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## POVERTY AND PER CAPITA INCOME IN KARNATAKA: A DISTRICT LEVEL STUDY

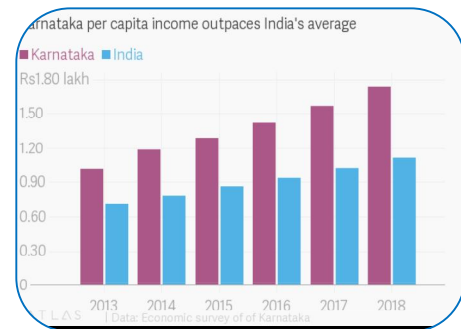
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### ABSTRACT:

Poverty, as a concept, describes the general condition of people who are badly off and encompasses many aspects of disadvantages (Chambers, 1988;3). However, what precisely are these disadvantages is debated. Poverty is often related to "inadequate incomes" (Dreze and Sen: 1989;15) describe poverty as a severe failure of basic capabilities. Chambers (1995) notes that five clusters of disadvantages (Lack of assets, physical weakness, isolation, vulnerabilities and powerlessness) characterise the poor people. Poverty can be defined as a social phenomenon in which a section of society is unable to fulfil even the basic necessities of life. When a substantial segment of society is deprived of the minimum level of living and continues at a bare subsistence level that society is said to be plagued with mass poverty. The deprivation of a significant section of the society of minimum basic needs in the face of luxuries life for the elite classes, makes poverty more glaring. It is also believed that poverty anywhere is a threat to prosperity everywhere. In India most of the states are suffering from mass poverty which is a threat to the prosperity of India.



**KEYWORDS:** Poverty, physical weakness, isolation, vulnerabilities.

### INTRODUCTION :

The major thrust of planning in India has always been reduction in the incidence of poverty. There are differences in the incidence of poverty and states. The incidence of poverty and the factors underlying its persistence differ significantly from states to states and districts within the state. In the 1990's poverty in India has reached

considerable attention in policy formulation and discussion. Official poverty estimates at the national and state level are periodically prepared by the government of India's planning commission using detailed household consumption and expenditure data from the National Sample Survey, while there is considerable evidence available at regional variations in poverty. This paper attempts to analyse

regional dimensions of poverty in Karnataka during 2001 and 2011.

### OBJECTIVES OF THE PAPER ARE:

1. To study the trends and regional variation in poverty in Karnataka
2. To examine the relation between per capita income and poverty
3. To suggest for reducing poverty and regional variation in Karnataka

## REVIEW OF LITERATURE

The empirical literature on poverty in India is vast and has covered many dimensions and generated a lot of controversy. The major data base has been provided by the consumer expenditure surveys conducted by the National Sample Survey Organisation (NSSO), Supplemented by other sources like the Central Statistical Organisation (CSO), Planning Commission and reports of various ministries of the central and state governments. The first major issue on the choice of the poverty line to demarcate the poor from the non-poor. The idea of a basic minimum calorie requirement and estimation of cost of the diet that satisfy these requirements was the subject of intense debate among researchers during 1960's and 1970's, while Bardhan (1970) and Minhas (1968). There are several important literatures on Indian poverty scenario such as S. D. Tendulkar (1998), S. P. Gupta (1998), S. Mahendra Dev and Ajit Ranade (1999-2000), Montek Singh Ahulwalia (2000) and many others.

Hence, this paper attempted to discuss about poverty trends and regional variation in Karnataka and relationship between per capita income and poverty in Karnataka. This paper is organised into two sections. I section discussed about poverty trends in Karnataka and II section deals with the relationship between per capita income and poverty in Karnataka.

## SECTION I

### POVERTY TRENDS AND REGIONAL VARIATION IN KARNATAKA

This section deals with poverty trends and regional variation in Karnataka state. Table 1 speaks about the district wise incidence of poverty in Karnataka during the period of 2001 to 2011. In six districts viz. Bellary (33.1%), Bidar (30.4%), Gulbarga (26.4%), Raichur (45.6%), Bijapur (32.1%) and Kolar (41.9%) percentage of population below the poverty line is higher than state level average (20.1%) and all districts of Bangalore division (except Kolar district) and Mysore division, poverty ratio was lower than state average during 1999-2000. In the period of 2011-2012, the poverty ratio was higher than state level average (21.2%) in sixteen districts namely, Bellary (40.8%), Bidar (35.1%), Gulbarga (37.2%), Koppal (40.7%), Raichur (37.7%), Yadgir (38.0%), Bagalkot (35%), Belgaum (28.8%), Bijapur (23.1%), Dharwad (34.0%), Haveri (33.7%), Chikkaballapur (25.2%), Chitradurga (46.7%), Davangere (23.3%), Shimoga (29.3%) and Udapi (22.4%) as against them districts which have low poverty ratio are Bangalore (Urban), Bangalore (Rural), Uttar Kannada, Kolar, Ramnagar, Tumkur and all districts of mysore division (except udapi district).

