

Table 1: Poverty in India 1951-1997 (with correction for CPIAL)

(Poverty line = Rs. 49 per capita per month at Oct 73 - Jun 74 rural prices)

NSS Round	Survey Period	Headcount Index			Poverty Gap Index			Squared Poverty Gap Index		
		Rural	Urban	National	Rural	Urban	National	Rural	Urban	National
3	Aug 51-Nov 52	47.37	35.46	45.31	16.05	11.14	15.20	7.53	4.82	7.06
4	Apr 52-Sep 52	43.87	36.71	42.63	14.64	10.91	13.99	8.71	4.41	6.31
5	Dec 52-Mar 53	48.21	40.34	46.80	16.29	13.25	15.76	7.56	5.96	7.28
6	May 53-Sep 53	54.13	42.77	52.15	19.03	13.83	18.12	9.12	6.28	8.62
7	Oct 53-Mar 54	51.29	49.92	59.30	21.95	17.24	21.12	10.26	7.74	9.82
8	Jul 54-Mar 55	64.24	46.19	61.07	25.04	15.78	23.41	12.50	7.02	11.54
9	May 55-Nov 55	51.83	43.92	50.44	18.44	14.65	17.78	8.80	5.40	8.38
10	Dec 55-May 56	48.34	43.15	47.43	15.58	13.34	15.24	5.71	5.41	6.48
11	Aug 56-Feb 57	58.86	51.45	57.55	19.45	18.16	19.22	8.50	8.51	8.50
12	Mar 57-Aug 57	62.11	48.88	59.77	21.69	16.31	20.73	10.01	7.25	9.52
13	Sep 57-May 58	55.16	47.75	53.84	19.01	15.95	18.47	8.78	7.60	8.48
14	Jul 58-Jun 59	53.25	44.76	51.75	17.74	13.75	17.03	7.88	5.87	7.62
15	Jul 59-Jun 60	50.89	49.17	50.58	15.29	15.83	15.39	6.13	8.75	6.24
16	Jul 60-Aug 61	45.40	44.65	45.27	13.50	13.84	13.64	5.53	5.83	5.59
17	Sep 61-Jul 62	47.20	43.55	46.54	13.80	13.79	13.64	5.31	6.05	5.45
18	Feb 63-Jan 64	48.53	44.83	47.85	13.88	13.29	13.77	5.48	5.17	5.43
19	Jul 64-Jun 65	53.65	46.78	52.75	18.08	15.24	15.93	6.60	6.38	6.56
20	Jul 65-Jun 66	57.80	52.90	56.71	17.97	16.82	17.75	7.60	8.98	7.48
21	Jul 66-Jun 67	64.30	52.24	62.00	22.01	16.81	21.02	10.01	7.19	9.47
22	Jul 67-Jun 68	63.67	52.91	61.60	21.80	16.93	20.86	9.85	7.22	9.35
23	Jul 68-Jun 69	59.00	49.29	57.11	18.95	15.54	18.29	8.17	6.54	7.85
24	Jul 69-Jun 70	57.61	47.16	55.56	18.24	14.32	17.47	7.73	5.85	7.36
25	Jul 70-Jun 71	54.84	44.98	52.88	16.55	13.35	15.91	6.80	5.35	6.51
27	Oct 72-Sep 73	55.36	45.67	53.37	17.35	13.45	16.55	7.33	5.26	6.90
28	Oct 73-Jun 74	55.72	47.96	54.10	17.18	13.60	16.43	7.13	5.22	6.73
32	Jul 77-Jun 78	50.60	40.50	48.36	15.03	11.68	14.28	6.06	4.53	5.72
38	Jan 83-Dec 83	45.31	35.65	43.00	12.65	9.52	11.90	4.84	3.56	4.53
42	Jul 86-Jun 87	38.81	34.29	37.68	10.01	9.10	9.79	3.70	3.40	3.63
43	Jul 87-Jun 88	39.23	36.20	38.47	9.28	9.12	9.24	2.96	3.06	3.00
44	Jul 88-Jun 89	39.06	36.60	38.44	9.50	9.64	9.51	3.29	3.29	3.29
45	Jul 89-Jun 90	34.30	33.40	34.97	7.80	8.51	7.98	2.58	3.04	2.89
46	Jul 90-Jun 91	36.43	32.75	35.49	8.64	8.51	8.61	2.93	3.12	2.98
47	Jul 91-Dec 91	37.42	33.23	36.34	8.29	8.24	8.28	2.68	2.90	2.74
48	Jan 92-Dec 92	43.47	33.73	40.93	10.88	8.82	10.15	3.81	3.19	3.65
50	Jul 93-Jun 94	36.66	30.51	35.04	8.09	7.41	8.13	2.79	2.42	2.69
51	Jul 94-Jun 95	39.75	33.50	38.40	8.89	8.38	..	2.90	2.80	..
52	Jul 95-Jun 96	37.46	28.04	35.00	8.31	5.78	..	2.64	2.22	..
53	Jan 97-Dec 97	35.69	29.99	34.40	8.39	7.77	..	2.83	2.73	..

