



# Urban Poverty in Jhaekhand: Issue and Challenge

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## Abstract

The population of a city grows through birth as well as migration. The economy has not been able to provide employment and an income for the vast majority of rural migrants, including the urban poor. Significantly, a large number of urban poor work in the informal sector as they have less skill, less education and less capital. In many developing countries, including India, due to the fast pace of urbanization, many rural areas are gradually becoming part of urban areas, where urban amenities are lacking and open spaces, cultivable lands and water bodies remain, at least in the initial stages of urbanization. Due to growing environmental concerns, there is often a demand to preserve such open spaces to protect the environment. This provides an opportunity for some people to earn a livelihood by following traditional occupations like agriculture and thereby providing fresh vegetables for the urban population. However, these people do not enjoy some of the urban amenities and continue to be connected to the rural world through visits, remittances and social, cultural and economic networks, sometimes recruiting people from their rural areas. Thus, the indigenous, traditional knowledge of cultivation and its practice in urban areas, not only helps a group of people, the poor, to survive in urban situations but it also helps to achieve sustainable development with better environmental conditions.

The paper seeks to provide an understanding of key concepts and issues pertaining to urban poverty, its causes and the emerging challenges for the urban poor in the era of liberalization.

**Keywords:**- Urban, Poverty, Population, challenges, Indigenous, Traditional

## I. Introduction

Urban poverty is a form of poverty that is particularly visible in megacities, characterized by poor living circumstances and income, as well as a lack of essential utilities and a bad quality of life.

It is a challenge to reduce exploitation, relieve misery, and provide more humane working, living, and growth conditions for individuals who have already made the city their home or are in the process of doing so. According to NITI Aayog estimates, nearly 8.81% of the Urban population are Multidimensional Poor

The past few decades have seen a massive migration of the world's Countries, States like Jharkhand population from rural areas to cities. In places such as Jharkhand, we're talking about hundreds of millions of people making the move. Every person has their own story and reasons for migrating to an urban area, but common themes are the search for better paid work, prosperity, and a desire to be more closely connected to the rest of the world. No doubt, cities are exciting places, but the volume of people moving to big cities, particularly in the developing world, is creating big challenges for governments and societies.

Today, we're right in the middle of this major change. In 2015, over half of the world's population lives in cities, and this is expected to rise to two thirds by 2050. For governments in developing countries, there often simply isn't enough money to plan ahead and install reliable infrastructure like water pipes, high capacity power lines, and broadband internet services. And many of the people coming in from rural areas bring little more than their hopes and dreams - they don't have the money to set themselves up in quality housing. This leads to the creation of slums; large urban areas where hundreds of thousands of people live in poverty, without access to basic services.

This is why we need to increasingly look to cities when thinking about the end of extreme poverty. Creating better conditions for the urban poor is going to be a key part of creating a future where everybody everywhere can survive and thrive. Partnerships between communities and government, affordable housing, future planning, and community services are all going to be needed



to ensure that the world's cities remain engines of opportunities, and don't become a poverty trap.

Urban poverty is a term used to describe the deprivation of the urban poor. These may include factors such as shortage or poor access to employment opportunities and income, inadequate housing and basic services, violent and unhealthy environments, very less or no social protection mechanisms, and limited access to health and education opportunities.

Urban poverty in India is closely related with the fast development of the country. India had its first report on urban poverty in 2009, which was backed by the United Nations development program. Indicators of urban poverty as stated by the report include: Income, Health, Education, Security of tenure and personal empowerment.

Poverty Indices Quantifying poverty has always been a crucial and tough task for the committees. There are various indices developed over time which deal with fundamental questions such as how many people will be considered poor in a society. For this, first of all we need to define a poverty line which can differ in urban and rural area, then what is the distribution of income among poor and how much money will be required to take the affected people out of poverty. It is famous because it is easy to understand and measure. But it does not indicate how poor the poor are.

