

CHAPTER VII

FINDINGS, CONCLUSION AND POLICY IMPLICATIONS

7.1 Introduction

The growth and development of any economy is measured in terms of the trends and pattern of macro economic variables such as consumption, saving, investment and employment. India attained independence more than fifty years ago. Since independent our successive governments have brought out various policies for alleviating the poverty. Despite of these government efforts, backward communities are still living below poverty line, standard of living is low, and they are not enjoying the fruits of developments. In this context, the present study made an attempt to analyze the socio-economic background and consumption expenditure pattern of scheduled caste households in satara district. The summary of the findings on various aspects and policy implications of the study are given in this study.

7.2 Findings

- 1) Average household size is one of the determinants of standard of living. Average household size is found to be 4.33 for drought prone region and 4.29 for river basin region. The average household's size is found to be lower in river basin region than drought prone region.
- 2) Education play vital role in determining the consumption expenditure pattern of households. 11.66% head of sample households from river basin region was found to be illiterate and 10.33% in river basin region. 13% head of sample households from river basin region had education till primary class and 15.66% in river basin region. 53.33% head of sample households from river basin region had education till secondary class and 50.33% in river basin region. 12.33% head of sample households from river basin region had education till higher secondary class and 9.66% in river basin region. 6.66% head of sample households from drought prone region was found to be graduate and 7.66% in river basin region. 1% head of sample

households from drought prone region was found to be post graduate and 3.66% in river basin region.

- 3) Certain degree of educational level gives social status to the family. Education qualification not only gives better jobs, services but also creates social awareness of different aspects of society, which enriches life. Education plays an important role in consumption expenditure pattern of any community. 11.23% population were found to illiterate in drought prone region and 10.78% in river basin region, 7.54% population had education till primary class in drought prone region and 8.92% in river basin region, 48.57% population had education till secondary class in drought prone region and 51.82% in river basin region, 17.70% population had education till higher secondary class in drought prone region and 17.61% in river basin region, 7.46% population were found to be graduate in drought prone region and 7.91% in river basin region, 7.15% population were found to be post graduate in drought prone region and 2.87% in river basin region. There are no much differences in the literacy rate among the both region. Literacy rate is found to be good. It is found that the percentage of higher education among the scheduled caste households is very low
- 4) Occupation of head of households play important role in determining consumption pattern of households. 24.66% head of sample households from drought prone region were found to be agricultural labour and 13.33% in river basin region. 12.66% head of sample households from drought prone region were found to be farmers and 10.33% in river basin region. 8.66% head of sample households from drought prone region was found to be businessmen (self employed) and 11% in river basin region. Only 4% head of sample households from drought prone region was found to be regular employees in private sectors or government sectors and 7% in river basin region. it is found that the proportion of regular employees in private sectors or government sectors were to be found very less in both regions on the other hand proportion of farmers were to be found very high in both regions.

- 5) It is found that the proportion of students and unpaid members is high. In the drought prone region “student” constitute 32.40% of sample population and 30.79% in river basin region. Hence the two categories ‘student’ and ‘unpaid members’ together account for total persons who are not making any direct effect on earning for themselves in both regions. These two categories together constitute 43.19% of sample population in the drought prone region and 34.59% in river basin region. This indicates the very high percentage of unemployment. In spite of reservation for scheduled caste in education sector and government service sectors, scheduled caste population found very low status in occupation and education level.
- 6) It is revealed that majority of sample households come from nuclear family. It indicated that 75.66% households from drought prone region are nuclear and 70.33% in river basin region. 24.33% households belongs to joint family in drought prone region and 29.66% in river basin region
- 7) There is not visible good improvement with regard housing facilities as judged by indicators such type of wall, type of floor, sanitary facility, drinking water.
- 8) 12% households from drought prone region and 5.66% households from river basin region possess land less than one acres. 43% households from drought prone region and 39.66% households from river basin region possess 1 to 2 acre land, 41% households from drought prone region and 48.33% households from river basin region possess 2 to 5 acre land, only 4% households from drought prone region and 6.33% households from river basin region possess more than 5 acre land.
- 9) It is found that 28.66% sample households from drought prone region and 14.33% from river basin region fall in below Rs 1000 income class. 34.66% sample households from drought prone region and 35.33% from river basin region fall in Rs 1000-2000 income class. 20% sample households from drought prone region and 21% from river basin region fall in Rs 2000-3000 income class. 10.33% sample households from drought prone region and 18% from river

basin region fall in Rs 3000-4000 income class. 6.33% sample households from drought prone region and 11.33% from river basin region fall in above Rs 4000 income class. It is revealed that most of the scheduled caste households fall in lower income class.

- 10)** For the drought prone region, average monthly per capita consumption expenditure of Rs 617.32 is split up into Rs 325.29 for food and Rs 292.02 for non-food. For the river basin region, average monthly per capita 30 days consumption expenditure of Rs 794.09 is split up into Rs 439.07 on average for food and Rs 355.02 for non-food. It indicates the average monthly per capita consumption expenditure on food and non-food of sample households from river basin region is higher than sample households from drought prone region.
- 11)** Drought prone region and river basin region, differential in food consumption expenditure is Rs 111.78. It is revealed that high diversification in consumption of food item in both regions. As regards the non-food items, consumption expenditure such as pan, tobacco, intoxicate, fuel and light, clothing, footwear, education, medical, entertainment, personal care, traveling and durable goods have been considered. The composition of non-food basket of drought prone region and river basin region consumers does not show significant changes. Hence, among the commodity basket, fuel and light, clothing, education, medical and durable goods gained relative important as well as consumer from both regions spent high amount of MPCE on pan, tobacco and intoxicate. Durable goods taking largest share of consumption expenditure in non food consumption basket followed by clothing, fuel and light, education, medical expenditure. Clothing is most important item while medical expenses at fifth place.
- 12)** It may be noted that the Engel ratio for food total (55.29%) is higher for river basin region and low for (52.69%) drought prone region. regarding non-food items the Engel ratio of non-food total is higher in drought prone region (47.30%) than river basin region (44.70%). The estimated value of Engel ratio indicates that a drought prone

region and river basin region difference in MPCE is only marginal for various items. Among food items Engel ratio on the items pulse and pulse product, milk and milk product, sugar, meat, fish and eggs, vegetable, fruits and cooked food purchased, river basin region sample households expenditure exceeded drought prone region. For food items cereal, edible oil, spices, salt drought prone region households expenditure exceeded in both regions. Engel ratio for beverages in both regions is found to be similar. There is no significance difference in food expenditure in both regions.

