INCOME INEQUALITIES IN RURAL INDIA: REFERENCE WITH YSR DISTRICT-AP

H. Sivasankar*   Prof G.Venkatanaidu**   Dr. B. Ramachandra***
*Lecturer in Economics, Govt, Degree College, Tadipathri, Anantapur district,   Andhra Pradesh India.
**Professor of Economic, S.K.University, Anantapur,Anantapur district ,Andhra Pradesh ,India.
***Lecturer in Economic, Govt, Degree College,Rajampet,YSR district,Andhra Pradesh,India.

Abstract
The socioeconomic life of the rural people depends on Agriculture, but it is frequently affected by the gabling of monsoons. Inequality in any form in region is nothing but denied of the right of equal opportunity which is assured by the constitution of India. It is identified in the survey that 48 per cent of the households in the sample area do not have an inch of agricultural land which is main stay of income of the rural people. In most of the agricultural landholding not only in the sample area but also in the rural India are dry lands due to under developed of irrigation facilities. It is observed that the income inequalities are significant in the sample area. The wage differentiation is one of the reasons for it. It is identified that 38 per cent of the sample are landless holders. In most of landholder who are being socially treated as lower communities are marginal farmers. The per capita income of SC and ST communities are comparatively lower than BC and OC communities. The co-efficient of S.D of the per capita income of the total is 7.57 and Gini index is 0.82855, in percentage it is 85.0855, rounded off to 82.086.

Key Words: Democratic Economics, Per Capita Income, Gini Co-Efficient, Economic Development, Farm Sector.

1. Introduction

Economic development does not mean a summation of sectorial progress alone. It is a complex concept and has wider meaning. It consists of reduction in income and wealth inequalities, mitigation of poverty, unemployment and fulfillment of necessaries to the people, etc. In concise economic development means a positive change in economic aspect along with social aspects of the people.

In general, lower income is a common phenomenon in the people who are living in the lowest or bottom stratum of the social structure. All kinds of socio-economic inequalities are nothing but deny of equal opportunities to a sect of people regarding socio-economic fields. Deny of equal opportunities to a sect of people. It does not have a way to democratic economics which reflects the benefit of majority people with social justice.

India is literally speaking a rural India. Rural life is the focal point of the Indian economy as India lives on villages. Agriculture plays a pivotal role in inclusive growth, sustainability in economic growth and food security. The volatile progress in agriculture shows negative impulsions on the entire economy. Hence, the socio-economic life of the people is connected with agricultural sector.

Table No.01,Real growth rate added in Agriculture (11-12 series)

Sl.No.	Year	Growth rate
1	2014-15	1.2
2	2015-16	2.1
3	2016-17	7.3
4	2017-18	5.8
5	2018-19	1.0
6	2019-20	3.9
7	2020-21	0.9

Source: Economic survey 2021, GoI.

The table No.1 shows the volatility in Indian agriculture. The real growth rate added in agriculture during 2014-15 was just 1.2. In the subsequent year it crept to 2.1. The growth rate reached heights in 2016.17 with 7.3. As per the second re-estimations in 2017-18 the growth rate in the sector was declined to 5.8. The first re-estimations of 2018-19 estimated the growth rate. it was flown to 1.0. In the pre-estimations of 2019-20 the real growth rate in Indian agriculture seems to be revitalized as the growth rate was increased to 3.9. But the advanced estimation in 2021 estimated 0.9 growth rate in agricultural sector. The Governments have provided much leverage for strengthening the sector.

2. Literature Review
VibhaSood (1997) conducted a study on the socio-economic conditions of Gaddi sample in different size of households. He focussed his attention on the pattern and extent of unequal distribution of household assets and income among the sample. To examine the pattern of employment and extent of unemployment in addition to examine the pattern of inequalities in the distribution of household consumption expenditure of the sample is another point of the study.

The inquiry evaluated the consequence of rural development programme on the socio economic conditions of the respondents.

