

According to population census 2011, Rautahat district has78 percent Hindu followed by 20 percent Muslim, 2 percent others. The predominant religions of the people in the research region are Hinduism, Buddhism, and Islam. Aside from that, there are people of Christian, Jain, and other faiths.

Religious tolerance, concord, and understanding among diverse religions and cultures are notable traits of homes in the research region, as well as in other parts of Nepal. Dashain, Deepawali, Chhatha, Muharram, Christmas, and other significant holidays are observed and celebrated by nearly everyone in this research region. Almost everyone speaks Nepali. Bhojpuri, Urdu, Magar, Tamang,Tharu, and Maithali are also spoken as mother tongues.

4.9   Demography

Rautahat district had a population of 545,132 in 2001 and 686,722 in 2011.The average household size increased from 6.18 to 6.44.The household size is recorded highest at the national level in 2011(CBS,2011c).

4.9.1   Population Growth and Poverty

The annual population growth of Rautahat is 1.25 percent and its family size was 6.44. The increase in population pressure proves hindrance in the way of economic development of family.The standard of living in the large family is low due to limited resources.

4.9.2   Family Structure

Family is the most significant unit in any society.It can be classified in number of ways;Joint family and nuclear family.A combined family system has long existed in Rautahat. A joint family is made up of three generations of family members, including grandparents, parents, and children. Every member of this joint family arrangement contributes financially to the common fund and shares common rights in the household property.

The joint family system prevents young people from seeking employment. People were tired as a result of the family's minimal security and developed the habit of staying at home. The head of the household must maintain a large family. The significant number of family sizes and landless families demonstrate that the residents of this district are relatively poor. As a result, agriculture has been the primary occupation of individuals in order to feed the enormous population.

4.9.3   Social Structure

As Rautahat is being a very broad diversified home land of several ethnic groups,it has common social family structure.In living in joint family system at home,respecting and following own socio-tradition conducts generation to generation.Showing physical affection openly in public is restricted;gents and ladies socialize separately both before and after marriage.

There is no way to say that society of Rautahat remained untouched by global changes,mainly in municipalities of young generation hugely influenced by information technology of world and adopted severalfascinating ways.

4.9.4 Social Exclusion

Social and gender-based exclusion and discrimination comprise noteworthy barriers for the well-being and development of women in Rautahat.Discrimination based on caste and gender, rise, superstition. From these reason,it's not surprising that the district faces poorly in socio-economic indexes.

4.9.5 Housing

In the municipality area, the houses are made of bricks(pakki) but in the villages, the houses were small huts.Mostof the houses of the Tharu and other ethnic groups were made of clay,thatch roofs and very small in the size.One has to bow down to enter these houses.Several paintings of pictures of birds animals and flowers were seen on the wall.

4.10 Caste and Ethnicities in Rautahat District

Rautahat is a multi-ethnic and multi-lingual society.2011 census identified 60 caste and ethnic groups of population.The total population of Rautahat district was 686,722 in which 351,079 were male and 335,64 were female.The total population of Tharu community in Rautahat district was 30,811in which 15,402 were male and 15,409 were female (CBS,2011d).There was a 25.97 percent increase in the population over 10-year periods.The population growth rate was 1.25 percent and population density was 618 per sq.km.Human development index (HDI) was 33.4 and per capita income US dollar 757(CBS,2011c).

4.10.1 Demographic Feature by Population in Sample Households

The demographic feature of 350 sampled households has been shown in the following table4.1.

Table 4.1

Population by 5 Year Groups and Sex of 350 Sampled Households

Age Group	Total	Percentage	Male	Percentage	Female	Percentage
0-4	280	11	154	11	126	11
5-9	222	9	123	9	99	9
10-14	154	6	85	6	69	6
15-19	147	6	81	6	66	6
20-24	231	9	127	9	104	9
25-29	205	8	113	8	92	8
30-34	140	6	77	6	63	6
35-39	154	6	85	6	69	6
40-44	205	8	113	8	92	8
45-49	292	12	159	12	133	12
50-54	194	8	106	8	88	8
55-59	100	4	55	4	45	4
60-64	61	2	34	2	27	2
65-69	35	1	20	1	15	1.4
70-74	23	0.93	13	1	10	0.9
75-79	11	0.45	7	0.52	4	0.36
80-84	9	0.32	6	0.44	3	0.27
Total	2463	100	1358	100	1105	100

Source: Field Survey, 2019.

Table 4.1 and figure 4.1 show that the highest percentage of population is between the age group of 10-59and that of lowest is between 60 and above. The number of total population in 350 sampled households is 2463 in which 1358 is male and 1105 is female.The number of male is greater than female.The male population is

55 percent and female is of 45 percent. The household size of Rautahat district was 6.44.

The household size is 7.04 in the sampled population. The household size of the Tharu community is greater than the household size of overall Rautahat district.The number of members in the Tharu community is more than that of other caste in the Rautahat. This system of joint family has both advantages and disadvantages.However,in joint family, many persons will be available who do not any work and depend on the joint family income. Many of them seem to work but they do not add anything to production. In this way, they encourage disguising employment.The large family have a proportion of child dependents resulting from high fertility.The large number of family size increase economic burden on households head.

Figure 4.1

Population Ratio of Sampled Population
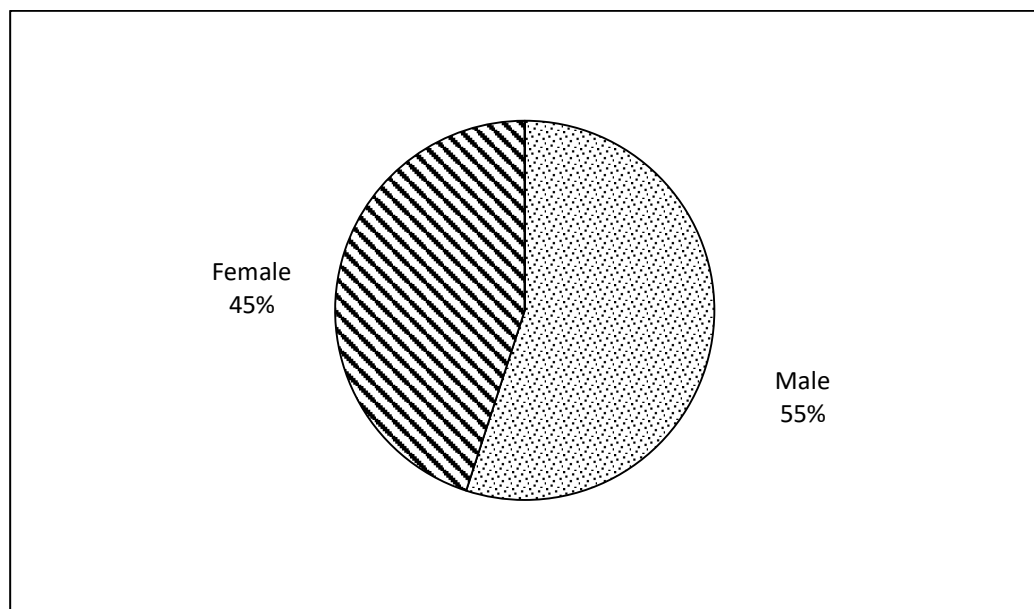
Source: Based on the table 4.1

4.10.2 Dependency Ratio

Dependency ratio is a measure of the number of dependents aged between zero to 14 and over the age of 60, compared with the total population aged between 15 to 59.This demographic indicator gives insight into the number of people of non-working age,compared with the number of those of working age.$\Rightarrow \frac{795}{1668} = 0.48$ is the dependency ratio.

A higher dependency ratio is expected to reduce productivity growth.A growth in the non-productive population will reduce the productive capacity and could lead to a lower long-run trend of economic growth.Lower economic growth will increase poverty, inequality and higher spending.

Figure 4.2

Ratio of Working and Non-working Population

Source: Based on the table 4.1

The National Population and Housing Census 2011c have taken working age population Aged 15 to 59 years. The number of population between Aged group 15 to 59 in the study area are working population to be 1668 and non- working population are to be 795.Dependency rate that was 32 percent (figure 4.2). So we can say that high degree of dependency and the economically active population is only 1668.The number of population getting old age allowance for government are 71 who get annually Rs. 12,000.

Economically active population are working population in working age group 15-59 and age group 14-60 are regarded as non-working or inactive population.Economically in active includes children's, students,early retirees and the long- term sick.

CHAPTER – FIVE

STATUS OF POVERTY IN THE STUDY AREA

5.1   Poverty Line and Population under Poverty

This chapter explains how poverty lines are constructed. The strengths and weaknesses of defining poverty lines based on the basic needs (BN) method.The construction of poverty line is the most difficult step in the practical measurement of poverty. Most commonly used is the basic need approaches. It first estimate the cost of acquiring enough food for adequate nutrition usually 2220 Caloric per person per day (CBS, 2011d).Then adds on the cost of other essentials such as clothing and shelter.

Absolute poverty and relative poverty are the two sorts of poverty lines.Absolute poverty denote a condition of subsistence or survival only. Absolute poverty or below-poverty-line poverty refers to someone whose income is below the poverty level. Similarly, the overall poverty line is drawn using the Keynesian notation of the break-even technique. Two distinct poverty lines can be drawn using the notions of absolute and relative poverty. Absolute poverty is defined as the inability to meet one's basic needs in life. It is seen as a scenario of insufficient demand for resources, regardless of societal well-being. Relative poverty, on the other hand, is viewed as a totally relative lack. The choice of one strategy over another is significant. The choice of one approach over the other has substantial implications for social strategy; absolute poverty can be reduced by economic growth, but relative poverty can only be reduced when income inequality falls (Hagenaars & Prag, 1985).

Many people believe that relative poverty lines are uneven measurements of income inequality rather than destitution. In fact, families that fall below an income-based poverty level are no longer considered poor; instead, they are classified as low-income. It's no surprise that the Economist no longer refers to the poverty rate as "at risk of poverty rate" (Sucur, 2005). This analysis is based on these two methodologies, which produce substantially different poverty information.

If the poverty line is absolute in the creation of anti-poverty policy, poverty comparisons become trustworthy in the sense that two individuals with the same degree of welfare are treated the same manner (Ravallion, 1998). Absolute poverty, on the other hand, is of little relevance in some countries where the number of poor by

this criteria is so low. Because the relative poverty threshold rises with money, relative poverty is particularly relevant in high-income developed countries. Furthermore, the relative poverty level is appropriate if the goal is to identify and target today's poor (World Bank, 2005). Because it is difficult to determine the same absolute poverty limit for multiple nations, relative poverty is more appropriate for international comparisons of poverty rates.

Social Status justifies the total social state of people living in society; this includes demographic composition, education, literacy, health, and other factors that affect people's social stratification on a vertical scale. Similarly, people's social positions influence their livelihood strategies.

The most essential consideration when deciding between absolute and relative poverty is whether just price increases will be reflected in setting the poverty line or if general welfare increases will also be taken into account for computations. It is typically characterized as the moment at which income simply matches consumer spending. Individuals with incomes below this level are classified as impoverished. A person's income is moderately low if it is below this threshold but above the absolute poverty line.

5.2   Absolute Poor and Absolute Poverty Line

BN approach defines the poverty line as the expenditure value (in local currency) required by an individual to fulfil his/her basic needs in terms of both food and non food items. While the poverty line in the previous round for the survey in 2003-04 (NLSS-II) was an update of prices for same basic needs basket estimated in 1995-96 (NLSS-I), the poverty line for 2010-11 is based on new basic basket of the poor to reflect changes in wellbeing over time.

Absolute Poverty Line Definition and Construction

This phase describes how to establish an absolute consumption-based poverty line after deciding on a method of poverty measurement and a welfare indicator. All absolute poverty levels "z" are traditionally set in terms of the cost of purchasing a basket of items (World Bank, 2005).

$$u = f(y) \tag{i}$$

where u is the standard of life and y is the consumption expenditure.

This equation describes how the standard of life "u" is determined by the expenditure "y":

$$y = f^{-1}(u) \qquad\qquad (ii)$$

Equation (ii) explains that there is some level of investment required to reach any degree of utility or standard of life. Considering "uz" the utility that is just enough to keep you from falling below the poverty line;

$$z = f^{-1}(uz) \qquad\qquad (iii)$$

According to Equation (iii), there is a consequent absolute consumption-based poverty limit for an absolute poverty line that is absolute in terms of wellbeing. In Nepal, the resulting absolute consumption-based poverty line is technically defined as the level of consumption or income that produces 2,220 calories per adult equivalent per day.

5.2.1 Poverty Line Estimation

This chapter describes how to exercise with a level of consumption expenditure that produces 2,220 kcal calories per adult equivalent per day. The cost of calories function, which was developed by Greer and Thoerbecke (1986), was used in this case:

$$\text{Let } Y = a + bx \qquad\qquad (iv)$$

Y = Monthly per adult equivalent consumption expenditure (food and non-food),

X = Daily per adult equivalent calorie intake "a" and "b" ,

$$Z = e^{(a+bR)} \qquad\qquad (v)$$

The letter "Z" represents the poverty level, and the letter "R" represents the recommended Calories per Adult Equivalent of 2,220. This method implicitly implies that households that meet the calorie requirement also consume necessary non-food items. Greer and Theorbeck's (1986) method, also known as the Food Energy Intake (FEI) method, is customized in that they only employed the food expenditure

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regressed against the caloric norm in equation (iv). The total (food and non-food) is regressed to the caloric norm. This method is referred to as one of the Basic Needs (BN) alternatives (CBS, 2011c). This method estimates food poverty, which is a basic requirement.

Almost all absolute poverty levels are weighted by the cost of purchasing a basket of items ("commodity-based poverty line"). The basic needs technique first determines a consumption package, and then the cost (price) of this, such as food and non-food poverty rates. The poverty line is a bundle (package). Both food and non-food factors could be included in this consumption bundle. The cost of the consumption basket is calculated using four ladders. The energy needs of a person for everyday activities are used to evaluate dietary components in the first stage. For energy requirements, different calorie values are used.

The food basket of the poverty line is constructed by estimating how much the poor spend to reach a minimum caloric requirement of 2,220 kcal per day. The minimum caloric requirement was considering composition by age and sex of an average Nepalese household in 2010-11 and recommended dietary allowances by age gender (CBS, 2011c).

Estimation of the absolute poverty line minimum subsistence norm is followed. The income level required to purchase a basic need bundle of goods and services are thus defined as absolute poverty line. This level of income is only sufficient for survival. The estimation of poverty line of this study area is based on the specified food caloric requirement only. In the present chapter, minimum caloric requirement per day has been considered. The price of consumption of 605 gm of cereals and 60 gm of pulses are calculated.

According to NPC, The expenditure on minimum food requirement covers 65 percent of subsistence consumption expenditure goes on food;the remaining 35 percent of subsistence consumption expenditure goes on non food items. The 65 percent of subsistence expenditure was calculated to be 28.14 and 35 percent of subsistence expenditure of non food items was calculated to be 15.15 for this study area.The sum of expenditure on food and non- food are calculated to be 43.29.Thus the total required expenditure per capita per day is 43.29.The absolute poverty line calculated for this study area is to be Rs 43.29 per capita per day.The total expenditure for a year to be Rs 15801 (Annex-3).

Table 5.1

Absolute Poverty Lines in Various studies

Different Studies	Average Daily Value of 2144 Calories (605 gm of cereals and 60 gm of pulses)	Lowest Average Actual Daily Consumption Expenditure on Other	Absolute Poverty Lines	Absolute Poverty Line Per Capita Per Years
1. (Nepal Rural Central Terai 2010-11	31.23	16.82	48.05	17540
2. Nepal Rural Eastern Terai 2010-11	29.92	16.16	46.18	16856
3. Nepal Terai Western 2010-11	28.49	15.34	43.83	15998
4. All Nepal 2010-11	34.30	18.47	52.77	19261
5. Chandrapur 2005	11.92	6.42	18.34	6694.1
6. Rautahat 2019	28.14	15.15	43.29	15802

Source: Field Survey, 2019*; NLSS 2010-11*, CBS, NPC, GON.

Upon seeing the poverty line (CBS, 2011c) of different geographical region of Nepal in the table 5.1,the estimated poverty line of the present study seems to be comparable with poverty lines of other regions. The poverty line of Nepal rural central terai was 48.05 and this estimated poverty line seems to be high.The poverty line of this study is based on the local price and field study Rautahat on 2019.

The trends of absolute poverty line for rural terai central, rural terai western, rural terai eastern and for national level shows the clear picture about how differing in various region in different periods of time. The expenditure on food item is comparable but expenditure on non-food item are two times greater than of study area.This is why, Tharu people have ratchet effect and they are extravagant in nature.No recent data on poverty estimation has been published from Central Bureau of Statistics.The researcher has estimated poverty line in 2005 of Chandranighapur, village development committee of Rautahat. The poverty line has been increased, the major reason of it are:

(a)   There is time lag between the present study and other studies.

(b)   The increasing inflation.

The reason for being less than other two was spatial difference in these studies. The study area was rural nexus and near Indian boarder.There would be less inflation than eastern and western terai.The cost of expenditure would be less than specified geographical region. The present study made an effort to estimate the poverty line of the study area which is high. The status of the Tharu was good than people of other region.

Anabsolute poverty line defines the minimum level of living based on the society's current socioeconomic situation. Adults require different nutrition than children, and males require different nutrition than females. Similarly, households in different parts of the country have different costs (prices) of living and face distinct sets of prices across time. Calorie needs varies depending on age and gender. Children require far fewer calories than adults. Males have a higher caloric requirement than females.

This projected poverty level is based on consumption, and poor people are those whose consumption spending falls below the poverty threshold. This approach makes more sense in determining many elements that influence consumption and, ultimately, the occurrence of poverty.

5.3 Relative Poor and Relative Poverty Line

Relative poverty is a condition where people lack the minimum amount of income required in order to maintain the average standard of living in the society in which they survive.The wolf point is the level of income is just equal to expenditure. The wolf point is $\frac{1}{1-b}$ in a linear Keynesian consumption function. If a household income falls below this point, the household's consumption expenditure exceeds income. Such households have nothing to save, rather they have to draw on past savings, sell assets or incur debt to maintain expenditure. Using per capita daily income and consumption expenditure, a linear consumption function is estimated. Using least square method, regression is computed from the value of a and b in the wolf point. The wolf point of Tharu community is calculated to be Rs. 61.83 per capita per day (Annex5).

The households with income level at wolf point and income above absolute poverty line are called relatively poor households. So, the wolf point can be taken as the total poverty line.It refers to an unequal distribution of income and economic resources of a people. People cannot even fulfil their basic needs of foods, clothes,

shelter. People can fulfil their basics needs but not as much as other rich people. Relative poverty is the main measurement used today because in practice it indicates the number of households that have been relatively left behind from the households that are currently enjoying a good standard of living.

5.4   Incidence and Extent of the Poverty

The absolute poverty line and the wolf point of this study were calculated to be Rs 43.29 per capita per day and Rs 61.83 respectively. The wolf point is point of equality between income and expenditure. Poor whose income below the absolute poverty line are termed as absolute poor and below the wolf point but above absolute poverty line are relative poor. From table 5.2, 350 sampled households which are interviewed, 162 total households income fall below the absolute poverty line which is 46.29 percent. 162 households have 1078 population, so 1078 people are absolute poor from total sampled population. 39 household or 11.14 percent household have less income than wolf point and 388 peoples are relative poor. The total number of poor households and total number of poor population are 201 and 1378 respectively. In this study, 42.57 percent households and 45.68 percent sampled population are not poor.

Table 5.2

Distribution of Households by Living Standard

Categories of Standard of Living	Sampled Household	Percentage	Total Number of Population	Percentage
Total H.H.	350	100	2463	100
Absolute	162	46.29	1078	43.77
Relative Poor H.H.	39	11.14	260	10.56
Total Poor H.H.	201	57.43	1338	54.32
Non-poor H.H.	149	42.57	1125	45.68

Source: Field Survey, 2019.

5.4.1 Human Development Indices and Indicators

The head count ratio or the poverty incidence ratio or dollar 1.25- a day poverty incidence of Tharu Community and income distribution among absolute poor are explained as:

(a) **The head count ratio or the poverty incidence ratio-** It can be expressed as follows:

Head count ratio is the proportion of a population lives below the poverty line. The poverty line of Tharu community is calculated to be Rs 43.29 per capita per day (Annex 3).

Hp = q/n

Where,

Hp = Head count ratio or poverty incidence ratio

q = Number of people or households having average per capita income falling below the poverty line

n = Total number of people or households.

