RURAL POVERTY OF NEPAL, A CAUSE STUDY OF DEWAL VDC OF DADELDHURA

A Thesis

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BY

SRIJANA PATHAK

Tribhuvan University

Kirtipur, Kathmandu

Nepal

Recommendation Letter

This is to certify that **Miss Srijana Pathak** has worked under my supervision and guidance for the preparation of this dissertation entitled "***Rural Poverty of Nepal*** : *A Case Study of Dewal VDC of Dadeldhura District"* for the partial fulfillment of Master's Degree of arts in Population Studies. To the best of my knowledge the study is original and carries useful information in the field of fertility. I, therefore, recommend it for the evaluation to the dissertation committee.

Apral, 2010

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Mrs. Suma Sedhai

Lecturer, CDPS, TU

Kirtipur, Kathmandu

(Supervisor)

APPROVAL SHEET

This dissertation entitled **Rural Poverty of Nepal** : *A Case Study of Dewal VDC of Dadeldhura District"* by Miss. Srijana Pathak has been accepted as partial fulfillment of the requirement for the Master's Degree of Arts in Population Studies.

Approved by:

_____

Dr. Prem Singh Bist

(Prof. and Head)

_____

Shiv Hari Adhikari

(External)

_____

Suma Sedhai

(Supervisor)

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Abstract

This study deals with the rural poverty. At present, the poverty has become crucial elements causing so many disturbances to the human being and nature. All types of evils i.e. dissatisfaction desperation, anger, anxiety etc. come from poverty.

In this VDC, there are 7060 total population and 1098 HHs. For fulfilling the objectives of the study, 132 HHs are selected (12% from every wards) by sample. The total sampled population is 833, out of which 418 are mail and 415 are female population. 46.82 % are Illiterate population, 92% HHs' main occupation in agriculture, average land holding size is 1 Ropani – 2 Ropani and 83% HHs live in joint family.

It is found that 64% of HHs and 65% of total population are lived in Ka group. Similarly, 21% sampled HHs and 21% population are lived in Kha groups. 8% HHs and 7% population are lived in Ga groups. It is also found that 7% HHs and 7% population are non- poor respectively.

The main income of the total sampled HHs is found to be Rs. 20.38 per capita per day. Similarly the main income of the absolute poor (Ka groups) HHs is found to be 10.30 per capita per day that is far below the absolute poverty line.

It is poverty from the test statistics, that the living standard of dependent upon education, employment and size of land holding. The poverty is inversely related to the level of education, employment, average family size and size of land holding among the sampled HHs. The level of standard of living of poor is very low but the consumption is very high.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

CHAPTER ONE
INTRODUCTION

1.1   General Background

Poverty is a social phenomenon where the society unable to fulfill to basic needs e.g. housing, clothing, food, drinking water, health facility, basic education etc. But poverty is not similar all over the world it is based on per-capita income, national income; GDP also depends upon employment, industry, safe drinking water, health facilities and education. But poverty is measured by poverty line.

Poverty in Nepal can be viewed from two angles micro and macro. In micro level it is identify in terms of low caloric intake, lack of basic health facilities, illiteracy, high infant mortality, inadequate shelter, low purchasing power and high rural to urban migration. In macro level it can be expressed in term of high rate of growth of population, lack of marketing facilities, unemployment, technological activates and administrative inefficiencies.

Poverty is particularly rampant in the rural areas poor communities generally exist among people with marginal land holding, occupational casts, dalits, tribes and matriarchal households. Targeted efforts are also required to provide basic needs as well as minimum social services and assurance of required to the back ward rural and destitute group through the creation and expansion of opportunities for income generation and employment. If the employment opportunities created by investment are not well managed and necessary arrangements to increase productivity are not made, capital will gradually replace labor. Similarly, if the rights and interests of the labor are not protected and due remuneration is not provided, it deteriorates the management labor relations. Such situation can displace labor and adversely affect investment, leading to decrease in employment opportunities. In order to prevent such possibility, institutional development is essential to protect labor's right and interest as well as to create harmonious relationship with the management.

Simply poverty is pain. (Patel R.2000)

Convention Approach: based on consumption and income based indicators.

Boarder Approach: covers vulnerability, physical and social isolation powerlessness, and lack of security and self respect. (Robb,M.C.1999)

UNDP (1998:16) has provided six different types of poverty such as human poverty, income poverty, extreme poverty, overall poverty, relative poverty and absolute poverty. On the other hands UNFPA in 1996 defined urban poverty based on income, basic needs and participant's perspective. IFAD, 2001, define rural poverty: scatter household, lack of appropriate supplementation of safe drinking water, lack of hospital, collage, airport, paved roads, industries, communication, facilities, opportunities etc. are the main character of rural, where majority of the people spent most of their working time on farms.

Poverty is mostly concentrated in the rural areas of under developed countries like Nepal. Poverty in rural areas in basically cause by low productivity of agriculture. The limited base and inadequate growth rate of non-agricultural sector in the economy. Similarly the lack of exploitable mineral resources, poor agricultural policy and topographical disadvantages are also responsible for its economic backwardness and poverty. As well as there is low level of per capita income in rural sector there is low rate of saving, which turn lead to low rate of investment and capital formations. In connection with these realities, the reliance of farmers on traditional inputs and prevailing technology can also be assumed as the cause of poverty.

Poverty primarily is a rural phenomenon. It is also primarily an agriculture phenomenon. A related characteristic of the poor is that they lack assets. They either have very small amounts of unproductive land or no land at all they lack of human largely in an agriculture setting (HDR and WB, 1990).

Poverty is multi dimensional concept, comprising the nation of lack of access to resources and opportunities, illiteracy poor health and lack of sanitation deprivation of basic right and security and powerless. Different focuses on the economic dominations of poverty. Poverty is a defined as the ability to consume minimum amount of food and non-food item (CBS, 1999).

Prof. A.K. Sen has defined poverty as. Of course, a matter of deprivations. The recent shift in focus especially in the sociology literature from absolute to relative deprivation has provided as useful deprivation is essentially incomplete as an approach to poverty and supplements the earlier approach, which deserves substantial reformulation, but not rejection relates to this irreducible core of absolute deprivation keeping issues of starvations and hunger out the center of poverty (Sen, 1981).

Poverty is condition that is said exists when people lack of mans to satisfy their basic needs. In the context, the identification of poor people than first requires a determination of what constitutes basic needs, these may be defined as narrowly as "Those necessary for survival" or as broadly as "Those reflecting the prevailing standard of living in the community". The first criterion would cover only those people near the boarder line of starvation or death from exposure the second would extend the people whose nutrition, housing and clothing through adequate to preserve life do not measure up to those of the population as a whole (The University of Chicago, 1978).

Absolute poverty occurs when people fail to receive sufficient resources to support a minimum of physical health and efficiently often expressed in terms calories or nutritional levels. Relative poverty is defined by the general standard of living in different societies and what is culturally defines as being poor rather than some absolute level of deprivation. (Dictionary of Sociology   )

Poverty is a social phenomenon in which people cannot meet their basic necessities of life. In other words, poverty is an inability of an individual to fulfill the minimum requirement for survival. In this way, the poverty of an individual or people is measured on the basis of minimum level of consumption and income.

The most commonly used way to measure poverty is based on income or consumption level. A person is considered poor if his or her consumption or income level falls below some minimum level necessary to meet basic needs. This minimum level is usually called the "Poverty line". What is necessary to satisfy basic needs varies across time and societies. Therefore, poverty lines vary in time and place, and each country uses lines, which are appropriate to its level of development, social norms and values (WB: 99).

Poverty incidence in Nepal is estimated around 42 percent on the basis of that poverty line. In depth, 24.9 percent is estimated as poor while 17.1 percent as ultra poor. The depth of poverty has further been intensified by the problem of unemployment and underemployment. The rate of unemployment has been estimated to be 5.2 percent. The rate for the urban area is a high as 14.2 percent and for rural area is 4.2 percent. Likewise that rate of underemployment has been estimated to be 4.1 percent, the corresponding figures for rural and urban areas being 4.1 and 4.8 percent (NLFS, 98/99).

Absolute poverty concerned with absolute standard of living in terms on calorie in take and nutrition levels, clothing sanitation, health, education and so on (Montek S. Ahuluwalia, income inequality, some dimensions of the problem in finance and development. 1997, P-37).

In simple, rural poverty refers that existence of poverty in the rural areas. Its nature may be either absolute or relative. In general, rural poverty in developing economies is absolute poverty at the mass level. As a hurdle in the path of development in the developing economies, such poverty always challenges.

Poverty means especially lack of education facilities, lack of communication, lack of good governance and mismanagement, environmental degradation, low productivity, high population growth, absence of appropriate industries etc. in the rural areas.

The nature of poverty in Nepal is rural and massive because of overwhelmingly incidence of poverty in rural areas. The incidence of rural poverty in Nepal is estimated to be around 44%, according to the Ninth Plan. In further classification of poverty, 26.4% if considered as poor and 17.6% as ultra poor.

