



A STUDY ON URBAN POVERTY FEATURES AND TRENDS IN INDIA



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ABSTRACT

India, as the rest of the developing world, is urbanizing rapidly. 27.8 per cent of the country's population comprising 285.4 million people, live in urban areas. India's urban population grew by 31.2 per cent during the decade 1991-2001 which is significantly higher than the rural rate of 17.9 per cent. During this preceding decade, the urban population increased by 68 million persons. Population projections by the United Nations indicate that by 2030, India's urban population will grow to 538 million with more than half of the total population living in urban areas. Challenges of urban poverty in India are intimately tied with challenges of the country's fast development. Indian cities have come to dominate the charts as the world's biggest cities for the first time in modern history. Such high-speed, colossal growth, as impressive as it may be, poses several problems if not threats: pollution (air, soil, water), and a disproportionate concentration of poverty, among others. Those two issues stem directly from the fact that by growing that fast it makes it hard to plan for everything all at once: housing (for a while some cities grew by a million inhabitant per year) and the gigantic urban planning mish-mash that it presupposes.

KEYWORDS: *Urban Population, Urban Poverty, Urbanization, Rural Economy, Drinking Water.*

INTRODUCTION

One of the most remarkable features of the second half of the twentieth century has been the spectacular growth of urban population in the world. Developing countries, in particular, have experienced rapid urbanization and the mushrooming of huge metropolises. However, the level of urbanisation in India is one of the lowest in the world. With about 31% of the total population living in the urban areas (Census 2011), India is less urbanized compared to many countries of Asia, viz., China (49%), Indonesia (50%), Japan (91%), South Korea (83%), and Pakistan (36%)³. Urbanisation can result from (1) natural increase in population (2) net migration from rural areas to urban areas and (3) reclassification of villages as towns largely because of changes in the nature of economic activities.

After independence, there have been several changes that have contributed to increased mobility and migration. Some of these factors include shift of workforce from agriculture to industry and tertiary activities, progress in the field of education, better transport and communication facilities and modernization of norms and values. Withdrawal or displacement of workforce from rural economy and their absorption in urban sectors have created serious stress in receiving regions. The capacity of the cities and towns to assimilate the migrants by providing employment, access to land, basic amenities etc. are limited. Rural urban migration has often been considered the major factor for growth of slums in urban areas. The recent report on Migration in India (2007-08)



by NSSO, Ministry of Statistics & Programme Implementation (MOSPI) reveals that migration rate was found to be lowest for bottom MPCE decile class in both rural and urban areas and there is an increasing trend in rate of migration with the increase in level of living, with the migration rate attaining peak in top decile class. Therefore, it is necessary to view urban poverty as distinct from rural poverty and not as mere transfer of rural poverty into urban areas.

The Ninth Plan Document identifies the main features of urban poverty as follows: (a) proliferation of slums and bustees; (b) fast growth of the informal sector; (c) increasing casualisation of labour; (d) increasing pressure on civic services; (e) increasing educational deprivation and health contingencies. In addition there are problems like illegal existence, in terms of livelihood and shelter and the resultant insecurity, criminalisation and violence. There is need to acknowledge also the special burdens borne by women, their physical insecurity, poor health, lack of privacy and sanitation insecurity. The existential experience and reality of the urban poor, as established by innumerable micro and macro level studies, is a life of insecure low-wage, low-productive employment, poor and uncertain shelter, low access to basic amenities such as clean drinking water, sewerage and sanitation, and poor nutritional levels.

INDIA'S GROWING URBAN POVERTY

The end of February saw the release of another round of disappointing figures on India's economy. In the final quarter of 2013, India's economy grew by 4.7 percent, the fifth consecutive quarter of sub-5 percent growth. Compared with the ailing economics of Europe, India's growth rate appears positively bullish. But 4.7 percent is far below the 8 percent growth rate that India's government says it needs to combat the country's chronic development challenges. As India heads towards a landmark election - in which the government will almost certainly change hands - this dire economic performance casts a long shadow.

The incumbent UPA government, a coalition of left-leaning parties, has long championed an "inclusive" growth model. But its failure to ensure that the benefits of growth have "trickled down" to the poor is well established. When adjusted for variations in the cost of living, 32.7 percent of India's population live below the international extreme poverty line of \$1.25 per day. India is home to a third of the world's poor, a third of the world's slave population, and on a host of other social and development indicators it continues to slip further and further behind other developing countries.

