

The Incidence and Status of Poverty in Rural Assam

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Abstract

Poverty in rural Assam remains a persistent challenge, hindering the region's development and residents' well-being. Despite global efforts to alleviate poverty in the 21st century, rural areas often continue to struggle, particularly in South Asia and Sub-Saharan Africa. India, with its vast population, experiences significant rural poverty, exacerbated by high population density in these areas. Key factors include population growth, illiteracy, high infant mortality rates, low life expectancy, gender inequality, school dropouts, poor sanitation, maternal mortality, low per-capita income, inadequate capital formation, irregular employment, underpayment, high dependency ratios, crime, and social disorder. This article examines the current state of poverty in rural Assam, identifying the underlying causes and exploring potential strategies for improvement.

Keywords: Rural Poverty, Multi Dimensional Poverty Index, Assam

Introduction

Rural poverty is a complex and multifaceted issue deeply embedded within the social, economic, and political landscapes of rural communities. It encompasses a wide range of factors contributing to the deprivation and limited opportunities experienced by individuals and groups living in rural areas. This demographic includes small-scale family farmers struggling to make a living from their land, subsistence producers with limited resources, and landless agricultural laborers facing precarious livelihoods. Additionally, fisherfolk, pastoralists, and forest-dependent people also contend with restricted access to productive assets and essential resources.

Rural areas are characterized by expansive landscapes with low population densities, often marked by considerable distances between homes, businesses, and other structures. These geographic and demographic traits significantly impact the nature and persistence of rural poverty. A primary factor contributing to rural poverty is inadequate infrastructure, which creates substantial barriers to development and mobility. Insufficient road networks in rural areas hinder access to crucial agricultural inputs, markets, and services, isolating communities and limiting their integration into broader economic and technological advances found in urban centers.

Scholars frequently link rural poverty to spatial inequality, highlighting the stark contrasts between urban and rural regions. While rural poverty is a global issue, it is particularly pronounced in developing countries. According to the World Bank, poverty is a multidimensional phenomenon that encompasses

low income, limited access to essential goods and services, and an overall lack of opportunities necessary for a dignified life.

Renowned economists like Amartya Sen and Abhijit Banerjee offer nuanced understandings of poverty, viewing it as a complex interplay of multiple factors rather than a single issue. Sen defines poverty as the deprivation of freedoms, opportunities, and fundamental human capabilities, which are essential for personal and societal development. Banerjee likens poverty to a multifaceted problem that requires targeted interventions addressing each unique aspect.

The causes of rural poverty are diverse, including cultural, climatic, gender-related, market, and policy-driven factors. These varied causes result in unique challenges for the rural poor, demanding context-specific solutions to address their distinct needs. According to an IMF report, rural poverty constitutes a significant share of global poverty, with prevalence rates reaching as high as 90% in countries like Bangladesh and some regions of sub-Saharan Africa. Despite global economic growth, persistent rural poverty drives population growth and urban migration, further complicating poverty dynamics in both rural and urban areas.

In India, rural poverty presents a significant hurdle to the nation's development goals. Although progress has been made across various sectors, the high incidence of rural poverty threatens to undermine these advances, with over a quarter of the rural population living below the poverty line. In states like Assam, poverty rates in certain areas exceed national averages, highlighting the need for targeted interventions to address regional disparities and support vulnerable populations.

Addressing rural poverty effectively requires coordinated efforts from governments, international organizations, and civil society. Emphasizing inclusive policies, sustainable economic growth, and investments in rural infrastructure and livelihoods will be essential to ensuring a more equitable and prosperous future for all.

Review of Literature

Mishra (2005), in a study based on primary data from 182 households across seven villages in Udalguri, Assam, found that about 33.5% of surveyed households lived below the poverty line, defined as Rs. 400 per capita per month. The study further indicated that 39.5% of individuals and 37.36% of households would fall below the poverty line if the threshold was set at Rs. 425 per capita per month.

Konwar (2018) analyzed poverty and inequality among the Mishing people of Assam using the Gini Index. In Dhemaji, the Gini Index was higher among self-employed individuals in agriculture (12.00) compared to casual agricultural laborers. In Sivasagar, income inequality was lower among casual agricultural laborers but higher among those self-employed in non-agricultural sectors (4.40).

Konwar and Mazumder (2015) highlighted that the Mishing tribe, residing in riverine areas with a unique cultural heritage, faces persistent socio-economic challenges despite government welfare schemes. Key determinants of poverty among the Mishing in Dhemaji and Sivasagar include household size, dependency ratio, sex ratio, education, health, occupation, distance from towns, and natural factors like flooding and erosion.

Minati Mishra (2006) observed that Kalahandi district, despite its natural resources, neglects crucial socio-economic factors such as education and health. In contrast, agricultural development in Punjab, educational expansion in Kerala, and land reforms in West Bengal have positively impacted economic development and poverty reduction.

Joseph (2007) explored agrarian power dynamics and poverty in rural Bihar, focusing on why poverty pe

resists. He found that powerlessness among the poor, particularly landless and marginal farmers, SCs, and OBCs, exacerbates poverty. Informal credit systems are deeply entrenched, and public interventions have had limited success.