Table 1.1: Distribution of Poverty in Nepal by place of residence

S.No.	Area	Poor	Ultra Poor	Total
1	Rural	26.4	17.6	44.0
2	Urban	13.2	9.8	23.0

Source: NPC, 1998

1.2   Statements of the Problem

The problem of poverty is especially in the rural areas like Nepal. The problems of poverty is more active is Local Development Committees like Nepal where 3912 Village Development Committees are rural location of Nepal where 87.6% are living (population census, 1999). In rural and based on agricultural activities since the agriculture sector is the backbone of the development in the Nepal and its development play vital role to uplift the economy of nation.

The majority of the population of present is in below the poverty line of income. The common people especially those who are in rural areas have not able to reap the fruits of development. The important task of present is those to initiate the development process in the rural areas. Rural poverty eradication is prime objective of the Government of Nepal in its every period and five year strategy due to the clear-cut implementation procedure and commitment from political leaders. Rural poverty is in same situation in the ruler areas. Nepal is an agrarian country, where majority of people are fully or partially involved on this occupation. There is disguised unemployment in agricultural in Nepal. This is the main cause, lack of alternative employment opportunities. The population is growing faster than the GDP and growth of off-farm sector is in Nepal.

These inequalities in the distribution of income and wealth have been major causes for aggravation poverty. Due to wider inequality the output of development has not given to the poor. The condition of poor is becoming more over as a result, there is an increase in number of absolute poverty everyday in rural areas.

1.3   Objectives of the Study

The major objectives of the study are as following.

) To measure level of poverty in the study area.
) To measure the extent of poverty.
) To identify causes of the poverty.

17

1.4   Significance of the Study

It is the evident that poverty in Nepal is rural in nature because 88% of total population lives in rural areas several estimate have been made the number of people living below the poverty line. According to Nepal Living Standard Survey 1996, 42% of the total population have remained below the absolute poverty line among the about 17.1% are counted as ultra poor or the poorest. (NPC Ninth Plan, 77)

Nepal has completed ninth economic development plans. Through the experience of wide range policies focused against rural poverty in the country from first five year plan to now. So, no visible impact on the lives in the rural society. Instead of over the year the rural sector is adding the total number as well as proportion of the total population who is below the poverty line. Due to our inability to the non-poor and the poor people. This is the main problem of to lay is to the design a composite index to identify poverty and suggest measures to curtail it.

HMG of Nepal aimed that at the end of the Tenth Five-Year Plan the percentage of population below poverty line will be reduced by 10% (42 to 32). Through the implementation of successful poverty alleviation programs it is targeted to reduce to population below the poverty line to lend of 10% (42 to 32) with in the coming twenty years.

This study to identify the economic condition of Dewail VDC of Dadeldhura District. It will be useful for the comparative analysis for other similar type of research studies. It also examines to some extent the basic causes of poverty among the rural people. This study reflects the relationship between poverty and other economic factor such as employment, education, land holding etc. This study also helps to suggest planners and researchers about rural poverty.

1.5   Limitation of the Study

Dewail VDC of Dadeldhura is a study area. Various economy variables are not more analyzed such as income inequality of income and wealth, unemployment etc as the cause of poverty where as socio-cultural variables such as cast political powers etc are ignored. The study is conducted with limited time frame and financial

limitations. The monetary value of family members working in their own household land and house rent occupied by them has not been included in income. Simple statistical tools are used to analyze the data obtained. Price of goods are calculated on the basis of current price and local price in the study area. The study is based upon primary data as well as secondary data. This study is mainly limited with Dewail VDC, specially focus on 12% sampling household.

1.6.   Organization of the Study

This thesis has been divided in to seven chapters. The first chapter deals with introduction of the subject matter, objectives and significance of the study. Similarly, various studies are made in the second chapter through review of the literature. The third chapter is about research methodology of the proposed study. The fourth chapter is the description of the setting or study area. The fifth chapter is related to findings their analysis and presentations. The sixth chapter is poverty problem and its nature, The seventh chapter is focuses on conclusion and recommendations.

CHAPTER-TWO
REVIEW OF LITERATURE

The assessment of world development report and Human Development Report based on level of in the level of income required to support a minimum daily calories in taken, are not satisfactory to country Nepal. It held a middle rank within the low level of developed countries for most of development indicator like gross domestic production, per capita income and adult literacy rate until the mid sixteen. The situation of the country had not changed by the 1990s. The World Bank reported that about 37-42% of country's population was living in absolute poverty. Similarly the Human Development Report showed that Nepal was remarked 40th among 62 low level of developed country in 1993 (Graner, 1997). Nepal has been ranked as one of the poorest country which occupies 136th position among the 177 countries compared on the Human Development Indicators (UNDP, 2005).

To define poverty universally is the difficult task. The World Bank defines poverty as the inability of people to attain a minimum standard of living (WB 1990).Poverty can be sensibly identified in terms of capabilities deprivation the approach concentrates on deprivation: that are intrinsically important (Sen, 1991:87).Poverty is not merely an economic issue, it is also an issue related to human dignity. It comes from the ability of society to transform the numbers that we commonly call population in to human resources and human beings through enhancement of their capabilities(Pandey,1999:81).Poverty is a state of economic, social and psychotically deprivation occurring among people of countries, lacking sufficient ownership, control or access to resource to maintain minimum standard of living (WB,1990).Poverty from human development perspective is as state in which opportunities and choices must basic to human development are denied (UNDP, 1997:15).

The growth rate of gross domestic production (GDP) of the country also remained extremely low throughout much of the countries development experiences. The trends of average annual GDP growth rates have remained very unsatisfactory. It remained 2.27 in the year of 1975 -80, 4.71 in 1980-85, 4.80 in 1985-90, 5.02 in 1990-95 and 3.98 in 1995-98 (Pandey, 1999:48).

Most of the people below the absolute poverty are those who don't have land or have very nominal land and the production from that is not enough to sustain them from the whole year. Moreover, they live in remote areas are illiterate or school dropouts and don't have any other skills to earn their livelihood. In this way, the sources of poverty are (a) limited resource base (b) restricted access to natural resource base (c) Lack of access to market, technologies and inputs (d) Weak institution and (e) neglect by development policy (ICIMOD, 2002).

In ancient time there were different types of societies. According to the ancient concept poverty is an inescapable fact of life. It is regarded 'a curse' Having these concept several saints and holy man passed their life in poverty (William, 1996).

The analysis of the recent concept of poverty available composite and individual development indicator used in different context and studies leads to the conclusion that key poverty reduction impact indicator could by (a) security (Income, Employment and credit) (b) Knowledge and information (c) Health (d) Drudgery Reduction (e) Empowerment/Inclusion (f) Gender Equity (g) Access to service and (h) Health and environmental sustainability (Nepal, 2005).

Poverty has been analyzed under three dimensions Income, Human and Social exclusion. The poverty in Nepal is a multidimensional problems encompassing economic, social and human aspect, alleviation of which has been the main challenge of development (Poudyal, 2004/05).

Poor people are often excluded from equal access to economic opportunity because of regulations. They lack of information connections, skills, credit and organization and because of discrimination. Elements of empowering approaches can help overcome many of these barriers that prevent poor people's entry into new markets and limit their productivity despite their unremitting hard labor (Narayan, 2002).

Nepal's planning strategy is focused on human resource development and quality of life improvement. Emphasize income generating projects and on welfare handouts. Rural development through new land and its development drainage and irrigation,

agriculture support services, village and small industries, rural infrastructure (road, electricity, water etc) and social (health, school, food, supplementary) (Poudel, 2005).

Both human and income poverty persists largely because of weak governance. The four essential element of human governance are ownership, equity, accountability and efficiency. The report emphasizes in making pro-poor public spending (UNDP, 2001).

The first attempt to define and quantify the level of poverty in Nepal was made by National Planning Commission in 1976/77 through a survey on employment, income distribution and consumption patterns. The minimum subsistence level of income and expenditure were used for derivation of income and expenditure was used for derivation of the poverty line. An income level of Rs.2 per capita per day at 1976/77 prices was taken as the minimum substance level. This out of level was based on the expenditure required to buy food, giving average daily intake of 2256 calories and value of the lowest actual daily consumption of other basic necessities this centurion at that time gave a poverty estimated of 40.30 percent (NPC, Vol. IV, 1978).

The world Banks study shows that there is 74 percent of rural population below poverty line. According to this report, there is the existence of severe poverty in Nepal i.e. 71 percent of total population live in poverty especially in rural areas. The study has used various socio-economic indictors to show the exact situation of poverty i.e. health, education, basic service etc. (WDR, 1991).