Note: All poverty measures are expressed as percentage.

Source: Das, 1997 and 1999.

Table 2 : How Responsive is Poverty to Economic Growth in India?

Index	Percentage change in the poverty measure attributable to a 10 percent increase in mean net domestic product
Headcount	-9.9
Poverty Gap	-14.9
Squared Poverty Gap	-18.9

Table 3: Growth-redistribution decomposition of changes in poverty, 1951-1994

Poverty measure	Units	Sources of change in poverty		Total change during 1951- 55 and 1993-94
		Growth component	Redistribution component	
Headcount index	(%age points)	-14.87	-2.25	-17.11
	(percent)	86.87	13.13	100.00
Poverty gap index	(%age points)	-6.34	-3.65	-10.00
	(percent)	63.44	36.56	100.00
Squared poverty gap index	(%age points)	-3.40	-2.53	-5.93
	(percent)	57.39	42.61	100.00

Note: The Table shows the decomposition of the cumulative change in poverty between May-September 1953 (NSS round 6) and 1993-94, and the cumulative contributions of the components up to 1993-94. We selected NSS round 6 as the reference date for the first decomposition in the cumulative series, since the poverty measures for this round reasonably approximated the average poverty measures for 1951-55. The decomposition numbers can be interpreted broadly as the cumulative change in poverty (and its components) since the mid-point of the period 1951-55.

Source: Datt, 1997.

Table 4: Sectoral decomposition of changes in poverty, 1951-1994

Poverty measure	Units	Sources of change in poverty				Total change since 1951-55
		Change in rural poverty	Change in urban poverty	Inter-sectoral population shift	Covariance term	
Headcount index	(%age points)	-13.95	-3.01	-0.69	0.02	-17.62
	(percent)	79.13	17.06	3.93	-0.12	100.00
Poverty gap index	(%age points)	-8.84	-1.53	-0.23	0.02	-10.57
	(percent)	83.59	14.46	2.15	-0.20	100.00
Squared poverty gap index	(%age points)	-5.23	-0.85	-0.10	0.01	-6.16
	(percent)	84.78	13.73	1.70	-0.20	100.00

Note: The Table shows the decomposition of the cumulative change in poverty between 1951-55 and 1993-94, and the cumulative contributions of the components up to 1993-94.

Source: Datt, 1997.

Table 5: Regressions for the state poverty measures allowing for inter-state differences in elasticities to non-farm output