Dutta (2013) reported that in 2005, 35% of rural Indian households were below the asset poverty line, with 22% being chronically poor and 13% transiently poor. Additionally, 9% of rural non-poor households were vulnerable to becoming poor.

Sumathy (2018) found that employment plays a critical role in poverty levels. As agricultural opportunities decline, rural workers are forced to migrate to urban areas, but those lacking skills and education struggle to secure quality employment.

Objectives of the study

Against the above mentioned background, this study is mainly intended to analyze the following objectives.

1. To examine the nature and behavior of rural poverty in Assam.
2. To study the trends and incidence of poverty in Assam based on various expert group studies and reports.

Methodology used in the Study

This study relies extensively on secondary data sourced from various authoritative reports, including those issued by the Planning Commission, NITI Aayog, World Bank, IMF, and the Economic Survey of Assam. Insights from several expert groups commissioned by the Government of India have been integrated to enrich the analysis. Key contributions include findings and recommendations from the Working Group of 1962, the Alagh Task Force of 1979, the Lakdawala Expert Group of 1993, and the Tendulkar Expert Group of 2009. These groups have significantly influenced the understanding and estimation of poverty, providing valuable perspectives.

The poverty estimates used in this study cover multiple time periods, utilizing data from 1999-2000, 2004-05, and 2011-12, as provided by the Planning Commission. Additional datasets from the Ministry of Rural Development (MoRD) and the Ministry of Housing and Urban Poverty Alleviation (HUPA) help identify Below Poverty Line (BPL) households, particularly during India's Five Year Plans. By incorporating these diverse sources, the study provides a comprehensive view of poverty dynamics and policy implications in both rural and urban contexts.

Beyond traditional income-based measures, the study adopts a multidimensional approach to poverty, as highlighted by NITI Aayog's 2021 Multidimensional Poverty Index (MPI). This framework considers various indicators, including nutrition, mortality rates, education, access to clean cooking fuel, sanitation, potable water, electricity, housing conditions, asset ownership, and financial inclusion. By embracing this holistic approach, the study offers a more nuanced assessment of poverty, revealing the intersecting vulnerabilities and disparities impacting individuals and communities.

Nature and Behavior of Rural Poverty in Assam

Assam is the part of North-East region of India, shares borders with seven states - Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Tripura, and West Bengal - as well as neighboring countries Bhutan and Bangladesh. Encompassing a vast geographical area of 78,438 sq. km, with rural areas constituting 98.4% of its expanse according to the Economic Survey of Assam (2021-2022), the state

accounts for 2.4% of India's landmass and harbors 2.6% of the country's population as per the 2011 census. With 35 districts, including six newly created ones, Assam's administrative landscape continues to evolve. The state boasts a rich tapestry of socio-cultural and ethnic diversity, reflected in its population of 312.05 lakh as per the 2011 census, comprising 159.39 lakh males and 152.66 lakh females. Notably, Assam witnessed a decadal population growth rate of 17.07% from 2001 to 2011, slightly lower than the national average of 17.68%. A significant majority, 86%, of Assam's populace resides in rural areas, surpassing the all-India rural population average of 69%.

The nature and behavior of rural poverty in Assam can be assessed with the following features and characteristics

1. **Population Growth:** Assam's rapid population growth is a significant contributor to rural poverty. With one of the highest demographic growth rates in India, Assam's population surged by 34.95% from 1961 to 1971, compared to the national average of 24.95%. From 1971 to 1991, the population grew by 53.26%, with a continuing rise into the 21st century. A major factor is the influx of migrants, which has outpaced the state's economic development. This disparity has led to increased unemployment, poverty, and income inequality.
2. **Natural Calamities:** Recurrent natural disasters, especially floods and droughts, severely impact Assam's rural economy. The Brahmaputra River and its tributaries cause frequent and devastating floods. For instance, the 1996 flood affected nearly 4,800 villages, damaging vast areas of crops and infrastructure, and displacing millions. The economic toll is immense, with flood damages escalating from Rs. 13.2 crores in 1970 to Rs. 306.6 crores by 1989. Such calamities divert essential resources toward disaster relief, hindering long-term development and exacerbating poverty.
3. **Geographical Isolation and Difficult Terrain:** Assam's geographical isolation and challenging terrain have historically restricted its development. The state's hilly regions, rivers, and dense forests increase the costs of administration and development. This isolation has also limited capital inflow and industrialization, further complicating the implementation of poverty alleviation programs.
4. **High Cost Structure:** Assam's cost of living is significantly higher than in other Indian states. For example, Digboi in Assam has an 18% higher costliness index than Delhi. This elevated cost structure strains resources, limits savings, and increases the financial burden on the population. The high cost of living exacerbates poverty by reducing disposable income and hindering economic development.
5. **Inadequate Transport and Communication Infrastructure:** Assam suffers from poor transport and communication infrastructure due to its geographical isolation and rugged terrain. The state's railway and road networks are insufficient, with Assam holding only 2.2% of India's broad gauge railway lines as of 1997. Although there have been efforts to expand infrastructure, they have not kept pace with demand. This lack of connectivity hinders industrial growth and economic opportunities, perpetuating rural poverty.
6. **Capital Deficiency:** Assam faces a severe shortage of capital, which is crucial for economic growth. The state has a low savings rate due to its low per capita income, which limits investment in development projects. Additionally, a large portion of Assam's workforce is migratory, with their earnings often remitted outside the state. This capital outflow exacerbates the financial strain and slows development, making it difficult to address the underlying causes of rural poverty.
7. **Underutilization of Natural Resources:** Despite being rich in natural resources, Assam has failed to fully exploit its economic potential. Investment has primarily focused on traditional resources like

tea, jute, and oil, while other resources, such as hydroelectric power and coal, remain underutilized. This underexploitation limits economic growth and contributes to persistent poverty in rural areas.

