



Human Development
Research Paper
2010/44

**A Review of Human Development
Trends in South Asia: 1990-2009**

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Abstract

This paper is a review of the broad human development trends in the South Asian region over the last twenty years. It attempts to identify the changing patterns, the region's persisting sluggish performance on human development indicators in general as well as country-specific and intra-country variations, along with explanations towards the same. It concurs with the recent findings that the economic growth and the Human Development Index have little in common. The paper also looks at different models of development that the countries within the region have followed; their fall outs and; their respective attempts to overcome challenges through various social protection policies. What comes across as a specific characteristic of the region is the phenomenon of continuing socio-economic exclusion of a certain set of people on the basis of caste, ethnicity, religion and gender. The paper, outlining these challenges, argues that while a direct attack on poverty through social protection measures is necessary, it is in the overall paradigm of development that the inclusion of the poor is extremely urgent. In this sense, what needs to be done is both at the level of the state to create grounds for social, political and economic transformations and at the level of the civil society, to destabilize the informal networks of caste and other identities which continue to sustain an exclusionary hierarchical structure.

Keywords: Human Development, Development, South Asia, poverty, inequality

JEL classification: O15, O53, I3, D63, R11, R5

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Introduction

I

South Asia has seen some extremely radical changes in the last two decades. With the institution of democratic regimes in Afghanistan, Nepal and even Bhutan—countries hitherto known for their authoritarian governments—the region is now largely seen on the way to democratization. South Asia has also seen strong civil society led movements. The region's recent economic growth rate of 6 % compares well with the rest of the world. The toppling of the Taliban regime in Afghanistan, the entry of Maoist rebels in mainstream Nepalese polity and the complete elimination of the LTTE in Sri Lanka signal change.

But large parts of region are still at war. Its impressive economic growth rates notwithstanding, South Asia has the world's largest concentration of people below the international poverty line. Over 600 million people in the region fall below this mark. According to the Chronic Poverty Report, South Asia has nearly half the world's chronically poor people; in fact over a third of the world's chronically poor live in India. South Asia also accounts for more than half of the world's undernourished children. S Alkire and M A Santos note that South Asia has almost twice the number of poor people as Africa, the next poorest region. They note that eight states in India have almost as many poor people—421 million—compared to the 26 poorest African countries—410 million.

Poverty accentuates the hierarchies of caste and gender and ethnic and religious inequities: those lower down in these hierarchies fare much worse compared to the others. Such inequalities have led to the perpetuation of a vicious cycle of conflict and made South Asia the battleground for

some of the world's long-standing religious, ethnic and caste conflict. Economic marginalization of people has aggravated existing tension and the region is now regarded as amongst the world's flashpoints. Afghanistan despite a US-backed government is riven with conflict. Pakistan faces some of the worst terrorist violence in the world; the country has also been scarred by ethnic conflicts. Sri Lanka's horrific conflict with the LTTE might be over but the country is yet to institutionalize a peace process for long-term stability. Nepal has recently seen democracy after a long period of overt and covert conflicts but the political situation in the country continues to be fragile.

Despite its long and stable democracy, India has seen conflicts both on identity— along religious, ethnic and caste lines—and class. In many cases there has been an overlap of tensions along the lines of identity and class—as in the case of Maoist insurgencies in the country's tribal belts. More than 20% of India is supposed to be in the grip of this insurgency. The country's long-afflicted conflict zones in Kashmir and north-east continue to force the Indian state to invest stronger force to stabilize these regions.

Peace has also been disturbed by border conflicts: between Pakistan and India and Afghanistan and Pakistan. Four out of 5 countries in South Asia—Afghanistan, Pakistan, Nepal and Sri Lanka—can be termed fragile states and/or states affected by conflict. Seventy one million people in South Asia live under the shadow of some kind of conflict—the world's largest conflict-affected population in the world. Conflict directly affects people's access to livelihoods, basic services like water, shelter and health etc.

In recent years the region has been affected by some of the worst natural disasters seen in the world. Such disasters affected more than 750 million people – more than 50% of the region's

population. In our period of study, natural catastrophes claimed more than 2, 30, 000 people and left behind damages of more than US \$ 45 billion. The direct losses from natural disasters in India amounted to 2% of the country's GDP and up to 12% of central government revenues. The damages wrought by the cyclone SIDR in 2007 are estimated to be 2.8% of GDP. Nature's fury could worsen with climate change looming large on us. The region could see more unpredictable weather, sudden cyclones and fierce droughts.

South Asia is at the cusp of what is termed as 'population dividend'. By 2050, the region's population is likely to exceed 2.2 billion from the current level of 1.5 billion. In the coming decades, the region's labour markets will face a major challenge to integrate the influx of young people: 20% of the population in South Asia is between the ages of 15 to 24. But going by current trends, India and Bangladesh—along with China—will also have the largest number of old people living in poverty. This demographic trend has acute implications for both the emerging development pattern in the region as well as for policy imperatives pertaining to social protection of the vulnerable.

These commonalities across South Asia show acute marginalisation of a large swathe of the region's population. The question is then how to evolve a model of development for the region, which might also prove useful for the rest of the world.

II

It is not a coincidence that the Human Development Index was launched in a year regarded as a watershed in the region's economy. 1990 saw the beginning of market-led reforms very often termed as globalization, privatization and liberalization. Though the germs of globalization lay in

economic developments of the previous decades, the end of cold war and the demise of the model of Soviet-led Socialist economy led to the ascendancy of the market. Economic pundits argued that state-led welfare model of development had shackled the economy; its low growth rates did not allow people to grow out of poverty. Hence there was an urgent need to ‘liberate’ the economy by minimizing state’s role, both as a producer of goods as well as a regulator of trade and finance in particular.

In the past two decades, the state has taken a backseat. The results in the context of South Asia have been definitely spectacular. The pundits of economic liberalization feel vindicated with the region’s growth rate of over 6 %. However, absolute poverty has increased significantly during these decades and inequalities have risen sharply. While the rich and the middle classes in South Asia have reaped the benefits of this growth, the region’s share of the world’s poor has risen from about 40 percent in 1993 to 47 percent in 2004.

In this context, the development of a criterion, which went beyond just income poverty or a rise in the dollar reserves of a state, became even more relevant. There was a clear recognition that many of the self-proclaimed social welfare economies, like India, had been unable to bring down poverty significantly. So there was an urgent need to focus on the ‘people’s capabilities’ rather than that of the state’s. But there was also a tacit recognition that leaving things entirely to the market with its own self-correcting mechanism perhaps would not be prudent. In fact, there was a greater need to build the capacities of the people, so that they could be in sync with the freedom of choice given by the market. Just as market provided a choice of brands and goods to people to choose from, there was an urgent need to enable people to exercise those choices.

There was a greater need to open up the world of choices for the people. But how could the poor

exercise choices when half the world went hungry, a huge number of people were illiterate and without any basic health or social protection? While market led growth was necessary for development, it became increasingly clear the market could not be relied upon to take the poor along with it. Hence the state had to come back in, not just to ensure that the poor are not left behind but also to enable the poor to become a useful part of an expanding market. Human Development Index attempted to provide that global framework, which could actually help societies monitor how good or bad they were doing in enabling people. There have been several additional correctives to the index since then, including the Gender Development Index, Gender Empowerment Measure and Human Poverty Index. But they have largely been indicators of physical well being of the people. Understandably so, because its always difficult to measure crucial freedoms like ‘cultural freedoms’. Human Development Reports have, through the years, attempted to bridge this chasm by bringing in such concepts such as political participation and cultural choices.

But human development is also linked to political structures and forms of governance of nation-states. Since there is a clear recognition of the state’s responsibility to provide basic conditions that enable people to enjoy their ‘right to life with dignity’, it is crucial to put existing state structures under scrutiny. Some of these structures are inherently exclusionist. Correcting the exclusionist nature of state structures is important because human rights and human development are interconnected. The two supplement each other. It is also in this sense that Bhutan brought out the Gross National Happiness Index, which includes a range of indices like environment, community vitality, culture and spirituality, time use, and emotional well-being besides, health, education, governance and living standards.

In poverty-ridden South Asia, a deprivation index becomes a particularly relevant tool. Inequalities have been sharpened because benefits of growth have largely flowed to a select segment people. State and society-backed institutions of exclusion have deprived people to avail basic opportunity to attain development as human freedom. As Amartya Sen argues, “Development requires the removal of major sources of unfreedom: poverty as well as tyranny, poor economic opportunities as well as systematic social deprivation, neglect of public facilities as well as intolerance or overactivity of oppressive states”.

It is, hence, the argument of this paper that South Asian states have tended to play a selective developmental policy through the ideological prisms of identity: religion, caste, gender and ethnicity. There are of course variations from country to country. But identity-based exclusion is at the root of political conflicts in the region. Very often, the states have assumed biases against the minority and marginalized people. Larger centralized state structures have often played an exclusionary role even while pursuing seemingly secular development agenda. The Indian state is a good example: while earlier it monopolized rights over forest and mineral resources in the name of environmental protection denying the right of the indigenous people, post-globalization the Indian state has tended to facilitate the entry of corporate groups in these areas. This has marginalized the poor even further.

