

SOCIO-ECONOMIC DISPARITIES IN INDIA

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Abstract: The poverty ratio for SC in rural area in eastern states like Bihar, Orissa and West Bengal is comparatively high as compared to northern states like Haryana, Punjab and Himachal Pradesh. Since it is highest in Bihar and lowest in Punjab, it suggests that the level of economic advancement of states has a direct bearing on the poverty ratio of SCs. The poverty ratio has changed since the mid of sixth five year plan to the mid of ninth five year plan when it came down from 80 to 60 in Bihar and from 36 to 19 in Haryana. It shows the impact of a higher rate of economic development in India after the policy of new economic reforms. It can also be observed that household size and poverty rate are inter-related. Therefore, a lower household size can be recommended for reduction of poverty amongst SCs. On the other hand, literacy rate and poverty rate are inversely related. Hence, any effort to educate SC population will help in the reduction of poverty in scheduled castes. The occupational distribution and poverty among SC have also direct bearing.

Key Words: Poverty in India; Black Income; Growth, Distribution and Poverty; Average Land Holding in India; Age Group, Household Size and Poverty.

INTRODUCTION

The present research paper is divided into Five parts including introduction and conclusions. The paper explains about the socio-economic situations and disparities in India between various social groups. Part one deals with introduction and part II explains the socio-economic conditions of various groups in India in details. Part III explains about the extent of poverty in India along with its relation with Black income and growth and distribution. Part IV of this paper deals with the land holding and land cultivation by various social groups and their state of poverty. Part V brings about some of the conclusions of the study. The research study is based on the secondary data and the objective of the study is to analyze the relations of economic condition of various social groups with factors like social status, black income, land holding, etc.

SOCIO-ECONOMIC CONDITION

Most of the scheduled caste people are poor. They do not have proper representation in occupation. Almost

0.5 percent of the SCs in Delhi sample were in the highest technical and professional jobs. At all India level, around three fourth of the SC and STs were engaged in primary occupation (i.e., fishing, farm etc.). In Delhi, the SCs were concentrated in the lower jobs, even in case of reserved jobs. This shows that most of the SCs are either poor or near poor (Deshpande 2001).

Deshpande (2001) reveal that despite of high growth rate in rich states like Haryana, there is a high rate of disparity between social groups. This result has been approved in the present study also since the scheduled castes population is poorer in the field of education, income, better jobs, land ownership, medical facilities, accommodation and other household gadgets which determine the standard of living of people.

Pathak (2002) presented in his study, the processes through which Special Component Plan has been functioning in Uttar Pradesh. He observed that there are a number of obstacles in the actual implementation of this plan and consequently, scheduled castes are not much benefitted. Pai (2002) also considered the emergence of

Bahujan Samaj Party (BSP) as the most significant development in the political and social landscape of Uttar Pradesh. She examined the emergence ideology, strategies and programs of this party for the welfare of dalit community of this state.

Louis (2003) has tried to examine the socio-economic profile of dalits in India. In his observation he has said that there is no marked improvement in the social condition of scheduled castes even after five decades of reservation policy. Almost 80 percent of the scheduled castes population lives in rural areas and most of them are dependent on agriculture. However, more of them are agricultural laborers as compared to actual owners or cultivators of land. The slow growth rate of agriculture in India causes slower trickle down. The share of scheduled castes among those who are below poverty line in rural India is disproportionately higher than their share in population in almost all the states including Haryana. It is strange that Punjab and Haryana which are highly developed states in agriculture, scheduled castes constitutes 79 percent and 55 percent of the rural population respectively in these states. Therefore, the poverty prevails among SCs more rampantly even after more than 50 years of independence of India.

Louis (2003 a) in his book further said that the institutional form of discrimination and deprivation reduced the dalits and the downtrodden to a state of lesser being. Illiteracy, poverty, mal-nutrition and ill health have reduced them to resource less and powerless people. In the villages of Vadodara district of Gujarat state, 8.2 percent of the total surveyed households escaped from poverty while 5.0 percent fell into poverty. Therefore, net reduction in poverty was 3.2 percent. And in case of Panchmahal district that was comparably a backward district, 10.8 percent of households escaped from poverty and 10.7 percent other households fell into poverty and the net reduction in poverty was 0.1 percent.