8. **Lack of Skilled Labor:** A shortage of skilled labor is a significant barrier to economic development in Assam. The majority of the workforce is unskilled, and the state often relies on labor from other regions or countries for technical jobs. This reliance increases costs and delays development projects. Furthermore, the lack of training centers and technical colleges restricts opportunities for local populations to acquire the skills needed for better-paying jobs.
9. **Deficit in Entrepreneurial and Managerial Talent:** Assam's economy is further constrained by a lack of entrepreneurial and managerial talent. Local entrepreneurs have been slow to capitalize on the state's development potential, particularly in industries like handicrafts that could absorb a significant portion of the impoverished population. This lack of initiative stifles economic growth and limits opportunities for poverty reduction.
10. **Poor Credit Facilities:** The availability of credit in Assam is inadequate, hindering private sector growth and development. Per capita bank credit in Assam is far below the national average, with the credit-deposit ratio consistently lagging behind other states. This scarcity of credit limits industrial expansion and economic progress, perpetuating rural poverty.
11. **Primitive Technology:** Assam's reliance on outdated technology is a major obstacle to economic development. In agriculture, the use of primitive techniques has resulted in stagnant productivity, while other states have advanced through modern methods. Small-scale industries also struggle to compete due to their reliance on old technologies. The lack of technological progress keeps Assam's economy underdeveloped and its rural population impoverished.

Thus most of the favorable factors, which are responsible for sound economic growth, are missing in Assam. Rather various unfavorable economic factors are standing on the way to retard the pace of economic development of the state.

State Income and Its Impact on Poverty

According to initial estimates, the Gross State Domestic Product (GSDP) of the State for the fiscal year 2020-21 is projected to reach Rs. 381003.97 crore at current prices, marking a modest growth of 0.95 percent compared to the previous year. Conversely, the GSDP at constant prices is anticipated to stand at Rs. 250922.83 crore, indicating a slight contraction of (-) 0.40 percent, primarily attributable to the significant disruptions caused by the pervasive COVID-19 pandemic, which profoundly impacted economic activities across all sectors. However, there is optimism as the state's economy is forecasted to rebound strongly, with expected annual growth rates of 13.89 percent and 9.13 percent at both current and constant (2011-12) prices, respectively, signaling a notable recovery over the year.

Table 1: Sector wise contribution to GSDP

Sectors	2011-12	2020-21
Agriculture and Allied Sector	19.05	22.32
Industry	33.55	27.28
Service	36.11	40.41
Taxes & Subsidies	11.29	10

