

# SURVIVAL THROUGH SOCIAL CAPITAL FORMATION: THE CASE OF WOMEN'S SELF HELP GROUPS IN KERALA

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## Introduction

In this paper an attempt has been made to review the poverty reduction strategies under Ninth and Tenth five-year plans, with special reference to People's Plan and Kudumbashree experiences. The analysis is mainly with the support of secondary data from Economic Review (2001), Planning Board, Govt. of Kerala and other documents. It is also focussed on the activities of the self-help groups, a survival strategy of women to address poverty, in a village panchayat. Finally, the paper tries to relate the survival needs of women with the self-help groups. Method of data collection employed in this part includes questionnaire, focus group discussions and interview with key informants. Since the SHGs, (associational life of women), are still in the evolving stage, the paper does not attempt to go beyond identifying some pattern and trends and it may need more deep and longitudinal studies in future.

## Section I

### 1. Poverty in India

The incidence of poverty at the national and state level is estimated by using the methodology contained in the report of the Lakdawala committee (Expert Group on Estimation of Proportion and Number of poor) and applying it to consumption expenditure data<sup>1</sup>. For the country as a whole, poverty is estimated as the weighted average of state –wise poverty levels. Accordingly, the poverty ratio is recently estimated by the planning commission<sup>2</sup> and it is 26.10 per cent for the country as a whole, 23.62 per cent in urban areas, and in rural areas it is 27.09 per cent. A steady decline of the poverty line from 55 per cent in 1973-74 to 26 per cent in 1999-2000 has been noticed. However absolute number of poor remained unchanged at around 320 million for a period of 20 years from 1973-1993 and then it reduced to 260 million in 1999-2000 (Table No.1).

**Table No. 1: Estimates of Poverty**

Year	All India Number (Million)	Poverty Ratio (per cent)	Rural Number (Million)	Poverty Ratio (per cent)	Urban Number (Million)	Poverty Ratio (per cent)
1973-74	321	54.9	261	56.4	60	49.0
1977-78	329	51.3	264	53.1	65	45.2
1983	323	44.5	252	45.7	71	40.8
1987-88	307	38.9	232	39.1	75	38.2
1993-94	320	36.0	244	37.3	76	32.4
1999-2000	260	26.1	193	27.1	67	23.6

*Source: Planning Commission, Govt. of India*

**Table No. 2: Poverty Ratio at the State Level**

										(Per cent)
		Rural			Urban			Combined		
S.No.	State	1973-74	1993-94	1999-2000	1973-74	1993-94	1999-2000	1973-74	1993-94	1999-2000
1.	Andhra Pradesh	48.41	15.92	11.05	50.61	38.33	26.63	48.86	22.19	15.77
2.	Arunachal Pradesh	52.67	45.01	40.04	36.92	7.73	7.47	51.93	39.35	33.47
3.	Assam	52.67	45.01	40.04	36.92	7.73	7.47	51.21	40.86	36.09
4.	Bihar	62.99	58.21	44.30	52.96	34.50	32.91	61.91	54.96	42.60
5.	Goa	46.85	5.34	1.35	37.69	27.03	7.52	44.26	14.92	4.40
6.	Gujarat	46.35	22.18	13.17	52.57	27.89	15.59	48.15	24.21	14.07
7.	Haryana	34.23	28.02	8.27	40.18	16.38	9.99	35.36	25.05	8.74
8.	Himachal Pradesh	27.42	30.34	7.94	13.17	9.18	4.63	26.39	28.44	7.63
9.	Jammu& Kashmir	45.51	30.34	3.97	21.32	9.18	1.98	40.83	25.17	3.48
10.	Karnataka	55.14	29.88	17.38	52.53	40.14	25.25	54.47	33.16	20.04
11.	Kerala	59.19	25.76	9.38	62.74	24.55	20.27	59.79	25.43	12.72
12.	Madhya Pradesh	62.66	40.64	37.06	57.65	48.38	38.44	61.78	42.52	37.43
13.	Maharashtra	57.71	37.93	23.72	43.87	35.15	26.81	53.24	36.86	25.02
14.	Manipur	52.67	45.01	40.04	36.92	7.73	7.47	49.96	33.78	28.54
15.	Meghalaya	52.67	45.01	40.04	36.92	7.73	7.47	50.20	37.92	33.87
16.	Mizoram	52.67	45.01	40.04	36.92	7.73	7.47	50.32	25.66	19.47
17.	Nagaland	52.67	45.01	40.04	36.92	7.73	7.47	50.81	37.92	32.67
18.	Orissa	67.28	49.72	48.01	55.62	41.64	42.83	66.18	48.56	47.15
19.	Punjab	28.21	11.95	6.35	27.96	11.35	5.75	28.15	11.77	6.16
20.	Rajasthan	44.76	26.46	13.74	52.13	30.49	19.85	46.14	27.41	15.28
21.	Sikkim	52.67	45.01	40.04	36.92	7.73	7.47	50.86	41.43	36.55
22.	Tamil Nadu	57.43	32.48	20.55	49.40	39.77	22.11	54.94	35.03	21.12
23.	Tripura	52.67	45.01	40.04	36.92	7.73	7.47	51.00	39.01	34.44
24.	Uttar Pradesh	56.53	42.28	31.22	60.09	35.39	30.89	57.07	40.85	31.15
25.	West Bengal	73.16	40.80	31.85	34.67	22.41	14.86	63.43	35.66	27.02
26.	A& N Island	57.43	32.48	20.55	49.40	39.77	22.11	55.56	34.47	20.99
27.	Chandigarh	27.96	11.35	5.75	27.96	11.35	5.75	27.96	11.35	5.75
28.	Dadra & Nagar Hav.	46.85	51.95	17.57	37.69	39.93	13.52	46.55	50.84	17.14
29.	Daman& Diu	N.A.	5.34	1.35	N.A.	27.03	7.52	N.A.	15.80	4.44
30.	Delhi	24.44	1.90	0.40	52.23	16.03	9.42	49.61	14.69	8.23
31.	Lakshadweep	59.19	25.76	9.38	62.74	24.55	20.27	59.68	25.04	15.60
32.	Pondicherry	57.43	32.48	20.55	49.40	39.77	22.11	53.82	37.40	21.67
	<b>All India</b>	<b>56.44</b>	<b>37.27</b>	<b>27.09</b>	<b>49.01</b>	<b>32.36</b>	<b>23.62</b>	<b>54.88</b>	<b>35.97</b>	<b>26.10</b>
N.A. Not Available										
1. Poverty Ratio of Assam is used for Sikkim, Arunachal Pradesh, Meghalaya, Mizoram, Manipur, Nagaland and Tripura.										
2. Poverty Line of Maharashtra and expenditure distribution of Goa is used to estimate povertyratio of Goa.										
3. Poverty Line of Himachal Pradesh and expenditure distribution of Jammu & Kashmir is used to estimate poverty ratio of Jammu & Kashmir.										
4. Poverty Ratio of Tamil Nadu is used for Pondicherry and A & N Island										
5. Urban Poverty Ratio of Punjab used for both rural and urban poverty of Chandigarh										
6. Poverty Line of Maharashtra and expenditure distribution of Dadra & Nagar Haveli is used to estimate poverty ratio of Dadra & Nagar Haveli.										

