

## Chapter 5

# South Asia: An Overview

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## Introduction

This chapter reviews selected research on poverty in South Asia published between 1980 and 1994. South Asia includes India, Bangladesh, Pakistan, Nepal, and Bhutan, comprising the Indian subcontinent and the island nation of Sri Lanka. The volume of literature on poverty in this region is very extensive indeed, even when limited to a period of fourteen years. Therefore, this review only deals with selected poverty research in the region in the period covered, bearing in mind the broader project objective of comparative poverty research. In selecting material for this review the best access has been to the relevant literature on Sri Lanka, Bangladesh, and India, in that order of coverage. This limitation must be borne in mind in assessing the review.

## The significance of South Asia in poverty research

In 1991 South Asia had a population of 1.1 billion or roughly about 20 percent of the entire world population (SAARC 1992: 1). According to World Bank estimates for 1990, one half of the entire poor population in the world lived in South Asia (World Bank 1992). Thus, as a region, South Asia has by far the largest concentration of poor people in the world. A report published in November 1992 by the Independent South Asian Commission on Poverty Alleviation appointed by the South Asian Association for Regional Cooperation (SAARC) estimated that 30–40 per cent of the population in the region is below the poverty lines set in the respective countries (SAARC 1992: 1). South Asia is also one of the most densely populated regions of the world, with an

average population density of 242 km<sup>2</sup> in 1992 (*ibid.*: 143). Thus the twin problems of widespread poverty and high population pressure characterize this region as a whole.

Given the above situation it is natural that poverty is a key social problem and a target of social policy and interventions, as well as a principle focus of research in the region. In one way or another poverty influences almost all aspects of society and culture, including politics, social instability, broad social and economic processes, literature, and entertainment. Accounts of poverty in South Asia vary from journalistic accounts and reports by various agencies to serious academic writing. This raises the question of how to classify and evaluate poverty research in the region.

## Towards a classification of South Asian poverty research

South Asian poverty research can be classified on the basis of disciplinary focus (e.g. economics, sociology, geography, political economy, theology, etc.), academic versus applied research, who funds or carries out research (e.g. international donor agencies, government agencies, non-governmental organisations (NGOs), universities or individual researchers), or the nature and content of the reporting of research results. Considering the nature, content, and authorship of the publications, poverty research in the region may be broadly classified as follows.

- Publications by international agencies such as the International Labour Organization (ILO), especially under its Asian Employment Programme (ARTEP), the World Bank, the Asian Development Bank, the Economic and Social Commission for Asia and the Pacific (ESCAP), and SAARC. The aims of these reports are varied, but they often monitor trends in poverty in countries in the region (for example, Islam 1985; Khan and Lee 1983; SAARC 1992; World Bank 1992). Often these reports use secondary data obtained from national sources.
- National survey reports containing primary data. Examples are consumer finances surveys conducted from time to time by the Central Bank of Sri Lanka, Labour force and socio-economic surveys conducted on a similar basis by the Department of Census and Statistics of Sri Lanka, household expenditure surveys periodically conducted by the Bangladesh Bureau of Statistics, and periodic household surveys

conducted by the National Sample Survey Organization affiliated to the National Planning Commission in India.