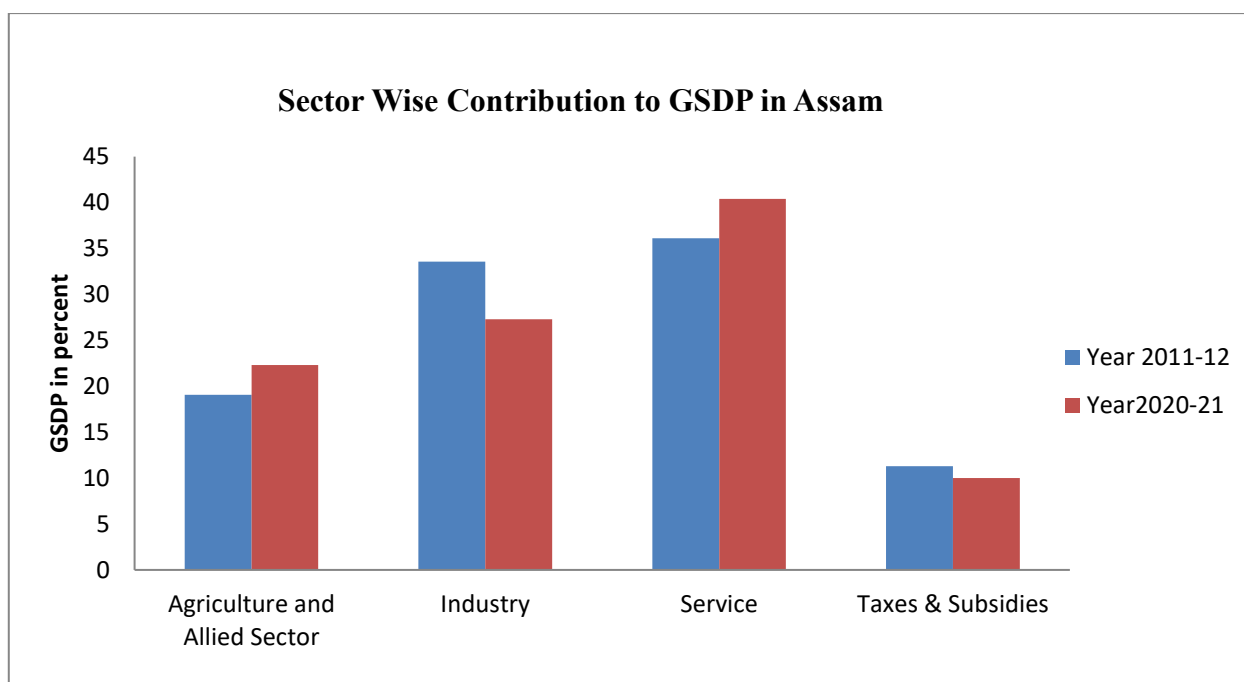


Figure 1. Sector Wise Contribution to GSDP in Assam

(Source: Economic survey of Assam-2021-22)

From the above table and diagram it is observed that though there is a slight increase in growth of agriculture but there is an acute down fall in industrial sector, which is the back bone of employment generation in the economy and might be a major cause of poverty eradication toll in the state. Similarly there is a noticeable rise in tertiary sector, but those are of very low grade services as proved by many studies. In the field of taxes and subsidies, there is a fall in generation of government income and reversely the state government has to pay a huge amount to meet the primary deficit causing short fall to carry out poverty alleviation programs. Above all as being the high agricultural potential state, a large amount of resources are unutilized or under- utilized in the state.

Examining Trends and Patterns in Rural Poverty Incidence

Since March 1997, the Planning Commission has served as the primary agency within the Government of India for poverty estimation, utilizing the methodology established by the Expert Group in 1993. This methodology, endorsed by the Expert Group on the Estimation of Proportion and Number of Poor, relies on extensive sample survey data on household consumer expenditure collected approximately every five years by the National Sample Survey Organization (NSSO) under the Ministry of Statistics and Program Implementation. Beginning with the 6th Five-Year Plan, the Planning Commission has consistently estimated poverty incidence. Notable releases include poverty estimates for the years 1973-74, 1977-78, 1983-84, 1987-88, and 1993-94, which were disseminated by the Government of India's Press Information Bureau on March 11, 1997. Subsequently, poverty estimates for 1999-2000 were released on February 22, 2001; the 2004-05 estimates were published on March 21, 2007; and the 2009-10 estimates were issued on March 19, 2012, as documented in the Planning Commission's 2007 report. The Ministry of Rural Development (MoRD) and the Ministry of Housing and Urban Poverty Alleviation (HUPA) are the key agencies within the Indian government responsible for identifying impoverished populations in rural and urban areas, respectively. Before conducting the Below Poverty

Line (BPL) census, a unified methodology for identifying BPL rural households is developed through collaboration with experts, officials overseeing rural development programs, and other relevant stakeholders.

The Ministry of Rural Development, in collaboration with State Governments and Union Territories, conducted BPL censuses in 1992, 1997, 2002, and 2011 (SECC 2011). Initially, BPL classification was based on self-reported income (1992) but shifted to consumption expenditure in 1997. By 2002, the focus moved to socio-economic indicators of well-being (Saxena 2009, GOI 2006).

In 1978, the poverty line was originally established based on income and food requirements. It was determined that a typical individual needed 2,400 calories daily in rural areas and 2,100 calories in urban areas. The cost of grains required to meet these caloric needs (around 650 grams) was used to set the poverty line. Later, under the guidance of the Expert Group led by Rangarajan, calorie, protein, and fat requirements were calculated using Indian Council of Medical Research (ICMR) norms. These norms accounted for age, gender, and activity levels, resulting in revised energy requirements of 2,155 kcal per person per day for rural areas and 2,090 kcal for urban areas. The poverty line, initially set at Rs. 49.63 per person per month in rural areas and Rs. 56.76 in urban areas in 1973, increased to Rs. 115.20 and Rs. 162.16, respectively, by 1988. The Planning Commission has since adjusted these figures annually to account for inflation. State-specific poverty lines between 1973 and 1988 are shown below:

Table 2: State-Specific Poverty Lines in Rural Areas (Rs. Monthly Per Capita)

	1973-74	1977-78	1983-84	1987-88
Assam	49.82	60.29	98.32	127.44
India	49.63	56.84	89.50	115.20

Table 3: State-Specific Poverty Lines in Urban Areas (Rs. Monthly Per Capita)

	1973-74	1977-78	1983-84	1987-88
Assam	50.26	61.38	97.51	126.60
India	56.76	70.33	115.65	162.16

Source: Planning Commission

(The national poverty line is calculated as a weighted average of state poverty ratios, derived from the distribution of individuals across expenditure categories.)

As per Tendulkar Committee Poverty Lines for Assam was Rs 266.3 for rural areas and Rs 306.8 for urban areas with Poverty Head-Count Ratios 54.9 % and 27.7% in rural and urban areas respectively. The figures increased in the subsequent years i.e. 1993-94, 2004-05 and 2009-10 (See table 4, 5 and 6).