Poverty causes suffering among millions of people. Many of the poor cannot by the food, shelter, clothing and medical care that they need. Neediness causes malnutrition and poor health. It also produces feelings of frustration, hopelessness and a loss of dignity and self-respect. Governments and private organization have tried to reduce or eliminate poverty. But if remains a widespread and serious world problem. The different definitions of poverty from country to country make it difficult to determine how many people are poor. It is estimated that more than 1 billion people about a fifth of the world's population are so poor that their health and lives are endangered. The most wide spread and severe poverty occurs in nations with few resources. These nations are sometimes called developing nations this article will deal mainly with poverty in the United State and other highly industrialized nations for

information on poverty in other countries (The World Book Encyclopedia Volume 15).

D. Hamilton discusses about the meaning of poverty in his book. He has examined income and its distribution. He has also taken the income inequality as the major factor of poverty he has used Lorenz curve to show it geometrically. He makes distinction between absolute poverty and relative poverty. However, he uses relative concept for analytical purpose. He has made a due consideration on how to eliminate poverty. He has used secondary data (Hamilton, 1968).

"Poverty and income distribution in Rural Nepal" by Rizwanul Islam, analysis the extent of poverty, distribution of income distribution of land holding, trends in poverty etc. He has used the secondary data supplied by NPC in 1978 and ILO's survey in 1974 to fulfill the objectives of the study.

The writer has asked two questions about the trend of poverty.

a) Has there been and increase or decrease in proportion of population and household living in condition of poverty.
b) What has been happening to the living condition of the poor?

Asian and South Asian countries like Pakistan, Bangladesh, and Thailand etc. (Islam, 1984).

David Seddon, in his book "Nepal: A state of poverty" has examined the cause of poverty in Nepal. According to this increasing population agriculture crisis and the wide gap between rich and poor are the main reasons for poverty. The writer has taken primary data for the analysis of poverty through field survey between 1974 and 1982. The writer has also used secondary data. The writer has given due consideration on the struggle for basic essential of life. Mr. Seddon has recommended some policies giving high emphasis on the role of government (Seddon, 1987).

Nepal has completed nine economic plans (Five Year). Each and every plan provides major focus on poverty alleviation and the enlistment on living standards of

the people. The first policy against the rural poverty appeared in Nepal. In early 1950's after the country achieved the independence "Land Reform Programme" was of the major antipoverty policies introduced in the second economic plans (1963). Widening inequality in the cultivated land increasing income gap between the rich and poor in rural society was the main reason that land reform policy of 1963 was initiated in Nepal. AT the fifth five-year plan (1975-80) the integrated rural development program (IRDP) implemented was one of the main anti-poverty policies. The program was general in nature aimed to expand the income, employment and production of the rural poor thorough stimulating a agriculture activities as well as providing basic social services. Similarly small framer development program (SFDP) was initiated in 1975 with in aim to increase the income and employment opportunities of the rural poor by providing them access of credit to under taken agricultural as well as non-agricultural activities. the next anti poverty policy appeared during the Sixth Five Year plan 1980 in the form of food for work program. The program had an aim to reduce the food shortage in the rural areas through the increased food supply to the needy people and it response to build and maintain rural infrastructure through local participation. Established 'Grameen Vikash Band' another anti poverty program in eight economic plans. Similarly 'AAFNO GAUN' 'AAFAIN BANAUN' was another poverty alleviation program implemented in 1995, 'GARIB SANG BISHASWOR' 'MAHILA JAGRATI' is another anti poverty program in Ninth economic plan.

Human Development Report (2000) has shown various figures regarding in the context of Nepal. According to HDI; Nepal is ranked as 144th out of 1740th countries according to human poverty index 51.3 percent people below poverty line. Per capita income per person US $210 per year. Out of total population 90% people live in rural areas. About 80% of rural poor are either self-employed in agriculture of agriculture labour with or with out tenancy. According to HDR 2000, about human development index, Nepal is situated 0.474 before than 0.463 shows some improvement could happen. Adult illiteracy rate 60.80% only 20% of the total populations available safe drinking water, 84% of the total population are far from the sanitary condition. (HDR 2000) above all these figure shows Nepal is one of the poorest country in the world.

In "*Poverty to prosperity in Nepal*" S.C. Jain focuses on the various poverty problems in Nepal and recommends same long terms policies to reduce it. His study is based on the sample survey done by National Planning Commission. He categorizes the poor people into two groups poorest of poor and the poor about poverty line. In the former case he takes the people who have income less than NRS 2 per day in 1977 prices and he calculated that 36.2% of the total population falls in this group. In the latter case, there falls the people whose per capita daily income ranges from NRS 2.00 to 2.68 and he estimated that 18.8% the total population lies in this group. Thus 55% of total population is poor in Nepal. According to him, 87 percent of the total poor live in rural areas of Nepal. He recommends some policies for additional income generation in order to raise the living standard of the poor people of Nepal (Jain, 1981).

A research worker assessed the impact of agricultural development activities on the poor including small and marginal farmers as well as landless rural people. The study focused that more absolutely poor live in rural areas than in urban areas and the institutional setting (including macro economic factors) is more important for development than the strategic institutions such as research extension, input and output markets credit irrigation and SFDP (Adhikari, 1987).

A study has presented a comparison of the magnitude of poverty between Hills and Terai regions of Nepal. The study highlights the hardships faced by rural poor. Not only this, they have also tried to show the future of rural poor. They have shown the relationship between malnourishment and poverty. According to their study, the prevalence of malnourishment in the hill is 75 (Bhandari, Kunwar and Dangol, 1986).

Anil Prasad Gautam, in this study has examined the cause of poverty in Nepal. According to him, low national consumption expenditure heavy unemployment along with misemployment explosive growth rate of population, in adequacies of anti poverty planning and actions in this regard, rising inequalities of income regional disparities, in appropriate technology, capital deficiency, selection of wrong investment strategies, lack of education, lack of skill development program and a number of social factor are also responsible (Gautam, Anil 1996).

A joint study of World Bank and UNDP, Nepal: Poverty and income has intended to deepen our understanding of the nature of poverty in Nepal of its causes and of the constrains which prevent the poor from improving their conditions. It investigates the effect of development policies and strategies on personal income and seeks to identify the most promising area for raising income of the poor. The main objectives of this study were to purpose the outlines of a ling-term country strategy to reduce poverty as well as to recommended specific measures for government and donor support. The study showed that the incidence of poverty is more serious in rural area. For this purpose, secondary data from NRM and other research organization have been used finally; it gives some priority alleviation strategy in Nepal (WB 1991).

The Ninth Five Year Plan has set poverty alleviation as its main objectives with a determination of bringing down the number of the below poverty line from 42 percent to 32 percent. The plan also aim at improving the living standard of the people below poverty line, placing special emphasis on uplifting the living standard of those lacking productive assets and income generating resource and those counted as the poorest empowering socially and economically the backward, down trodden and weaker sections of society and lowering the high incidence of poverty by developing physical, social and economic infrastructure in the underdeveloped, remote regions of the country (Ninth Five Year Plan 77).

Poverty has been perceived from different perspectives. Income based poverty weakness in different aspects of human development and social exclusion are the main aspect of poverty. The main indicator of income-based poverty is the percentage of people living below poverty line. Human development capacity indicators are also equally important because these indicators do not change as per the change in income-based indicators. The typology of these capacities includes access to existing resources, human resource development and participation in social/poetical decision-making process etc.

The first income poverty estimation on scientific basis was carried on in 1976/77, which estimated that 33 percent if total populations live below poverty line. The incidence of poverty was high in mid-western and far-western development regions along with rural areas highly affected. The next survey of 1984/85 estimated

that 41.2 percent people live below poverty line. The difference in poverty incidence between various geographical and development regions was almost similar.

According to the next survey exclusively done in rural areas in 1990/91 it was estimated that high incidence of poverty fall hard on landless and small farmers; but poverty was not only limited to these groups. The latest extensive household survey was conducted on in 1995/96 to evaluate poverty and measure living standard of the Nepalese people. Another survey of the same king has not been done yet.

It was estimated at the beginning of the Ninth Plan that 42 percent of population live below poverty line. The Nepal living standard measurement survey had estimated annual per-capita income of Rs.4404 to meet the expenses on daily minimum average of 2124 kilo calories from food basket and other non-food items requirements too. The income level at the current process of 2001 turns out to be Rs. 6100.

The mid-term evaluation of the Ninth Plan has estimated that 38 percent of populations live below poverty line. These micro levels of estimates do not provide disaggregated live poverty on geographical basis. According to Nepal living standard survey 1996 (NLSS) 44 percent of rural population lives below poverty line. Where as the figure for urban sector is 23 percent only. There is a great difference between Kathmandu valley and other urban areas in this regard, too. It is estimated that 34 percent of people live below poverty line in urban areas excluding Kathmandu valley. The level of income inequality is high I urban areas. Since 86 percent of the total population lives in rural areas, the nature of poverty in Nepal is rural oriented one. The poverty pressures in Terai and Mountains are similar, but it is extremely high in Himalayan region. By to development regions incidence of poverty in mid-western and far western development regions are the highest.