But then that’s just one side of the story. The last few years have also seen unprecedented mobilization of poor people leading to a transition in terms of the debate from welfare to entitlements and then from entitlements to rights. While the common factor in such mobilization has been a sharp focus on the state’s obligation towards its people, it has also led to reinforcement of the argument in terms of devolution of power to the people. Keeping this

context in mind, this paper argues that while states need to own up to their responsibility to build people's capabilities and provide them opportunities to exercise their choices, people themselves need to set that agenda from the grass root to the top. Much of the exclusion in this region is a result of one group people pitting themselves against others. So there is also a need to build a large-scale momentum where people become active agents in founding of a secular democratic culture.

Section I

Human Development in South Asia: Some Broad Trends

To say that South Asia is a region of paradoxes would be repeating a well-worn cliché. It accounts for only 3% of the world surface area, but is home to 20% of the world's population, nearly 1.5 billion people. It has the highest population density in the world—Bangladesh has amongst the highest population densities in the world—yet has one of the lowest urbanization rates. The story of economic growth in the region, though uneven among the countries, has been quite spectacular, with an annual average of about 6% during the 1990s against 3.7% during 1960-80. The growth accelerated to 6.5% during 200-2007, slowing down only because of the global financial crisis. India has remained a leader in this region and has been one of the early birds to recover from the economic crisis. According to latest projections, the country's growth rate will touch 8% by end of the current fiscal year. But India is also home to more than 40% of the world's poor; it also has the largest number of undernourished people in the world: nearly 300 million. According to one estimate, 73 million children in India, Pakistan and Bangladesh are underweight: half of the underweight children in the world.

In this context it is crucial to look at the region in a global context and see how it has fared over the years especially during the last two decades of 1990-2009.

Table 1: A comparative glance at the GDP per capita, PPP (current international \$)

Region	1980-85	1985-90	1990-95	1995-00	2000-05	2005-08
East Asia & Pacific	479	777	1256	1986	2890	4657
High income: OECD	11198	15316	19839	24167	29595	35843
South Asia	507	703	949	1255	1636	2411
Sub-Saharan Africa	934	1055	1170	1284	1480	1923
World	3199	4156	5138	6120	7497	9642

Source: World Bank, Country Data 1980-2008 culled from

<http://data.worldbank.org/data-catalog>, accessed on March 12, 2010

The data shows:

- A steady improvement for South Asia in terms of GDP which increased almost two and half times between 1990 and 2008.
- South Asia stands at almost fourth of the world's averages and nearly half of East Asia & Pacific region, which was actually behind it during the early 1980s.
- Despite its rapid growth, South Asia still stands just above Sub-Saharan Africa region.

Annual growth rate in the region since 2004-05 took rapid strides with India clocking over 9%—till the recent economic crisis slowed it a bit—Pakistan about 7.8% and Bangladesh over 6%.

A study of the comprehensive Human Development Index trends over the last decade or so does

show some progress for South Asia. However, the gap between the region and the rest of the world does not seem to be reducing. While the rest of the world has made steady progress on human development indicators, South Asia has displayed an uneven pattern: after a high during 2000-03 it dipped on human development indicators and has remained stable since then.

Countries of this region have fallen on human development standings. India's ranking went down from 132 in 2007-2008 to 134 in 2008-09. Much like the GDP growth pattern, the only region behind South Asia is Sub-Saharan Africa.

Graph1: Human Development Index Trend across Regions

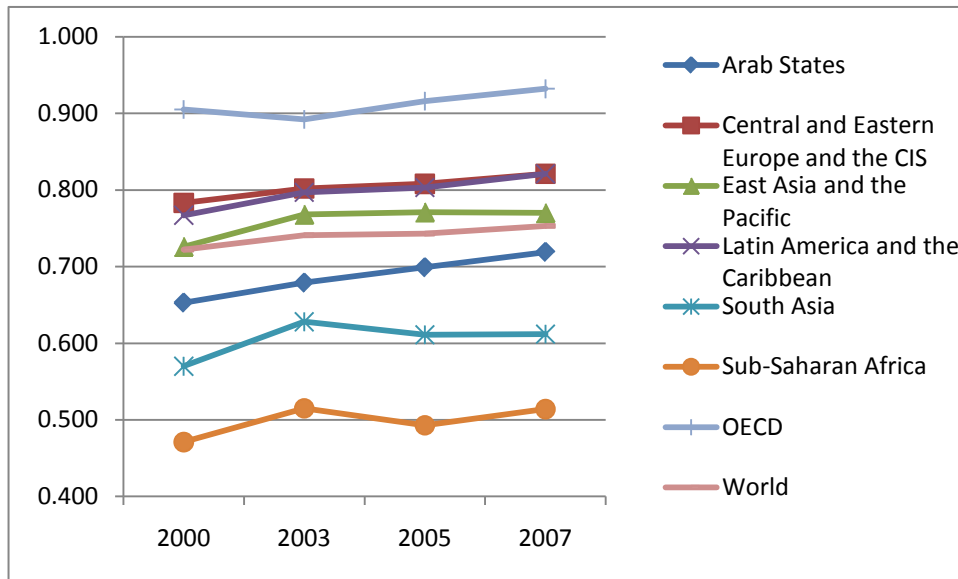


Table 2: Literacy rate, adult (% of ages 15 and above)

Country Name	Female	Male	Total						
	1990	2000	2007	1990	2000	2007	1990	2000	2007
East Asia & Pacific	94.0	86.8	89.7	98.1	94.6	95.8	95.9	90.8	92.8
High income: OECD	99.0	99.2	99.3	99.4	99.5	99.6	99.2	99.4	99.4
Low income	44.7	51.6	55.3	62.7	68.4	71.9	53.6	59.9	63.5
South Asia	33.0	45.5	52.1	59.5	69.7	73.8	46.7	57.9	63.3
Sub-Saharan Africa	45.0	50.8	53.8	63.0	68.8	71.1	53.7	59.4	62.2
World	70.0	77.3	79.4	82.4	87.1	88.4	76.2	82.1	83.9

Source: World Bank Country Data culled from <http://data.worldbank.org/data-catalog>, assessed on March 12, 2010

The literacy rates are comparable to the low income and Sub-Saharan African region standing at about 63.3 percent, well below the world average of 2007: 83.9.

The 63.3% literacy figure does, however, seem a huge improvement from the literacy figure of 1990: 46.7%. In 2005, the number of out-of-school children had been reduced to 13 million, the maximum numbers of which came from India and Pakistan. The gap between female and male literacy though increased during the period: from 16.5% in 1990 to 21.5% in 2007.

In terms of life expectancy, the region is ahead of Sub-Saharan Africa and the least developed countries. Life expectancy increased from 60.2 years in 1990 to 63.4 by 2008. But South Asia still falls below the world average of 68.1. Countries of the East Asian region and those of the OECD block stand far ahead of it.

Table 3: Life expectancy at birth: total (years)

Region	Years				
	1960-70	1970-80	1980-90	1990-00	2000-08
East Asia & Pacific	50.9	61.4	64.7	68.2	71.2
High income: OECD	70.3	72.5	74.9	76.9	78.9
Least developed countries: UN classification	41.3	45.2	49.0	51.7	55.3
South Asia	44.9	51.3	56.3	60.2	63.4
Sub-Saharan Africa	42.5	46.3	49.5	50.4	50.8
World	55.3	61.2	63.6	66.1	68.1

Source: World Bank Country Data culled from <http://data.worldbank.org/data-catalog>

accessed on March 12, 2010

- Maldives at the 95th position and Sri Lanka and 102nd are the best ranked South Asian countries in the Human Development Index.
- Bhutan, India, Pakistan, Nepal and Bangladesh are well below in the range of 130-150.
- Afghanistan, not surprisingly, is in the bottom rung.

The pattern remains much the same in terms of Gender Development Index and South Asian countries fall well below the ladder in terms of Gender Empowerment Measure.

Table 4: Human and Gender Development Indicators in South Asia

	HDI Rank	GDI Rank	GEM Rank
Afghanistan	181	154	...
Bangladesh	146	123	108
Bhutan	132	113	...
India	134	114	...
Maldives	95	77	90
Nepal	144	119	83
Pakistan	141	124	99
Sri Lanka	102	83	98

Source: HDR, 2009

- Sri Lanka and Maldives with a life expectancy average above 70 years are the best performing South Asian countries in this Human Development Indicator.
- India stands even below Bhutan, Pakistan and Bangladesh.
- Afghanistan stands really low with only 43.5 years of life-expectancy.
- Afghanistan, though, has made decent progress in education particularly after relative political stability with Gross Enrollment Ratios reaching 50% (trebling between 1990 and 2009). The country's literacy ratio is, however, abysmal: 28%.