Krishna *et al.* (2003) gave three reasons for households falling into poverty-

1. Ill health and health related heavy expenditure.
2. Large customary expenses on marriages and death feasts.

3. High interest private consumption credit. The rate of interest, particularly for SC, ST & OBC may be as high as 5 -7 per month (Krishna *et al.* 2003).

A higher percentage of SCs (15.5 %) have escaped poverty during the period of 25 years and 1.2 % of other SC households fell into poverty. And as a result net reduction in poverty among SC is 14.4 percent. In case of general castes, 7.3 percent of households escaped poverty, 8.2 percent fell into poverty and therefore, net reduction was in negative that is, -0.9 percent (Krishna *et al.* 2003).

Saxena (2004) examined the impact of new economic policy on scheduled castes. He observed that the process of gaining education, economic diversification and empowerment through participation in political processes and government jobs has inevitably led to the formation of an elite class among the scheduled castes. Bhuimali *et al.* (2004) also concluded that scheduled castes in India are far behind the rest of the population in respect of literacy and educational development. The enrolment rates among scheduled caste students are low. The employment for scheduled castes in government services and public sector undertakings is not in line with their percentage in total population. Mishra (2005) in his study concluded that the extent of poverty is very high among backward communities in the rural areas of Assam. In another study, Thorat *et al.* (2005) show, when taken as a single social group, scheduled castes constitute the largest group accounting for 17 percent of the total population. They have been discriminated in economic fields like, occupations and employment. The caste-based exclusion is institutionalized and systematic in nature. Therefore, the scheduled caste people failed to get access to education, civil rights, and resources and even to political participation.

Karade (2009) in his study on the mobility among scheduled castes focused on the factors related to occupational mobility in the society. It was observed that a number of people belonging to scheduled castes community left their traditional occupation and took responsibility of new jobs or positions due to the reservation policy. He also made a systematic attempt to establish a positive correlation between education and occupational mobility.

RELATIVE STATE OF POVERTY IN INDIA

When percentage of below poverty line population of scheduled castes in Haryana is compared to other states, then in rural areas, Andhra Pradesh, Gujarat, Himachal Pradesh, Jammu & Kashmir, Kerala and Punjab are in better position since their percentage is less than 26.8, which is for the state of Haryana. In urban areas, the percentage of below poverty line population for scheduled castes in Haryana is 33.4 while it is less in Assam, Gujarat, Himachal Pradesh, Jammu & Kashmir, Kerala and Punjab. It means that the position of scheduled castes in Haryana is better than Bihar, Chhattisgarh, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Rajasthan, Tamilnadu, Uttar Pradesh, Uttarakhand and West Bengal in both rural and urban areas in the year 2004-05.

Black Income and Poverty

Black incomes are defined as factor incomes, property incomes which should be reported to the direct tax authorities but are not (Kumar 2002). The black economy is shown to result in policy failure at both the macro and micro levels. It lowers the rate of investment and raises the savings propensity so that the multiplier falls and the growth rate of the economy falls below its potential (Kumar 2005). Finally, the correct extent of population below the poverty line cannot be estimated without taking the black economy into account, as the actual level of consumption is affected by the black economy.

The bulk of black incomes accrue to the rich class. It is highly unevenly distributed in the favour of the rich. A large part of it is spent on luxury consumptions like wedding, parties etc., which distorts production. In today's life, all social and economic spheres of human life have been affected by politics. Political corruption has grown enormously. It has been widespread and common everywhere. Some studies have been conducted in India to analyze the inter-linkages between black economy and macro variables (Kumar 2002).

According to Kumar (1999) the black economy in India has grown from four percent of GDP during 1955-56 to 40 percent during 1995-96. With the advent of New

Economic Policy in India in 1991, the magnitude of black economy has continued to grow. It has resulted in the shortage of budgetary resources for economic development of the country which has increased social tensions, environmental degradation and crime in society. As a result, employment generation and poverty reduction has been negatively affected (Kumar 2002).