Table 1.2: Distribution of Poverty Management, 1995/96

Ecological Zones	Poverty incidence; percent of people living below poverty line	Poverty gap; depth/intensity of poverty (percent)	Severity of poverty (Percent)
Mountain	56	18.5	8.2
Hill	41	13.6	6.1
Terai	42	9.9	3.4
Distribution of population by place of resident			
Urban	23	7.0	2.8
Rural	44	12.5	5.1
Nepal	42	12.1	5.0

Source: World Bank (1999) Nepal: Poverty at the turn of twenty first century.

Poverty is a multi-dimensional and complex problem. The causes of poverty, by analyzing deferent aspects of income and human poverty are not only economic but also social and technological backwardness too.

One of the main causes of poverty is low economic growth rate. The stock taking of economic achievement of last three decades shows a lower economic growth rate of approximately 4 percent while annual population growth rate was about 2.5 percent. The per-capita income growth rate at a very low level could not contribute to mitigate poverty significantly.

CHAPTER THREE
RESEARCH METHODOLOGY

3.1   Research Design

This study is based on the micro study of poverty. The study analyses the excite state of poverty in a specific area as identified in the case study of the present study. This study also based on descriptive as well as exploratory research design. Through the help of exploratory research design social, cultural, political and economic causes and consequences will be pointed and presented. Similarly descriptive research helped to find out the fact that how deprivation and affected by the different tools of poverty.

3.2   Selection of the Study Area

The main objective of this chapter is to throw light on the methodology used in present study. The purpose of the study is basically to explore the problems, impacts of poverty in Dewail VDC. The study area is Dewail VDC of Dadeldhura District of Far-western Development Region of Nepal. This VDC has been selected for the study to understand the causes of poverty. And process of poverty alleviation. It has negative impacts on health of rural areas people and environment.

3.3   Sources of Data

The study is based on primary as well as secondary data. Primary data is mainly collected through the structured questionnaire and observation. In addition to the primary source relevant information from secondary sources i.e. data published by National planning commission, different articles of DDC and VDC and other organizations are also been used.

3.4   Sampling and Data Collection Procedure

12% households are taken as sample in present study i.e. out of 1098 total household number and 9 wards in the study area. From all wards has taken 132 households for sample. Each sampling unit is selected by deliberate or purposive sampling technique. In order to obtain the investigator by taking personal interview

with the household heads, other desired inquires to full fill the objectives of the study are with the help of local well informed people.

3.5   Data Processing

The raw data collected through completed questionnaire was tabulated and master sheet of information was made in order to incorporate the tabulated different socio economic characteristics such as income, landholding, farming size, level of education etc.

3.6   Methods and Tools Used for Data Analyses

Descriptive methods and well being ranking of HHs are used to measure the poverty and its extent. Especially, these descriptive tools are used to explain the absolute, relative and total poverty line or it means K, Kha, Ga and Gha groups' classification of poverty. Similarly, some (per caota daily mean income statistical) btools are also used to show the relationship between poverty and other factor such as income inequality, unemployment, level of education etc.

3.6.1   Method of Estimating Absolute Poverty

The minimum substance norm is followed to estimate absolute poverty line. The household whose per-capita income is below minimum substance level is known absolute poor or those household whose food security is 3 month.

Minimum substance norm followed by FAO is used estimate the absolute poverty line. According to FAO estimation the per-capita per day calorie requirement for survival for Nepal is 2256, which requires neat consumption of 605gms of cereals and 60gms of pulse. To obtain per-capita per day value of 605gms of cereals and 60gm of pulses, they are multiplied by their respectively local market price with this total value. We add the consumption expenditure made on other basic essentials of life to derive the minimum substance level of income.

According the National Planning Commission (NPC, 1987) expenditure on minimum food requirement for survival for Nepal is 2256, which requires meat consumption of 605gms of cereals and 60gm of pulses. They are multiple by their

respective local market price with this total value, we add the consumption substance level of income. According to National Planning Commission (NPC, 1978) expenditure on minimum food requirement i.e. 605 gms of cereal and 60 gms of pulses secure only 65% of substance consumption will be spent on another food and non-food items.

3.9   Definition and Concept of Variables

Household is a private and non-institutional economic unit in which a single individual or more than one family is living together. They earn together and consume together.

3.9.1   Households Head

In this study the person who manages all the rules and regulations in the family is considered as the household head. He always plays a dominant role in the family. Most of the economic activates in the family depend upon the households head's decisions. Especially most of the families earn economic and other basic things by the household head. Household head ruled over the all families and he makes all plans for the whole families. And other members of family obey the all orders for to do all things.

3.9.2   Total Income of Households

The income, which is earned by family members, through productive services from difference sources, is defined as total household income. In this study, it is sum total of net income from agricultural production, income from live stocks and poultry farming income from labour, income from business and cottage industry, income from service and income from rent. Especially most of the households depend upon on the agricultural income in the study area likewise households are earning or incoming from other sources like business, labour, police and army forces, teachers, as a government officers like wise from foreign countries especially young people especially males. In the study area most of the people are depending on the household's head income.

3.9.3 Literate/Illiterate/Educated

The entire person who can read and write Nepali languages are literate, who passed S.L.C. and more are educated and others illiterate. In the study area most of the people are illiterate only few people are educated especially boys than girls. But nowadays some community-based organizations are lunching different educated programs so who are illiterate especially old age people and females are going to be some literate.

3.9.4 Active/Working Age Group Population

In the study area all the household members who are in between 15-60 have been considered active/working age group population. In the study area especially all people male, females, children who can do some few work like taking water, taking grass, woods, to take care of small child etc. are the active or working people in the study area. In present condition especially younger people are going to foreign country for to increase income activities due to the poverty. In the study /younger people are out of the villages and some households females are going to be household head. So they are active or working females and children for to run their daily activities.

CHAPTER FOUR
INTRODUCTION OF THE STUDY AREA

Dadeldhura is one of the remote districts in the Far-Western Development Region of Nepal. The area of the district is 1583sqkm. out of which the agriculture land is 27233 ha. The total population is 126162 (population census 2001) with 65197 (54%) females. The literacy rate is 53.3% (DDC, 2001). The total dependency population in the district is 48.13% (population census, 2001). There are 20 and one Municipality.

Dewal is remote VDC, above 92% of total population are engaged in agriculture. Subsistence agriculture, lack of basic infrastructure, difficult geo-physical situation, minuscule non-agriculture sector, high rate of population growth, low participation making process and social discrimination for Dalit and minorities are the main cause of the continuing poverty in the proposed VDC of Dadeldhura. It has been a fact that most of the Dalits, ethnic minorities and poor are underprivileged and live a life of "Below –standard". Access to the resources is limited for the Dalits and poor people mainly due to social discrimination. Limited access of Dalit, minorities and women in he resource, low level of awareness and traditional mechanism in productive sector are the causes of poverty and poor market accessibility of local products.

The major socio- economic indicator of proposed VDC of Dadeldhura district is still very poor. Adult literacy is 54.48% per capital income is NRS.5880. THE HDI of the district is 0.265 is a big difference in the literacy ratio between the male (70.27%) and female (36%).

In the study area due to poverty higher proportion of elder does not have his/her own property. So that their life in coming days will not safe and secure from various respect until their family member do not provide proper care to them .

4.1   Distribution of Population on the Basis of Ethnic Group

There are different types of cast and ethnic groups found in Dewail VDC such Brahmin, Chhetri Thakuri, Damai, Kami, Sharki etc. (See the table No.2)

Table 4.1: Distribution of Population on the Basis of Cast/Ethnic Groups

S. No.	Ethnic group	Population	Percentage
1.	Chhetri	534	48.63
2.	Thakuri	57	5.91
3.	Brahmin	249	22.68
4.	Kami	37	3.37
5.	Damai	76	6.92
6.	Sharki	138	12.57
7.	Others	7	0.64
	Total	1098	100.00%

Source: DDC profile Population Census 2001

In this VDC most of the people are Chhetri who are involve in different work jobs especially most of the people are involve in agricultural sector and other services like wise Bhraman, Thakuri are also more in the VDC who are involve in Teaching,Military forces like British, India, and Nepal like other group are involve in Military forces. In this VDC other ethnic group like Sharki works in India as watchmen.