The incidence of poverty has wide disparities between rural and urban and between states (Table No. 2). The disparities in the different dimensions of the incidence of poverty also brought out by the UNDP report on 'Poverty and Human Development'. It says, "some of our (Indian) states report levels of social advancement similar to leading industrialised countries. Others show achievement levels that are lower than the average of the poorest countries in the world. For example only 39 out of 150 countries in the world -- and all of them by far richer -- reported a lower infant mortality rate than Kerala's in 1995. At the same time, only 24 countries had a higher rate of infant mortality than Orissa. A Kerala girl -- child's life expectancy today is around 74 years, or 20 years more than that of a girl born in Uttar Pradesh" (Thekaekara).

## **Section II**

### **1. Poverty in Kerala**

There has been significant reduction in poverty during the last two decades in Kerala. In 1973-74, the poverty ratio was 59.79 per cent and it came down to 12.72 per cent in 1999-2000 (Table 2). It is argued that Kerala has succeeded in reducing poverty by following the path of high investment on human resource development, implementation of land reforms measures, introduction of social security measures, organisation of the marginalized groups, empowerment of local bodies and of the existence of social capital.

The Human Poverty Index (HPI) and Human Development Index (HDI) are considered as measures related to poverty assessment since these indices include survival deprivation, deprivation of education, deprivation in economic provisioning with respect of safe water, health services, under nourished-children, life expectancy, educational attainment and income. Both the indices (HPI and HDI) are very favourable to Kerala when compared to other parts of the country as a whole. The HPI value is 15.00 and HDI value is 0.628 for Kerala whereas it is 36.70 and 0.45 respectively for the entire country. Hirway and Dev. (2000) have developed another index, Capability Poverty Measures that include percentage of under nourished children, women with non institutional deliveries and female illiteracy. There are two capability poverty measures (CPM-1 and CPM-2). The CPM-1 is constructed by using the stunting concept and the CPM-2 by using the wasting concept. In the first case

Kerala shows 12.00 and in the second it is 10.70. In both the cases all India values are 52.30 and 45.00 respectively.

## **2. Qualitative Assessment of Poverty in Kerala**

The Economic Review, (2001) made a qualitative assessment of the poverty situation in Kerala and stated that prevalence of poverty in Kerala has a unique feature when compared to other parts of the country. According to the Economic Review the following are the main characteristics of poverty in Kerala.

1. Identification of the layers of poverty, prioritisation of families below poverty line and strategy formulation for the reduction of poverty is more important than drawing the poverty line with precision.
2. There are several communities and groups who are outside the orbit of the so called Kerala model of development. They are tribals, traditional fishing community, scheduled caste, traditional artisans and workers from declining traditional industries.
3. Though land reforms had been implemented in Kerala with relatively successful rate, its benefits could not be sustained. As a result, landlessness has been emerged as a major phenomenon.
4. Universalisation of education has not helped the poor either to own entrepreneurial skills or capacity to negotiate in the employment markets. As a result, there is persistent poverty among educated unemployed.
5. Decline in agriculture and industrial sectors and the shrinking of government jobs have aggravated the situation of poverty.

A paradigm shift is needed in poverty reduction strategies from the above qualitative assessment of poverty profile in Kerala. It is also important to see that special strategies are needed for different layers of poverty with different spatial settings.

## **3. Poverty Reduction Strategies**

Poverty reduction strategies in Kerala have three phases and it can be correlated to temporal – political context of national and international situations.

### **3.1. First Phase**

Land reforms, labour laws in favour of the poor and other pro-poor policies of the first communist government since 1957 had reduced poverty to certain extent. The strategy of left was to increase the organisational and mobilisation capacity of the poor,

which in turn acted as a powerful tool to reduce the incidence of poverty. Moreover, the left also stressed social security measures and public utility services for getting wider access to the poor (Krishnan 1998).

### **3.2. Second Phase**

Second phase of poverty reduction was started mainly with the support of financial assistance and policy package from the Centre. All the anti poverty programmes started in late seventies has two approaches (self employment approach and wage employment approach). Though a plethora of schemes on programmes had been launched and changed one after another from time to time under different political regimes at Centre, the essential approach was the same. In this phase, the ministry of rural development, government of India mainly undertook the poverty reduction programmes. In Kerala, as any other state in India, poverty reduction strategies were mainly confined to the administration of centrally sponsored programmes.

### **3.3. Third Phase**

With the introduction of the 73 and 74 Constitutional Amendments, the implementation of the Centrally Sponsored Schemes had been handed over to the Panchayat Raj and Nagarapalika Institutions (Rural and Urban local bodies). Local bodies are also distributing social security measures like pensions. Under the third phase a participatory poverty reduction approach had been introduced in the poverty reduction strategies. This has been operationalised through two mechanisms; (1) decentralisation (schemes and programmes for poverty reduction has been decentralised), and (2) state poverty eradication mission (Kudumbashree).

## **4. Alleppey Methodology of Poverty Assessment: An Innovative Exercise**

Srilatha developed nine demonstrable criteria of poverty index and it had been field tested in Alleppey in 1992 by Srilatha and Gopinathan (Gopinathan, 1998). It is popularly known as Alleppey methodology of poverty assessment. The Alleppey methodology of poverty assessment was based on nine factors of deprivation such as (1) Katcha house (2) Absence of sanitary latrine, and (3) absence of safe drinking water, (4) illiterate adult in the family (5) not more than one earning member, (6) not more than two meals a day, (7) children below 5 years of age, and (8) alcoholic or drug addict, and (9) scheduled caste or scheduled tribe family. A family having four or more factors was categorised as 'poor family' under poverty line. Gopinathan stated, "this is a very simple and effective tool to identify the real poor. It is a 'closed loop system'

without much scope for manipulation. The political patronage, which is prevalent in our society, to decide on the targeting of beneficiary families and groups at the field level. Poverty Index is a simple enough tool which can be used by the local community members with even very little education". The Economic Review (2001) also asserted that the Alleppey methodology of poverty assessment proved to be a break through in assessing poverty.