Black economy reduces the government revenue due to tax evasion. So, the government is left with less revenue to implement the policies of public welfare. The black economy is linked to corruption in a country. When government officials are corrupt, public policies cannot be implemented in a proper way to get the desired fruits (Kumar 1999). Further, public expenditure is misappropriated and that again reduces the productivity and efficiency of policies. Therefore, the growing black economy in India is a major cause of policy failure (Kumar 2002). Hence, the government policies for the uplift of scheduled castes are not giving good dividends in India.

Kumar (2013) has also observed that the size of black money implies a deterioration in the services available. Therefore, a given real income means a lowering of actual standard, say, in health, sanitation and education. Moreover, poor people get inferior quality products which results in greater disease and malnourishment.

Growth, Distribution and Poverty

Kumar (2013) defined poverty in terms of a changing poverty line, since the minimum necessary consumption changes over time. An individual whose income or expenditure is less than this level is taken to be poor. Indian economy has experienced a significant growth rate which has also encouraged rapid commercialization in society. According to Kumar (2013) poverty is made harsher by rapid commercialization. Free goods of nature that were available earlier, especially in rural India, to the poor are disappearing so that an income is needed to acquire these items that were earlier available for free. Thus, growth and development of the economy may have little favorable effect on the reduction of poverty in India in general.

It is not only the focus on economic growth but also the adoption of an active policy of income distribution

which can help the reduction of poverty among scheduled castes. However, there is a trade-off between the two. If more rapid reduction in poverty is achieved through a reduction in inequality, then distribution policy takes on a greater priority. On the other hand, if greater levels of inequality appear to secure rapid growth leading to faster poverty reduction, then there may be greater tolerance of distributional inequalities. Hence, the relationship between growth and inequality are important from a policy prospective. (Bigsten *et al.* 2000).

AVERAGE LAND HOLDING IN INDIA

The most striking feature of average size of holding for scheduled castes for all the sizes is that on the average the holding is only 0.85 hectare per thousand population living in per thousand hectare of area. This average size of land holding for scheduled castes is much less than the overall average area per holding which is 1.41 hectare in the year 1995-96 and 1.16 hectare in 2010-11 as reflected in the table 1.

Table 1
All India Average Land Holding Since 1970-71

<i>year</i>	<i>No. of holding (in millions)</i>	<i>Area operated (in million hectare)</i>	<i>Average holding (in hectare)</i>
1970-71	71.0	162.1	2.28
1976-77	81.6	163.3	2.00
1980-81	88.9	163.8	1.84
1985-86	97.2	164.6	1.69
1990-91	106.6	165.5	1.55
1995-96	115.6	163.4	1.41
2001-02	119.94	159.43	1.33
2005-06	129.22	158.33	1.23
2010-11	137.77	159.19	1.16

Source: www.nabard.org

The number of holdings is continuously on the increase while the area under operation is almost stagnant. Consequently, average area per holding is on the decline. However, the average area per holding for scheduled castes in the seventh round (2001-02) of agriculture survey is less than the total average area per holding even when compared to the sixth round (1995-96) of agriculture survey in India.

Another significant feature of the sixth round is that out of 115.6 million holdings, 71.12 million holdings, which comes to be 61.58 percent of the total holdings belong to marginal farmers who have less than one hectare of land and the average area per holding comes to be 0.40 hectare, while the percentage of area operated is 17.2. On the other hand, small farmers have 18.73 percentage of holding with 18.81 percentage of operated area with average holding of 1.42 hectare. Semi-medium and medium farmers have 18.58 percent of holding with 49.19 percent of operational area while large farmers have only 1.21 percent of holdings with 14.79 percent of operated area. It means that the overall position of small and marginal farmers in India is miserable and of them also, the situation of scheduled castes is worst. Hence, it can be concluded that average holding of scheduled castes in India is less than even one hectare which is quiet non-economical. Hence, it can be observed that scheduled castes population is poor in India because of low average size of land holding. Therefore, it is recommended that there is need of redistribution of land in favour of scheduled castes if we have to uplift them socially and economically in India.