- Evaluations of specific interventions against poverty in the respective countries, such as the Grameen Bank in Bangladesh (e.g. Osmani 1989; Quasem 1991), the Janasaviya Programme in Sri Lanka (e.g. Hettige 1994; Mendis 1992; Ministry of Policy Planning, Sri Lanka 1990; Ratnayake 1994), Integrated Rural Development Programmes in India (see Bandyopadhyay 1985), and the Small Farmers' Development Programme in Nepal (e.g. Banskota 1985).
- Analytical studies dealing with poverty trends, their causes, and their consequences in a limited geographical region. These studies in turn may range from those proceeding from a specific theoretical perspective (see Chambers 1983; Griffin 1985; Moore 1990) to those simply reviewing certain empirical observations relating to poverty or income inequality (see Glewwe 1988; Gunatilleke et al. 1991; Minhas et al. 1991). Because these studies seek to understand the hard realities of poverty, they often take the form of academic rather than applied research.
- Ethnographic research. These studies involve first-hand experience of living in selected rural or urban communities on the part of the researchers themselves. Ethnographic research in urban low income communities (e.g. Silva and Athukorala 1991; Sinha 1985) or selected village communities (see Ratnapala 1989) typically presents a qualitative description of the life of the poor and their feelings and perceptions about their condition. Although these studies may be of limited relevance for understanding macro issues such as the changing wage structure in agriculture or how the poor adjust to changing global processes, such studies best bring out the subjective aspects as well as the social and cultural dimensions of chronic poverty.

The above categories are not necessarily mutually exclusive because the same research may sometimes be classified under more than one category.

## Concepts of poverty used in South Asia

Poverty researchers in South Asia conceptualize poverty in different ways depending on their objectives, the theoretical perspectives from which they approach poverty and the nature of the data available. The definitions of poverty in turn may rest on income criteria, ownership of assets, physical quality of life,

occupation, quality of housing, or subjective views of the populations. The main distinction is between *absolute* and *relative* poverty. Whereas researchers dealing with absolute poverty have a notion of minimum living standards, those dealing with relative poverty stress inequities within the social and economic systems with a focus on the bottom layers of society. Most poverty research and interventions in South Asia use a notion of absolute poverty, which typically involves an estimate of the level of income needed to ensure a minimum diet estimated in calorie terms.

## Theoretical perspectives on poverty in South Asia

Poverty research in South Asia over the period 1980–1994 varies in regard to the level of theoretical sophistication with which it approaches the problem of poverty. The basic question why there have been such high levels of poverty in this region throughout the past several decades has not received the attention it deserves, in spite of the large volume of literature on poverty in South Asia. Hence one researcher noted “a poverty of poverty research” in the region (Griffin 1985: 32).

To the extent that poverty in South Asia has been approached theoretically, there are four broad perspectives from which the issue of poverty has been addressed:

- the neoclassical theory of market-led development;
- the political economy of poverty;
- the culture of poverty;
- a participatory approach to poverty alleviation.

These theories employ varied explanations of poverty and lead to varied policy recommendations for the alleviation of poverty.

### *The neoclassical approach*

This approach argues that market-led development is the only sure way to reduce poverty and improve living standards in the long run. It does not argue against “safety nets for the poor” insofar as such protective measures do not inhibit the operation of market forces. Under the influence of the structural adjustment policies advocated by the World Bank, this approach has increasingly acquired a hegemonic position in development thinking worldwide. A variant of this approach is found in World

Bank funded studies on Sri Lanka by Bhalla and Glewwe (1986, 1988). In comparing the social indicators for Sri Lanka for the pre-liberalization era and the post-liberalization era, with 1977 as the point of transition, Bhalla and Glewwe concluded that "the evidence examined in this paper . . . suggests that the post-1977 policies have not been detrimental to the equity objectives and may offer more promise than those which they replaced" (1986: 62). As one commentator noted, this approach assumes "that all development activities implicitly embodied objectives of poverty reduction, and that positive progress would be achieved through the process of 'trickle down'" (Easter 1980: 1). There are, however, wide-ranging criticisms against the market-led policies as they relate to poverty in South Asia. Using Sri Lankan data, Lakshman (1994) argued that market-led policies have had adverse repercussions on the poor.

