

CHAPTER - ONE

INTRODUCTION

1.1 Background of the Study

The Musahar are a landless minority group known for their hard work as agricultural laborers. As one of the most disadvantage backward and socially downtrodden segments of the population, they have been living in utter poverty from generation to generation.

Nepal is among the least developed of the under developed countries. More than 80 percent of the population depends on subsistence agriculture for their livelihood increasing population, pressure on farmland; decreasing productivity, fragmentation and small landholding all contribute to rural poverty in Nepal. Hence, poverty is not only an economical problem but also a socio-cultural problem. A series of five year plans and programs in the last two decades have not yet been successful in reducing rural poverty these are only the "rhetoric of development."

Poverty is a widespread phenomenon in developing countries. It is a complex issue and has many dimensions such as income based poverty, weaknesses in different aspects of human development, and social exclusion. (Kapali,2008).

Poverty is a social phenomenon in which a section of the society is unable to fulfill even its basic necessities of case. It is also a relationship between the essential needs of the people survival and physical efficiency and their ability to satisfy them. Poverty has stood serious challenge to the country. According to Nepal living standard surveys 1996, 42% of the total populations have remained below the absolute poverty line among them about 17.1% are counted as ultra poor the poorest. (Ninth Plan)

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; GDP also depends upon employment, industry, safe drinking water, health facilities and education.

Poverty is particularly rampant in the rural areas poor communities generally exist among people with marginal landholding, 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 backward rural and destitute group through the creation and expansion of 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.

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 lea to low rate of investment an 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, in general is the matter of feeling while fixing a poverty line in certain concept. It may be defined as an economic condition that is in adequate to meet the basic needs of a person (Kunwar,2003). Generally, three types of poverty have been defined namely:

- a) Absolute poverty
- b) Relative poverty
- c) Hardcore or ultra poverty

Besides, subjective poverty has also been defined recently which is based on surveys that use household's own assessments of the minimum or just sufficient amount of income or consumption needed by the people take them.

Many economists, experts and institutions have defined the term poverty with different criteria: Amartya Sen has defined, poverty, as an issue in inequality, as is often recommended, seems to do little pigsties to each other, but they are distinct concepts and neither. Subsumes the other. There is a good care for viewing the measurement of poverty not, as is the often asserted as an ethical exercise, it can be argued that the frequently used (policy definition) of poverty is fundamentally followed. The terms of the prevailing standard of the necessities does of the course, involve ambiguities, which are inherent in the concept of poverty, but ambiguous description is not the some thing as prescription instead, the arbitrariness that is inescapable in choosing between permissible procedures and possible interpretations of prevailing standards requires recognition and appropriate treatment. (Sen, 1999)

According to World Development Report 2001, "poverty is more than income or human development it is also vulnerability and lack of voice, power and representation". Thus poverty in this sense is a strong determinant of people or community it contributes to physical weakness of people through lack of food, small/weak body, malnutrition leading to low immune response and inability to pay for health service to isolation because of the inability to pay the lost of schooling, to a radio or bicycle, to afford to travel or to line near center or main road; to unreliability through lack of assets; and to powerless because lack of wealth goes with low status the poor have no voice. (Chamber, 1983)

Oxford Advanced Learners Dictionary defines poverty as not having and not able to get necessities of life. There are many worlds to name the poverty as pauperism, penury indigence, destitution, want, need, necessity, lack, privation, distress, difficulties, bad circumstance, embarrassed, slender means, beggary, mendicancy, insolvency, starveling, bereaved, benefit, fleeced, penniless, dowerless, impecunious disadvantaged, disabled, measurable, pathetic, now here homeless, street-shelter etc. in simple worlds, the poor mean the person who doesn't have any property.(Kunwar,2003)

As defined by Economic and Social Commission for Asia and the pacific, poverty is a complex phenomenon and its incidence is determined by many factors, including level of per capita income, distribution of assets and income, quality of governance, policies and institutions related to education, health and other aspects of human development. (ESCAP, 2002)

The world bank uses reference lines set at \$ 1 and 2 \$2 per day in 1993 purchasing power parity (PPP) estimated that in 1998, 1.2 billion people worldwide consumption less below \$ 1 a day 24 percent of the population of the developing world and 2.7 billion lived on less \$ 2 day. (World Bank, 1999)

Poverty in Nepal can be seen from micro and macro perspective. At micro level it focuses primarily on individual's experience an extreme poverty, which is in terms of low caloric intake per day, lack of basic health facilities, illiteracy, high infant mortality, inadequate shelter and low purchasing power. At macro level, poverty can be identified in terms of high level of population growth, low productivity and lack of employment opportunities, administrative inefficiency, and lack of marketing facilities. (Population and social justices, international labor organization ILO/IPEC, Kathmandu, March 2002)

This study includes nature and dimension of rural poverty in Musahar community, especially in the Triveni Susta V.D.C. of Nawalparasi District. This study attend to assess and analyze the existing poverty situation in the Triveni Susta V.D.C. of the Nawalparasi district, along with the policy recommendations for alleviating poverty through inclusive development in the area.

1.1.1 Introduction to Musahar

Musahar Community is one of the marginalized minority communities of terai region and is deprived from the mainstream of the nation. They are very poor. They spend their lives in the hope of light but they are still lingering in dark. Their literacy rate is nominal. They are far from the services and facilities, provided by government. Their children go to the landlord for job as a cow boy, in stead of going to school. They do not have any special skills except mud digging which is the low level profession. They sleep in a small hut and work for landlord who pay small amount of wage. They do not have good clothes. Many of them work on bare foot even in extreme heat and cold. They are wage labor. Off-season in agriculture brings in depression their lives because it makes them workless. They even go to forest to collect firewood and sell it to feed empty stomach. Their unsystematic and unhygienic lifestyle has made them prey to disease. No special government policy and its implementation have reached to them.

The clustered Musahar settlement is separate from that of other castes in the village. Generally it is separated by a distance of an uninhabited area intending to

proscribe commingling with them. This signifies the "low socio" position accorded to them.

The main features of the Musahar settlement is its separateness, isolation or aloofness from the rest of the village as indicated above. Their locality is called Musahari. They settle at a place which is at a considerable distance from the house of the other castes in their locality, they live by themselves with not even a single household of any other caste. Their houses are clustered one family's house touching the roof of other family's house. The house is built of the most inexpensive and easily available materials. Bamboo, hay, hay-made rope or string etc, one the only materials they need for making their houses. The earthen floor is at times cleaned with thin mud coating or cow-dung. In most cases, it is not necessary to enter the courtyard through the main entrance. There is a gap or a little passage and between the two households and children mostly use it. (Dahal, 1991)

1.2 Statement of the Problem

The poverty problem is the main problem of the world; it is very serious problem of developing country like Nepal. Poverty is one of the obstacles for overall development of a country. The agriculture is the main stay of development in the developing country. Hence for elimination of poverty. The development of agriculture plays vital role. But the productivity in the agriculture sector is very low on account of lack of irrigation, fertilizer, improved technology in crop production, agricultural fragmented holding of land, declining fertility of soil due to deforestation, floods, land slides, soil erosion etc, are also leading factors for lessening productivity. Disguised unemployment in agriculture sectors is one of the main causes of poverty due to lack of alternative employment opportunity. Therefore, it is difficult to develop the economy of the country as it is thought.

Poverty itself is not a cause but it is the result of various causes, hence reduction of the poverty needs to analyze the cause of poverty. But in Nepal all the poverty reduction programmes seems to be influenced by foreign concepts by which these programme are not being successful to alleviate poverty because nature and causes of poverty may differ than that of foreign country.

Poverty is not easy task to define why some people are poor and others are rich in community and what process may be effective to reduce and eliminate the poverty.

A deep and detailed understanding of the causes of poverty is necessary for reduction of poverty. Resolving requires systematic efforts in property understanding the issues and devising appropriate intervention strategies and programs in a phased but time bound manner.

Rural poverty is one of the burning problems and agricultural country like Nepal. Due to prevalence of various factors in rural areas, people are forced to live in the poverty various programs have been made by the government and non-government organizations to raise the economic condition of the rural poor people. Yet there has not been any significant change in the condition.

In order to reduce poverty, some target programs are implemented by the government. They have severe limitation including poor targeting, weak, monitoring and limited coverage. In this context, it is expected that the present study attempts to analyze the nature and dimension of rural poverty by taking the cause of rural areas of Triveni Susta V.D.C. of Nawalparasi district. This will help inform policy makers to devise policies for poverty reduction.

1.3 Objectives of the Study

The major objective of the study is to investigate the nature of Musahar poverty and the major factors responsible for their poverty. The specific objectives are:

- 1) To examine the present socio-economic situation of Musahar community.
- 2) To measure the extent of poverty.
- 3) To identify the causes of the poverty.

1.4 Rationale of the Study

In spite of various effects made for reduce poverty; there is a wide regional disparity in socio-economic development of country. Before formulating and implanting poverty alleviation program, it is essential to identify the areas of poverty ridden and percentage of people living below the poverty line. Thus, the main problem of today is to suggest effective measures to reduce poverty.

The increase in poverty in the past few years was attributed to the disturbance in the whole Nepalese economy, and our economy condition is also deteriorating day by day. So the present study has some importance of find out the measuring technique to

control poverty in rural areas. Similarly in this study highlights the nature, cause, condition, situation and problems of Musahar community in Triveni Susta V.D.C. of Nawalparasi district. Therefore, this study will help to identify the root causes of poverty in Musahar community and provide an effective solution to control poverty. So the outcomes of the study may be helpful to policy makers, planners, researchers and developmental agencies to address the problem specific to the study area.

1.4 Limitations of the Study

Every study has its own limitations. No study can be free from the short comings and drawbacks because of the various problems and constraints and this study is not exceptional for this study only a small area is taken. This study has its own limited economic source, limited time and limited man power for the extensive study. So following are the main limitation of the study.

- 1) The present study confined to nature and dimension of rural poverty in Musahar community of Triveni Susta V.D.C. Therefore, the generalization of the result may or may not be equally relevant other Musahar community of rural area.
- 2) Only 60 households of the study area are taken as sample households and it is assumed that this sample provides representative picture of the sample V.D.C.
- 3) This study is based on field survey conducted in 2008.
- 4) The value of fixed assets and other current assets are not included in income, but income generating from these assets is included in the study.
- 5) The prices of all products are calculated on local current price.
- 6) Simple statistical tools are used to analyze data.
- 7) The analysis completely depends upon primary and secondary data. Primary data were collected from household survey through structured questionnaire.

- 8) This study may not be applicable at macro level because it does not cover the situation of whole nation and this study may be unable to provide exact information's about research problem due to lack of scientific measurement system on natural measures and local economy.
- 9) This study is conducted within limited time framework.

1.6 Organization of the Study

This study has been organized into six chapters. The first chapter is an introduction of the subject matter which includes background of the study, objectives and rationale 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 study area. The fifth chapter is data presentation and analysis. The six chapters are focuses on summary, conclusion and recommendations.

CHAPTER - TWO

REVIEW OF THE LITERATURE

Economic growth with social equity has become one of the development agenda in the area of 21st century. In order to achieve this, rural poverty reduction program plays a vital role in the countries like Nepal. In today's world, poverty incorporates not only income, consumption and human development like education, health and sanitation but also the empowerment and social security against vulnerability. In this chapter, past poverty literatures are reviewed

2.1 Theoretical Issues and Concepts

Poverty is the deprivation occurring among the people or individual without basic amenities of life. It is the life without freedom of choice and action. There is lack of adequate food, shelter, education and health and income to support the basic minimum needs. It can also be defined as economic, social and psychological deprivation occurring among the people or countries lacking sufficient ownership, control or access to the resources to maintain the minimum standard of living. (Shrestha, 2007)

Nepal is one of the poor countries ranking 136th in UNDP 2005. Rural areas dominate Nepal. About 85% of the population lives in rural areas. Rural areas are poverty ridden and about 35% of the rural people are poor. They are living with low life standard without enjoying even the basic amenities. Poverty in rural areas is reflected in low level of income, low level of literacy and poor health status.

Poverty thus is the state of having little or no money and/or material possessions. It is a relative term and may be defined as an economic condition that is inadequate to meet basic needs of a person (Kunwar, 2003). Generally three types of poverty have been defined.

- 1) Absolute poverty occurs when people fail to receive sufficient resources to support a minimum level of physical health and efficiency that often expressed in terms of calories or nutritional levels.
- 2) Hardcore ultra-poverty lines in below the absolute poverty line its half by the gestation as rule of thumbs.

- 3) Relative poverty is defined as the general standards of living in different societies and what is culturally stated as being poor rather than some absolute level of deprivation.