The average size of land holding for scheduled castes and other castes is not much different in different sizes of land holdings. The marginal farmers for scheduled castes and other castes have almost the same average size of land holdings. This is true for small farmers, semi-medium farmers, medium farmers and even large farmers as shown in the table 2.

Although, there is not much of a difference as far as the average size of land holdings for scheduled castes and other castes are concerned yet, it is significant to note that big scheduled caste land holders have almost the same average as other castes have. The difference between the average size of land holdings between big scheduled caste farmers and marginal farmers is so high that while marginal farmers have only one-third of average holding, the big scheduled caste farmers have more than sixteen hectare as the average size of land holding. It means the benefits of economic planning have been taken by those scheduled caste farmers which are already in a better economic condition while the marginal farmers and small farmers belonging to scheduled castes have been ignored by the planners.

Table 2
Average Size of Land Holding by Social Groups

Serial No.	Size of Holding	Scheduled Castes			Others		
		1980-81	1985-86	1990-91	1980-81	1985-86	1990-91
1	Marginal	0.36	0.35	0.35	0.39	0.39	0.39
2	Small	1.41	1.41	1.41	1.45	1.44	1.44
3	Semi-medium	2.71	2.70	2.70	2.79	2.77	2.77
4	medium	5.84	5.78	5.77	6.03	5.97	5.92
5	large	16.44	16.24	16.70	15.65	17.43	17.57
6	All	1.15	1.05	0.98	1.88	1.74	1.59

Source: Agriculture Census 1980-81, 1985-86 and 1990-91, Government of India, New Delhi.

Land holdings with scheduled castes when compared to others also reflect this fact that the percentage distribution of landholdings with scheduled castes is very

low as compared to others so far as medium and large holdings are concerned. Various studies of agricultural census in India as given in table 5.14.

Table 3
Percentage Distribution of Land by Land holding Size

Serial No.	Size of Holding	Scheduled Castes			Others		
		1980-81	1985-86	1990-91	1980-81	1985-86	1990-91
1	Marginal	68.9	70.7	72.2	56.2	57.5	59.1
2	Small	16.3	16.0	15.9	11.9	18.3	18.8
3	Semi-medium	9.5	8.8	8.1	9.3	8.4	7.3
4	medium	4.4	3.8	3.2	9.3	8.4	7.3
5	large	0.9	0.7	0.6	2.6	2.1	1.6
6	All	100.0	100.0	100.0	100.0	100.0	100.0

Source: Agriculture Census 1980-81, 1985-86 and 1990-91, Government of India, New Delhi.

Table 3 reveals that the per cent land holdings for marginal and small farmers, both for scheduled castes and others is on the increase. However, the marginal scheduled castes farmers are more than the percentage of marginal farmers belonging to other classes. Since, marginal farmers have land from 0-1 hectare; it means that the position of scheduled castes marginal farmers is continuously deteriorating, so far as the size of land holding is concerned. The percentage of scheduled caste small farmers when compared to other small farmers are low at 15.9 percent as compared to 18.8 percent. Moreover the percentage for small farmers belonging to scheduled castes decline from 16.3 percent to 15.9

percent. While the percentage of land holding with other castes increased from 11.9 percent to 18.8 percent. it also shows that even small farmers belonging to other castes are better than scheduled castes small farmers. The semi-medium and medium size of land holding for scheduled castes is also on the decline from 9.5 percent to 8.1 percent and 4.4 percent to 3.2 percent respectively. Although, the percentage for other castes also declined for the same period yet, the percentage for other castes is higher both for semi-medium and medium size of land holding. For scheduled castes, the percentage of semi-medium size holder is 8.1 as compared to 13.1 for other castes. Similarly, the percentage distribution of land holding for

medium size with scheduled caste farmers is 3.2 percent only as compared to 7.3 percent for other castes. It is due to their better economic conditions. Moreover, others not only retain but also purchase more land while scheduled caste farmers were compelled to sell their land due to poverty.