In other examples of the application of the neoclassical approach in South Asia, some authors have highlighted the positive economic and social benefits of the green revolution in Pakistan and parts of India. Commenting on the green revolution in Panjab, the SAARC report on poverty alleviation noted, "The green revolution transformed the rural-traditional economy, created work with good wages even for the landless, stimulated a different type of industrial growth which evolved spontaneously out of the input and demand linkages produced by agricultural production and incomes" (1992: 17). Others are more cautious in interpreting the social outcomes of the green revolution. Mundle, writing about the recent changes in agriculture in rural Panjab, reported:

The principal factor accounting for the decline in rural poverty in Panjab would appear to be the improving production performance of agriculture, measured here as the level of per capita food grain production. The positive income effect of agricultural performance has been reinforced by the positive income effect of rising food grain prices . . . However, the latter effect is quite weak. This is because the rising food grain prices have a positive income effect on the class of net-selling cultivators, but this positive income effect is offset to some extent by the negative income effect of rising grain prices on agricultural labourers who may have to buy at least a part of the family's grain requirements from the market.  
- (Mundle 1984: 104).

Another group of ILO and ARTEP funded studies concluded "that broad-based programmes of the productivity-raising type have benefitted the rural poor to some extent but their benefits to the rural rich have been disproportionately high" (Mukhopadhyay 1985: 29).

### *The political economy approach*

The political economy approach contends that poverty is a product of certain economic and social processes that are intrinsic to given social systems. It assumes that there is a conflict of interest between the rich and the poor in society, and that the poor remain poor not because of any individual or personal qualities, but because society denies them the legitimate share of benefits that should accrue to them. The notion of class is central to the political economy approach to poverty. Griffin and Khan reported:

Our empirical work has demonstrated that poverty is associated with particular classes or groups in the community, e.g., landless agricultural labourers, village artisans, plantation workers, etc. Yet most theories and models are couched in terms of *atomistic households* in a *classless* society. This neo-classical assumption is closely associated with the assumption of the universal *harmony of interests*.

We do not believe it is possible to get very far in understanding the problems of the Third World until it is more widely accepted that there are *classes* in society and that the interests of the various classes often are in *conflict*. (Griffin and Khan 1978: 302; emphasis added)

This approach pays considerable attention to the historical context within which poverty evolved in South Asia. According to this approach, the roots of the current crisis in South Asia go back to the colonial period.

Rural poverty cannot be studied in isolation. It has an historical origin and setting which simultaneously connect the present to the past and establish boundaries to what is possible in future. The history of rural poverty is of course part of the history of underdevelopment. . . . Europe did not "discover" the underdeveloped countries; on the contrary she created them. (Griffin 1985: 29–30).

Using this same historical perspective, the significance of the development of a plantation economy in generating poverty and inequity in South Asia has been highlighted by other authors. De Silva (1982), for instance, argues that the super-exploitation of labour and the transfer of surplus from the periphery to the centre were the twin principles around which plantation economies were developed throughout the underdeveloped world.

In this approach, rural poverty is typically seen as a product of extreme inequalities in land ownership and control. Writing about Bangladesh, Rahman, Mahmud, and Haque noted: "Given the importance of agriculture in Bangladesh and of land as the primary agricultural factor of production, landlessness is

perhaps the most crucial element explaining the level and the growth of poverty" (1988: 49). According to another commentator on poverty in Bangladesh, "Given the significance of land in the production process in a largely unmodernized agriculture and its rather unequal distribution over rural households, it is no wonder that a more egalitarian land distribution would be considered essential for ensuring a better living of the most disadvantaged" (Rahman 1986: 24). Commenting on the agrarian structure in rural Panjab, Mundle wrote:

The extreme inequality of the pattern of land ownership can now be seen clearly. At the bottom of the scale, roughly half the total number of households, in size class of one acre or less, own barely 1 percent of the total area and operate even less. At the other end, less than 5 percent of all households own as well as operate about 30 percent of the total area or roughly 20 to 25 percent of all households own or operate around 80 percent of the total area. (Mundle 1984: 92)

The contrast between the neoclassical and the political economy approaches comes into sharp focus when their analyses of the effect of the green revolution are compared. Whereas neoclassical approach highlights the positive effect of the green revolution for all income categories, including the poor, the political economy approach, as exemplified by critics of the green revolution such as Satya (1990) and Harris (1992) sees growing class differentiation as a negative outcome of the green revolution.