Besides above, the term subjective poverty is relatively new entry into the field of poverty research, which is based on surveys that use household's own assessment of the minimum amount of income or consumption needed by the people like them. Rural poverty is usually looked upon as the outcome of impoverished natural resources. Both explanations contain elements of truth, but these elements need to better integrate. Thus, poverty is a result of various factors attributed to a continuing condition of underdevelopment. Many efforts have been made to conceptualize poverty and inequality. Three schools of thought emerged to explain the causes and effects of poverty and inequality as:

- **Functional School:** This emphasizes on the aspect of harmony, consensus and functionalism, as propagated by Talcott Parson, Kingsley Davis and Wilber Moore.
- **Conflict School:** This stresses on the inner conflict contradictions and dialectics of power, as forwarded by Karl Marx. It does not accept the legitimacy of prevailing economic order.
- **Culture School:** It views the culture of the poor as the reason for the existence of poverty. One of the major proponents of these schools is Oscar Lewis. (Devkota, 2006)

2.2 Level of Poverty

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 pattern. The minimum subsistence level of income and expenditure were used for derivation of the poverty line. An income level of Rs. 2 per capital per day at 1976/77 prices was taken as the minimum subsistence 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 criterion at that time gave poverty estimated of 40.30 percent. (NPC, vol. IV, 1978)

2.3 Nature and Dimension of Rural Poverty

The nature of poor had been analyzed by taking into consideration the various factors like the size of land holding, literacy, family size and monthly income by ethnic group etc. in a study by Dahal and Shrestha, primary data, collected in a village of Panchthar district. Break even technique is used to determine the wolf point. To analyze the poverty, they have used the minimum subsistence norm and Sen's poverty index. In this study, they have identified the rural poor in Nepal into two categories viz marginal farmers and small farmers. This study further argues that the poverty problem originalities in agriculture productivity levels in the rural sector and has considerable implication for interclass and interpersonal relations. (Dahal and Shrestha, 1987)

2.3.1 Absolute Poverty

Work on the concept of poverty has been going on for quite sometime with discussions mainly centered on absolute poverty. One of the earlier to work on the concept of absolute poverty was conducted by Rowntree in Britain in the 1900s. He defined absolute poverty in terms of lack of 'means' in relation to; ends or 'needs' of an individual or a household, a concept which did not change much over time or across countries.

According to Rowntree definition, "a household/family is in poverty if its total earnings are insufficient even to maintain more physical efficiency. Poverty here is related to the ability to obtain basic necessities and is linked to the household budget from which the poverty line was conceptually derived from Le Play (1835). Booth (1889-1891), Rowntree (1901, 1942) and others. The poverty line is obtained by determining the minimum income required by a family of a given size and structure through a process involving the estimation of the minimum goods and services needed and converting these in terms of value, using current market prices. Comparisons are then made of actual household incomes (of different household sizes and compositions) with the standard, and classifications are made on the basis of household whose incomes are above the line (non-poor) and those, whose incomes below the poverty line.

Even in 1899, Rowntree was already aware of the arbitrary nature of the poverty line when he defined it as the "minimum necessary expenditure for maintenance of merely physical health comprising of food, clothing, rent, fuel and essential household needs. Only those expenditures which were absolutely essential for the maintenance of

physical health were included in the minimum budget. Rowntree provides a vivid depiction of the austerity of the poverty standard so determined it - relates to those living in absolute poverty in the urban setting in Britain. (Scott, 1981)

Absolute poverty is a condition of life so limited by malnutrition, illiteracy, disease, high infant mortality and low life expectancy as to be beneath any rational definition of human decency. Most third world rural populations earn a living through subsistence, or below subsistence agriculture is often less than us \$ 75 per year. Persons living on such low incomes are described as absolutely poor. Paudel (1986) pointed that

➤ **Absolute Poverty is a Result of :**

- 1) Insufficient production by the individual due to an inadequate access to land.
- 2) Inability to meet minimum needs through an exchange of goods.
- 3) Inadequacy of public transfer of goods and services to meet premium needs when private production and exchange fail.

2.3.2 Relative Poverty

Relative poverty has been defined in terms of relative or comparative terms, i.e. lack of measures or "means" compared to those commanded by others. The concept of relative poverty was brought up by Rowntree (1936) in the form of "secondary" poverty. All the households who exhibited signs of living in poverty were noted down and from the figure so obtained, those households who were already living in absolute or 'primary' poverty were deducted to obtain the number living in 'secondary' poverty.

Essentially, poverty is a relative concept people are poor if they cannot afford those thing in life that the society in which they live regards as a normal part of their standard of living in many rich countries, families who cannot afford a car are often considered "poor". Relative poverty implies that some have more of goods and service at their command than others or some are poor in relation to others.

2.3.3 Relative vs Absolute Poverty

Contemporary thinking and perception of poverty are based on two issues. Whether the concept of poverty is absolute or relative and whether it is possible to define the poverty line scientifically and objectively. While the sections above provide a historical perspective of the concepts and understanding of poverty, this section

examines contemporary thinking and perceptions along with the most current views on absolute poverty. (Scott, 1981)

Poverty line refers to a particular level of income or expenditure estimated at a minimum acceptable level for a decent living, people fall below from this line is known as "poor". There are however, two concepts of poverty line relative and absolute. Relative poverty line is defined in terms of some percentage cut-off point in the distribution of income or expenditure by the method in every country can identify as poor, such as the income below which certain percent of the population would be located. Alternatively, it might refer to a cut-off point such as one half of the median income or at the point where per capita income and expenditure become equal. This approach to determine poverty has two principle weaknesses. Firstly, it is not useful if one wants to monitor the poverty other time or space, as there is always a bottom certain percentage of the population even if there is a substantial improvement or deterioration of living standard for the whole population similarly this relative approach of poverty does not allow for ready comparison of poverty across countries. Secondly, the relative poverty line is essentially quite arbitrary, i.e. there is no strong reason behind the particular point that why particular percentage is set as poverty instead of another percentage. That is why the relative poverty line has limited application and implication especially for underdeveloped countries where most people live below the subsistence level.

The absolute poverty line, on the other hand, is explicitly fixed to a specific welfare level, which clearly represents the minimum standard of living. It is less arbitrary and is useful for monitoring the poverty other time and space and also facilitates the poverty comparison across groups, region or countries. It is argued that the choice of poverty line should depend on the purpose of poverty measurement. There are three important uses of poverty lines.

- To set a minimum income level below which households become entitled to social assistance benefits or to some other social provisions in money or in kind.
- To calculate poverty measures for comparisons other countries, regions or other time.

- To identify the background characteristics of households that are most likely to be poor. This allows poverty alleviation policies to be targeted to specific social and demographic groups.

For these purposes, the absolute poverty line is preferable, especially in the context of underdeveloped countries. Usually four steps are followed for the analysis of the absolute poverty. First a welfare measure is chosen, which is usually household expenditure or income adjusted for the size and composition of the household. Second a poverty line is set at a level of welfare corresponding to some minimum acceptable standard of living. The poverty line acts as a threshold, where households falling below the poverty line are considered poor. Third once the poor have been identified, poverty measures such as the head count, poverty gap, etc are estimated. Fourth, poverty profiles can be constructed, showing how poverty varies across other population sub-groups (i.e. regions) or by characteristics of the household, i.e. land holding size groups etc.

Under the nature of poverty a large number of expressions were made by the participants of the group discussion. These have been summarized into three interrelated categories.

A) Material Poverty

This comprises inadequacy of land, house, food, clothes, farm animals and domestic utilities which restrict an individual's or family's ability to earn a living or access to opportunities for raising an income to satisfy the family's daily needs. In lack of such materials a person or the family has to strive hard devoting all available resources including time and living. This type of poverty comes out to be single most frequently mentioned state of poverty among all the participants in any group or among the groups.

B) Intellectual Poverty

Illiteracy, inability to send children to school or valuing animal grazing or farm work by children higher than allowing them to go to school, lack of self-esteem, or self confidence, fatalism, acceptance of exploitation or borrowing at high interest rates (36-60% p.a.) to meet socio-cultural obligations as mentioned by the participants have been grouped under intellectual poverty. The other components of this type of poverty are lack of analytical efforts towards breaking out of the poverty-trap, mental fatigue or inability to take time to take stock of one's own situation, lack of determination to improve one's lot pessimistic acceptance of one's marginalized situation putting it all

down to being cheated by god are yet another forms of intellectual poverty among the participants of the discussions held. Not having vision aspiration, hope or drive to improve upon one's endowments is also part of the intellectual poverty. In terms of frequency of expression, these points ranked second to those covered under material poverty.

C) Entrepreneurial Poverty

This is the third category of poverty made up by grouping together those points which were put forward and agreed by the participants in different group discussions. These points related to their lack of capacity to cope with the developments in their own area of work or starting an enterprise for a viable business. These were having a very poor or no resource base to begin with, lacking in fund or saving, lack of ability to take risk, not habituated to working hard or make extra effort to gain more than usual, lacking in skills or knowledge of alternative to traditional ethnic professions or not knowing where to go for advice. The other points mentioned in this type of poverty in the urban area were having to compete with immigrant population from within Nepal or, more seriously, from those from India who are taking over the skilled or unskilled labor market. Reduced or limited opportunities for employment due to use of machine have also been identified as impediments to individual or family employment opportunities of the ethnic population in their own traditional professions. Use of trucks in collection and transport of street rubbish, opening dry cleaning shops, door to door selling of fruits, vegetables and household utilities by Indian hawkers and stiff competition for prominent space to sell vegetables and fruits in organized or other street markets were cited as examples. Lack of assets for collateral for obtaining loans and lack of business acumen in the society or culture were also brought up during the discussions related to entrepreneurial poverty.

2.4 Types of Poverty

A) Income Poverty

Income poverty is defined by deprivation in a single dimension-income-because it is believed either that this is the only impoverishment that matters or that any deprivation can be reduced to a common denominator. (Kunwar, 2006)

B) Human Poverty

Human poverty is defined by impoverishment in multiple dimensions-deprivations in a long and healthy life, in knowledge, in a decent standard of living in participation. The concept of human poverty sees lack of adequate income as an important factor in human deprivation, but not the only one. (Kunwar, 2006)

C) Urban Poverty

This types of poverty exists to migration, Drug, abuse, unemployment, natural calamities and so on, in a large number of rural people migrated to urban areas in search of jobs and they becomes poor if they do not get a job. Secondly industrialization process has made them poorer by providing low wage rate in comparison to their requirements. This may also create social disorder like pro-situation etc. (Dahal, 1995)

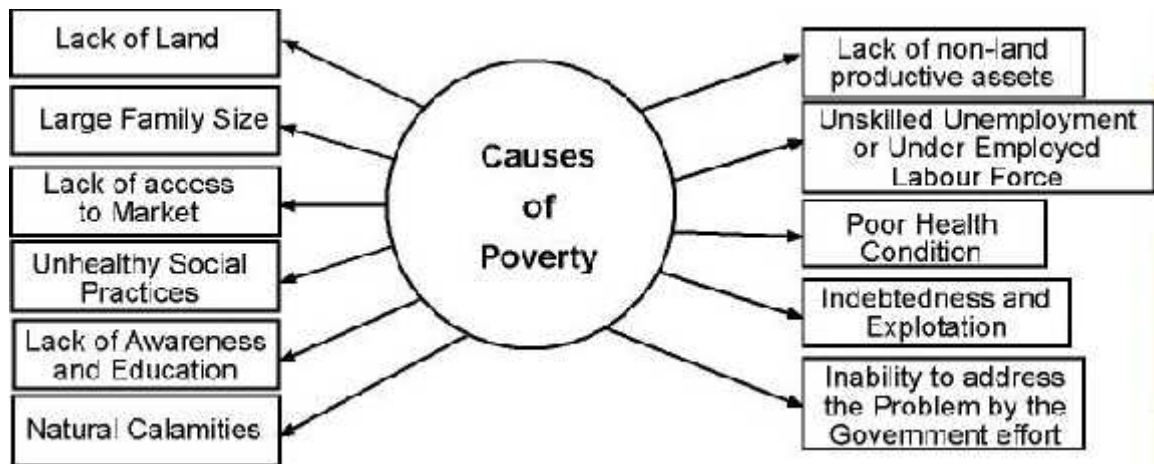
C) Rural Poverty

Rural poverty is a deprivation of basic needs of livelihood and a corresponding inability to meet the needs of life, clothing shelters, health care and education. This type of poverty is quite common in Nepal, and the national planning commission also is putting its effects to fulfill the above maintained basic needs. (Dahal, 1995)

A person with small piece of land, having few old agricultural tools, a hut to live in, some clay and copper utensils, wearing torn clothes and leading a bonded life is the average villager. He does not send his children to village primary school where education is compulsory and free. A part from this, the origins of poverty must lie in inadequate access to land and other factors leading to insufficient production problems of exchange of goods and services.

2.5 Cause of Poverty

Mainly throughout the world the following prime factors are responsible for poverty: (a) over population, (b) imbalance distribution of resources of global economy, (c) living standard not matching with the income, (d) insufficient education and low opportunities for employment, (e) environmental degradation, (f) individual irresponsibility and dependency. Other causes are indebtedness, unemployment, loss of jobs or means of livelihood, illness, marital disturbance, accident, low skill, and litigation. In addition, bad habit, other expenditure, laziness and reluctance in factors that cause the poverty.



Others are loss of purchasing power, population growth, imbalance in the demand and supply in the labor market, seasonal inconsistency, loss of traditional rural occupation, insufficient growth of the non-farm sector wrongful educational system, and faulty governmental policies. Some time war, crop failure, epidemic diseases, and natural calamities cause severe poverty and results the condition becomes more complicated. (Kunwar, 2003)

A book entitled "Drive against Poverty" was written by Meharman Poudel. He describes on third units causes of poverty. The following points are major causes of poverty.