Head count Ratio (HCR) or HP absolute population $= \frac{\text{No.of absolute poor}}{\text{Total no.of poor}} = \frac{1078}{2463} = 0.44$

HCR of absolute poor Household $= \frac{\text{No.of absolute poor Households}}{\text{Total no.of poor Households}} = \frac{162}{350} = 0.46$

So, head count ratio or poverty incidence   ratio of absolute poor population of this study area is calculated to be 0.44 percent and it equals to the absolute poor population(table.5.2).The headcount ratio of absolute poor households has been found as 0. 46 percent .The headcount ratio does not consider how far a poor individual is below the poverty line; an individual just below the line and an individual far below it are treated the same in the calculation.

The incidence of poverty of Nepal rural central terai ,Nepal rural eastern terai,Nepal terai western,all Nepal,and study area are 21.7,21.4,22.2,25.2 and 39 percent respectively (CBS,2011c).While comparing with HCR of this study area with those other region, it is found 14 percent more incidence in Tharu community and concentration of poverty is high. The reason behind it is due to national poverty line is the average in nature, and inflation and family size in are study area more. The national poverty line is drawn from consumer's price index and poverty line of this study area drawn from local market price.

(b)   Dollar 1.25- a day Poverty Incidence of Tharu Community

World Bank (2008), 1/day definition, conceived of as absolute poverty line based on international standards. The exchange rate of US dollar and Nepalese Rupee on 10 Feb. 2020 is $1 = 115.25. The number of these people whose daily income below this international poverty line Rs. 156.56 are calculated to be 1625 among total sampled population is2463 and 82.57 percent of people in this community are absolute poor on the basis of dollar 1.25-a-day poverty line (CBS,2011c).

(c)   Head Count Index of Tharu Community

Head count index is the measures of the proportion of population whose welfare falls below the poverty line. The percentage of the population of Tharu community that falls below the estimated poverty line seems to be 0.44 percent.

5.5   Household Income Distribution among Absolute Poor

The main root cause of poverty is uneven distribution of income. Income distribution is extremely important for development, since it influences the cohesion of society, determines the extent of poverty for any given average per capita income and the poverty – reducing effects of growth, and even affects people health.Its apparent effect on health and social problems is status anxiety. The extent of inequality is measured by range. The range among total sampled household and among the absolute poor household are to be 2.69 and 1.96 respectively.The income inequality among absolute poor is not so less but slight inequity exists. The following table 5.3 shows income inequality among absolute poor.In rural Nepal, there is a wide disparity between haves and have-nots; resulting in poor people becoming poorer and affluent people becoming richer by the day.

People's status and standard of living are mostly defined by their income. Inequality in income distribution is seen as the primary cause of unemployment and poverty. As a result, it is critical to examine the current income distribution between poor and non-poor households. Gini co-efficient and Lorenz curve are employed to observe the actual outline of income and wealth distribution in this community.

Table 5.3

Income Distribution among Absolute Poor

Per capita Per day Income Group	Number of Households	Number of Population	% of Absolute Poor Population	Per capita Mean Income Per day	% Share of the Total Absolute Poor
1-10	22	146	14	7	4
10-20	57	404	37	1 5	24
20-30	44	259	24	25	31
30-43	39	269	25	36	41
Total	162	1078	100		100

Source: Field Survey, 2019.

The sample families are divided into ten income groups to research income distribution and inequality. The absolute poor households are classified into five income levels in the absence of a fifth. The first group includes those whose daily per capita income ranges from Rs 1 to Rs 10. The second group includes those whose daily per capita income is between Rs 10 and Rs 20. The third group includes those whose per capita income is between $20 and $30,000.Similarly, the last income group includes those whose per capita daily income ranges from Rs. 30 to the minimum subsistence level of Rs. 43.29, as shown in table 5.3. There are large disparities in income distribution.

The Lorenz curve and the Gini co-efficient ratio are both drawn using per capita daily income. According to Table 5.3, the poorest of the poor (lowest income group among absolute poor) receive only 4% of total income, whereas the highest income group among absolute poor receives roughly 41%. The level of inequality among absolute impoverished groups is obvious. The Gini co-efficient, which was established to be 0.26 (Annex-5A), measures the degree of inequality.

5.6   What Poor Families Intent to do to Come Out of Poverty Circle?

Agricultural labourers, landless are formed core of the poverty. But it can be safely decided that the weakest sectors of the rural society have suffered most severely from the declining standard of living and worsening poverty.

People with inadequate income typically give accounts of their difficulties in meeting basic costs, including struggling to pay, accommodation, clothing, education, health, utilities, transport and recreation and trying to balance comporting demands. The harmful impact of poverty on parents and children comes from the stress and alienation connected with having a very low income.For children, the impact of stresses and unhappiness may be direct and indirect through parents experiences and behaviour.

Poverty has been found as a major barrier, which has blocked the way of parents to perform their parental duties with full attention. Though the rural poor are a heterogeneous group, they have common disabilities viz, limited resources, limited assets, environmental vulnerability and the lack of access to public services and amenities, specifically educational and medical facilities. So, each people want to enjoy a happy life and to reduce the discomfort of the life. Thus, the present study had made an effort to find out why they want to be rich. In the former question, they answered very easily and curiously. But in answering second question they found themselves lost and looking for solution. The following table 5.4 represents the intentions of the poor why they want to be rich.

Table 5.4

 Intention of Distribution of Absolute Poor Households

Intentions	No. of HH	% of HH
Buying land (i.e. Khet)	29	18
Doing business	13	8
Solving hand to mouth problem	69	43
Opening of some industry	-	-
Off-springs education	51	31
Total	125	100

Source: Field Survey, 2019.

 Table 5.4 concludes that a very high percent of absolutely poor households do not think any other thing than to survive.They do not desire a comfortable house. They are very fatalistic and they do not blame the government and other institutions for being poor.

They believe that their poverty was written as they had done in the previous birth.Thus, their intentions for being rich are very simple.

Some of them want to earn some income to educate their children. In this regard, out of 162 absolutely poor households, 51 households are found to educate off –springs.18 percent of households want to buy land and maintain a high standard of living.

Most of the poor people do not want to take risk, only 8 percent absolutely poor desires to do business. Ultimately when they are asked how they can earn income or become rich, they answered in various ways. Most of the absolutely poor's express their intention to go to urban area, preferably, Kathmandu for other works. They prefer urban area because wage rate in their village is very low. They can hardly get Rs. 43 per capita per day in season and in off-season they remain idle. So the following table 5.6 presents the solutions made by the answer of absolute poor.

Table No. 5.5

Way to Change Their Status of Absolute Poor By

Activities	No. of Person	%
Working in Kathmandu	22	14
Working in India	31	19
Going to military/police/service	52	32
Doing small business	57	35
Total	162	100

Source: Field Survey, 2019.

Table 5.6 reveals that 32 percent the absolute poor wants to have a job in army or police force. They want job in army and police force for their honour. But 57 percent of them want business.They have no way of doing even small business in the village.For this they have to borrow.

This is the situation of poverty trap.It is a spiralling mechanism that force them to remain poor. It is so binding in itself that it does not allow them to escape. This situation is caused by a lack of capital and credit. Their poverty trap can be broken by planned investments in their community and providing means to earn and be employed. The main policies to reduce poverty trap are-reduce benefits, have a graded system of benefits, increase minimum wages, loan facilities, social protection, free education, and free medical facility.

CHAPTER – SIX

LEVEL OF POVERTY

6.1   Determinants of Poverty and Living Conditions

This chapter investigates the Tharu community's state of poverty. Poverty is a multi-dimensional and multifaceted phenomenon that affects not only an individual's ability to purchase goods, but also their vulnerability to various pressures that may prevent them from enjoying life. It is also important to understand the causes of these differences in order to develop strategies for more efficient intervention schemes aimed at poverty reduction.

In the form of poverty rates or expenditure quintiles, poverty is typically quantified by purchasing power or per capita expenditures made by the household. Purchasing power is strongly related to most other indicators of living conditions and is considered as a significant indicator of poverty and vulnerability. Productivity, growth, and income from jobs and livelihoods are all essential elements in poverty reduction. Social factors such as health, nutrition, education, and housing all have an impact on production, which in turn influences poverty status. Poverty, in turn, has an impact on households' ability to acquire access to acceptable social conditions in order to boost their production. Efforts to alleviate poverty require a comprehensive intervention strategy that includes not only economic but also social components, in order to alleviate poverty.

Level of income is the adequate standard of living and below which it is not. It fluctuates with the cost of living. The determinants of poverty like land, education, agriculture, occupation, family structure are analyzed.

6.2   Level of Education and Poverty

At individual level, education can be different between the people of below and above the poverty line. Education can improve food security, health standards and gender equality. Poverty impacts education just as much as education impacts poverty. Poverty has a direct impact on a child ability to learn as well. Children living under poverty are often see themselves as victims of a system, lacking their own ability to make choices that actually affects their lives. This poor sense of action affects their focus, initiative and engagement in the classroom. Education may be one of keys for reducing and eradicating poverty.

Table 6.1

Distribution of Total Sampled Population by the Level of Education

S.N.	Level	People	Percentage
1	Educated	517	21
2	Illiterate	1455	59
3	Literate	491	20
	Total	2463	100

Source: Field Survey, 2019.

The difference between educated and literate signifies ability and holistic development. Literate person or literacy involves acquiring the ability to read and write with understanding where as educated persons or education is more than literacy. It is about holistic development of an individual making it a complete human, who can not only read and write but also has the ability to think broader term and analyse the things rationally. Education refers to the process of acquiring knowledge, skills, values, morals habits and beliefs. So education is related to the overall development of a person with regards to his/ her knowledge, intellect behaviour, and sensibility. In totality, literacy is just one step towards education. Table 6.1 clear that out of 2463 persons, 517 are educated and 1455 are illiterate in which 491is literate. Thus,the percentage of illiterate is very high in this community. Only 59 percent are educated that is very low. So, educational status of Tharu is not so much satisfactory.

The relationship between education and poverty is bidirectional. Education diminishes poverty while poverty restricts accusers to education. So, education has become major constraint for access to and utilization of the education. In order to fight against poverty, education has been instrumental. Education of household head and level of education of female members makes catalyst to improve the living standard of people. As the education level of household head increase, the proportion of household below poverty line significantly drops to a lower threshold. This manifests the restriction to educational opportunities of household members including children. Girl education is most important which indicates the well-being of the society.

The person who passed SLC and higher education are categorized as educated in table 6.1. The children who are studying below SLC are counted as literate.

Majority of the population are illiterate. Thus the poverty in Tharu community is deepest. The percent of school going children are less than 18 percent, remaining do not continue their study. The reasons for dropouts are "help needed at home", "parent did not want" and "not willing to attend". Children from Tharu community do not attend school even though a school is nearby. It is the lack of awareness in the present and the poverty which acts as barriers. Student is not taught in local languages.There is a high degree of illiteracy among the Tharus. Thus most of them were absolute poor. The following table 6.2 presents the educational condition of the total sample households.

Table 6.2

Level of Education in Total Sample Household

S.N.	Level of Education	No. of Households	Percentage
1.	Illiterate	180	51
2.	Literate	99	28
3.	Up to S.L.C.	48	14
4.	Higher	23	7
	Total	350	100

Source: Field Survey, 2019.

Majority of Tharu are illiterate and less is literate. Those persons who have higher education are rare. It is concluded that nearly 51 percent of household heads are illiterate and 7 percent of household heads have higher education. There is a close relationship between level of education and income.Table 6.3 shows distribution of poor households by level of education.

Table 6.3

Distribution of Absolute Poor Household by the Level of Education

Level of Education	No. of Poor Household	Percentage	Mean Income Per capita Per Day
Illiterate	87	54	5.36
Literate	40	25	10.40
Up to S.L.C.	25	15	25.60
Higher	10	6	14.70
Total	162	100	

Source: Field Survey, 2019.

Illiterate householdshave very low mean income per capita per day and 54 percent of absolute poor household's heads were illiterate and their mean income per capita daily is only Rs. 5.36. The level of education increases, with increase in mean per capita income.

There are strong relationship between education and income. Education is often referred to as an investment in human capital.People invest in human capital for similar reasons.People invest in financial assets, including to make money.In general, those with more education, earn higher income.Educated or literate can earn more.

Illiteracy affects all areas of life.Those with low literacy and skills are far more likely to live in poverty and face health problems. Illiteracy is the root cause of poverty and socio-economic condition,high mortality rate,low life expectancy,child-labour and high growth rate of population.

Upon seeing table6.2 and table 6.3, 54 percent households from total sampled households are illiterate while 25 percent households are literate from absolute poor households. This indicates that more households from absolute poor households are illiterate than non-absolute poor households.28 percent households from total sampled households are literate while 28 percent households from absolute poor households are literate.It signifies the numbers of absolute poor households who can read and write are fewer than other Tharus.

Gender Inequality in Education and Poverty

The educational index of male (0.5184) seems to be higher than female (0.3191) (Annex-14). The preference has given to educate son rather than daughters. Tharu parents prefer sons because they expect to depend on them in their old age.They send their sons in private schools which are far better than government school.

The expected years of schooling for male and female of Tharu are 5.6 and 3.2 respectively. This expected year depend upon parent's desire and preference. The relationship between gender inequality in education and poverty has become an important in any society. Responsibility for economic, socio-cultural and religious functions was vested in men in most Asian patriarchal societies. Sons were therefore seen as essential for the survival of the family, for social security in old age, and are assigned a greater value than daughters; they consequently have more power and control over resources, particularly land and property, and over the women of the

family. In patriarchal society, it is considered the pious obligation of son to take care of his parents, but no such expectation is placed upon daughter. After marriage, a daughter is usually regarded as part of her husband home and is generally expected to take care of her on laws, but not her parents. It's the culture that's to be blamed.The system as it stands rewards the birth of a son, while penalizing the birth of a daughter. Sex ratio before one year of age is lower for females, in the Tharucommunity and also other community. The sex ratio was higher among in this community. This was the reason 45 percent are female in respect to male 55 percent.

Gender inequality in education likely affects education indirectly, through different channels such as by lowering the fertility rate, increasing the life span of the population, and increasing social cohesion.The inverse relation between gender inequality in education and poverty, increasing gender-based equalities. Education can increase economic growth and can break an intergenerational cycle of poverty.

6.3 Employment and Poverty in Tharu Community

The relationship between poverty and employment lies in the extent to which income permits workers and dependants to obtain the goods and services necessary to meet basic needs.The interlocking problems of poverty and employment differ between different groups and particularly between women and men. Even in the same socio-economic setting, women and men become impoverished through different processes and face different opportunities. Employment contributes in poverty reduction and promotes equality between women and men. It was, however, important conditions under which employment has a positive impact on well-being and equality. Unemployment leads to financial crisis and reduces the overall purchasing capacity of a community. Age group 15-59 is working population excludes child and old.

Table 6.4

Distribution of Sampled Population by Working Age Group

Group of Population	Number			Percent		
	Male	Female	Both	Male	Female	Both
Working group	1044	815	1859	74	77	75
Non-working group	360	244	604	26	23	25
Total	1404	1059	2463	100	100	100

Source: Field Survey, 2019.

Table 6.4 shows 75 percent are working and 25 percent are non-working population.There are high degree of dependency in Tharucommunity .These non-working population add extra burden on households head and increases poverty.The working females are less than male.The wage rate of female is less than male.Male engaged in outside work and female work inside the house.The rural off-farm employment has been traditionally seen as low-productive.

The labour force participation rate is defined as the proportion of the population ages 15+ that is economically active.The female-to-male ratio of labour force participation is calculated by dividing the labour force participation rate among women,by the corresponding rate for men. The ratio is 0.48. higher the ratio, lower the economic growth and increase in poverty.

The working population are separated into three categories viz fully employed, semi-employed and unemployed.This study assumed that who work at least for 21 hours a week or nine months or more in a year are termed as fully employed. Persons who work less thanone year than that but more than three months are termed to be semi employed.Persons work less than 3 months work in a year are termed to be unemployed. The following table 6.5 represent distribution of sampled households by family size.

Table 6.5

Distribution of Sampled Households by Family Size

Family Size	No. of Household	Percentage	Cumulative
1-2	13	3	3
3-4	10	2	5
5-6	162	46	53
7-8	130	37	90
9-10	35	10	100
11+	7	2	100
	350	100	

Source: Field Survey, 2019.

The total population of 350 sampled household was 2463 with average, household size was 7.03.Out of total sampled population, 1404 were male and 1059 are female.

Average household size of Tharu community is higher than average household size of the Rautahat district 6.44(CBS, 2011). The household size of Rautahat district was nationally highest (CBS & NPSC, 2011). There is a religious belief that,without son, they could not enter into the heaven after death, which makes the family in large size.The households with 2 or 3 members only are those which have Just separated for on their parents after marriage.Anyway, the system of joint family has not vanishing in this community. The household head has to maintain large family.

6.4   Poverty and Land Holding Status

Land is a main source of income and employment for majority of households in Nepal. In the study area, most of people's occupation is agriculture. However, these seem an extreme inequality in the distribution of land. The land was most often categorized in two forms i.e. Khet and Bari. Most of the poor families do not possess Khet, but they may possess Bari.The following table 6.6 represents the distribution of land among the sampled household.

Table 6.6

Distribution of Sampled Households According to Size of Land Holding for Cultivation

S.N	Size of land holding (Bigaha)	No. of HH	Average land held by a HH	Total land held by a group	Percentage
1.	Landless(0)	93	O	O	O
2.	Upto.1-2	229	4.48	283..9	63.1
3.	2.1 – 4	10	18	90	17.03
4.	4.1- 6	18	8.04	96.48	20
	Total	350		470.46	100

Source: Field Survey, 2019.

There is a severe inequality in the distribution of land and some of the families do not own land. Out of 350 sampled households, 93 households with 27 percent are landless and are rentals.Land is the basic asset which creates the inequality of the income.The trends in landlessness are therefore often supposed to indicate whether poverty is increasing or decreasing.

The highest group is consisting with 63.1 with having 0.1 to 2 bigaha of land which is also not productive, 4.1 to3 bigaha holding are in second position which

consist of 20 percent. It shows that there is very high inequality of the distribution of land among sampled household.

Most farmers are not driven to pursue larger packages due to their reliance on subsistence agriculture and limited available resources with which to plant crops as a result of land disintegration and urbanization. The increase in land prices also adds to increased land fragmentation. The conversion of agricultural land to non-agricultural usage (mostly residential settlements) is also strongly established in Tharu farmers' subsistence-oriented behavior.

Incidence of Landlessness

Landlessness in rural area is often taken as a sign of vulnerability and poverty.Land is obviously a major factor of production in agriculture, and households without access to land are thus thought to be at a high risk of poverty.

Table 6.6 clear that out of total sampled households, 27 percent household are landless.so, landless labours in the study area are generally poor than the absolute poor.They usually belong to the depressed sections of community and earn very low wages.This ultimately leads to poverty. Parents are not able to send their children to school.

6.5   Occupation and Poverty

Poverty is determined by the occupation that generates the most income.Perspective from the workplace and a better knowledge of how poverty affects people and communities.

Tharu people have worked in a variety of occupations including agriculture, animal husbandry, services, business, military and police, wage labor, and so on. The majority of households rely on agriculture as a source of income. They used to raise a variety of crops like as maize, wheat, paddy, barley, potato, and numerous vegetables and fruits. Aside from services, the Tharu community's labors include the reciprocal exchange of labor force, daily salaries, and contracts. The forest provides lumber, food, cattle grass, and firewood. Nowadays, young individuals migrate to Kathmandu and elsewhere in international work to boost their economic opportunities.

Table 6.7

Distribution of Sampled Household (According to Major Occupation)

Major occupation	Number of H.H		Population
	Number	Percentage	
Agriculture	269	77	2012
Non-Agriculture (Labour, driver, small business etc.)	81	23	451
Total	350	100	2463

Source: Field survey, 2019.

From the table 6.7, it is clear that out of 2463 people, 77 percent depend on agriculture and 23 percent depend on non-agriculture like service, wage labor, business etc. Other occupation like private job, rickshaw pulling, labour, mistree. They used traditional method to sell their products.But income from other sources rather than agriculture is not satisfactory.

Mostly people are involved in their traditional occupation agriculture for their livelihood.They use primitive tools and cannot afford to buy fertiliser and improved seeds.Most of the food production is consumed by their families.Most of them belongs their own family farm and where they grow both main crops and different cash crops seasonally.The low agricultural production lower their economic growth and it increase their poverty.

6.5.1 Livelihood and Income Earning Activities

A livelihood comprises people, their capabilities and their means of living, including food, income and assets. Tangible assets are resources and stores, and intangible assets are claims and access. Rural households are engaged in many livelihood activities that help them to secure economically.