Table 4: Poverty Lines and Poverty Head Count Ratio for 1993-94 (Tendulkar Committee)

	Poverty Line (Rs)		Poverty Headcount Ratio (%)		
	Rural	Urban	Rural	Urban	Total
Assam	266.3	306.8	54.9	27.7	51.8
India	205.84	281.35	50.1	31.8	45.3

Source: Planning Commission, 2009:18

Table 5: Poverty Lines and Poverty Head Count Ratio for 2004-05 (Tendulkar Committee)

	Poverty Line (Rs)		Poverty Headcount Ratio (%)		
	Rural	Urban	Rural	Urban	Total
Assam	478.00	600.03	36.4	21.8	34.4
India	446.68	578.8	41.8	25.7	37.2

Source: Planning Commission, 2009:17

Table 6: State Specific Poverty Lines for 2009-10 and 2011-12

	Monthly per capita (Rs) For 2009-10		Monthly per capita (Rs) ¹ For 2011-12		Monthly per capita (Rs) ² For 2011-12	
	Rural	Urban	Rural	Urban	Rural	Urban
Assam	691.7	871	828	1008	1006.66	1420.12
India	672.8	859.6	816	1000	972	1407

Source: Planning Commission 2012; Planning Commission 22 July 2013

¹Computed as per Tendulkar method on Mixed Reference Period (MRP)

² Planning Commission June 2014 (Rangarajan)

Deaton and Dreze (2002) present a new series of consistent poverty estimates for the most recent quinquennial rounds (1987-88, 1993-94, and 1999-2000). These estimates represent significant advancements over the official figures through four key adjustments. First, the 55th-Round estimates have been carefully adjusted to ensure comparability with earlier rounds. Second, improved price indexes are utilized to update the poverty line over time and derive state-specific poverty lines from the all-India poverty line. Third, a more rigorous approach is applied to estimate the rural-urban poverty line gap, addressing the often questionable gaps found in the official estimates. Finally, beyond the corrected headcount ratios, the analysis includes a potentially more insightful poverty measure—the poverty-gap index. Each of these methodological changes warrants further discussion (Deaton and Dreze, 2002: 3731) (As shown in the Tables 7 and 8).

Table 7: State-Specific Headcount Ratios (Per cent)

		Official Methodology			Adjusted Estimates		
		1987-88	1993-94	1999-00	1987-88	1993-94	1999-00
Rural	Assam	39.4	45.2	40.3	36.1	35.4	35.5
	India	39.4	37.1	26.8	39.0	33.0	26.3
Urban	Assam	11.3	7.9	7.5	13.6	13.0	11.8
	India	39.1	32.9	24.1	22.5	17.8	12.0

Source: Deaton and Dreze's estimates based on NSS unit record data from 43rd, 50th and 55th Rounds

Table 8: State-Specific Poverty-Gap Indexes

		Official Methodology			Adjusted Estimates		
		1987-88	1993-94	1999-00	1987-88	1993-94	1999-00
Rural	Assam	7.4	8.3	8.5	6.5	5.7	6.1
	India	9.4	8.4	5.2	9.2	7.0	5.2

Urban	Assam	1.5	0.9	1.5	2.0	2.0	1.9
	India	10.4	8.3	5.2	4.8	3.7	2.3

Source: Deaton and Dreze's estimates based on NSS unit record data from 43rd, 50th and 55th Rounds

Tables 9 and 10 present the decline in poverty based on various poverty lines in rural and urban India separately. Two notable trends emerge: first, rural poverty reduction has been significant across both time periods—1993-94 to 2004-05 and 2004-05 to 2009-10—except when using the \$2-a-day poverty line. Second, the annual decline in the Headcount Ratio (HCR) was more pronounced between 2004-05 and 2009-10 than between 1993-94 and 2004-05, regardless of the poverty line used. However, the annual rural poverty reduction rates of 1.64% in rural areas and 0.92% in urban areas (revised to 1.3% and 0.8%, respectively, when adjusting for Mid-Day Meal Scheme expenditure, as per Himanshu's estimates) are somewhat disappointing, considering that India's GDP grew at an average rate of 8.5% from 2004-05 to 2009-10, surpassing 9% in three of those five years.

Table 9: Decline in Rural Headcount Ratio (All India, %)

Poverty Line	Total Decline (1993-94 to 2004-05)	Total Decline (2004-05 to 2009-10)	Annual Decline (1993-94 to 2004-05)	Annual Decline (2004-05 to 2009-10)
Tendulkar Line	8.1	8.2 (6.81)	0.81	1.64 (1.361) ¹
\$1.25 a Day (2005 PPP)	8.6	9.5	0.86	1.91
\$2 a Day (2005 PPP)	5.7	6.2	0.57	1.24

¹Himanshu's estimates (2012)

Source: Planning Commission poverty data and World Bank POVCAL Net Database

Table 10: Decline in Urban Headcount Ratio (All India, %)

Poverty Line	Total Decline (1993-94 to 2004-05)	Total Decline (2004-05 to 2009-10)	Annual Decline (1993-94 to 2004-05)	Annual Decline (2004-05 to 2009-10)
Tendulkar Line	6.3	4.6 (4 ¹)	0.63	0.92 (0.81) ¹
\$1.25 a Day (2005 PPP)	4.6	7.23	0.46	1.45
\$2 a Day (2005 PPP)	6.3	8.28	0.63	1.65

¹Himanshu's estimates (2012)

Source: Planning Commission poverty data and World Bank POVCAL Net Database

As per the Planning Commission, the all-India HCR declined by 7.23 percentage points from 37.2% in 2004-05 to 29.8% in 2009-10. Rural poverty decreased by 8.28 percentage points, from 41.8% to 33.8%, while urban poverty fell by 4.8 percentage points, from 25.7% to 20.9%. However, poverty increased in some northeastern states, including Assam, Meghalaya, Manipur, Mizoram, and Nagaland, during this period.