NSSO after its 49th round changed the system of collecting data for land possession by scheduled castes and other castes by including OBC category also. Moreover, the size of land holding for marginal farmers was divided into three categories while the category of medium and large farmers were included in one category in which the average size of land holding was 4 hectare or more. NSSO in its 50th, 55th and 61st round provided

the possession of land for SC, OBCs and others in the following table 15.

Majority of SCs hold less than half hectare of land and the trend in this respect is to increase while for OBCs the trend is on the decline and for others it is also on the increase. In 2004-05, 72.2 percent of SCs held less than 0.5 hectare of land while for others it is 50.5 percent and that of OBCs is 36.4 percent. However, there is a big difference so far as the percentage of farmers holding 4 hectare of land in both the cases. In case of SCs only one percent of the farmers hold 4 hectare or more of the land while for other castes 5.7 percent of the farmers hold more than four hectare of land in the year 2004-05 as shown by the 61st round survey of NSSO in India.

Table 4
Land possession for SC and others (in per cent)

Size in (hectare)	SC				OBC*		OTHERS			
	1987-88	1993-94	1999-2000	2004-2005	1999-2000	2004-2005	1987-88*	1993-94*	1999-2000	2004-2005
0.0-0.09	20.4	18.1	10.0	2.7	6.5	1.6	12.5	11.2	5.8	2.0
0.1-0.40	49.6	53.6	65.0	72.2	50.0	36.4	34.4	37.9	46.3	50.5
0.41-1.00	15.4	14.9	14.6	14.7	20.2	19.5	18.4	19.5	19.1	18.5
1.01-2.00	8.6	8.0	6.5	6.7	2.0	12.8	15.5	15.1	12.8	13.4
2.01-4.00	4.0	3.9	2.8	2.7	7.5	7.6	10.8	9.9	9.3	9.9
4.01 and above	1.9	1.5	1.1	1.0	3.8	4.0	8.4	6.4	6.7	5.7

Source: Employment/ Unemployment situation among social groups in India, 43rd, 50th, 55th and 61st round survey NSSO.

OBC* Separate data for OBC is not available before 1999-2000.

Others 1987-88*, 1993-94* (i.e. including OBC), others for 1999-2000 and 2004-2005 (i.e. population excluding SC, ST and OBC)

The percentage of SCs holding four hectare or more of land is on decline. While, the percentage of OBCs and Others is comparatively high. In 1980-81 only 0.9 percent scheduled caste farmers had large size of holding which comes to be 10 hectare or more. This percentage declined to 0.6 percent in 1990-91. Moreover, it is less than the large size land holders belonging to other groups. On the basis of all these statistics, it can be observed that marginal and small farmers belonging to scheduled caste category constitute 88.1 percent of all the scheduled castes farmers who are land owner. The rich farmers which may be included in large size of holding are only 0.6 percent. It is due to this unfavorable distribution of land holding which is primarily responsible for poor socio-economic conditions of the farmers and hence

indicates a need of redistribution of land holding in favour of scheduled castes.

It is not only land possession but also land cultivation which needs special attention for scheduled castes and others. Land cultivation for marginal scheduled caste farmers has remained high while the cultivation for land holding more than four hectare is comparatively low. This fact can be observed from the table 5.

According to table 5, scheduled caste land cultivators holding land less than 0.5 hectare in 1987-88 was 73.8 percent. This percentage increased to 75.3 in 1993-94, and further to 79.2 in 1999-2000. However, a small decline can be observed in 2004-2005 when the percentage came down to 78.2 percent. In case of others (excluding ST

Table 5
Land cultivation for SC and others (in per cent)

Size in (hectare)	SC				Others			
	1987-88	1993-94	1999-2000	2004-2005	1987-88*	1993-94*	1999-2000	2004-2005
0.0-0.09	73.8	52.8	55.5	57.4	50.3	35.7	35.3	37.7
0.1-0.40		22.5	23.7	20.8		17.7	21.3	19.2
0.41-1.00	13.4	12.7	12.0	13.0	17.6	17.9	17.6	16.8
1.01-2.00	7.8	7.7	5.8	5.8	15.0	14.6	12.6	13.0
2.01-4.00	3.4	3.2	2.1	2.3	9.9	8.7	8.1	8.4
4.01 and above	1.6	1.2	0.7	0.7	7.2	5.4	5.1	4.9