Figure 1: Distribution of Population on the Basis of Cast/Ethnic Groups
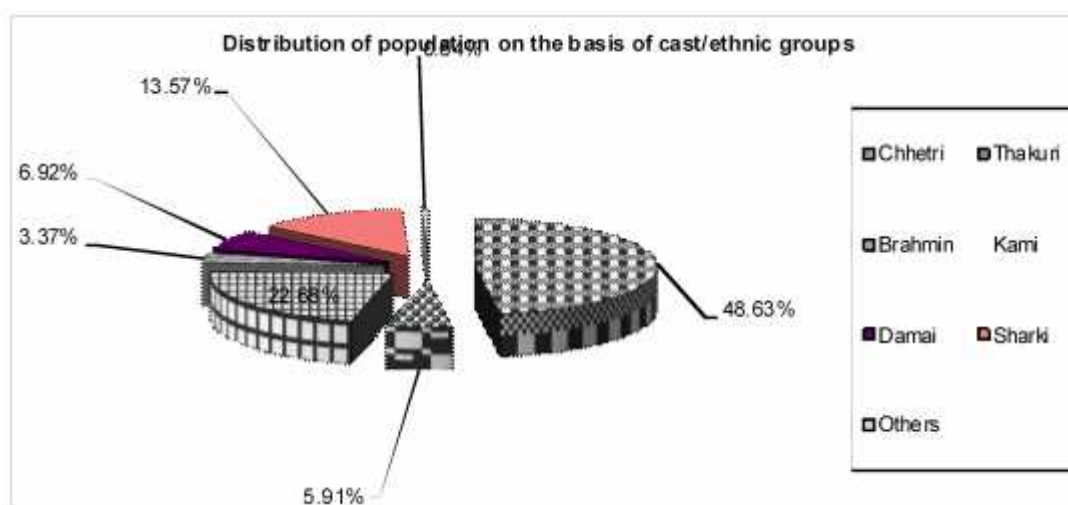
**4.2	Distribution of Sample Population in Ward wise**

Out of 1067 households in this VDC, 132 households are selected from all wards for the case study. The following table no present's ward wise distribution of sampled population.

Table 4.2: Distribution of Sample Size in Ward wise

Ward No.	Total HHs	Sample Population		Sample HHs
		Male	Female	
1	97	39	40	11.64
2	352	132	132	42.24
3	97	144	44	11.64
4	138	41	41	16.56
5	114	51	50	13.68
6	48	16	16	5.76
7	88	32	32	10.56
8	102	40	40	17.24
9	62	23	22	7.44
Total	1098	418	415	132

Source: Field Survey, 2009.

Table 4.2 represents most of the males are selected for sample than female in the study area in these wards are similar in various aspects e.g. population, education status main occupation of households, economic status etc. In these wards the mother tongue of the people is Dotali. 12% HHs are taken of sample from every wards.

**4.3	Distribution of Population by Age Groups and Sex**

In the study area male and are equally active in economics activities.

Table 4.3: Distribution of Population by Age Groups and Sex

Age Group	Male	Percent	Female	Percent	Total	Percent
0-14	172	41.15	171	41.20	343	41.18
15-59	222	53.11	221	53.25	442	53.06
60 above	24	5.74	23	5.54	48	5.76
Total	418	100	415	100	833	100

Source: Field Survey, 2009.

Table 4.3 presents the age structure of the sample population in the study area by which we can easily generalize that there exists some degrees poverty. Because there is a large number of dependent populations i.e. population below 15 years age group and the population above 60 years age group, out of total sample population there is nearly 47 percent are dependent. The life expectancy is also very low only 6% people above 60 years due to poverty.

4.4   Distribution of population by Educational Status of the Study Area

There are seven government schools and one secondary and three secondary and other primary schools and there is a boarding school and a higher secondary school also.

Table 4.4: Distribution of population by Education Status of Sample Population

Level	Male		Female		Total	Percent
	No.	Percent	No.	Percent	Number	
Illiterate	128	15.37	262	31.45	390	46.82
Literate	62	7.44	30	3.60	92	11.04
1-5	122	14.65	59	7.08	181	21.72
5-10	90	10.80	44	5.28	134	16.08
10 above	28	3.30	14	1.68	42	5.04
Total	557	51.62	276	49.09	833	100

Source: Field Survey 2009.

Table 4.4 show that 46.82% are illiterate, 11 are literate population,21.72% get primary education,16% get secondary education and only 5 people passed SLC. Thus the percentage of illiterate population is very high in the study

area. Thus, the educational status of the people of this VDC seems not so satisfactory.

Figure 2: Distribution of population by Education Status of Sample Population
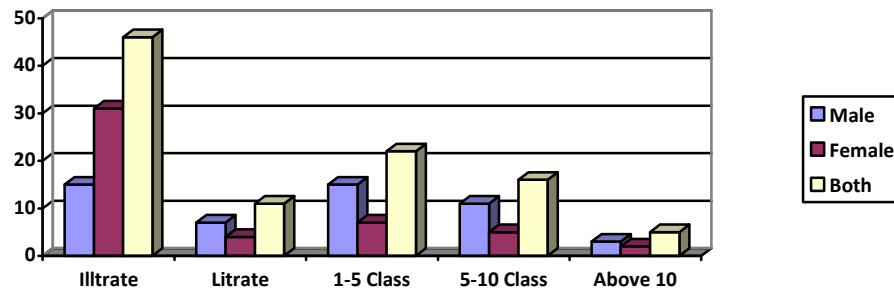
4.5   Distribution HHs by Family size in the Study Area

There are mainly two types of family found in Dewail VDC such nuclear and joint. Mainly joint family are extension in the study area.

Table 4.5: Distribution of Households by Family Size

Family Size	No. Of HHs	Percent
1-4	22	17
5-8	79	60
9-12	21	16
12 above	10	7
Total	132	100.00

Source: Field Survey, 2009.

Table 4.5, it is clear that most of the households have 5 to 8 members due to joint family structure as well as ineffective family planning program. Similarly, the religious duties and attitude of the people is that, without son they could not enter in to the heaven after death, which leads the family in large size. Out of total sampled population 418 are male and 415 are female. The average household size for the sample households is 6.3 The table given below that shows a clear picture of households by family size.

4.6   Distribution of Sample Households According to Main Occupation

The people of Dewal VDC have adopted various types of occupation like agriculture, livestock, services, tailoring, business, poultry, police, wage labors etc. Out of all these occupation they give more preference to agriculture. As Nepal is an agricultural country. So, the most of the people depend on subsistence agricultural economy. They grow various types of crops like maize, wheat, paddy, barley etc. Beside those they also produce different kinds of vegetables and fruits. Non-agricultural activities form a very little part of the economy. Service and related pension are the major income sources apart from agriculture. Damais, Kamis, Sarkis still have their cast specific occupation, but related income seems too little for survival. Lahur (Work in India as a labor), Jyaladari (daily wages), Thekka (contract) etc are prevailed and depend on the nature of job being carried out.

Table 4.6: Distribution of Sample Households According to Main Occupation

S.N.	Family Size	No. of HHs	Percent
1	Agriculture	121	92
2	Service	3	2
3	Wage labour	5	4
4	Business	3	2
	Total	132	100.00

Source: Field Survey, 2009.

Table 4.6 shows that 92% household respondents are engaged in agriculture, which is followed by wage earners and business people respectively.

Most of the service holders in this VDC are schoolteachers and about 85 percent of service holders are also landholders. So, nearly about 6 months they are engaged in agricultural activities. e.g. they work in their field. Similarly, about 60 percent of the wage earner works in the field of the big landholders in the same VDC and other people go to the other places for work from the VDC.

In the study area, most of the people's occupation is agriculture. However, there exists an extreme inequality in the distribution of land some of the families do

not possess land. The following table represents the distribution of land among the sample households.

Figure 3: Distribution of Sample Households According to Main Occupation
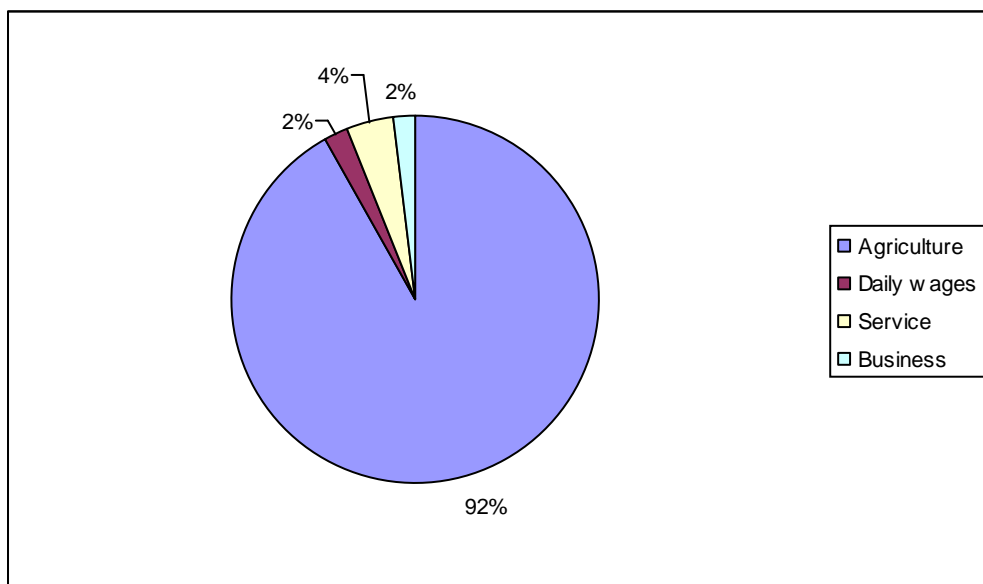
4.7: Distribution of Household by Agricultural Land in the Study Area

There are various types of land in the study area, such as Khet, Pakho and Bari. Similarly some people use their own land and some people use others land as a Adiha and Mate. Agriculture land is not productivy in this area.