- 1) **Underdevelopment:** When total national income and aggregate consumption is small relative to the size of the population, the majority has restricted access to essential goods.
- 2) **Inequality:** Inequality of income and wealth is a result of the concentration of economic surplus in relatively few hands and a fragmented allocative mechanism. The ensuring socio-economic problems perpetuate and accentuate low standards of living.
- 3) **Low per capita incomes:** This condition may be regarded as a symptom as much as a cause of deprivation. Low income may be attributed primarily to inadequate access to land which in turn to the outcome of complex interactions involving social and political institutions, demographic development and economic factors.

- 4) **Inadequate access to land and means of production:** An inadequate access to land and low agricultural productivity coupled with a deficiency of income earning employment opportunities, lead to poverty.
- 5) **Unemployment:** A major causes of poverty in rural areas is the absence of lucrative employment opportunities. This is often the case in developing countries like Nepal. Where agricultural productivity is low and farming is mainly a family enterprise. In these circumstances even in farmers wish to supplement their family labor with hived labor they may not be able to offer an attractive wage further move, if agriculture yields a low surplus it will offer a very limited basic for secondary and tertiary economic activities. These problems are intensified during the off season.
- 6) **Inflation:** The purchasing power of the money falls as prices raises leading to the impoverishment of the lower middle and poorer sections of the society.
- 7) **Low Technology :** Not only are manufacturing processes and agricultural production techniques far below the standards of developed countries but marketing skills, the capacity to organize production units and financial markets are at a low level. Productivity remains at a low level discouraging further capital investment.
- 8) **Agrarian Economy:** Rural society is highly differentiated. An apparently simple agrarian economy is, in fact, a complex structure of rich landowners, peasants, tenants and labors in addition; there are artisans, traders and plantation workers. Poverty strikes unevenly among these groups land he process of economic growth has accentuated the difference in living standards between them inevitably it has been the weakest sectors of rural society that have suffered most severely from declining standards of living and worsening poverty.
- 9) **Social Factors:** In less developing countries people have caught. In the vicious circle of poverty due to the prevalent socio-cultural institutions. In order to fulfill social obligations and observe religious ceremonies from cradle to grave, people spend extra vagantly. With already low income

levels, they either dissave or borrow. Since savings are negligible, the chances of borrowing are much greater. The high level of indebtedness in both the cause and effect of poverty. Besides, illiteracy, ignorance, fatalism, conservatism, born out of sectarian and indigenous ideas, casteism and joint family system have prevented people from adopting modern ideas and techniques where they could increase their incomes and keep the wolf of poverty of their doors. Besides, the caused of poverty is due to the social system which imposes the burden upon one person of supporting large family, and the presence of a large number of able bodied beggars. With the same manner the faulty education system also has caused the increment of poverty. (Poudel, 1986)

2.6 Poverty Situation and Trend in Nepal

The first attempt to estimate poverty in Nepal was in 1976/1977. During that year NPC/N carried out a national level survey on employment, income distribution and consumption pattern. Poverty level was specified in terms of basic minimum calorie intake. This level was 2250 calorie per head per day in an average. Per capita minimum income level of Rs.720 per annum was estimated to fulfill this requirement. This poverty level estimated about 36.2 percent of the population living below the poverty line.

Later surveys also estimated the incidence of poverty on the basic of the same poverty line, i.e. 2250 per capita per day calorie intake. A household budget survey was carried out by the Nepal Rastra Bank, Nepalese Central Bank, in 1984/1985; this survey also helped estimating population below poverty line. Likewise, NPC also estimated poverty in 1992 and 1996. The trend of poverty in Nepal as envisaged by these studies is as follows.

Table 2.1: Poverty Situation and Trend in Nepal (1976-1996)

Survey	Population below the poverty line	Population below poverty line (% of total population)	Per capita poverty line income (Rs)	Per capita poverty line income(US\$)
NPC 1976/77	4,730,468	36.2	720	57.6
NRB Household survey 1984/85	7100048	42.6	1971	110.7
NPC estimate, 1998	9250971	49.0	4145	97.1
NLSS 1996	9426048	45.0	4560	80.3

(Source: Suman Sharma, *Nepal Country Report - Summary Report, ACTIONAID, 1998*)

It shows that the number of poor is increasing in both absolute and relative terms, except the estimates revealed by the 1996 survey. Moreover the decline in absolute poverty lies as shown by the last column of the table 1. Measured in terms of US \$ during the period 1984/85 to 1996/97 is because of the depreciation of Nepalese currency in terms of US \$, in other words, approximately 83 US \$ in 1996 could buy the same amount of stuff (the poverty line) as that of 111 US\$ in 1984/85 and 97 use in 1992.

Nepal living standard survey 1996 has been very helpful in calculating various poverty indices. The survey by CBS, 1996 deserves special attention because World Bank (WB) has estimated poverty gap and severity of poverty also in addition to the head-count index using this data. World Bank estimates of these indices based on CBS 1996 survey are as follow:

Table 2.2: Poverty Measures for Nepal (Poverty line per capita income = Rs 4404)

Region/sector	Head count index (%)	Poverty gap index (%)	Squared poverty gap index
Ecological Belt			
Mountain	0.56 (0.059)	0.185 (0.027)	0.082 (0.015)
Hills	0.41 (0.031)	0.136 (0.014)	0.061 (0.008)
Terai	0.42 (0.025)	0.099 (0.009)	0.034 (0.004)
Sector			
Urban	0.23 (0.058)	0.070 (0.025)	0.028 (0.012)
Rural	0.44 (0.020)	0.125 (0.008)	0.051 (0.004)
National Average	0.42 (0.019)	0.121 (0.008)	0.050 (0.004)

(Sources: World Bank, 1999)

Data from 1995-96 and 2003-04 Nepal living standards surveys (NLSS I and II) carried out by the CBS are used to estimate trends in poverty incidence in Nepal during 8 years between there to 6 surveys. Head count rates suggest that poverty has dramatically declined in Nepal between 1995-96 and 2003-04. In 2003-04, 31 percent of population was poor in Nepal, compared to 42 percent in 1995-96. Thus, the incidence of poverty in Nepal declined by about 11 percent points (or 26 percent) over the course of eight years, a decline of 3.7 percent per year. The incidence of poverty in urban areas more than halved (it decline from 22 to 10 percent, a change of 9.7 percent per year). While poverty in rural areas also declined appreciably, at one percentage point per year, its incidence remained higher than in urban areas.

Table 2.3: Nepal 1995-96 and 2003-04 Poverty Measurement

	Head count rate (P0)			Poverty Gap (P1)			Squared Poverty (P2)		
	1995-96	2003-04	Change	1995-96	2003-04	Change	1995-96	2003-04	Change
Nepal	41.76	30.85	-26	11.75	7.55	-36	4.67	2.7	-42
Urban	21.55	9.55	-56	6.54	2.18	-67	2.65	0.71	-73
Rural	43.27	34.62	-20	12.14	8.5	-30	4.83	3.05	-37

Source: Poverty trends in Nepal (2005)

**Table 2.4: Nepal 1995/96 and 2003/04 Poverty Measurements
by Geographic Regions**

	Poverty Head count Rate 1995/96, 2003/04, change in % (A)			Distribution of the poor 1995-96, 2003/04 charge in % (B)			Distribution of the population 1995-96, 2003/04 charge in % (C)		
Nepal	21.6	9.6	-56	3.6	4.7	30	6.9	15	117
Rural	43.3	34.6	-20	96.4	95.3	-1	93.1	85	-9
Total				100	100		100	100	

NLSS Regions									
Kathmandu	4.3	3.3	-23	0.3	0.6	118	2.6	5.4	110
Other urban	31.6	13	-59	3.3	4.1	23	4.4	9.7	121
R.W. Hill	55	37.4	-32	32.7	23.6	-28	24.8	19.4	-22
R.E. Hill	36.1	42.9	19	19.4	29.4	51	22.4	21.1	-6
R.W. Terai	46.1	38.1	-17	18.4	18.9	3	16.7	15.3	-8
R.E. Terai	37.2	24.9	-33	25.9	23.5	-9	29.1	29.1	0
Total				100	100		100	100	

Development Regions									
Eastern	38.9	29.3	-25	21	23.4	12	22.5	24.7	10
Central	32.5	27.1	-17	26.9	32.2	20	34.6	36.6	6
Western	38.6	27.1	-30	18.7	16.7	-11	20.3	18.9	-7
Mid-Western	59.9	44.8	-25	18.5	17.7	-4	12.9	12.2	-5
Far-western	63.9	41	-36	14.8	9.9	-33	9.7	7.5	23
Total				100	100		100	100	

Ecological balts									
Mountain	57	32.6	-43	10.7	7.5	-30	7.9	7.1	-10
Hill	40.7	34.5	-15	41.9	47.1	13	43	42.1	-2
Terai	40.3	27.6	-32	47.4	45.4	-4	49.2	50.8	3
Nepal	41.8	30.8	-26	100	100	100		100	

Source: Poverty trends in Nepal (2005)

In terms of the distribution of the poor across urban and rural areas, although the poverty rate in urban areas declined almost 3 times faster than it did in rural areas the concentration of the poor in urban areas actually increased from 4 to 5 percent of all poor. This higher concentration is due to a two fold increase in the urban population during the study period.

As per millennium Development Goals Report, people those who line the minimum of their life and earn less then US \$ 1 per day is considered to be poor. Worldwide, the number of people in developing countries living on less than \$ 1 a day was 980 billion in 1990. The proportion of people living in extreme poverty fell from nearly a third to 19 percent over this period. As per the report 24.1 percent of total population in Nepal living on lies than US \$ 1 a day and 68.5 percent of total population are living on less than US \$ 2 a day. (MDG, 2007)

2.7 Poverty Alleviation Efforts under the Periodic Plans

The seventh plan (1985/86/ - 1990/91) made first attempt to formulate a distinct program with a long term perspective for poverty alleviation. The eight plan (1992/93 - 1996/97) and the Ninth plan (1997/98 - 2001/02) specifically had poverty reduction as their main objectives. The ninth plan also established long term targets and development indicators for all sectors based on their potential for alleviating.

In the beginning of 8th plan, 49 percent of the total population lived below the absolute poverty line Nepal living standard survey (NLSS), 1995/96, revealed that the initiatives towards the provision of infrastructure development, social justice and security together with the emphasis on utilization of the privates sector productive capacity helped to bring down the poverty level to 42 percent at the end of plan (NPC, 1992/93, 1996/97).

Poverty alleviation was sole objectives of the ninth plan. The implementation of the Agriculture Prospective Plan (APP) was the major means to alleviate widespread

poverty in rural areas. The review of ninth plan includes the analysis on the progress made in poverty alleviation, overall socio-economic development, physical infrastructures development, and sector-wise physical progress. The plan aimed at reducing the poverty level to 32.0 percent during the plan period (NPC 1997/98-2001/2002).

A major element of the poverty reduction strategy of the tenth plan is to close the gap as rapidly as possible by mainstreaming the deprived communities and regions in the development process. It has also the sole objective of poverty alleviation. It targets to reduce the poverty level up to 30 percent at the end of plan period (NPC 2002/03 - 2006/07).

At present, the three year interim plan has set it's main goal to prepare a basic for economic and social transformation for building a prosperous, modern and just Nepal. The main objectives of this plan are to realize changes in the life of people by reducing poverty and existing unemployment and establishing sustainable peace. It targets to reduce the poverty level from 31 to 24 percent at the end of three years plan period. A large number of factors and responsible for the cause of poverty in Nepal. Amongst them is low productivity in agriculture, unemployment, illiteracy, high growth rate of population, low calorie intake, lack of basic health facilities, high infant mortality rate and low per capita income peace and security are the basic factors of development that affect the whole system of the country (NPC, 2007-2010).

2.8 Poverty Research, Studies and Documentations

Jain (1981) focused on the various poverty problems in Nepal and recommends some 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 the 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 1971 prices and he calculated that 36.2 percent 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 15.8 percent of the total population lies in this group. Thus 55% of total population is poor in Nepal. He recommends some policies for additional income generation in order to raise the living standard of the poor people of Nepal. (Jain, 1981)

In a study by Dahal and Shrestha (1987) primary data are used to analyze the course of poverty from data collected in a village of Panchthar District. Breaking even techniques is used to determine the wolf point. To analyze the poverty, they have used minimum subsistence herm and Sen's poverty index. The nature of poor had been analyzed by taking into consideration the various factors like the size of land holding, literacy, family size and monthly income by ethnic group etc. in this study, they have identified the rural poor in Nepal into two category viz. Marginal farmers and small farmers.

This study further argues that the poverty problems originates in agriculture productivity level in the rural sector and has considerable implications for interclass and interpersonal relations. (Dahal and Shrestha, 1987)

David Seddon, in his book "Nepal: A State of Poverty" has examined the cause of poverty in Nepal. According to him increasing population agricultural 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).

