

*Convocation Address*

*Smt. Chandra Krishnamurty, Vice-Chancellor, SNDT University, Dr. Mari Bhat, Director and Senior Professor, International Institute for Population Sciences, Faculty and the Staff of the Institute, Students graduating at this Convocation, Distinguished Guests, Ladies and Gentlemen,*

I deem it a great honour and privilege to be invited to deliver the Forty-Eighth Convocation Address of the International Institute of Population Sciences. Over the five decades of its existence, the Institute has established itself as a unique centre of excellence in population sciences, devoted to teaching and research. It has had the honour of being headed by Dr. C Chandrasekharan and other distinguished demographers. Under the able leadership of its present Director, Dr. P N Mari Bhat, the Institute is set to further strengthen and expand its activities.

I have visited the Institute a number of times and I am happy to be here this afternoon. At the outset let me congratulate all young demographers who have successfully completed their respective programmes at this Institute. I also heartily congratulate all those who have won medals for their meritorious performance.

I would like to dwell upon India's daunting development challenges - poverty and malnutrition. Even by developing country standards, India is a laggard in ensuring better quality of life to its people.

## II

Poverty reduction has been a major goal of development policy in India since the country



*Professor R Radhakrishna, Director, Indira Gandhi Institute of Development Research, Mumbai, delivering the convocation address*

became independent; and the achievement of a minimum standard of living for all within a reasonable period has been the implicit or explicit objective of all socio-economic endeavors initiated under various plans. This was sought to be achieved by attaining higher growth; raising the purchasing power of the poor through the endowment of land and non-land assets and generation of employment opportunities; and through public intervention for consumption smoothing by undertaking large scale food-for-work programmes. The anti-poverty programmes are meant to supplement poverty reducing effects of growth.

There is little doubt that India has made significant progress in poverty reduction over the past two decades, when it has experienced phenomenal growth. Incidence of poverty, which was fluctuating at

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about 50 per cent until the mid-1970s, registered a declining trend since then. It declined from 51 per cent in 1977-78 to 26 per cent in 1999-2000. The earlier period was broadly characterized by pre-Green revolution period and early phase of Green-revolution era. During this period, per capita income growth was low, real wages were stagnant and the economy experienced periodic bouts of food inflation. Year to year fluctuations in poverty incidence were caused mainly by the weather fluctuations. The decline in the incidence of poverty in the later period was the result of higher economic growth, improvement in real wages and proliferation of poverty alleviation programmes. Even with poverty reduction, 260 million persons lived in poverty in 1990-91.

The strength of the trickle down is usually measured by the elasticity of head count poverty ratio with respect to per capita GDP. The elasticity for India is estimated to be about  $-0.8$ . Clearly, given the strength of the trickle down, to achieve more than 5 per cent per annum reduction in the rate of poverty, it is essential that the economy sustain an annual GDP growth rate of 8 per cent or more. Even at this rate of reduction, after a decade, 15 per cent of the population will be living below the poverty line. It is imperative that poverty alleviation programmes have to supplement poverty effects of growth even if the economy grows at 8 per cent per annum.

The channel of upward mobility provided by economic growth may mainly benefit the not-so poor and leave out the hard-core poor who suffer from multiple deprivations. Hence, with reduction in poverty over time, the poverty elasticity may weaken due to increase in the relative size of hard-core poor among the poor. There is a growing awareness that the non poor close to the poverty line are not free from other forms (other than income) of deprivation and are vulnerable to fre-

quent shocks such as natural disaster, illness, accidents, marriage expenses and so on. A single shock may slip them into poverty. Rightly, poverty is now being conceptualized in terms of multiple deprivations including attributes like powerlessness, alienation and lack of social justice.

### III

Indian experience in poverty reduction differs across states. The record of poverty reduction in the last three decades was better in states, which had experienced higher agricultural growth and had better initial endowments of human resources. Favourable initial endowments of human resources contributed to very rapid decline in Kerala and some small states of North-east. It may be noted that social movements and implementation of agrarian reforms in Kerala and effective participation of local ethnic groups in political institutions in the small states of North-east have led to better egalitarian and participatory development.

There has been a change in the geographic scene of rural poverty. Rural poverty is getting concentrated in a few states. To illustrate, the percentage share of backward states such as Bihar, Orissa, Madhya Pradesh and Uttar Pradesh in the rural poor population rose from 53 in 1993-94 to 61 in 1999-2000, whereas the share of agriculturally prosperous North Western states such as Punjab, Haryana and Himachal Pradesh declined from 3.03 to 1.26 and Southern states from 15.1 to 11.2. Some of the better off states such as Maharashtra, Gujarat and West Bengal had higher share in poverty than their share in population.