- 13) Among non-food items, Engel ratio on the item pan, tobacco and intoxicant, fuel and light, travelling river basin region sample house households expenditure exceed drought prone region sample household's expenditure. Engel ratio on the items clothing, footwear, education, medical, entertainment, personal care goods and durable goods drought prone region sample household's expenditure exceed river basin region sample household's expenditure. Engel ratio for other food and non-food items does not exhibit much variation in river basin region and drought prone region.
- 14) A comparison of average MPCE in drought prone region and river basin region levels indicate that the disparity is more pronounced in the food component than in the non-food. For food in river basin region sample households per capita expenditure exceeded drought prone region sample household's per capita expenditure by Rs. 113.78 (2.6%). As well as per capita expenditure on non-food in drought prone region sample households exceeded river basin region by Rs. 63 (2.6%). River basin region and Drought prone region consumption expenditure discrepancy is relatively smaller in terms of percent distribution of MPCE.
- 15) Among food item, sample households from drought prone region spend the highest percent of 53.64 on cereal while this is 50.65% in river basin region. Sample households from river basin region spent on pulse and pulse product, milk and milk product, vegetable, meat, fish and eggs, fruits, cooked food higher than drought prone region. Difference between sample households from river basin region and

drought prone region consumption expenditure of food items is attributable to the existence of difference in area of residence, agricultural productivity, occupation, cropping pattern, irrigation facilities for farming.

- 16) Non-food item claimed about 47.30 percent of the total expenditure in drought prone region and 44.70 percent in river basin region, proportion of MPCE on pan, tobacco and intoxicate is also high in both regions. Expenditure on pan, tobacco and intoxicate constitute 5.63% in drought prone region and 7.09% in river basin region. Very less percent of expenditure constitute on personal care goods in both regions.
- 17) Total expenditure of scheduled caste households consisted of consumption out of cash purchases; home grow stock, gift loan and free collection.
- 18) Result of chi-square test indicate that there is significance relation between monthly per capita expenditure and factors such as income, education, occupation and area of residence for sample scheduled caste households and this finding validates hypothesis.
- 19) Study indicate that higher MPCE levels are related with higher income, higher level of education, better occupational status and area of residence.

7.3 Policy Implications

The study revealed that the standard of living of scheduled caste population in both regions is below average. Large percentage of sample scheduled caste households belongs to low income groups. This is due to lack of good employment opportunities and lack of good education status. The consumption standard of sample scheduled caste households from drought prone region found to be much below that of sample scheduled caste households from river basin region.

Consumption of neutralize food such as vegetable, fruits, meat, fish and eggs is very low among the sample scheduled caste households in drought prone region as compare to river basin region. This is due to low agriculture

productivity in drought prone region as well as less source of income in drought prone region. It is suggested that establish small scale and cottage industries at central places of Khatav and Man tehsil it will help to get employment opportunities to people from Khatav and Man tehsil.

If the water is supplied by lift irrigation to the drought prone region, it will be beneficial for improving agriculture productivity. As agriculture productivity increases employment opportunity will be available to agriculture labour as majority peoples are engaged in agriculture activities. Jihe Khatapur lift irrigation project is stopped before few years if it is completed majority part of drought prone region will come under irrigation.

Small and marginal farmers need training in agriculture best practices and access to inputs, credit, storage and technology to increase their productivity in a sustainable way, which raise their own living standard and produces surpluses to nourish others.

Farmers must have their own land and pledge it as collateral if they are expected to reinvest and raise their productivity over time.

Drought prone region farmers need access to crop insurance so they can rebound from crop failure.

Drought is the main factor that has exacerbated the problem of food production, distribution and access. The fact that almost 80 percent of population of the sample area living in rural region, and depend almost exclusively on agriculture for their consumption and income needs, means the measures to address the problems of poverty and food insecurity must mainly be found within the agriculture sector.

Sample scheduled caste does not have better status in education field. Hence the present educational facilities provided by government to scheduled caste development should be continued.

Majority of sample scheduled caste spend on pan, tobacco and intoxicating consumption, which adversely affect not only their health but also create obstacles in their economic progress. Hence research suggest that there is need

for organizing some special drive on the part of the Non-government Organization (NGOs) and Voluntary organization to motivate the intoxicated addicted to give up such kind of habits. This will not only help to improve standard of living but also goes a long way in the process of welfare maximization of the society.

Even though the government has implemented several schemes such as Indira Awas Yojana for upliftment of rural backward class people the housing conditions of the sample scheduled caste households in the study area are found to be very poor in both region namely drought prone region and river basin region. Hence proper awareness programme should be taken up to utilize such government schemes.

7.4 Contribution of researcher

So many studies on consumption expenditure pattern have been undertaken in India. Most of these studies made comparison between rural and urban consumption expenditure pattern. But none of the previous study tries to examine the consumption expenditure pattern of scheduled caste households from drought prone region and river basin region. The present study tried to bridge this gap and at the same it is the most important contribution of the study.