Table 5: Status of Human Development in South Asia (1990-2009)

Country	Year	Life Expectancy	Gross Enrolment Ratio	Literacy Ratio	Per Capita GDP in USD	Education Index	Health Index	Income Index	Human Development Index
Afghanistan	1990	41.32	17.10				0.27		
	2000	41.83	39.97				0.28		
	2009	43.58	50.05	28.00	1,054	0.35	0.31	0.39	0.35
Bangladesh	1990	53.98	33.30	34.71	680	0.34	0.48	0.32	0.38
	2000	61.29	51.40	46.27	893	0.48	0.60	0.37	0.48
	2009	65.67	52.15	53.48	1,241	0.53	0.68	0.42	0.54
Bhutan	1990	52.47	36.30		1,669		0.46	0.47	
	2000	61.36	49.10		2,687		0.61	0.55	
	2009	65.67	54.14	52.81	4,837	0.53	0.68	0.65	0.62
India	1990	58.20	48.60	47.48	1,208	0.48	0.55	0.42	0.48
	2000	61.26	51.30	59.74	1,718	0.57	0.60	0.47	0.55
	2009	63.35	73.20	66.02	2,753	0.64	0.64	0.55	0.61
Maldives	1990	60.23		96.02	2,072		0.59	0.51	

	2000	66.04		96.33	3,183		0.68	0.58	
	2009	71.07	81.31	97.05	5,196	0.88	0.77	0.66	0.77
Nepal	1990	53.92	52.60	31.74	710	0.39	0.48	0.33	0.40
	2000	61.69	54.30	47.03	905	0.49	0.61	0.37	0.49
	2009	66.31	107.5 3	56.50	1,049	0.58	0.69	0.39	0.55
Pakistan	1990	60.56		34.71	1,678		0.59	0.47	
	2000	63.91		44.75	1,931		0.65	0.49	
	2009	66.20	79.73	54.15	2,496	0.49	0.69	0.54	0.57
Sri Lanka	1990	69.42		88.54	2,018		0.74	0.50	
	2000	70.95		90.49	3,068		0.77	0.57	
	2009	73.97	74.27	90.81	4,243	0.83	0.82	0.63	0.76

Source: Gray, George and Mark Purser, (2010) "Human Development Trends since 1970: A Social Convergence Story" HDRP working paper nr 2/2010

A broader look at some of the indicators like infant mortality, maternal mortality, and availability of clean drinking water and sanitation facilities will further explain the trends.

Table 6: Infant Mortality Rate (IMR), Maternal Mortality RATE (MMR) and Access to drinking water and sanitation facilities

Country	IMR (per 1000 live births) both sexes, 1990	IMR (per 1000 live births) both sexes, 2008	MMR (per 100 000 live births), 2008	Populati on with sustaina ble access to improve d drinking water sources (%) total, 1990	Populati on with sustaina ble access to improve d drinking water sources (%) total, 2008	Populati on with sustaina ble access to improve d sanitatio n (%) total, 1990	Populati on with sustaina ble access to improve d sanitatio n (%) total, 2008
Afghani- stan	167	135	1400		48		37
Pakistan	101	72	260	86	90	28	45
Bangla- desh	102	43	340	78	80	39	53
Bhutan	91	54	200		92		65
India	84	52	230	72	88	18	31

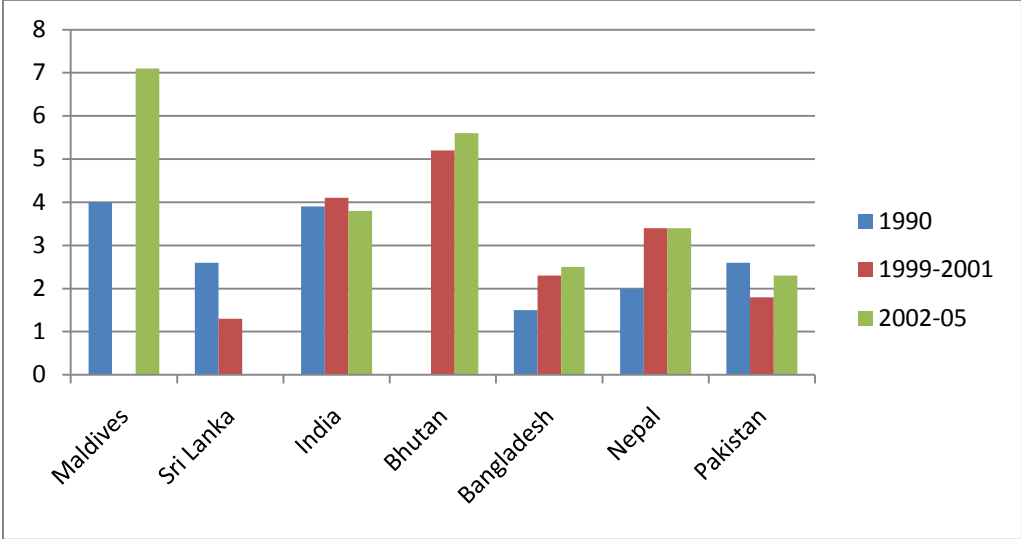
Maldives	80	13	37	90	91	69	98
Nepal	99	41	380	76	88	11	31
Sri Lanka	23	13	39	67	90	70	91

Source: World Bank 2010

- Besides Sri Lanka and Maldives, Bangladesh, Nepal and Bhutan have made rapid improvement with respect to infant mortality; the ratio has steadily declined in India and Pakistan.
- Most countries continue to perform extremely poorly on the maternal mortality index.

The above trends can be better explained by evaluating the state's investments in education, health etc and how it has affected people's access to the basic services. If we look at the overall trend in expenditure on education (graph 2 below), high state investment in Maldives and Bhutan explain the better performance by these countries in this area. State investment in education in India has remained consistent through the period, but it is still below 6% of GDP—that allotted by the better performing countries. This also explains why officially 3 million children between the age of 6-14 years are still out of school in the country. Sri Lanka has invested heavily in education in the last 4 decades and that explains the country's high education standards despite its current low investment rates.

Graph 2: Public Expenditures on Education as a % of GDP



Source: HDRs 2007-08 & 2004

Investment trends in health follow a pattern similar to other human development indicators in the region. Governments in Maldives, Bhutan and Sri Lanka have invested heavily in health, those in Pakistan and India have been quite tardy. As consequence 40% of India’s population in India is estimated to be under a debt burden caused by high hospitalization costs.

Table 6: General government expenditure on health as percentage of total expenditure on health

Country	Year		
	1995	2000	2006
Afghanistan		1	27.5
Pakistan	26.3	20	16.4
Bangladesh	31.6	26.5	36.8
Bhutan	75.3	74.5	68.6
India	26.3	22.2	19.6
Maldives	84.5	75.8	84.1
Nepal	26.5	24.9	30.5
Sri Lanka	46.6	47.9	49.2

Section 2

Trends on the Political Economy of Development

We began by stressing how South Asia witnessed some acute inequality along with rise in growth rates. On average, the ratio of income of the richest 20% in South Asia to the poorest 20% in the region has gone from 4.3 in 1990-96 to 5.5 in 2000-05.ⁱ Growth in South Asia has occurred mostly in the services sector, the contribution of which in the GDPs of the countries of the region has gone up from 45 to 54% in the past ten years. Agriculture's contribution has declined from 28 to 19% while that of industry has remained more or less stagnant at 27 per cent.ⁱⁱ

The importance of trade and export-driven economy is on the rise. Hence between 1995 and 2005, trade incomes as a percentage of GDP increased from 27 to 44%. More importantly, exports as a percentage of GDP increased from 13 to 20 per cent.ⁱⁱⁱ This clearly shows an increasing trend towards integration with the global economy.

The recent economic crisis has also showed the vulnerabilities of this model where export-oriented growth declined once the global recession set in. At the same time, a country like India is said to have escaped the fury of the recession mainly due to the strength of its domestic market that has expanded rapidly over the two decades. The story of disparity and inequality however remains the main feature of this trade-fuelled, export oriented growth.

Table 7: Measures of Human Development and Income Inequality in South Asia^{iv}

Year 2006	GDP Growth rates*	Share of income of poorest 20%	Share of income of richest 20%	Gini co-efficient
Sri Lanka	6.8	8.3	42.2	41.1
India	8.0	8.9	43.3	36.8
Pakistan	7.8	9.3	40.3	31.2
Bangladesh	5.4	9	41.3	31.0
Nepal	2.5	6	54.6	47.3

Source: Online Human Development Index statistical database (from Kohler, 2008), * World Bank (2007), HDRO statistical database online, 2009

Decline of Agriculture and Lack of diversification of Livelihoods

Till the 1980s, South Asian economies were driven by high growth rates in agriculture. Overall, however, economic growth in the region remained slack. With the onset of liberalization, the situation reversed: countries in the region began to post high growth rates but agriculture began to decline or stagnate. Per capita growth in productivity of agriculture in South Asia is now less than 2% and has barely kept pace with population growth.

But a majority of the population in these countries—60% in India, 43% in Pakistan—depends on agriculture. The annual growth in the agriculture sector has not kept pace with overall GDP growth, resulting in increased gap between rural and urban areas, where most of the industry and

services are concentrated. As a result, agriculture contributes only 22% of GDP despite employing 60% of the labor force. The rural sector's poor productivity also means that countries like Bangladesh, Nepal and Afghanistan are net food importers and are vulnerable to increased food prices on the world markets.