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 are the institutional setting is more important for development than the strategic institutions such as research extension, input and output markets credit irrigation and small farmer development program. (Adhikari, 1987)

Aryal (1994) in his research paper, "Poverty in rural Nepal" has analysed the nature of poverty problem by establishing relationship with various socioeconomic characteristics, such as level of education, ethnic group and employment. In this study, he used primary data collected in Purn Jhanga Jholi VDC of Sindhuli District. In order to show the incidence of poverty in the study area, he has used various statistical tools such as Gini-coefficient, Lorenz curve, Sen's poverty index, Chi-square test etc. Break even point is used to determine the wolf point hold and 43.03 percentage of people are

absolute poor and 18.57 percentage of households and 16.91 percentage of people relative poor. (Arayal, 1994)

Anil Prasad Gautam in this study has examined the course of poverty in Nepal. According to him, low rational per capital income and consequently low consumption expenditure heavy unemployment along with misemployment, explosive growth rate of population, inadequacies 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 factors are also responsible. (Gautam, 1996)

Sharma (1996) in his study mention that absolute and relative poverty line and measures the extent of poverty. For this purpose, Keynesian consumption function, Lorenz curve, Wolf point, Sen's index, relative mean deviation, Gini coefficient etc. are used as statistical tools. This study is based on primary data and only 100 households were selected from Panchanagar VDC of Nawalparasi of the time of survey. He has identified the nature of poverty problem by establishing characteristics such as, major occupation, size of land holding, illiteracy, ethnic group etc. The study shows that 60 percent of households and 61.12 percent of sampled population are living below absolute poverty line. Most of the people spent income on liquor consumption, smoking, ambling, cinema and traditional festivals. (Sharma, 1996)

Rural poverty report published by international fund for Agricultural Development (IFAD) has mentioned the fact that poverty in Nepal is a deeply entrenched and complex phenomenon. Approximately 40 percent of Nepalese live below the poverty line of US \$ 12 per person/per month. Despite some progress in poverty reduction in recent years and declining rates of urban poverty, the problem remains widespread and most indicators suggest that it is on the rise. (IFAD, 2001)

The tenth plan has formulated a strategy based on four pillars-broad based high and sustainable growth, social sector development with emphasis on human development targeted programs with emphasis on social inclusion and improved governance. Its sole objectives were to bring about a remarkable and sustainable reduction in the poverty level in Nepal. (NPC, 2002)

The root causes of high variation in poverty in Nepal one economic and social exclusion of women, disadvantage ethnic and caste groups, powerlessness and risks, which mainly derive from socio-economic and natural characteristics and atypical location of the country. Poverty in Nepal varies by geographical, economic and social factors. They have become the basic factors exploring poverty. On the aggregate although the poverty has decreased over the period from 1995/96 to 2005/04, the decrease was not proportional, across regions, castes and ethnic groups. The World Bank's Nepal Country Assistance Strategy (2004/07) specifically outlines that progress towards attaining the MDGs in Nepal has been slow. (World Bank, 2004)

Jeffery D. Sachs, in his book "The ending of poverty". This book is about ending poverty in our time. It is not a forecast. He was not predicting what will happen, only explaining what we can happen the world die each year because they are too poor to stay alive our generation can choose to end that extreme poverty by the year 2025. (Sachs. D, 2005)

The end of extreme poverty is at hand with in our generation but if we grasp the historic opportunity in front of us. There already exists a bold set of commitments that unanimously agreed to in 2002 by signing the United Nations millennium declaration. These goals are important targets for cutting poverty in half by the year 2015, compared with a baseline of 1990. They are bold but achievable, even if dozens of countries are not yet on track to achieve them. They represent a crucial mid station on the path to ending extreme poverty by the year 2025. And the rich countries have repeatedly promised to help the poor countries to achieve them through increased development assistance and improved global rules of the game. (Sachs. D., 2005)

Poverty Alleviation Fund (PAF) has been established as an autonomous institution, funded by World Bank. The Annual Report 2005/06 of PAF, express that nearly one third of the Nepali population is still living in absolute poverty-deprived of basic amenities of life such as food, clothing, shelter, health, education and drinking water PAF is directly linked with the fourth pillar of the tenth plan/PRSP of government of Nepal that is the "Targeted program" which emphasizes the need for special programs to bring the excluded communities in the mainstream of development. PAF intends to bring prosperity of the poor who are at the bottom of the economic ladder. (PAF 2005/06)

Devkota (2006) published an article dealing with the basic concept of poverty and the different approaches of poverty measurement, including a brief scenario of poverty in Nepal. Kharel (2006) describes gendered poverty in Nepal. Her study looks at two approaches used in relation to women and poverty the "Feminization of poverty" approach that is used mainly in the U.S. and the "gender and poverty" approach that is mostly used in relation to the poverty in the developing country like Nepal. (Devkota, 2006)

Aryal (2006) studied on the linkage of poverty and socio-demographic variables in Nepal. The paper recommends that government should invest to the people those who are within the demographic poverty trap, and to invest for urbanization of rural areas so that poverty will be reduced in his article entitled "population growth environmental consequence and sustainable development in Nepal", (Pradhan, 2006) status that the most cumulative consequence of the population growth in Nepal is that the poverty level is rising and the sustainable development is a crucial challenge. The paper also includes environmental policies and impacts related to poverty reduction and sustainable development concerns. (Pradhan, 2006)

Aryal (2007) carried out a study on socio demographic differentials of poverty in Nepal. The main objective of the study was to investigate the socio-demographic differential of poverty at household level. The study revealed that the variables like household size, number of children ages 0-14 years, potential labor force, adult dependency ratio, literacy status and residential status of household were found to be the main differentials of poverty at household level. Poverty incidence was overwhelmingly varied by development regions, eco-bells and rural urban residence with largely scattering. This study further confirms that poverty of Nepal it enormously rural in characteristics. (Aryal, 2007)

Shrestha (2007) analyze and describe the role of energy in rural poverty alleviation. According to the recommendations made in the paper, increase in per capita energy consumption and replacement of conventional energy sources by renewable energy sources geothermal energy and modern application of biomass based energy sources is imperative for reducing rural poverty. The paper also summaries and describe on the state of poverty and energy consumption in Nepal, human development and

energy consumption, possibility of replacing conventional energy sources in Nepal and how energy helps to reduce poverty. (Shrestha, 2007)

Maharjan and Joshi (2007) carried out study on rural poverty analysis of Baitadi district of Nepal with special focus on inequality and decomposition analysis. The study reveals that the poverty is more rampant, deeper and severe in rural areas and much worse in the mid western and far western hills/mountain. (Maharjan and Joshi, 2007)

"Roads to poverty Alleviation" is an article written by S.K. Shrestha in The Rising Nepal. Mr. Shrestha has expressed views regarding poverty reduction through the improvement in economic field. Economic development leads to the raising of the people from the poverty line. Also many Nepalese poor people live in rural areas local bodies have vital role in poverty reduction pillars of development. Local expenditures should be increased and directed towards rural poverty alleviation. Poverty in Nepal acute earning around 31 percent of the people below poverty line, only 62 years of life expectancy and around 50 percent of adult literacy. The poverty is concentrated mainly on rural areas of mountain and hilly regions covering women, dalits, janjatis. In the present world local government is considered to play major role in solving different problems including rural poverty reduction. Decentralization experts have expressed their view that decentralization through intervention on allocation of resources can alleviate poverty. People can be empowered by providing them basic services and such action can reduce poverty in Nepal. Decentralization has been exercised for many years. However, it has not been possible to reduce poverty substantially. The pattern of local government expenditure is basically, not poverty alleviation oriented. If central government wants to engage local bodies in alleviating poverty, it should be reoriented in further in this care only, local bodies can be helpful in poverty alleviation. All the allocated function should be devolved to local bodies and the expenditures should be designed considering the poverty status in the district. (Shrestha, 2007)

The Human Poverty Index (HPI) for developing countries focuses on the proportion of people below a household level in the some dimensions of human development as the human development index having a long and healthy life, having access to education and a decent standard of living. By looking beyond income deprivation, the HPI represents a multi-dimensional alternative to the \$ 1 a day (PPP US \$) poverty measure. The Human Poverty Index (HPI) is 38.1, which ranks 84th amongst

108 developing countries. The HPI measures severe deprivation in health by the proportion of people who are not expected to survive age 40. Education is measured by the adult illiteracy rate. And a decent standard of living is measured by the un-weighted average of people without access to an improved water source and the proportion of children under age 5 who are underweight for their age. (HDR 2007/08)

Asian Development Bank (ADB), in its country operations business plan of Nepal, during 2007. It has expressed the views regarding progress and achievements made by Nepal in the context of recent political and social developments. It stated that Nepal has made significant progress in poverty reduction and poverty incidence has declined from 42 percent in 1996 to 31 percent in 2004. However, poverty levels are unevenly distributed among various caste and ethnic groups and by region. For example, poverty in rural areas remains much higher than in urban areas. Despite the decade long conflict, Nepal has also made progress on some of the millennium development goals (MDGs), such as those related to poverty, gender equality, tuberculosis, and child mortality. Although some improvement has also been made in primary education, maternal health, and HIV/AIDS, the corresponding MDG targets in these areas are unlikely to be met by 2015. However with the end of the conflict and the peace process in progress, development space has increased considerably in Nepal, and the country has the opportunity to accelerate progress on poverty reduction and achievement of the MDGs. (ADB, 2008/2010)

CHAPTER - THREE

RESEARCH METHODOLOGY

3.1 Research Design

In this study analytical cum exploratory research design has been used. It makes an attempt to describe and assemble the necessary data to document, nature, dimension and cause of rural poverty. The emphasis of the study has an qualitative rather than quantitative aspect of the phenomenon. It is hoped that this research design may fulfill the objectives of the study and this analytical might be helpful in guiding further research in the topic.

3.2 Selection of the Study Area

Musahar community in Triveni Susta VDC is selected for the study. The study area comprises ward no. 4, 5, 8 and 9 of the VDC. The study area is selected due to following reasons:

- 1) The researcher is better familiar with the area.
- 2) Easy accessibility to the area.
- 3) No such study has been done so far in the area.
- 4) Mobilize within the available limited sources.
- 5) It is important and interested field.

3.3 Nature and Sources of Data

Present study is based on primary as well as secondary data and qualitative and quantitative data. Primary data was obtained from field survey using questionnaire, observation, and interview. Field survey has been conducted the respondents were interviewed and filled up questionnaires. Secondary data was collected from, books, journals, dissertation, brochures, newspapers, magazines, reports from ADB, World Bank, Winrock, PAF and other relevant materials available from else where the various websites are also surfed for obtaining data regarding poverty. The institutions and agencies as CBS, NPC, DDC, VDC and local news etc. are visited to get relevant data.

3.4 Sampling Procedure

Approximately 67.41% households are taken as sample in present study. Out of 89 households 60 households is selected using simple random sampling methods & techniques by lottery method. The sampling structure is presented in following table.

Table 3.1: Sampled Musahar Households and Population by Wards & Sex

Ward No.	Total HHs	Sample HHs	Population		Total Population
			Male	Female	
4	19	6	17	20	37
5	33	22	52	40	94
8	29	25	74	75	148
9	8	7	22	17	38
Total	89	60	165	152	317

Source: Field Survey, 2008

3.5 Data Collection Techniques and Tools

Different methods of data collection were applied depending on the context and use of procedure. To generate the primary data, the structured questionnaire semi or unstructured interviews and observation as well as focus group discussion methods under applied.

3.5.1 Field Visit and Observation

The study area was visited and the condition of people was observed. The photographs (see annexes) show the pictorial representation of the actual ambient situation of the people of Triveni Susta VDC. The researcher himself observed user's daily activities, attitudes, behaviors and the conditions were observed while staying in the field. The practical aspect of the people which is far from oral behavior has been captured by observations. House construction, living condition, condition of rural poor were also observed. So the observation was proved more fruitful and important tool to find out and present the vivid real picture and condition of the area in the study.

3.5.2 Interview Survey

Structured questionnaire was prepared to generate the realistic and accurate data. The respondents were asked the questions and answers were filled up to collect the required data.

3.5.3 Focus Group Discussion

The focus group discussion is used in Musahar community with the participation of women, men, and disadvantage group. The discussion focused more on cause of poverty, issues, challenges and possible method for minimizing their poverty.

3.5.4 Key Informant Interview

The primary data was also collected from key informant interview using the semi or unstructured interview method. The interview was taken as cross checking per obtained from questionnaire.

The key informants were interviewed on the nature and dimension of rural poverty. The key informants used social workers, teachers, knowledgeable person and people involved in development activities.

3.6 Data Processing and Analysis

After collection of primary raw data tabulation was worked out, further supplemented by computer software. The computer software applied to the processing, classification, tabulation and analysis of data and information were MS-WORD and MS-EXCEL.

CHAPTER - FOUR

DESCRIPTION OF STUDY AREA

4.1 Introduction of Nawalparasi District

Ramgram lord buddha's maternal uncles village lies in Nawalparasi district of Lumbeni zone of Nepal. The Nawalparasi district inhabits the largest population of Kumal and Rajvar in Nepal. The Dounne hillock divides the whole district into two parts east ward Nawalpur area and west ward Parasi area. The east-west (MAHANDRA) highway fragments the district with area of 2016.16 sq.km., into two parts. The district was named as PALHI JHARKHAND of Butwal and is renamed as Nawalparasi district by combine the east Nawalpur area and west parasi area in 2018 B.S.