Variable	Headcount index (%)	Poverty gap index (%)	Squared poverty gap index (x100)
Real agricultural output per hectare of net sown area: current + lagged (<i>YLD</i>)	-0.104 (4.44)	-0.191 (5.13)	-0.254 (5.01)
Real per capita state development expenditure: lagged (<i>GOV</i>)	-0.140 (2.55)	-0.239 (2.75)	-0.336 (2.83)
Real non-agricultural output per person: current + lagged (<i>NFP</i>)			
Andhra Pradesh	-0.288 (8.72)	-0.422 (8.09)	-0.521 (7.29)
Assam	-0.196 (4.92)	-0.254 (4.03)	-0.307 (3.56)
Bihar	-0.127 (2.50)	-0.332 (4.14)	-0.497 (4.53)
Gujarat	-0.282 (6.79)	-0.441 (6.72)	-0.546 (6.08)
Karnataka	-0.277 (7.13)	-0.406 (6.61)	-0.503 (5.98)
Kerala	-0.614 (14.66)	-0.976 (14.75)	-1.234 (13.62)
Madhya Pradesh	-0.147 (4.31)	-0.252 (4.71)	-0.332 (4.52)
Maharashtra	-0.203 (5.24)	-0.270 (4.42)	-0.296 (3.53)
Orissa	-0.333 (8.96)	-0.517 (8.83)	-0.671 (8.37)
Punjab and Haryana	-0.300 (9.17)	-0.407 (7.89)	-0.480 (6.79)
Rajasthan	-0.332 (7.23)	-0.488 (6.73)	-0.598 (6.03)
Tamil Nadu	-0.273 (7.77)	-0.391 (7.04)	-0.470 (6.20)
Uttar Pradesh	-0.249 (5.96)	-0.354 (5.36)	-0.437 (4.83)
West Bengal	-0.614 (11.39)	-0.932 (10.95)	-1.198 (10.27)
Jammu & Kashmir	-0.165 (4.99)	-0.209 (4.00)	-0.243 (3.41)
Inflation rate (<i>INF</i>)	0.432 (5.29)	0.609 (4.72)	0.732 (4.15)
Time trend	0.016 (6.18)	0.026 (6.23)	0.034 (5.94)
Root mean square error	0.0950	0.1500	0.2054
R ²	0.916	0.917	0.909
Test for equality of non-agricultural growth elasticities across all states: F(14,238) with p-value in ()	15.29 (0.00)	15.19 (0.00)	14.84 (0.00)

Note: Absolute t-ratios in parentheses. All variables are measured in natural logarithms. A positive (negative) sign indicates that the variable contributes to a higher (lower) rate of increase in the poverty measure. The estimated model also included state-specific intercept effects, not reported in the Table. The number of observations used in the estimation is 272.

Table 6: Explaining inter-state differences in the elasticity of poverty to non-farm output

	Headcount index		Poverty gap index		Squared poverty gap index	
Real agricultural output per hectare of net sown area: current + lagged (YLD)	-0.121 (4.60)	-0.126 (4.85)	-0.214 (5.12)	-0.222 (5.37)	-0.283 (4.97)	-0.293 (5.19)
Real per capita state development expenditure: lagged (GDP)	-0.043 (0.72)	-0.076 (1.38)	-0.125 (1.33)	-0.171 (1.95)	-0.206 (1.60)	-0.263 (2.20)
Real non-agricultural output per person: current + lagged (NFP)	0.758 (3.15)	0.822 (4.67)	1.317 (3.45)	1.265 (4.52)	1.835 (3.52)	1.638 (4.29)
NFP * initial female literacy rate (FLIT)	-0.165 (6.00)	-0.151 (8.15)	-0.256 (5.85)	-0.231 (7.85)	-0.313 (5.24)	-0.282 (7.02)
NFP * initial urbanization (URB)	-0.084 (3.72)	-0.089 (4.18)	-0.140 (3.91)	-0.148 (4.36)	-0.185 (3.80)	-0.193 (4.17)
NFP * initial urban-rural income disparity (CDIF)	0.293 (3.55)	0.325 (4.46)	0.511 (3.89)	0.527 (4.55)	0.692 (3.87)	0.691 (4.37)
NFP * initial irrigation rate (IRR)	-0.010 (0.71)	-	0.009 (0.40)	-	0.028 (0.86)	-
NFP * initial percent of rural landless households (LLESS)	-0.020 (0.82)	-	0.041 (1.05)	-	0.060 (1.14)	-
NFP * initial yield per hectare (YLD)	-0.031 (2.04)	-0.039 (3.70)	-0.063 (2.60)	-0.060 (3.56)	-0.097 (2.93)	-0.081 (3.54)
NFP * initial per capita non-agricultural output (NFP)	-0.011 (0.54)	-	-0.022 (0.71)	-	-0.034 (0.79)	-
NFP * initial per capita state development exp. (GDP)	0.833 (0.83)	-	0.067 (1.05)	-	0.093 (1.07)	-
Inflation rate (INF)	0.360 (4.10)	0.405 (4.45)	0.574 (3.90)	0.613 (4.24)	0.709 (3.52)	0.761 (3.86)
Time trend	0.011 (3.85)	0.012 (4.53)	0.018 (4.06)	0.020 (4.56)	0.024 (3.95)	0.026 (4.36)
Root mean squared error	0.1093	0.1094	0.1738	0.1738	0.2369	0.2370
R ²	0.887	0.885	0.886	0.884	0.876	0.874
F(4,219) with p-value in ()		1.08 (0.37)	1.00 (0.41)			1.06 (0.38)