It supported the arguments put forward by Gopinathan and stated that it has four major aspects namely; (1) The factors are simple enough for the community to understand poor family; (2) No space for patronage and partisanship in the identification of the poor (3) It is based on holistic understanding of poverty compared to the one that relied on income alone; and (4) It is an indication of the activities, which are needed to be included in the anti-poverty programmes.

## **5. "Peoples' Planning" for Poverty Reduction**

A government spearheading a campaign to mobilise lakhs of people for planning may be unheard of in other states in India. However, this is what happened in Kerala where the investment made in human, material and epistemic terms for the cause of participatory planning for poverty reduction does not perhaps have parallels anywhere in the developing world. This is in some ways an example of the operation of state-society synergy for poverty reduction. The Marxists who came to power in 1996 renounced the politics of class conflict in favour of a harmony model and spoke of the need for a new political and development culture above partisan politics. Kerala's "peoples' campaign" was carried out under the stewardship of the State Planning Board, which was until then a purely technical body, and the plans formulated with people's participation were operationalised from the financial year 1997-98 onwards. The Left Front government came to power in May 1996, which coincided with the preparatory period of the ninth plan of the state. Seizing the opportunity, the state government announced the ninth plan of the state as "peoples' plan", and took a significant decision to devolve 35 to 40 per cent of the development funds of the state to the three-tier Panchayats and municipalities, primarily on the basis of the criterion of population, with due weight given to Panchayats having sizeable population belonging to Scheduled Castes and Tribes (depressed classes). The exercise was often interpreted as akin to a post-literacy development education in the already highly

literate state of Kerala and the campaign organisation was mainly patterned along the lines of the earlier literacy campaign. The campaign was influenced by a number of experiments in collective and local level synergistic action for local development and planning undertaken in some Panchayats in Kerala under the aegis of the KSSP after the collapse of the Soviet regime. These experiments drew heavily on the methodology developed by the non-governmental organisations and the “peoples’ planning” is a case of run off scaling up. A committee on decentralisation was simultaneously constituted, which went into the possible areas where amendments would be needed. The committee was influenced by the course and content of the campaign as reflected in the final report (Government of Kerala 1997; Isaac with Franke 2000; Chathukulam and John 2002).

The campaign sought to address the theme of poverty, the unsustainability of the enviable gains made by Kerala in the social sector and the increasing stagnation in the productive sectors by means of participatory planning. The process started with sector-based need identification in the Gram Sabhas. Special provisions were given in the grama sabha to discuss poverty and poverty related issues. This was followed by participatory secondary data collection about these sectors from local offices, generation of local general and development history, conduct of transect walks (one of the methods commonly employed in participatory rural appraisal) and so on. Rural poverty is also assessed by using the participatory techniques. The outputs of all these exercises were integrated into a printed Development Report, which was later discussed in a Panchayat-level meeting of around 250-300 persons known as Development Seminars. This was followed by formation of task forces in each development sector with all members of the Panchayat heading one or the other of these task forces. Each task force was expected to prepare projects and the Panchayat selected the projects to be included in the annual plan. This was the pattern that was followed in the first year. From the second year onwards the role of task forces was extended to assigning marks to beneficiaries of individual-based projects also. Individual based projects addressed only poor beneficiaries. From then onwards the Panchayat plan had to be placed before the Gram Sabha, so also the list of beneficiaries (people who live below poverty line). After the Panchayat and the Gram Sabha have approved a plan document, it is sent to a Block Level Expert Committee consisting of retired and serving officials for vetting the

individual projects and granting technical sanction. Once this is done, the plan document is sent to the District Planning Committee for its approval. It is only after this stage that the plan implementation procedures start. Works are to be carried out by Beneficiary Committees (BCs) for which the Department of Local Administration issued enabling orders. The campaign also stressed principles like transparency, right to information, social audit, peoples' participation and equity to protect mainly the interest of poor.

The issue of marginalized groups and poor sections figured prominently in the campaign and was a theme in every training session. From the second year (1998-99) onwards, it was made mandatory that ten per cent of the plan funds should be set apart by Panchayats at all levels for projects meant exclusively for women. The "peoples' campaign" has a strict time schedule for the completion of annual projects with disincentives in the form of reductions in grants for those Panchayats which fail to reach a threshold level of spending each year.

One of the direct results of the "peoples' planning" exercise was the unprecedented growth registered in the number of rural institutions. These new associational forms were created for meeting certain requirements of the planning exercise. Institutions like Task Forces and Beneficiary Committees were created for the purpose of project formulation and project implementation respectively. In addition, many Panchayats, especially those held by the leftist parties have neighbourhood groups (NHGs) known as *Ayalkoottams*. Each NHG has a number of self-help groups (SHGs) of women functioning within it. In addition, new institutions which function almost like a core committee of the Grama Sabha known as Ward Development Committees also have been formed in some Panchayats.

The Economic Review (2001) highlighted the achievements and potential of peoples' planning in poverty reduction strategy. It stated, "Decentralisation has proved that in providing basic minimum needs infrastructure like housing, water supply, sanitation and connectivity, the local governments have performed creditably. The speed and extent of coverage as well as efficiency in implementation in respect of provision of minimum needs has been superior to that of government" (p. 164-65).

**Table No. 3: Shows Major Poverty Reduction Measures Taken By Local Bodies Under The Peoples' Plan (1997-2001)**

Sl. No.	Items	Quantity	Unit cost (Rs)	Total Amount (Rs in crore)
1.	Cattle	298712	5000	149.36
2.	Cattle sheds	92968	3000	27.89
3.	Poultry	2030255	30	6.09
4.	Sewing Machines	56631	1000	5.66
5.	House Plots	23996	15000	35.99
6.	New Houses	464570	35000	1626.00
7.	Upgradation of Houses	153984	5000	76.99
8.	Wiring of houses	135885	1000	13.59
9.	Toilets	497185	2000	99.44
10.	Drinking Water Wells	109842	7500	82.38
11.	Drinking Water Taps	48277	5000	24.14
<b>Total</b>				<b>2147.59</b>

*Source: Economic Review 2001 State Planning Board, Govt. of Kerala.*

It is estimated around 40 per cent of the plan funds devolved to local bodies during the 9th five year plan (peoples' plan period) had been directly utilized to address poverty reduction programmes; though there was no provision for separate sub plan under anti-poverty. It is argued, "Local government plans have shown a strong anti-poverty bias. Moreover, funds have flown to families below poverty line through local governments than would normally have been" (Economic Review 2001, pp. 199).