Nawalparasi district lies between 86°36' east to 84°35' east in longitude and 27°22' north to 27°47' north latitude. From the Nawalparasi district Chitwan district lies to the east and to the west side Rupandehi district is situated and on the north side palpa district and Tanahun district is located. Our neighbouring country India's Uttar Pradesh and Bihar situated on the south direction from the Nawalparasi district. Nawalparasi district is situated 100m to 1936 m from the side of sea level.

Table 4.1: District Demographic Trends

Particulars	2001 Census	2008 Projection
Total Population	562870	671364
Male	278257	331891
Female	284613	339472
Sex Ratio	98	117
Total HHs	98340	121271
Average HHs size	5.42	6
Literacy Rate %	52.99	63
Pop ⁿ Density per sq.km	260	310

Source: Intensive Study and Research Center, 2007/08

Table 4.2: Topographical Distribution of Land

Physical Condition	Agriculture		Pasture	Forest	Others	Total
	Cultivated	Non cultivated				
Mid mountain	6413	3308	1390	20750	374	32235
Siwalik	23321	4603	1739	85561	8890	124114
Terai	30441	2057	1167	8589	3011	45265
Total	60175	9968	4296	114902	12275	201614

Source: Intensive Study and Research Center, 2007/08

4.2 Introduction of Study Area

Triveni Susta VDC is one among 73 VDCs of Nawalparasi district along with Indo-Nepal boarder. The area lies 25.5 km South from Bardhagat of east-west (Mahendra) highway near Daunne and 34 km south from the district had quarter parasi. The Triveni susta VDC covers an area of 31.69 sq.km. The Narayani river lies in east and south, Kudiya VDC and Rupauliya VDC in west and hillock in north, are the 4 boundaries of the Triveni Susta VDC. Triveni is the famous religious site which is considered as respected on prayag of India by religions point of view. The connecting point of three rivers namely SONA, TAMASAR & SAPTANGANDAKI. There is famous religious area, to the over side of Narayani river in east, known as BALMIKI ASHRAM. There are many temples of RADHA-KRISHNA, HANUMAN, lord SIVA & PARBATI, DURGA BHAWANI, LAXMINARAYAN etc, with significant importance in Triveni bazaar of the VDC. In MAGHE SAKRANTI festival which remains up to 3 days, SHIVARATRI festival for one day and in SAARAWAN month, during the whole month thousands of pilgrimage come from many parts of Nepal and India.

The main occupation of the VDC is agriculture, animal husbandry, business, services tailoring, labor, fishing etc. Agriculture being the main occupation. It is of subsistence nature people of different ethnic group like Gurung, Magar, Newar, Brahmin, Chhetri, Kami, Damai, Rana, Musahar, Muslim, Gupta, Malaha, Bin, Koiri, Rauniyar, Tharu etc live here. There is 2 secondary school, 2 lower secondary school, 6 primary school, one sub-health post, one Auyarbadic hospital, one Vetanary, Nepal Telecom branch office, army camp, electricity counter, 8 valli mills, rice mills, all

wards having electricity facilities in the Triveni Susta VDC. Regarding the climate condition, it is very hot in summer and cold in winter.

Table 4.3: VDC Population by Wards and Sex

Ward No.	Total Household	Male	Female	Total
1	203	445	525	970
2	216	578	579	1157
3	125	348	316	664
4	297	992	1156	2148
5	126	351	448	799
6	262	439	485	924
7	225	557	592	1149
8	452	1052	1150	2202
9	76	209	206	415
	1972	4971	5451	10428

Source: Sub Health Post Triveni, 2008

Table 4.4: VDC Population by 5 year Age group and Sex

Age Group	Total Pop ⁿ	Population %	Male	Male %	Female	Female %
0-4	1052	10.86	576	11.77	476	9.93
4-9	1297	13.39	679	13.87	618	12.9
10-14	1382	14.26	741	15.14	640	13.36
15-19	1189	12.28	618	12.63	571	11.92
20-24	918	9.48	421	8.6	497	10.37
25-29	741	7.65	348	7.11	393	8.2
30-34	556	5.75	252	5.15	304	6.34
35-39	532	5.49	247	5.04	285	5.95
40-44	479	4.94	222	4.53	257	5.36
45-49	351	3.62	174	3.55	177	3.69
50-54	282	2.91	149	3.04	133	2.77
55-59	228	2.35	117	2.39	111	2.31
60-64	245	2.53	130	2.65	115	2.4
65-69	159	1.64	88	1.79	71	1.48
70-74	138	1.42	63	1.28	75	1.56
75+	134	1.38	68	1.39	66	1.37
Total	9282	100%	4893	100%	4789	100%

Source: District Profile 2063.

Table 4.5: Ward and Village Wise Distribution of Sample Population

Village Name	Population				
	Total HHs	Sample HHs	Male	Female	Total
Malahi Tole + Susta (Ward No-4)	19	6	11	20	37
Bankatti (Ward No-5)	33	22	52	40	94
Mahalbari (Ward No-8)	29	25	74	75	148
Laxmipur (Ward No-9)	8	7	22	17	38
Total	89	60	165	152	317

Source: Field Survey, 2008

Malahi Tole :

This village lies in the 4 no. ward of the Triveni Susta V.D.C. This village can be reached by three routs, North-West patherkala to Malahi tole (about 1 km), West Bankatti (Muslim Tole 1 km) and Hulaki rout South-East Bishnunagar to Malahi tole. The Musahars households were dispersed. There is a facility of electricity, drinking after and sanitation but all of these are out of excess of Musahar due to poverty.

Susta:

Susta like on the 4 no. ward of the Triveni V.D.C. This ward is divided in to two regions, one given is inside of Narayani River, which is called by MALAHI TOLA and next side at river is known as Susta. Susta is linked by two routs. One is through PAKLIHAWA and people have to use boat in Narayani River. Next path goes through TRIVENE CHOTTI BHANSAR, BALMIKINAGAR, and LAXMIPUR. This root is some lengthy, it can be reached easy by cycle only 2 and half hours.

There are not any alternative of transportation, in Susta 13 households of Musahar caste. Only one primary school is available in this village, any kinds of health institutions can not be finding here. People are affecting by the flood of Narayani River and Indian DADAGIRI in every year.

Bankatti:

Bankatti lies on the 5 no. ward of the V.D.C. with total 126 households, out of which 33 households of Musahar community. There are 3 paths for the village. One through South of HULAKI BATO, North side of Malahi Tola and another is along Gandac Cannel. Most of the Musahar are landless and settled in Indian gandak land.

There is a facility of electricity, drinking water, Toilet, sanitation, but all of these are out of excess of Musahar due to poverty.

Mahalbari:

Mahalbari tole where is a Musahar community, which is known as Musahar tole. It is the biggest ward by area and population at Triveni Susta V.D.C. out of 452 households of wards 29 households are of Musahar caste. The settlement of Musahar community is very compact. The Mahalbari tole lies 1 km north from the NEPALI NAHAR.

The facility of electricity and graveled road is available. There except the Musahar community. Similarly the access to drinking water is very poor in Musahar, only 2 handpumps are available for them. Out of these 2 handpumps 1 & 1 are located at east and centre of the Musahar tole. One primary school upto grade and was established, in support of other community, which was 2 years and collapsed when they cut their support. Nowadays there are only two wooden pillars representing the school. The Musahar community is very backward in development. The community is also ignored by Triveni Susta V.D.C. According to local people most of Musahar replaced from Susta to PAKLIHAWA after the encroachment of the Susta as well as flooding after construction of dam by India and finally reached in Mahalbari. Now day arable, land of Musahar community in Mahalbari is being degraded and decreased every year due to the riverbank cutting and flooding of SIRKHOLA. Still not any activities is carried out to control the flood.

CHAPTER - FIVE

DATA PRESENTATION AND ANALYSIS

Poverty is a multidimensional and multi-sectoral 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 problems 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 phenomenon's reinforces the other and they are all influenced of the same time by a number of other socio-economic parameters.

In this chapter the nature, causes 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 of Musahar community.

5.1 Demographic Status

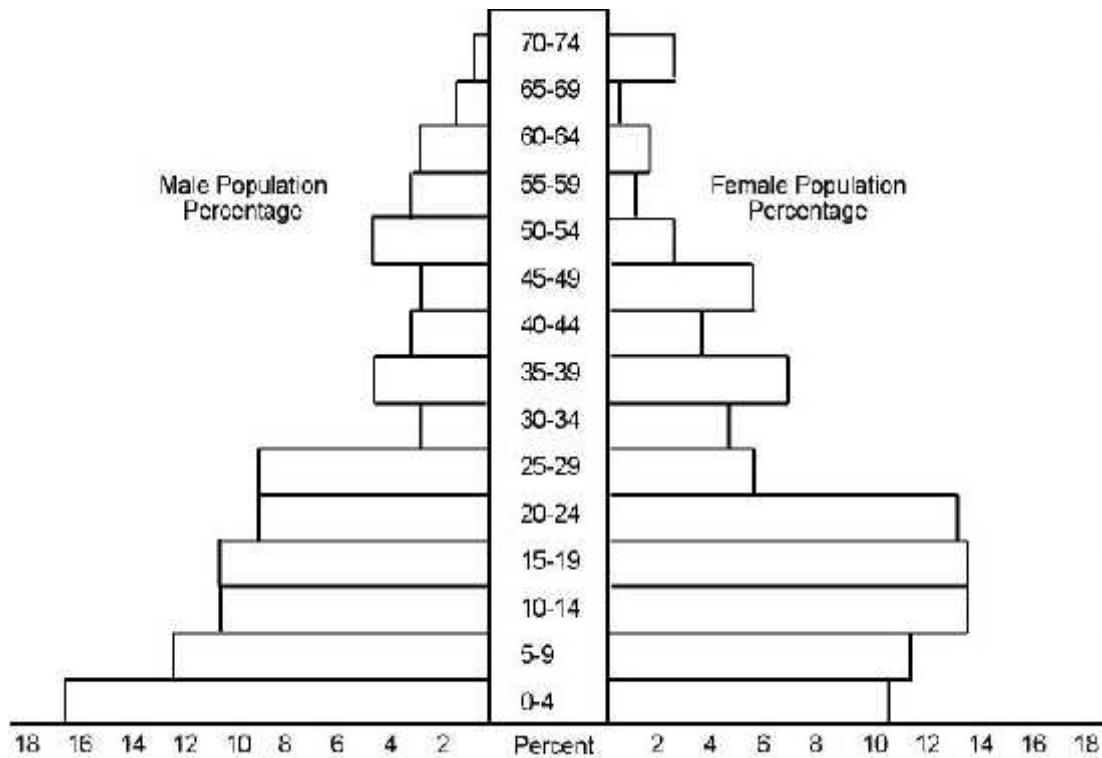
Out of 89 households of the Musahar caste of the V.D.C, 60 households have been selected for field survey. The selection of sample households in each ward is made on the basis of probability proportional to size. The table presents the ward wise and sex wise distribution of sample households and population.

Table 5.1: Population by 5 years Age Group and Sex

Age Group	Total Pop ⁿ	Population %	Male	Male %	Female	Female %
0-4	43	13.56	27	16.36	16	10.52
4-9	39	12.3	21	12.72	18	11.84
10-14	40	12.61	19	11.51	21	13.81
15-19	40	12.61	19	11.51	21	13.81
20-24	36	11.35	16	9.69	20	13.15
25-29	25	7.88	16	9.69	9	5.92
30-34	12	3.78	5	3.03	7	4.6
35-39	19	5.99	8	4.84	11	7.23
40-44	12	3.78	6	3.63	6	3.94
45-49	14	4.41	5	3.03	9	5.92
50-54	12	3.78	8	4.84	4	2.63
55-59	8	2.52	6	3.63	2	1.31
60-64	8	2.52	5	3.03	3	1.97
65-69	4	1.26	3	1.81	1	0.65
70-74	5	1.57	1	0.6	4	2.63
Total	317	100%	165	100%	152	100%

Source: Field Survey, 2008

Fig. 1: Population Pyramid



As seen from the table, it is evident that the high level of dependent population resides in study area. The population below 15 years of age group and above 60 years age group, around 41.42 percent, which implies a high dependency ratio. This high degree of dependency further results into poverty.

5.2 Housing Pattern

House is a basic need on important indicator of measurement of poverty level. If people have modern houses we can easily assume that they are rich. But if they have unscientific and unhygienic houses we can understand that there are poor. So, there is a relationship between housing pattern and poverty. If people have good houses they are rich and of they have small houses they relatively poor.

