# POVERTY IN RURAL NEPAL: A CASE STUDY OF MANPUR VDC, DANG DISTRICT IN NEPAL

#### **A Thesis**

Submitted to Central Department of Rural Development
Faculty of Humanities and Social Science in Partial
Fulfillment of the Requirement for the Degree of
Master of Arts in Rural Development

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### **RECOMMENDATION LETTER**

This is to certify that Mr. Sanjaya Sharma has worked under my supervision and guidance for the preparation of this thesis "Poverty in Rural Nepal: A Case Study of Manpur VDC, Dang District". For the partial fulfilment of Master's Degree of Arts in Rural Development. The study is in acceptable format has prescribed and embodies original characteristics. It carries useful information in the field child labour domestic areas; I therefore, recommend it for the evaluation by the research committee for acceptance.

Associate Prof. Dr. Keshab Raj Khadka (Supervision)

## **APPROVAL SHEET**

This thesis "Poverty in Rural Nepal: A Case Study of Manpur VDC, Dang District", by Mr. Sanjaya Sharma has been accepted as partial fulfillment of the requirement for the Degree of Master of Arts in Rural Development.

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Sanjaya Sharma December, 2006

#### **ABSTRACT**

Nepal is a least developed country in the world. It has a rural economy based on agriculture and characterised by scarce and underdeveloped resources increasing inequality, illiteracy underdevelopment and increasing poverty.

Poverty is the cause of conflicts, caste, ethnicity and gender discrimination. The present study has focused the poverty in Rural Nepal of Manpur VDC, Dang district. It also explains the absolute, relative and total poverty, identify the extent of poverty and incident of poverty in the study area.

The study has been conducted in 3 ward of the Manpur VDC. The respondents were selected 70 household from ward 1, 2 and 3 on the basis of purposive sampling.

In the study area the people of the household have the income Rs. 15.8 per capita per day this considered as absolute poverty which was calculated from local prices of the cereal, pulse and other non-food item according to NPC and for the relative poverty is the people of the household who have income below Rs. 21 is considered as relative poverty calculated from wolf point. In the sample population male are 49.18 percent and female are 50.82 percent. In caste wise distribution of the households, Brahmin are 16.58 percent, Chhetri 17.89 percent, Tharu 33.16 percent, Dalit 15.79 percent, other 16.58 percent shown. The educated status of the sampled population 37.37 percent are illiterate and 62.63 percent are literate and in them only 23.95 percent population are upto 10 class. The extent of poverty shows the value of Gini-coefficient of sampled household is 0.31. The value of Gini-coefficient of Brahmin is 0.19, Tharu is 0.2, Dalit (Kami, Damai, Sarki) is 0.21 and the value of women is 0.23. Thus to find

out the value of area of concentration or extent of inequality, from the sampled household total poor are 58.57 percent, and non poor 41.43 percent.

In the study area the majority of economically active population are engaged in agriculture sector, but they have low productivity, lack of agriculture credit, fertilizers and irrigation, small size of land holding, backward technology, lack of market facilities and minimum basic infrastructure etc. which make them poor.

The problem of poverty is different from country and even from region to region. The provision of irrigation should be spread. Improved agriculture technology, live stock development, vegetable cultivation poultry farming, compulsory and free education should be instituted for children. Most labour forced engaged in agricultural sector should be transformed to other more productive sectors and agro based industry should be established.