The total distribution of plan grant in aid to local bodies under the Ninth five-year plan period was Rs. 5464 crore. Rs. 2147.49 crore had been spent directly for poverty reduction activities.

Due to the poverty reduction strategies under peoples' plan the Economic Review (2001) has noticed the following advantages:

1. Resources had been distributed to poor groups based on equity principles;
2. Resources had reached to the target with minimum leakage;
3. Convergence at local level from the village panchayat;
4. Local solution are prescribed;
5. There is a high degree of realism in the approach;
6. Space for high level of participation in the administration; and

7. Transparency and accountancy are ensured in administering poverty reduction programmes.

The Economic Review (2001) also revealed the following limitations.

1. It is noticed that self-employment programme alone has only very limited scope and the poverty among the lower layers may not be addressed through this.
2. There are no linkages between bank credit and the projects prepared by local bodies.
3. There is no role clarity on the guideline of poverty reduction between state government and local bodies and among the three tiers of local bodies.

It is noticed that local bodies have only limited experience in formulating social security schemes, addressed to poorest among the poor. The local bodies need support and expertise in the formulation and integration of planning for poverty reduction. It is a new area for local bodies.

## **6. Organising the Poor – Kudumbashree Experience**

The Kudumbashree was started on 1 April 1991. It is a partnership between four major actors (Central Government, State Government, Local Bodies and National Bank for Agriculture and Rural Development – NABARD). The objective of the project is to eliminate absolute poverty from the state of Kerala within a decade. It is exclusively focussed on women, women in family and women in community. It is an organisation of women from below poverty line. The core activity is women empowerment through micro finance, micro enterprise and convergent community action. Kudumbashree stands for organising the poor under a community based organisation (Community Development Society - CDS).

The structure of the organisation has three tiers. For every 20-40 women from families under poverty line have a grassroots level association known as neighbourhood group (NHGs). There are five organisers for every NHG (1) community health volunteer; (2) community infrastructure volunteer; (3) community income generation volunteer; (4) secretary; and (5) president. All the NHGs in a ward (electoral and spatial unit of the local body) are federated to Area Development Society (ADS) and all the ADSs are also again federated in to Community Development Society (CDS) at the respective local body. CDS has legally recognised as NGOs, since they are registered

under the charitable societies Act, a legal provision provided for third sector. As per the current estimates, there are 72120 NHGs, 7000 ADSs and 758 CDSs in Kerala.

### **6.1. Micro Plan by NHGs**

NHG's are supposed to act as a forum for poor women. It is both a discussion and action group to share their concerns, reflect their state; analyse their situation, discuss issues and options, priorities their needs and formulate a poverty reduction micro plan. Micro plans proposed by NHGs are integrated at ADS level and it is known as micro plan and it is integrated at local body level known as CDS plan. The CDS plan is the anti poverty sub plan of the village panchayat or municipality. It is proposed to set apart one third of the development resources of the local bodies for the activities of the CDS plan. CDS is also empowered to identify beneficiaries of poverty reduction programmes and to take up community contracting of local level development work. The Economic Review (2001) argued that the following perceptible changes in the lives of the poor in Kerala.

1. Poor women got organised under CDS structure.
2. There is a provision for thrift and credit in the NHGs. It is estimated that Rs. 64 crore had been collected as small savings and it is also disbursed as loan among the members themselves.
3. NHGs had started 26000 units of both individual micro enterprises and group enterprises as income generating activities. Kudumbashree provided incubatory services to the units. It resulted in changing the economic status of the poor.
4. The NHGs and its activities could facilitate women to enter in to public life and more than 100 functionaries of the CDS become the potential executives of the urban local bodies.
5. All activities, which are focussed to poverty reduction, are converged through CDS structure.
6. Through a concurrent training programme, the capacities of women have been increased and they became capable to take up different types of developmental activities.
7. There are a few model cases to cite that solid waste and other environmental services are managed by the CDS structure. The Economic Review (2001) asserted that Kudumbashree has contributed to enhancing the social capital of the poor, which in turn has served as a basis for economic development.

## **7. Anti Poverty Sub-plan**

The government of Kerala prepared an elaborate guidelines for Tenth five-year plan, based on the experiences of the people's plan under ninth five year plan and Kudumbashree. Tenth five-year plan (2002-2007) stated that each local body should constitute a separate working group for poverty reduction programmes<sup>3</sup>. However, the responsibility to remove poverty should also be vested with the other seven working groups. The guidelines admitted that the stagnation in local level development resulted in unemployment and poverty to certain extent. In other words, local development can be achieved only by addressing poverty. It also argued that since poverty has multiple factors, the strategy to tackle poverty also should have multiple components. While preparing an anti-poverty sub-plan, the local bodies should keep these aspects and hence it should be an integrated approach, the guideline suggested.

### **7.1. Development strategy for poverty Reduction**

The development strategy, which is adopted in Kudumbashree project for poverty reduction, has to be followed by the local bodies also. Andyodaya approach<sup>4</sup> is adopted in this regard. The guidelines also suggested for an associational life of poor families under poverty line and the identification of poor families should be based on 'Alleppey methodology' by applying poverty index. It is proposed to form neighbourhood groups (NHGs) consisting of 20-40 poor families and all the NHGs in a ward should be under Area Development Society (ADS) for trust, reciprocity, interpersonal relationship, skill upgradation and capability. All these may lead to achieve a certain level of infrastructure, common facilities, and support structure for their economic activity. As a result, the poor may be in a position to acquire capabilities to participate the market forces, market structure and other institutional economics. The local bodies are expected to perform this development strategy for poverty reduction under Tenth five-year plan.

### **7.2. The Constitution of Working Groups for Poverty Reduction**

In the case of grama panchayat and municipalities, the officer who is in charge of Kudumbashree project should work as the coordinator of the working group for poverty reduction. For block and district panchayats, the block development officer and district director of project, anti-poverty unit should be the coordinators respectively. Two members from the CDS should be included in the working group. For the district

panchayats and corporations, the presence of district coordinator and assistant coordinator are ensured in district panchayat and corporations.

It is also mentioned that membership will be given for the representative of NGOs and other experts, who are working in the area of poverty reduction programmes. In addition to this, the promoter of the SC and ST community will be included in the working group.