Note: Absolute t-ratios in parentheses; 272 observations. All variables are measured in natural logarithms. A positive (negative) sign indicates that the variable contributes to a higher (lower) rate of increase in the poverty measure. The regressions also included state-specific intercepts.

Figure 1: National Sample Survey (NSS) versus National Accounts (NAS)

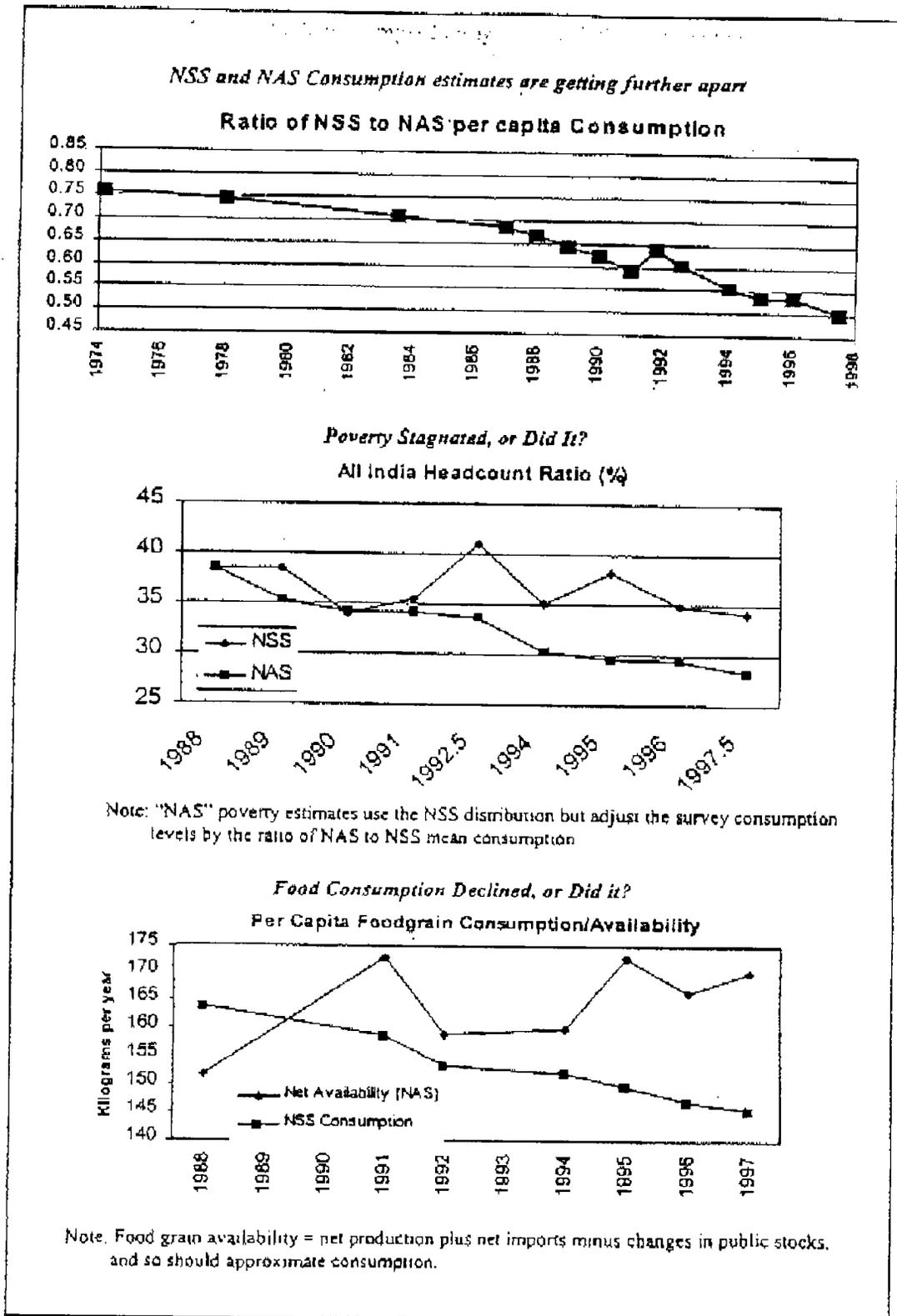
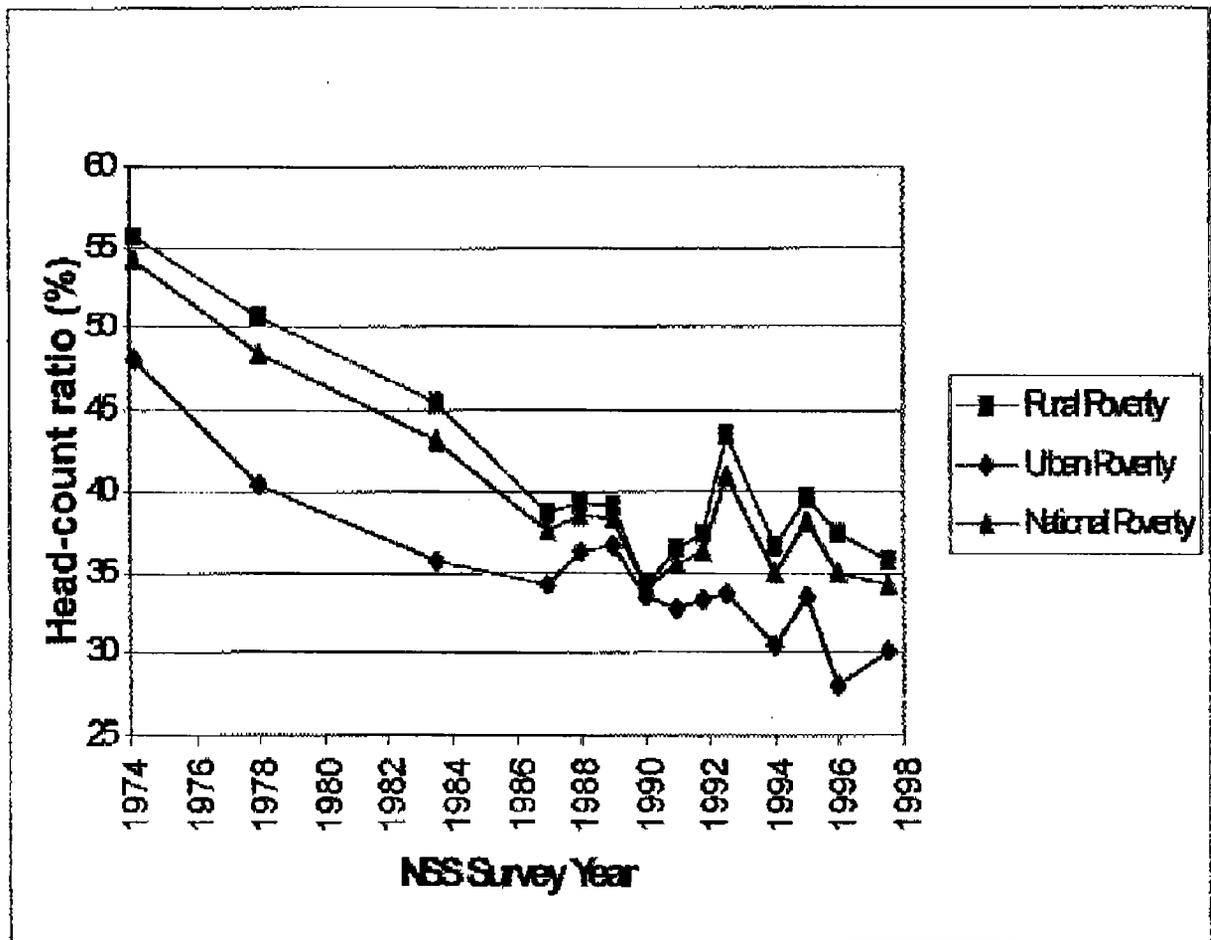