Table 5.2: Types of House among the Respondents

Types House	Number	Percentage
Hut and tiled roof	30	50
Small huts	29	48.33
Concrete but tiled	1	1.66
Total	60	100%

Source: Field Survey, 2008

Fig. 2 : Types of House among the Respondents

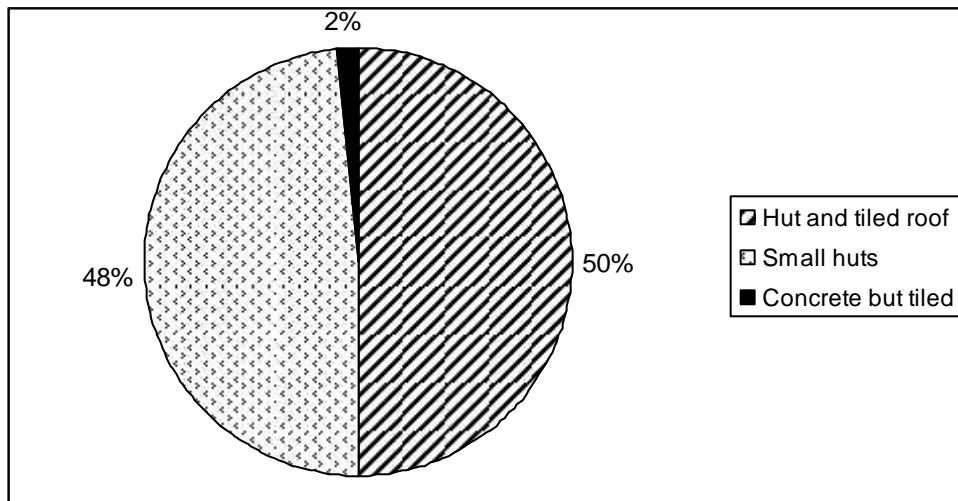


Table no 5.2 Shows that, 50 percent of the sampled households have hut and tiled roof house 48.33 percent have small huts. House and 1.66 percent have concrete but tiled house.

Musahar's settlement was separate from that of other castes groups. Their settlements were either isolate or in periphery of village in agglomerated condition. Their locality was generally known as 'Musari" meaning, locality of the Musahar. The house were found simple and unmanaged mode by locally available materials like bamboo, hay, straw rope, mud etc.

5.3 Household Size

Household size also determines the level of income and the degree of poverty. It can play the positive as well as negative role for income and expenditure. If all households members are skilled and employed, the role will be positive and the household members are unemployed, there will be a high dependency ratio and thus negative impact on the income level and so the poverty.

Table 5.3: Distribution of HHs by Family Size

S.N.	Family Size	No. of HHs	Percentage
1	1-3	11	18.33
2	4-6	34	56.66
3	7-10	14	23.33
4	11 above	1	1.66
	Total	60	100

Source: Field Survey, 2008

From the above table, it is clear that most of the households have 4 to 6 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. The average family is 5.28 people per household.

5.4 Occupational Status

There is a relationship between the occupational status and poverty. Musahar community have adopted various types of occupation like agriculture, wage labor, animal husbandry and services etc. out of all there occupation they give more preference to agriculture. As Nepal is and agricultural country. So the most of the people depend on subsistence agricultural economy. They grow various types of crops, like sugarcane,, maize, wheat, paddy, potato etc. Besides those they also produce different kinds of vegetables and fruits. Non agricultural activities form a very little part of the economy.

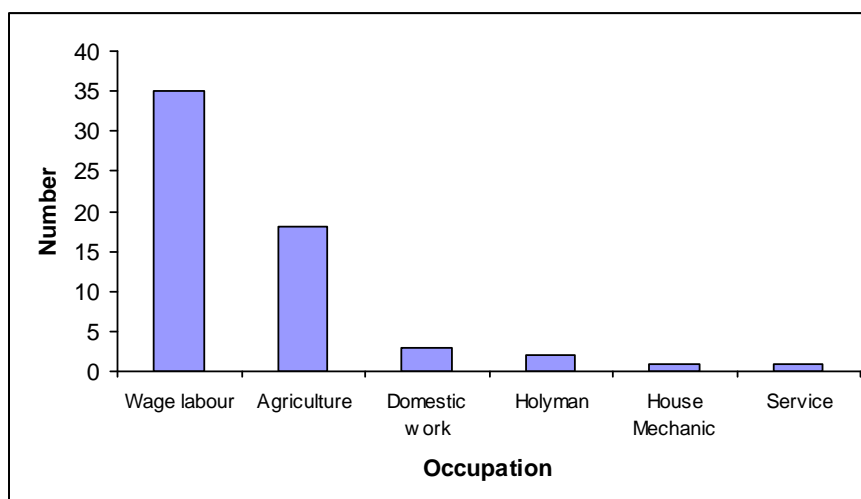
An individual's occupation plays crucial role in determining his economic status. In other words the income levels of every households or individuals are highly influenced by the main occupation in which they are involved. The largest presented of people in the study area is engaged in agricultural and wage labour, 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 occupational status.

Table 5.4: Occupational Status

S.No.	Occupation	Number	Percentage
1	Wage labour	35	58.33
2	Agriculture	18	30.00
3	Domestic work	3	5.00
4	Holyman	2	3.33
5	House Mechanic	1	1.66
6	Service	1	1.66
	Total	60	100

Source: Field Survey, 2008

Fig 3: Occupational Status



5.5 Education Status

The native of poverty is also influenced by the literacy status. The lack of education is a major cause of poverty. There is positive relationship between income level of households and educational status. Lack of education means limited skills. That means insufficient education and limited employment opportunities. There can be serious

cause of individual poverty. Thus, if people are educated, their income is generally higher than that of just literate and illiterate.

Table 5.5: Educational Status of the Respondents

Level of Education	Number	Percentage
Illiterate	52	86.00
Literate	6	10.00
Educated	2	3.33
Total	60	100.00

Source: Field Survey, 2008

From the above it is clear that out of 60 households are literate, 52 are illiterate HHs and only 2 are educated. Thus the percentage of illiterate population is high in the study.

Table No: 5.6 Education Status of the Musahar Community

Level of Education	Male Number	Male Percentage	Female Number	Female Percentage	Total Number	Total Percentage
Illiterate	85	60.28	105	77.77	190	68.84
Literate	11	7.8	10	7.40	21	7.60
Primary Level	39	27.65	18	13.33	57	20.65
Lower Sec. Level	4	2.83	2	1.48	6	2.17
Secondary Level	2	1.41	0	0	2	0.72
Total	141	100	135	100	276	100

Source: Field Survey, 2008

From the above table, it is clear that out of 276 people 68.84 percentage are illiterate, 7.6 percentage literate, 20.65 percent primary level, 2.17 percentage lower secondary level, 0.72 secondary level are educated in the study area. Thus, the percentage of literate population is high in the study area.

Fig. 4: Education Status of the Musahar Community

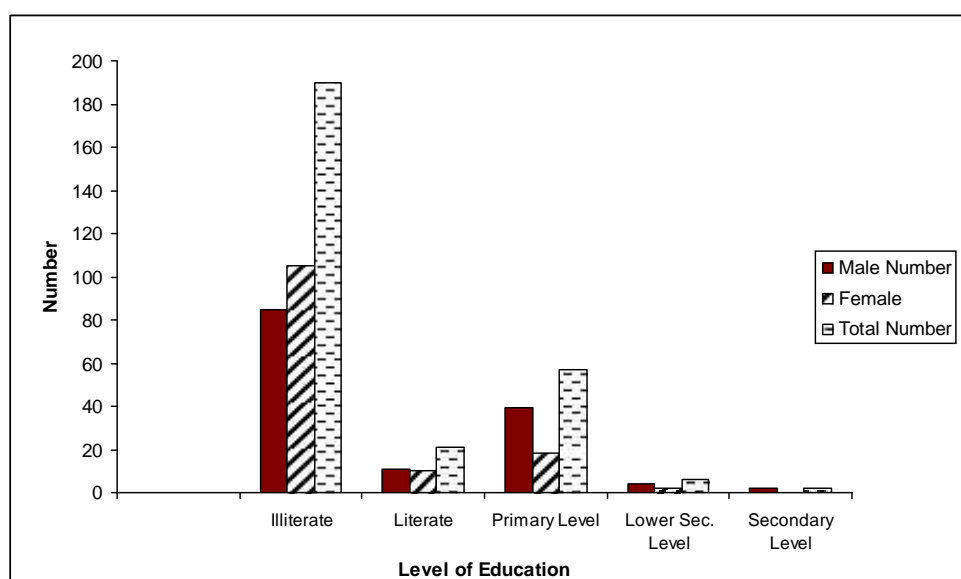


Table 5.7: Population by Status of School Attendance

Attending			Not Attending			
Male	Female	Total	Male	Female	Total	Sub Total
11	7	18	10	6	16	34

Source: Field Survey, 2008

From the table No 5.7, Shows that, 52.94 percent population are attending and 47.05 percentage of population above 6 years of age is still not attending the school in this study area due to lack of money, birth certificate, no near the school.

5.6 Size of Landholding

Nepal is primarily an agricultural country. More than 81 percent of the economically active population in Nepal is estimated to be involved in agriculture. Land is the major factor of production which determines the possibility of the quality as well as quantity of output. Therefore land is a very important matter for a study concerning rural poverty. Land differs in quality. Not all area of land is equally valuable and productive. Some parts and kinds of land have more value in use than others and therefore a fair distribution of those types of land is very important for poverty alleviation. In general there is positive relationship between landholding and level of income. Most of the people in rural area are poor due to their landlessness or insufficient land to generate income. The following table shows the nature of landholding according to categorized households of the student's area.

Table 5.8: Landholding pattern of the respondents

Size of Landholding	No. of Household	Percentage
Landless	20	33.33
Upto 5 Dhur	7	11.66
5 to 10 Dhur	9	15.00
10 to 15 Dhur	0	00.00
15 to Dhur	0	00.00
Upto 1 Khatha	4	6.66
1 to 5 Khatha	11	18.33
5 to 10 Khatha	7	11.66
10 to 15 Khatha	1	1.66
15 to 20 Khatha	1	1.66
Total	60	100.00

Source: Field survey 2008

By looking at the above table, it is proved that the increasing in the land asset decreases the below poverty line. So, land holding can be taken at one of major determinant of poverty from above table. The table shows that out of the total sampled households, 33.33 percent of families are landless in this study area. Most of those landless people even do not have any land for house. They used to live in huts in the land of landlords. There people earn their livelihood through their laborwork. The condition of many of those landless people is very pathetic. As per have survey, it shows that 11.66 percent households have occupied only upto 5 Dhury. There types of farmer are known as marginal farmers. 15 percentage households have occupied 5 to 10 dhur, 6.66 percentage households have occupied upto 1 Khatha. 18.33 percentage households have occupied 1 to 5 khatha. 11.66 percentage households have occupied 5 to 10 khatha. 1.66 percentage households have occupied 10 to 15 khatha. 1.66 percentage households have occupied 15 to 20 khatha. The uneven distribution of holding of land is also the major cause of poverty in the study area.

5.7 Agricultural Production for Fulfillment of Basic Needs

Most of the Musahar households of the study area have been found to be landless. They have been facing the problem of labori (employment) for all season. Due to these reason they have been facing the problem of seasonal food scarcity.

Table 5.9: Agricultural Adequacy of Food Need

Particular	Number	Percentage
Fulfillment of needs	2	3.33
3 to 6 month	1	1.66
6 to 9 month	7	11.66
9 to 12 month	50	83.33
Total	60	100

Source : Field Survey, 2008

From the table No: 5.9 shows that 3.33 percent of people are fulfillment of needs, 1.66 percent household 3 to 6 month, 11.66 percent households 6 to 9 month and 83.33 percent households 9 to 12 month no fulfillment of needs.

5.8 Source of Loan of Respondents

Musahar community of the study area has been found to be backward, using within the vicious circle of poverty. They have been unable to fulfill the basic requirements for all seasons. Thus they have been preferred following sources of credit for lone purpose.

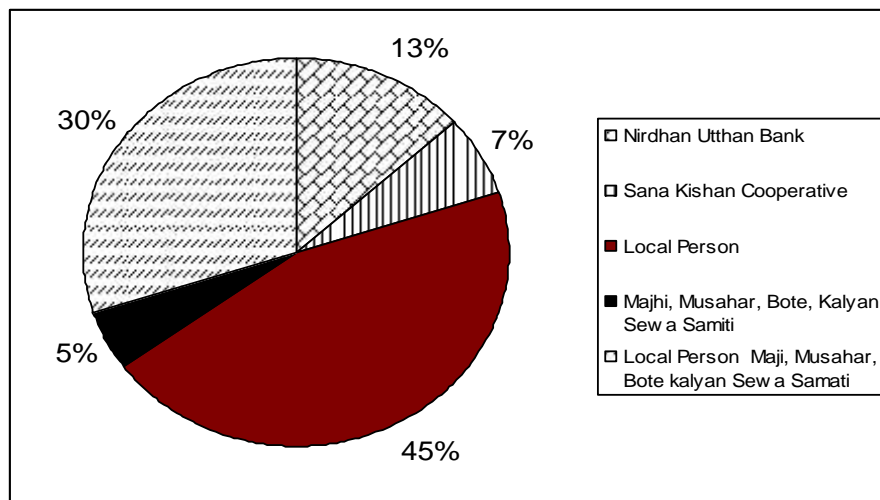
Table 5.10: Source of Loan of Respondents

S.No.	Particular	Number	Percentage
1	Nirdhan Utthan Bank	8	13.33
2	Sana Kishan Cooperative	4	6.66
3	Local Person	27	45
4	Majhi, Musahar, Bote, Kalyan Sewa Samiti	3	5
5	Local Person Maji, Musahar, Bote kalyan Sewa Samati	18	30
	Total	60	100

Source : Field Survey, 2008

The table No. 5.10 shows that 45 percent people borrow loan from local person, 13.33 percent people borrow Nirdhan, 6.66 percent people borrow from Sana Kishan, 5 percent people borrow from Majhi Musahar Bote Kalyan Sewa Samiti, and 30 percent people borrow from local person and Maji, musahar, Bote kalyan sewa Samati. We conduct that many people borrow loan from local person due to they have not land certificate and they pay high interest.