In rural areas, Scheduled Tribes (STs) exhibit the highest poverty levels at 47.4%, followed by Scheduled Castes (SCs) at 42.3%, and Other Backward Classes (OBCs) at 31.9%, compared to 33.8% for all rural classes. In urban areas, SCs have an HCR of 34.1%, followed by STs at 30.4%, and OBCs at 24.3%, compared to 20.9% for all urban classes. The HCR for casual laborers in urban areas is notably high in states like Bihar (86%), Assam (89%), Odisha (58.8%), Punjab (56.3%), Uttar Pradesh (67.6%), and West Bengal (53.7%).

Table 11: Population Below Poverty Line by State (%), 2009-10 (Tendulkar Methodology)

	Rural		Urban		Total	
	% of persons	No. of persons (Lakhs)	% of persons	No. of persons (Lakhs)	% of persons	No. of persons (Lakhs)
Assam	39.9	105.3	26.1	11.2	37.9	116.4
India	33.8	2782.1	20.9	764.7	29.8	3546.8

Source: Planning Commission, 2012

Table 12: Population Below Poverty Line by State (%), 2011-12 (Tendulkar Methodology)

	Rural		Urban		Total	
	% of persons	No. of persons (Lakhs)	% of persons	No. of persons (Lakhs)	% of persons	No. of persons (Lakhs)
Assam	33.89	92.06	20.49	9.21	31.98	101.27
India	25.70	2166.58	13.70	531.25	21.92	2697.83

Source: Planning Commission, 22 July 2013

Table 13: Population Below Poverty Line by State (%), 2011-12 (Rangarajan Methodology)

	Rural		Urban		Total	
	% of persons	No. of persons (Lakhs)	% of persons	No. of persons (Lakhs)	% of persons	No. of persons (Lakhs)
Assam	42.0	114.1	34.2	15.4	40.9	129.5
India	30.9	2605.2	26.4	1024.7	29.5	3629.9

Source: Planning Commission, June 2014

Tables 11, 12, and 13 present the percentage and number of people below the poverty line in Assam and India as a whole for different years and methodologies. Using the Tendulkar methodology, the poverty rate in 2009-10 was 37.9% in Assam, with 39.9% in rural areas and 26.1% in urban areas. Nationally, the figures stood at 33.8% for rural and 20.9% for urban populations, totaling 29.8%.

By 2011-12, poverty levels had declined significantly. The Tendulkar estimates showed Assam's poverty rate at 32.0%, with 33.9% in rural areas and 20.5% in urban areas. For India, these rates were 25.7% in

rural regions, 13.7% in urban areas, and 21.9% overall. In contrast, the Rangarajan methodology reported higher poverty rates for the same year, estimating 40.9% of Assam's population below the poverty line, compared to the national average of 29.5%.

These differences reflect variations in methodology. The Tendulkar method is based on the Mixed Reference Period (MRP), while the Rangarajan method uses the Modified Mixed Reference Period (MMRP), leading to differing estimates of poverty. The 2011-12 data indicates that poverty reduction efforts were more pronounced under the Tendulkar methodology but remained a significant challenge, particularly in rural areas.

Multidimensional Poverty Index, 2021

The Global Multidimensional Poverty Index 2021 indicates that 1.3 billion people worldwide experience multidimensional poverty, including approximately 644 million children under 18. Notably, nearly 85% of those affected live in Sub-Saharan Africa (556 million) or South Asia (532 million), with over 67% residing in middle-income countries.

India's national Multidimensional Poverty Index (MPI) adopts the globally recognized methodology developed by the Oxford Poverty and Human Development Initiative (OPHI) and the United Nations Development Program (UNDP), ensuring both technical rigor and policy relevance. As a comprehensive measure, the MPI captures the multiple and simultaneous deprivations faced by households. This report provides a detailed analysis of multidimensional poverty across national, state, and district levels, focusing on both the headcount ratio and the intensity of poverty.

India's inaugural national MPI measure is based on data from the 2015-16 National Family Health Survey (NFHS), using twelve key indicators across health, nutrition, education, and standard of living. This aligns with the global strategy promoted by the UNDP and OPHI, which jointly released the Global Multidimensional Poverty Index 2021.

The National MPI Baseline Report & Dashboard is a pivotal step toward achieving the Sustainable Development Goals (SDGs), particularly Target 1.2 of the 2030 Agenda, which aims to reduce poverty in all its dimensions. Launched amid efforts to recover from the COVID-19 pandemic, the MPI provides critical insights for informed decision-making and policy interventions.