Poverty in India is not merely an economic phenomenon but also a social phenomenon. Eighty one per cent of the rural poor in the country in 1999-2000 belonged to Scheduled Castes (SCs), Scheduled Tribes

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(STs) and Other Backward Castes (OBCs). In states, which achieved substantial reduction in poverty, the remaining poor belong to either SC or ST Communities. For instance, in 1999-2000, Punjab had 6 per cent of its population below the poverty line. Seventy eight per cent of them belonged to the SCs, although their share in rural population was 38 per cent.

In rural areas, poor among the tribals were located mainly in four states: Madhya Pradesh, Orissa, Bihar and Maharashtra. Reduction in poverty among the tribals has been slower than that of other groups. It is noteworthy that in states where they are in minority (for example, Orissa and Madhya Pradesh) STs experience worst forms of poverty. Among the various factors responsible for the marginalisation of tribals, land alienation is a major factor. This has been mainly caused by large development projects, increasing urbanization, forceful acquisition of tribal lands etc. Although a number of legislations have been enacted to preserve the rights of the tribals, landlessness among them has considerably increased. The discrimination in the labour market is another important reason for poverty among the STs. Compared to other social groups, ST population is employed in low quality employment. The acute shortage of employment opportunities in tribal regions has led to migration of labour force.

Poverty reduction in the North-east region of India other than Assam provides a different perspective. STs of North-east of India have performed better in poverty reduction and have already achieved very low incidence of poverty. Besides, better nutritional outcomes and better performance on other human development indicators, the tribals have inalienable rights that they exercise on various assets including land. Moreover, they cannot be displaced or dispossessed as easily as in other parts of India since political domi-

nation rests with the local ethnic groups.

## IV

What has the Indian government done to reduce poverty? The Government of India has all along been giving importance to direct poverty alleviation programmes. The expenditure on centrally sponsored programmes together with PDS account for about 2 per cent of GDP. While the potential impact of public expenditure of this magnitude on poverty reduction could be high, various evaluation studies have pointed out that the actual impact has been modest. Studies also show that poor states benefit the least. There is a strong belief that quality of the delivery system is poor. There are leakages in the numerous centrally sponsored schemes that lie between 20 per cent and 70 per cent. There is also a strong belief that corruption and leakages undermine the efficacy of public expenditure. These weaknesses can be attributed to elite driven and top down approach of the Central schemes with little concern for the complexities at the grass roots. These issues can be addressed by giving priority to group approach, capacity building, and involvement of elected *Panchayats* in poverty alleviation programmes.

What should be done to accelerate the process of poverty reduction? While growth is extremely important for poverty reduction, the trickle down process may not reach all groups and sections. Safety nets are needed to protect the groups that are excluded or marginalized by the process of growth. There is however, a need to go beyond the establishment of safety nets, focus directly on providing employment and raising the incomes of the poor through explicit policy interventions. The experience, by and large is that countries, which are most successful in reducing poverty, are the ones that have combined rapid growth with equity promoting growth. India is confronted with

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the formidable challenge of achieving metamorphosis of current high growth with little equity concern into equitable growth. This involves sparking off inclusive growth in the backward states and accelerating the growth of sectors closely associated with the livelihoods of the poor.

### V

What is India's record in improving nutritional status of the poor? We shall make an assessment using a wide range of input and outcome measures. Per capita intake of cereal and food of the bottom 30 per cent of the population increased at a very moderate rate during 1970-90 and stagnated or declined in the 1990s. There has been substantial diversification of the consumption basket of the poor, initially in favour of non-cereal food and later in favour of other non-food. These tendencies should not be a major cause of concern if the food intake levels were nutritionally adequate. It is well recognized that the per capita intake of the bottom 30 percent of the population, at around 1700 k.cal/day falls short of required norm. What is still worse, intra-family distribution of food is inequitable in the poor households and the pre-school children get much less than their physiological needs as compared to adult males and females.