This trend has been largely due to a conscious policy disinvestment in the agriculture sector, removal of subsidies leading to greater stress on small and marginal farmers. This has gone parallel with a complete lack of alternative opportunities of employment. A move towards export oriented agriculture linked to the global market has also made farmers more vulnerable and countries more insecure in terms of food. Trade liberalization has meant farmers are now more vulnerable to price volatility. In India, the crisis has manifested itself in growing numbers of farmer suicides.

Across South Asia, rural poverty is exacerbated by highly unequal distribution of land and access to water and other agriculture inputs. In Pakistan, for example, only 37% of rural households own land. The land tenure has also a strong gender dimension, with women owning less than 5% of total land in South Asia.

Increasing Informalization of Labour

The decline in agriculture has also led to an increasing informalization of labour reflected in the decline in employment rate on one hand and a concomitant rise in informal sector. In India, the rate of employment growth declined from 2.7% during 1983-94 to only 1.07% during 1994-2000. National Commission for Enterprises in the Unorganized Sector set up by the government of India found that 93% of employment in India as of 1999-2000 was in the unorganized sector.

Though the sector was always a big employer in India, the commission found that its share rose manifold in the 1990s. Moreover though India, along with China, seems to have weathered the recent economic crisis, the reduction in employment and income opportunities due to global recession pushed an additional 33.7 million in India into poverty in 2009 according to the UN's Department of Economic and Social Affairs.^v In Bangladesh, 79% of the total labour force is in the informal sector, while 1.2 million out of 2 million unemployed are youth.^{vi}

Environmental Sustainability

Over 80% of people in most countries of the region have access to clean drinking water. But in Afghanistan, only 48% have access to safe drinking water. In Maldives, the number of those with access to safe drinking water fell by almost 20% in our period of study, largely because the ingress of the sea has rendered water saline. Island countries like Maldives situated in the low lying areas are increasingly under threat of being submerged due to global warming.

A quick glance at the sanitation scenario will tell us that India, Afghanistan and Nepal have fared very poorly, all for different reasons. Its Total Sanitation Campaign notwithstanding, India has not invested enough in sanitation (leading to over 500, 000 children dying annually of diarrhea alone). Afghanistan and Nepal continue to suffer from overall poor infrastructural development, difficult terrain and a history of turbulence. Pakistan surprisingly seems to have done better on this front—along with Bhutan and Maldives—with almost half of the population getting the safe sanitation facility. Sri Lanka, once again remains at the top with nearly 90% of its population covered.

However, the region is increasingly becoming vulnerable to the larger issues of environmental degradation, the cost of which is now estimated to vary between 5-10 % of GDP in the most of South Asian countries.^{vii} The region has a high pollution footprint and roughly 20% of the total burden of disease in the area is related to environmental health issues. In 2008 about 1/3rd of child mortality was caused by environmentally related factors (35% of which were result of acute lower respiratory illnesses and 64% due to diarrhea). The Environment Sustainability Index, which is a widely used global indicator of country environmental performance, ranks India 123 out of 163 countries.^{viii}

The key challenges faced by the countries in this region in this respect pertain to endangered rural livelihoods, industrial pollution and urban environmental degradation and a real threat to natural resources leading to ecosystem degradation. About 80% of the region's poor live in rural villages and depend on natural resources. There has been a steady decline in resource productivity due to overgrazed pastures, soil erosion, watershed and forest degradation which in turn has made the poor more vulnerable. High incidence of poverty, a high population density and rainfall dependence add to this vulnerability. There is also a question of low resilience to climate change in many rural areas.

Communities of the Deprived

It will be worthwhile to map populations, which suffer from the lack of access to basic services and do not have opportunities for material well-being. Hence, a quick break up of the sanitation facility between rural and urban population in the region will confirm the wide gap between these two regions. Even Maldives which has a Human Development Index ranking has sharp rural urban disparity in people getting access to sanitation facilities: less than half of the rural

population has such access while everyone in the country's urban areas can access sanitation facilities. In India, less than 20% percent of rural people have access to sanitation facilities as compared to over 50% of urban people with access to sanitation facilities.

Table 8: Improved sanitation facilities, rural (% of rural population with access)

Country	Year	
	1990	2006
Afghanistan		25
Bangladesh	18	32
Bhutan		50
India	4	18
Maldives		42
Nepal	6	24
Pakistan	14	40
Sri Lanka	68	86
South Asia	7.6	23.0

Table 9: Improved sanitation facilities, urban (% of urban population with access)

Country	1990	2006
	Afghanistan	
Bangladesh	56	48
Bhutan		71
India	44	52
Maldives	100	100
Nepal	36	45
Pakistan	76	90
Sri Lanka	85	89
South Asia	49.2	56.7

Rural/Urban divide

Poverty in rural areas is more pronounced across the region on all indices. More than 75% of the region's poor live in rural areas. Hence a country like India (which has very recently seen an official revision of overall poverty rates from 28 % to about 37.5% on the grounds of including Human Development Index) which has reduced overall poverty rather rapidly still has a static absolute numbers of rural poor of about 220 million. Yet, India has also seen a rapid growth of poverty among the urban population which is about one fourth of the total population. This is largely due to the fact that the number of unemployed in rural India is nearly double the rate of employment in large-scale migration to rural areas. In Pakistan too, two-thirds of the rural household are landless and an almost equal proportion without access to tap water. Over 60% of the land is distributed among less than 10% of households. Among people without land, groups that are particularly at the bottom are sharecropper/tenants, hereditary occupational groups and low status occupational groups. Countries like Bhutan, which have witnessed rapid urbanization

in recent years still boast of about 80 % rural population. Yet, the average rural income constitutes less than half (45%) of the average urban income as per 2005 Bhutan HDR. In Nepal, almost 35 % of the rural population is poor compared to roughly 5% urban populace. Nepal has actually seen a faster decline in rural poverty going down from 43% in 1990 to 34.6% in 1995-2004.^{ix}

This trend has resulted in massive migrations from rural to the urban areas where job opportunities are increasingly concentrated. Dhaka, the Bangladeshi capital, for example, is the city with the highest population growth in the world. The migrants have largely been absorbed as informal (mostly unskilled or semi-skilled) labour living in the most appalling conditions. Internal migration (from rural to urban areas) and migration towards other countries have become one of the key demographic characteristics of South Asia (6.2 million Bangladeshi are migrant workers, mainly in Saudi Arabia and the Gulf. Remittances constitute 10% of Bangladesh GDP).^x

Regions of Disparity

Due to various socio-economic reasons, poverty is concentrated in specific regions of each of the countries. In Nepal the mid-western and far-western region are poorer as compared to the hill region^{xi} (the Midwestern region has a poverty incidence almost 20% higher than that of the Central region). In Bhutan, the eastern zone^{xii} and in India, the northern and eastern regions are relatively poorer as compared to the other regions. The per capita GDP of Uttar Pradesh and Bihar (two states representing 25% of the Indian population) is less than half the national average and only a third of that of the seven richest states.

Another illustration of regional disparity comes from school enrolment figures in Pakistan: while gender disparity has reduced in terms of net enrolment rate, a region wise breakup shows that improvements have happened only in Punjab, while Sindh and Balochistan have become worse off and NWFP has shown no change.^{xiii} 46% children in the north and eastern region in Sri Lanka were underweight compared to 29% in the rest of the country. The country's western region has hogged the lion's share of the growth since the 1990s, which led the region to reduce poverty by half. The conflict-ridden north and east have suffered.^{xiv}

These "lagging" regions do not have good connectivity with the markets. But their social composition also perpetuates the cycle of poverty and inequality along various hierarchical lines.

Exclusions of Caste, Ethnicity and Religion

Poverty in the region largely overlaps with caste and ethnic identity. Hence in India, the dalits, tribals and the Muslims (the largest religious minority) together constitute 40% of the total population with roughly a majority of them coming under poverty line. Dalits constitute 16% of total population and the tribals about 8%, but about 80% of the dalits live in rural areas while the corresponding figure for the tribals is about 92%. In 2004/05, the proportion of dalits below the poverty line was as high as 36.8% in rural and 40% in urban areas. This was much higher than the corresponding poverty ratio for the population as a whole –28% in rural and 25.7% in urban areas. Nearly half of the Dalit population is still landless labourers. Similarly, the proportion of tribals below the poverty line was 47.3% in rural and 33.3% in urban areas, which was again much higher than the poverty ratio for the population. The access to basic services of health and education is much worse among these communities. In terms of literacy rates, there was a gap of

about 14 percentage points between the Dalits and other 'higher caste' groups while the corresponding gap between tribals and the others was that of 22 percentage points.

Out of the three states of Jharkhand, Chhattisgarh and Orissa in India, tribals constitute about 28% in Jharkhand, about 33% in Chhattisgarh and 23% in Orissa. Together with dalits their population ranges between 40-45% in these states with particular regions heavily populated by tribals.

The state average for Infant Mortality Ratio in Chhattisgarh is at par with the national average (between 54 and 57). Yet, in districts like Bastar it is 104 and Korea 103, almost double. Likewise, the rate of institutional delivery in rural areas is only 6% against a Maternal Mortality Ratio of 334 against the national 254. Similarly, while the state's literacy rate is 64%, districts like Dantewada and Bastar, with a majority of tribal population, have a literacy rate as low as 30% and 43% respectively.