# **CONTENTS**

Reco	ommendations	
App	roval Letter	
Ackı	nowledgements	
Con	tents	
List	of Tables	
List	of Figures	
Abb	reviation	
Abst	tract	
		Page
CHA	APTER – I : INTRODUCTION	1-9
1.1	Background of the Study	1
1.2	Statement of the Problem	6
1.3	Objectives of the Study	7
1.4	Significance of the Study	7
1.5	Rationale of the Study	7
1.6	Limitation of the Study	8
1.7	Organization of the Study	9
CHA	APTER – II : REVIEW OF LITERATURE	10-26
2.1	Some Common Measures and Indicators of Poverty	10
	2.1.1 Head Count Index	21
	2.1.2 Sen's Index	21
	2.1.3 Index for the Selection of Poor in Nepal	21
CHA	APTER – III : RESEARCH METHODOLOGY	27-36
3.1	Study Site Description and Rationale for the Selection	of the
	Study Site	27
3.2	Research Design	27
3.3	Method of Data Collection	27

3.4	Source	of Data	28
3.5	Data Processing		28
3.6	Total H	Iousehold and Sample	29
3.7	Method	l and Tools Used for Data Analysis	29
	3.7.1	Computation of Total Poverty Line	29
	3.7.2	Derivation of Relative Poverty Line	30
	3.7.3	Absolute Poverty Line	30
	3.7.4	Estimation of Non-Poor	31
3.8	Compu	tation of Magnitude or Intensity of Poverty	31
	3.8.1	Sen's Poverty Index with Considering Inequality	31
	3.8.2	Sen's Poverty Index Without	31
3.9	Calcula	ation of the Extent of Income Inequality and the	
	Distrib	ution of Income	32
	3.9.1	Gini-Coefficient	32
	3.8.2	Lorenz Curve	33
	3.9.3	Mean Deviation	33
	3.9.4	Variance	33
	3.9.5	Coefficient of Variation	34
	3.9.6	Range	34
	3.9.7	Correlation	35
3.10	Definiti	ion of Concept of Variables	35
	3.10.1	Households Head	35
	3.10.2	Total Income of a Households	36
	3.10.3	Total Consumption of a Household	36
	3.10.4	Literate/Illiterate/Educated	36
	3.10.5	Active Working Age Group Population	36

CHAPTER – IV : POVERTY SITUATION IN THE STUDY	
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ARE	$\mathbf{A}$	37-46
4.1	Estimation of the Poverty Line and the Poor	37
	4.1.1 Absolute Poverty Line and Absolute Poor	37
4.2	Relative Poverty Line and Relative Poor	40
4.3	Total Poverty Line and the Total Poor	42
4.4	Total Poverty Line and Total Poor in Different Studies	43
4.5	Mean Income Among the Absolute Poor Relative Poor, and	
	Non-Poor Household	44
4.6	Relative Poor and Ethnic Groups	45
4.7	Total Poor and Ethnic Groups	45
СНА	PTER – V: ANALYSIS OF SURVEY DATA	47-55
5.1	Households and Population by Ward and Sex	47
5.2	Ward Wise Distribution of Sampled Household and Population	48
5.3	Distribution of Sampled Household by Caste/Ethnic Group	48
5.4	Educational Status of Sampled Population	49
5.5	Sampled Population Distribution by Age and Sex	50
5.6	Distribution of Sampled Households by Family Size	51
5.7	Distribution of Sampled HHs According of the Main	
	Occupation	51
5.8	Source of Income	52
5.9	Distribution of Sampled Households According to the Size of	
	Landholding	53
5.10	Housing Structure	54
СНА	PTER – VI: INCOME DISTRIBUTION IN THE STUDY	
ARE	$\mathbf{A}$	56-65
6.1	Income Distribution Among Sampled Households	56
6.2	Income Distribution of Ethnic Groups in the Study Area	59

6.2.1 Income Distribution of Brahmin/Chhetri	59
6.2.2 Income Distribution of Tribal People (Tharu)	60
6.2.3 Income Distribution of Dalit (Kami Dami Sharki)	62
6.2.4 Income Distribution of Women	63
CHAPTER – VII: NATURE OF POVERTY IN THE STUDY	
AREA	66-71
7.1 Main Occupation and Mean Income of the Poor Households	67
7.2 Size of Landholding and the Poor	68
7.3 Family Size the Poor and Income Level	69
7.4 Educational Status and the Poor	69
7.5 Ethnic Group and the Poor	70
CHAPTER – VIII: SUMMARY, MAJOR FINDINGS,	
CONCLUSION AND RECOMMENDATIONS	72-
9.1 Summary	72
9.2 Major Findings	72
9.3 Conclusions	74
9.4 Recommendations	75
BIBLIOGRAPHY	
QUESTIONNAIRE	