The poverty gap index (P1) measures the extent to which individuals fall below the poverty line (the Poverty gap) as a proportion of the poverty. The sum of these poverty gaps gives the minimum cost for eliminating poverty, if transfers were perfectly targeted. The measure fails in reflecting changes in inequality among the poor.

**Causes of Urban Poverty:** There are many causes for Urban Poverty these are as follows:-

#### **1. Uncontrolled migration:**

>The lack of infrastructure in rural areas, forces inhabitants of these regions to seek out work in India's mega-cities.

>As more and more people make this migration, the space left to accommodate them becomes less and less.

>Urban development can't keep up with the growing numbers of informal settlers and leads to an increase in the number of slums.

#### **2. Lack of investment:**

>Urban poverty is a result of the lack of opportunities and skills training for most of the working age population.

>Over the years, a shortage of adequate investment in quality education and basic services

like health, sanitation, waste management and skill training has had its consequences.

>It has led to generations of malnourished, uneducated, unaware and unskilled or semi-skilled people who find it difficult to find decent paying jobs.

#### **3. Lack of infrastructure in villages:**

>Due to lack of basic amenities and employment options in villages people migrate to cities.

>Agriculture is barely a lucrative option in villages, so their only job option is to seek out work in the cities' informal economies.

>Millions migrate to the cities every day to take up informal jobs such as domestic help, taxi driving, construction site work, etc.

>However, this creates overcrowding in the already packed urban infrastructure.

#### **4. Lack of affordable housing:**

>The lack of affordable housing leaves urban poor address-less on paper.

>They settle wherever they can, but as more people join, a whole community of undocumented settlers emerges.

>This further complicates the procedure of accessing basic services like electricity, water and sanitation, etc. as the authorities and public utilities can only serve those registered-on paper – this is how poverty begins.

#### **COVID-19 and Urban Poor:**

>Indian cities are worst impacted due to COVID-19 pandemic-induced disruptions.

>City dwellers particularly the poor informal sector workers or urban poor have taken the maximum brunt of the pandemic.

>Lockdowns, social distancing norms, shutting down of markets, factories and allied activities have paralyzed the work opportunities for these sections of urban populations.

>Urban unemployment which was in stress sharpened further during the initial weeks of pandemic.

>It paralyzed the urban poor majority of which work in unorganized (informal) sector of the economy with irregular salaries, no written job contracts, often get their jobs through job contractors and subcontractors with no social protection.

#### **State response to Urban Poor:**

>The Centre and States were quick to announce a number of initiatives in the forms of cash transfers, food ration, temporary shelters to lessen their hardship.



>The Union government announced an immediate 1.7 lakh crore economic package (for both rural and urban populations) under the existing Prime Minister Garib Kalyan Yojana (PMGKY) to ensure free food (through Prime Minister Garib Kalyan Anna Yojana or PMGKAY).

>A limited cash transfer support was extended to the most vulnerable citizens many of them residing in urban areas.

>For instance, cash transfers included Rs.1000 to be provided to nearly 30 million poor pensioners, widows and disabled and a Rs.500 monthly deposit to be made to 200 million women holding Jan Dhan accounts (both components for a period of 3 months).

>Beyond cash, the government extended food rations to 800 million beneficiaries registered under the National Food Security Act.

>Further, to reach out the urban poor, the government extended a free grain entitlement of 5kg rice/wheat per person and 1kg chickpeas per household to an estimated 80 million migrants (who are not covered under National Food Security Act or State Public Distribution System).

>Further, the Union government launched a number of tailor-made schemes to address the woes of urban poor which included easy access to credit provision for street vendors (PM SVANidhi scheme) who were to be provided with an initial working capital of up to Rs 10,000 to restart businesses that took the brunt of the lockdown.

>The intervention aimed at supporting 50 lakh such vendors and providing liquidity up to Rs 5000 crores.

>An affordable rental housing scheme has been curreted under the existing flagship program the Prime Minister Awas Yojana.