In Assam, about 32.67% of the population faces multidimensional poverty, with significant deprivations in health, nutrition, education, and living standards, ranking it fifth nationally, alongside Meghalaya. Bihar has the highest percentage of people in multidimensional poverty (51.91%), while Kerala has the lowest (0.71%), followed by Goa (3.76%).

The Report further reveals alarming statistics, which is shown in the following Table,

Table-14: Status of indicators of MPI in Assam

Indicators	Value In Per cent
1.Malnutrition	39.67
2.Lack access to adequate maternal healthcare	25.44
3.Children and adolescents face mortality risks	2.90 (NFHS-5)
4.Children lack access to education	4.4
5.Deficit in years of schooling	16.19
6.Lack proper sanitation facilities	31.50
7. Deprived of cooking fuel.	60.50

8.Access to clean drinking water is a challenge	14.50
9.Lack electricity access	7.4
10.Housing deprivation	69.30
11.Lacking essential assets	19.95
12. Deprived of a bank account.	3.70

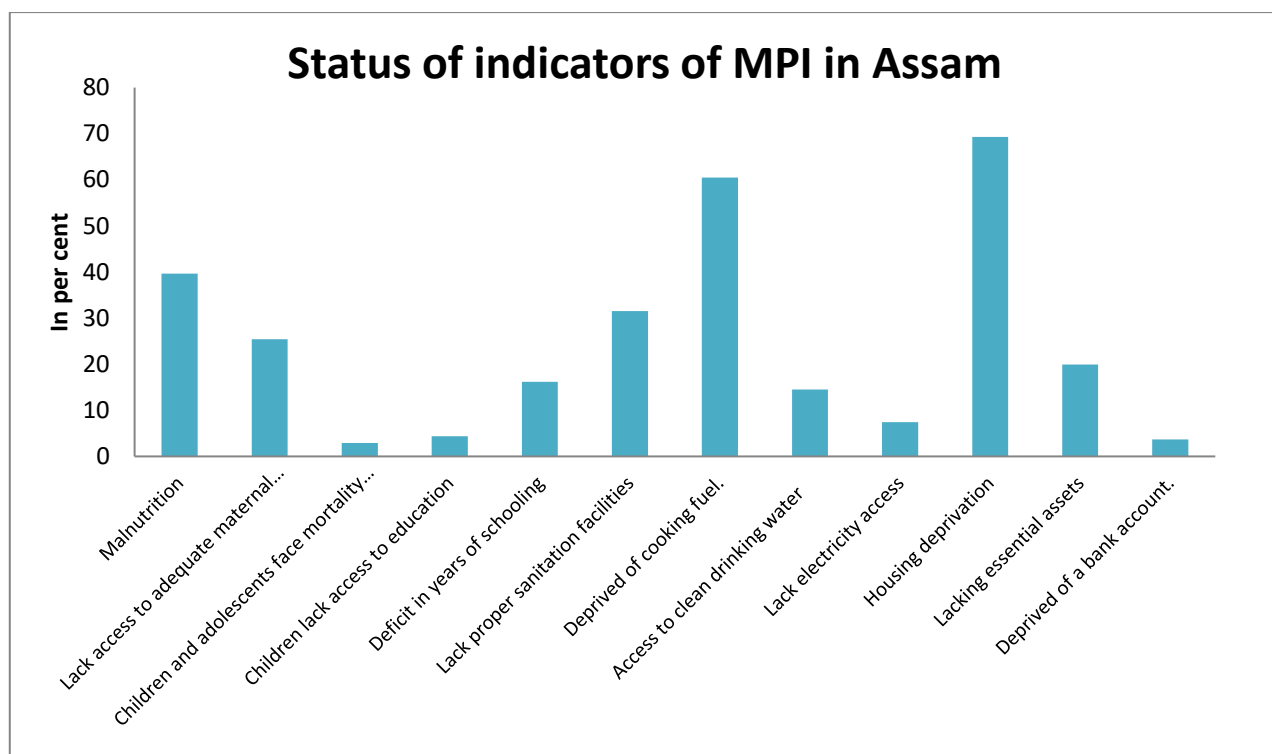


Figure 2. Status of indicators of MPI in Assam

Source: NITI Aayog Report 2021

The above table and diagram states that the state of deprivation in Assam: 39.67 percent of the population is affected by malnutrition, while 25.44 percent lack access to adequate maternal healthcare. Additionally, the provisional NFHS-5 report indicates that 2.90 percent of children and adolescents face mortality risks. Moreover, 4.4 percent of children lack access to education, with 16.19 percent experiencing a deficit in years of schooling. Furthermore, 31.50 percent lack proper sanitation facilities, while a staggering 60.50 percent are deprived of cooking fuel. Access to clean drinking water is a challenge for 14.90 percent of the population, and 7.4 percent lack electricity access. Housing deprivation affects 69.30 percent of the populace, with 19.95 percent lacking essential assets and 3.70 percent deprived of a bank account.