**APPENDIXES** 

## LIST OF TABLES

		Page
Table 4.1	Absolute Poverty Lines in Different Studies	39
Table 4.2	Distribution of Sample Households by Size	40
Table 4.3	Relative Poor in Different Studies	41
Table 4.4	Absolute, Relative, Total and Non Poor in the Manpur	
	VDC	42
Table 4.5	Total Poverty Line and Total Poor in Different Studies	43
Table 4.6	Distribution Mean Income Among the Absolute,	
	Relative and Non-Poor	44
Table 4.7	Relative Poor Household and Population of Ethnic	
	Group	45
Table 4.8	Total Poverty Line and Total Poor of Ethnic Group	46
Table 4.9	Total Poverty and Non Poor Percent in Different Cast of	
	the Sample Households	46
Table 5.1	Household and Population by Ward and Sex	47
Table 5.2	Ward Wise Distribution of Sampled Households and	
	Population	48
Table 5.3	Distribution of Sampled Household by Castes/Ethnic	
	Group	49
Table 5.4	Educational Status of Sampled Population	50
Table 5.5	The Sampled Population Distribution by Age and Sex	50
Table 5.6	Distribution of Sampled Households by Family Size	51
Table 5.7	Distribution of Sampled Households According to Main	
	Occupation	52
Table 5.8	Source of Income	53
Table 5.9	Distribution of Landholding Among the Sampled	
	Households	54
Table 5.10	Housing Structure	55

Table 6.1	Income Distribution Among Sampled Households Per	
	Capita Daily Income by Decile Group	57
Table 6.2	Income Distribution of Brahmin/Chhetri	59
Table 6.3	Income Distribution of Tribal People (Tharu)	61
Table 6.4	Income Distribution of Dalit (Kami, Damai, Sharki)	62
Table 6.5	Income Distribution of Women	64
Table 7.1	Main Occupation and Mean Income of the Poor	
	Household	67
Table 7.2	Distribution of Poor by Size of Landholding and Per	
	Capital	68
Table 7.3	Distribution of Households Size and Income Level of	
	the Poor	69
Table 7.4	Education Status and the Poor	70
Table 7.5	Distribution of Poor by Ethnic Group and their Daily	
	Per Capita Mean Income	71

## LIST OF FIGURES

Fig. 4.1	Absolute, Relative, Total and Non-Poor in the Manpur	
	VDC	43
Fig. 6.1	Income of Sampled Households	58
Fig. 6.2	Income Distribution of Brahman/Chhetri	60
Fig. 6.3	Income Distribution of Tribal People (Tharu)	61
Fig. 6.4	Income Distribution of Daility (Kami, Damai, Sharki)	63
Fig. 6.5	Income Distribution of Women	64

#### ABBREVIATION/ACRONYMS

ADB : Asian Development Bank

AIDS : Acquired Immune Deficiency Syndrome

CBS : Central Bureau of Statistics

DDC : District Development Committee

FOA : Food Agricultural Organization

GC : Gini-Coefficient

GDP : Gross Domestic Product

HDI : Human Development Index

HDR : Human Development Report

IMF : International Monetary Fund

MD : Mean Deviation

MOF : Ministry of Finance

NGO : Non Government Organization

NHDR : Nepal Human Development Report

NLSS : Nepal Living Standard Survey

NPC : Nepal Planning Commission

PAF : Poverty Alleviation Fund

TU : Tribhuvan University

UN : United Nations

UNDP : United Nations Development Programme

VDC : village Development Committee

WB : World Development Bank

WDR : World Development Report

WTO : World Tread Organization