Table 4.7: Distribution of Household by Agricultural Land in the Study Area

S.N.	Family Size	No. of HHs	Percent
1	Landless	4	2
2	Up to 1 Ropani	50	38
3	1 to 2 Ropani	45	35
4	2 to 3 Ropani	18	13
5	3 to 5 Ropani	13	10
6	5 to 7 Ropani	1	1
7	Above 7 Ropani	1	1
	Total	132	100.00

Source: Field Survey, 2009.

Table 4.7 clear that around 2% HHs is landless in this VDC. Who are landless they go to wage labour in this VDC and other places and out of country like India. And they generate their income level for their daily life. And there is the existence of highly unequal distribution of land asset among the total sample households. In the present study, it is obtained that maximum households occupies minimum percentage of land where as few upper households occupies maximum percentage of land. In this way, land in the basic asset that creates initially the inequality of wealth and finally the inequality of income.

Figure 4: Distribution of Household by Agricultural Land in the Study Area
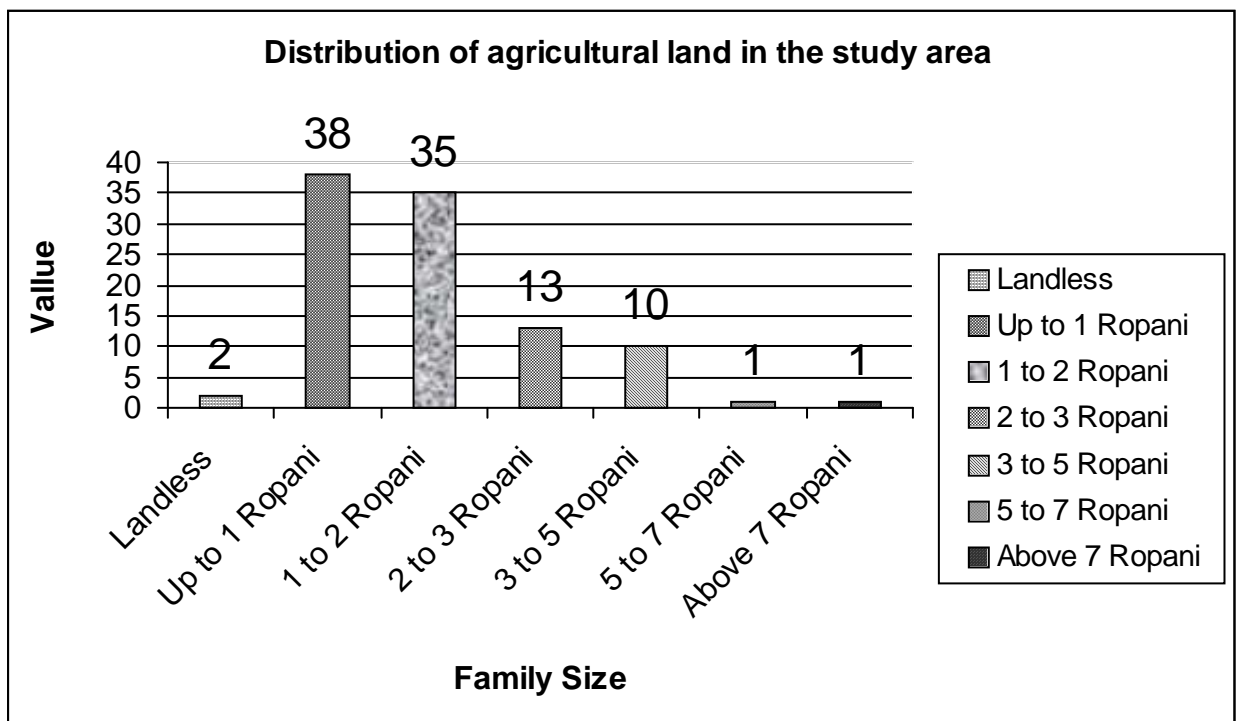
CHAPTER FIVE

POVERTY SITUATION AND INCOME DISTRIBUTION IN THE STUDY AREA

Nepal is one of the poorest countries in the world. By global standard except a few businessmen, professionals and high-ranking officials; almost every one in Nepal is poor. Regarding this statement all of the people of the study area may be easily considered as poor because they are not able to be high-ranking officials and so good businessmen. Although it is still necessary to identify the poor in the study area by estimating the poverty line, to identify the extension of poor two types of poverty line i.e. absolute poverty line and relative poverty line are estimated in the present study. The absolute poverty line is determined on the basis of minimum level of income, which is required for minimum subsistence of only for survival. Relative poverty level refers to that level of income, which lies between wolf point and absolute poverty line. Therefore, the households or population, whose income level lies below this point and above the absolute poverty line are called relatively poor. Such households are just able to meet the minimum expenditure but not total expenditure.

 But in this study poverty is category in three parts according to their food security they are K, Kha and Ga. Those people whose income is very low and who are able to eat 3 month are belong to K group, similarly those people whose food security is 6 month is called Kha and those people whose food security is less then 12 month are known as Ga groups.

Table 5.1:Distribution of Household by Extension of poverty in Study area

Ward No.	Total HHs	Percent	Poor HHs	Percent
1	97	9	84	9
2	352	32	282	31
3	97	9	95	10
4	138	13	88	10
5	114	10	107	12
6	48	4	33	4
7	88	8	75	8
8	102	9	90	10
9	62	6	52	6
Total	1098	100	906	100

Source: Field Survey, 2009.

From the table 5.1, it is clear that the percentage of poor households (31%) in ward No. 2, it is around three times more than other wards. It is because geographical remote area then other wards, lack of education, large family size, this ward covered by more Dalit HHs then other wards. Similarly, the study are has higher percentage of poor HHs (12%) in ward No.5. Similarly, the study areas have third equal poor HHs (10%) are three wards they are ward No. 3, 4, and 8. Ward No. 6 is less poor household (4%) then others due to small wards, it is covered by non Dalit and the education level is higher then other wards.

Table 5.2: Distribution of Household According to Food security

S.N.	Welling Being Ranking of HHs	Sampled HHs		Total Sampled population	
		No.	%	No.	%
1	K	85	64	544	65
2	Kha	28	21	174	21
3	Ga	10	8	61	7
4	Gha	9	7	55	7
	Total	132	100	833	100

Source: Field Survey, 2009.

Table 5.2 clear that the percentage of K group poor is 64% which is the highest poverty percent in the study area. Those peoples are belongs to K group whose food of security is just 3 month for their agriculture or his/her continuous work. Where 544 (65%) population live totally poor group. Similarly the percentage of Kha (food security of 6 months) group poor is 21%, where 174 (21%) population live poor group. 8% households are belong to Ga (food security of less then 12 months), where 61 (7%) medium poor live. Only 7% HHs are in Gha group food security of 12 or above 12 months), where 55 (7%) population are non poor live in the study area. Poverty is one of the burning and serious problems in Nepal. Basically, poverty is in great extent in the rural part of Nepal. The present study area cannot remain for from the poverty problem because it is also the backward rural area.

Table 5.3: Ranking of Household by Cast and Ethnicity

S.N.	Cast	K	Percent	Kha	Percent	Ga	Percent	Gha	Percent	Total	Percent
1	Bhram	26	31	9	32	5	50	3	33	43	33
2	Chhetri	19	22	11	39	4	40	6	66	40	30
3	Dalit	40	47	8	28	1	10	0	0	49	37
Total	Total	85	100	28	100	10	100	9	100	132	100

Source: Field Survey, 2009.

From the table 5.3 the highest percentage of Dalit (47%), then Bhram (31%) and Chhetry(22%) live in K group . It means 85% people spent their life in totally poverty. The highest percent is Chhatri (39%) and the lost percent is Dalit (28%) live in the Kha group. Similarly, in group Ga highest percent of Bhraman (50%) and lowest Dalit (0%). Chhatri (66%) is highestpercent present live in Gha group. In conclusion we can say from the above table totally poor are Dalit they live in K and Kha group. Bhrman are poor and Chhrtry are middle poor.

CHAPTER SIX
POVERTY PROBLEM AND ITS NATURE IN THE STUDY AREA

Poverty is a multidimensional and multi–sect oral phenomenon. There are several views on poverty expressed by different writers and researcher. Most of them, however, state that rural poverty is characterized by a small land holding, low income and a substance oriented approach to agriculture. As someone talks about the poverty problem in Nepal, it implies rural poverty and hence it has a link with land ownership because land is the most important source of rural income and status. The dynamic of poverty, inequality and nutritional deficiencies are related to each other through complex chain of interaction. Each of these phenomenons reinforces the other and they are all influenced at the same time by a number of other socio economic parameters.

In this chapter the nature of poverty and its relation with other variable such as education income size of landholding etc. are taken into consideration regarding this problem we know that poverty has a strong correlation with the socio-economic structure such as ethnic composition.

