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NATURAL CAUSES AND PROCESSES OF POVERTY IN MICRO SETTINGS

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Introduction, Methodology and Organization

Since the 1950's Nepal has completed six periodic plans and has now begun the seventh plan. During this period Nepal also has undertaken a number of local development programs. Unfortunately, the achievement in both types of programs has been dismal. The periodic plans failed to solve "problems relating to poverty, backwardness, unemployment and low productivity" (NPC, 1981a). In the local level development programmes "a majority of people have been deceived in matters of sharing benefits" (Upadhyaya, 1984:137). "Mere mounting catchy slogans and coining of claptrap phrases" have comprised our development experiences (NPC, 1984:10). Forty percent of all households do not have a per capita daily income of even two rupees (NPC, 1983:XIV). Nepal, therefore, is "poor and is becoming poorer" daily (ARTEP, 1974:1).

These conclusions have their basis in macro-level information. Such information, despite providing a national picture of poverty in border terms, is unable to explain the micro variations. In the context to extreme geo-cultural variations, "poverty" in Nepal is a micro phenomenon as well. A solution in such a context is thus possible only through micro planning, which needs micro-level studies. This paper is the product of one such micro-level study carried out in a small Tarai village known as Vishasaya in Nawalparasi district.

Questionnaire survey, interview, and observation were the basic techniques of information collection. The total number of households in the village is 291. Information related to social characteristics such as ethnicity, family size, educational status of family members, sources of income, sectors of expenditure, other survival strategies, migration status, etc., have been

collected through questionnaire survey. Village-based information was gathered through interview and observation. Field study was conducted in June of 1985.

This paper is organized as follows. The second section following this introduction gives a short account of the area studied and its demographic profile. The third section deals with the nature of village poverty. The causes and processes of poverty are dealt with in the fourth section. The fifth section concludes the paper with some recommendations.

II

Study Locale

Golghat is a small Tarai village in western Nepal located at the northwest corner of the Nawalparasi district. It is an agrarian settlement consisting of both land-owning and landless households. A great majority of its population is immigrant. It is surrounded by thin forest at its northern, southern, and western boundaries. A local stream irrigates its farmland for summer paddy cultivation. However, it remains dry from winter to fall. The abundance of forest cover as a food source has encouraged almost all the land-owning households to keep one or more draft animals. Some keep milch buffalo, cows and goats as well. Paddy and wheat are the major crops along with a little cultivation of mustard and lentils.

Before 2028 B.S. (1971) Golghat was a settlement of only ten indigenous households, locally known as Tharus. After this period it experienced an influx of migrants and now has a total of 30 households. Of the original ten, only six remain. The other four indigenous households have been displaced by immigrants and their (the immigrants') purchase of the land. Among the 24 immigrant households, one is a Newar, two are Chhetris, five are Kamis (blacksmiths), and the rest are Brahmans.

Golghat currently has a population of 206, of which 109 of them are males and the remaining 97 are females. Nineteen individuals are below 15 years of age, nine are above 65, and 109 are in between.

III

Nature of Poverty

A. Definition of the Concept

This paper defines poverty in two basic ways: "bare survival" and "productive survival." The "bare survival" definition has been further divided into two different levels in order of severity. The first is "bare economic survival." At this level, household poverty has been determined through a comparison of annual income² with annual need of "simple food" and "simple clothing."³ At the second level annual income is compared also with annual need to meet regular and contingent necessities.⁴ The productive survival dimension of poverty has been measured on the basis of household expenditures on medicine and education.

B. Poverty at the Level of Bare Economic Survival

Questionnaire surveys have explored 26 households whose agricultural incomes⁵ were insufficient to meet the determined minimum level for (simple) food and clothing. Nine of the 26 households' incomes were insufficient due to landlessness. In the remaining 17 land-owning households, eight have incomes that are above fifty percent of the minimum level. Only three households in the community appeared to have agricultural income sufficient to meet this minimum level of food and clothing.

