

Poverty and Standards of Living in Rural Areas

In the post-pandemic period, the long-term tendency towards a reduction in poverty and food insecurity has been reversed in large parts of the developing world. In India, there was a huge return of workers from urban to rural areas. Rural wages have stagnated in the last few years, and, by a recent estimate, over a quarter of the rural population – hundreds of millions -- live in extreme poverty. This context gives urgency to the questions being explored under this theme, namely, changes in poverty and deprivation among the agrarian population of India and other countries.

Poverty and deprivation are defined broadly to include access to income and other resources (land, in particular) but also deprivation in basic capabilities such as ability to be healthy, to be educated, to secure nutritious food, as reflected in the Human Development approach. In India, official statistics and policy have neglected poverty as measured by income or household expenditure. There are two recent rounds of expenditure surveys that can be used to estimate the level and intensity of poverty. Income levels can also be gauged from wages and earnings, and changes in employment.

Our focus is on the living standards of poor peasants and manual workers or the mass of the working poor. The FAS-PARI village surveys are unique in providing a nuanced picture of deprivation, where levels of income, ownership of assets, conditions of housing, educational attainment, and many other measures of living standards can be understood not only in combination but specifically across socio-economic classes.

We need to learn from the experience of regions and countries that have been able to bring about reduction in poverty and deprivation. The experience of China is unique in terms of ending extreme poverty in a record period of time and on a mass scale.

Poverty and inequality are distinct but related. We need to document extreme poverty and monitor disparities within countries and across countries, especially rural-urban inequalities.

The Foundation invites papers on concepts and measurement of poverty, deprivation, and human development; trends in poverty and rural wages and earnings; poverty and living standards among rural workers, including poverty with respect to access to land and productive assets, to food and nutrition insecurity, and to housing and basic amenities; strategies of poverty reduction; growing inequalities in wages, incomes and wealth, including rural-urban inequality.