Fig. 5: Source of Loan of Respondents



5.9 Income and Expenditure Analysis of the Study Area

The principal sources of income and expenditure in the Musahar community include agricultural and non-agricultural sources. Agricultural income sources include the production of crops and livestock. Whereas, non-farm income sources include wage labour in the market, valli mills, and industries. The observed status of the income and expenditure in the Musahar community has been presented and analyzed from the folk perspectives. The annual per capita income of Musahar of the study area was calculated. The per capita income of Musahar of the area has found NRs. 14,286.30. Similarly the annual per capita expenditure of Musahar community of the area with total population of 60 HHs (317) was calculated and it has found NRs. 9382.17 the annual saving per head was calculated and found NRs. 5255.03. The average credit per household was also calculated and was found to be NRs. 2446.0. (Appendix - 2)

The data has shown that there is not too much low income and saving. There has also found that no much credit per household. These all have indicated not sever poverty. But the Musahar of the study area has been facing the vicious circle of poverty. The main causes have been found to be their drinking habit and lack of access to credit providing formal institutions like Banks.

The Musahar of the area have found to be expending most of their income on wine (Alcohol). Although the figure has shown good saving, but they have not save and all of it and even more than, it expend on driving of wine.

Most of Musahars of the study area have been found to be landless. So they have not been able to borrow the lone in one hand and rich people of the territory have not also believed on them for credit. (Appendix -2)

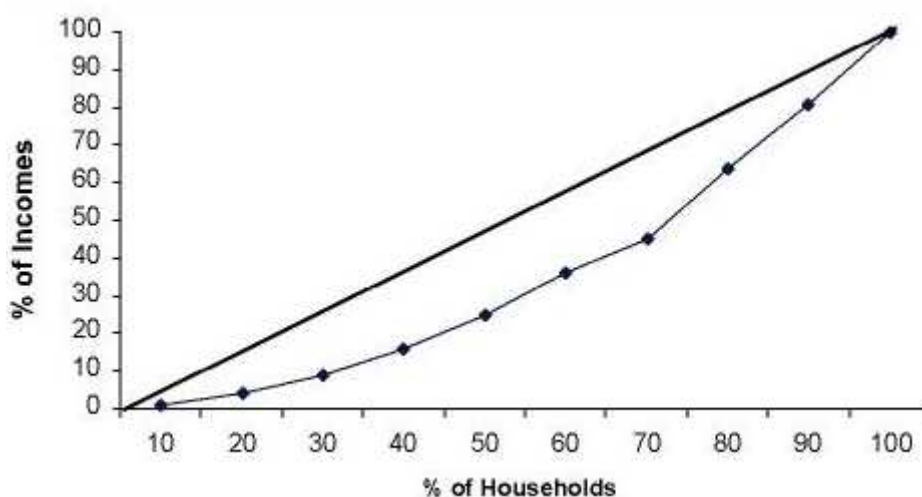
Table 5.11: Income Distribution Among Sampled HHs per capita by Decile group.

Income Group (000)	Mid value (y)	Cum mid value	% of mid value	No. of HHs (x)	Cumulative (x)	% cum x
0-2	1	1	1	0	0	0
2-4	3	4	4	8	8	13.33
4-6	5	9	9	14	22	36.66
6-8	7	16	16	15	37	61.66
8-10	9	25	25	7	44	73.33
10-12	11	36	36	10	54	90.00
12-14	13	45	45	4	58	96.66
14-16	15	64	64	1	59	98.33
16-18	17	81	81	0	59	98.33
18-20	19	100	100	1	60	100

Source : Field Survey, 2008

The table 5.11 show that 13.33% household earn only 4 of the total income where as 0.16% top income household receives 19.00% of total income. This indicates that, there is high disparity in the income distribution among the Musahar households.

Fig. 6 : Income Distribution among Sample HHs



The Lorenz curve shows the difference between equal distribution of income and actual distribution of income. The area between Lorenz curve and the line of equal distribution is known as the area of concentration. The basic notion is that the greater the area of concentration, the larger magnitude of income inequality & vice-versa. The Lorenz curve shows inequality of income distribution.

5.10 Causes of Poverty among Musahar Community

The following are the main causes of poverty in the Musahar community. findings from the field study.

- ❖ **Landlessness** : in the study area size of land holding of poor is very small than non-poor. There are 33.33% households are landless in the study area.
- ❖ **Indebtedness** : landless or low landholding poor have problem in getting institutional loans because of the lack of collateral. Through different rural credit program like SANA KISHAN, NIRDHAN etc., have the provision of providing group loans these programs have not yet brought all poor household within the net of their programmes, consequently poor households are bound to borrow money from local person, businessmen, etc. the rate of interest on these loans is very high generally ranging from 36 to 60 percent per year. The average 2446 credit per households.
- ❖ **Lack of Education** : literacy rate is one of the determinants of poverty which forces human poor become income poor. It is because high rate of illiteracy among poor causes them seeking lower paid work. Consequently, the cycle of lower level of education, then lower paid job, then lower level of income, then lower investment on education, again low level of education and lower level of income keep poor people in vicious circle of poverty. 86% people were found to be illiterate in the study area.
- ❖ **Cultural practices** : many cultural practices induce Musahar people toward, poverty. Musahar spend big amount of money for their daughter marriage, birth festival and drinking wine.
- ❖ **Susta distressed** : most of Musahar people replaced from Susta to Packlihawa after the encroachment of the Susta as well as flooding after construction of dam by India and finally reached in study area.

- ❖ **Low wage rate** : Musahar men earn NRs. 80 to 100 per day without lunch. Similarly the Musahar women earn about NRs 50 to 60 with one time breakfast. As the rate of market is rising by day, it is difficult for them to solve even the hand to mouth problem.
- ❖ **Large family size** : 1.66% household have 11 member, the average family size is 5.28 people per household.

5.11 Causes of Non-Participation of Development Activities

In general the term participation means the insightful involvement of local people. In broad since it is the process of qualitative and quantitative involvement of stakeholder in all steps of project like need identification, planning, decision making process, implementation, benefit sharing and monitoring and evaluation. Participation is the right of people to involve in economic socio-cultural and political etc. field without obstacle. Following causes have been found responsible for non-participation of Musahar community in development activities.

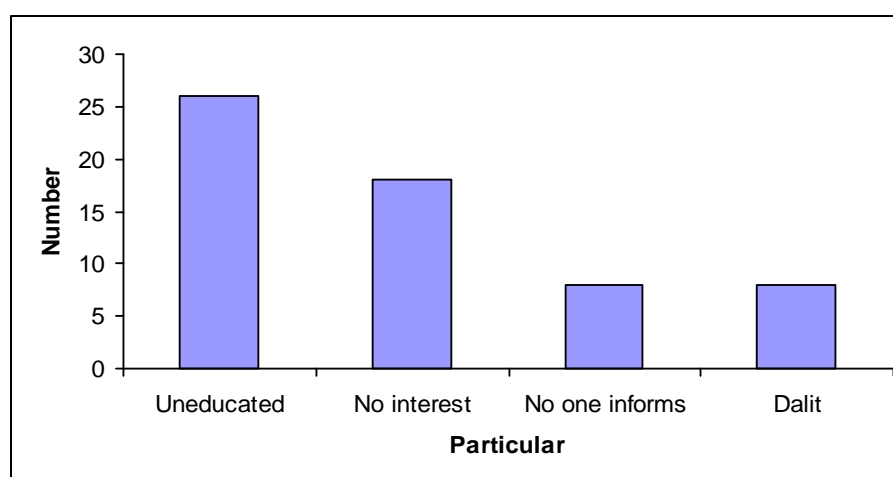
Table 5.12: Causes of Non-Participation in Development Activities

S.No.	Causes	Number	Percentage
1	Uneducated	26	43.33
2	No interest	18	30.00
3	No one informs	8	13.33
4	Dalit	8	13.33
	Total	60	100

Source : Field Survey, 2008

From the table 5.12, Shows that 43.33 percent uneducated, 30 percent of people no interest, 13.33 percent no one informs and 13.33 percentage people Dalit, the causes of non-participation of development activities.

Fig. 7: Causes of Non-Participation of Development Activities



5.12 Causes of Backwardness of Musahar

Most of Musahar of Mahalbari replaced from Susta to Paklihawa and finally Mahalbari, due to distraction of their land by side cutting & flooding of Narayani River. Musahar community of study area have been found to be backward from generation to generation in one hand and backwardness has been also found to be accelerated by debtiness avoid in developmental activities by elite class in other hand.

5.12.1 Causes of Economic Backwardness

Economy of the community plays a significant role in the development of the community including its inhabitants. The other factors that influence the economy are the political aspect education and the socio-economic aspect. The major causes of economic backwardness of the Musahar observed were follows.

5.12.2 Economic Causes

A) *Landless*

Land is the engine of economic growth; it gives support in management of family affairs. But 33.33 percent Musahar are landless. So it was one of the factors of their economic backwardness.

B) *Low Wage Rate*

High income work fulfills the family needs easily. Musahars do get Rs. 80-100 per day. As the rate of market is rising by day, it is difficult for them to solve even the hand to mouth problem. They can not think about other necessities expect simple daily meals.

C) *Off Season is Common*

Off season in agriculture had reduced their income thus leading to economic backwardness. The month, April, September was the agriculture off season.

D) *No Livestock Rearing*

The study should that 70 percent Musahar people did not practice livestock rearing. Many people ear much from livestock keeping. They solve their problem through big business deals of lakh, but it was not found in the study area.

5.12.3 Educational Causes

A) *Illiteracy*

Education is the way towards success and beautiful life but 86 percent people were found to be illiterate in the study area. This had made them far from the opportunities.

B) *No Technical Education*

Technical education (includes house wiring, plumbing, mechanic, veterinary etc) helps to get job easily but in the study area the respondents were found lacking technical education. While interviewing them about education no one had any technical education.

C) *Lack of Awareness*

Through survey, it was also found that the respondents were not well aware about education, politics, health and sanitation. This has compelled them to make compromises like missing of opportunities and sometimes contract diseases.

5.12.4 Social Causes

A) *Caste Discrimination*

Caste discrimination is a bone for Dalit Society. It has not only discouraged their self-esteem but also has stopped them doing business like hotel, tea shop in the study area 13.33 percent people were found affected by caste discrimination.

B) *Early Marriage*

From the field survey, 48 percent respondents were found doing early marriage; however they said the scenario has changed at present. They realized that early marriage resulted in more no. of children.

5.12.5 Others

From the field survey, other causes identified were:

- Absence of V.D.C. program, especially for Musahar.
- Lack of technical and vocational trainings for them.
- No government policy on loan without collateral.

5.13 Working Organization

Different NGOs like Sanakishan, Nirdhan, Maji, Musahar, Bote kalia, sewa samati have been working in that area, to avoid the Musahar community from vicious

circle of poverty. Empowerment and awareness programmes for Musahar have been held by Indreni Fourm for Social Development (IFSD) in different time. The programmes of IFSD had mainly forward on right of landless farmer and advocacy for water right at gandak area.

5.14 How Rural Poor Live: A Scenario of the Study Area

It is the studies conducted in rural area, Triveni Susta where observed and found that people under the poverty line are living very hard miserable life. Some households are surviving on less than what is required or one half-fed, while others in the study area have been borrowing even for consumption. Most of the people do not possess their own land. Those who possess land are fragmented, vulnerable to famine or floods and difficult to cultivate. The land is used as the mortgage for borrowing money from rich people in the village. The rich people would charge interest rate of about 60 percent per month which proves vicious trap of poverty and due to that heavy burden of debt-interest they can't manage their life from their income.

Most of the Musahar people are backwardness. They were simple, torn and old clothes usually provided by the rich people. As the pictures of children of poor households can show, they wear no shoes or slippers to protect their feet, wear second hand and inadequate clothes and look sick, hungry and dirty. Most of the children especially the daughters of poor household do not go to school one important reason behind it is that their parents do not feel that education is necessary and they have not birth certificate. Besides, they send their children to the home of rich people for work, as they become 9 or 10 years old. Poor people in this area think about identifying the means of satisfying hunger the work for the same purpose.

5.15 Impact of Poverty on Rural Development

Poverty is a situation in which people or a society is unable to meet the minimum standard of living or unable to fulfill basic necessities. In the context of Nepal, the problem of absolute poverty is widely spread and discussed. A person is called poor who cannot meet the daily intake of 2250 calorie of food, health and education.

5.15.1 Unequal Distribution of Wealth

Unequal distribution of wealth is unscientific it makes rich people richer and richer day by day and poor people poorer and poorer. So poor people cannot participate in the mainstream of rural development.

5.15.2 High Population Growth

The rapidly growing rate of population is the main cause of poverty which disturbs the effective management system of rural development and it requires higher degree of national resources and infrastructures. The government should then bear high burden of expenditure for the large number difficulties for the government to manage overall public welfare and development activities in the country.