## II. METHODOLOGY:-

The study is descriptive in nature It is based on secondary sources of data/information. The data /information has been collected from different books, journals, Annual Report, and relevant websites.

## III. LITERATURE REVIEW:-

The literature on the subjects of poverty and development is fairly large, while it is not so in the subject of poverty and environment which is a growing area of research. A few seminal contributions on the subject of study have been reviewed to identify the major trends and to venture into a new area of research.

Bina Agarwal (1997) analyzed the interrelationships between gender, poverty and the environment in rural India, focusing especially on regional variations and temporal shifts over 1971-91. Briefly identifying the major factors underlying environmental degradation, the study traces why and how this degradation and the appropriation of natural resources by the state (statization) and by some individuals (privatization), tend to have particularly adverse implications for the female members of poor rural households. She further examined Governmental and community initiated attempts at environmental protection and regeneration and computed an aggregate index GEP (V) to address those issues.

The relationship between poverty, environment and development is quite complex and not amenable for easy generalization. There is a widely held view, particularly in the West; the poverty is the main cause of environmental deterioration, because the poor are not in a position to use natural resources sustainably (Duraippah 1996, Prakash 1997). The degradation in turn, it is believed leads to aggravation of poverty.

Tony Beck and Madan G Ghosh (2000) estimated roughly that the CPRs currently add some US \$ 5 billion a year to the incomes of poor rural households in India, or about 12 % to household income of poor rural households. In Pani (water) panchayats (R.S. Deshpande and Ratna Reddy: 1990), every rural household has an equal share in irrigation and water resources. The water rights are tradable, so that even the landless labourers gain from the irrigation resources generated. Grass roots democracy is used to integrate environmental regeneration and rural development to alleviate poverty.

## Urban Poverty :-

### State Profile: Jharkhand

As per Census 2011, the state of Jharkhand with an area of 79714 sq. Km, has a population of 32,966,238. Out of a total population, males are 1,69,31,688 and females 1,60,34,550. According to the provisional population totals of Census of India 2011 Jharkhand occupies the 13th position by population among all states and UT's of the country. There were 18 Districts in the state of Jharkhand at the time of 2001 census. The number of districts in the state has gone up to 24 by census 2011.

### Economy and Demography

Jharkhand, which came into existence in the year 2000, was earlier a part of Bihar. Jharkhand is known for its vast reserves of natural resources in terms of forests as well as minerals and it accounted



for more than 70 per cent of Bihar's domestic product before the state was bifurcated. However, it has not been able to capitalize on this immense potential and is still one of the most backward states in India, a status, which it has inherited from Bihar. Its per capita NSDP is well below the national per capita income, and its comparatively slow growth rate (4.2 per cent) compared to the national per capita income growth rate (5.4 per cent) is further increasing the gap. Jharkhand's demographic profile shows a large share of ST, SC, and Muslim

populations in the state at 21 per cent, 19 per cent, and 11 per cent, respectively (IHDR, 2011). Jharkhand accounts for 10 per cent of STs, 4 per cent of SCs and 3 per cent of the Muslim population in the country (Table 2). Three-fourths of the state's population lives in rural areas, including 95 per cent of STs and 91 per cent of SCs. Since these three social/religious groups are economically disadvantaged, it is evident that this disadvantage shows up in all aggregate development indicators.

Across States			Within the State		
ST	SC	Muslim	ST	SC	Muslim
9.6	3.8	3.4	20.8	19.1	11.1

Table 1 Distribution of Social and Religious Groups, Jharkhand, 2007-8 (per cent)

Source: NSS 64th Round. Central Statistical Organization.

Jharkhand accounts for close to 4 per cent of the total population of India, but it has not contributed even 2 per cent of the country's GDP in the last five years. In terms of sex-ratio, Jharkhand with the ratio of 947 females per 1,000 males is slightly better than the all India ratio of 940 females per 1,000 males in 2011. With regard to child sex ratio, Jharkhand (943) is again better than all India average (914), but still marginally lower than overall sex-ratio of the state (Census 2011). The state has one of the highest Total Fertility Rates (TFRs) in India (at 3.2). The TFR is even higher in the rural areas, where its value was 3.5 in 2008. With a slower growth rate of NSDP per capita and a very high TFR, the economic gap between the state and the nation is going to widen further. It may provide fodder to rise in Naxal activities in the state.