### **7.3. The Activities of the Working Group**

The working groups is requested (a) to prepare a review report of the existing poverty profile in the area of the respective local body; (b) to make a spatial distribution of the incidence of poverty and (c) to find out the impact of the 9th plan on the incidence of poverty. It is also mentioned that all these should be based on the support of available data (both secondary and primary). These activities should be completed with the involvement of the NHGs, ADS, and CDS. The major task of the working group is the integration of the schemes prepared by the NHGs and ADS at the local body level. For ensuring vertical integration of the sub plan of the anti-poverty programmes prepared at different spatial levels by the three tier rural local bodies, the copies of the document should be communicated to other higher spatial levels .

The guideline also stressed the need for functional and structural relationships between working groups for poverty reduction and other working groups. Since, poverty is multi dimensional, the components of poverty reduction packages may be incorporated in other seven working groups and these should be integrated in the sub-plan document of the working group on poverty reduction. To ensure this, the guideline suggested having separate meeting of all the office bearers of the working groups under the chairperson of respective local body. In the proposed meeting a strategy for poverty reduction will be evolved and copy of all the proposed projects for poverty reduction should be handed over to the working group for poverty reduction. While admitting the fact that infrastructure facilities and basic needs such as housing, drinking water and connectivity are important components in the reduction packages, there should be some emphasis on other aspects for generating employment opportunities and sustainable income generating activities.

### **7.4. Plan Size**

It is proposed that plan share has to be earmarked for the poverty reduction programmes by each working group. After the distribution of plan size on sectoral

considerations (productive, service, and infrastructure), each sector has to allot for poverty reduction project under each working group. The sum total of the poverty reduction projects under all the eight working groups can be considered as the plan share for the poverty reduction sub-plan. The sub-plan on poverty reduction also include the amount set apart for women component plan (WCP) special component plan (SCP) and plan amount demarcated for child, handicapped and aged population. In the case of urban local bodies, fund allotted for slum clearance and rehabilitation of hut dwellers also may be considered as part of the sub-plan for poverty reduction.

### **8. Social Capital and Poverty Reduction**

Social capital is now a widely discussed theme among the academic and policy circles (Putnam 1993; Heller 1996 & 2000; Kilby 2002). When development and poverty reduction takes place in some places and not in others, a points on which the tools of the economists failed to come up with answer, was the major factor accounting for the popularity of the term (John and Chathukulam 2002).

Serra (2001) studied 16 Indian states in a comparative perspective and found that Kerala scored high on most counts making it the state having the highest stocks of social capital in the country. The study says that “exhibits the highest scores on almost all variables, and exhibits a quite unique profile with respect to all other states ---- Kerala appears as the best Indian example of a society with high social capital (Serra, 2001, p.698). In a recent study of Kerala, Veron (2001; p. 609) says” grassroots environmental action tends to meet favourable conditions in Kerala because of its richness in social capital”. Blomkvist (2001) contests the arguments of Atul Kohli (1987) that ‘regime type’ explain higher levels of performance in poverty reduction in the state of West Bengal compared to Karnataka and Uttar Pradesh. Making a comparison between Kerala and West Bengal, he says that, more than regime type, it is the existence of social capital that contributed to the strong difference between these two states in poverty reduction. A study done by Morris (1998) on the relationship between social capital and poverty also ranks Kerala’s performance high on the basis of the existence of social capital. All the above studies are some evidence to support Morris’s hypothesis that a state’s endowment of social capital does affect the ability of that state to reduce poverty. Hence, Kerala may be a case for empirical evidence.

The “plan campaign” since 1996 has brought a wider section of women hitherto excluded from Kerala’s associational life into the centre stage of rural civic life. Not

only is the institution of Gram Sabha new to Kerala, but, following the rise of neighbourhood groups (NHGs) at the sub Grama Sabha level known as *Ayalkoottams*, a new dimension to decentralisation and participation has been added in the state. Even though the formation of the NHGs is not mandatory, more and more Panchayats are found to be favourably disposed to their formation thereby adding to a growth in associational life in Kerala. Unlike many of the traditional organisations owing allegiance to political parties of which dense networks already exist, these new institutions are largely non-political, although not altogether free from the influence of dominant political groups.

### **Section III**

#### **1. Poverty Profile of the Udayanapuram Village Panchayat**

Udayanapuram panchayat is located in Vaikom Block of Kottayam District. Vaikom the most backward of the 11 development blocks in Kottayam, having six panchayats including Udayanapuram. Udayanapuram has an area of 20.15 square kilometres and a population 28264 as per 2001 census. The sex ratio is 1014, which is almost equal to the average figure of 1015 for the Vaikom Block. The area has a high concentration of scheduled caste (Pulayas) population, which is 17.75 per cent to the total population. Scheduled castes and other backward communities, Dheeveras (mainly fishing community) and the politically and socially assertive Ezhava (traditionally a caste of toddy-tapers) represent the backward groups and dominate the area. There are large number of agricultural labourers, coir workers and fishing community. The site of the panchayat is the most backward area in the district of Kottayam, as the gains of Kerala's vaunted development experience have not been reflected in the quality of life and the development of infrastructure here. However, majority of the population have been partially benefited by the left policies including land reforms and social security measures initiated by the communist government that came to power in the state since 1957. The political history of class conflicts and social mobilisation by class and mass organisations affiliated to the communist parties also supported the poor. Majority of the settlement colonies of the poor are in low-lying areas that are marshy. The density of the population is 1402. It is also important to note that, if we take the inhabitable areas alone in to account the density of population is very high. The literacy rate of males is 97 per cent and that of females is 88 per cent. As per 1997 figures 2652 houses (41 per cent) do not have latrines. As per the 2001