Agriculture and Farming Practices

Agriculture is prominent sources of livelihood of the Tharu. This is natural resources based livelihood. Agriculture and farming practices are regarded as significant in Tharu community. Majority rural population depends on agricultural sector to survive.

It is critical for them to have efficient skills and knowledge in order to promote productivity. Productivity and profitability can be achieved by combining

practical knowledge with scientific technologies, making efficient use of natural resources, employing time-sensitive management practices, emphasizing technology-driven production, employing appropriate farming systems, employing location-specific technology, producing in response to market demand, and employing low-cost and no-cost technologies.

Livestock Farming

Livestock farming is a subset of agriculture. Agriculture is impossible to do without cattle. Animal husbandry is also an important source of income for Tharu tribes. It is the branch of agriculture that deals with the rearing of animals for fiber, meat, milk, eggs, and other items. Individuals keep animals, and livestock husbandry is regarded as one of the most important jobs. Their primary responsibilities in animal husbandry include day-to-day care, selective breeding, and livestock raising.

Individuals are responsible for their animals' feeding, health care, shelter, safety, and other aspects. Cow farming is extremely valuable in animal husbandry. It is raised for milk, manure, and field ploughing. In this community, goat is also more common. It is raised for the goal of earning money. In most cases, people retain cattle and use them to create productivity and income. To enhance their livelihoods, they create products from their animals such as fiber, wool, meat, milk, eggs, and so on, primarily for sale. Milk is typically utilized to manufacture things such as butter and cheese, which they typically sell on a daily basis when they have efficient talents.

Livelihoods based on labour

Small landholders and landless rural households meet their livelihood chances by selling their labour in labour-based livelihoods. Individuals are occasionally hired for building work, where they put their skills to use. In the labor-based livelihood, they examine elements such as labour demand, wage rates, and food prices.

Unskilled wage labor is the main source of revenue of majority of the Tharu households. The unskilled labor or wage laboring includes the non-natural resources based livelihoods and off farm activities where the households are paid on an hourly of daily basis.

Fish Farming

Another important source of revenue for the Tharu is fish aquaculture. It is growing increasingly popular, and demand is high in both local and major market hubs. The Tharu people's way of existence is similarly dependent on fishing. They used to catch fish all year in the Chandi and Bagmati rivers. They used to sell in the neighbourhood market.

Handicrafts

Handicraft is also means of earnings. Some of incomes come from the sales of handicrafts especially bamboo vessels. Although Tharus used bamboo trees to make almost every tool they would need, they would use them in a sustainable manner. Their lifestyle and economic activities never harmed the nature. But they say the commercial production of plastic items is not just driving them away from their traditional lifestyle, it is also leading to an ecological crisis.

6.5.2 Poverty and Food Insecurity

Food security has a direct and positive relationship with the availability of quantity and productive quantity of land. A small percentage of total households possess the majority of farm land, whereas the majority of households are either landless or have marginal land holdings. The concentration of more land in fewer hands explains disparity in ownership of primary productive assets, which results in income inequality. Tenant and share cropping schedules provide access to land for landless and near-landless households.

This type of semi-feudal production has no incentive to increase agricultural production. The poverty head count ratio is 39 percent. So 39 percent of people have no food sufficiency.

6.6 Health and Poverty

The life expectancy of male and female of Tharu community are 67.2 and 69.42 respectively (Annex-14).The life expectancy of female is higher than male. Majority of male are alcoholic and smoker.These two factors shorten their life span.life expectancy increase continuously with income. The effect of life expectancy include gender genetics,access to health care,hygiene,diet and nutrition,exercise,life

style.The longer life is based on two major factors, genetics and life style choices. Male Tharu people have many bad habits that used to shorten their life span.

Life expectancy of Nepal in 2018 for male was 68.8 and for female was 71.6 (WHO,2018). On comparing this life expectancy with national average, the life expectancy of Tharu people are less than national average.This clears that their health condition is lower than national level.

Poverty is both a cause and a result of poor health. Poor health traps the Tharu population in poverty. Tropical diseases, both infectious and neglected, kill and weaken the impoverished and most vulnerable people. In their places, there is a high risk of water-borne infections. The key implications in this community are ground water contamination, water management, diet, and cleanliness. There is one district hospital, four main health care centers, eight health posts, 85 sub-health posts, and twelve birthing centres (CBS, 2011c). There is a scarcity of health-care services. The majority of people rely on other private hospitals.

The health index of male and female of Tharu is calculated to be 0.7262 and 0.7603 respectively. Health index of female is better than male. This shows that health condition of female is good.

The Tharu impoverished have poorer health and die at an earlier age. They have higher rates of child and maternal mortality, a wider range of diseases, more limited access to health care and social security, and, ultimately, gender inequality harms the health of poor women and girls. For disadvantaged people, health is also a critical economic asset. Their livelihoods are dependent on it. When a poor or socially vulnerable person falls ill, the entire household may become locked in a downward circle of lost income and expensive health-care costs. The cascading effects include devoting time away from earning an income or attending school to care for the sick; they also necessitate the sale of assets essential for livelihood. The poor Tharu are more exposed to this declining trend.

Gender inequality is also a key cause of poverty and illness. Poor women and girls do worse in terms of possessions and entitlements, both at home and in society. Inequality is exacerbated by socio-cultural ideology regarding men's and women's roles. Poor women and girls may face an even greater disadvantage in accessing health resources, such as cash and funding schemes, and services. Elderly widows,

unassisted female- and child-headed households, and street children are among the most vulnerable groups of women and children.

Women are also key producers of health care as household managers and caregivers. However, poor women and girls' reproductive health suffers from inadequate nutrition, hard workloads, and a lack of basic health care, all of which are exacerbated by exposure to sexual abuse and interpersonal violence. All of them have a significant impact on human development and the generation of human capital. Action on gender inequities is thus an essential component of a pro-poor approach to health.People still believe on Jharfuk to get good health services.Some of them are conservative and due to ignorance,they compelled to visit jhakri and debta for jharfuk which is unscientific and incurable traditional beliefs. In last, they used to go doctor in bad condition of diseases. This cost much money.

6.7 Human Development Index, Gender Development index and Human Poverty Index

Human development index, gender development index and human poverty index and their interpretation are explained as:

Human development index

HDI is a summary of measurement of achievement in three key dimension of human development, long and healthy life, access to knowledge and decent standard of living.The H D I of male and HDI of female of Tharu community has been calculated (Annexes 14) are to be o.588 and 0.519 respectively.

Gender development index

Gender development index (GDI) is the ratio of human development index of female and human development index of male. As calculated (Annex 14) to be 0.882.

Human poverty index

Human poverty index (HPI) is measuringin the three dimensions captured in the human development index.It measures average deprivation in the three basic dimensions of human development – long and healthy life, knowledge and decent standard of living. It is opposite of HDI (UNDP, 2014)

P1=probability of birth of not surviving to age 40 years

P2 =adult illiteracy rate

P3= arithmetic average of characteristics containing

P31 = the percent of population without access to safe water

P32 =percent of malnourished children under five

The human poverty index(HPI) of Tharu community calculated in(Annex 15) to be 44.89.

Interpretation on human development index;

The HDI of male and female are 0.588 and 0.519 respectively.The reason of it are;

(i) HDI is calculated from life expectancy, years of schooling and income of male.

(ii) The life expectancy of male and female are 67.2 and 69.42 respectively. The Tharu male are alcoholic but female are not. So male get disease and die untimely.

(iii)The year of schooling for male is more than that of female. Due to religious concept,they think that son is future asset and daughter will go to others house. This cultural barrier hinders access to education among females.

(iv)The income of male and female are Rs. 685 and Rs. 582 respectively.The wage rate of male is higher than that of female. Due to more wage rate and year of schooling, human development index of female is higher than that of male.This shows the better condition of females compared to males.

Interpretation on Gender Development Index

Gender development index is the ratio of human development index for female and human development index for male. It is observed 0.882.The gender disparity and value of GDI are directly proportionate.

Interpretation of Human Poverty Index

The human poverty index of the Tharu community is calculated as 44.89. It measures the average deprivation in the three basic dimensions of human development; long and healthy life, knowledge and decent standard of living. In the

calculation of HPI, surviving to age 40, adult illiteracy rate, and percentage of malnourished children under five years are considered. Due to illiteracy and malnourished condition, the value of HPI is high.

Comparison of HDI of National Average, Rautahat and Study Area

The HDI of national average and Rautahat district for 2014 are 0.49 and 0.463 respectively. Similarly, the HDI of male and female of Tharu community for 2019 are 0.512and 0.519 respectively. However, these scores, seems that these scores of HDI of National, Rautahat and male and female of Tharu are found in increasing consecutive order 0.463<0.49<0.588<0.519.The HDI of Tharu community is higher than HDI of national average and HDI of Rautahat district. This is due to time lag.

Comparison between GDI of National Average and GDI of Tharu community

The GDI for national average for 2014and GDI of Tharu community for 2019 are 0.476 and 0.882 respectively. The GDI score of Tharu community is about two times greater than national average.

Comparison of HPI of National average, Rautahat and study area

The HPI captures the denial as results of health, income, sanitation and capability deprivation.The HPI scores of national average and Rautahat for 2014 and HPI score of Tharu community for 2019 are 31.12, 50, 44.89. Rautahat is most deprived among three and Tharu community are more deprived than national average but less than Rautahat.

Comparison between HDI of the Tharu of study area and the tharu of other parts of country

The HDI scores of the Tharu male of other parts for 2014 and HDI score of Tharu male of Rautahat for 2019 are 0.482 and 0.588 respectively and their order are 0.482<0.588.It can concluded that the health, level of education and standards of living of the Tharus is better than the Tharus of other parts of country (UNDP, 2014).

6.8 Gender Inequality and Poverty

Nepal has made progress in other area such life expectancy, literacy rate and so on;but there is still a long way to go before it attains gender equality. Poverty and

inequality are incompatible with sustainable development.Gender is a major predictor of social and economic inequality, as well as exclusion. Gender inequalities in material well-being exist regardless of socioeconomic status, while the level of disparity varies among nations and throughout time.

As a result, gender inequality is a characteristic of most societies, with males on average better positioned in social, economic, and political hierarchies. For more than two decades, the goal of reducing gender inequality has held a prominent place in international organizations and in national strategy statements. The wage gap (gender pay gap) is the disparity in pay (or salaries, or income) between men and women. It is a measure of inequality that encompasses a larger concept than equal pay for equal labour. Pay disparities between men and women limit disparities in a variety of parameters, including worker education, experience, and occupation. The gender wage gap is calculated by dividing all male workers by all female workers.

The total sampled households population is 2463 in which 55 percent are male and 45 percent) are female.The household size is 7.04. There is joint family in practice.The gender development index is 0.882 (Annex-14).This justify, clear disparity between male and female. Due to more wage rate and years of schooling, human development index of male is larger than female. This show better condition of male than female.The condition of female are vulnerable than male in the Tharu community. The income of male and female are Rs. 685 and Rs. 582 respectively.The wage rate of male is more than female. Female are supposed weak than male.Higher the disparity, higher will be poverty. Poverty often exacerbates the cultural forces that lead to favoritism towards males.

(a) **Patrilocality**: Many cultures practice patrilocality in which a married couple lives near or with the husband's parents. When a woman gets married, she essentially ceases to be a member of her birth family and joins her husband's family. Under this system, parents potentially reap more of the returns to investments in a son's health and education because he will remain a part of their family, whereas a daughter will physically and financially leave the household upon marriage.

(b) **Old-Age Support from Sons**: The cultural norm that sons, not daughters, support parents did not change, but its implications for the desire to have a son and the skewed sex ratio did change.

(c) Dowry System: Dowry is a payment that a bride's parents make to the couple at the time of marriage. In societies where dowry is used today, the groom typically controls the money—dowry is the price of a groom. Dowry is thus a financial cost to parents of having daughters**.**

(d) **Role of Sons in Religious Rituals:** Son preference is mentioned in the Vedas, the ancient Hindu texts. In addition, in Hindu societies, it is supposed to be a son who lights a deceased person's funeral pyre and brings him or her salvation. Hindu kinship norms are adhered to more strictly among upper castes than lower castes.

CHAPTER - SEVEN

POVERTY AND IT'S INCIDENCE

7.1 Measurement of Poverty and its Extent

Incidence of poverty shows the proportion of people who are under the poverty line.Sen Index is defined by the combination of three distinct measure of poverty; poverty rate, poverty gap, and the inequality of incomes among the poor as measured by the Gini co- efficient. Sen's poverty index answered the question "How poor are the poor" (World Bank, 1976). The index is based on the ordinal welfare concept. It can measure the value of Sen's index in two viz. considering Gini coefficient and without considering Gini- coefficient. Before using Sen's index, it has to calculate Gini- coefficient. It measures the extent of inequality which is one of the major determinants of poverty.

7.2 Level of Income and Expenditure

A consumption plan refers to the link between income and expenditure. It describes the household sector's economic tendencies. People spend more money when they have extra money. Money is sometimes spent on expenses even when there isn't enough revenue to cover them. This is a general economic principle that is used to describe spending patterns.

Income andExpenditure

The consumption schedule is determined by the difference between income and consumption. When income rises, so does disposable income, and consumers buy more products. As a result, consumption of significant purchases and non-essential commodities rises. The growth in spending has no direct relationship with the increase in income. Every extra dollar generated may be used on discretionary spending. At times, low-income people may see more expenses than actual income.

The difference between income and consumption is the amount spent and saved at the end of the month. Many variables influence why people opt to spend extra money on items that aren't necessary for day-to-day living expenditures. These are examples of consumer optimization.

7.2.1 MPC and MPS

The marginal propensity to consume (MPC) is defined as the proportion of an aggregate raise in pay that a consumer spends on the consumption of goods and services, as opposed to saving it.Marginal propensity to consume is a component of keynesian macroeconomic theory and is calculated as the change in consumption divided by the change in income.The marginal propensity to save (MPS) refers to the proportion of an aggregate raise in income that a consumer saves rather than spends on the consumption of goods and services.

Aggregate expenditure is consumption as a function of household's income and consumption expenditure depends primarily on personal disposable income.They can consume or save.Income and consumption relationship of households are explained as if C=f(Y) and

$Ci=a+b\ (Yi)$

where a=represents autonomous consumption=0.4699,

b= marginal propensity to consume=1.0076(Annex-4).

C=0.4699+1.0076Y   (i)

Equation (i) is the consumption function. For every increase in income,consumption increase by mpc times that increase in income.

Margin propensity to save (MPS) = ratio of small increase in saving and small increase in income.Income has a positive relation with consumption as one unit increase in income brings Rs 1.0076 units increase in consumption, which reveals MPC, is with income. The MPS is 0.0069.Mathematically,

MPC+MPS=1   (ii)

In a closed economy, an increase in one unit of income will be either consumed or save. it is supposed that value of MPS for richer is more than MPS for poor. Factors affecting consumption and saving are family size (7.04),education, income.

About 59 percent of people are illiterate. There is a strong positive relationship between education and poverty reduction.The household family size is7.03 and non-working population is32 percent. Joint family is also a cause of poverty, where household head has to sustain a big family.The mean income and mean consumption of total sampled population are calculated to be Rs 65 and Rs 65.47 respectively.

Most of the Tharu community are extravagating nature. They spend too much money to celebrate ceremony, festivals.There are more ratchet effect in those community. They spent much money on alcohol.

7.2.2   Income Distribution among Sampled Households

In Nepal's rural sector, there is a wide disparity between haves and have-nots, resulting in impoverished Tharu becoming poorer and rich people becoming richer by the day. Tharu's standard of living is primarily dictated by their income. There is income inequality, which necessitates an examination of the existing pattern of income distribution among poor and non-poor households. The Gini-coefficient and Lorenz curve are used to investigate the true pattern of income and wealth distribution.

Tharu's sampled households are divided into ten income deciles groupings. Each category represents 10% of the total sample households. It was ranked among the low-income groups. The first deciles cover 10% of low-income households, whereas the latter deciles cover 10% of high-income households. Income inequality is studied using per capita daily income. It is considered that income distribution based on per family income does not accurately depict inequality, and there is frequently a positive relationship between the number of household members and total household income. Total household income rises as the number of household member's increases.

A large (joint) household with a high income may or may not be well-off. Similarly, homes with low income and small household size may or may not be well-off. As a result, per capita income is used to draw the Lorenz curve and estimate the value of the Gini concentration ratio. The table 7.1 depicts the distribution of income per capita per day into deciles groupings.

Table 7.1

Income Distribution of Sampled HHs Per Capita by Deciles Groups

Percentage of Households	Population in Deciles	Percentage	Cumulative Percentage of Population	Percentage of Income	Cumulative Percentage of Income
10	191	7.8	7.8	3.57	3.57
10	203	8.2	16.04	6.5	10.07
10	214	8.72	24.24	8.01	18.08
10	236	9.6	33.84	11	29.08
10	238	9.7	54	13.86	42.94
10	249	10	54.33	15.19	58.13
10	267	11	65	18.2	76.33
10	284	12	77	20.01	96.34
10	300	12	88	22.05	118.39
10	281	11	100	30.25	148.64
Total	2463	100			

Source: Field Survey, 2019.

Table 7.1 indicates that income is not distributed evenly throughout the deciles groupings. The top 10% of household members received roughly 30% of total income, while the bottom 10% of household members received only 2% of total revenue. Inequality in income distribution is extremely high. The Lorenz Curve was employed as a graphical tool for measuring dispersion. The Lorenz Curve represents the gap between an equal distribution of income and an actual distribution of income. The region of concentration is defined as the space between the Lorenz Curve (actual distribution line) and the equal distribution line. The basic idea is that the bigger the region of concentration, the greater the magnitude of income inequality and vice versa.Figure (Annex-17) shows the inequality in income distribution among the sample population (Annex-17).

The graph (Annex-17) explained the existence of income inequality in the Tharu community. The area of concentration yields the measurement of extent of inequality.

The Gini co-efficient is the indicator par excellence, used to measure the level of distribution of monetary income and derived from social inequality. However, when the statistical result is known, from"0" to"1", which indicates that the closer to the "0" one is, the social inequality it is smaller, because the concentration of monetary income is almost nil; while the closer it is to the "1", the social inequality and the concentration of income are greater.So there is existence of income inequality and large income gap. There is a huge gap between rich and poor Tharu and rich Tharu getting richer day by day.

7.2.2.1 Determinant of Income Distribution

Income distribution can be empirically examined from various perspectives. Income distribution and status of the Tharu community are inversely related. Land is the basic asset which created initially the inequality of wealth and basically the inequality of the income distribution.

7.2.2.2 Incidence of Poverty among Sampled Household

There is an interrelationship between poverty and incidence, which is two sides of the same coin. The disparity of perspectives on the relationship between poverty and incidence is partly attributable to differing definitions of poverty and different types of incidence. The concentration of income is greater. As a result, there is an income incidence and a large income gap.

The incident of poverty is 0.26 (Annex 5A). It is serious to some extent. There is the general believe that the value of G.C., approaches to unity. It means less inequality of income distribution. But if it approaches near to one, it means to greater inequality in distribution of income. The value of Range is 1.8 (Annex 13), and it show remarkable inequality in income.

There is high and positive correlation between education and income.Education increases the skill and competencies of individuals and their productivity. Increasing income incidence affects the resources. The relationship between growth and incidence varies considerably depending on individual characteristics and the determinants of growth. The Tharu community has a family

size of 7.04 people, and poverty is positively associated. The larger the family, the greater the likelihood of poverty.

Livestock rearing is an important element of farming since it generates extra cash that helps to alleviate poverty. When compared to landless and small landholders, large landholders had a lower prevalence of poverty. There are 27 percent landless that increase poverty and incidence.The head count ratio or poverty incidence ratio of the population is 39 percent.The head count index is 49 percent.The head count ratio of Nepal was 30.8 in 2003.

7.3   Extent and Determinant of Poverty

The standard of living can be measured by individual or household's possession of income, assets, education, health and certain rights in the community.The thresholds of Dollar- a- day is used to calculate the extent of poverty in economic terms.76.98 percent of people are absolute poor on the basis of Dollar-a-day poverty line.39 percent of the Tharu live under the poverty line. The proportion of population below Dollar –a-day poverty line of Nepal in 2003 was 24.1.

The extent of poverty in the Tharu community may be explained well from the contribution of agriculture sector to the households income and 77 percent of population depend on agriculture for their livelihood.The lower share in aggregate household income compared to it's higher share in providing livelihood show the disparity and low income in this community which mainly consists of small farming households.The main income disparity and high dependency lies in small land holdings (khet and bari) and limited employment opportunity other than agriculture which limit the earnings of farm households. 27 percent of farmers are landless and rest are small holders.