The level of relative inequalities in distribution of assets, income and consumption of Gaddy respondents analyzed association with of Lorenz curve and Gini Co-efficient [1].

Bimla Devi Varma(1989) carried out a Case study on socio-economic conditions of economically vulnerable sections in Himachal Pradesh special reference with Bilaspur district. One of the objectives of the study is not only to look at the source of income but also to assess the family income of the weaker section. The researcher observed the consumption expenditure of the down trodden sections. He compared the pattern of income and employment.

It is found in her enquiry that the economic environment of the weaker sections in the rural area iswretched because of corrupt, inefficient and dishonest administration at lower plane. The end result is that the poorest beneficiaries obtained lowest benefit.[2]

Prem Kumar Gupta (2002) carried out a case study on Tribal's' economic inequalities inchamba district of Himachal Pradesh. He estimated the degree of relative and absolute poverty among the samples. He

continued the study with an objective of responsibilities for inequality in the slandered of living of the sample.[3]

3. Objective of the study:

1. To study income inequalities in the rural YSR District.

Methodology: multistage random sampling is adopted. In the first stage the YSR District is divided into three revenue divisions. In the second stage the revenue divisions are divided again into Mandals. In the third stage one mandal is randomly selected from each revenue division. From each Mandal, one revenue village is picked up by lottery, finally household randomly selected from the common list of the householders. In the total sample 30 are SC, 20 are ST, and from remaining 50 samples BC and OC are equally selected as SC population compare to ST is more.

4. Analysis

The level of income is a significant aspect in determining the degree of socioeconomic status of the people. Economic empowerment liberalises the people from the evil social clutches. Income is a catalyst agent to enable the people to break the vicious circle of poverty. In spite of income has a great role in tuning of socioeconomic life of the people it is a dependent factor. The level of income is proportionately function of its generating factors namely employment level and wage rate and assets. We have to study the wage rates in agriculture which modifies Indian rural economics.

Figure No. 01
Comparison of Agricultural and Non-agricultural wage rates
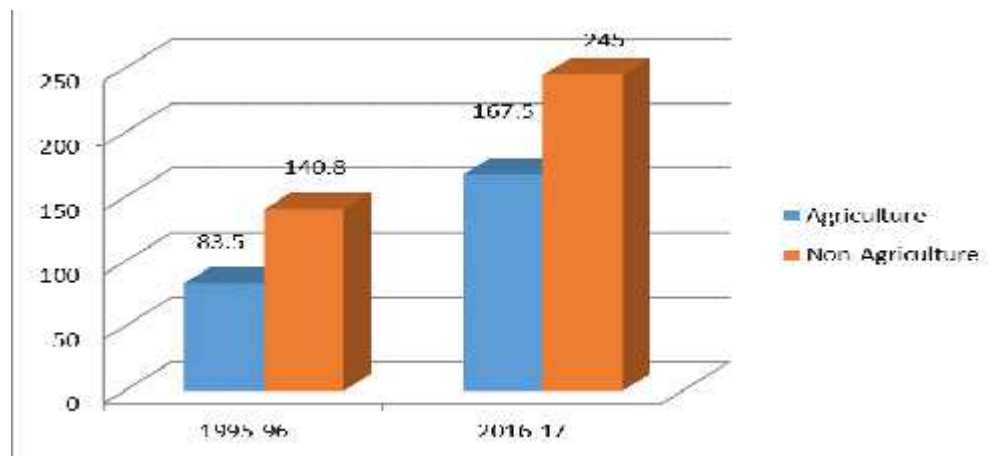

Source: Labour Bureau, GoI

It is very clear from the bar figure that the wage rate in the agricultural sector comparatively lower than that of non-agriculture. Obviously, it is true, but, the growth rate in wage rate of Agriculture is more rather than non-agriculture. The wages in agriculture is increased from Rs.83.50 to 167.50 in the respective year of 1995-96 and 2016-17. It accounts for 100.60 per cent whereas in non-agriculture the wages increased from Rs.140.80to 245.00. It accounts for 74.00 per cent. In the most researchers have narrated that the wage rates of farm culture is supply pull wages rate because due to the implementation of MGNREGS the labour supply has become scarce.