BPL survey the number of families coming under BPL are 3794. The income and expenditure during 1995-96 financial years, a year before the people's plan campaign was launched, may give the financial position of the panchayat. In the year, the panchayat had a gross income amounting to Rs.1139531 and an expenditure of Rs.783344. The plan fund devolved by the state during 1997-2001 (for a period of 4 years) to the panchayat account for Rs.21323914. In addition to this the panchayat has financial support from centrally sponsored schemes, Government of India. It also gets its share of development schemes initiated by the block and district panchayats the other two tiers of the local bodies in Kerala. The left democratic front (LDF) has been in power in the panchayat for several years. The panchayat is currently dominated by the LDF, which holds seven out of 13 seats. The present president belongs to the communist party of India (CPI). During the initial years of the decentralised plan period the presidentship was held by the communist party of India -Marxist (CPI-M). The main opposition party is the Congress. During the Ninth five-year plan period for a short while the panchayat was also ruled by congress with the support of congress led coalition and some independent members. The work participation ratio of women is high (24.32 per cent), which is almost double the state average. Male work participation is also higher (52.71 per cent) than the state average (41.01 per cent). The region has as many as 29 per cent female-headed house holds on its records. However, if we take the actual number of de-facto female-headed households, the number is much higher. Most of the economic activities of women relate to survival and a large number of women in the region are engaged in household activities and house-to-house selling of fish in interior parts of the district, which makes them a mobile group. The landscape of the area is predominantly plain land with substantial low-lying area under paddy cultivation. Women constitute a sizable chunk of the working class engaged in agriculture activities. The decline of agriculture; especially of paddy cultivation, had led to loss of employment for agricultural labourers. Only 55 per cent of the total land available for paddy cultivation is put to use. The yield from paddy cultivation is roughly half the state average. The average yield of coconut per tree is also similar. The main occupation of the local people is mat and coir weaving, thereby they earn only an average income of Rs.20 – 25 per day. Although work participation is high, the average earning of the workers, especially female workers are very low. Following stagnation in agriculture in the area, migration of the work force to other parts of the district has been extensive. Coupled with the general poverty of the area, migration has led to the emergence of many female-headed households.

**Table No. 4: Major and Direct Poverty Reduction Measurers taken by Udayanapuram Village Panchayat for a Period of four years**

Sl. No.	Item	1997-98 (Rs)	1998-99 (Rs)	1999-00 (Rs)	2000-01 (Rs)	Total (Rs)
	<b>Total Plan Fund</b>	<b>4683000</b>	<b>6374164</b>	<b>5799000</b>	<b>4467750</b>	<b>21323914</b>
1.	Cattle, Goat	187500	179000	168750	81335	616585
2.	Readymade Unit	-	167744	-	-	166744
3.	House plots	-	678000	70000	765000	1513000
4.	Housing	1815000	571000	1904493	1061540	5352033
5.	Wiring of houses	123000	80000	67100	-	270100
6.	Toilets	175000	900000	100000	-	1175000
7.	Drinking water, wells	-	-	-	300000	300000
8.	Pipeline	1007000	-	-	-	1007000
9.	SHG working capital	-	468000	-	400000	868000
10.	Tools for labourers	-	226667	115000	17500	359167
11.	Employment – training	-	34650	-	36300	70950
12.	Upgradation of employment	-	82000	16000	-	98000
13.	Vegetable cultivation	-	-	-	440000	440000
14.	Generating new employment	-	120750	-	150000	270750
	<b>Total</b>	<b>3307500</b>	<b>3506811</b>	<b>2441343</b>	<b>3251675</b>	<b>12507329</b>

*Source: Udayanapuram Panchayat Office, Udayanapuram, Kottayam*

## **2. Poverty Reduction Measurers by the Village Panchayat**

Table No. 4 gives major poverty reduction programmes taken by the Udayanapuram grama panchayat for the four years (1997-2001) under the people's plan. It is worked out that 58.68 per cent of total amount received by the panchayat had been utilised to address poverty reduction programmes. This is more than the state average of 40 per cent, which is spent for anti-poverty programme. If we analyse, the other indirect programmes, which is prepared by the panchayat to address the anti-poverty programme, it can be seen that the amount is much higher.

## **3. The case of Women's Self Help Groups**

The last five years have witnessed an unprecedented increase in the formation of self-help groups all over Kerala. Women's organisations tied to political parties have not been able to address women's survival-related problems especially at the grass root level in Kerala with any modicum of success. The women who have associated with these political outfits find themselves not only marginalized in politics, but are lacking as far as meeting some of their basic needs are concerned. The effect of globalisation

on the lives of poor women also is an additional factor accounting for the rise of these groups. Following gradual withdrawal of subsidies on food and other essential items and the privatisation of certain aspects of social services seem to have affected the family budget of many women and the self-help groups are seen as a means to mitigate the burden. NGOs had also been instrumental in the formation of self-help groups.

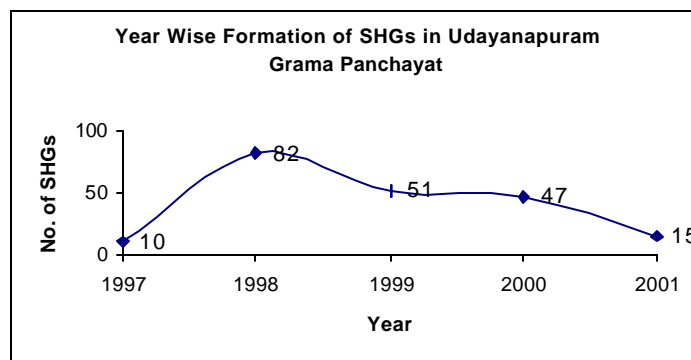
The active support of the National Agricultural Bank for Rural Development was one important factor that played a key role in the formation of these groups in the early period. Added to this was the initiative taken by the women members of Block and village Panchayats. Perhaps the most important factor that led to the rise of these groups is the provision of ten per cent of the total plan funds that each Panchayat at all the three tiers is required to spend on projects exclusively meant for women. In the absence of suitable projects, many of these self-help groups have been entrusted with money to launch women-specific projects. The introduction of Kudumbasree and the provision in the Suvarnajayanti Gram Swarozgar Yojana (SGSY) that a group approach to rural development will be the thrust during the Ninth plan have all added fillip to the genesis of self-help groups.

The proliferation of these groups has led to high degree of amorphousness and heterogeneity. There are BPL groups, APL groups and mixed groups. Under SGSY, self-help groups coming under BPL will be focussed. This means those BPL women involved in mixed groups will have to part company with their APL fellow members leading to the dissolution of many existing self-help groups.

There has been a high degree of unevenness in the distribution of self-help groups in grama panchayat between wards. In the panchayat an average 15 SHGs exist in each ward with the least being 11 and the highest being 20. This is due to the size of ward and geography. Unlike in other parts of the country where non-governmental organisations (NGOs) have been in the forefront of SHG formation in Kerala the intervening role of the grama panchayat, has been the major factor accounting for the rise of these groups on an extensive scale. In the Udayanapuram village panchayat, all the SHGs have been formed in the wake of the 'People's Plan Campaign' (See graph No.1). It has been found that the need for credit and small savings served as the major motivating factor for SHG formation apart from the facilitating environment offered by the panchayat members through Plan Campaign. Panchayat members took the initiative in forming 67 per cent of SHGs. More than 73.60 per cent of those who gave an

introduction about SHGs were also people's representatives, mainly panchayat members.