One of the weaknesses of the political economy approach, however, is that it leaves us with only a limited range of options for alleviating poverty.

### *The culture of poverty approach*

Following the work of Oscar Lewis in the 1950s, the culture of poverty approach became important in the study of urban poverty, especially in North America. This theory holds that poverty is not merely a lack of adequate income, but rather a way of life handed down from generation to generation. In contrast to the theory of political economy, which looks for the root causes of poverty in the larger structures of society, the culture of poverty attributes poverty to the subjective views of the urban poor themselves.

Only one study employed the theory of culture of poverty in the South Asian context. In their study of the urban poor in Sri Lanka, Silva and Athukorala (1991) discovered that films and

football played an important role in shaping thinking and attitudes towards life. These authors, however, questioned the validity of the culture of poverty thesis as a universal explanation of the behaviour and attitudes of the urban poor. Other studies too examined cultural beliefs as a factor in perpetuating poverty in parts of South Asia, but typically they did not consider them through the culture of poverty thesis. One of the main criticisms against this theory is that it justifies the status quo and blames the victims themselves (namely the poor) for their condition. Because cultures are hard to change through intervention, it is of limited practical use.

### *The participatory approach to poverty alleviation*

Many past efforts to deal with poverty involved interventions from outside, whereby the poor themselves were seen as targets rather than decision makers cum actors capable of improving their own condition, given the right incentives and skills. The participatory approach argues that the only way the poor can overcome their difficulties is by directly participating in the formulation of social policy, the development of programmes, implementation at ground level, and sharing the benefits of such programmes. The participatory approach has the dual goal of promoting growth and equity while also ensuring the development of democratic processes at the grass roots. During the 1980s this approach became a dominant model for analysis and intervention in South Asia (see SAARC 1992; Wignaraja 1990a). Both governments and NGOs have increasingly turned to this approach in their anti-poverty programmes.

In the past ten to fifteen years, a sufficient body of experience has emerged which demonstrates that where the poor participate as subjects and not as objects of the development process, it is possible to generate growth, human development and equity. An indepth analysis made of the participatory process at the micro terrain such as the Women's Development Programme in India, the Aga Khan Rural Support Programme in Pakistan . . . reflect the kind of social mobilization taking place where the poor have contributed to growth and human development simultaneously under varying socio-political circumstances. They also demonstrate that at relatively lower levels of income it is possible to achieve a high level of human development. The participatory process itself ensures that the poor assert their right to resources and a fair share of the surplus.

(SAARC 1992: 50)

Lack of influence over decision-making has been identified as an important feature of poverty in South Asia. In a study of



poverty in rural Sri Lanka, the authors concluded: "An important dimension of poverty is lack of access to extra village resources, a result of lack of information, of useful social and political contacts and, very importantly, the ability to extract services from agencies of government". (Moore and Wickramasinghe 1980: 64).

The *empowerment* of traditionally disadvantaged segments of the population such as women, scheduled castes and tribes, and ethnic minorities is seen as an important means of promoting growth and equity. Describing the condition of poor women in South Asia, Wignaraja (1990a: 19) stated that they suffer from "a double burden" in being women and poor at the same time. "It is now well established that poor women have the least access to basic needs, such as food, health and education, both within the family and without" (ibid.). Although achieving a level of success in promoting community participation, the ability of this model to alter fundamental structures in society and to promote growth and equity simultaneously is yet to be demonstrated in South Asia. In contrast to the political economy model, the participatory approach advocates a gradual and a bottom-up process of social change where the poor and the underprivileged gradually become full participants in development and decision-making processes.

## Data sources on poverty in South Asia

Two categories of data sources that may be used in a comparative study of poverty can be identified:

- regional databases covering the whole or parts of South Asia;
- national databases in each South Asian country.