Source: Employment/ Unemployment situation among social groups in India, 43rd, 50th, 55th and 61st round survey NSSO. Others 1987-88*, 1993-94* (i.e. including OBC), others for 1999-2000 and 2004-2005 (i.e. population excluding SC, ST and OBC).

and OBCs), the percentage of marginal land cultivators is comparatively much lower. It was 50.3 percent in 1987-88 which increased to 53.4 percent in 1993-94 and further to 56.6 per cent in 1999-2000. However, it showed a marginal decline to 56.1 percent in 2004-05.

Small farmers' share remained almost stagnant at 13.4 per cent in 1987-88 and 13 percent in 2004-05. In the case of others, there was a little decline in the percentage of small farmers from 17.6 in 1987-88 to 16.8 in 2004-05. The medium size land cultivators for scheduled castes showed a decline from 7.8 percent to 5.8 percent and from 3.4 to 3.2 percent for 1-2 hectare and 2-4 hectare of land respectively for the year 1987-88 and 2004-05. There was a decline for others also but it was only marginal and having less magnitude as compared to decline in the percentage of medium land cultivators for scheduled castes. The most striking feature is the decline in the percentage of large size land cultivators among scheduled castes. It was 1.6 percent in 1987-88 which declined to 0.7 percent in 2004-05. A decline can also be

observed in the case of others but the percentage of other land cultivators is seven times higher as compared to the percentage of scheduled caste land cultivators in the category of land holding for more than four hectares.

On the basis of the data of land cultivation for scheduled castes, it can be observed that more than 75 percent of the scheduled caste cultivators belong to the category of marginal farmers while medium cultivators are only 2.3 percent and big cultivators are less than one percent. This shows a miserable condition of scheduled caste cultivators since they belong only to the category of small and marginal farmers and consequently, their farm income is low and most of them are below poverty line.

Majority of scheduled caste cultivators not only belong to small and marginal farmer category but their percentage as cultivators is also low, while the percentage of agricultural scheduled castes is higher as compared to the cultivators and agricultural labors belonging to other castes.

Table 6
Percentage of Cultivators and Agricultural Labors

Category	General				Scheduled castes			
	1961	1971	1981	1991	1961	1971	1981	1991
Cultivators	52.78	43.38	41.53	39.72	37.76	27.87	28.17	25.44
Agricultural labors	16.71	26.32	25.16	19.66	34.48	51.74	48.22	49.06

Source: Report of National Commission for Scheduled Caste and Scheduled Tribes for the year 1996-97, Government of India, New Delhi.

Although, the percentage of small and marginal scheduled caste cultivators is very high yet the overall percentage of scheduled castes is comparatively not only low but is also on the decline. The percentage of scheduled caste cultivators was 25.44 percent in 1991 as compared to 39.72 percent for others excluding ST and OBCs. However, the percentage of agricultural labors belonging to SC category is comparatively more than that of others. It is not only high but also on the increase. Scheduled caste agricultural labourers were 34.48 percent in 1961 which increased to 49.06 percent in 1991 while it was only 19.66 percent for others. It is so because SC farmers, due to their poverty and family responsibilities, sold their land to All these statistics explain that agricultural labors among scheduled castes are more as compared to land cultivators. It means that most of the scheduled castes in rural areas do not have even half-hectare of land to their name and they have to depend upon daily wage from agricultural sector.

AGE GROUP, HOUSEHOLD SIZE AND POVERTY

Poverty rate also differs at different age groups. Table 7 shows that poverty rate among Scheduled Castes, non Scheduled Castes and for total population first increases and then declines as the age group increase. It is so because at the age group of 20-29 years, the people are, generally, non-earners. Therefore, poverty rate is high. During the age group of 30-39 years, family size and responsibilities increase, therefore, poverty rate also increases.