Graph No. 1



Source: Field Data

More than 20.00 per cent of the SHGs have got financial assistance under women component plan (WCP) from the Panchayat, which works out at Rs.343000. 12.08 per cent of the SHGs got assistance from the Block Panchayat, which works out at Rs. 215000. From the District Panchayat 2.08 per cent of the SHGs got assistance, which comes around Rs.40000. The SHGs admitted that there has been deviation from the project submitted to the Panchayat were eight. In 29.23 per cent of the SHGs, which got grants from the Panchayat, the utilization of grants, selection of a business and distributional issues led to disagreement among the members, which has not been fully sorted out in many cases and was one of the reasons for drop out.

### 3.1. Activities Other than Savings

Most of the reasons cited for the formation of the self-help groups are related to survival needs of women. The panchayat has been the major motivating factor in the formation of these self-help groups. Members of self-help groups are drawing from the economically lower strata with majority of them coming from occupation areas such as construction work, coconut processing, mat weaving, coir work, sand collection, agriculture labour, fish cultivating and fish vending, rearing cows and goats, preparation of snacks, handlooms, tailoring and curry powder manufacture.

More than 80.00 per cent of the SHGs (165) also involve in other income-generating activities apart from savings. The number of persons who participate in such activities are spread over 165 SHGs.

**Table No. 5: Details of Activities of SHGs**

Activities	No of SHGs	Per centage
Agriculture and allied activities	70	42.5
Business	81	49.0
Production	10	6.0
Service Sector	4	2.5
Total	165	100

*Source: Survey Data*

1773 persons (55.78 per cent of members) spread over 165 SHGs engage in micro-enterprises. Of this 6 groups have been provided loans by the banks to the tune of Rs.390000. Two of the SHGs got their loans (Rs. 295000) from the Cooperative Bank and the other four from the scheduled banks (Rs.95000). These six SHGs provide employment to 59 of its members on a full time basis and 40 others on a seasonal basis. Among the 59 members who have full-time employment, 47 were new entrants. The total investment of the 165 SHGs is Rs. 934000. The activities in which they are engaged in are coir yarn manufacture, mat weaving, provision store, canteen, taxi house, vegetable cultivation, paddy cultivation. 24.61 per cent of groups have reported that the micro enterprises carried out by them are successful. 16.92 per cent say that they are not successful. More than 58.46 per cent are not sure whether they are successful or not, since they are only just entered in to the micro enterprises.

### **3.2. Socio -Economic Profile of SHG Members**

Of the total of 3178 persons in the SHG, 86.37 per cent belong to below poverty line families. Of the total 1.25 per cent are widows, 7.7 per cent are unmarried. The age wise composition of the members is given in table No.6.

**Table No. 6: Classification of SHGs Age Wise**

Category	Number	Per centage
Less than 20	55	1.72
21-30	684	21.52
31-40	1178	37.10
41-50	949	29.86
51-60	299	9.40
Above 60	13	0.40
Total	3178	100

*Source: Survey Data*

It may be seen that nearly 67 per cent of the members are drawn from the age group of 31- 50. This age group is perhaps the most productive period in the economic sector.

**Table No. 7: Education levels SHGs Members**

Category	Number	Per centage
Illiterate	213	6.76
Primary School	552	17.30
U. Primary	764	24.00
High School	1323	41.60
Higher Secondary	262	8.62
Degree	56	1.76
Post-Graduation	4	0.12
ITI Certificate	4	0.12
Total	3178	100

*Source: Survey Data*

It is found that the overall level of education of most of the members is SSLC or below, which makes the need for training them all the more evident. The fact that 6.76 per cent of them are still illiterate also is quite noteworthy since Kerala often is highlighted as a state having cent per cent literacy.

As per 2001 census, there are 10565 women voters in the Panchayat. Of them 30.08 per cent are members of the SHG. Of the total households, about 50 per cent of the households are represented in the SHGs. Regarding the work participation of women, those who follow agricultural work account for 2255 persons, those who do traditional household occupation account for 5900 persons and the remaining 3109 persons are unemployed. Of the total able-bodied women or productive population, 28.21 per cent are members of the SHGs. As per the 2001 BPL survey, the number of families coming under BPL is 3794. 72.35 per cent of the BPL families are represented in the SHGs. This shows that sizeable per centage of the households coming under BPL (27.65) could not be brought under the SHG framework.

### **3.3. SHG Activities**

#### **3.3.1. Group Meetings**

All the groups meet at a previously decided place and time. Every week, meetings are usually held in time. Most of the meetings (54.4 per cent) are held on Sundays. 42.43 per cent of the meetings are held on Saturdays. On Tuesdays and Fridays (days which are inauspicious), SHG meetings are not held. The meeting starts with a prayer, a welcome speech, report of the secretary, discussion based on the report and activities of the week, other common issue presentation and discussion on that, receipt of savings, disbursal of loans, vote of thanks and national anthem. In 79 per

cent of the SHGs, the meeting venue is rotated among member households, 18.5 per cent SHGs alone meet in a fixed place always. The remaining meetings are held in the house of the office bearers. There is a tendency to exclude those who fail to participate consecutively in a number of meetings. Participation rate is quite high

### 3.3.2. Savings, Credit and Bank linkages

In 93.5 per cent of the SHGs, the weekly contribution is 10 rupees. SHGs with weekly subscription of Rs. 5 and Rs. 20 are 1.5 per centage each. The others collect 15 rupees each. The total savings so far is Rs. 4761010 as on 31 October 2001. Average level of savings of an SHG is Rs. 23224 and that of one member is Rs. 1498. Each member is given a passbook showing details of their savings. Upto 31 October 2001, a sum of Rs. 6203445 has been loaned out by the SHGs, making an average of Rs. 30260 or Rs. 1951 per capita. Until the above date 51 per cent of the total members have availed themselves of loans. Adding the sum got through repayment of short-term loans and assistance from the three-tier Panchayats arrived at this amount. It was found that 22 per cent of the SHGs have given loans to persons who are either members of other SHGs or do not have membership of any SHG. In reality, there are many more SHGs, which actually provide loans to the outsiders. When money is loaned out to outsiders, the interest charged are more than what are charged for members. The lowest interest charged from outsiders' ranges between 48 per cent and 96 per cent. There is high degree of variation in the interest rates for loans given to members among the SHGs. It ranges from 24 to 60 per cent. Even the lowest slab is nearly twice the rate of the interests charged by commercial banks on gold loans.