In Orissa, tribals and dalits constitute two-third of the rural poor. And just like Chhattisgarh, while the state literacy average is about 64%, tribals have a literacy rate of 22%. In tribal dominated districts like Malkangiri and Nbarangpur the literacy rate comes down to 30% and 34% respectively. Districts like Kandhamal and Malkangiri which have over 50% tribal population are at the bottom of the health index issued by the state government report of 2004. The MMR of Orissa is 367 against the national average of 254 and IMR is 87 against the national average of 53.

Similarly, Jharkhand's MMR is 371 and IMR at 69. Against these stark rates, the state also records only 19.2% births as institutional delivery. It is also now widely recognized that these are

the districts which have seen some extreme violence between the state and the Maoists in recent years.

As per the Rajinder Sachar Committee Report published by the government of India, Muslims fare as badly as dalits on most of the indices and tribals are the lowest in the ladder. As per official data out of 2.8 million out of school children in India, 68% are from the three communities of dalits, tribals and Muslims as against their share of 40% in total population.^{xv}

As per a recent study on Pakistan, many key MDG indicators would improve by more than 10% if the levels of deprivation of the socially excluded were the same as the socially included. The country, like India and Nepal specifically, has many layers of social exclusion: religious, linguistic, gender, access to land/occupation, zaats/kiships/caste-like structures among others.^{xvi}

The increase of poverty among the socially excluded groups is higher both in absolute and relative terms. The poverty head-count increases on average by 20% among the socially excluded groups and only 7% among the rest of the population. Similarly, female sharecroppers have literacy rates one third of those of female farmers who are not considered socially excluded. Literacy rates in young women are as low as 20% among some socially excluded groups, compared with 51% for male sharecroppers/labourers and 75% for males in other occupations.

The same study shows that keeping all other factors that determine school enrolment constant, belonging to a Hindu household reduces the probability of attending school by 12% while for Hindu girls it is even stronger lowering the probability by 22%.

Tamils are the most vulnerable community in Sri Lanka. They live in the conflict-ridden northern and eastern region. Years of conflict has led to further worsening of the health and education indicators among the Tamils.

In Nepal, poverty incidence is 1.5 times higher amongst the Dalit compared to the national average. For example, the poverty rate amongst Tamangs – one of the most excluded ethnic groups – is almost double the national average.

Bangladesh has a population of 1.74 million people from 45 indigenous communities, about 1.2% of the total population. Referred to as *Adibashis*, they not only face severe social and political discrimination, but also continuing ethnic violence. In 1991, it was estimated that 85% among them were landless and the literacy rate was just 9%.^{xvii}

Disparities of Gender

In many parts of South Asia, gender discrimination begins before birth and continues throughout women's lives. However, women and girls in South Asia continue to face discrimination in many spheres, including in the family and community, in employment, in political and public life, and in law. Due to sheer neglect and discrimination, about 42.6 million women in India and 6.1 million women in Pakistan are termed as 'missing'.^{xviii} But there have been some positive trends. Hence, for example, by 2007, female life expectancy in the region fell short of the world average by just five years compared to ten years in 1980.

Yet, except for Sri Lanka (ranked 12 in the Global Gender Gap report 2008), all other countries in the region show high levels of gender disparity (with ranks from 90-127) out of 130 countries.^{xix} Women occupy only 19% of all paid jobs outside agriculture and are

disproportionately represented in part-time, seasonal and short-term informal jobs and therefore are deprived of job security and benefits.

Barring Bangladesh, Maldives and Nepal, where women constitute 40% or more of the labour force, in rest of the countries, including India, women's representation in the labour force is abysmal. In India, the situation has not improved over the last two decades and in other countries it has improved only marginally. Afghanistan does not have data on women's representation in the labour force indicating the anti-woman nature of the Islamic state, which ruled the country till very recently. The extremely low representation of women in Pakistan's labour force also indicates the bias of the country's government.

Table 10: Labour force, female (% of total labor force)

Country	1990-95	1995-00	2005-07
Afghanistan			
Bangladesh	39.5	37.8	39.5
Bhutan	20.4	19.4	29.9
India	27.9	28.1	28.3
Maldives	22.5	29.3	40.3
Nepal	38.5	40.8	44.7
Pakistan	12.9	13.8	18.4
Sri Lanka	34.3	33.3	37.0
South Asia	28.4	28.4	29.2

Source: World Bank Country Data culled from <http://data.worldbank.org/data-catalog> accessed on March 12, 2010

Development players such as the World Bank and the Asian Development Bank argue that beyond rights, gender equality is also a matter of economic development and efficiencies.

Discrimination stunts women's effective participation in and contribution to the economy thus affecting everyone (family, community and nation negatively).^{xx}

One of the key areas of concern in this respect is the women's ability to control and manage assets such as land and housing. In Nepal only 16.3% rural women own land or a house. A similar situation pertains in India. Bhutan, where women own an estimated 70% of the land and Sri Lanka, where women inherit land through family laws, are exceptions to this trend. This phenomenon runs in contrast with a growing phenomenon, feminization of agriculture. Hence, in India, in 2004-05, 65% of women workers relative to 49% of male workers were confined to agriculture. For Nepal, the corresponding figures were 98% women and 89% of men.^{xxi}

The acute gender disparity in employment points towards multiple factors like customary laws, an entrenched patriarchal culture and lack of political freedom. State-backed development did lead to improvement in the status of women. In India, reforms through the Hindu Succession Act, 2005, which made women's inheritance rights in agricultural land equal to that of men's, resulted in some marginal gains in the recent years. At the same time, a religious interpretation of gender relations (either Islamic as in the case of Afghanistan, Pakistan and Bangladesh, or Hindu as in the case of Nepal till recently) supported directly or indirectly by state has led to a further marginalization of women.

Access to credit through micro-finance has led to women gaining both in terms economic empowerment and social and public participation. A critical example in this respect is that of Grameen Bank, started by Nobel Prize winner Mohammad Yunus, which by mid-2009 had a membership of 7.87 million borrowers, 97% of whom being women. In the case of Grameen, 68% of borrower families who have been with Grameen Bank for more than five years were able

to make their way past the poverty line. Similarly, under their housing loan scheme 640,000 homes were financed and ownership remained with women themselves.^{xxii} Bina Agarwal argues, citing a case study from the Indian state of Kerala, that the ownership of assets also reduces threat of direct physical violence.^{xxiii} Likewise, Yunus cites studies which show that the economic empowerment of women has also led to them becoming more assertive in the public sphere in their role as voters, attending *panchayat* meetings etc.

But some recent studies have also pointed out towards the danger of instrumentalization of micro-credit through institutions of self-help groups. A study by the non-profit organization Nirantar shows that not only has the promised empowerment of women proved elusive, micro-credit has added an extra burden on women besides their household responsibilities. Such credit has also not succeeded in bringing the most marginalized sections into its fold: those belonging to dalit, tribal and Muslim communities. Moreover, it has allowed the state to go easy on its overall responsibilities on universal right to education, health and food.^{xxiv} This shows that while facilitation of micro-credit could help but the true political empowerment will come through political education.

The question of political empowerment of women has received some serious attention by state governments in the region in recent years. Pakistan and India have had reservation for women in local elections going upto 50%. The recent political changes in Nepal led to reservation of Constituent assembly seats for women that in turn led to 33% women getting elected to its Constituent Assembly. Afghanistan's new Constitution adopted in 2004 reserved seats for women in legislature and the provision is beginning to show dividends. Bangladesh reserves 13% of the seats for women. Nonetheless, gender disparity in the political arena remains

significantly high across the region, especially at the national Government level. In 2008, only 13% of parliamentary seats in South Asia were held by women (a proportion which has doubled compared to 2000, but remains very low). India is still struggling to pass the Women's Reservation Bill in Parliament. Recently, the bill was passed in the upper house of the Parliament. But its future remains uncertain.

Informal structures that often work outside the realm of the State (family, kin-groups, religion) play a major mediating role in defining gender roles and women's entitlement. What is critical in this respect is that unless both state and the civil society show clear commitment towards egalitarian gender relations, the process is likely to be slow and pain-staking.

Poor Governance and Corruption

South Asia has also seen over the last two decades a decentralization of governance, through the devolution of power to regional/local entities (Panchayati Raj Institutions in India; Union Parishad, Upazila Parishad and Zila Parishad in Bangladesh; Provincial Councils in Sri Lanka created through the Thirteenth amendment of the constitution in 1987; districts, tehsils and Union Council in Pakistan created from 2000 to 2002). Although all these initiatives could, in theory, improve governance by making decision bodies closer to the people, the devolution processes have not been completed in most countries, as resources are still tightly controlled by central governments.

Corruption is rampant across the region and all South Asia countries fare poorly on the Corruption Perception Index of Transparency International.

Table 11: Corruption Perception Index 2008 – Transparency International

Country	Rank (out of 180 countries surveyed)
India	85
Sri Lanka	92
Nepal	121
Pakistan	134
Bangladesh	147
Afghanistan	176

Transparency International surveys in South Asia highlighted that the police and the judiciary are the most corrupt public institutions (in Bangladesh, Transparency International Household Survey demonstrated that 80% of all respondents paid bribes to obtain police clearance certificates for various purposes).