23 of the 29 households, however, also earn some income from non-agricultural sources. Livestock raising, business, service in Nepal or India, sale of faggots, preparing construction wood on contract, share-cropping, ethnic occupation such as blacksmithing, etc., agricultural labor and interest are the sources of income outside one's own farming in and around the community. For the six other households, agricultural income accounts for their total income. 21 of the 23 households with additional non-agricultural income earn insufficient agricultural income to meet determined food and clothing needs. Five of those without non-agricultural income are also from the same group. Only two households with non-agricultural income have sufficient agricultural income to meet the determined minimum level.

TABLE I

Number of households by their Agricultural and Total Income sufficient or insufficient to meet their Determined Minimum Expenditure Needs based on Bare Economic Survival and Actual Expenditure Needs, on both Bare Economic Survival and Bare Social Survival*.

Sectors of Expenditure	Types of Income	Agricultural Income**			Total Income **		
		Suff.	Insuff.	Total	Suff.	Insuff.	Total
Determined minimum on Bare Economic Survival Necessities		3	26	29	9	20	29
Actual Expenditure on Bare Economic Survival Necessities		7	22	29	15	14	29
Actual Expenditure on Economic and estimated Social Survival minimum of regular needs.		--	--	--	10	20	29
Actual annual expenditure on Bare Economic Survival needs, estimated Social Survival expenditure of regular needs, and last year's actual expenditure on contingent Social Survival needs		--	--	--	7	22	29

* Here income and expenditure mean annual income and expenditure.

** These are defined in the text.

Non-agricultural income accounts for the total income of all nine landless households. It even accounts for more than 50 percent of the total income of seven households with agricultural income. Despite this sharing of non-agricultural income among 23 households, its contribution to their economic living is not satisfactory. Therefore, the total income of only nine households seems sufficient to meet the determined minimum level of food and clothing.

Actual expenditure patterns are less than the calculated minimum level for survival. None of the households appeared to have spent the minimum level on food and clothing.⁶ This difference is less observable on clothing, though the actual pattern of clothing is different. The villagers, chiefly the male and female heads, purchase a set of relatively good cotton clothes (or sometimes synthetic, the product of Hetauda Textile factory) to wear at ceremonies and festivals. Such items cost almost 1.5

times the determined amount, so that they meet their financial deficit through item reduction. Daughters-in-law are provided with only two sets of saris, blouses and a shawl without underskirt, *patuka* and *chura-dori*. They have to meet these needs from what they get from their parents. Similarly children may not be provided with full clothes. Landless households get also some *thanga tharas* (torn cloths) from their neighbors.

Only one of the households includes lentils (pulse) regularly in its daily diet. Only five households have one milch buffalo each to supply milk for infants. (Two sell some of it.) Farm grown vegetables of land-owning households meet their vegetable needs for about four months. For a few days of spring wild trees' sprouts fulfill that need. For the other months, land-owning households and landless households almost always have to take their meals with *rasa* (boiled water seasoned with salt and probably with chilli, spices, and fermented vegetables). This pattern of food consumption is one of the reasons for a reduction in quantity from what has been determined. This difference appears rather pronounced in those meals which are composed of bread.⁷ Despite this minimum level of consumption, the agricultural income of only seven households and total income of fifteen households seems sufficient to meet the actual expenditure need on bare economic survival necessities.

C. Poverty at the Level of Bare Social Survival

The villagers also have to spend money on community based worship, religious ceremonies, and festivals, on gifts to married daughters, on appeasing ghosts and sorcerers, and on smoking, oil and spices -- the regular needs which are very basic for their social survival. If the minimum annual expenditure⁸ on these needs is added to the bare economic survival expenditure, the total income of only 10 households seems sufficient to meet the actual annual expenditure.

However, the gravity of the need to repair their houses, sheds and pens, to purchase draft animals, etc., cannot be subtracted from their need on bare social survival. Last year 15 of the 29 households had to spend in one sector or another of these expenditures. If these expenditures are included with those

mentioned above, only seven households have income sufficient to meet these necessities.