Dependency ratio of Tharu community is 32 percent. It can be said 32 percent are economically inactive.This non-productive population reduce the productive capacity and could lead to a lower long run trend rate of economic growth.

This study shows that severity and extent of poverty is reduced with the increase in the diversification of income sources moving from agriculture to other off-farm sources of income. Education, land holdings, access market, access to credit, livestock are negatively related to poverty status.

7.4 Intensity of Poverty Situation in Tharu Community

Sen' poverty index estimate the intensity of the existing conditionof the poverty. Concerning this question "How poor are the poor" is used to answer.It is based on the ordinal welfare concept.It is defined as follows;

(a) With considering income inequality among poor i.e. Gini coefficient of the absolute poor.

$$i.e. \ P^* = \frac{X}{C^*p} \ [C^*p - c^\wedge p \ (1-Gp)] \qquad \text{(Todaro, 2004)}$$

Where,

X = Percent of population below poverty line

C*p = Poverty Line

C^p = Mean income of the poor

Gp = Gini - coefficient of the absolute poor

In this equation, c^p can also be taken as the mean consumption expenditure of the poor, if we take the Gp as the Gini coefficient of consumption expenditure of absolute poor.

In theoretical concept, if the value of poverty index approaches near to zero, there is low intensity of poor.And,if poverty index approaches near to one, there is high degree of intensity of poverty. Gini- coefficient among absolute poor according to per capita daily income is calculated to be 0.26 (Annex-5A). It is serious to some extent.

Thus to check the intensity of the poverty problem, it is computed in annexes. The value of poverty index considering income inequality of Tharu community is calculated to be 0.1633 (Annex-6)

(b) Without concerning the income inequality

To compute it uses the formula as:

$$P^* = \frac{X}{C^*p} \ [C^*p - Cp] \qquad \text{(Todaro, 2004)}$$

Poverty index without considering inequality is calculated to as 0.22. (Annex-6).These two types of sen's poverty indices are presented in the following table.

Table 7.2

Index of Poverty

	Considering Income Inequality among Absolute Poor	Without Considering Income Inequality among Poor
	0.1633	0.22

Source: Field Survey, 2019.

An index of poverty measures the level of poverty in a community. Measuring the level of poverty, a poverty line or poverty threshold is used. Community is divided into two separate groups. Inequality is concerned with the relative position of different individuals within a distribution.Inequality in such variables is generally summarized by an inequality index.There are differences in considering income inequality and without considering income inequality by 0.057.When inequality is neglected,it became nearer to unity.The lower inequality indicates fewer gaps between rich and poor. So inequality should be eliminated to eliminate the gap between rich and poor.

7.5   Statistical Measurement of Standard of Living

The standard of living is a measure of material aspects of economy.It counts the amount of goods and services produced and available for purchase by a people,family,and groups.It is narrowly focused on the value of goods and services produced and consumed.It only measures the wealth of material things.The standard of living measurements do not account for aspects such as environmental costs,non-economic contribution tasks or income inequality.The generally accepted measure of the standard of living is GDP per capita.Mean income (average) is the amount obtained by dividing the total aggregate income of a group by the number of units in that group.

While finding standard of living of the Tharu community, it is measured by aggregate income per capita.Monetary measures of living standards tend to omit important aspects of life(nutrition,life expectancy) that cannot be bought or sold.

The sampled household according to per capita daily income, ranked into two groups. One group consists of poor and the other non-poor. Out of 350 sampled households, 43.77 percent of households are poor and the remaining is non-poor. In other words, out of 2463 total sampled population, 1078 people lives below absolute poverty line. This means 43.77 percent of population are poor.

Mean income is calculated to be 65(Annex-12) and mean income of absolute poor households is calculated to be 21.8 (Annex-13).The range of total sample population is calculated to be 2.7 (Annex-12) and the range of absolute poor households is calculated to be 1.8 (Annex-13).

Upon seeing the both mean income, it is concluded that mean income of absolute poor are about three times less than rest of the sampled households.It means absolute poor are three times poorer than other Tharu people. There is remarkable difference between the ranges of absolute poor and total sampled population.This showed that the range of income of absolute poor is much less than non-absolute poor.As range is the difference of two incomes, there is much gap among the income of absolute poor.Large range are said to have large variability and smaller range are said to have smaller variability.The difference of incomes among total sampled population or non-absolute poor are three times gap and in absolute poor are two time.The factors responsible for this gap are the factor that increase or decrease the income.The other factors responsible are household income, population, and holding, education, occupation, and skill.

7.5.1 Impact of Income Inequality on Poverty Incidence

The degree of poverty is considered as a function of two factors: average income (mean income) and extent of income inequality. Increase in mean income (growth) reduces poverty.Measuring the effect of inequality on poverty is slightly more complex than this inequality.Per capita income of total sampled population is calculated (22578.46/2463=Rs 9.17) to be Rs 9.17 and for absolute poor (3480.91./1078=Rs3) is calculated to be Rs3.

The difference in their income gives rise to inequality. Poverty incidence is estimated by per capita income, poverty incidence (Head count or poverty below the poverty line).

7.5.2 Non-Income Dimension of Inequality

Besides income and earnings, other factors responsible include; access to land and other physical assets, discrepancies in the use of and access to health, and education and other social services. These are inequality in land ownership, level of education and socio-economic, facilities and infrastructure.

(a) Inequality in land ownership

The ownership of land is highly unequal and considered to be one of the major causes of inequality and poverty.Inequality in land ownership and structure of the agrarian economy and 27 percent are landless.There exist an extreme inequality in the distribution of land and where some of families do not possess land.

(b) Inequality in education level

The level of education is highly correlated with income earned.Thus inequality in this dimension is directly related with income inequality.A perusal of the illiteracy clearly indicates high level of inequality among households.

(c) Socio-economic condition

There are disparities in the distribution of economic facilities and infrastructure availability in the study area.

7.6   How Poor Lives: A Scenario of Study Area

Everyone desires of well being.At glance, 46.29 percent of household or 43.77 percent population are absolutely poor. It is very significant for this analysis to present socio-economic conditions of poor.

Agriculture is one of the major occupations.It is still lagging behind in achieving the anticipated growth, as it continues to depend heavily on the rain-fed farming and is subsistence in nature. This sector suffers from circular effect of migration with agriculture programmes and polices continuing to be biased which results in exclusion of small holds farmers. There should focus on economic empowerment of people living in poverty and exclusion promoting sustainable agriculture practise and facilitating off –farm economic alternatives that also break the gender stereotype in work division. The sustainable agriculture practice respects and maintain the ecological integrity there by upholding the ecological justice for people dependent on natural resources.

Farmers' difficulties are exacerbated by a lack of irrigation and frequent droughts, and many have been forced to take out loans over the years due to a lack of funds.People's personal characteristics can contribute to the spread of poverty. For example, many Tharu people do not practice excellent hygiene. This, in turn, causes illness, and in order to treat it, people wind up spending large quantities of money, reinforcing the vicious cycle of poverty. Refusing to work, a lack of education, alcohol and substance abuse, and involvement in anti-social activities all contribute to poverty in various ways.

Another critical reason for extensive poverty is tremendous population growth in big families. They find difficult to maintain economically and have to live off with limited means. The poor people do not possess their own land. There are two type of land categories, according to local people i.e. Khet & Bari. Most of the absolutely poor people do not possess the Khet, but they may or may not possess a few acre of land. They do not have sufficient food to satisfy their hunger. Some households are surviving on fewer amounts than what is required, while other have to borrow from land lords or village merchant.

There was another type of borrowing in a small amount at once but who never can pay debt in money. They are usually called Hali (bullock worker) in the local language. Their economic condition is very vulnerable. They struggle severely for living. They borrow money from their lords and work as the bullock labour. They have low education or completely uneducated and exploited by rich people. Most of the poor of this type work as bullock labour and porter.

The children of the Tharus households look always sick with poverty-stricken faces. They are ill-fed and torn-clothed. Their health seems very bad. Though the government has provided free education and distributed books freely up to primary school education, the children of the absolute poor households are not facilitated by it. It is mainly due to two reasons. They are:

(i)   Some of the children from absolute poor household have to work in other's house as a servant when they are 6 or 7 years of old. The rule of children act has not still reached up to them.

(ii)   The environment in which they born is not so appropriate to learn something.

There was no way to improve the skill of the poor people. That is why they born in poverty and lives in poverty, finally die with poverty. There is no question of raising standard of living but there is a big question of satisfying hunger before them.

Household heads use to go to work many other parts of Nepal. But they could not earn a sufficient amount of money in other parts of country. Due to the existence of high unemployment, they can earn very little from the manual labour in the urban area where cost of living is very high. As a result, they cannot save a good deal of money to pay back the loan.

They do not believe on the modern works. They are traditional and believe on witch. As they are ill, they would call the witch-doctor and cut the duck.

It is concluded that there is need of specific programme with a target of directly improving their standard of living for their overall development.

CHAPTER - EIGHT

CAUSES OF POVERTYAND REMEDIAL MEASURES

This chapter deals with causes of poverty and its remedial measure. Poverty is widespread but dynamic. However, there are changes in its pattern overtime. Poverty is manifested in different forms such as hunger, ill health, denial of dignity etc. The major factors, in the continuing high level of rural poverty in Nepal includes the low performance of the agricultural sectors, population growth with a particularly high proportional young people, and mass illiteracy. It is to be noted that poverty is the result of the failure of policy and its implementation. World Bank has developed its policies and focused forever-changing poverty challenges (World Bank, 2011)

Regional disparity in poverty is immense mainly due to regional unbalance development effort of the past.The disparity means, in terms of poverty reduction that those different regions may call for different action plans. 80 percent of Nepal population lives in rural area. Condition in these areas include a lack of primary health care, education, safe drinking water, sanitation and others necessities. Due to this insufficient resource poor nutrition has become a pressing issue, and half of the children under the age of five are undernourished. The urban poverty rates vary substantially across Nepal; urban areas in the hill ecological zone are the least poor with a; poverty incidence of 8.7 percent. It increases to 22 percent in urban of Terai, while Kathmandu has a poverty rate of 11.5 percent. Urban poverty in Nepal declined from 22 percent to 10 percent and rural poverty declined from 43 percent to 35 percent (CBS, 2011c).

8.1   Dynamics and Correlates of Poverty

Poverty dynamics is the study of the causes of poverty from both a macro and micro perspective. The factors shown to have the greatest impacts on the logarithm of the assets owned by households are household size, age dependency ratio, age, sex, incidence of poverty, levels of education, and geographic location.

8.1.1 Dynamics of Poverty in the Study Area

Rural areas reflect various features of poverty about which policymakers should be aware of. Major aspects of poverty dynamics are relatively low population densities, heavy reliance on natural resource-based production and more limited access to public infrastructure and services. While agriculture is the primary source of

livelihood in most rural areas, the rural economy is broadly based on the agriculture, and poverty reduction strategies should assess how to increase non-farm employment as well as agricultural income. Many factors affect rural poverty; political instability, the quality of governance, and macroeconomic and sect oral policies. Among others lack of opportunity, exclusion, insecurity, low economic growth and subsistence agriculture are the factors that influence the incidence and mobility of poverty. However, there are changes in the influencing factors overtime. This study examines whether the factors such as infrastructure, household size and composition and economic growth are playing role in poverty dynamics. The impact of a number of factors has been studied and presented in the table8.1.

8.1.2 Socio-Economic Factors Associated with Poverty Dynamism

The household size is 7.04 in the sampled population. Household size of the Tharu community is greater than the household size of overall Rautahat district. The big household size is likely to create poverty. Due to a lack of resources, they are unable to obtain credit and participate in community activities.Major agricultural products in the research region include rice, wheat, maize, potato, peas, lentil, mustard, sugarcane, ginger.

The nature of poverty varies markedly depending on the work of the head of the home. Only agricultural and labouring households were impoverished on a long-term basis. It is because of low wage rates and casual labour. Female wage rates are lower than male wage rates. Increased pay rates can restrict the supply of labour migrating to metropolitan regions, including India and other countries.

Land is a critical aspect in rural production because agriculture is the primary source of income. Land is seen as the primary emblem of social rank and the source of economic power. Thus, ownership of land implies control over a critical factor of production. Land ownership is the single most important factor determining rural poverty. The size of a household's land ownership varies significantly. Land renting is a frequent practice. The two most common methods of renting are share cropping and mortgaging land. Under share cropping, the landowner provides all essential inputs such as seed, fertilizer, and irrigation, and the ultimate products are allocated equally between the landowner and farmer.

Another method of cultivation is where the landowner receives a set amount of money from the farmer and has no rights to the yield. The farmer retains this privilege until the landowner repays the principal sum paid. As a result, under this concept, the farmer's profit from land is considered as interest on the principal amount.

The calculated dependency ratio is 0.48. Increased reliance reduces productivity growth. A rise in the economically inactive population reduces productive capacity and may result in a reduced long-run rate of economic growth. All members of the economically active age group are involved in economic activity but have faced a dearth of stable employment prospects.

The majority of households are affected by climate change-related natural disasters, which cause poverty. Rautahat is notable for flood disasters since it is surrounded by three rivers: the Bagmati in the east, the Lal Bakaiya in the west, and the Jhanjh in the north. The Bagmati River is one of the primary rivers in the country and a perennial river, although the Lal Bakaiya and Jhanjh rivers are non-perennial rivers with a significant risk of flash flooding from the Chure forest zone. The water lock is caused by the river's limited exit and the high raised road (Bandh) along the Nepal-India border.

8.1.3 Correlates of Poverty

The correlates of poverty are estimated through a model in general form:

Y=f (X, Y)   (i)

where Y is the logarithm of assets index, and X are characteristics of the household (size, age, education) and controlling for location effects.

As a general rule, key findings from the dynamics of poverty are also observed when assessing the determinants or correlates of poverty using regression analysis for the logarithm of the assets index in terms of the correlates of assets-based poverty, sector of employment.

Table 8.1

Correlates of Poverty

S.N	Variable	Indices	Calculated values
1.	Absolute poverty line	BN method	43.29
2.	Relatively poor	Wolf point	61.83
3.	Human poverty index	HPI index	44.89
4.	Human development index Male/female	HDI index	0.588 and 0.519
5.	Gender development index	GDI index	0.882
6.	Head count ratio	Ratio of Absolute poor	0.39
7.	Dollars a day poverty Incidence of poverty	Calculation	82.57 percent
8.	Headcount index	Calculation	0.44 percent
9.	Incidence of poverty	Sea poverty index	0.26
10.	Head income of HH	Per capita per day	72.72
11.	Extent of inequalities	Range	1.8
12.	Dependency (non-working age)	Calculation	32
13.	Household size	Calculation	7.03
14.	Illiteracy	Calculation	59 percent
15.	Landlessness	Calculation	27 percent
16.	Dependency of Agriculture	Calculation	77 percent

Source: Field Survey, 2019.

8.2 Poverty Impact Analysis

Absolute poverty results extreme hunger, starvation, and malnutrition. People became vulnerable to preventable diseases. People in absolute poor simply cannot afford food, water, and shelter. Most of them are not healthy enough to undertake any economic activity. They cannot send their young to school and the youth get any skills. This deprives the man- power and makes their situation worse. As they migrate into the cities, it increases population and put pressure on amenities in the cities. The impact on absolute poverty by BN method is 43.29. The prices of non-foods are increasing. Inflation increases the cost of foods, goods and services and reduces the purchasing powers. This was also verified when questioning respondent. That is why; poverty is in increasing trends.

Poor families have problems such as lack of meals and have no access to health facilities. As a result, children are malnourished and unhealthy and have many health complications. They hand over this condition to their children, who will also

grow up in similar conditions. Thus, the life of Tharu people continues through vicious circle to generations.

8.2.1   Impact on HDI, HPI, HCR and HCI

These indices are calculated by health, education, life expectancy, personal income and sanitation. Lack of clean water brings diseases and lowers the life expectancy. The condition of education is not satisfactory due to low literacy rate with only 53 percent. The HDI, HPI, HCR are influenced by several factors such as income, education, and health.

The health aspect of the HDI is measured by the life expectancy, as calculated at the time of birth. This component is equal to 0 when life expectancy is 20 and equal to 1 when life expectancy is 85.Education is measured on two levels: the mean years of schooling for residents of a country and the expected years of schooling that a child has at the average age for starting school. These are each separately normalized so that 15 mean years of schooling equals one and 18 years of expected schooling equals one, and a simple mean of the two is calculated.

The HDI of male is 0.588 and for female 0.519. However, the score of HDI of male is lower than female. The condition of male is better than female. Due to more wage rate and years of schooling, human development index of male is larger than female.This show the better condition of male than female.The condition of female are vulnerable than male in the Tharu community.

The gender development index is ratio of HDI male and HDI female and is 0.882 for this community. The gender disparity and value of GDI are direct proportionate. The gender disparity increases with increase in value of GDI.There is clear gender disparity and this is due to unequal pay or wage. The wage of female is less than male.Differences in pay (wage rate) between male and female creates differences among many dimensions in worker's education, and occupation. Gender wage gap is calculated by comparing to the ratio of all male workers to all female workers.

The human poverty index is a composite index of poverty that focuses on deprivation in human lives, aimed at measuring poverty as a failure in capabilities in multiple dimensions in contrast to the conventional head count measure. The HPI of the Tharu is to be 44.89 is less than the incidence of poverty of the Tharu at national average with 48 percent. So, Tharu in Rautahat are less deprived than the Tharu of national level.

The head count ratio is the percentage of a population lives below the poverty line. Head count ratio or poverty incidence ratio of absolute poor population is calculated to be 44percent and it it less than absolute poor population table.5.2.The headcount ratio does not consider how far a poor individual is below the poverty line; an individual just below the line and an individual far below it are treated the same in the calculation.

Head count index measure the proportion of population whose welfare falls below the poverty line. This measure is a member of FGT (Foster, Greer, Thorbecke) family of poverty measure.

8.2.2 Impact of Incidence of Poverty and Extent of Inequality

The incident of poverty of Tharu community is 0.26. It is serious to some extent. It means less inequality of income distribution. But if it approaches near to one, there is greater inequality in distribution of income. The value of range is 1.8, and it show remarkable inequality in income.

Inequality refers disparities in the distribution of economic assets and income as well as between the overall quality and luxury of each person's existences within a society, while inequality is caused by the unequal accumulation of wealth. The initial level of inequality affects the poverty reducing capacity of growth, as a more equitable income and assets provides the poor with more means and opportunities to improve their standard of living.

8.2.3 Impact of Family Size and Non-working Person

The average household size is 7.03 people, and 32% of the population is unemployed. Poverty is created by a large family with a shared structure, where the home head has trouble feeding. This is a financial burden that prevents young people from seeking new careers. Due to a lack of family security, children become sedentary and acquire a desire to stay at home.

Poverty, literacy, health education, and other characteristics are influenced by family size. As a result, there are environmental, economic, cultural, and social issues. Smaller families are better for education, income, and health. A larger family size correlates with a lower level of education, income, health, welfare, and economic standing.

8.2.4 Impact of Landlessness and Dependency on Subsistence Agriculture

There is inequity in land allocation. Land is the fundamental asset that causes inequality. Droughts are exacerbated by a lack of irrigation, and farmers are already strapped for cash. Poverty has resulted in a dearth of even basic facilities like as infrastructure, communication, and education in many locations. In the villages, the landless poor are often destitute. They are poor areas of society with very low wages. They are seasonal workers who are forced to do odd jobs for very little pay. The end outcome of organic decrease is a decline in soil efficiency and fertility. All crops or cattle are raised for survival, with just a few creating surpluses to sell for cash or preserve for later use.

There are two types of subsistence agriculture: primitive and intense. Shifting cultivation, slash, and pastoral nomadic farming are examples of primitive subsistence farming, which is mainly practiced in marginal areas. Scientific farming is distinguished by a high level of diversification (a mixed crop-livestock system), intercropping, and the use of few technology and inputs. In many backward areas, intensive subsistence agriculture is practiced. If given the necessary assistance, it has a tremendous potential for increased growth.

Impact on Agricultural Productivity

Climate and soil nutrients are the main factors driving land productivity. Agricultural productivity has a positive, significant impact on consumption.It can facilitate consumption growth by raising the real income, non- farm employment opportunities to improve household consumption growth. Poor and smallholders face a number of problem that cause to lower their productivity. So, pressure of population on agriculture, rural environment, non-farm services, size of holding and land tenure are the main factors determining agriculture productivity.

8.2.5 Poverty and Human Capital: Literacy and Education

The illiteracy rate is 59 percent. People do not read and write. This is very vulnerable condition. As basic education and literacy are important dimensions of human capital and essential for mobility and income earning opportunities of the poor. The lack of education will limit the ability to seek better paying employment.