One of the underlying causes of corruption is the strong patronage in the political arena and a culture of bribes both in the administration and in the private sector. Though in case of India, the blame is always laid at the doors of early Socialist centralized state and its ‘License-quota-permit Raj’, the opening of economy has resulted in some of the worst cases of corruption, where both the state and large-scale corporations were found to be complicit. Corporate lobbying seems to be influencing the policy decision-making, which affects millions of human lives. Such form of institutionalized corruption is more worrisome than a mere culture of bribe. Corruption more adversely affects the poor compared to the middle or rich classes who can use political and social influence to their advantage.

Section 3

Human development: State and Civil Society

Some Examples of Social Protection in South Asia

The bleak picture of unequal development is lit up by stories of positive change. Such change has been brought about through a range of actors, most important of them being state itself, wherever it has shown enough political will; a diverse range of civil society movements led by people at the grass roots often pitched against heavy opposition from a combination of factors. This section will try to tell a few of these stories. The intent here is more to look at the changing nature of state, civil society and their interrelations. This has to be also seen within the two paradigms—one the larger developmental paradigm itself in which state and the private sector have been playing crucial roles and also the rather narrow framework of what is now being increasingly termed as ‘social protection’ of the poor and the marginalized. An investigation of the two raises the larger question whether they go can hand-in-hand or if social protection is an adjunct, a safety valve, while the growth led economic agenda continues its run.

Social protection measures in the region have been centered round protection against various kinds of vulnerabilities for the poor and as well as measures to eradicate poverty in general.^{xxv} In this regard, it is critical to look at the trends in which different states have pursued policies. Sri Lanka (despite its recent withdrawal from universal coverage of basic services) is ranked the highest in this respect with approximately 5.7% of its GDP being spent on such measures while Pakistan stands a lowly 1.6% (with only 5% of the population getting some kind of coverage).^{xxvi}

Some key features of social protection measures are: in most of the cases they are tied to the formal economy hence limiting the benefits to a few. For example, social safety nets in India mostly cater to just about 8% of the total workforce, while over 90% of the workforce in India works in the steady expanding informal sector.

Half of Nepal's expenditure on social protection is tied to formal workers. Second, there has been less emphasis on unconditional cash transfers and more on income generation. One major scheme of cash transfers going beyond the provision of basic services has been Sri Lanka's Samurdhi which by 2002 had covered 1.9 million families or 41% of the population.^{xxvii} India, technically the second largest spender on such schemes in the region (4% of the GDP), has had a slew of programmes ranging from employment generation to support for widows, other vulnerable communities, various food and nutrition programmes like Integrated Child Development Scheme (ICDS) covering 4.8 million expectant and nursing mothers and 22.9 million children under 6 years of age, Public Distribution System (PDS) supposedly the largest scheme of its kind in the world covering roughly one fourth of the rural households in the country^{xxviii} and ostensibly catering to 28% Below Poverty Line people,^{xxix} Mid-day Meal (MDM) covering roughly 59 % of children (71 % of them coming from SCs and STs). In education, country has seen near universal enrolment in primary education through Sarva Shiksha Abhiyan but the drop-out rates and low learning levels remain very high.

But the key problems overall have been little involvement of the local community in planning, implementation and monitoring, large amount of leakage (for example, in Bihar, less than 20% of the food distributed through the Public Distribution System actually reach the beneficiaries), lack of enough investment, over-centralised character of the schemes.

It is in the light of all this, that one must see the strong civil society led movements around right to food, right to education and right to work. These movements have generated pressure towards suitable policy changes. One of the key issues in this regard is the state's attitude towards its poor and vulnerable. Very often these schemes have been reduced to targeted schemes from a self-selecting one as in the case of PDS where the number of the poor itself has been changing as per various estimates. Hence earlier the official figure of the people Below Poverty Line was 27.5% of the country's population; then a government appointed committee under former bureaucrat N.C. Saxena pegged the number of poor deserving to be brought within this ambit it to roughly 50% of the population. Another committee on the unorganized sector argued that 77% of the population in India lives below Rs 20 (less than half a dollar) a day.

Varying definitions of the poor also point towards government's own dilemma towards a model based mainly on targeting. One of the key criticisms of this line of thinking has been that it has led to a huge amount of exclusion. Those who are actually vulnerable remain out of it while those who are not somehow enjoy the benefits of such schemes.

Bangladesh has provided some unique examples in the area of education. Its two key schemes i.e. Cash for Education Programme (monthly cash transfer to the poor households conditional on enrollment and minimum attendance resulting in a 9-17 percentage point rise in enrolment rates and nearly full attendance) and Female Secondary Stipend Programme encouraging girls to finish secondary education (covering about 4 million girls) have helped it achieve universal primary education, gender parity at secondary education as well as lower child mortality rates than other countries in the region.^{xxx}

Nepal, one of the most unequal regions in the world (with a Gini Coefficient of 47), is a recent example of people pressuring the state towards accountability. The country's Tenth Plan document clearly acknowledges government's intent to mend matters in a country where upper castes hold sway in every sphere. The document identifies social exclusion as one of the three main aspects of poverty and the principal reason for the deprivation suffered by certain caste, ethnic groups and women. Though still to convert this intent into concrete steps, its recent measures like free health services have already led to decline in maternal mortality rates.

There is growing demand to cover informal labour within these protection measures. Various such schemes have been brought in by Sri Lanka, Bangladesh, Nepal and India. Pakistan has recently begun to invest in education but a lot of the investment is confined to religious education. A recent example to bring some change in the lives of informal labour has been through the conditional and modified adoption^{xxxii} of the recommendations of National Commission for Enterprises in the Unorganised Sector to provide them some kind of shield against extreme vulnerabilities.

On the basis of the above evidence, this paper argues that given the large-scale power that the state wields and the vast amount of resources it commands, it can bring about changes like no other stakeholder, especially given the scale at which they are required.

Need for a wider definition of civil society

It has generally been agreed that the region has seen some very vibrant civil society work within varying contexts and with varying intents. While civil society movements in Pakistan and Nepal on human rights have lead to direct political changes in recent years, other states have seen a mix

of NGO led development work and movements pressuring the government towards accountability.

In many instances, NGOs have directly collaborated with the state, working as service deliverers. This is a predominant feature in Bangladesh where NGOs play a major role in service delivery mainly through micro finance (covering an estimated 18 million population but also in areas like education where organizations like BRAC cover almost one third of the country). While this has led to innovations to help the poor, even with their largest outreach, none of these NGOs can substitute the state.

Also NGOs sometimes lose their bargaining power vis-à-vis the state when they work with it. Hence a recent study covering 11 largest NGOs of Bangladesh shows the expenditure incurred on social mobilization in 1998 by these NGOs had declined to only 6% showing a real decline on advocacy content.

But there are also many examples where civil society has positioned itself as an interlocutor lobbying and advocating on behalf of the poor and also seeking legal remedies. India's classic case in this regard has been the Right to Food campaign due to which Supreme Court intervened on behalf of the poor asking the government to guarantee universal access to scheme like ICDS (mentioned above) and also bring in a legal entitlement under Food Security Act—this, though, is still to see the light of the day. These efforts have led to introduction of a whole new legal language in the realm of basic services: these are now seen as basic rights and not merely entitlements of a welfare mode, whether targeted or universal. In recent years, acts guaranteeing various kinds of rights have been passed in India including Right to Information Act, National

Rural Employment Guarantee Scheme, Forest Rights Act, Unorganised Sector Bill, Right to Education Act.

The civil society has played a critical role in bringing the language of rights to the discourse of development. Civil society intervention has brought in the language of state accountability. It is clear that it is primarily the state's responsibility to not only provide these basic rights but also devolve powers to the bottom and that civil society's role is primarily to build pressure, demand accountability and monitor the delivery of these rights.

Another development that needs to be underlined it is people's mobilization that has demanded accountability from the state, leading to empowerment. While the older forms of trade unions have weakened drastically over the last two decades resulting in a loss of bargaining power of even the small organized sector, other kinds of movements, both violent and non-violent, have gathered momentum during the last two decades.

While in Pakistan and Nepal, there has been overt focus on political movements both non-violent and violent mobilizations (as in the case of Maoist movement in Nepal and in the tribal populated regions of India), in India there have, of late, been some strong mobilization by non-violent struggles primarily focusing on socio-economic rights of the people. What is critical in this context is that even state has begun to recognize—at least in principle—that there is an urgent need to address the structural violence embedded in our everyday life which has marginalized and even pushed a whole range people and communities out of development paradigm.^{xxxiii} In this sense, civil society's role has been not only to critique state policies but more also provide an alternative development paradigm.