Table 7
Poverty Rate at Different age Groups (all India) during 1993-94

<i>Age (year)</i>	<i>Scheduled castes</i>	<i>Non Scheduled caste</i>	<i>Total</i>
20-29	45.3	30.2	36.5
30-39	55.9	38.2	44.7
40-49	48.9	32.1	37.6
50-59	43.9	29.8	34.2
60-70	44.3	30	34.1
overall	49	32.8	38.3

Source: 50th round of Consumer Expenditure Survey of NSS.

During the age group of 40-49 years, children grow up and start earning, therefore, poverty rate declines and this trend continues at higher age group also as indicated in table 5.7 Secondly, the poverty rate for scheduled castes for all age groups is higher than non scheduled castes as well as for the poverty rate of total population. This tendency of a higher poverty rate for SCs as compared to non-SC and total population confirms that SC population has not benefitted much from the poverty eradication programs and scheduled caste welfare programs introduced by the government at state and centre level. These poverty rates also reflect the failure of government policies and a wide difference between theory and practice. There is no shortage of programs and policies introduced at government level for the welfare of scheduled castes but their poor implementation deprives them for all the benefits and they remain poor as usual. Hence, there is a need of effective implementation of policies and programs and their evaluation later on, with effective rectification in the implementation of programs and policies, if required.

The poverty ratio for SC in rural area in eastern states like Bihar, Orissa and West Bengal is comparatively high as compared to northern states like Haryana, Punjab and Himachal Pradesh. Since it is highest in Bihar and lowest in Punjab, it suggests that the level of economic advancement of states has a direct bearing on the poverty ratio of SCs. The poverty ratio has changed since the mid of sixth five year plan to the mid of ninth five year plan when it came down from 80 to 60 in Bihar and from 36 to 19 in Haryana. It shows the impact of a higher rate of economic development in India after the policy of new economic reforms. It can also be observed that household size and poverty rate are inter-related. Therefore, a lower household size can be recommended for reduction of poverty amongst SCs. On the other hand, literacy rate and poverty rate are inversely related. Hence, any effort to educate SC population will help in the reduction of poverty in scheduled castes. The occupational distribution and poverty among SC have also direct bearing.

Economic growth does not necessarily reduce inter-group or inter-caste inequality but lack of growth also does not solve this problem, therefore, independent

policies should be followed to tackle these problems. The average monthly per capita expenditure (MPCE) for SC was Rs. 251.75, for ST Rs. 241.90 and for upper castes, it was Rs. 322.6 in 1993-94 which shows the inter-caste inequality of the relative poverty of lower castes than upper castes. Due to affirmative actions taken by government, the conditions of SC have improved and their living standard and productivity improved (Despande 2000). Even in relatively egalitarian state like Kerala, inter caste disparity prevails making lower castes poorer as compared to upper castes as a result of discrimination in different spheres of life. In both, rural and urban areas of Kerala, the mean landholding for upper castes is nearly double than that of SCs. The mean rural food expenditure shows inter caste disparity. The mean rural food expenditure for SCs is at the lowest at Rs. 998.68 and Rs. 1261.2 in urban areas while it is Rs. 1276.36 in rural and Rs. 1366.30 in urban areas for upper castes (Despande 2000).

CONCLUSIONS

The general observation is that in most of the states in India 36.8 percent of the population in rural areas and 39.9 percent of the SC population in urban area is still below poverty line during the year 2004-05. This percentage is comparatively high because people below poverty line belonging to others category (excluding SC and OBC population) is only 16.1 percent and 16 percent in rural and urban areas respectively. The average monthly Per Capita expenditure of SC households in rural and urban areas is also much less than the average monthly per capita expenditure incurred by others in rural and urban areas. It shows a higher incidence of poverty among SC as compared to others population.

The poverty rate among SC is low if they are in private or in government jobs and high if they are self-employed or working as agricultural and non-agricultural laborers. Since, private or government jobs can be available only if they are highly educated and trained. Hence, efforts should be made for special training facilities for SCs so that they may become more competitive and employable.

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