

PERSPECTIVES ON POVERTY IN INDIA

Stylized Facts from Survey Data

B 376150



THE WORLD BANK
Washington, D.C.

Contents

<i>Acknowledgments</i>	<i>xiii</i>
<i>Abbreviations</i>	<i>xv</i>
<i>Executive Summary</i>	<i>xvii</i>
Overview	1
India's Poverty Challenge	1
Poverty on the Decline	4
City Size Matters: Urban Growth and Poverty	11
A Casual Transformation: Rural Nonfarm Employment	14
Beyond Consumption: Toward Health and Education for All, Haltingly	17
Rising Inequality: Cause for Concern?	23
Social Exclusion: Who Is Being Left Behind?	28
Concluding Remarks	33
Notes	35
References	35
1 Consumption Poverty and Growth	39
Consumption Poverty: Trends and Patterns	41
Has Poverty Become Less Responsive to Economic Growth?	58
Changing Drivers of Poverty Reduction	63
Thinking beyond the "Official" Poor	69
Notes	75
References	76
2 Urban Growth and Poverty in Towns of Different Sizes	81
Introduction	81
Trends at the National and the State Level	83
Poverty in Towns of Different Sizes	85
Urban Agglomeration and Poverty Reduction	98
Urban Growth Is a Source of Rural Poverty Reduction	105
Implications for Policy	109
Notes	111
References	112

3	A Casual Transformation: The Growing Rural Nonfarm Sector	115
	India's Rural Transformation: In Slow Motion but Picking Up Speed	118
	The Casualization of Nonfarm Work	120
	Who Gets What Job? Does Nonfarm Employment Reach the Poor?	133
	The Impact of the Nonfarm Sector on Rural Poverty: A Regression Analysis	141
	Why Isn't the Nonfarm Sector Growing Faster?	146
	Notes	151
	References	152
4	Beyond Consumption Poverty: Nutrition, Health, and Education	155
	Nutrition Outcomes: Short, Thin, and Wasted	156
	Health Outcomes: Better but Not Well	164
	Education Outcomes: In School, but Not Learning Very Much	168
	The Need for Systemic Reform	176
	Notes	178
	References	181
5	Rising Inequality: A Cause for Concern?	185
	Inequality Dynamics at the All-India Level	188
	Inequality at the Local Level in Three States	194
	The Structure of Indian Inequality	201
	Notes	217
	References	220
6	Social Exclusion: Who Is Being Left Behind?	225
	Exclusion by Caste	230
	Exclusion by Tribal Identity	241
	Exclusion by Gender	252
	Epilogue	262
	Notes	262
	References	265
	Boxes	
1.1	Poverty Lines and Poverty Measures	44
1.2	India's Poverty Lines Need to Be Overhauled	47
1.3	Developing Poverty Maps Using the Small-Area Estimation Method	54