Human Development as a Right: Right to Work and Mahatma Gandhi National Rural Employment Guarantee Act in India

India has set an example in social protection measures: its National Rural Employment Guarantee Act (NREGA) now known as Mahatma Gandhi National Rural Employment Guarantee Scheme (MNREGS). NREGA was passed as an act in 2005 after the UPA (United Progressive Alliance) government came to power in 2004 with its promise to accord right to work as top priority. It was first introduced in February 2006 to begin with 200 poorest districts, in April 2007 it was extended to another 130 districts and then from April 2008 it was extended to all the rural areas of the country. MNREGS has been seen and used by policy makers from varying perspectives which includes, as income transfers for the poor with employment as a screening mechanism; a programme of investment for creating productive assets; a safety net for the poor; a poverty alleviation measure or even merely an employment generation programme providing supplemental livelihood opportunities in the lean agricultural season.^{xxxiii} MNREGS guarantees on demand 100 days of employment in a year to a household at a minimum wage. It places enforceable obligation on the State and gives bargaining power to rural labourers and hence is starkly different from all the previous employment programs. It bestows entitlements to workers in the form of providing work for those who demand within a timeframe (15 days of applying for work) at a guaranteed wage and in case of not being provided with work they will have to be given unemployment wages; it is not restricted to only the designated poor but is open to all rural people and hence is universal in nature and third, it provides for direct community involvement for both designing and implementation of the programmes through the local Panchayati Raj institutions.

In 2009, the number of households demanding employment under MNREGS stood at 42.97 million, while the number of households provided with employment was 42.72 million. In this sense it has far exceeded all the previous schemes put together. As per another estimate almost half of the country's workforce has registered for jobs under it (215 million as against a total workforce of 450 million) and 97 million have already got them.^{xxxiv} Total person days generated were 2000 million of which the SCs was 29.7% (as against roughly 16% total population), STs 22% (as against 7% population) and women 49.9%.^{xxxv} It is evident that the most marginalized groups are getting a fairly large share in this scheme. For the women particularly, the Act provides that at least one-third of beneficiaries be women workers ([Schedule II (6)]; equal wages for men and women [Schedule II (34)]and provision of crèches for the children (aged 1-5 years) of women workers [Schedule II (28)].^{xxxvi} In many states the actual percentage of women beneficiaries is much higher than one-third but also in some cases because their men have migrated to the cities or other parts in search of work. South India states seem to have done much better in this respect. It has also led to increase in share of women's income in the household as in many states women collect the wages on their own and also retain them.

Of course, there are great variations across regions and states where it ranges from 65 person days in Rajasthan (as against a national average of 46.8 days) to 22 in Kerala. While in Andhra Pradesh the situation is better mainly due to the strong political will and the community mobilization movement in Rajasthan an active civil society is making the scheme work. But the situation remains bad in precisely those states which are regarded as hubs of poverty like Bihar, Uttar Pradesh and Chhattisgarh. Low political will, poor flow of funds due to administrative and political hurdles, leakages and corruption, low administrative capacity, little role of the local PRIs etc, have bedeviled the scheme in these states.

While there are indications that MNREGS has restricted rural to urban migration to some extent, the situation has not improved significantly. This is mainly due to the uncertain nature of the job provided and due to difference in wages in urban and rural areas. The scheme has led to a rise in minimum wages in rural hinterlands, also leading to conflict in some cases. Many studies also point that the money earned through MNREGS is largely spent on food and health expenditures thus meeting some basic requirements of people. One of the intended benefits of the scheme was to use the work to develop productive assets through watershed works, land development etc. In some instances as in Andhra Pradesh, it has led to works on the lands of the poor and the marginalized (over 20 % of the total work in the state in 2009).

But overall the concerns still remain about the total realization of entitlements given to rural workers through this act, about the scheme's ability to increase the productivity of agriculture and creating sustainable livelihoods. Most importantly a critical question is also about finding the ways to use MNREGS as entry point for enhancement of worker's skills, their transition from unskilled manual labour to more productive skilled labour in the long run. Otherwise, there is a distinct threat of two parallel laboring classes getting fossilized in their respective roles: one, the skilled, semi-skilled labour and the other continuously steeped in centuries old traditions of back breaking hard physical labour without any hope for redemption.

At the same time the ripple effects of a programme based on guarantee is evident with Bangladesh and Pakistan now looking to emulate the 100 days job guarantee in MNREGS. The last election in Bangladesh saw election manifestoes promising the same while the policy document titled 'Stabilisation with a Human Face' in Pakistan shows the same intent.^{xxxvii}

Right to Information: A Tool for Citizen's Empowerment

MNREGS is just one example of a state pressured into acting by civil society groups. Another key victory was the passage of the Right to Information (RTI) Act. In the early 1990s a group of peasants and workers in central Rajasthan articulated the demand for their right to the copies of records when their demand for minimum wages was repeatedly denied.^{xxxviii} A long movement took place across the country and a series of laws regarding people's right to information were passed by different state governments. In 2005, a central legislation was passed giving people the right to information. The Act specifies that citizens have a right to^{xxxix} (among other things):

- Request any information (as defined).
- Take copies of documents.
- Inspect documents, works and records.

The Act further sets a deadline for 30 days within which the information sought has to be provided.

This right in turn has not only paved way for accessing information that should have been ordinarily accessible^{xl} (the departments have been asked to provide information related to 17 categories pro-actively) to the people but also that which were not available till now. It has further become a tool for grievance redress, questioning the very basis for policy and government decisions, exposing corruption, bringing about systemic change thereby increasing democratic accountability overall. Most importantly, it has led to various innovations like social audits, public hearings, which have empowered people in unforeseen ways. People have begun organizing public hearings to verify the information obtained through RTI and following it up for grievance redressal. In many states (as in Rajasthan and Andhra Pradesh), the civil society in

conjunction with the state governments has pioneered a system of social audit for effective implementation of various policies and Acts like MNREGS.

Conclusion

In a recent paper, Andy Sumner has argued that the majority of the poor live in what is categorized as Middle-Income Countries and not the Low Income Countries. ‘This’, according to him, ‘might mean that long-term poverty reduction requires more focus on structural economic transformation (assessed perhaps by the percentage of employment in agriculture) or a social transformation to a low level of inequality (assessed by gini coefficient and implied emergence of a middle/consuming class), or political transformation (assessed by tax revenue as percentage of GDP and the implied accountability that follows)’.^{xli}

If we apply these broad indices to judge a country’s performance not just on poverty reduction but on the broader definition of human development itself, it is evident that South Asia is still struggling to come up with long-term and sustainable solutions. Agriculture in most of the countries is still struggling to stand on its feet; the gini coefficient remains high with a certain class benefiting much more out of globalization than the rest, and the growth in tax revenue as a percentage of GDP has been sluggish, therefore, blocking opportunities for investment in the social development.

It is therefore, crucial to ask, whether the aspired trajectory of human development can be achieved in the absence structural transformations and by specific social protection measures alone. Martin Ravallion in a recent paper comparing the poverty reduction trajectories in Brazil, India and China argues that there is a lesson in both the ‘pro-poor growth’ trajectory followed by

China in initial years of economic reforms and ‘pro-poor social policies’ followed by Brazil attacking poverty directly through a clear redistributive policy.^{xlii} Ravallion goes on to argue that while the pre-reform low-inequality conditions fuelled by agricultural and land reforms helped China reduce poverty rapidly in the initial years of reform, it has later led to high inequality. Ravallion believes that China needs to learn from Brazil which in absence of high growth has managed to reduce inequality and poverty significantly by directly engaging with poverty reduction policies. India, of course, fails on both the counts, lacking a ‘pro-poor growth story’ along with any significant investment in poverty reduction measures.

Ravallion fails to explain why despite initial years of a pro-poor growth, the later part of China’s growth story is also a story of high inequality. The common trajectory in both the Indian and Chinese case is that of increased growth sustaining inequality. It has to be acknowledged the inclusion of the poor in defining the growth story itself along with the state’s focus on delivering basic public services will help societies fulfill their aspirations of freedom and well being. Moreover, as Brazil’s example shows, to achieve higher levels of human development, growth might not be a necessary prelude. It might not be coincidence that China has recently rolled back its policy of privatisation of health care which was turning out to be quite disastrous.

South Asia’s has been a story of mixed examples. Sri Lanka, Maldives, recently Bhutan, Nepal and Bangladesh, states that have invested heavily on the public delivery of basic social goods targeting poverty and inequality have done much better than India and Pakistan, which have pinned their hopes on the high growth rate as in the case of India and Pakistan. Sri Lanka’s performance, in fact, has begun to decline of late precisely because now there is a trend towards leaving the social common goods to the vagaries of the market.

What could be worrisome for countries like India is that in absence of fundamental reforms in agriculture, social protection policies like National Rural Employment Guarantee with their emphasis on manual unskilled labour would only institutionalize and perpetuate hierarchies among citizens based on different skills. While the notion of human development focuses itself on the ideas of material well being, knowledge and health, its larger concerns underpinning the same are the broader values of freedom and equality. In this sense, mere access to economic resources, basic material goods will not suffice.