D. Productive Survival Dimension of Poverty

The information on the bare survival definition of poverty is itself indicative of its nature at the level of productive survival. However, the level of education of the villagers and their medical behavior has been noted in the following:

(i) Poverty and Education

Of the 192 members, 92 (48 percent) are literate, of which 48 (25 percent) are regular students, 29 (15 percent) are dropouts and 15 (8 percent) are literate without schooling. 44 of the 48 regular students, 5 of the 29 dropouts, and 37 of the 100 illiterate are below 15 years of age.

Adult illiteracy may be attributed (among other things) to the unavailability of schools in the adults' locales during their school age. Child illiteracy, parents' support of maximum education of regular students and the causes of dropouts are quite useful in relating education to poverty. 17 of the 37 illiterate children are not of school age, and eleven have not attended even the free primary school. This is for two basic reasons. First, their parent's inability to provide has forced them to remain without clothing. Second, some of the eleven children have to assist their parents in collecting faggots to sell. Nine children have not attended the school because of reasons not specified.

No householders in the village are optimistic enough to encourage their children to pursue higher education. The unavailability of facilities in the area and their inability to support their children appeared to be the two reasons for their pessimism. Although 20 households have children at some level of education, only four have planned to encourage their children to obtain a high school level education. Seven others have just hoped for it, and the remaining nine have planned to make their children only literate. Their reasons are financial or based on labor need.

(ii) Poverty and Medical Behavior

Exorcism is the principle way of medical treatment. Unsuccessful child delivery cases, fracture of limbs and other such illnesses are, however, treated by hospitalization by all the households. The relationship between poverty and medical behavior can be especially seen in the cases of infant mortality and its causes. Twelve of the studied households together have experienced the death of 23 children. Two of them were accidental, nine (of the immigrants before migration) were due to the lack of hospital facilities. The remaining 12 were caused either by the lack of money for medicine or by the lack of money and hospital facilities.

E. Other Survival Strategies and Poverty

The above information shows the villagers' income insufficient not only to lead a productive life but also to meet the basic income and social necessities of survival. Therefore, they have to follow survival strategies such as the assumption of debt, the selling of land, and eating tubers for their bare survival. 12 households in the community are in debt. Two of the landless households are in debt because they had to arrange death ceremonies of family heads. One household is in debt due to the hospitalization of a delivery case. Seven households are in debt to meet the regular requirements of social survival. Of the remaining three, two have invested in the purchase of goats and bullocks and one has also bought goats to meet food and clothing needs.

From 1978 (2035 B.S.) onward, seven households in the community sold some amount of land. Their being in debt -- caused by the death of a family member for one household, death of a bullock for another one, insufficient income to meet food and clothing for four others, and to bribe officials for the remaining one -- was the cause of land sale by all households. Similarly, in the three months from spring to early fall, eight households (all landless) meet their income deficit through the consumption of wild roots and fruits. This does not mean that land-owning households do not assume debt at all; however, it is an option for them. For the landless it is a requirement even though it is less prestigious socially.

IV

Causes and Patterns of Increases of Poverty

At times indebtedness, land sale, etc., may themselves be regarded as causes of poverty. But more importantly, they are just the survival strategies behind which are some other causes. Immigration, insignificant level of non-agricultural sources of income or employment, and population growth are the major causes of poverty among the villagers. The pattern of population growth also affects its pattern.

A. Immigration

The resource base shared by only ten indigenous households before immigration now has to be shared by 30 households. At 2020 B.S. eight of the ten indigenous households had a hold over 26.6 *bigha* (1 *bigha* = 20 *kathas* or 0.67 hectare) of cultivated land. Two households were landless. Of the total land one household alone had owned 10 *bighas*. This land has since been divided among 22 households. One of these 22 households emerged through family separation from one indigenous household and lives in another community, sharing 1.6 *bighas* from the total land. Another one, excluded from interpretation in the above section has only 2 *kathas* of land. The remaining land (24.8 *kathas*) is now shared by 20 households.