### *South Asian regional databases*

#### SAARC

Of the regional databases, perhaps the most up to date is the Report of the Independent South Asian Commission on Poverty Alleviation appointed by the SAARC (SAARC 1992). This report covers the SAARC countries of India, Pakistan, Bangladesh, Sri Lanka, Bhutan, Nepal, and the Maldives. The Commission consisted of fifteen representatives from the above countries. It represented both government agencies and the NGOs in the region. Its chairman was Mr K. P. Bhattarai, a

former prime minister of Nepal, and its deputy chairman was Dr P. Wignaraja, a Sri Lankan national and a leading poverty researcher in the region. The main tasks of this Commission were to evaluate the past attempts at poverty alleviation, draw positive lessons from them, and recommend a future strategy of poverty alleviation for the member countries.

Based on available published and unpublished data in the member countries, the Commission reported the incidence and trends in poverty in the different countries and in the region as a whole for the previous two to three decades. In addition, based mainly on UN data, its report presents the latest social indicators for the member countries. Finally, the report lists some of the innovative approaches to poverty alleviation in the region. For the first time this report gives an authoritative account of poverty and selected anti-poverty programmes in the whole region. The report identifies gaps in available data and the need for continuous surveillance of poverty in the whole region. Its analysis of ongoing anti-poverty programmes tends to be somewhat dogmatic and rather uncritical. The database developed by this Commission is located in the SAARC Secretariat in Kathmandu.

### ILO-ARTEP

Under the Asian Employment Programme of the ILO, the Asian Regional Team for Employment Promotion (ARTEP) currently operating from Bangkok has implemented a series of research, workshops, and publications on poverty and employment in selected countries in South and South-East Asia since 1981. In 1983, ARTEP completed a series of research studies on poverty in India, Bangladesh, Pakistan, Nepal, Sri Lanka, Indonesia, and Thailand. The results are published in Islam (1985). Most of these studies evaluated the results of selected anti-poverty programmes, usually from a microeconomic perspective.

In an earlier study conducted in the same countries, a team of ARTEP-supported researchers examined trends in rural poverty from 1960 to 1979 using available secondary data. The results of these studies are published in Khan and Lee (1983).

Based on field research in selected rural communities, ARTEP also published a series of monographs on the theme of local resource mobilization for employment generation. The study conducted under this project covered two villages in Sri Lanka and examined labour and employment patterns, land use, crop production, non-crop activities, income distribution, and poverty (Wickramasekara 1983). ARTEP has developed one of

the most extensive databases for understanding rural poverty in parts of Asia.

### *Other regional databases*

ESCAP, based in Bangkok, the Asian and Pacific Development Centre (APDC) in Kuala Lumpur, the Asian Development Bank in Manila, and the World Bank have important databases on poverty and related issues in South Asia. The United Nations University South Asian Perspective Project has generated a database on the theme of participatory development, democracy, and women's status in South Asia (Wignaraja 1990b).

### *National databases on poverty*

Owing to a lack of information, this description covers only Sri Lanka. In Sri Lanka the two primary sources for data on poverty are the labour force and socio-economic survey (LFSS) conducted periodically by the Department of Census and Statistics, and the consumer finance survey (CFS) conducted periodically by the Central Bank. The last two LFSSs were conducted in 1980/81 and 1985/86 and the last two CFSs were conducted in 1980/81 and 1986/87. Both LFSS and CFS are based on stratified random samples covering the whole nation. Whereas the LFSS concentrates on unemployment, the CFS focuses on income distribution and household expenditure. The results of these surveys are widely used in planning and evaluation as well as in research.

The Ministry of Plan Implementation in Sri Lanka has developed its own computerized database for monitoring and evaluation purposes. This database primarily covers information about Janasaviya and food stamp recipients. This database is not accessible to researchers from outside the ministry.