The role of education in human capital development is vitally important. Education prepares people to participate in the development of their selves and at society at large. Educated people are more productive and can enjoy a better life through increased employment opportunities and skill development. Healthy Education improves food security and reduces malnutrition. By educating poor on agriculture and farming technique, they become capable of growing and selling their own food. This creates a source of income as well as living.

People who lack education have trouble getting ahead in life, have worse health and are poorer than the well-educated. Issue like hunger, illness and thirst are both causes and effects of poverty.Individual with low level of literacy work fewer(seasonal employment).While average earning increases as educational attainment increase at each levels of education those with levels of literacy have higher earnings. Education and skill can thus help in poverty reduction.

8.3   Causes of Poverty and their Remedial Measures

There are 'two categories people in Nepal's' existing scenario. One is Nepal is consisting of skyscrapers and multi-millionaires as well as a reasonably affluent middle class. The other one is Nepal which consists of people who barely have enough to eat. Most of the people in Nepal do not have a proper house to live in or safe drinking water to quench their thirst. As close as these two Nepal's social categories are in terms of physical distance, the actual disparity between them is massive.

The existence of poverty on such a massive scale cannot deny. It is a sign that our economy and even our society and polity have not been fully inclusive. It means that while some sections of the society have prospered, others have not. Even if there is one person in the entire country who does not have enough to eat then it is a failure as a nation.

Poverty is not the lack of resources or technical skills which are hindrances in development; it is lack of political will and tenacity of purpose that matters, planning are to be based on the fact that poverty is not a cause but a result. Elimination of poverty is not merely a question of economic enhancement but a social and political issue related to the socio-political awareness of people.

The understanding of causes of poverty is necessary for their overcoming from poverty. Everyone wants to get rid of the poverty condition. From the table 8.1 the factors responsible for causing poverty are discussed in the following sections.

8.3.1 Causes of Poverty in Study Area

The study area of this study consists of both rural and urban areas and 58 percent of population are poor. Poor people overcome from their poverty if they understand the real cause of their being poor. Poverty affects the life of a poor family. A poor person is not able to take proper food and nutrition and his capacity to work. Reduced capacity to work further reduced his income, making him poorer. Children from poor family never get proper schooling and proper nutrition. They have to work to support their family in their childhood. Some of them may be involved in crime like theft, murder, robbery etc. A poor person remains uneducated and is forced to live under unhygienic condition in slums. There is no facility of sanitation and safe drinking water in slums and people fall ill which deteriorates health. So, all social evils are related to poverty. Children from poor families accept poverty as a destiny. They must make an effort to come out of poverty. The following are the main causes of poverty in the study area.

8.3.1.1 Economic Causes

Poverty is a socio- economic subject that has negative influence on an individual's economic activity. The effect of poverty is more than just missing a meal. Families struggle with chronic food insecurity, hunger, and malnutrition during poverty.

(a)   High Population Growth Rate

The total population of Tharu community in census 2001 is 27502 and in census 2011, is 30811 (CBS, 2001 & 2011c). The population growth rate is 1.20 and income is lower. But personal income is not growing at the same pace. Increase in population pressure or size of the households is found as one of the hindrances for the economic development of family.

Rapid population growth is one of the major contributing factors for poverty and under- development. The adverse consequences of high fertility and rapid

population growth are effects of large families on child development, educational problems, increase inequalities, unemployment, underemployment, and urbanization.

(b)   Rural Economy and Source of Livelihood

Most of the Tharu community depend on backward agriculture. Due to disguised unemployment, income in agriculture is low. Among them 77 percent of population depends on subsistence agriculture. They own low unproductive land without irrigation and other physical facilities. They lack income and access to credit and unable to improve their land productivity.

(i)   Dependency on Monsoon

Agriculture in this area depends on monsoon. If monsoon is good, the production becomes more and if monsoon is less that average the crops fail. As irrigation facilities are quite inadequate for agricultural production it depends on monsoon.

(ii)   Labour Intensive Cultivation

Due to increased population pressure, land holding get fragmented and sub divided and become uneconomical in which machinery and equipment cannot be used.

(iii)   Under Employment

Due to inadequate irrigation and uncertain rainfall, the production of agriculture is less and farmers find work for a few months in year. Their capacity of work cannot be properly utilised. In agriculture, there is underemployment as well as disguised unemployment.

(iv)   Small Size ofLand Holding

Due to large scale sub-division and fragmentation of holding, land holding size is quite small.

(v)   Traditional methods of production

In this area, methods of production of agriculture along with equipment are traditional. It is due to poverty and illiteracy among people. Traditional technology is also one of the main causes of low production.

(vi) Low Agriculture Production

Agriculture production is low. The low agricultural production has been attributed to the low use of fertilizer, loss of soil fertility, and traditional and low technology, rain-fed farming system. Low input use; unimproved seed are the main reasons for low agricultural productivity.

(vii) Dominance of Food Crops

About 75 percent of cultivated area is under food crops like wheat, rice, and bajra while least percent of cultivated area is under commercial crops. This kind of practice is a cause of backward agriculture.

(viii) Lack of Irrigation Facility

Bagmati canal is passing through this area, but there is not much more facility of irrigation. Due to this reason they depend on rain.

(c) Illiteracy and Education

Among all, 59 percent of people are illiterate. There is a strong positive relationship between education and poverty reduction. Education strengthen skills and overcomes inequality among them. This led to economic development and also brings social change. It helps people in extreme poverty by giving them a better chance of living decent and fulfilling life. Through education, individual can develop skills to improve their livelihood. Due to their illiteracy, they fail to achieve such benefit of education. Due to insufficient vocational education and training, these are unskilled labour.

(f) Causes of Unemployment

Due to non-farm unemployment, they have no option to do work in the leisure time. Poverty increases with the non-farm unemployment. This status of unemployment is associated with a number of reasons which are discussed below:

(i) **Caste system-** In many cases, the work is not given to the deserving candidate but given to the person belonging to a particular community. So this gives rise to unemployment.

(ii) **Limited economic activity** –This limited economic activity fails to provide enough employment opportunity to the increasing household members.

(iii) **Agriculture is a seasonal occupation-** Agriculture of Tharu is under developed. It provides seasonal job only.

(iv) **Big family-**In a big family, there is big business. Some members may unemployed and depend on the joint income of the family. Many of them seem to be working but they do not contribute anything to production. So they support disguised employment.

(v) **Less saving and investment-**income and consumption is found in stagnation, no saving. Employment opportunity has not been created.

(vi) **Underemployment-** Inadequate means of production is causes of under-employment. People have no work for the whole year due to shortage of materials.

(vii) **Defective planning -** Defective planning is one of the causes of unemployment. There is wide gap between supply and demand for labour. No plan has been formulated for long term scheme for removal of unemployment.

(vii) Immobility of labour

Due to family attachment, people do not go to other area for jobs. The other factors like language, religion, and climate change are also responsible for low mobility of labour that creates to unemployment.

(e) Poor Rural Infrastructure

The poor infrastructure decreases the opportunity and productive capability of the people. Inadequate transportation, communication, electricity, irrigation decreases economic opportunities and increase poverty in the long run base.

(f) Inflation

Increasing prices of commodities, increases the number of people below poverty line. Poor is becoming poor and cannot afford the continuous and steep price rise.

Poverty is direct result of inflation. Existing social and economic system and economic policies, and the high inflation doubles down the impacts of poverty. When high inflation joins hand with poverty, it becomes unbearable.Life becomes more miserable and painful.

(g) **Health Care**

Ill- health is also major cause of poverty. To cover the treatment costs, poor families are forced to sell assets and also borrow money at high interest rates. Families are pushed into indebtedness leading into a state of objective poverty.

Most of houses use tube well for drinking water. The deep boring storage is not sufficient. Contaminated ground water,water management,nutrition, and hygiene are the major impacts in health problem. There are four primary health centre (CBS,2011).Thereis lack of health services. Most of people are dependent on the other private hospitals

(h) **Extravagant Nature and Low Saving**

Most of the Tharu community are extravagant. They spend too much money to celebrate ceremony and festivals.There is more ratchet effect in this community.The factors affecting consumption and saving is the size of family.

(I) **Drinking Alcohol**

Drinking alcohol widely prevails in Tharu community. This practice is also directly and indirectly causing death and disability in the Tharu community. On societal level this means that alcohol drains precious and scarce resources and diverts them from building social welfare and healthcare systems. A part of their household income is spent in alcohol consumption which also plays role in constructing poverty in some way around by spending part of the household income in consuming alcohol.

8.3.1.2 Social Causes

(a) **Lack of sufficient housing**

The majority of dwellings are not Pakki. They have no desire to invest in real estate. Their houses are classified into two types: pakki permanent and non-pakki, which include adha-pakki or semi-permanent, kacchi or non-permanent, and others. These are defined by the materials used in the walls and roofs of residential units. So there are two types of walls and roofs: pakki strong and kacchi weak.

Pakkiwall;It is the wall of residential dwellingis made of durable materials such as stone as stone,bonded bricks,cement bricks,concrete etc.

Pakki roof (RCC): It is to the wall of residential dwelling is made of durable materials such as slate, tile, galvanized sheet, concrete etc.

Kkachchi wall (Brick and soil): It is the wall of housing unit is made of non-durable materials like wooden flakes, bamboo, straw, mud, straw/thatch, mud, unbakedbrick, etc.

Kachchi Roof: It is the top of housing unit covered by non-durable materials like straw, mud, plastic. On the basis of this definition of wall and roof, housingis categorized as the following:

Pakki: It is permanent type of dwelling. It is made of pakki wall and pakki roof. Durable materials are used in this type of structure.

Adha pakki: Such type of house is semi permanent. This structure is made with the combination of their pakki wall and kachchi roof. In the construction of house, both durable and non-durable materials are applied.

Kachchi: Such type of house is built with kachchi wall and kachchi roof. Non-durable materials are mainly used in the construction of this type of house.

(b)   Joint Family System

The household size is 7.04 in the sampled population. The ties of big family discouragesyoung persons to go out for new ventures. A joint family includes three generation of family members, including the grandparents, parents, and children. In the joint family system, every member makes financial contribution to the common fund and share common rights in the household property.

 (a) Inheritance law, rigid traditions and customs are responsible for slow down the way of faster development and aggravated the problem of poverty.

 (b) Idleness: However they have sufficient efficiency, opportunity and capacity to work; people remain idle that attitude leads them to poverty.

8.3.1.3 Geographic Causes

Climate, natural resources and calamities are some of the main geographic causeswhich cause poverty and are discussed as follows:

(a) Climate

Suitable climatic conditions are necessary to work as well as for production. In extreme hot and cold climates, there is a habit for reduction in the amount of work. This is one of the reasons to increase the poverty and inequality.

(b) Available of Natural Resources

There is lack of natural resources; people who stay in such areas tend to be poor.

(c) Natural Disasters

Natural calamities such as low and high rainfall, floods affect agricultural production. Rapid deforestation, illegal logging and taking out of resources such as sand, boulders and stones in the northern belt fuelled by migration into that region enhance to environmental degradation of the chure hills.

8.3.2 Remedial Measures

As 77 percent of the Tharu people depend on subsistence agriculture, it is not possible to reduce poverty without agricultural growth. The main thing is to divert the surplus labour from low-productive area into high-productive non-agriculturalsectors (Business, Government job). Off-farm work can increase householdincome, and growth. Other sub-sectors like case-crops, livestock, fisheries and forestry, can contribute to the poverty reduction through employment generation to raise output. If agriculture is properly managed, it becomes prominent to the household income.

8.3.2.1 Agricultural Growth for Poverty Remedy

Agricultural development enhances an effective meansof both reducing poverty and accelerating economic growth. This is normally achieved not only by increasing income for producers and farm workers, but also by creating demand for non-tradable goods and services and local products. It is indirect effect of demand, and associated employment creation in the off-farm sectors of rural areas, that appears to be the main contributing factors to the reduction of poverty. Agricultural growth is undoubtedly an effective engine for both economic development and poverty remedy.

8.3.2.1.1 Small Holding Size and Farming System

The average land hold by a household of Tharu community is only 4.48 bigaha and 27 percent are landless.It is necessary to adopt new farming system that can grow more crops in the small area of lands.

Poverty remedy is a set of gauge of both economic and humanitarian, that are wished-for pick up people out of poverty. In order to end poverty, it is important to boost social policies, enhancing consistency between agriculture and social protection; reinforcement capacity of producer organization and rural institution; and increasing investment in rural road and market network to create new income generating opportunities in the off-farm region. Incorporated policies to diminish rural poverty are also required. It includes means-tested wellbeing, benefits to the poorest in the Tharu; for example, unemployment profit, food security, income help and housing facilities, minimum pays regulation of labour market, legal minimum wages. Poverty is multi-dimensional and complex problem. The causes of poverty by analyzing different aspects of income and human poverty are not only economic but also social and technological backwardness too.The following are the remedial measures to overcome poverty:

(a) Agricultural growth has beenconsidered as an important factor that contributes to poverty remedy. As agricultural growth and poverty are inversely related; the higher agricultural growth is taken in semi-arid and rain-fed areas by increasing investment in infrastructure and ensuring adequate access to credit to the small farmers.

(b) The biggest cause of poverty is lack of social security for workers because most workers depend on their daily or monthly wages which contribute to their current life that doesn't provide security for the future. So,initiatives should have been taken to provide security to every people; private and government workers.

(c) One should not differentiate between son and daughter. The adaptation of single child policy is best measure to come out of poverty. Coming out of poverty, the next generation can have one or two children as per their income.

(d) The new technology should be employed in the agriculture to increase factor of production.

(e) Government should arrange the irrigation facility from Bagmati canal.

(f) Non-formal education for active citizen and free education for all children programme of government should be implemented in practices at field level.

(g) Agricultural sector should be changed to create new job opportunities. By raising the minimum wage in agriculture sector that can also reduce poverty.

(h) Rural municipality should play effective role in creating job opportunities in both agriculture and non-agriculture sector.

(i) The price control mechanism should be developed. Regular monitoring and pricing in various seasons should be made, subsidy should be provided to purchase input and transport. Government should manage the provisions of direct purchase of food from farmers in all the seasons and develop distributing mechanisms such as food in off seasons that ultimately contribute to decrease the incidence of poverty.

(j) The infrastructure of health post and hospital should be increased. Special arrangement of health insurance to the poor programme should be initiated.

(k) Awareness programme is necessary to cut off their extravagant nature. The rural municipality should control on selling of alcohol.

(l) Home loan at low interest should be provided.

(m) Crop insurance, farmer loan programme should be launched.

(n) Empowering women is required to reduce poverty by allowing them to take leadership positions and maintaining the equal wage rate for men and women.

(o) Equal wage to agricultural labour can reduce wage gap between men and women.

(p) Participatory development activities should be launched. There must be opportunities of engaging poor people in development project.

(q) Creation of empowerment opportunity

The main causes of poverty are lack of income earning opportunities as labour intensive industrial expansion creates more employment opportunity weight should be given to the development of such industries which are more labour demanding.

(r) Improvement in basic education and health care

Compulsory and free education for all children up to secondary school is an important step to increase enrolment in school and reduce dropout rates.But free education for school is not applied in ground level and limited at slogan.

There should be strong health systems so that the poor can have access to good quality health care. Reducing the cost of health care coverage from health insurance and facility in municipality hospital near home can reduce poverty. In addition to this, government policy should include Means-tested wellbeing profit to the poorest Tharu in society, for example, unemployment profit, income sustain and housing facilities. There should direct provision of goods and services: subsidised housing, free education and healthcare.

CHAPTER – NINE

SUMMARY, CONCLUSION, AND RECOMMENDATIONS

The analysis of the correlates of poverty assesses a household livelihood of being poor if it has certain characteristics. Generally, this analysis examines the impact on the poverty rate of education and health outcomes (or services) as well as infrastructure, access and regional characteristics. It is important in rural context to assess the impact of incomes sources, asset holding (in particular as land and social capital) market participation rates and risk the livelihood of household being poor, without understanding the impact of the policies and expenditures. It is difficult to incorporate lessons learned and improve the effectiveness of development programs. It is difficult, if not impossible; to point out a single cause that pushes people into poverty. This chapter focuses and identifies the correlated and determinant of poverty and policy framework to combat with poverty.

9.1   Summary

The research problems of this dissertation are to study the status, level, incidence, and causes of poverty and their remedial measures. This thesis is descriptive as well as analytical and is mostly based on primary information collected from field survey. The status and level of the Tharu community is measured by identification-who are the poor? A poverty line, which is regarded as an income level considered to the borderline between poor and non-poor, is identified and part of society with income below this line are poor. Absolute poverty is clearly a bigger problem. The status and level of poverty in Tharu community could not be termed as satisfactory and sufficient for improving the quality of life. The collected data from field survey are processed and analyzed with different statistical tools to meet the objectives of this study. Basic needs (BN) method, Sen.'s poverty index, Gini Co-efficient, variance, range, mean, wolf point, Lorenz Curve etc are applied to measure 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 etc.

Tharu, the prevalence of poverty is inversely connected to the amount of education of individuals. In terms of poverty by occupation, those households whose heads are solely farmers have a higher incidence of poverty than those whose heads are involved in non-agriculture. The structure of poverty and inequality is heavily

influenced by ethnicity and regional imbalance. Household size and poverty incidence (inequality) are positively connected. Poverty becomes more prevalent as family size grows. Livestock rearing is an important aspect of farming in this Tharu village, providing extra cash that aids in poverty alleviation. Farmers with vast landholdings are less likely to be poor than landless or small proprietors. This explains why marginal landowners have a higher incidence and inequality.

Poverty and inequality are manifested in different forms such as hunger, ill health, denial of dignity etc. The major factors in the continuing high level of rural poverty in Nepal includes the low performance of the agricultural sectors, population growth with a particularly high proportion of young people, and mass illiteracy. First, the lack of resources and natural disasters are major causes of poverty which are untenable. Second, there is no single, one-way relationship between poverty and population growth. Third, most important, less attitude towards education. Fourth, inequitable distribution of the available social product and also militates against productive utilization of the surplus generated.

Summary of the Major Findings

(i) Tharu people in Rautahat are found to be significantly at higher risk of poverty than other caste. Most of previous studies on poverty in Nepal reviewed here was either area centred, CBS used to measure poverty at national level, community level study, small area level, district level (2010-11). There is rare availability of economic data on the basis of caste/ethnicity, the gap in their level of development is still very significant.

(ii) The poverty line of study area calculated to be Rs. 43.29 per capita per day and 46.29 percent of households or 43.77 percent population is under absolute poverty

(iii) The wolf point of this study area calculated to be Rs. 61.83 and per capita per day is total poverty line. It was estimated that 57.43 percent households or 54.32 percent people are poor. The study reveals that 11.14 percent of households are relatively poor. Human development index of male/female, human poverty index, gender development index, head count ratio, dollar a day poverty line, head count index iscalculated to be0 .588 and0 .519, 44.89, 0.882 o.44, 82.57 percent respectively.

(iii)   The importance of measures inequality lies in the fact that they can help nations in their effort to track poverty and inequality levels. Inequality is harmful for growth. The reason being that it leads to policies that do not protect property rights and full private appropriation of returns from investment.

(iv)   There is the existence of the inequality even among the absolute poor households due to slight increase in Gini-coefficient among the absolute poor households calculated to be 0 .26 and the value of range is 1.8.

(v)   The mean income of the absolutely poor households calculated to be 21.49, is far below the absolute poverty line. This shows the extent of inequality.

(vi)   Value of mean deviation 0.7245, value of variance 8.2 and the value of coefficient of variation is calculated to be0.85 that show there is high degree of inequality in the distribution of income.

(vii)   The income consumption of the absolute poor households denotes the marginal propensity to consume. The income consumption is calculated to be 0.31. This is very high. It means they earn less and spend more.

(viii) The correlation coefficient between income and consumption of total sampled households is calculated to be 0.33. Thus, there was a positive correlation between income and consumption. No saving tendency exists in this community.

(ix)   There are high disparities in the land holding; only 40 percent of land is occupied by the top 10 percent of households where as only 10 percent land was occupied by bottom 40 percent of households.

(x)   To become rich, most of Tharu desire to take government jobs rather than engage in business and cottage industry.

(xi)   Sen's poverty index considering Gini-coefficient is calculated to be 0 .1633 and without considering Gini-coefficient is calculated to be 0.22. From both cases, extent of poverty is high. It indicates that the ratio, higher the incidence and intensity of poverty.

(xii)   Sampled household reveals that most of the poor households have large family size. The dependents are in the age group of less than 15 years. Thus, high

dependency ratio is a major cause of poverty among poor households. Moreover, these dependents are children, which confirm the possibility of cause and effect relationship between poverty and size of dependent population. Thus, the poverty increases the dependency ratio which further increases poverty.