Thus, the analysis is focused on socio-economic characteristics of the study area and their relationship with the poverty problem.

6.1   Educational Status and poor

Most of the people in the study area are poor due to insufficient education which may be a serious cause of individual poverty. If the people are educated it will increase the quality, job opportunity, standard of living, inner skill. Therefore, it can be said that lack of education and major cause of poverty. There is a negative relationship between education and the poverty. Table 6.1 shows the educational condition of the total sampled households of the study area.

Table 6.1 Distribution of Educational Status of sampled and Ka groups HHs

Level of Literacy	No of HHS Head	% of HHS Head	Poor	% of Poor	Non Poor	% of Non poor
Illiterate	67	54	64	75	10	22.22
Literate (Primary Education)	35	27	14	16	21	46.67
Up to SLC	21	16	7	9	8	17.78
Higher education	9	7	-	-	6	13.33
Total	132	100.00	85	100.00	45	100.00

Source: Field Survey, 2009.

In the present study out of 132 total sample households 54 percent households heads are illiterate, 27 percent households are in primary. Level education 16 percent are up to SLC and only 7 percent household's heads are higher educated. Only

It is clear from above table that poverty problem is higher among the illiterate people than that of literate. out of 85 total poor households 75% household are in absolutely poor among the illiterate households head group. among the literate group out of 35 households head only 16% households head are found to be poor. out of 6 to 10 classes household heads are only 9% household head is found to be poor. And no poor household heads are found to be in higher education level.

Table 6.1.2 : Distribution of educational Status of Ka group HHS and Daily per capita men income

Status / Literacy	Household Head		Population		Daily per capita men income
	No	%	No	%	
Illiterate	67	80.00	481	90.82	8.93
Literate (Primary education)	13	14.29	24	4.59	15.54
Up to S.L.C	5	5.71	22	4.59	16.50
Higher education	-	-	-	-	-
Total	85	100	527	100	10.30

Source: Field Survey, 2009.

Table 6.1.2 clear that illiterate households heads have very low mean income per capita per day, 80 percent absolute poor household head are illiterate and their mean income per capita per day is only Rs. 8.92 which is far below that the income required for minimum subsistence. As the level of education increases the mean income per capita also increases. Thus in the present study the per capita mean daily income of the households having primary education and higher education is 14.45 and 16.5 respectively, among the absolute poor. It means the inverse relation between education and poverty. Higher the level of education, lower the level of poverty.

6.2   Size of Landholding and poor

Most of the people in rural Nepal are poor due to possession of insufficient land to generate income. The extent of poverty is highly affected by the size of land is one of the main factors determining economic status of the rural households. The following table 18 shows the relationship between the size of land holding and the income level of absolute poor in the study area.

Table 6.2: Distribution of Ka group HHs by Size of Landholding and per capta daily mean income

S.N	Size of land Holding	Household Head		Population		Per capita daily mean income
1.	Landless	4	5	19	4	5.86
2.	Up to 1 Ropani	50	59	310	59	9.82
3.	1 to 2 Ropani	24	28	155	29	14.93
4.	2 to 3 Ropani	5	6	31	9	16.23
5.	3 to 5 Ropani	2	2	12	2	-
6.	5 to 7 Ropani	-				-
7.	Above 7Ropani	-				-
	Total	85	100	527	100	10.30

Source: Field Survey, 2009.

Table 6.2 clear that there is positive relationship between the size of land holding and the income level. Income level is found to be significantly higher in the case of large size of land holding than that of smaller size land holding. Thus, the poverty problem is highly correlated with those households who have smaller size of

landholding. Among the 85 poor household 3.4% households heads have landless and their per capita daily mean income in Rs. 5.86 similarly, 43% households' head have less than 1 Ropani and their mean per capita daily income is Rs. 9.82. This table shows that lower the size of land, higher the level of poverty. There is inverse relation between poverty and land size.

Table 6.2.1 : Distribution of Ka group HHs According to the Family size and per capta daily mean income.

S.N	Family Size	Household Head		Population		Per capita daily mean income
1.	1-4	2	2	25	2	14.93
2.	5-8	52	61	310	61	9.82
3.	9-12	21	25	130	25	7.93
4.	Above 12	10	12	62	12	4.86
	Total	85	100	527	100	10.30

Source: Field Survey, 2009.

Table 6.2.1 clear that there is reverse relationship between the size of family and the income level. Income level is found to be significantly higher in the case of small family than that of large size family. Thus, the poverty problem is highly correlated with those households who have joint family. Among the 85 poor household 2% households have nuclear family (1-4 family member) or their per capita daily mean income is 14.93 similarly, 12% households' head have large size of joint family, their mean per capita daily income is Rs. 4.86. This table clearly shows the relation between poverty and large family size, other cause of poverty of large family size.

6.3   Ethnic Group and Poor

IT is a common belief that the occupational caste people are generally poor. In rural society caste is a major determinant of socioeconomic status of the people. Those who belong to occupational caste are socially as well as economically backward as compared or those who belong to higher caste. Various studies have also shown that poor people are mostly those belonging to occupational caste.

In the study area there are various caste ethnic groups like Brahmins Chhetries, Kami, Damai and Sarki etc. Among these ethnic group, Brahmins and Chhetries are known as upper caste group and Damai, Kami and sarki are known as occupation caste group. Following table presents ethnic profile of the absolute poor households.

Table 6.3: Distribution of Ka group HHs According to Ethnic Group and Mean income per capta

Ethnic Group	No. of poor HHs	Percent	Mean income per Capita
Brahmin	26	31	8.45
Chhetry	19	22	9.83
Occupational Cast	40	47	6.41
Total	85	100.00	10.30

Source: Field Survey, 2009.

From the table 6.3 clear that the mean per capita daily income of occupational caste group is Rs. 6.14 which is very low than the mean per capita daily income of group Brahmin and Chhetry. 22% HHs Chhatri covers 9.83 mean per capita daily income which is highest then other groups. Specially Dalits are Illitrate, large family size, low land owner, Illiteracy social inferiority many cultured defects etc are the major responsible factors for their lower income level. This table shows that occupational cast is poor then other cast.

6.4   Occupational Status and Poor

An individual's occupation plays crucial role in determining his economic status. In other words the income levels of every households or individuals are highly influenced by the main occupation in which they are involved. The largest percentage of people in the study area is engaged in agriculture and it is their main occupation due to low productivity of land small size of land holding etc their income is low. The following table shows the distribution of poor occupation and their mean income.

Table 6.4: Distribution of Ka group by Main Occupation and Per Capita Income

S.N	Main Occupation	No. of HHS	Percent	Daily per capita mean income
1	Agriculture	67	79	5.54
2	Daily wages	14	17	8.81
3	Service	3	3	12.86
4	Business	1	1	9.23
	Total	85	100.00	10.30

Source: Field Survey, 2009.

From the table 6.4 out of 85 total absolute poor households 79% households head are engaged in agriculture as the main occupation their daily per capita mean income is only 5.54 which is lowest then others. it could be because of lower productivity of land and inadequate technology of farming.17% households heads are daily wages workers whose per capita mean income is 9.23% compared to other groups who are engaged in business or other non-agricultural activities.3% HHs engaged in service which per capita income is 12.86 which is highest then others. This table concluded the relation between poverty and aggriculter.

Figure 5: Distribution of Ka group by Main Occupation and Per Capita Income
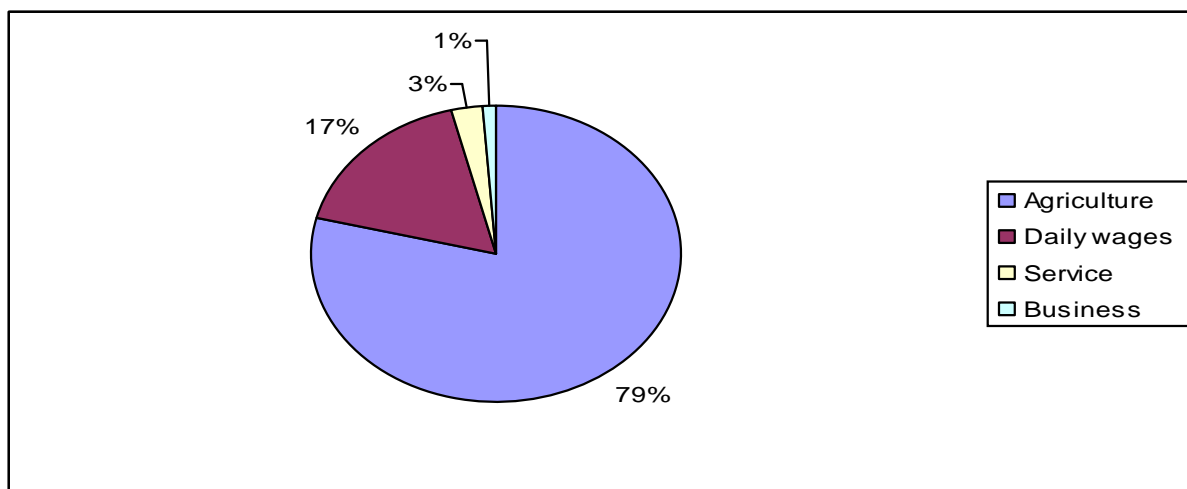
6.5: Age structure and Poor

Existence of poverty is low due to their earning. On the other hand if the people are unemployed their income is low and there appears high degree of poverty.