The Agrarian Research and Training Institute (ARTI), which is under the Ministry of Agricultural Development and Research, has conducted a series of studies on land tenure, landlessness, farm wages, rural labour, indebtedness, and rural marketing. Similarly, the Slum and Shanty Division of the National Housing Development Authority has the only database on urban poverty in Sri Lanka.

A large number of NGOs operating in Sri Lanka have developed their own databases for monitoring and evaluation purposes. But typically they are not accessible to researchers from outside these organizations. The Marga Institute, an independent research organization specializing on development issues, has conducted a wide variety of research on rural and urban

poverty (e.g. Marga Institute 1981). The results of these studies have been published in a variety of formats.

## Poverty incidence and trends in South Asia

The Report of the Independent South Asian Commission on Poverty Alleviation estimated that, in 1991, 30–40 per cent of the total population in South Asia was below the poverty line as determined in the respective countries. According to these estimates, of the 440 million poor in the region in 1991, 360 million, or 82 per cent, lived in rural areas, whereas the remaining 18 per cent comprised the urban poor. The report concluded “that the magnitude and complexity of the problem of poverty in South Asia is staggering. When confronted with the multifaceted crisis currently facing South Asian countries, the problem is becoming unmanageable, not only putting democracy at risk, but also posing a threat to the fabric of South Asian societies” (SAARC 1992: iii).

Considering the lack of uniformity in the procedures adopted to determine the poverty lines, it is necessary to be cautious in comparing poverty levels across countries and between different estimates in the same country. According to the latest estimates available (see Table 5.1), the highest levels of poverty are reported in Nepal, Bangladesh, and India, followed by Sri Lanka and Pakistan. Of the different countries in the region, Pakistan recorded a substantial decrease in poverty from 1962 to 1984, Bangladesh and India recorded a marginal decrease in poverty over the past one to two decades, and Sri Lanka and possibly Nepal have recorded a notable increase in poverty in recent years. The recorded increase in poverty in Sri Lanka has been associated with corresponding increases in malnutrition, indicating that the reported increase in poverty is not merely an artefact of the survey procedures used. The SAARC Report concluded that, “given the present trends in population and economic growth and in the absence of a concerted effort at poverty alleviation, the number of poor in the Region is likely to increase substantially” (SAARC 1992: 1).

## Factors affecting recent trends in poverty in South Asia

One of the key areas of poverty research in recent and ongoing studies in South Asia is the issue of the effect of structural

Table 5.1 The incidence of poverty in selected countries in South Asia (latest available estimates)

Country	Rural (R) urban (U) total (T)	Estimated by <sup>a</sup>	Year	Poor as a % of population
Bangladesh	R	BBS	1985-6	51.0
	R	Rahman	1985-6	47.1
	R	Hossain	1985-6	49.9
India	R	BBS	1988-9	48.0
	T	NPC	1972-3	51.5
	T	NPC	1977-8	48.3
	T	NPC	1983-4	37.4
	T	NPC	1987-8	29.9
	T	Minhas	1970-1	56.3
	T	Minhas	1983	48.1
Nepal	T	Minhas	1987-8	45.9
	T	NPC	1976-7	40.3
	T	NPC	1988-9	40.0
Pakistan	T	WB	1988-9	71.0
	T	WDR	1962	54.0
	T	WDR	1979	21.0
Sri Lanka	T	WDR	1984	20.0
	T	MPI	1978-9	19.0
	T	MPI	1986-7	27.0
	T	Korale	1985-6	39.5

Source: SAARC (1992: 5).

Note:

<sup>a</sup>BBS= Bangladesh Bureau of Statistics; NPC = National Planning Commission; WB = World Bank; WDR = World Development Report; MPI = Ministry of Plan Implementation.

adjustment policies (SAP) on poverty levels in South Asia. In this regard the SAARC report argues: "The Structural Adjustment Policies, which accompany the open-economy industrialization strategy currently being adopted by most SAARC countries, are likely, in the shorter term, to put further strains on the poor" (1992: iii). A poverty researcher in Sri Lanka argued that "SAPs do not have any in-built mechanisms integrated into the package for a fair distribution of the benefits" (Lakshman 1994: 3). In contrast some World Bank researchers found that under the SAPS Sri Lanka managed to consolidate its achievements in social development started in the previous period.