### Characteristics of Urban Poverty

Jharkhand as a state is known as a vast reservoir of natural resources in terms of forest areas as well as minerals. However, in spite of this immense potential, it has not been able to utilize them properly and is thus counted among the backward states in the country. Its inheritance is considered to be one of the major reasons for this backwardness, which is reflected in the development backlog over the years. The state has about 2.69 crore population living in 24 districts. The housing problem is quite serious in urban areas, especially for the people of middle or lower income groups. Improvement of housing facilities is an important objective of the State Government. It is responsible for laying out an overall policy framework and co-ordination of activities of different agencies. It works primarily through the Jharkhand State Housing Board, which has been constituted to

provide schemes to needy persons at affordable prices. The Board acquires land at the district headquarter to develop plots and construct houses/flats for different groups and distributes them as per actual need of the locality. Apart from this the Housing Department undertook in the last quarter of the Financial Year 2008-09 as well as in the subsequent financial year a programme of housing for people below the poverty line in rural areas as well. In spite of these schemes and programmes implemented, the target group has not got the benefit out of it, and the development initiatives have not in fact trickled down to the poor in spite of high economic growth. Economic growth is a necessity, but not a sufficient condition for alleviating poverty. An inclusive paradigm of growth is necessary to alleviate poverty and promote development in the country and in the poorest region like Jharkhand. Hence, accountability and transparency in economic institutions and civil society organizations play a significant role in implementing these programmes to deliver the development package to the poor to alleviate poverty and empower the weaker sections in the state.

### The Urban Issues

Poverty in the city means a lower income and tougher time finding a job that pays a living wage. It also means that political access and a chance to influence the institutional and political processes are restricted. In addition, it means a greater proximity and vulnerability to crime, both in the greater likelihood of becoming a victim and the greater risk of becoming actively engaged in committing crimes (Flanagan, 2010:308). Lack of access to infrastructure can be measured in terms of:



(1) under-provisioning relative to the rest of India; and (2) highly unfulfilled demand in key areas such as transportation, telecommunication, power, water supply and irrigation. The extent of deprivation is higher in Jharkhand as compared to the rest of India and higher in rural areas than in urban areas. Jharkhand (along with Bihar) has one of the poorest road connectivity among all Indian states, resulting in high transportation costs. Development of infrastructure is a key to poverty alleviation. In terms of road density the state ranks third lowest in this sub-sample, better than Bihar and Arunachal Pradesh, but much worse than other states such as Odisha and West Bengal. The lack of telecommunication places the rural poor in Jharkhand at a clear disadvantage compared to other states. This is especially true as a third of the population lives in difficult high terrain where it is not easy to build routine road networks. The power sector in Jharkhand has good business potential. The state is well endowed with coal and has the potential for low-cost power generation, particularly if power plants can be set up in the vicinity of coalmines. Despite the good business potential, access to power in the state is very low, as judged from per capita availability, community connectivity, and household access. The annual per capita power consumption in

Jharkhand (2009-10) is 750.46 kwh as against the national average of 778.63kwh.

The gap between the state and the rest of India is even more striking at the household level. Only 23 percent of households have access to electricity compared with the all-India average of 59 percent, while in rural areas access is less than 10 percent (World Bank, 2007). Although about 98 percent of the state's rural communities have access to basic water supply (80 percent through hand pumps) compared to the all-India average of 80 percent, poor maintenance results in lower sustained water supply coverage. Sanitation coverage is far lower, at about 7 percent compared with the Indian average of 21 percent; though actual usage may be lower still. Lack of local management and ownership, weak service support and a weak-financing system are among the reasons for this sector's present state.

list of states and union territories of India ranked according to poverty as of 2020 (2011-12) as hosted by NITI Aayog's Sustainable Development Goals dashboard; and Reserve Bank of India's 'Handbook of Statistics on Indian Economy'. The rank is calculated according to the percentage of people below poverty -line which is computed as per Tendulkar method on Mixed Reference Period (MRP).