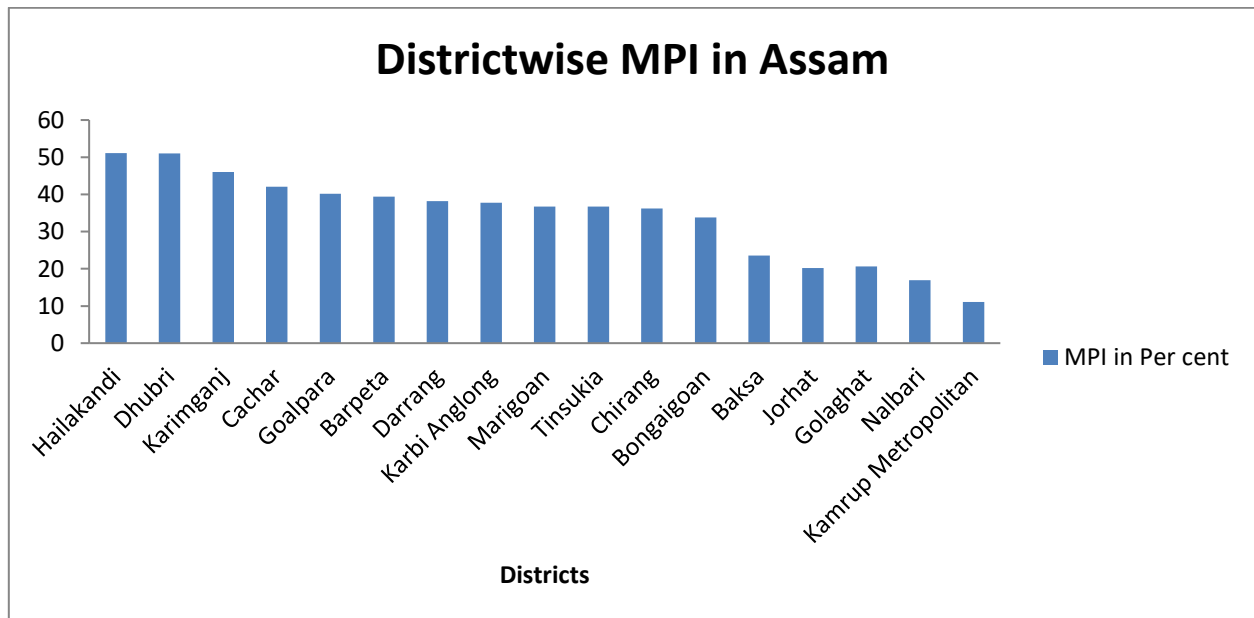
Table-15: Status of MPI in Assam

District	Population below poverty (MPI) in Per cent
Hailakandi	51.07
Dhubri	51.06
Karimganj	46.02
Cachar	42.07

Goalpara	40.15
Barpeta	39.41
Darrang	38.22
Karbi Anglong	37.73
Marigaon	36.75
Tinsukia	36.70
Chirang	36.20
Bongaigaon	33.80
Baksa	23.59
Jorhat	20.24
Golaghat	20.60
Nalbari	16.94
Kamrup metropolitan	11.04

Source: Source: NITI Aayog Report 2021

Hailakandi ranks as the district with the highest level of multidimensional poverty in Assam, with 51.07% of its population affected. Dhubri follows closely at 51.06%, and other districts with significant poverty levels include Karimganj (46.02%), Cachar (42.07%), and Goalpara (40.15%). Several districts, including Barpeta (39.41%), Darrang (38.22%), and Karbi Anglong (37.73%), also exceed the state average.



Source: NITI Aayog Report 2021

Conversely, Kamrup Metropolitan has the lowest poverty rate at 11.04%, followed by Nalbari (16.94%), Jorhat (20.24%), and Golaghat (20.60%). Despite these disparities, rural poverty consistently exceeds urban poverty across Assam and India. The Rangarajan Methodology highlights that 42.05% of Assam's rural population and 38.9% of its urban population lived below the poverty line in 2011-12, surpassing national averages.

Given the complexities in defining and measuring poverty, a pragmatic approach is necessary. The poverty line should be grounded in human criteria, reflecting the diverse dimensions of deprivation experienced by individuals and communities.

Conclusions

Assam's rural poverty is driven by rapid population growth, frequent natural disasters, geographical isolation, and economic challenges like high costs, capital shortages, and inadequate infrastructure. The state's economic development is further hampered by underutilized natural resources, a shortage of skilled labor, limited entrepreneurship, poor credit facilities, and reliance on outdated technology. Addressing these issues is crucial to improving Assam's economic prospects and reducing rural poverty. The eradication of poverty is a central objective of the 2030 Agenda for Sustainable Development, adopted globally in 2015. A key tool for measuring progress towards this goal is the Multidimensional Poverty Index (MPI), developed by the Oxford Poverty and Human Development Initiative (OPHI) and the United Nations Development Program (UNDP). Since its introduction in the 2010 UNDP Human Development Report, the MPI has provided a comprehensive and nuanced assessment of poverty. Despite its importance, there is still no universally accepted method for measuring poverty, leading to discrepancies in estimates among scholars and governments. A pragmatic approach that integrates concepts, data, and methodologies is essential. Setting the poverty line should prioritize humane criteria, accurately reflecting the multidimensional aspects of poverty. Effective policy-making requires careful consideration of inclusion and exclusion criteria, as well as scoring methods, to identify and support households below the poverty line in Assam and across India.

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