Therefore, human development should be defined as a moral value that emphasizes inclusion and equality. Inequality in the region is not merely an economic one but founded on entrenched exclusionary identities of caste, gender, ethnicity and religion. Exclusion has also been facilitated to a great extent by the very nature of state itself in the region, which has largely been dominated by theocratic, authoritarian regimes.^{xliii} Even where there has been a formal system of democracy for a certain span of time, exclusion of minorities, whether dalit Hindus and Christians in Pakistan, Hindus and tribals in Bangladesh, dalits in Nepal, Muslims, tribals and dalits in India, has been more or been of similar type. Women have uniformly been on the margins but with much greater intensity in states like Afghanistan and Pakistan especially during overtly theocratic regimes. It is no coincidence that as recently as in 2009 the Nepal Human Development report recognizes this factor by stating, ‘This highly variegated diversity has not been well accommodated by a narrow definition of national identity based on the Hindu religion, a unitary state, and a hereditary monarchy dominated by ruling hill elites until very recently’.^{xliv}

What needs to be explained further is that it is not merely the formal structures of exclusion institutionalized by a particular kind of state, which have sustained the marginalization of a

particular set of people. If only formal state structures were responsible for exclusion, a largely secular and democratic state like India would not show dismal performance in so far as the fate of the Muslim minorities or for that matter, dalits and tribals, is concerned. It is indeed the larger and much more entrenched structures of exclusion based on both formal and informal structures like caste-panchayats, continued domination of upper caste Hindus in all spheres of economic and social life through both formal and informal networks that perpetuate these exclusions.^{xlv} Hence a mere theoretical equality in access to resources would not suffice. A much more proactive stance is needed by the state as well as its people. What would make the crucial difference in this regard is the creation of a level playing field through affirmative action in favour of disadvantaged groups.

India has experimented with affirmative action in some form or the other, over half a century. Lately, Nepal has explicitly undertaken the task of creating that level playing field among its various constituents. At the same time, as mentioned above, one has to specifically address the issue of entrenched forces of discrimination and exclusion which have thwarted whatever formal measures state tried to undertake. A recent and useful example to address some of these concerns came through a recommendation for creating an Equal Opportunities Commission Act following the release of Rajinder Sachchar Committee's report on the Muslims in India. The Expert Group in its report defined 'equal opportunity' as, 'such measures through and by which a person or persons can achieve parity of conditions or shedding of disadvantages in accessing education, employment, livelihood, health care, housing, credit or such other rights and entitlements'.^{xlvi}

The attempt, therefore, has to be on two fronts. One, state's has an obligation to create conditions which enable citizen access their basic rights and help undo the 'burden of history' weighing

against specific groups of people. Second, the state has to help setup autonomous watchdogs, institutions which could clearly work against all sorts of direct and indirect discrimination.

Moreover, the civil society itself which will have to play a crucial role not just in holding states to account on all these counts but also working at all those informal layers of exclusion and domination which make South Asia a high inequality-prone region in more than one ways.

ⁱ *Human Development in South Asia 2007: A Ten Year Review*, op.cit, p.22.

ⁱⁱ Ibid. Page 23.

ⁱⁱⁱ Ibid. Page. 239.

^{iv} Naila Kabir, op.cit.

^v *Global Employment Trends*, 2010, A Report by ILO, cited in ‘Unorganized Labor Trends in India-ILO Report’, <http://azadindia.org/social-issues/unorganized-labor-trends-in-india.html>

^{vi} *Human Development in South Asia 2007: A Ten Year Review*, op.cit.

^{vii} Michele De Nevers, ‘A New Environmental Strategy for the World Bank Group’, Environment Strategy Consultations 2010.

^{viii} Ibid.

^{ix} *Human Development in South Asia 2007: A Ten Year Review*, op.cit., p. 46.

^x Cited from Oxfam GB document, op.cit.

^{xi} Nepal HDR 2009

^{xii} Bhutan HDR 2005

^{xiii} Ludovico Carraro, ‘A Quantitative Assessment of Social Exclusion in Pakistan’, Oxford Policy Management, June 2005

^{xiv} Naila Kabir, op.cit.

^{xv} ‘Development Challenges in Extremist Affected Areas: Report of An Expert Group to Planning Commission’, Government of India, 2008 (pp. 1-30)

^{xvi} Ibid.

^{xvii} Ayesha Dastgir and Bibhash Chakraborty, 'Finding a voice for the voiceless: indigenous people gain recognition in Bangladesh', in Nikki van der Gaag and Jo Rowlands ed., *Speaking Out: Case Studies on how poor people influence decision-making*, Oxfam GB, Oxford, 2009, pp. 41-50.

^{xviii} 'Power, Voice and Rights: A turning Point for Gender Equality in Asia and the Pacific', *Asia-Pacific Human Development Report*, UNDP, 2010, p. 34.

^{xix} Afghanistan is not included in survey. Overall Ranks - Bangladesh 90, India 113, Nepal 116 and Pakistan 127 out of a total of 130 countries (*WEF-Global Gender Gap Report 2008*).

^{xx} Gender Equality as Smart Economics, A World Bank Group Action Plan

^{xxi} Bina Agarwal, 'Women's command over Immovable Assets: A Vital Key', in *Power, Voice and Rights: A turning Point for Gender Equality in Asia and the Pacific*, Asia-Pacific Human Development Report, UNDP, 2010, pp. 50-51.

^{xxii} Mohammad Yunus, 'The Transformation Potential of Microfinance', in 'Power, Voice and Rights: A turning Point for Gender Equality in Asia and the Pacific', Asia-Pacific Human Development Report, UNDP, 2010, pp. 55-56.

^{xxiii} Bina Agarwal, op.cit.

^{xxiv} Examining self help groups: empowerment, poverty alleviation and education, A qualitative study, Nirantar, a centre for gender and education, 2007,
http://www.nirantar.net/images/rat/shg_qual.pdf

^{xxv} There have been varying definitions of the same including those given by ILO, ADB and Unicef. See, *Social Protection in South Asia: A Review*, Gabriele Kohler, Marta Kali and Mariana Stirbu, Unicef, 2009. For other academic debates also see Amartya Sen and Jean Dreze and Amartya Sen 1991.

^{xxvi} Naila Kabir, op.cit.

^{xxvii} Ibid.

^{xxviii} S. Mahendra Dev and Alakh N. Sharma, 'Food Security', draft paper presented at the National Workshop on policies and strategies for inclusive development in India, N. Delhi, 23-24 November, 2009.

^{xxix} In a very recent development Planning Commission has accepted the recommendation of Suresh Tendulkar Committee increasing the ceiling to 37.5% bringing roughly about 81 million families or 410 million people under its umbrella.

^{xxx} Naila Kabir, op.cit.

^{xxxi} Against the recommendation of the universal coverage made by the Commission the govt. has retained it only for the officially declared poor.

^{xxxii} An excellent analysis of this kind is provided by ‘Development Challenges in Extremist Affected Areas: Report of An Expert Group to Planning Commission’, Government of India, 2008

^{xxxiii} National Rural Employment Guarantee: Issues, Concerns and Prospects’, D. Narsimha Reddy and C. Upendranath, paper presented in the National Workshop on ‘Policies and Strategies for Inclusive Development in India’, organized by Oxfam India and Institute for Human Development, 17-18 November 2009.

^{xxxiv} ‘Guaranteeing Unemployment: NREGS wages cannot be the minimum age’, Business Standard, March 18, 2010.

^{xxxv} D. Narsimha Reddy and C. Upendranath, op.cit., p. 7.

^{xxxvi} Ibid.

^{xxxvii} Naila Kabir, op.cit.

^{xxxviii} ‘The Right to Information Act 2005: A social Development Perspective’, Aruna Roy, Nikhil Dey and Suchi Pande in *India: Social Development Report*, Oxford University Press, 2008.

^{xxxix} Right to Information Act, http://en.wikipedia.org/wiki/Right_to_Information_Act.

^{xl} In fact one of the proviso of the Act states, “What cannot be denied to a Member of Parliament or the State Legislatures cannot be denied to a citizen”. Cited from Aruno Roy et al, op.cit., p. 211

^{xli} Andy Sumner, ‘Global Poverty and the New Bottom Billion: What if Three-Quarters of the World’s Poor Live in Middle Income Countries?’, Institute of Development Studies, Working Paper, Sussex, September 2010, p.22.

^{xlii} Martin Ravallion, 'A Comparative Perspective on Brazil, China and India', Policy Research Working Paper, 5080, The World Bank Development Research Group, Director's Office, October 2009.

^{xliii} Rajeev Bhargav, 'Inclusion and Exclusion in India, Pakistan and Bangladesh: The Role of Religion', Indian Journal of Human Development, Vol. 1, No. 1, 2007. Bhargav argues that the possibilities of a more equal and fair societies lie only in a democratic and secular state.

^{xliv} *Nepal Human Development Report 2009: State Transformation and Human Development*, UNDP, Nepal, 2009, p.2.

^{xlv} Aseem Prakash and Barbara Harriss-White, 'Social Discrimination in India: A Case for Economic Citizenship'. Oxfam India Working Paper Series, 2010, http://www.oxfamindia.org/sites/www.oxfamindia.org/files/working_paper_8.pdf

^{xlvi} *Equal Opportunity Commission: What, Why and How*, Report by the Expert Group to Examine and Determine the Structure and Functions of an Equal Opportunity Commission Set up by the Ministry of Minority Affairs, Government of India, February 2008, p.20