(xiii) The quantitative relationship between the income and the determinants are studied by fitting a linear income function with income as the dependent variable and family size, income of family, indebtedness, value of productive assets, and poverty line as independent variables. The results revealed that the total annual income of the respondent households could be improved by increasing the number of earners in the family and average wage rateper persons. The measures to reduce the indebtedness among the respondent households would also enhance the annual household income significantly.

(xiv) The co-efficient of variance of absolute poor households are calculated to be 0.85. Analysis of variance is calculated between below poverty line and above poverty line of households with respect to total annual consumption. There is no significance difference between them.

(xv) The incidence and intensity of poverty were found supplementary in households without subsidiary occupation when compared to the households with subsidiary occupation.

9.2 Conclusion

This dissertation sought to find the status, incidence, level and causes of poverty and remedial measure of Tharu community of Rautahat districtPoverty is a social issue that need to be addressed from the perspective of poor. Those given the responsibilities to implement policies and program in the area are diverted at their disposal to benefit their immediate families, while the real targets of the policies languish in extreme poverty. This dissertation has emphasized on the causes of poverty and remedial measures. The dissertation demonstrated that poverty is not just lack of money, food, shelter, health, or education. A poor may be poor due to lack of social opportunities, economics injustice, and social exclusion etc.

The household size in the sampled population was high. The household size of the Tharu community is greater than the household size of overall Rautahat district.

Number of members in the Tharu community is more than that of other caste in the Rautahat. Family is the most important unit in any society.It can be classified in number of ways; Joint family and nuclear family. A Joint family system has been in existence.

A higher dependency ratio reduces productivity growth.A growth in the non-productive population will reduce the productive capacity and lead to a lower long-run trend of economic growth. Lower economic growth increases poverty and inequality.

Health index of female is better than male. This shows that health condition of female is good.The life expectancy of female is higher than male. Majority of male are alcoholic and smoker. These two factors indirectly influencing their life span shorter.The educational index of male is higher than female. They gave preference in son education than daughter education. Tharu parents prefer sons because they expect to depend on them in their old age.They send their sons in private school which are far better than government school.

The trends of absolute poverty line for rural terai central, rural Terai Western, rural teari eastern and for national level show the clear picture about how differing in various region in different periods of time. The expenditure on food item are comparable but expenditure on non-food item are two times greater than of study area. This is why, Tharu people have ratchet effect and they are extravagant in nature.

While comparing with head count ratio of Tharu with other caste of those region, it is found that more incidence in Tharu and concentration of poverty was high. The reason behind national poverty line is the average in nature, and inflation and family size. The national poverty line is drawn from consumer's price index and poverty line of this study area has been drawn from local market price. There is high inequality in income distribution and concentration of income is also greater.So, there is existence of income incidence and large income gap.

The incidence of poverty of Tharu is directly related to prevalence of unemployment and under-employment on a large scale. Majority of the rural population is landless and sustains entirely on wage employment. While the self employment programmes are intended to remove poverty on a sustainable basis, there is need to take care of the wage employment needs of the poor. The rural workforce

continues suffer due to excessive seasonality of employment, lack of wage employment opportunities and low wage rate.

Factors affecting consumption and saving are family household size, education, income etc. The joint family is an important cause of poverty, where household head has to keep up a big household. The ownership of land is highly unequal and considered to be one of the major causes of inequality and poverty. Tharu community has extreme inequality in the distribution of land and some of them do not own land. The level of education is highly correlated with income earned.Thus inequality in this dimension is directly related with income inequality. A perusal of illiteracy indicates high level of inequality among households. There are disparities in the distribution of economic facilities and infrastructure.

The income index of male is higher than female. This is mainly due to the high wage of male compared to female.This pay gap raises disparity. The differences of income among total sampled population or non-absolute poor are three times gap and in absolute poor are two time. Factors responsible for these gaps are increase or decrease of income.The factors are: income, size of family,occupation,education,land holding.

There is high level of inequality in income and poverty among the poor. The proportion of income spent on food is high among the poor. Illiteracy and poverty are positive correlates. The causes responsible for poverty in Tharu community are independent variables like income, land holding, employment, gender disparity, life expectancy, minimal requirement for existence (food, house, education, health, and voice), indebtedness etc.

The community has been facing discriminations, exploitations and oppression by other society. They have been subjected to the very lowest status in society. The gap in their level of development is still very significant. There are gaps of educational backgrounds, occupational privileges and properties.

The standard of living of people of Rautahat is much less than of the national average and the standard of living of male Tharu are better than both of overall Rautahat and national average. Tharu are more deprived than national average.It reflects that there are more deprivations in health, education, sanitation and capability

deprivation than average of Rautahat district.The HPI of the Tharu is less than the incidence of poverty of the Tharu at national average. So, Tharu in Rautahat are less deprived than the Tharu of national level.

Agriculture is under- developed in this area. It yields seasonal job. Many family members depend on agriculture, while agriculture being seasonal gives work for a few months. In this way, it gives rise to unemployment. They are dominated by small holding farming which has outdated techniques of cultivation, and lack of input.

9.3   Recommendations

The current thesis is rather broad in scope in terms of the relationship between poverty and inequality. It is only achievable by including other related ideas such as status, level, poverty alleviation, and policy formulations. The analysis of poverty situation provides a deep understanding of various poverty dimensions such as income, employment, lack of capacities, exclusion, and so on.

The study identified the measure necessary for promoting economic growth system in the study area. It outlined policies and procedural interventions for uplifting the status and level of the Tharu community. Policy makers and scholars can use future direction and apply them in dealing with poverty situations in the country. This further leads to high level of illiteracy, poor health facilities and lack of access to financial resources. Here are some recommendations to make pro-active role for pro-poor.Following major policy recommendations could be forwarded on the basis of findings tackle these multifaceted problems.

(i)   National literacy and health Campaign is non-formal education programme targeting illiterate/semi-literate people from socio-economically disadvantaged and marginalized communities.The fundamental goal of this programme is to provide basic literacy and life skills training.

(ii)   National literacy and health Campaign should address problems of health and illiteracy which have been found to be among the major causes of perpetual poverty and inequality.This types of programme will help to reduce poverty and vulnerability.

(iii)   Income generating programme is a source of permanent income in their own village which allow families to improve their living standard and prevent them from poverty trap. The main policies to reduce poverty trap

are increase in minimum wages, loan facilities, social protection, free education, and free medical facility. Income generating activities for the rural poor such as vocational training activities and village employment opportunities should be provided. For this some training for cottage industry should be given.

It will help them to reduce seasonal unemployment and hence to reduce poverty through income generation.

(iv)   Agricultural sector should be changed and creation of new job should be in priority. The existing poor wage rate of agricultural labor should be increased to pull them out of poverty. Forest land should be given to the landless.

The increment in wage rate and distribution of land to landless will help them to reduce poverty.

(v)   Cooperative and scientific farming can increase production and generates virtuous circles of prosperity and opportunity.It will increase employment and agricultural production and help them to reduce poverty.

(vi)   PAF has been launching different economic promotion and empowerment program in Rautahat district since the year 2063 BS. This programme has covered other caste but not Tharu. So PAF should focus in this community.

It will mould theirs knowledge, skill,behavior and attitude towards the maximum possible output and capacity.

(vii)   The good governance is necessary task at local and province level in order to take care of poor.Bad governance is affecting more to the poor than rich. So, good governance will take care of poor.

(viii)   Transportation facilities are the backbone to develop the market and direct employment, broader economic effects on agriculture and off-farm activities and social effects regarding health and education. Attention should be given to proper means of transportation.The improved transport facilities will help them to carry their agricultural product to market.

(ix)   The price control mechanism should be developed and regular monitoring of pricing in the season should be done, and subsidy to be provided for farmers to purchase agricultural input.The price control and subsidy to farmer will reduce their production cost.

(x)   The size of landholding of Tharu household is very small. In order to increase productivity, it should apply method of cropping, irrigation facilities, availability of credit, high yielding varieties seeds should be provided in order to enhance agricultural growth and reduce poverty.It will increase agricultural production from small land and help them to reduce poverty.

(xi)   There should be public awareness programmes in order to reduce the extravagancy or traditional festivals.It will aware them to save money it reduce poverty.

(xii)   Population growth hinders progress in the Tharu community. The large family size creates economicburden. There should be control over the birth through persuasion.The control over birth will decrease their economic burden and help them to reduce poverty.

ANNEX-1

QUESTIONNAIRE

1.   General Information

VDC :

Municipality:

Ward:

Tole:

Name of the Respondent:

Literacy/Illiterate:

Age:

Sex:

Caste:

Level of Education:

Girl' Education:

Women Adult Education:

Employment status Employed/Unemployed:

Major Occupation:

Marital Status:

2.   Demographic Information

I.   Family structure:

Single...................

Joint...................

II.   How many members are in your family?

Age Group	Male	Female	Total
Below 15 yrs	....	....	....
15-19 yrs	....	....	....

60+yrs   ....

Total   ....

3.   Literacy and Level of Education (6 Years and above)

       i.   Number of Illiterate

       ii.   Number of Literate

       iii.   Educational qualification

Grade	Code	Number of Male	Number of Female	Grade	Code	Number of Male	Number of Female
No Grade	20			Grade 8	08		
Grade 1	01			Grade 9	09		
Grade 2	02			SLC	11		
Grade 3	03			PCL	12		
Grade 4	04			Bachelor	16		
Grade 5	05			Master	17		
Grade 6	06			Ph.D.	18		
Grade 7	07						

4.   Employment Status (Economically active)

Number of Employed Male   Female

                           ....

Number of Unemployed Male   Female

Major Occupation

Occupation	Number of Male	Number of Female
Agriculture	....	....
Business/Trade	....	....
Service	....	....
Transportation	....	....
Industries	....	....
Wage earner	....	....
Other	....	....

6. Assets

   a. How much land do you own?

   ....Bigha (Khet)   .... Bigha (Bari)

   b. Housing

   Owned:

   Rented:

   Others:

   c. Kinds of House   Total Number

   Non-Pakki   ....

   Pakki   ....

How many Livestock do you have?

Livestock	Total number	Market Value (Rs.)
Cow	....	....
Buffalo	....	....
Ox	....	....
Pig	....	....
Chickens/Ducks	....	....
Other	....	....
Total	....	....

Income from Agriculture Production

a. What are the income that you received from agriculture production during the past twelve months?

Crops	Quantity	Market Price
Paddy	....	....
Maize	....	....
Wheat	....	....

Millet	....	....
Mustard seeds	....	....
Other	....	....
Total	....	....

b.   Did your family get sufficient food from your own agriculture production?

       Yes ....   No ....

c.   Have you any surplus crops?

       Yes ....   No ....

d.   If yes, what quantity of crops did you sell during the past 12 months?

Crops	Quantity	Price
Paddy	....	....
Maize	....	....
Wheat	....	....
Millet	....	....
Mustard seeds	....	....
Other	....	....
Total	....	....

e.   What type of irrigation facility, available in your area?

f.   What is situation of fertilizer in your area?

g.   If no, for how many months did it fulfill your requirements?

h.   How do you fulfill the deficit months?

       Borrowing ....   Assets Sale ....

       Remittance ....   Others ....

7. Income from livestock sell and livestock production

   a. How much did you earn from the sale of live-stock during the past 12 months?

Livestock	Number	Value (Rs.)
Cow	....	....
Buffalo	....	....
Ox	....	....
S/he goat	....	....
Pig	....	....
Chicken	....	....
Others	....	....
Total	....	....

   b. How much did you earn from livestock production during the past 12 months?

Livestock production	quantity	Price
Milk	....	....
Ghee	....	....
Curd	....	....
Meat	....	....
Eggs	....	....
Others	....	....
Total	....	....

8. Family Income from occupation

   a. How much did your family earn during the past 12 months (from non agriculture)

Income Source	Annual (in Rs.)
Wage	....	....

Salary	....	....
Business/Trade	....	....
Pension	....	....
Other allowance	....	....
Remittance	....	....
Others	....	....
Total	....	....
Borrowing	....	....

9. How much did you borrow during the past 12 months? (amount in Rs.) ....

Sources	Among	Interest
Un-organized		
Organized		

10.a. What was your family expenditure on food items during the past 12 months?

Kinds	Quantity	Price per unit (Rs.)	Total (Rs.)
Paddy/Rice	....	....	....
Wheat/Wheat flour	....	....	....
Mize	....	....	....
Milk	....	....	....
Vegetable	....	....	....
Fruits	....	....	....
Meat	....	....	....
Poultry products	....	....	....
Others	....	....	....

b. What type of energy do you use for cooking & lighting?

Hydro ....   Kerosene oil ....   Wood ....

Cow dang ....   other ....

11. Expenditure on non-food items

    a. What was your expenditure in the past 12 months?

Kinds	Quantity	Price per unit (Rs.)	Total (Rs.)
Clothes	....	....	....
Foot wear	....	....	....
Health and Education	....	....	....
Land tax	....	....	....
Festival	....	....	....
Smoking/Drinking	....	....	....
Transport	....	....	....
To pay interest	....	....	....
Wood/Electricity/Kerosene	....	....	....
Others	....	....	....

12. What was your expenditure on housing during the past 12 months?

13. Condition of Road

    Paved road   Motorable road

14. Access to

    Piped water   Tubell

15. Accesses to toilet facility

    Yes   No

16. Is there any poverty reduction program running in your village municipality?

    Yes   No

    If yes, mention the name

    1. ....

    2. ....

    3. ....

17. What type of help and incentive do you except from governmental and non-governmental institutions?

18. What are the causes of poverty in the study area?

ANNEX-2

Caste and Ethnicities in Rautahat District

S.N.	All Caste	Both Sexes	Male	Female
1	Musalim	135,519	67,477	68,042
2	Yadav	84,017	43,947	40,070
3	Kurmi	39,028	20,012	19,016
4	Teli	38,557	20,222	18,335
5	Kanu	30,911	15,990	14,923
6	Tharu	30,811	15,402	15,409
7	Chamar	26,368	13,587	12,781
8	Kalwar	22,593	11,807	10,786
9	Malaha	20,191	10,312	9,879
10	Dusad	19,774	10,074	9,700
11	Brahman- Hill	18,058	8,911	9,141
12	Koiri	16,550	8,581	7,969
s13	Tatma	16,228	8,387	7,841
14	Dhobi	13,976	7,191	6,785
15	Lohar	13,832	7,203	6,629
16	Kathbaniyan	13,470	7,009	6,461
17	Tamang	12,250	6,154	6,096
18	Kumhar	12,102	6,217	5,885
19	Nuniya	10,754	5,598	5,156
20	Bin	10,018	5,111	4,107
21	Hajam	9,810	4,962	4,848
22	Brahman- Terai	9,281	4,839	4,442
23	Chhetri	9,200	4,533	4,667
24	Sonar	7,780	3,986	3,794
25	Mushar	7,601	3,907	3,694
26	Magar	5,096	2,508	2,588
27	Rajput	4,251	2,251	2,000
28	Dashnami	3,590	1,868	1,722
29	Baraee	3,187	1,641	1,546
30	Majhi	3,073	1,507	1,566

31	Sudhi	2,945	1,573	1,372
32	Kayastha	2,679	1,354	1,325
33	Newar	2,560	2,589	1,271
34	Danuwar	2,464	1,223	1,241
35	Kahar	2,429	1,273	1,156
36	Kami	2,266	1,151	1,115
37	Mali	2,132	1,116	1,016
38	Rai	1,796	914	882
39	Dhanuk	1,733	897	836
40	Gaderi	1,714	890	824
41	Dhunia	1,634	795	831
42	Damai	1,289	667	622
43	Kumal	917	475	442
44	Dom	880	430	450
45	Gharti	781	408	373
46	Marwadi	726	386	340
47	Yakkha	646	318	328
48	Badhaee	540	287	253
49	Gurung	436	213	223
50	Bangali	423	221	202
51	Pahari	407	210	197
52	Thakuri	384	191	193
53	Sunwar	375	182	193
54	Halkhor	353	182	171
55	Bhote	347	181	166
56	Halwai	287	132	155
57	Punjabi	279	154	134
58	Gangai	250	132	118
59	Kewat	184	94	90
60	Darai	137	74	63
61	Mewahang	120	56	64
62	Sarki	117	58	59
63	Limbu	115	50	65
64	Natuwa	109	62	47

65	Khatwe	105	50	55
66	Koche	91	45	46
67	Dhankar	90	46	44
68	Rajdhob	90	45	45
69	Ghale	67	33	34
70	Kamar	54	25	29
71	Tajpuriya	52	28	24
72	Thami	43	23	20
73	Rajbansi	39	19	20
74	Sherpa	35	10	25
75	Rajbhar	30	14	16
76	Dhimal	27	14	13
77	Badi	23	12	11
78	Chhantyal	17	1	16
79	Satar	15	9	6
80	Walung	11	8	3
81	Dalit Others	581	303	278
82	Terai Others	2,346	1,230	1,116
83	Undefined Others	232	111	121
84	Foreigner	442	230	212
	Total	**686,722**	**351,079**	**335,643**

Source: National Population and Housing Census 2011

Calculation of minimum subsistence level of income

S.No.	Cereal Items	Price/Kg (in Rs)
1.	Sabitri	44
2.	SonaMansuli	38
3.	Beaten Rice	48
4.	Wheat	29
5.	Maize	25
6.	Katarani	44
Total		228

6000 gm of cereal cost Rs 228

1 gm of cereals cost (price) $= \frac{228}{6000}$

605 gm of cereals cost (price)$= \frac{228 \times 605}{6000} = 22.84$

S.N.	Pulses	Average Local Price Per Kg. (in NRs.)
1.	Rahar	140
2.	Mashoor	90
3.	Mash Dal	75
4.	Chhanna	95
5.	Bakla	70
6	Sanokerau	60
	Total	530

Source:Field Survey, 2019.

Here, 6000 gm. of pulses price is $= 530$

1 gm. Of cereals price is $= \frac{530}{6000}$

60 gm. Of cereals price is $= \frac{530 \times 60}{6000} = 5.3$

Total cost required for 605 gm of cereals and 60 gm. of pulses$= 22.84 + 5.3$

$$= 28.14$$

According to National Planning Commissions, expenditure on minimum food requirement covers only 65 percent of subsistence consumption expenditure and the remaining 35 percent of subsistence consumption expenditure will be spent on non food items or others.

Thus

65% of subsistence expenditure $= 28.14$

1% of subsistence expenditure $= \frac{2148.}{65}$

35 % of subsistence expenditure $= \frac{28.14}{65} \times 35 = 15.15$

$$= 15.15$$

Thus, the total required expenditure per capita per day is $= 28.14 + 15.15$

$$= Rs\ 43.29$$

$\therefore$ Absolute poverty line $=$ Rs. 43.29 per capita per day.

Total expenditure for a year $= 43.29 \times 365$

$= $ Rs. 15801

$\therefore$ Absolute poverty line $=$ Rs. 15801 per capita per year.

ANNEX - 4

Income and consumption relationship among total sampled households and their MPC.

If

$$C = f(Y) \qquad \qquad (i)$$

The Consumption function can be expressed in the linear form as

$$C_i = \alpha + \beta Y_i \qquad \qquad (ii)$$

To find the values of the least square method is adopted by introducing the following nor med equations.

$$\Sigma C_i = n\alpha + \beta \Sigma Y_i \qquad \qquad (iii)$$

$$C_i Y_i = \alpha \Sigma Y_i + \Sigma Y_i^{2} \qquad (iv)$$

Where, $\Sigma C_i = 22916.04$ $\qquad\qquad$ $\Sigma Y_i = 22578.46$

$\qquad$ $\Sigma C_i Y_i = 2408775.7$ $\qquad\qquad$ $\Sigma Y_i^2 = 2379982.12$ n = 350

Thus, using determinant method, the value of regression parameter can be computed as;

$$\alpha = \frac{\begin{vmatrix} \Sigma C & \Sigma y \\ \Sigma CY & \Sigma Y^2 \end{vmatrix}}{\begin{vmatrix} n & \Sigma Y \\ \Sigma Y & \Sigma Y^2 \end{vmatrix}} = \frac{\begin{vmatrix} 22916.04 & 22578.46 \\ 2408775.7 & 2379982.12 \end{vmatrix}}{\begin{vmatrix} 350 & 22578.46 \\ 22578.46 & 2379982.12 \end{vmatrix}}$$

$$= \frac{(22916.04)(2379982.12) - (22578.46)(2408775.7)}{350(2379982.12) - 22578.46\ (22578.46)} = \frac{153319669.8}{323206886.03} = 0.4699$$

$$\beta = \frac{\begin{vmatrix} N & \Sigma C \\ \Sigma Y & \Sigma CY \end{vmatrix}}{\begin{vmatrix} n & \Sigma Y \\ \Sigma Y & \Sigma Y^2 \end{vmatrix}} = \frac{\begin{vmatrix} 350 & 22916.04 \\ 22578.46 & 2408775.7 \end{vmatrix}}{\begin{vmatrix} 350 & 22578.46 \\ 22578.46 & 2379982.12 \end{vmatrix}}$$

.