4.1. Wage rates in the sample area:

The following figure ascertains that in the sample area wages are paying on gender base. Hence, obviously wage discrimination is practicing in agriculture sector.

Figure No. 02,Agricultural wage rates in the sample area
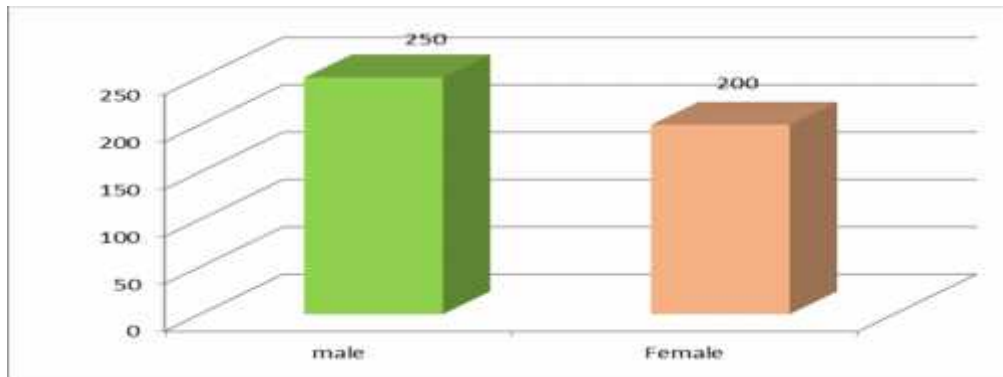
Source: Field data

The figure No.01 ascertains the wage differentiation between Agricultural and Non-Agricultural sectors. But, it could not show wage differentiation within the agricultural sector. The gap is filled by the figure No. 02. The male bar is taller rather than female in the figure which represents the wage rates in the farm sector. It is in quantitative farm, Rs. 250 for male and Rs.200 for female for the same work. The violation of equal pay for equal work is an impetus of gender discrimination. Hence, gender discrimination is also one of the causes for income inequalities.

4.2. Assets

Asset is one of the sources of income. Land is an asset. The income of the rural people is a function of the level of land holdings and land operation. Water, land fertility, seed quality and technology despite influence the rural income, land is the main stay for rural income. The income inequalities will be affected due land holdings of a household. Therefore in this connection a study of land holding should be taken in to account.

Table No.02,Land holdings of the respondents

	category	SC	ST	BC	OC	TOTAL
	Marginal	08	03	06	05	21
	Small	04	02	04	02	13
Dry	Medium	00	00	03	04	07
	Large	00	00	03	04	07
	TOTAL	**12**	**05**	**16**	**15**	**48**
	Marginal	00	00	02	01	03
	Small	00	00	02	03	05
Wet	Medium	00	00	00	03	03
	Large	00	00	01	02	03
	TOTAL	**00**	**00**	**05**	**09**	**14**
	Land less	**18**	**15**	**04**	**01**	**38**
	Grand Total	**30**	**20**	**25**	**25**	**100**

Source: field survey

Research Paper
Impact Factor: 6.462
Peer Reviewed & Indexed Journal
www.ijmsrr.com

IJMSRR
E- ISSN - 2349-6746
ISSN -2349-6738

The land holdings of the respondents are categorized in to with lands and land less. With lands divided again in to dry and wet lands. The table shows 38 per cent of the respondents irrespective of community do not have lands. The remaining 62 per cent just 14 per cent of the respondents are having wet lands and the cultivation of the rest of 48 per cent of sample households depend on monsoons.

In most of the SC respondents it means 60 per cent, are land less, it presided by ST respondents. It accounted for 75 per cent. The residuary percentages 40 and 25 represent dry lands of the respective communities. A significant observation in the table is the majority dry landholders in the two communities are marginal farmers and their representation is extended to small farmers.

