

MGP: I.1.1 TOWARDS AN ENTITLEMENT BASED APPROACH TO POVERTY REDUCTION: Development and application of entitlement index.

Background

While everyone agrees that the poor deserves special attention and support to move out of poverty, there is little consensus on who comprises the poor, and where poverty begins and ends.

Traditionally, poverty has been tackled as a linear phenomenon; attainment of a certain income per annum would mean that a family had crossed over from poverty. However it is being increasingly understood that while income deprivation is a real and tangible manifestation of poverty, poverty is a far more complex phenomenon of multiple deprivations and vulnerability on both social and economic levels quantitatively and qualitatively. Quantifying poverty is no easy task – even where a common poverty ‘line’ is adopted, different strategies yields different results for poverty. For e.g., whereas the percentage of poverty as per the state’s BPL census figures touches 36% of the population, the sample survey of NSS shows only 12.72%

Now, lists of people Below Poverty Line (BPL) are prepared on the basis of a census, the formats of which are filled up by officials. The sole criterion for determining the cut off line is income. (Though the last BPL census in 1998 attempted a switchover to expenditure method, it was not very successful). Since it is very difficult to ascertain the income of families and since there is a tendency to under-state income with the objective of getting into the BPL list in the hope of getting some benefits in future, the lists are heavily distorted and offer a dangerously large scope for subjective and/or arbitrary assessments. Since the survey relies only on income, the full picture of poverty is not captured. Thus the BPL lists are often inflated, unrealistic and often not a useful data source for planning for poverty reduction.

The BPL lists are not prepared and used in a transparent manner. The community does not own it up and perceives it as a product of patronage. To make the problem more confounded the lists are not accepted universally by all departments.

It is clear that the delivery of services for the poor is hit by lack of clarity on whom to target and how to prioritise vulnerabilities; and that spreading resources thin only hampers and misdirects the poverty alleviation efforts. Failures in proper targeting augment problems of indebtedness, food insecurity and feminization of poverty. The more voiceless and vulnerable among the poor often find themselves beyond the reach of developmental inputs, and if at all targeted, their needs are often only peripherally addressed.

Therefore any developmental activity that aids in poverty alleviation need to be able to target poverty accurately and consistently, as well as differentiate between various levels and types of poverty. It would have to appreciate both the dynamic and relative aspects of poverty, be sensitive to its differing dimensions as experienced, say, in the coastal regions or up in the tribal hinterland. It would need to ensure most importantly, that the neediest and the most desperately poor are the most intensely covered.

This would necessitate evolution and application of a ‘poverty’ assessment strategy that takes into consideration as far as possible the various layers and complexities of poverty. Such a strategy needs an assessment tool that looks at socio economic deprivation, including educational and health backwardness, income poverty, marginalisation including that of tribal, women, children, geriatric, nomadic populations etc. It should also be able to look at issues of ‘sudden shock’ and consequent poverty. It should probe beyond the family and look at the dependency levels within the family and at matters like alcoholism and chronic ill health or indebtedness, which aggravate poverty. This calls for the development of a composite

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entitlement index, which would be able to capture all such facets of poverty, based on which a poverty census has to be conducted. The idea of the poverty index is not new. A 9 point index is now used by the State Poverty Eradication Mission to identify the poor. The entitlement index proposed here thus would be an improvement on the index in use now.

While developing an entitlement index for the poor is important, devising a methodology to bring in as much accuracy as possible to the assessment, as also sensitisation and training of the census personnel to the poverty index, and community validation of the enumeration are important components of the methodology. Government of India led poverty census is already in the offing. Community validation could be through participatory community structures already existing at the local level. (SHGs, Kudumbasree groups, watershed associations etc). Ownership by both local Governments and all state departments and if possible, of civic organisations would be the next stage followed by creation and upkeep of a poverty database accessible to one and all.

Objectives

- To develop a composite entitlement index that captures the various dimensions of poverty and prioritizes the poor according to the extent of poverty.
- To validate, through community participation, the findings of the enumeration and assessment,
- To build ownership of the list of poor based on the entitlement index, among development agencies and local governments with acceptance by the community.

Methodology

1. **Preparation of draft poverty index.** (Identification of Resource Persons, Internal deliberations and informal state holder consultations, Drawing up of a draft poverty index and weightage, Consideration and acceptance of draft by concerned departments) **(May, 2003)**
2. **Expert consultation (identification of expert organisations and individuals, discussion of the draft index, quick validation in selected field conditions)**
3. **Stakeholder consultation.** (Identification of representatives of all categories of stakeholders, consultation with Government and local government level stakeholders, Workshop with larger stakeholder forum, Revision and modification of draft, Final consultation) **(June, 2003)**
4. **Adoption of poverty Index.** (Test run for check on applicability and adaptability, Development of data base management system, Development (including revision) of final version of poverty index, Consideration and approval by concerned government departments) **(December, 2003)**
5. **Validation of poverty data by the community through, NHGs, SHGs etc. (May, 2004)**
6. **Generation of index and sharing with the community.**
7. **Adoption of final validated poverty database** (Acceptance by local governments, Acceptance by Govt. departments and agencies) **(June, 2004)**
8. **Training of different departments on the use of the data base.**

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9. Arranging widespread publicity for the data base and ensuring its easy availability at the local level (August, 2004).

Output Expected

- A dynamic data base of the poor reflecting different aspects of poverty and indicating the different degrees.

Outcome Expected

- Improved understanding of the nature of poverty in the State
- Improved planning for poverty reduction

Verifiable indicators

- Panchayat level reports on poverty
- Government order accepting the data base for all official purposes

Risks associated

- Political or community pressure to modify or circumvent index
- Inefficient enumeration
- Perfunctory community validation and distortion of list