Poverty lines are not entirely reliable measures of deprivation, instead they allow for long-term trends to be traced. According to figures compiled by the World Bank and McKinsey, since the 1980s India has only lifted 35 million people out of extreme poverty. In China the figure is 678 million. India's poor poverty-reduction rate is matched by rapid increases in income inequality. In January India's *Business Standard* reported income inequality in urban areas across a third of India's states reached its highest point in 2011-12 since 1973-74.

The widening gap in income levels in urban areas is the product of a number of factors: continued rural-to-urban migration, a contracting industrial sector and a growing under-skilled labor force. India is urbanizing rapidly, with the urban population set to increase from 27.8 percent in 2011 to 38 percent by 2025. The country's shrinking manufacturing sector has not been able to absorb this migrant labor force, exacerbating the problems of urban unemployment, slum expansion and widening income inequality. These challenges have had a long gestation, and persistent policy neglect is to blame. As the *Indian Express* complained in a recent op-ed, "The political class, across the ideological divide, continues to be evasive in addressing the legitimate needs of a fast growing urban India."

Improving public services, reforming labor regulations and boosting infrastructure are three things the World Bank has consistently called for, each of which is central to India's effort to tackle poverty, boost employment and revive industry.

FEATURES OF URBAN POVERTY

The urban poverty apart from being distinct from rural poverty also has another dimension which reveals that the problems being faced by the poor in small urban areas are different from that of large cities. However, in general, the urban poverty manifests in the form of inadequate provision of housing and shelter, water, sanitation, health, education, social security and livelihoods along with special needs of vulnerable groups like women, children, differently abled and aged people. Most of the poor are involved in informal sector activities where there is constant threat of eviction, removal, confiscation of goods and almost non-existent social security cover. Even when segments of the urban population are not income-poor, they face deprivation in terms of lack of access to sanitary living conditions, and their well-being is hampered by discrimination, social exclusion, crime, violence, insecurity of tenure, hazardous environmental conditions and lack of voice in governance. These deprivations are often cumulative in nature i.e. one dimension of poverty is often

the cause of or contributor to another dimension. The main features of urban poverty could be summarized as follows:

(a) Informalisation of labour markets: Most of the urban poor are engaged in informal sector activities as they lack adequate education and skills. They have a relatively low asset base, which is based mostly on their own labour and human resources. The urban poor working in informal sector often face relatively poor working conditions, lack of social insurance, job insecurity and are more prone to economic shocks.

(b) Migration Patterns: The plight of urban poor is further complicated by the issue of migration. Data from NSSO 64th Round reveals that the migration rate (proportion of migrants in the population) in the urban areas (35 per cent) was far higher than the migration rate in the rural areas (26 per cent). Among the migrants in the urban areas, nearly 59 per cent migrated from the rural areas and 40 per cent from urban areas. Employment and livelihoods of the High numbers of male migrants, living in temporary shelters, in the labour force is a common feature of urban life. Nearly, 56 per cent of urban male migrants had migrated due to employment related reasons. However, all migrants do not necessarily belong to the category of the poorest or the poor in the urban areas. But at the same time there is a large floating population with shifting camps (mostly construction labour) which poses problems in delivery and services.

(c) Poor Living Conditions: In many urban areas, a large number of people live in cramped, overcrowded and often unsanitary conditions especially in slums which are prone to environmental hazards such as natural (floods, landslides, etc.) and man-made disasters (e.g. fire, accidents, pollution, etc.)

(d) Problem of housing: Most of the urban poor live in deplorable housing conditions with high implicit and explicit costs of housing. The Census 2011 data reveals that 3.1 percent of the urban population does not have an exclusive room for living, while 32.1 percent live in one room house. Another major problem the urban poor face is the lack of legal entitlements on property and assets. Due to lack of security of tenure, affordable housing and shortage of living space, urban poor are forced to live in "resettlement colonies" at more and more distant areas, needing for long commutes, by using generally inadequate public transport. There are also houseless people without any address. Their number and proportion is difficult to estimate.

(e) Lack of access to Education: In the urban areas, the poor face a lack of access to quality education which results in higher proportions of the monthly income of the urban poor being spent on basic education for their children. It also results in the filtering out of female children from secondary education with the drop-out rates of female students at the secondary level being very high.

(f) Lack of Access to Health Care: Urban slums and low income settlements are faced with a multitude of health problems. The nutritional health indicators of urban poor are worse than rural people. Increasing number of communicable and non-communicable diseases, malnutrition among children, inadequate water and sanitation facilities, etc. add to poor health conditions of the urban people. About 29.4 percent of the urban population does not have access to tap water and 18.6 percent have no latrine facility within the house.