**Table 1**  
**District wise Poverty trends in Karnataka (in percentage)**

Sl. No	District	2001	2011	% change of poverty 2001 to 2011
1	2	3	4	5
<b>Gulbarga Division</b>				
1	Bellary	33.1	40.8	-7.70
2	Bidar	30.4	35.1	-4.70
3	Gulbarga	26.4	37.2	-10.80
4	Koppal	NA	40.7	0.00
5	Raichur	45.6	37.7	7.90
6	Yadgir	NA	38.0	0.00
<b>Belgaum Division</b>				
7	Bagalkot	NA	35.8	0.00
8	Belgaum	17.9	28.8	-10.90
9	Bijapur	32.1	23.1	9.00
10	Dharwad	21.4	34.0	-12.60
11	Gadag	NA	21.8	0.00

12	Haveri	NA	33.7	0.00
13	Uttar Kannada	6.7	19.6	-12.90
	<b>Bangalore Division</b>			
14	Bangalore (Urban)	9.9	1.5	8.40
15	Bangalore (Rural)	5.2	15.7	-10.50
16	Chikaballpur	NA	25.2	0.00
17	Chhitradurga	16.3	46.7	-30.40
18	Davangere	NA	23.3	0.00
19	Kolar	41.9	10.0	31.90
20	Ramnagar	NA	10.5	0.00
21	Shimoga	8.1	29.3	-21.20
22	Tumkur	18.5	13.0	5.50
	<b>Mysore Division</b>			
23	Chamrajnagar	NA	1.6	0.00
24	Chikmagalur	2.3	14.7	-12.40
25	Dakshin Kannada	7.4	1.60	5.80
26	Hassan	11.3	11.6	-0.30
27	Kodagu	4.9	1.50	3.40
28	Mandya	16.6	16.4	0.20
29	Mysore	15.5	15.5	0.00
30	Udapi	NA	22.4	0.00
	<b>State</b>	<b>20.1</b>	<b>21.2</b>	<b>-1.10</b>

Source: Census of India 2001-2011

Table 1 speaks about the percentage of population below the poverty line has been declined dramatically in almost all over the state except Bellary, Bidar, Gulbarga, Belgaum, Dharwad, Uttar Kannada, Bangalore rural, Chitradurga, Shimoga, Chikmagalur where it was added another 7.70 percent population in Bellary, 4.70 percent in Bidar, 10.80 percent in Gulbarga, 10.90 percent in Belgaum, 12.90 percent in Dharwad, 12.0 percent in Uttar Kannada, 10.50 percent in Bangalore (rural), 30.40 percent in Chitradurga, 21.20 percent in Shimoga and 12.40 percent in Chikmagalur districts. In Raichur, Bijapur, Bangalore (Urban), Tumkur, Dakshin Kannada, Kodagu district, the incidence of poverty has been declined.

The important factor for the low percentage of poverty in the districts of Bangalore (Urban), Kolar, Ramnagar, Uttar Kannada, Tumkur, Chamrajnagar, Chikmagalur, Dakshin Kannada, Hassan, Kodagu, Mandya and Mysore is the strong production base. But there is high percentage of poverty in the all districts of Gulbarga division, Bagalkot, Dharwad, Haveri, and Chitradurga because these districts do not have any strong production base, inequality in distribution of income neglect of scheduled castes and tribes who have major portion of population in these districts are the major factors accounting for poverty.

## SECTION II PER CAPITA INCOME AND POVERTY

Per-capita income is one of the determining factor of poverty. There is inverse relationship between per-capita income and poverty. District wise per-capita income and poverty line during 2001-2002 is given in Table 2.

Table 2 indicates that for the year 2001, state level average per-capita income was Rs.18196 and poverty ratio was 20.1 percent. In five districts viz. Bellary, Bidar, Gulbarga and Kolar had low per-capita income with high poverty ratio and Bangalore (Urban), Bangalore (Rural), Shimoga, Chikmagalur, Dakshin Kannada and Kodagu had high per-capita income and low poverty ratio as against the state level average. In Seven districts namely, Belgaum, Dharwad, Uttar Kannada, Tumkur,

Mysore, Hassan and Mandya, the per-capita income is relatively high with low poverty ratio. This shows that there is a strong relationship between per-capita income and poverty.