To determine the relationship between the poverty and poverty employment it is assumed that 15 to 59 years age group of people are in working age group. Above 60 and below 15 years are of non working age group. The following table shows the distribution of population by working age group.

Table 6.5: Distribution of Population by Working Age Group

S N.	Group of Population	Number of people			Percentage		
		Male	Female	Both	Male	Female	Both
1	Working age	122	121	243	48	44	46
2	Non- working age	153	131	284	56	52	54
		274	253	527	100	100	100

Source: Field Survey, 2009.

Table 6.5 clear that out of total sample population 46 percent are found to be in working age group and remaining 54 percent are in non working age group.The relation between poverty and dependent population is positive. It means the poverty level is high due to high dependent population.

6.6 Employment Status and Poor

For the purpose of the study unemployed, semi-employed and fully employed, population among the working age group have been categorized as such those people who work nine month or more than nine months in a year as fully employed those who work less than nine months and more than three months as semi-employed and those who work less than three months in year as unemployed population. The level of employment of Ka group poor household head is shown in table no. 6.7 below.

Table 6.6: Distribution of Level of Employment of Ka group Households Head

S.N.	Level of Employment	No. of HHS	Percent
1	Unemployed	22	25.71
2	Semi-employed	51	60.00
3	Fully employed	12	14.29
	Total	85	100.00

Source: Field Survey, 2009.

From the above table it is clear that out of 85 Ka group poor household head 25.71% households heads are unemployed 60 % households heads are semi-employed and only 14.29% households heads are fully employed.It means Poor pepole have less chance of employment .

CHAPTER SEVEN

SUMMARY, CONCLUSION AND RECOMMENDATION

7.1   Summary

1.   It is found that, 83 percent household are poor out of the 1098 household in the study area.

2.   12% households are taken as sample, where 132 households and 527 populations are taken.

3.   The highest poverty level is found in ward No. 2, Where 282 HHs are poor out of 352 HHs, Which is 31% and it is three times more then other wards.

4.   In this study The households are ranking in 4 groups according to PAF programmed, Which is K(food security 3 of months), Kha (food security 6 of months), Ga (food security of less then 12 months) and Gha (food security of 12 or more then 12 months)

5.   It is found that 85(64%) households lived in Ka group. 21% Kha and 8% Ga groups which are poor HHs. 7 percent population are non-poor in the study area.

6.   The mean income of the total sample household is found to be Rs. 20.38 per capita per day. Similarly, the mean income of the absolutely poor households (Ka group) is found to be 10.30 per capital per day that is far below the absolute poverty line.

7.   The highest poverty percent is Dalit in the study area, which is 37% and the Ka group also high in Dalit 47%. Similarly Bhraman 33% and Chhetry 30% poor.

8.   There is a high disparity (92%) in the agriculture in the study area. Only 2% engaged in service and business.

9.   The poverty problem is higher among the illiterate people in the study area. Because it is found that out of 85 total absolute poor households 64% households head are illiterate.

10.   There is higher dependency ratio of the people in the study area out of 527 population 54% are dependent and 48% male are working groups.

11.   It is found that 5% landless people have 5.86 per capita men income, 1-2R (9.82) and 2-3 (16.23).

12. It is found that single (1-4) families have 14.93 per capita income daily income men and joint (5-8) family size have 9.82.

13. In the study area it is noted that there is positive relation between level of education and income level among total sampled HHs.

14. Similarly, it is indicated that there is inverse relationship between income level and size of family but positive relationship between size of family and poverty.

15. The level of income is dependent on education and employment.

16. The nature of poverty is found to be more serious among the occupational caste group in the study area. Out of 85 total absolute poor households 40 households are of occupational caste people.

17. From the field survey, it is proved that, most of the people spend a large proportion of their income on liquor consumption, smoking and traditional festivals.

7.2   Conclusion

Poverty is one of the main characteristics of the rural areas of Nepal because more than 88 percent people live in rural areas and most of them are engaged in agriculture sector for their livelihood. Therefore, we can say that the maximum percent of the poverty problem is in agriculture sector. The productivity in agriculture sector is very low an account of irrigation, fertilizers and agricultural credits, backward technology, small and fragmented holding of land etc

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

The objective of this study was to assert the extent of absolute and relative poverty in the study was to assert the extent of absolute and relative poverty in the study area and findings proves that 64 percent people are absolute poor(Ka group) some of the poor are landless or those who have their own land in very small size are living in very small hut with very large family size so far their feeding is concerned they are ill-fed badly suffering from hunger and malnutrition they are frequently ill

due badly suffering from hunger and malnutrition. they are frequently ill due to insufficient nutrition as are their clothing is concerned they are badly clothed most of them wear rags and torn clothes in regards to education most of the poor are illiterate in regards to ethnic group most of the poor are occupational caste as they become the age of 8 or 9, they have to work for earning

7.3   Recommendation

On the basic of the major findings of this study the following specifics are recommended to alleviate poverty in the study area.

)   Land is the main source of income and employment generating in the study area .The size of landholding by poor households is very small. So to increase its productivity, proper irrigation facilities, agricultural credit, fertilizer and improved seeds could be provided in time. The traditional farming system should be improved and the modern technology of farming should be encouraged.

)   In this rural area more people are forced to involved in agriculture due to lack of alternative employment opportunities and as the employment opportunities in agriculture sector is agriculture should be transferred to other productive sector .For this cottage industries should be encouraged.

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

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

)   As the educated households have relatively higher income in the study area, it is clearer that education may help to reduce the extent of poverty. So programs for human resource development like primary education adult literacy, skill development, and basic health care nutrition and drinking water facilities should be increased.

)   To increase enrollment of school age children in school and to control the drop out, compulsory education program should be launched. Scholarship should be

providing to those children who cannot afford to continue their study because of poverty. The scholarship should be providing particularly to children belonging to occupational caste as they are not enrolled and they also have dropouts.

- The middle and lower cast people spend a large proportion of their income for unproductive consumption such as liquid cigarette and tobacco. This should be discouraged and the social organizations should take appropriate steps in this regard.

- Almost all occupational caste people have small size of land holding. So government should provide alternative opportunity of employment for the occupational cast people.

- The services of financial institution should be expanded to provide facilities to poor people at confessional interest rate so that they can establish the cottage industries in the area.

- Special technical support program and awareness program should be launched to establish the cottage industry in the area.

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ANNEX -1
QUESTIONNAIRE

1.   **General Information**

(a) Name of Respondent:- ……………………
(b) Age of Respondent:- ……………………
(c) Occupation of Respondent:- ……………………
(d) Gender:- ……………………
(e) Cast:- ……………………
(f) Education:- ……………………
(g) Ward No:- ……………………

2.   **Number of Person in household**

Male	Female	Total

3.   **Household Roster**

S.N.	Name	Relationship of HHS	Sex	Age	Marital Status	Education attainment	Currently in School	Major Activity	See activity
1									
2									
3									
4									
5									
6									

7								
8								
9								
10								

4. **Types of house**

      (a) Number of rooms:- …………………

      (b) Roofing of types:- …………………

      (c) Wall type:- ……………………

5. **Ownership of the house**

      (a) Owned:- …………………

      (b) Rented from others:- ……………………

      (c) Rented from other without any payment:- ……………

6. **Land holding**

N.S	Types of Land	Bigha	Kattha	Dhur
a	Landless			
b	Own Land			
c	Land rented in Land rented in			
d	Land rented out			

7.   Livestock and Poultry

Type	Number

8.   Expenditure data (Last year)

Type	Number

9.   **Income data (Last year)**

Source	Rs. Values	Main Carnet

10.   Income and Expenditure

Saving Rs………………..

Deficit Rs……………………..

11.   Source of Lone
            (a) Banking institution
            (b) Non-Banking

12.   (A) If your households annual income couldn't fulfill your annual necessities what are the causes among below?

            (a) Lack of employment opportunity for economically active family members.
            (b) Lack of economically active family members.
            (c) Lower production in agriculture sector.
            (d) All the family members are dependent in agriculture sector.

(e) Lack of financial support for other income generating activities.

(f) Lack of information about other income generating opportunities

(B)   What are their effects?

………………………………………………………

……….

…………………………………………………………

…………………………………………………………

…………………………………………………………

13.   What type of help and incentives do you expect from governmental and non-governmental institution?

ANNEX -III
Livelihood of People of Dewal VDC

Group Discussion of Dewal VDC for Poverty Alleviation Through Social Mobilization Programme