C = 0.4699+1.0076= 1.4775 is the estimated consumption function.

β = 1.0076 which is autonomous consumption

Annex - 5

Derivation of wolf point

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

$C_i = \alpha + \beta Y_i$

If $C_i = Y_i$ gives wolf point value,

$C_i = \alpha + \beta C_i$ or ($Y_i = C_i$)

or, $C_i = \dfrac{\alpha}{1-\beta} = \dfrac{0.4744}{1-1.0076} = $ Rs 61.83

This gives the value of total poverty line.

Annex – 5 A

Calculation of Gini-Co-efficient of absolute poor among sampled households by taking households per-capita

We know that,

$$\text{G.C} = \frac{2}{n^2\bar{y}} \qquad [y_1 + 2y_2 + \cdots + ny_n \ ] - \frac{1}{n} - 1$$

Where $y1 \leq y2 \leq y3 \leq \ldots\ldots\ldots\ldots \leq y_n$

$\bar{y}$ = Mean income of the poor (per capita per day)

y = individual income of the poor (per capita per day)

n = number of total poor households= 162

G.C. = Gini-coefficient

$\Sigma Yi = 3480.91$

$$Y = \frac{\Sigma y}{162} = \frac{3480.91}{162} = 21.49$$

The values of $y_1 + 2y_2 + \cdots + ny_n$ is calculated from income of the absolute poor, i.e., 209236.68

$$\text{G.C.} = \frac{2 \times (209236.68)}{(162)^2 \ (21.49)} - \frac{1}{162} - 1$$

$$= \frac{418473.36}{563983.56} - 0.0062 - 1 = 0.26$$

The values $y_1 + 2y_2 + \cdots + ny_n$ is calculated from income of the absolute poor

3.57	162	578.34
3.57	161	574.77
3.57	160	571.2
3.57	159	567.63
5.16	158	815.28
5.16	157	810.12
5.16	156	804.96
5.16	155	799.8
6.5	154	1001
6.5	153	994.5
6.6	152	1003.2
6.6	151	996.6
8	150	1200
8	149	1192
8.01	148	1185.48
8.01	147	1177.47
9	146	1314
9	145	1305
10	144	1440

10	143	1430
10	142	1420
10	141	1410
11	140	1540
11	139	1529
11	138	1518
11	137	1507
11.1	136	1509.6
11.1	135	1498.5
12	134	1608
12	133	1596
12.18	132	1607.76
12.18	131	1595.58
12.2	130	1586
12.2	129	1573.8
12.57	128	1608.96
12.57	127	1596.39
13	126	1638
13	125	1625
13	124	1612
13	123	1599

13	122	1586
13	121	1573
13.86	120	1663.2
13.86	119	1649.34
14	118	1652
14	117	1638
14	116	1624
14	115	1610
15	114	1710
15	113	1695
15.19	112	1701.28
15.19	111	1686.09
18	110	1980
18	109	1962
18	108	1944
18	107	1926
18	106	1908
18	105	1890
18	104	1872
18	103	1854
18.2	102	1856.4

18.2	101	1838.2
18.35	100	1835
18.35	99	1816.65
18.5	98	1813
18.5	97	1794.5
19	96	1824
19	95	1805
19.05	94	1790.7
19.05	93	1771.65
19.58	92	1801.36
19.58	91	1781.78
20	90	1800
20	89	1780
20	88	1760
20	87	1740
20	86	1720
20	85	1700
20	84	1680
20	83	1660
20.01	82	1640.82
20.01	81	1620.81

20.25	80	1620
20.25	79	1599.75
20.8	78	1622.4
20.8	77	1601.6
20.8	76	1580.8
20.8	75	1560
21	74	1554
21	73	1533
21.2	72	1526.4
21.2	71	1505.2
21.8	70	1526
21.8	69	1504.2
21.9	68	1489.2
21.9	67	1467.3
21.9	66	1445.4
21.9	65	1423.5
22	64	1408
22	63	1386
22.05	62	1367.1
23.37	61	1425.57
24	60	1440

24	59	1416
24.81	58	1438.98
25	57	1425
25	56	1400
25	55	1375
25.25	54	1363.5
25.37	53	1344.61
25.65	52	1333.8
26	51	1326
26.07	50	1303.5
27	49	1323
27	48	1296
27.09	47	1273.23
28	46	1288
28	45	1260
28.28	44	1244.32
28.29	43	1216.47
30	42	1260
30	41	1230
30	40	1200
30	39	1170

30.25	38	1149.5
30.81	37	1139.97
31.25	36	1125
32	35	1120
32	34	1088
32.1	33	1059.3
32.2	32	1030.4
32.88	31	1019.28
33.27	30	998.1
33.37	29	967.73
33.37	28	934.36
33.69	27	909.63
33.69	26	875.94
33.69	25	842.25
33.69	24	808.56
33.77	23	776.71
34.34	22	755.48
35	21	735
35	20	700
36	19	684
38.28	18	689.04

38.5	17	654.5
39.68	16	634.88
40	15	600
40	14	560
40.6	13	527.8
41	12	492
42	11	462
42	10	420
42.09	9	378.81
42.09	8	336.72
42.09	7	294.63
42.25	6	253.5
42.48	5	212.4
42.48	4	169.92
42.48	3	127.44
43	2	86
43.25	1	43.25
Total		209236.68

Calculation of sen's poverty index

(a) Considering – inequality i.e., Gini-Coefficient among absolute poor

We have,

X (Percentage of the population living below the poverty line) = 0.44

c*P (Absolute Poverty line income per capita daily) = 43.29

CP (Mean income of the poor per capita daily) = 21.49

GP (Gini coefficient among absolute poor) = 0.26

P* (poverty – index) = ?

Thus,

$P^* = 0.44/43.29 [(43.29 – 21.49)(1 – 0.26)]$

$\quad = .01012 \times 21.8 \times 0.74 = 0.1633$

(b) Sen's poverty - index without considering – inequality i.e., Gini- Coefficient

$$P^* = \frac{X}{C^*P}(C^*P - CP)$$

Hence, on putting, P* = 0.44/43.29 [(43.29 – 21.49)] = 0.22

Annex - 7

Correlation between income and consumption expenditure among total sampled households

$$r = \frac{N\sum Ciyi - \sum yi.\sum Ci}{\sqrt{N\sum Ci2 - (\sum Ci)2} . \sqrt{N\sum yi2 - (\sum yi)2}}$$

Where,

r = Correlation co-efficient

N = Total sampled number

$\sum yi.$ = Sum of individual income (per capita per day)

$\sum Ci$ = Sum of individual consumption (per capita per day)

$$r = \frac{350 \times 2408775.5 - 22578.46 \times 22916.04}{\sqrt{350 \times 2438091.83 - 22916.04 \times 22916.04} \sqrt{350 \times 2379982.12 - 22578.46 \times 22578.46}}$$

$$= \frac{843071425 - 517408892.5}{\sqrt{853332140.5 - 525144889.3} \sqrt{832993742 - 509786855.97}} \cdot 1$$

$$= \frac{325662532.5}{\sqrt{328187251.2}\sqrt{323206886.03}} = \frac{325662532.5}{18116 \times 17978} = \frac{325662532.5}{325688642.9} = 0.99$$

Annex - 8

Correlation between income and consumption expenditure among absolute poor households

$$r = \frac{N\sum Ciyi - \sum yi.\sum Ci}{\sqrt{N\sum Ci2 - (\sum Ci)2} \cdot \sqrt{N\sum yi2 - (\sum yi)2}}$$

Where,

r = Correlation co-efficient

N = Number of absolute poor households = 162

yi = individual income (per capita per day)

Ci = individual consumption (per capita per day)

$$r = \frac{162 \times 83597.36 - 3480.91 \times 3602.73}{\sqrt{162 \times 98514.91 - 3602.73 \times 3602.73}\sqrt{162 \times 94885.28 - 3531.89 \times 3531.89}}$$

$$= \frac{13542772.32 - 12540778.9}{\sqrt{15959415.42 - 12979663.5}\sqrt{15571415.36 - 12474246.9}}$$

$$= \frac{1001993.42}{\sqrt{2979751.9}\sqrt{3097168.46}} = \frac{1001993.42}{1726.2 \times 1759.88} = \frac{1001993.42}{3037900.3} = 0.33$$

Annex - 9

Income and consumption relationship among absolutely poor household and their marginal propensity to consume.

If

C = f (Y)

$C_i = \alpha + \beta Y_i$

$\Sigma C_i = n\alpha + \beta \Sigma Y_i$

$\Sigma C_i Y_i = \alpha \Sigma Y_i + \Sigma Y_i^2$

Where, $\Sigma C_i = 3602.73$ $\Sigma Y_i = 3480.91$

       $\Sigma C_i Y_i = 83597.36$ $\Sigma Y_i^2 = 94885.28$

       N = 162

Thus, using determinant method,

$$\alpha = \frac{\begin{vmatrix} \Sigma C & \Sigma y \\ \Sigma CY & \Sigma Y^2 \end{vmatrix}}{\begin{vmatrix} N & \Sigma Y \\ \Sigma Y & \Sigma Y^2 \end{vmatrix}} = \frac{\begin{vmatrix} 3602.73 & 3480.91 \\ 83597.36 & 94885.28 \end{vmatrix}}{\begin{vmatrix} 162 & 3480.91 \\ 3480.91 & 94885.28 \end{vmatrix}}$$

$$= \frac{341846044.8 - 290994886.4}{15371415.36 - 12116734.43} = \frac{50851158.4}{3254680.93} = 15.6$$

$$\beta = \frac{\begin{vmatrix} N & \Sigma C \\ \Sigma Y & \Sigma CY \end{vmatrix}}{\begin{vmatrix} N & \Sigma Y \\ \Sigma Y & \Sigma Y^2 \end{vmatrix}} = \frac{\begin{vmatrix} 162 & 3602.73 \\ 3480.91 & 83597.36 \end{vmatrix}}{\begin{vmatrix} 162 & 3480.91 \\ 3480.91 & 94885.28 \end{vmatrix}}$$

$$\frac{13542772.32 - 12540778.9}{15371415.36 - 12116734.43} = \frac{1001993.4}{3254680.93} = 0.31$$

Computation of relative mean deviation

$$M.D. = \sum_{i=1}^{n} n \frac{|y - yi|}{ny}$$

Where n = 10 (because it is taken into deciles group)

$$Y = \frac{\sum yi}{n} = 100/10 = 10$$

Yi	Y	Y-Yi	$(Y-Yi))^2$
3.57	10	6.43	41.34
6.5	10	3.5	12.25
8.01	10	1.99	3.96
11	10	1	1
13.86	10	3.86	14.89
15.19	10	5.19	26.94
18.2	10	8.2	67.24
20.01	10	10.01	100.20
22.05	10	12.05	145.20
30.25	10	20.25	410.06
	100	72.48	823.08

M.D. = 72.48/100 = 0.7245

Computation of variation

$$\text{Var.} = \sum_{i=1}^{n} \frac{|y - yi|2}{ny}$$

$$= 823.08/100 = 8.2$$

Computation of Co-efficient variation

$$C = \frac{\sqrt{\sum yi}}{y} = \frac{\sqrt{72.48}}{10} = 0.85$$

Annex – 12

Range (among total sampled households)

$$E = \frac{Max.y - Min.y}{y}$$

Since y = ΣYi/N = 22578.46/350 = 65

$$E = \frac{199.5 - 3.57}{72.48} = 2.7$$

Mean Consumption = $\frac{22916.04}{350}$ = 65.5

Annex – 13

Range (among the absolute poor)

$$E = \frac{Max.y - Min.y}{y}$$

Since y = ΣYi/N = 3531.89/162 = 21.8

$$E = \frac{43.29 - 3.57}{21.8} = 1.8$$

Human Development Index

HDI is the geometrical mean of normalized indices for cash of three dimensions.

Dimension	Indicator	Minimum Value	Maximum Value
Health	Life expectancy (year)	20	85
Education	Expected year of schooling	0	18
	Mean years of schooling	0	15
Standard of living	GNI per capita income (2011 ppp$)	$100	75000

$$\text{Dimension index} = \frac{\text{Actual Value} - \text{Minimum Value}}{\text{Maximum Value} - \text{Minimum Value}}$$

HDI of Male

$$\text{Health index} = \frac{67.2 - 20}{85 - 20} = \frac{47.2}{65} = .7262$$

Expected years of schooling = 5.6 years

$$\text{Dimension index} = \frac{5.6 - 0}{18 - 0} = 0.3111$$

Mean years of schooling = 3.11

$$\text{Dimension index} = \frac{3.11 - 0}{15 - 0} = \frac{3.11}{15} = .2073$$

∴ Educational index = .3111 + .2073 = .5184

$$\text{Income index} = \frac{685 - 100}{7500 - 100} = \frac{585}{7400} = 0.079$$

$$\text{HDI} = (.7262, .5184, .079)\ \frac{1}{3} = \log .7262 + \log .5184 + \log .079 = 0.588$$

HDI of Female

Health index $= \dfrac{69.42 - 20}{85 - 20} = \dfrac{49.42}{65} = .7603$

Education index $= \dfrac{3.2 - 0}{18 - 0} + \dfrac{2.12 - 0}{15 - 0} = \dfrac{3.2}{18} + \dfrac{2.12}{15} = .1778 + .1413 = 0.3191$

Income index $= \dfrac{582 = 100}{7500 - 100} = \dfrac{482}{7400} = 0.065$

HDI $= \left(.7603, .3191, .0064\right)^{\frac{1}{3}} = \log .7603 + \log .3191 + \log .065 = 0.519$

Gender development index $= \dfrac{HDI\ OF\ Female}{HDI\ of\ Male} = \dfrac{0.519}{0.588} = 0.882$

Human Poverty Index

$$\text{HPI} = \left[\frac{1}{3}\left(P_1^\alpha + P_2^\alpha + P_3^\alpha\right)\right]^{\frac{1}{\alpha}}$$

Where P_1 = Probability at birth of not surviving to age 40.

P_2 = Adult illiteracy rate

P_3 = Arithmetic average of P_{31} percentage of population without access to safe water

P_{32} = Percentage of malnourished children under five years.

$$P_3 = \frac{P_{31} + P_{32}}{2} = \frac{5.87 + 41.70}{2} = 23.79$$

$P_1 = 8.27\%$

$P_2 = 63.6\%$

$$\text{HPI} = \sqrt[3]{\frac{1}{3}\left[(8.27)^3 + (63.6)^3 + (23.79)^3\right]}$$

$$= \sqrt[3]{565.61 + 257259.5 + 13464.29} = \sqrt[3]{90429.79}$$

$$= 44.89$$

Annex – 16

Calculations of Income

SN	HH size	Per Capita Income	Per Capita Daily Consumption(C)	CY	Y^2	C^2
1	6	3.57	4	14.28	12.74	16.00
2	6	3.57	4	14.28	12.74	16.00
3	6	3.57	4	14.28	12.74	16.00
4	6	3.57	4	14.28	12.74	16.00
5	6	5.16	6	30.96	26.63	36.00
6	6	5.16	6	30.96	26.63	36.00
7	6	5.16	6	30.96	26.63	36.00
8	6	5.16	6	30.96	26.63	36.00
9	9	6.5	6	39.00	42.25	36.00
10	9	6.5	6	39.00	42.25	36.00
11	3	6.6	8	52.80	43.56	64.00
12	3	6.6	8	52.80	43.56	64.00
13	6	8	7	56.00	64.00	49.00
14	6	8	7	56.00	64.00	49.00
15	6	8.01	8	64.08	64.16	64.00
16	6	8.01	8	64.08	64.16	64.00
17	8	9	9	81.00	81.00	81.00

18	8	9	9	81.00	81.00	81.00
19	10	10	8	80.00	100.00	64.00
20	10	10	8	80.00	100.00	64.00
21	7	10	8	80.00	100.00	64.00
22	7	10	8	80.00	100.00	64.00
23	8	11	11	121.00	121.00	121.00
24	8	11	11	121.00	121.00	121.00
25	4	11	11	121.00	121.00	121.00
26	4	11	11	121.00	121.00	121.00
27	8	11.1	12	133.20	123.21	144.00
28	8	11.1	12	133.20	123.21	144.00
29	7	12	13	156.00	144.00	169.00

30	7	12	13	156.00	144.00	169.00
31	5	12.18	13	158.34	148.35	169.00
32	5	12.18	13	158.34	148.35	169.00
33	6	12.2	13	158.60	148.84	169.00
34	6	12.2	13	158.60	148.84	169.00
35	6	12.57	13	163.41	158.00	169.00
36	6	12.57	13	163.41	158.00	169.00
37	8	13	12	156.00	169.00	144.00

38	8	13	12	156.00	169.00	144.00
39	7	13	12.5	162.50	169.00	156.25
40	7	13	12.5	162.50	169.00	156.25
41	6	13	14	182.00	169.00	196.00
42	6	13	14	182.00	169.00	196.00
43	10	13.86	14	194.04	192.10	196.00
44	10	13.86	14	194.04	192.10	196.00
45	7	14	14	196.00	196.00	196.00
46	7	14	14	196.00	196.00	196.00
47	5	14	14	196.00	196.00	196.00
48	5	14	14	196.00	196.00	196.00
49	7	15	16	240.00	225.00	256.00
50	7	15	16	240.00	225.00	256.00
51	8	15.19	16	243.04	230.74	256.00
52	8	15.19	16	243.04	230.74	256.00
53	7	18	18	324.00	324.00	324.00
54	7	18	18	324.00	324.00	324.00
55	5	18	17	306.00	324.00	289.00
56	5	18	17	306.00	324.00	289.00
57	6	18	18	324.00	324.00	324.00
58	6	18	18	324.00	324.00	324.00

59	5	18	19	342.00	324.00	361.00
60	5	18	19	342.00	324.00	361.00
61	8	18.2	19	345.00	331.34	361.00
62	8	18.2	19	345.80	331.24	361.00
63	9	18.35	19	348.65	336.72	361.00
64	9	18.35	19	348.65	336.72	361.00
65	12	18.5	20.5	379.25	342.25	420.25
66	12	18.5	20.5	379.25	342.25	420.25
67	8	19	20	380.00	361.00	400.00
68	8	19	20	380.00	361.00	400.00
69	8	19.05	20	381.00	362.90	400.00
70	8	19.05	20	381.00	362.90	400.00
71	7	19.58	20.25	396.50	383.38	410.06
72	7	19.58	20.25	396.50	383.38	410.06
73	5	20	20	400.00	400.00	400.00
74	5	20	20	400.00	400.00	400.00
75	7	20	21	420.00	400.00	441.00
76	7	20	21	420.00	400.00	441.00
77	7	20	20	400.00	400.00	400.00
78	7	20	20	400.00	400.00	400.00
79	6	20	21	420.00	400.00	441.00
80	6	20	21	420.00	400.00	441.00

81	6	20.01	21	420.21	400.40	441.00
82	6	20.01	21	420.21	400.40	441.00
83	7	20.25	22.5	455.63	410.06	506.25
84	7	20.25	22.5	455.63	410.06	506.25
85	9	20.8	23.7	492.96	432.64	561.69
86	9	20.8	23.7	492.96	432.64	561.69
87	9	20.8	21	436.80	432.64	441.00
88	9	20.8	21	436.80	432.64	441.00
89	2	21	21	441.00	441.00	441.00
90	2	21	21	441.00	441.00	441.00
91	7	21.2	22.5	477.00	449.44	506.25
92	7	21.2	22.5	477.00	449.44	506.25
93	9	21.8	22	479.60	475.24	484.00
94	9	21.8	22	479.60	475.24	484.00
95	8	21.9	22	481.80	479.61	484.00
96	8	21.9	22	481.80	479.61	484.00
97	8	21.9	22	481.80	479.61	484.00
98	8	21.9	22	481.80	479.61	484.00
99	7	22	23	506.00	484.00	529.00
100	7	22	23	506.00	484.00	529.00
101	7	22.05	23	507.15	486.20	529.00
102	8	23.37	24	560.88	546.16	576.00
103	5	24	24	576.00	576.00	576.00
104	8	24	25	600.00	576.00	625.00
105	6	24.81	25	620.25	615.54	625.00
106	6	25	25	625.00	625.00	625.00
107	2	25	26	650.00	625.00	676.00
108	9	25	25	625.00	625.00	625.00
109	6	25.25	26	656.50	637.56	676.00
110	6	25.37	26	659.62	643.64	676.00
111	6	25.65	26	666.90	657.92	676.00
112	6	26	26	676.00	676.00	676.00
113	5	26.07	27	703.89	679.64	729.00