A key factor in the prevailing high levels of poverty in South Asia has been the failure of agrarian reforms in most of the subcontinent. Reviewing various "land to the tiller" programmes in South Asia, Herring (1983) concluded that, given the existing hierarchical social organization, agrarian reform is highly unlikely to succeed unless it is accompanied by firm political commitment and social mobilization of the poor. Islam and Lee noted:

The literature on poverty is replete with the suggestion that growing impoverishment in Asia can be explained largely by an agrarian structure characterized by high degree of land concentration, steady population growth and little or no extension of cultivated land – all leading to rising landlessness and dependence on wage labour. In such analyses, increasing poverty is associated with a steady decline in the asset base of the vulnerable group of rural population. (Islam and Lee 1985: 7)

## The progress of anti-poverty policies and programmes

As noted earlier, the anti-poverty policies and programmes in South Asia have increasingly moved towards the participatory model over the past two decades. This in turn resulted from the failure of agrarian reform programmes implemented since the 1950s, the participatory policies promoted by the UN agencies and other foreign donors, and lessons from certain innovative interventions within the South Asian region itself.

Islam and Lee (1985) developed the following classification of anti-poverty policies in rural Asia.

- A. Policies designed to stimulate production and income-generating processes.
  - (i) Land policies: tenancy reforms and land redistribution.
  - (ii) Policies for increasing the asset-base and productivity of the rural poor. The Integrated Rural Development Programmes (IRDP) in India and other countries, the Small Farmers' Development Programme (SFDP) in Nepal, the Grameen Bank in Bangladesh, and the Janasaviya Programme in Sri Lanka are examples of this kind of policies.
  - (iii) Area-based programmes such as the Drought Prone Area Programme in India and the Remote Area Development Programme of Nepal.

- B. Policies designed to guide the flow of income or consumption so as to benefit needy groups.
- (i) Employment creation schemes such as the rural works programmes in different countries, the Food for Works Programme and Infrastructure Development Projects in Bangladesh, the People's Work Programme in Pakistan, and the National Rural Employment Programme in India.
  - (ii) Other target group oriented programmes such as the Food Stamp Scheme in Sri Lanka.

Of recent anti-poverty programmes in South Asia, the Grameen Bank (GB) Programme in Bangladesh has received the widest attention as a model of participatory development. The main positive lesson to be learnt from the GB is that the rural poor, including women, could be brought into the nexus of rural banking provided that they are organized into effective small groups that are bankable. In an independent evaluation of this programme, Hossain (1988) found that the project villages had consistently higher income levels, less unemployment, and higher asset levels relative to a control group of villages. The households in GB villages also reported higher average expenditure on education, health, and housing compared with those in control villages. These researchers concluded that the GB made a positive contribution to the alleviation of poverty in the areas of its operation.

On the negative side, the researchers found that the GB covered only a small fraction of the rural poor in Bangladesh. In an article entitled "Limits to the alleviation of poverty through non-farm credit" another researcher (Osmani 1989) argued that rapid expansion of self-employment through the GB may influence market prices in ways that are unfavourable to the rural producers unless there is a simultaneous increase in the income levels of the whole population pushing the demand for goods and services. His recommendation was to integrate the GB scheme with national and regional development plans so as to create a macro-level total atmosphere conducive to this programme.