**Table 2**  
**Per-Capita Income and Poverty Line 2001**

Sl. No	District	Per Capita Income (in Rs)	Rank	Poverty Line (%)	Rank
1	2	3	4	5	6
<b>Gulbarga Division</b>					
1	Bellary	15819	11	33.1	18
2	Bidar	11075	26	30.4	16
3	Gulbarga	12049	24	26.4	15
4	Koppal	15170	13	NA	NA
5	Raichur	10970	27	45.6	20
6	Yadgir	NA	NA	NA	NA
<b>Belgaum Division</b>					
7	Bagalkot	15638	12	NA	NA
8	Belgaum	15106	14	17.9	12
9	Bijapur	13085	22	32.1	17
10	Dharwad	16878	8	21.4	14
11	Gadag	14013	16	NA	NA
12	Haveri	11996	25	NA	NA
13	Uttar Kannada	16337	10	6.7	4
<b>Bangalore Division</b>					
14	Bangalore (Urban)	31804	1	9.9	7
15	Bangalore (Rural)	21821	4	5.2	3
16	Chikaballapur	NA	NA	NA	NA
17	Chhitradurga	13567	20	16.3	10
18	Davangere	14056	15	NA	NA
19	Kolar	13550	21	41.9	19
20	Ramnagar	NA	NA	NA	NA
21	Shimoga	16787	9	8.1	6
22	Tumkur	12945	23	18.5	13
<b>Mysore Division</b>					
23	Chamrajnagar	13880	17	NA	NA
24	Chikmagalur	19175	6	2.3	1
25	Dakshin Kannada	27373	2	7.4	5
26	Hassan	13794	18	11.3	8
27	Kodagu	24200	3	4.9	2
28	Mandya	13739	19	16.6	11
29	Mysore	18022	7	15.5	9
30	Udapi	21087	5	NA	NA
	<b>State</b>	<b>18196</b>		<b>20.1</b>	

Source: Statistical Abstract of Karnataka 2001-02 to 2004-05 & Census of India 2001

Table 3 reveals district wise per-capita income and poverty ratio during the year 2011. Table 3 indicates that for the year 2011, state level per-capita income was Rs.68227 and poverty ratio was 21.2 percent. In eleven districts such as Bellary, Bidar, Gulbarga, Koppal, Raichur, Yadgir, Bagalkot, Belgaum,

Bijapur, Haveri and Chitradurga had low per-capita income with high poverty ratio. And Bangalore (Urban), Bangalore (Rural), Dakshin Kannada, Kodagu and Udapi had high per-capita income and low poverty ratio. Dharwad district had high per-capita income and high poverty ratio.

**Table 3**  
**Per-Capita Income and Poverty Line 2011**

Sl. No	District	Per Capita Income (in Rs)	Rank	Poverty Line	Rank
1	2	3	4	5	6
<b>Gulbarga Division</b>					
1	Bellary	66.38	7	40.8	29
2	Bidar	35526	29	35.1	23
3	Gulbarga	40622	24	37.2	25
4	Koppal	46975	17	40.7	28
5	Raichur	37977	27	37.7	26
6	Yadgir	33895	30	38.0	27
<b>Belgaum Division</b>					
7	Bagalkot	46350	18	35.8	24
8	Belgaum	48619	14	28.8	19
9	Bijapur	41347	21	23.1	16
10	Dharwad	70233	6	34.0	22
11	Gadag	43224	20	21.8	14
12	Haveri	40092	20	33.7	21
13	Uttar Kannada	50598	13	19.6	13
<b>Bangalore Division</b>					
14	Bangalore (Urban)	183607	1	1.5	1
15	Bangalore (Rural)	94124	3	15.7	11
16	Chikaballapur	41176	22	25.2	18
17	Chhitradurga	39728	26	46.7	30
18	Davangere	48453	15	23.3	17
19	Kolar	50665	12	10.0	5
20	Ramnagar	64454	10	10.5	6
21	Shimoga	50800	11	29.3	20
22	Tumkur	43687	19	13.0	8
<b>Mysore Division</b>					
23	Chamrajnagar	35720	28	1.6	3
24	Chikmagalur	57926	9	14.7	9
25	Dakshin Kannada	87012	4	1.60	4
26	Hassan	47691	16	11.6	7
27	Kodagu	102074	2	1.50	2
28	Mandya	40631	23	16.4	12
29	Mysore	65703	8	15.5	10
30	Udapi	75885	5	22.4	15
	<b>State</b>	<b>68227</b>		<b>21.2</b>	

Source: Statistical Abstract of Karnataka 2001-02 to 2004-05 & Census of India 2011

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## SUGGESTIONS AND DISCUSSION

This paper shows the regional variance of poverty reduction in Karnataka. The Karnataka state has initiated various poverty alleviation programmes in both rural and urban areas. These programmes have resulted in marked decline in the poverty in Karnataka. The state has also established housing schemes to provide rural and urban people. The government is spending to productivity enhancing investment such as agricultural development, irrigation and rural infrastructure to reduce the poverty. Government expenditure on roads and education has by far the largest impacts on rural and urban poverty reduction and growth in agricultural productivity in rural areas. In order to sustain the existing growth in the reduction of poverty, proper implementation of different programmes is necessary. Promotion of livelihood opportunities through modernising agriculture, establishing rural industries, establishment skill development training, improve women empowerment, improve the education in rural and urban areas and skill up gradation be considered as effective strategies.

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