114	8	27	25	675.00	729.00	625.00
115	5	27	29	783.00	729.00	841.00
116	5	27.09	28	758.52	733.87	784.00
117	5	28	26	728.00	784.00	676.00
118	6	28	29	812.00	784.00	841.00
119	2	28.28	29	820.12	799.76	841.00
120	6	28.29	29	820.41	800.32	841.00
121	7	30	31	930.00	900.00	961.00
122	8	30	31	930.00	900.00	961.00
123	5	30	30	900.00	900.00	900.00
124	6	30	32.5	975.00	900.00	1056.25
125	5	30.25	31	937.75	915.06	961.00
126	8	30.81	31	955.11	949.26	961.00
127	9	31.25	32	1000.00	976.56	1024.00
128	12	32	33	1056.00	1024.00	1089.00
129	8	32	34	1088.00	1024.00	1156.00
130	8	32.1	33	1059.30	1030.41	1089.00
131	7	32.2	32	1030.40	1036.84	1024.00
132	5	32.88	32	1052.16	1081.09	1024.00
133	7	33.27	33	1097.91	1106.89	1089.00
134	7	33.37	33	1101.21	1113.56	1089.00
135	6	33.37	33	1101.21	1113.56	1089.00
136	6	33.69	34	1145.46	1135.02	1156.00
137	7	33.69	34	1145.46	1135.02	1156.00
138	9	33.69	34	1145.46	1135.02	1156.00
139	9	33.69	34	1145.46	1135.02	1156.00
140	2	33.77	34	1148.18	1140.41	1156.00
141	7	34.34	35	1201.90	1179.24	1225.00
142	9	35	36	1260.00	1225.00	1296.00
143	8	35	36	1260.00	1225.00	1296.00
144	8	36	35.25	1269.00	1296.00	1242.56
145	7	38.28	39	1492.92	1465.36	1521.00
146	7	38.5	39.02	1502.27	1482.25	1522.56
147	8	39.68	40	1587.20	1574.50	1600.00

148	5	40	42	1680.00	1600.00	1764.00
149	8	40	42.25	1690.00	1600.00	1785.06
150	6	40.6	40.5	1644.30	1648.36	1640.25
151	6	41	41	1681.00	1681.00	1681.00
152	2	42	42	1764.00	1764.00	1764.00
153	9	42	43	1806.00	1764.00	1849.00
154	6	42.09	48.51	2041.79	1771.57	2353.22
155	6	42.09	42	1767.78	1771.57	1764.00
156	6	42.09	42	1767.78	1771.57	1764.00
157	6	42.25	40.25	1700.56	1785.06	1620.06
158	5	42.48	43	1826.64	1804.55	1849.00
159	8	42.48	43.5	1847.88	1804.55	1892.25
160	5	42.48	40	1699.20	1804.55	1600.00
161	5	43	44	1892.00	1849.00	1936.00
162	5	43.25	42.05	1818.66	1870.56	1768.20
163	6	43.56	43.5	1894.86	1897.47	1892.25
164	2	43.56	45	1960.20	1897.47	2025.00
165	6	43.56	40.2	1751.11	1897.47	1616.04
166	6	43.77	40.7	1781.44	1915.81	1656.49
167	6	44	45	1980.00	1936.00	2025.00
168	6	45	45	2025.00	2025.00	2025.00
169	6	46	47	2162.00	2116.00	2209.00
170	9	49.68	50	2484.00	2468.10	2500.00
171	3	49.68	50	2484.00	2468.10	2500.00
172	6	49.68	50	2484.00	2468.10	2500.00
173	6	50	51	2550.00	2500.00	2601.00
174	8	50	51	2550.00	2500.00	2601.00
175	10	50.25	51.5	2587.88	2525.06	2652.25
176	7	51	53	2703.00	2601.00	2809.00
177	8	52.92	54.75	2897.37	2800.53	2997.56
178	4	52.92	53	2804.76	2800.53	2809.00
179	8	52.92	54.75	2897.37	2800.53	2997.56
180	7	52.92	53.5	2831.22	2800.53	2862.25
181	5	53.22	54.75	2913.80	2832.37	2997.56

182	6	53.22	55.5	2953.71	2832.37	3080.25
183	6	53.92	55.5	2992.56	2907.37	3080.25
184	8	54	57	3078.00	2916.00	3249.00
185	7	54.25	55.5	3010.88	2943.06	3080.25
186	6	54.36	56.5	3071.34	2955.01	3192.25
187	10	54.36	57.5	3125.70	2955.01	3306.25
188	7	54.36	55.5	3016.98	2955.01	3080.25
189	5	54.5	56	3052.00	2970.25	3136.00
190	6	54.55	56.56	3085.35	2975.70	3199.03
191	9	55	57.5	3162.50	3025.00	3306.25
192	10	57.25	58.5	3349.13	3277.56	3422.25
193	12	57.56	58.2	3349.99	3313.15	3387.24
194	11	57.56	61.08	3515.76	3313.15	3730.77
195	5	57.56	59.5	3424.82	3313.15	3540.25
196	6	60	62	3720.00	3600.00	3844.00
197	5	60	60.5	3630.00	3600.00	3660.25
198	6	60	63	3780.00	3600.00	3969.00
199	5	60.24	62.5	3765.00	3628.86	3906.25
200	5	60.24	62.5	3765.00	3628.86	3906.25
201	6	60.48	63.5	3840.48	3657.83	4032.25
202	6	64.59	65.4	4224.19	4171.87	4277.16
203	5	64.59	66.15	4272.63	4171.87	4375.82
204	6	64.59	66.5	4295.24	4171.87	4422.25
205	5	65	63.5	4127.50	4225.00	4032.25
206	6	65.55	66.5	4359.08	4296.80	4422.25
207	5	65.55	66.5	4359.08	4296.80	4422.25
208	6	65.76	66.15	4350.02	4324.38	4375.82
209	5	65.76	67.5	4438.80	4324.38	4556.25
210	6	66	67.5	4455.00	4356.00	4556.25
211	6	66.66	67.5	4499.55	4443.56	4556.25
212	2	66.66	67	4466.22	4443.56	4489.00
213	6	67.5	69	4657.50	4556.25	4761.00
214	5	68.5	71.25	4880.63	4692.25	5076.56
215	5	69.5	72.25	5021.38	4830.25	5220.06

216	5	70	72	5040.00	4900.00	5184.00
217	8	70.01	72	5040.72	4901.40	5184.00
218	5	70.02	71.5	5006.43	4902.80	5112.25
219	6	70.02	72	5041.44	4902.80	5184.00
220	6	70.02	72.5	5076.45	4902.80	5256.25
221	6	70.24	71.5	5022.16	4933.66	5112.25
222	6	70.25	73	5128.25	4935.06	5329.00
223	9	70.48	71.5	5039.32	4967.43	5112.25
224	2	73.98	74.1	5481.92	5473.04	5490.81
225	6	73.98	75.5	5585.49	5473.04	5700.25
226	6	74	75	5550.00	5476.00	5625.00
227	8	74.04	76.5	5664.06	5481.92	5852.25
228	5	74.04	75	5553.00	5481.92	5625.00
229	8	74.05	75.5	5590.78	5483.40	5700.25
230	7	75	77	5775.00	5625.00	5929.00
231	7	75.69	77.5	5865.98	5728.98	6006.25
232	8	75.69	77	5828.13	5728.98	5929.00
233	8	76	77	5852.00	5776.00	5929.00
234	9	77.5	79.5	6161.25	6006.25	6320.25
235	7	78	80.5	6279.00	6084.00	6480.25
236	2	79	81.5	6438.50	6241.00	6642.25
237	9	80	82	6560.00	6400.00	6724.00
238	7	80	83	6640.00	6400.00	6889.00
239	6	80.1	81.5	6528.15	6416.01	6642.25
240	6	81.03	82.5	6684.98	6565.86	6806.25
241	7	81.03	83.5	6766.01	6565.86	6972.25
242	7	82.17	83.5	6861.20	6751.91	6972.25
243	5	82.17	84.5	6943.37	6751.91	7140.25
244	7	82.25	84	6909.00	6765.06	7056.00
245	8	82.3	83.5	6872.05	6773.29	6972.25
246	8	84	86	7224.00	7056.00	7396.00
247	12	84.27	86	7247.22	7101.43	7396.00
248	9	84.27	86.5	7289.36	7101.43	7482.25
249	8	85.5	87.5	7481.25	7310.25	7656.25

250	5	86	87	7482.00	7396.00	7569.00
251	6	87	89	7743.00	7569.00	7921.00
252	5	88.5	90.5	8009.25	7832.25	8190.25
253	7	89.5	92.5	8278.75	8010.25	8556.25
254	8	90.5	92.2	8344.10	8190.25	8500.84
255	5	91.5	91.5	8372.25	8372.25	8372.25
256	7	92	93.5	8602.00	8464.00	8742.25
257	10	92.5	93	8602.50	8556.25	8649.00
258	6	93.93	95	8923.35	8822.84	9025.00
259	7	93.93	94.25	8852.90	8822.84	8883.06
260	8	94	95.5	8977.00	8836.00	9120.25
261	6	95.5	97	9263.50	9120.25	9409.00
262	6	95.58	97.5	9319.05	9135.54	9506.25
263	6	95.58	98	9366.84	9135.54	9604.00
264	5	96	98.5	9456.00	9216.00	9702.25
265	7	97.5	99	9652.50	9506.25	9801.00
266	8	98.64	99.5	9814.68	9729.85	9900.25
267	4	98.64	101	9962.64	9729.85	10201.00
268	8	98.64	101.1	9972.50	9729.85	10221.21
269	7	99	100.35	9934.65	9801.00	10070.12
270	10	100	101	10100.00	10000.00	10201.00
271	8	102.5	103.2	10578.00	10506.25	10650.24
272	6	102.75	103.5	10634.63	10557.56	10712.25
273	6	103	105	10815.00	10609.00	11025.00
274	3	104	105	10920.00	10816.00	11025.00
275	9	105	107	11235.00	11025.00	11449.00
276	6	106	107	11342.00	11236.00	11449.00
277	6	106.53	107.55	11457.30	11348.64	11567.00
278	6	106.53	107.4	11441.32	11348.64	11534.76
279	6	106.86	107.25	11460.74	11419.06	11502.56
280	9	106.86	106.86	11419.06	11419.06	11419.06
281	10	107	109	11663.00	11449.00	11881.00
282	12	107.67	107.67	11592.83	11592.83	11592.83
283	11	107.67	108.67	11700.50	11592.83	11809.17

284	5	107.75	107.75	11610.06	11610.06	11610.06
285	6	108	109	11772.00	11664.00	11881.00
286	5	109	110	11990.00	11881.00	12100.00
287	6	110	113	12430.00	12100.00	12769.00
288	5	110.97	112.5	12484.13	12314.34	12656.25
289	5	110.97	111	12317.67	12314.34	12321.00
290	6	111	113	12543.00	12321.00	12769.00
291	6	112	113	12656.00	12544.00	12769.00
292	5	113	115.5	13051.50	12769.00	13340.25
293	6	114	116	13224.00	12996.00	13456.00
294	5	115	116.5	13397.50	13225.00	13572.25
295	6	116.5	118.5	13805.25	13572.25	14042.25
296	5	117.5	119	13982.50	13806.25	14161.00
297	6	118	120	14160.00	13924.00	14400.00
298	5	119	120.5	14339.50	14161.00a	14520.25
299	6	120.15	121	14538.15	14436.02	14641.00
300	6	121	123	14883.00	14641.00	15129.00
301	6	122	123.27	15038.94	14884.00	15195.49
302	6	123.27	124.5	15347.12	15195.49	15500.25
303	6	125	127	15875.00	15625.00	16129.00
304	6	127	129	16383.00	16129.00	16641.00
305	9	129	130	16770.00	16641.00	16900.00
306	3	131.52	133.5	17557.92	17297.51	17822.25
307	6	131.52	133	17492.16	17297.51	17689.00
308	6	133	135	17955.00	17689.00	18225.00
309	8	135.5	136.5	18495.75	18360.25	18632.25
310	10	137	138	18906.00	18769.00	19044.00
311	7	140.25	141	19775.25	19670.06	19881.00
312	8	142	143.5	20377.00	20164.00	20592.25
313	4	145	147	21315.00	21025.00	21609.00
314	8	147	149	21903.00	21609.00	22201.00
315	7	149.5	150	22425.00	22350.25	22500.00
316	5	150	151	22650.00	22500.00	22801.00
317	6	152	154	23408.00	23104.00	23716.00
318	6	154	154	23716.00	23716.00	23716.00
319	6	155	156	24180.00	24025.00	24336.00

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320	8	157.5	158.5	24963.75	24806.25	25122.25
321	7	158	160	25280.00	24964.00	25600.00
322	6	159	160	25440.00	25281.00	25600.00
323	10	160.5	161.5	25920.75	25760.25	26082.25
324	7	163.5	165	26977.50	26732.25	27225.00
325	5	165.5	166.5	27555.75	27390.25	27722.25
326	7	166	167	27722.00	27556.00	27889.00
327	8	168	170	28560.00	28224.00	28900.00
328	7	169	170.5	28814.50	28561.00	29070.25
329	5	170.5	172	29326.00	29070.25	29584.00
330	6	171	173.5	29668.50	29241.00	30102.25
331	5	172	174	29928.00	29584.00	30276.00
332	8	173	175.5	30361.50	29929.00	30800.25
333	9	175.5	177	31063.50	30800.25	31329.00
334	12	177.5	178.5	31683.75	31506.25	31862.25
335	8	179	180.5	32309.50	32041.00	32580.25
336	8	180	182	32760.00	32400.00	33124.00
337	7	180.5	182.5	32941.25	32580.25	33306.25
338	5	183.5	185	33947.50	33672.25	34225.00
339	7	185	187	34595.00	34225.00	34969.00
340	7	187.5	189	35437.50	35156.25	35721.00
341	6	188.5	189.5	35720.75	35532.25	35910.25
342	6	189	190	35910.00	35721.00	36100.00
343	7	190	191	36290.00	36100.00	36481.00
344	9	191.5	193	36959.50	36672.25	37249.00
345	9	193.5	195	37732.50	37442.25	38025.00
346	2	195	196	38220.00	38025.00	38416.00
347	7	196.5	197.5	38808.75	38612.25	39006.25
348	9	197.5	198	39105.00	39006.25	39204.00
349	8	198	199	39402.00	39204.00	39601.00
350	8	199.5	200	39900.00	39800.25	40000.00
		22578.46	22916.04	2408775.7	2379982.12	2438091.83

Annex--17

Lorenze Curve

(Graph No. 1)
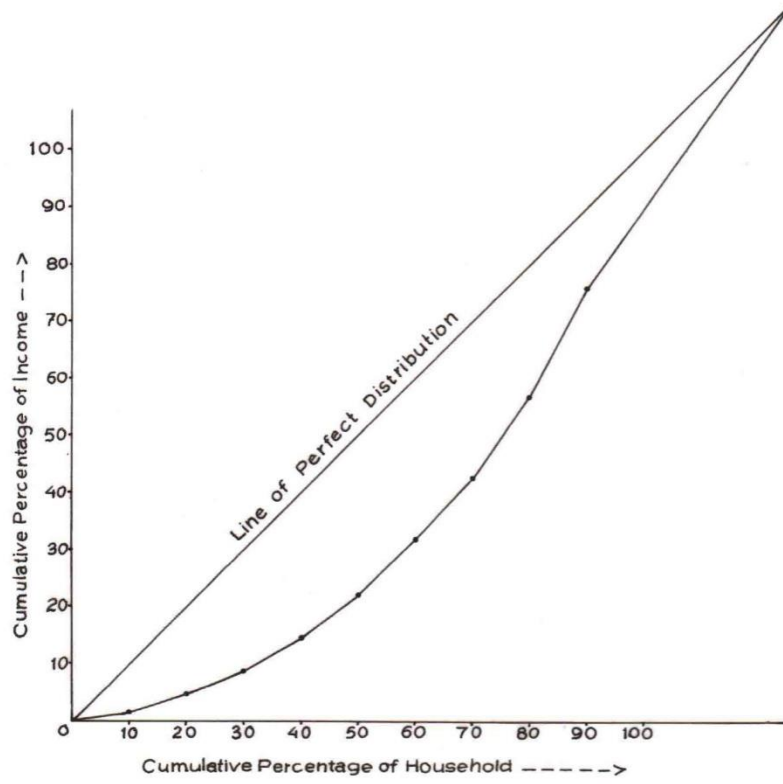
Map of Rautahat
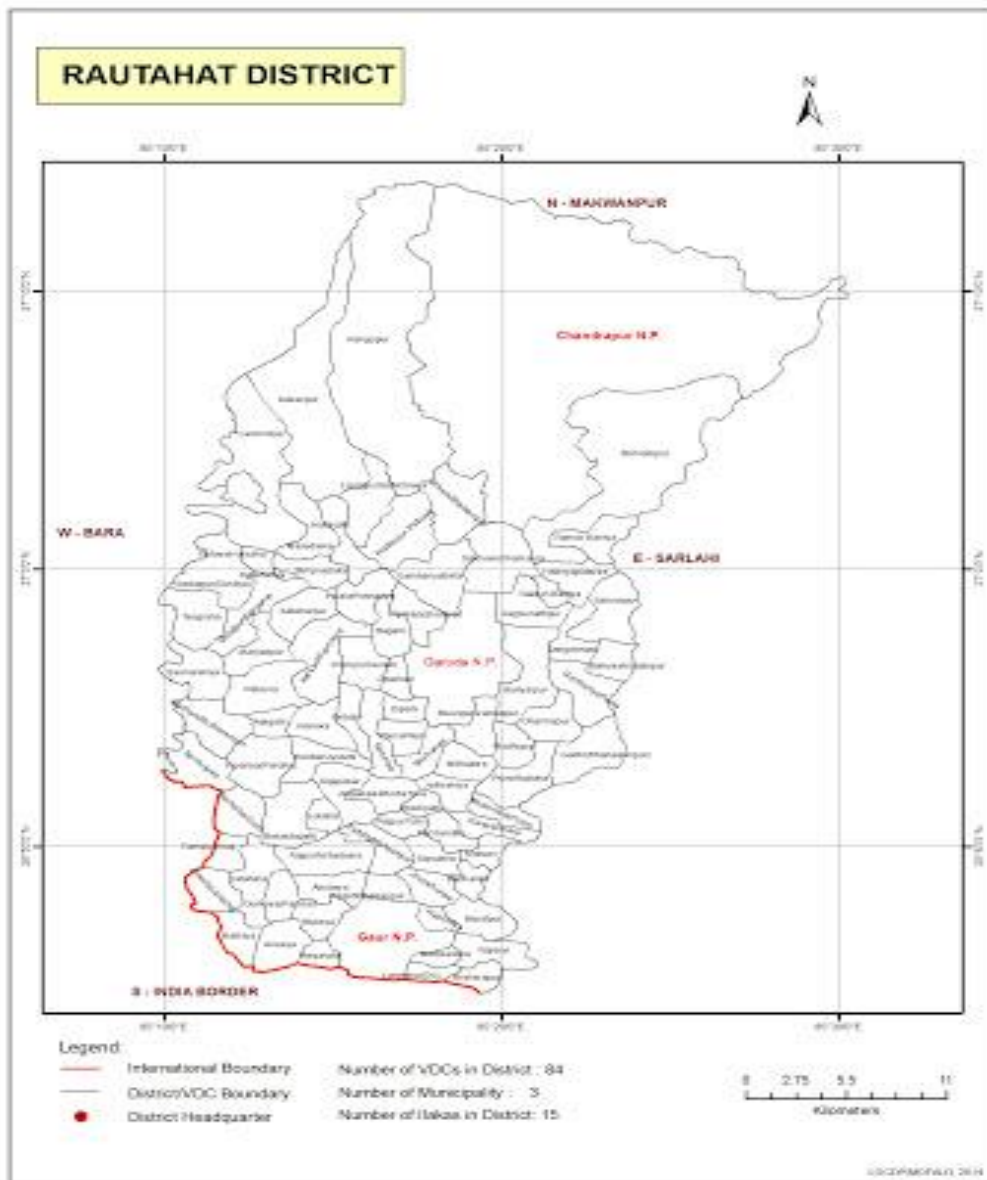
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