## Towards an evaluation of poverty research in South Asia

Poverty research in South Asia has made considerable progress over the past three decades. Largely through the support of

international agencies such as the ILO, ARTEP, ESCAP, SAARC, APDC, and UNICEF, a large volume of research on the subject has been conducted, an array of government and non-government research organizations addressing poverty as a key research issue has been developed, networks among researchers in the region have been created, and arrangements for dissemination of research results have been made. However, given the magnitude of poverty in the region it is necessary that the problem of poverty be given a higher priority in research and intervention.

Some of the main achievements in poverty research in South Asia over the past decades are as follows:

1. Increased clarification of the concept of absolute poverty for research and intervention purposes. As an outcome, most of the countries in the region have adopted a poverty line for intervention purposes. This has facilitated the quantitative measurement of poverty and its monitoring. However, as noted earlier owing to variations in the definition of poverty lines the comparison of poverty levels in different South Asian countries has proved to be difficult.
2. Even though it is difficult to say that poverty research in the region provides a lead for the formulation of social policy and interventions, the Grameen Bank in Bangladesh is a good example of a national programme evolved from an action research project. The experiences of such positive interventions, in turn, have been widely disseminated throughout the region.
3. Largely as an outcome of poverty research, widespread poverty is increasingly seen as a major social problem requiring urgent attention on the part of government agencies, NGOs, and the public at large. The poor themselves have become increasingly aware of their condition, rights, and capabilities. This indicates further possibilities for using *participatory research* as a means of empowering the poor and the underprivileged.
4. A wide range of databases covering poverty, unemployment, income disparities, malnutrition, gender relations and, consumption patterns has been developed or is being developed in all South Asian countries. These databases are being used with varying degrees of success for monitoring poverty levels, assessing the correlates of poverty, and evaluating social policies and interventions.



Despite these achievements, poverty research in the region tends to be externally funded and donor driven rather than generated from within the region in response to perceived local needs. Most poverty research has taken the form of crude empirical investigations and evaluation of specific projects and interventions. Even though a variety of theoretical perspectives has guided some of the research and interventions, as noted earlier, it has not led to a gradual build-up of knowledge regarding the relevant issues. The participatory approach currently in vogue in South Asia tends to be ideologically stimulated rather than research oriented.

In our opinion the following gaps exist in current knowledge about poverty in South Asia:

1. Urban poverty in South Asia remains relatively under-explored and under-researched. Even though the magnitude of urban poverty in South Asia is much smaller relative to rural poverty, there are signs that urban poverty is growing at a faster rate following the market liberalization policies currently being pursued in these countries. We do not agree with the claim that "urban poverty is, to a considerable extent, a spillover of rural poverty" (SAARC 1992: 1). It is necessary that urban poverty is examined in its own right considering its special character in terms of lifestyle, employment, and living conditions.
2. The role played by some aspects of South Asian culture in perpetuating poverty in the region has not been explored satisfactorily. One of the issues is the roles of caste, ethnicity, and gender divisions in perpetuating discrimination against the so-called "low castes" – ethnic minorities including tribal populations and women in parts of South Asia.
3. Many of the current studies use measurable economic criteria to the neglect of issues of powerlessness, discrimination, and prejudice as factors affecting the life chances of the poor. On the whole, this points to the need to examine poverty as an aspect of social stratification in society. One of the important issues that needs further research is the rate and determinants of social mobility in different circumstances.
4. Participatory research, where the poor participate in the research process not merely as subjects of research but also as collaborators and potential users of information, offers good prospects for improving the positive impact of poverty research. Even though some efforts have been

made to initiate participatory research as part of some intervention programmes in South Asia, this line of research is yet to be developed as a key strategy in poverty research.

5. The effect of international labour migration on poverty levels in South Asia needs to be examined. A large number of unskilled and semi-skilled workers from impoverished backgrounds in several South Asian countries have found work in the Gulf region and in some newly industrializing economies in East and South-East Asia. For instances, remittances by these workers have become a major source of income in some of the South Asian countries. This aspect of the emerging world economy may or may not be an important avenue for relieving poverty in parts of South Asia but it requires further research.

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