**Table No. 8: Different Interest Rate by SHGs**

Rate of Interest	No. of SHGs	Per centage of SHGs
24	16	7.80
36	158	77.00
48	26	12.68
60	5	2.52
Total	205	100

*Source: Survey Data*

Total amount so far collected by the SHGs in the form of interest is Rs. 922875, which makes the average for an SHG, Rs. 4501 and average per SHG member Rs. 290.

### **3.3.3. Bank Linkages**

196 out of the total have bank accounts in the name of two persons, the treasurer and either the secretary or President, as the case may be. There is only one scheduled bank and a cooperative bank in the area. More than 86 per cent of the accounts are operated through the cooperative bank. The rest are operated through the State Bank of Travancore (SBT). The preponderance of cooperative bank over the SBT is due to the intervening role played by the Panchayat members. The total amount in the bank accounts as on 31 October 2001 was Rs. 331991 in the Saving Bank (SB) account, which fetches them an interest rate of between 3 to 4 per cent. The banks have graded only seven out of the 196 SHGs.

### **3.3.4. Repayment**

There has been cent per cent repayment of loans in all the SHGs. Even in those SHGs having a three-year standing, instances of default in loan repayment has not taken place. The reason for this is that in every SHG, at the end of the year the members divide the savings and interests among themselves equally. If any one of the members has over dues, the amount will be deducted from their share. Loans given to the outsiders is on the strength of the pledge made by two members in each instance and if the outsider fails to return the loans with interest, the same will be deducted from the share of the two guarantors.

### **3.3.5. Anniversaries and Election of New Office Bearers**

Every SHG, which has been in operation for a year have evolved their own system of holding anniversaries with the members themselves taking the initiative in organizing it. It is in the anniversary that each one's share is distributed and defaults are deducted from the share of the defaulter. The anniversary ends with the election of new office bearers. In 50 SHGs change in the office bearers took place once, in 28, twice, in 17, three times and in one group as many as four times. Majority of the SHGs (109) have not changed the office bearers. During the anniversaries, the panchayat members and other local political leaders are called.

## **4. Impact of SHGs**

### **4.1. Effect on Participation in the Grama Sabha**

All the grama sabhas in grama panchayat were held with full quorum. While gram sabhas take approximately two or three hours in other panchayats, in some wards of the grama panchayat in Udayanapuram the grama sabhas extended their schedule for

more than five to six hours, and on some occasions, business was transacted in lantern light. There has been an upward trend in the average participation in grama sabha during successive years after the people's planning programme was launched. The average number of participation, which was 129 in 1996-97, increased to 276 in 1997-98. It became 232 in 1998-99 and 210 in 1999-2000 and 224 during 2000-2001. In 2001-02 the grama sabha participation has increased to 363. In other words there has been a rise of 113.95 per cent in 1997-98, and decreased 15.94 per cent during 1998-99 and again decreased by 9.48 per cent during 1999-2000 and then it has increased to 6.66 per cent during 2000-2001 and in 2001-2002 there is an increase of 62.05 per cent.

If we take the proportion of participation of women it is found that there is a steady increase. The percentage of females, which was 25.14 per cent in the first year, jumped to 35.57 per cent during the second year and further to 48.80 per cent in the third year. During 1999-2000 it was 59.04 and in 2000-2001 and 2001-2002 it became 53.19 and 55.89 per cent respectively. It may be noted that the higher proportion of participation of women during these periods could be attributed to the formation of self-help groups. The spectacular rise in the formation of self-help groups during 1998-99 financial year which synchronizes with the second year of participatory planning, is a direct result of the planning process and finally women participation rate had gone higher than that of the male participation rate

However, there has not been any major change in the traditional gender roles of women in spite of the SHG activities. The main social and political function of the women in the SHGs is to serve as an audience, which can be marshalled at short notice for local public functions addressed by local political leaders and officials. During the 9th plan, the three-tier Panchayats have carried out 600 projects amounting to roughly 4.5 crores, which have been implemented through Beneficiary Committees. But none of these projects were entrusted to the women even though there were several projects, which could very well be taken up by women.

## **Conclusion**

The self-help groups in Udayanapuram grama panchayat not only provide a means of survival for poor women, but also serve as nascent institutions for the building up of women's specific social capital, which can serve a long-term sustainability function in poverty reduction. Although it is true that some section of the poorest of poor find it

difficult to participate in SHGs, the overall impact of the SHG movement in enabling women to arrest the increasing feminisation of poverty is considerable. Evolving and working the self-help groups have also yielded complementary spin offs. Apart from increasing women's networks and fostering trust, it enables them to acquire skills in conflict management, and organised participation in forums like the Gram Sabha, which will also have a long-term effect on enhancing women's overall ability to address poverty.

### **Acknowledgement**

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### **Notes**

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<sup>1</sup> Defining poverty and the poverty line is not discussed in the paper since it is not directly under the purview of the paper. Dandekar and Rath, who did the first empirical and scientific study on poverty in India, defined it as an expenditure of Rs. 15 per capita per month for the Indian rural population at 1960-61 prices and Rs. 18 per capita per month for the urban population. It is also important to note that in 1981, the Indian Council of Medical Research (ICMR) constructed a poverty line by prescribing 2400 calories for light workers, 2800 calories for moderate workers and 3900 calories for heavy work. A third poverty line was constructed by fixing Rs. 49 for rural population and Rs. 56 for urban population at 1973-74 prices. An expert group, constituted by the govt. of India in 1993, did this. In the poverty literature there is an international poverty line and it is defined as a purchasing power of \$1 for per capita per day at 1985 and \$1.08 per capita per day at 1993 prices (Thekaekara).

<sup>2</sup> The poverty debate is still going on and it can lead to quite different estimates based on the methodologies and assumptions. In 1993-94 the Planning Commission estimated the poverty ratio and it was only 19 per cent. According to NSS Organisation, it was 36 per cent. Finally, Govt. of India rejected the estimation of the Planning Commission and 35 per cent was considered as the official estimate of population below poverty line.

<sup>3</sup> There are eight working groups for plan preparation under the 10th five-year plan. They are (1) agriculture and allied activities; (2) local development; (3) poverty reduction; (4) SC/ST development; (5) women and child development; (6) health, drinking water and sanitation; (7) education; and (8) infrastructure facilities.

<sup>4</sup> In poverty reduction strategies according to Andayodaya approach, priority should be given to the poorest among the poor (poverty within poverty).

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