(g) Lack of access to Financial Services: The poor standard of living and lack of basic services is aggravated by the limited access to financial services. The urban poor work largely in the unorganized sector, which has not received priority from the formal financial sector in the absence of secured income, assets and lack of credit history.

(h) Lack of Social Safety Nets: In the urban areas, some slums residents live in clearly defined occupational or caste based groupings, however, most of them do not have clearly defined safety nets. The social fabric of the urban poor is strained as support from family, community based networks and safety nets are limited whereas in the rural areas such social networks do exist and provide the necessary support. This social exclusion restricts people from participating on fair terms in local and national social life.

Urban poverty a major challenge, India should be slum-free: President Pranab Mukherjee:-

Voicing concern that cities are struggling to keep pace with spurt in population, President Pranab Mukherjee today said the challenges on urban poverty front are daunting but not insurmountable and hoped that steps being taken will lead to a slum-free India.

Mukherjee said in the next 40 years, India is projected to witness the highest rise in urban population in the world and it is "worrysome" that our city structures are struggling to keep pace.

As visible sign of systemic inadequacies, slums and homelessness pose considerable challenges for policymakers, Mukherjee said. He said there are an estimated 93 million slum dwellers in our country, with an

urban housing shortage of nearly 18 million. But he added that the challenges confronting our cities are daunting, yet surmountable. The President was speaking at an event where he presented awards for year 2012-13 to states and cities for their performance in different categories under the flagship schemes of Housing and Urban Poverty Alleviation (HUPA) ministry.

Mukherjee said that the traditional income and consumption parameters are inadequate to fully capture the nature of deprivation and called for a vulnerability-based approach spanning the three key areas - residential, occupational and social - to combat poverty. He appreciated the work done under Jawaharlal Nehru National Urban Renewal Mission (JNNURM), Swarna Jayanti Shahari Rozgar Yojana (SJSRY), the National Urban Livelihood Mission (NULM) and Rajiv Awas Yojana is geared to address residential, occupational and social vulnerabilities. He said that between 2000 and 2010, nearly 200 million people have been lifted out of slums, of which India accounts for thirty percent. He hoped that measures being taken will enable us to move towards a slum free India.

WORLD BANK REPORT

According to the World Bank, India is one of the poorest countries in the world. Some of the main issues responsible for widespread poverty in India are poor health services, child malnutrition and inadequate education and training. Almost half of India's population drops out of school by the age of 13 and only one in 10 people receive some form of job training.

TOP 10 FACTS ABOUT POVERTY IN INDIA

- ❖ India is estimated to have one-third of the world's poor.
- ❖ In 2012, 37 percent of India's 1.21 billion people fell below the international poverty line, which is \$1.25 a day, according to the Indian Planning Commission.
- ❖ According to 2010 World Bank data, India's labor participation rate (for those individuals over the age of 15) totaled 55.6 percent; however, the percent of wage and salaried workers of those employed only equaled about 18.1 percent.
- ❖ According to the World Health Organization, it is estimated that 98,000 people in India die from diarrhea each year. The lack of adequate sanitation, nutrition and safe water has significant negative health impacts.
- ❖ Families can't grow enough crops to feed themselves each year due to the lack of new farming techniques, difficult weather conditions, poor storage conditions, misuse of insecticides and lack of water.

- ❖ A third of the world's malnourished children live in India according to UNICEF, where "46 percent of all children below the age of three are too small for their age, 47 percent are underweight and at least 16 percent are wasted."
- ❖ India has the highest rate of child marriage in the world, where one in three girls become child brides. Many girls are married off at an early age, become servants or even prostitutes just to survive.
- ❖ The poorest parts of India are Rajasthan, Madhya Pradesh, Uttar Pradesh, Bihar, Jharkhand, Orissa, Chhattisgarh and West Bengal.
- ❖ According to the World Bank, in 2009 an estimated 2.4 million were living with HIV/AIDS, with children (less than 15-years-old) accounting for 3.5 percent and 83 percent making up the age group 15-49 years. Around 39 percent of those infected were women.
- ❖ Men are more than twice as likely as women to hold salaried jobs in the large and medium-sized towns that are increasingly important centers of economic life in the Indian countryside. As such, in 2013 women only earned 62 percent of a men's salary for equal work.

CONCLUSION

However, it is possible to end poverty in India. The first step would be to help the poor create their own businesses so that they may develop their own incomes. The second step is to create jobs that would allow those in poverty to increase their incomes through wages or salaries. Lastly, selling products to those living in poverty would help them earn or save money.

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