The big landowner of 2028 has not lost his previous status, and retains eight *bighas* even today. Five households own less than ten *kathas*, ten own between ten *kathas* and one *bigha*, and the remaining four own up to 2.5 *bighas*. One notable point is that only three indigenous households have any land at present. Five landowners of 2028 B.S. now have no land at all. Four of them have migrated and one lives in the community with other landless families. The cause of this displacement and the small landholding size is migration.

B. Insignificant Level of Employment Opportunities and Sources of Income Outside One's Own Farming.

Raising livestock, business, preparing construction wood on contract, sharecropping, ethnic occupation, agricultural labor,

interest, etc., are the income sources outside the villagers' own farming. 23 households have some income from these sources.

21 of the 30 total households own 33 head of cattle and buffalo. Of those 21, sixteen also own 181 goats. Cattle and buffalo are specifically for traction. Only two households earn a little income through milk sale. Goats, however, have business value for all sixteen households. Last year, eight households sold some goats for income.

No villager can afford a large scale business. One sells tea within the village and another sells liquor in Parasi Bazaar. One member in the community was said to have earned 1800 rupees annually through teaching the local children. No others are employed in any service within Nepal. It is from employment in India that seven households provide a significant proportion of their household budget. However, this is not more than a reflection of local poverty.

Two-fifths of the household income of five landless households results from faggot sales. Similarly, four of them earn some income through the preparation of construction wood. Since public forests are the sources of faggot and timber these are risky occupations for the villagers. They always have to be alert in order to escape notice of the eyes of forest guards. For the nation it is one of the processes of deforestation.

The overall size of landholding is indicative of the low prospect of share-cropping in the community. Three households have taken land on lease, but all under one *bigha*. Jobs to prepare farms for rice cultivation, to transplant the paddy and its weeding, to harvest the paddy and to prepare farm fields for mustard and wheat cultivation are the most hopeful areas of employment for most of the households. Twelve households (eight landless) have some engagement in these activities, but because of the seasonal nature of these activities, year-round involvement is not possible.

The traditional occupation of the blacksmith households in the study area is confined now to the repair of agricultural tools. Because of zero sales of metal ware, two of such households have closed their anvil completely. Even in the three

remaining households, none have earned more than 150 rupees annually through this business. The only carpenter and mason in the community reports to have an occasional engagement making plows and cots for neighbors or for the community school. He cannot get regular employment in these activities around the area.

As far as interest is concerned, two of the landless households have 9,000 rupees and 1,200 rupees, respectively, in bank deposits. For both these households this money was surplus from the land which they had to sell for debt payment. Only one member of the community is an industrial laborer. There are no other sources of income to the villagers.

C. Population Growth and Patterns of Increase of Poverty

The increase of households in the community is indicative itself of the incidence of population growth and its effect on poverty. To trace the pattern of the increases of poverty through population growth, however, the number of heirs to property must be noted. It has been reported that there were 63 heirs to share the property of the fathers of these 29 households. Now there are already 56 heirs in the new generation to share their own property. Most of their parents are still having children. This pattern of property division at a stagnant level of the rural economy is no more than an indication of an acceleration of rural poverty.

V

Conclusion and Recommendations

The villagers have to meet their bare survival necessities either through debt or the sale of their landed property. Massive immigration into the community, non-availability of productive employment, and population growth have been the major causes of such a poor economic condition. To alleviate this condition the following recommendations can be put forward:

(a) Further immigration should be controlled. This is, however, a problem on the national level. Most of the Tarai villages might have the same experience. To this extent the problem of immigration in Tarai villages can be resolved only though the improvement of the economy of the hill region.

But under the feudal agrarian structure with its philosophy of class co-ordination, the improvement of the rural economy is in itself a question.

(b) Related to the first problem is the growth of population: control of population growth is not possible merely through the distribution of contraceptives. It requires an increase in the level of education and the provision of economic security in old age.