India's performance in the reduction of malnutrition is less impressive than those achieved by other countries with similar economic growth rates. Nutritional inequalities are large across different states and are increasing. The incidence of child malnutrition is almost double that of poverty, with the highest rate in the poorest states, and the lowest rate not in the richest, but in the middle income states with progressive social and food security policies. Incidence of child malnutrition in the rural areas of NNMB sample states, the incidence of child malnutrition declined slowly

from 61.5 per cent in 1975-79 to 47.7 per cent in 2000-01. The reduction in malnutrition lagged behind the reduction in poverty. In spite of some improvement in nutritional status, nearly half the rural children suffered from malnutrition. This means that about half of the children of India might not have achieved their physical/mental potential and a sizeable proportion of them might have become functionally impaired.

There are substantial inter-state inequalities in nutritional well-being. According to 1998-99 NFHS, the incidence of child malnutrition in rural areas varied between 29 in Kerala and 59 in Madhya Pradesh and in urban areas from 19 in Punjab to 45.5 in Orissa. In terms of nutritional outcomes, middle-income states such as Kerala, Tamil Nadu and Andhra Pradesh have performed better than higher-income states like Gujarat, Maharashtra and West Bengal. Not surprisingly, poorer states such as Madhya Pradesh, Bihar and Orissa have shown the worst performance. North-Eastern states, other than Assam, have better nutritional outcomes and some of them have even out-performed Kerala. It needs to be emphasized that social and food security policies, which improve income of the poor and protect them from shocks as well as improve access of women to health care and education, would reduce both poverty and malnutrition. Kerala and some of the North-eastern states' experience illustrates how these policies worked.

The determinants of child malnutrition in rural areas have recently been analysed using logit model. The results show that the probability of a child falling into malnutrition decreases with improvement in mother's nutrition status, mother's education, mother's age and antenatal visits but increases with the presence of working mother. The risk of malnutrition also decreases with the standard of living of the household

and increases with household size. Perhaps, among the poor households, childcare is adversely affected when the mother works.

## VI

As pointed out earlier, although economic growth resulted in a decline of poverty, it has not translated into commensurable improvements in food energy intake or nutritional well-being. Even before food energy needs are met, the consumption basket of the poor is getting diversified; shifting away from food to non-food items; from cereals to non-cereals within the food group; and from coarse to fine cereals within the cereals group. Given these ongoing trends, a substantial expansion of the incomes of the poor is essential for tackling the food gap of the poor. While food-based interventions play a supplementary role, pro-poor growth alone can eliminate chronic food insecurity in the long run.

The estimates of malnutrition show that, about 50 per cent of rural children are malnourished, of which

about 20 per cent are severely malnourished. The cost of malnutrition to the GDP of India was estimated at between 3 and 9 per cent. Moreover, it is a channel for inter-generational transmission of poverty. Generally the risk of child malnutrition is high among the poor households where mothers have poor nutritional levels. It is crucial that the existing feeding programmes need to target the severely malnourished children as well as pregnant women and lactating mothers. Employment oriented food-for-work programmes may be the principal instrument to eradicate moderate malnutrition.

I have been informed that the Institute has undertaken the third round of the National Family Health Survey, which will provide more information on malnutrition and on their proximate causes. This will provide rich database for identifying policy instruments for reducing malnutrition. I hope some of the students graduating today will undertake studies in this neglected area of research.

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## *World Population Day, 2006*

The world population day for the year 2006 was observed at the Institute on July 11. A half a day symposium was organized on "Youth in India: Perspectives and Challenges". Eminent speakers, Dr. Evelet Sequeira, Consultant, UNICEF, Mumbai, Dr. R C Datta, Dean, Tata Institute for Social Sciences, Mumbai and Ms. Shabana Patel, President, Network of HIV positive persons in Maharashtra, Thane, were invited to speak on this occasion. Various aspects of youth in India were highlighted by each speaker.

Dr. H C Srivastava, Acting Director and Head, Dept. of Development Studies welcomed the guests and talked about the importance of observing July 11 as the World Population Day. Dr. Datta spoke on the 'Livelihoods, employment and sustainable development: an initiative towards improving skills and employability of people'. Ms. Shabana Patel shared her experiences about the HIV positive people in a lucid manner. She emphasized that accepting HIV positive people will prevent the spread of AIDS. Dr. Ram, Dept. of Fertility Studies, IIPS, has spoken about the current IIPS project, 'Youth in India: Situation and needs study' Dr. S K Singh, Dept. of Mathematical Demography & Statistics, IIPS has talked about 'Youth and HIV in India' with some empirical evidences. The symposium was concluded by vote of thanks proposed by Dr. A P Deshpande.