State/UT	State/UT specific poverty line		% of population living below the national poverty percentage
	Rural (Rs)	Urban (Rs)	
<b>States</b>			
Goa	1090	1134	5.09
Kerala	1018	987	7.05
Himachal Pradesh	913	1064	8.06
Sikkim	930	1226	8.19
Punjab	1054	1155	8.26
Andhra Pradesh	860	1009	10.2
Haryana	1015	1169	11.16
Uttarakhand	880	1082	11.26
Tamil Nadu	880	937	11.28
Meghalaya	888	1154	11.87
Tripura	798	920	18.05
Rajasthan	905	1002	15.71
Maharashtra	967	1126	17.35
Gujarat	932	1152	17.63





State/UT	State/UT specific poverty line		% of population living below the national poverty percentage
	Rural (Rs)	Urban (Rs)	
Nagaland	1270	1302	18.88
West Bengal	1783	2381	19.98
Mizoram	1066	1155	20.4
Karnataka	902	1089	20.91
All India	816	1000	21.92
Uttar Pradesh	768	941	29.43
Madhya Pradesh	771	897	31.65
Assam	828	1008	31.98
Odisha	695	861	32.59
Bihar	778	923	33.74
Arunachal Pradesh	930	1060	34.67
Manipur	1118	1170	36.89
Jharkhand	748	974	36.96
Chhattisgarh	738	849	39.93
Telangana	–	–	–
<p>Table 2 Indian States Rural poverty and Urban poverty status Source – Hand book of Statistics on Indian Economy' Union Territories</p>			
<i>Andaman and Nicobar Islands</i>	–	–	1
<i>Lakshadweep</i>	–	–	2.77
<i>Puducherry</i>	1301	1309	9.69
<i>Delhi</i>	1145	1134	9.91
<i>Jammu and Kashmir</i>	891	988	10.35
<i>Chandigarh</i>	–	–	21.81
<i>Dadra and Nagar Haveli</i>	–	–	39.31
<i>Daman and Diu</i>	–	–	9.86

Various poverty lines and resulting percentage of BPL population

Method	Line	Figure	% of poor population	Poor population	
World Bank (2021)	poverty line	1.90 (PPP \$ day)	6	84m	
	lower middle-income line	3.20 (PPP \$ day)	26.2	365m	
	upper middle-income line	5.50 (PPP \$ day)	60.1	838m	
Asian Development	poverty line	\$ 1.51 per person per day			



Bank (2014)					
Tendulkar Expert Group (2009)	urban poverty line	Rs 32 per person per day consumption			
	rural poverty line	Rs 26 per person per day consumption			
Rangrajan Committee (2014)	urban poverty line	Rs 47 daily per capita expenditure			
	rural poverty line	Rs 32 daily per capita expenditure			

.Table 3 showing various poverty lines and resulting %  
Source: Hand book of Statistics on Indian Economy'

#### IV. CONCLUSION

While students in both urban and rural area face issues very specific to their communities, they do also share many of the same struggles. It is important that our government allocates appropriate resources to these communities and the programs that they need so that every child regardless of where they grow up has, at the very least access to equal educational ,Race, Class, Culture and Gender opportunities. Urban poverty is the most common development and management problem in developing countries. It is acute and more alarming in developing countries like India. The most demanding challenges is the task of adequately feeding, educating, housing and employing a large and rapidly growing number of under-nourished, semi-literate, semi-skilled, underemployed and impoverished city dwellers who are living on pavements, unhygienic slums and inadequate settlements. This requires a huge political will, investments, skills training and education to uplift the urban poor and provide them their basic right to live a dignified life with basic amenities.

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