(c) To the extent that the solution of the problem of poverty can be alleviated from within the community has a high prospect of income from livestock raising. Therefore the establishment of animal health facilities together with productive loan programs, even to the landless, may help to augment the villagers' income at the cost of public forest. A perennial irrigation facility may increase the productivity of the land of the landowning households.

NOTES

1. There are, in fact, 30 households in the village. In the process of data collection, information from one household concerning economic variables appeared not to be reliable. Therefore it is excluded from interpretation in the text.
2. This income includes that from one's own farming, share-cropping, livestock raising, business, caste occupation (blacksmithing), service in Nepal or India, wage labor, carpentry and masonry, load carrying, sales of faggots, and preparing construction wood on contract and interest. This is the total annual income of the households.
3. The operational definition of simple food and simple clothing in this paper is presented in the Appendix. On the basis of this definition, the annual need of each household has been computed. But children below weaning age, and other members outside the home with their own income for survival, have been excluded in this computation.
4. Here regular expenditure needs include expenditures on public or private worship, including gifts to married daughters, shamans and ghosts, kerosene; smoking; and additional expenditures on festivals. Similarly, contingent expenditure needs include those of the performance of marriage and death ceremonies, of the construction and repair of houses, sheds and pens, and of the purchase of bullock or buffalo at the death of the existing one.
5. This income includes only that from one's own farming.
6. Annual need of actual expenditure on food for households is computed from what they need for one particular meal. These expenditures are then converted into monetary value on the basis of their local price. Two meals a day are taken into account. Also, the monthly expenditure on oil and seasonal expenditures on vegetables are included. Since the use of lentils (pulse) for all the households except one is insignificant, these figures exclude the price

of lentils for all the other households. Similarly, because of the irregularity in the use of vegetables and because of no exactness of the price of vegetables grown in their own farm, the price of farm grown vegetables has also been excluded. Actual expenditures on clothing are determined from what has been spent for the last year (from one Tij to another Tij).

7. Dried bread made of wheat. This bread is mostly taken without lentils or vegetables.
8. No households have kept actual records of expenditures on these matters. Therefore the villagers' estimated minimum expenditures need has been taken into account.

APPENDIX

Simple Meal

For operational purposes, 500 grams of Thapachini (Mota) rice and 50 grams of Masur lentils (pulse) for a hard-working adult and 250 grams of rice and 50 grams of lentils for a child (below 15 years) is regarded as a simple meal in this study. Since 500 grams of such rice costs 2.25 rupees and 50 grams of such lentils costs 0.40 rupees in the local market a simple meal costs 2.90 rupees for an adult male and 1.52 rupees for a child. In addition 2 kgs. of salt per household per month has been included.

Simple Clothing

Keeping in consideration that people of that area have to work in rain as well as in scorching heat, a yearly allowance of various items of clothing and their local price on the basis of culturally allowed but lower quality materials (for examples no villagers wear the *kora* cloths except at mourning) for adult male, adult female, and male and female child is determined in the following table:

APPENDIX

Clothes Items required and their price

	Items	Numbers required	Price/Piece (low quality material)
for female adult	blouse	2	15 (includes finishing)
	Cholo (for winter)	1	25 (includes finishing)
	sari	3	40 (Indian)
	patuka (waist band)	1	42 (kora)
	shawl	1	25
	bangle, dori	-	14
TOTAL FOR ADULT FEMALE/YEAR			Rs. 257

for adult male	Shirt	3	25 (includes finishing)
	kachad	3	15
	cap	1	5
	underwear	4	9 (includes finishing)
TOTAL FOR ADULT MALE/YEAR			Rs. 161

for female child	frock	2	30 (includes finishing)
TOTAL FOR FEMALE CHILD/YEAR			Rs. 60

for male child	shirt	2	18 (includes finishing)
	shorts	2	15 (includes finishing)
TOTAL FOR MALE CHILD/YEAR			Rs. 66

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