5.15.3 Agricultural and Industrial Backwardness

Rural agriculture and industry are based on indigenous technology, which is of traditional type and gives low productivity. Due to rural poverty, people can not change or improve such technology. Therefore agricultural and industrial sectors remain backward and they cannot play supportive role in rural development.

5.15.4 Unfavorable Social Environment

Natural resources are the productive sources with economic uses given by the nature. So, development of the country depends upon the utilization of natural resources. Most of the developing countries like Nepal are unable to utilize the natural resources due to poverty. Without the utilization of natural resources, it is very difficult to develop rural areas.

As poverty is a burning issue and the major problem in rural areas, leading towards the low standard of human beings. It is the challenge of the government, which cannot put significant efforts towards alleviating poverty. Wrong policies and failed implementation of policies are the major causes of rural poverty and natural calamities. Lack of awareness also leads to rural poverty. Political instability, weak policies, unskilled manpower and corruption are the major root cause of poverty and without eliminating these problems, rural development is not possible.

CHAPTER - SIX

SUMMARY, CONCLUSION AND RECOMMENDATION

6.1 Summary

Poverty is a multidimensional concept, comprising the lack of access to resources and opportunities, illiteracy, poor health and lack of sanitation, deprivation of basic rights, security and powerlessness. Poverty has become the burning problem in the country. It is more dominant in rural area than that of urban areas. But the problem of poverty is not same in all the rural area because of different socio-economic structure. It is different in different village and regions.

The study has been focused on nature of poverty and it's causes among the Musahar community of Triveni Susta V.D.C. of Nawalparasi district. Major findings of the study have been summarized as:

- The sample size of the study is 60 households with 317 populations.
- The main objectives of this study area is to analyze nature and dimension of poverty among Musahar community and to recommend appropriate solution for its alleviation.
- There is higher dependency ratio in the study area.
- There is a high disparity in the landholding in the study area. Because most of the poor households are found to be landless, agricultural labors or marginal land holders.
- Women are more illiterate and children from poor households usually are not enrolled in school.
- The mean annual per capita income of the total sampled households is 14286.30.
- The mean annual per capita expenditure of Musahar communit is NRs. 93821.17.
- The mean annual saving per head of the Musahar community is NRs 5255.03.
- The average credit per households was also calculated and was found to be NRs. 2446.
- The average family size is 5.28 people per household.

- Housing pattern is, 50 percent hut and tiled roof, 48.33 percent small huts and 1.66 percent concrete but tiled.
- Occupational status, 58.33 percent wage labor, 30.00 percent agriculture, 5 percent domestic work, 3.33 percent holy man, 1.66 percent house mechanic and 1.66 services.
- As regards the educational status of the respondents, 86 percent are illiterate, 10 percent literate and 3.33 percent educated.
- With regard to land holding pattern, 33.33 percent are landless, 11.66 percent have upto 5 Dhur, 15 percent possess 5 to 10 Dhur, 6.66 percent with upto 1 Khatha, 18.33 percent 1 to 5 khatha, 11.66 percent 5 to 10 khatha, 1.66 percent 10 to 15 khatha and 1.66 percent 15 to 20 khatha has been found.
- Agricultural production is not sufficient for fulfillment of basic needs, only 3.33 percent could fulfilled needs from agricultural production and 96.66 percent have no production to fulfill their basic needs.
- Of the total 13.33 percent have borrowed loan from Nirdhan, and 6.66 percent from Sana Kishan Cooperative, 45 percent from local person, 5 percent from Majhi Musahar Bote Kalyan Sewa samiti and 30 percent local person and Majhi Musahar, Bote Kalyan Sewa Samiti.
- As regards the causes of non-participation in development activities, 43.33 percent are due to uneducated, 30 percent have no interest, 13.33 percent were unaware, 13.33 percent due to Dalit.

6.2 Conclusion

Majority of the people in Nepal live in rural areas. Thus it can be said that poverty is one of the major characteristics of the rural area of Nepal. Majority of rural population are depend on agricultural sector, but in agricultural sector the productivity is low so the poverty exists. There are various reasons which are responsible for the increase in poverty in rural area. Some of them are low productivity in agricultural sector, lack of agricultural credit. Fertilizers and irrigation likewise, small size of land holding, backward technology, unemployment problem, large family size, low literacy rate and other basic infrastructure etc. make poverty vicious circle.

In the study are most of the people have been found illiterate. Most of the people are employment because they don't have vocational training and they have no capital and skill to do some jobs other than agricultural one. In the study area a significantly large proportion of rural population has remained under employed and their, basic minimum needs of life like food, shelter, clothing, education, healthcare etc. remain unfulfilled. In the study area the existing distribution of income is highly unequal and this inequality helps to raise poverty.

From the field observation, it is also seen that most of the poor are living in hut and tiled roof house and they have large family size. Most of the people are landless. The poor family is suffering from hunger and malnutrition and their slender body and wrinkled face show the vivid picture of poverty. Most of the poor families are suffering from indebtedness. They have taken loans from the local rich people with high rate of interest (nearly 60% interest per year).

Most of the children, especially the daughters of Musahar household do not go to schools. The main reason is that they do not have birth certificate and their parents do not feel that education is necessary. The young male people go to Dehli, Bomby, Panjab in India for employment. So the women and children have to work very hard to fulfill their daily necessities. The people who goes to other areas or countries to earn money get only manual labor job as they have no skill. As a result, they can not save much money. On the other hand, those households bear the burden of loans, so their family can not use this money for daily consumption purpose and their living standard never changes for the better.

6.3 Recommendations

From the field survey vicious circle of poverty has been found in the study area. To empower and alleviate the poverty in Musahar community following recommended has been included:

- In the study area most of Musahar households are landless. They should be provided with land for cultivation and house to live.
- Traditional feste and festivals of Musahar community seems to be unnecessary expensive, so the unproductive expensive habit should be minimized by providing awareness.

- The main cause of the economic and cultural poverty in Musahar community of the area has been found to be alcoholism and smoking. So, such habit should be minimized.
- There is scarcity of safe drinking water so such facilities should be set up.
- Compulsory primary school for the children seems to be highly essential.
- Wage rate should be revised some norms should be established and followed for optimal wage rate. Wage rate should be made equal between male and female for same types of works.
- Although most of the Musahar of the study area have been engaged on agriculture labor which is seasonal. So for the reduction of unemployment problem establishment of service and production industries like animal husbandry, Tailoring, cottage industries, valimills, paper industry, candle industry etc. should be priorities.
- There is excess labor force engaged in agriculture sector. It should be transformed into other productive sectors. Agro-based industries are to be established.
- Integrated farming (mixed cropping patten) seems to be effective to increase production per unit land with small size in the study area.
- Credits and loans at low interest rate without land certificate (HDITO) should be provided to Musahar community by Banks and other financial institutions.
- To increase enrollment of school age children in school and to control the dropout compulsory education program should be launched.
- Electricity, transportation and communication facilities should be expanded in the study area because these facilities can develop the market for local production and these facilities can also help t establish the cottage industries which can raise the living standard of the poor.
- Similarly, the status of women in the study area is worsening due to the illiteracy and unemployment so non formal education and vocational training must be provided to uplift their condition.

- Women should be given priority in every program.
- Health, education and safe drinking water, safe awareness program should be given to poor people.
- "small family Happy Family" awareness and adoption of family planning device among the mass of rural population should be implemented because poverty problem is highly correlated with large family size.
- Small scale cottage industries using, valli mills, biscuits industries, paper industries, sugar mills should be established in Triveni Susta V.D.C., with financial help of the government as well as the banks.
- Co-operative programme to fight with poverty should be implemented by the collaboration of stakeholders.
- Local Dalit NGOs and other social organization should work against the caste discrimination by raising the voice of Musahar.
- They have been inhabited near the forest of SAL and Bamboo. So the training for making *TAPARI* (leaf plate) and Bamboo articles and their marketing seems to be proper measure to reduce the poverty.
- Pilgrimage tourism in Trivenidham seems to have high potentialities. So community based religious tourism development and promotion project should be lunched.
- Effective programmes must be implemented by the government and NGOs sector.
- Public-participation programme must be lunched for poverty alleviation.
- Local resources should be utilized as much as practicable in the programmes.

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Number

Number

4. Socio-cultural status

4.1 When become ill with whom do you consult?

- a) Hospital
- b) DHAMIJHAKARI
- c) Sub-health post
- d) Indigenous curer
- e) Others

4.2 What are your main festivals ?

- a) Dasai
- b) Tihar
- c) Holi
- d) Chat
- e) Others

4.3 You or your family drink wine on festival?

- a) Yes
- b) No

4.4 What is the main occupation of your family?

- a) Agriculture
- b) Wage labor
- c) Service
- d) Others

5. Environmental health

5.1 House structure

- a) Small huts
- b) Hut and tiled roof
- c) Concrete but tiled
- d) Cemented

5.2 Do you have your own source of drinking water?

- a) Yes
- b) No

If yes what is that?

- a) Well
- b) Handpipe
- c) Tap
- d) River

If No from where do you get water?

- a) Public well
- b) Public handpipe
- c) Neighbor house
- d) River

5.3 Do you have Toilet?

- a) Yes
- b) No

If No where do you go?

- a) Roads
- b) River
- c) Khet
- d) Others

5.4 What kind of fuel is most often used by your household for cooking?

- a) Firewood
- b) Kerosene

Appendix - 2
Income and Expenditure Analysis

HHs	Family Size	Annual Income	Annual Expenditure	Annual Compulsory Saving	Sub-Total Saving	Total Credit
1	11	69300	60100	240	9440	2000
2	5	51000	22200	240	29040	—
3	3	54000	21900	240	32100	—
4	7	73800	46750	240	27290	1000
5	4	72000	24200	240	48040	1000
6	7	51200	47100	240	4340	500
7	6	63475	31800	240	31915	500
8	3	48000	42250	240	5990	500
9	8	116425	66100	240	50565	500
10	2	65825	64800	240	1265	500
11	4	54000	33200	240	21040	500
12	5	105050	56600	240	48690	500
13	9	189000	77800	240	111440	3000
14	6	101950	46850	240	55340	500
15	6	64800	24300	240	40740	—
16	8	110875	70800	240	40315	—
17	7	123285	81500	240	42025	1000
18	8	97800	63400	240	34640	6000
19	5	72600	47800	240	25040	—
20	5	72000	50700	240	21540	5000
21	5	72430	61120	240	11550	1200
22	6	57187.5	53210	240	4217.5	2500
23	4	50500	32000	240	18740	500
24	5	92220	41360	240	51100	1800
25	7	131300	61360	—	69940	2000
26	4	57000	56100	—	900	—

27	4	85000	67100	—	17900	—
28	4	36180	28880	—	7300	—
29	6	84200	64000	—	20200	5000
30	6	75600	43260	—	32340	10000
31	8	138645	73150	—	65495	
32	6	47800	43880	—	3920	8000
33	8	102000	72920	—	29080	12000
34	10	120000	70600	—	49400	10000
35	1	28800	21600	—	7200	
36	6	60000	52900	—	7100	
37	6	64800	52900	—	11900	12000
38	6	83200	62970	—	20230	9600
39	2	36000	35050	240	950	1500
40	1	36000	21300	—	14700	—
41	3	120000	44900	240	75340	500
42	5	54000	54000	240	240	2000
43	4	36000	339000	240	2340	2000
44	4	36000	30960	240	5280	—
45	2	45000	21200	—	2300	—
46	7	107040	63100	240	44180	5000
47	5	54000	34400	240	19840	1500
48	1	36000	18460	—	17540	160
49	5	73180	52100	240	21320	3000
50	3	66000	34700	240	31540	—
51	5	36000	32600	—	3400	—
52	5	90000	46780	—	43220	—
53	4	84000	56700	—	27300	11500
54	2	72000	35520	—	36480	1500
55	5	45000	41460	—	3540	1500
56	9	141900	82000	240	60140	8000
57	6	72000	51460	240	20780	3000
58	8	124070	87800	240	36510	8000
59	4	109920	76300	240	338.6	—
60	6	114000	80000	240	34240	—

	317	45287575	2974150	9360	1665847.5	146760
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Here,

Family size

$$\bar{X} = \frac{\sum X}{N}$$

Where,

\bar{X} = Mean

X = Value of Item

ΣX = Summation of values

Σ = Summation

N = Number of terms

Annual Size

$$\bar{X} = \frac{\sum X}{N}$$

$$= \frac{2974150}{317}$$

= 9382.17 per capita expenses

Family Size

Solution

$$\bar{X} = \frac{\sum X}{N}$$

$$\bar{X} = \frac{317}{60}$$

= 5.28 person per household

Sub Total Annual Saving

$$\bar{X} = \frac{\sum X}{N}$$

$$\bar{X} = \frac{1665847.50}{60}$$

= 22764.125 per household

Annual Income

$$\bar{X} = \frac{\sum X}{N}$$

$$\bar{X} = \frac{4528757.50}{317}$$

= 14286.30 per capita income

Credit

$$\bar{X} = \frac{\sum X}{N}$$

$$\bar{X} = \frac{146760}{60}$$

= 2446 per HHs.