Figure 2 Poverty in India, 1973/74-1997: National, Rural and Urban



*Note: The markers in the figure correspond to the mid-point of the NSS survey period, and the years on the horizontal axis are calendar years, so 1974.0 is January 1974, for example.
Source: Based on Dent (1999).*

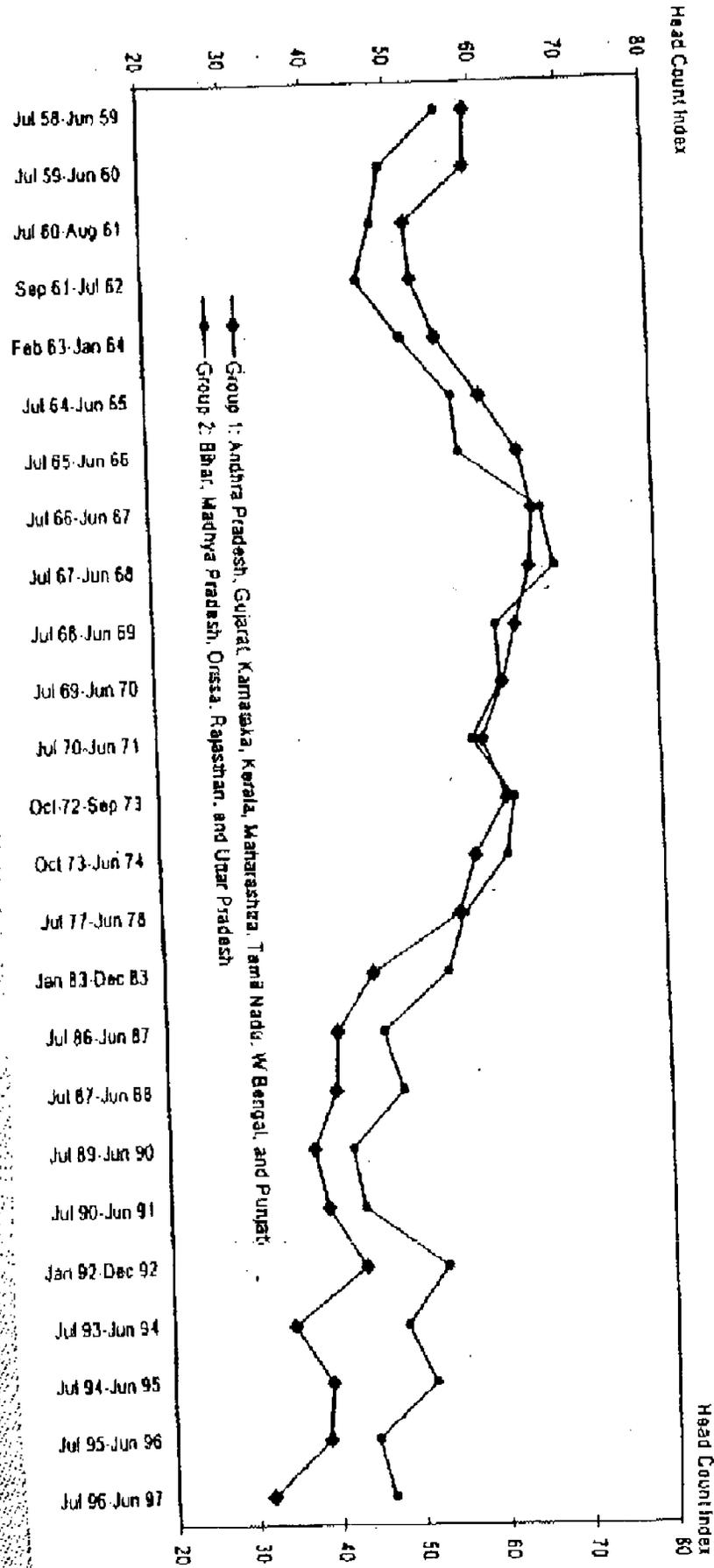


Figure 3: Head Count Rates (Rural India)