In spite of the presentation belongs to BC and OC communities havestretchedto large farmers in both dry and wet regions, the land less farmers are also there, but the presentations are not much. It is 16 per cent in BCs whereas in OCs it is just 4 per cent. The table reveals unequal distribution of land holdings is significant.

5. Result
5. 1. Income inequalities in the sample area
We know the level of income is a function of employment, wage rate and assets. Agriculture is the main stay for rural people as it is the source of employment and income in addition to food security. The table has disclosed the uneven distribution of land scenario in the research area in the district of YSR. Let us see the income levels of the respondents in the following table.

Table No. 03, Income levels of the sample in the selected area

(Units in Rs)

Income levels	Households				
	SC	ST	BC	OC	TOTAL
20000	00	12	00	00	12
30000	08	03	00	00	11
40000	07	00	00	00	07
45000	06	01	03	00	10
46000	00	00	00	02	02
50000	09	00	02	02	13
60000	00	04	00	00	04
70000	00	00	00	03	03
100000	00	00	08	00	08
110000	00	00	00	02	02
120000	00	00	07	00	07
200000	00	00	05	05	10
500000	00	00	00	04	04
800000	00	00	00	04	04
1000000	0	00	00	03	03
TOTAL	30	20	25	25	100

Source: Field data

Income levels of different communities have been shown in the table. In the most of ST householders are getting Rs.20000 and it is the only community under the income level. It represented by12 households, it occupied 60 percentile. There are two communities under Rs.30000 category namely SC and ST. their percentages in the income level are 72.7 and 27.3 respectively. The maximum receiving of

Research Paper
Impact Factor: 6.462
Peer Reviewed & Indexed Journal
www.ijmsrr.com

IJMSRR
E- ISSN - 2349-6746
ISSN -2349-6738

income level in SC community is Rs.50,000 whereas in STs it extended to Rs.60,000. The income of the households of BC community ranges from Rs.45,000 to Rs.20,0000.The majority of the households in the community are receiving Rs.1,00,000. The number of households under the category is 08 and it followed by under the category of Rs.1,20,000 with 07 households then Rs.2,00,000 with 05 respondent. The income level of the households belong to OC community range from Rs.46,000 to Rs.10,00,000.In most of them are getting Rs.2,00,000. The number of households has been found under this income level is 05. There is parallel following the immediate presiding category by Rs.5,00,000 and Rs.8,00,000 with 04.

Table No. 04,The income inequalities among the communities

Sl.No.	Category	per capita income	Average	C,S.D
1	SC	9167	41330	0.169
2	ST	6739	30750	5.149
3	BC	27105	115000	0.43
4	OC	73053	392000	2.765
5	TOTAL	33237	31710	7.57

Source: field data

In general, average income is taken in to consideration for intra and inter-group study of income levels. It may not apt measure for the study as it does not mean every head of the income, but yard stick of per capita income approaches reality. It is true by the empirical data that shown in the table No.04. The average income of every community along with grand total is not that much of lower than the per capita income. The lowest per capita income is found in ST community and it followed by SC with Rs.6739 and Rs. 9167 respectively, but their averages are much higher than the corresponding per capita income. It is found that there is a correlation between per capita income and caste or social strata. The table ascertains that the amount of per capita incomes of BC and OC communities are comparatively higher than that of lower social strata communities. The per capita income of BC and OC communities are Rs.27105 and Rs.73053 gradually. The averages of these communities are found in the same manner. They are much higher than the averages of SC and ST. there room for doubt on the statement. The average income does not take the count of family member what per capita income does while calculating it. One noticeable point in the table is that the per capita income of the total is higher than the average. This is the reverse scenario of the individual communities. This is happened because of huge differentiation of income among the communities.

Gini co-efficient:

Table No.05, Income inequalities-Gini co-efficient

(In Rs.)

Sl.No.	PCI	No. households
1	0	0
2	5000	3
3	5556	2
4	6429	6
5	7500	8
6	10000	9
7	11250	3
8	12000	5
9	15333	2
10	16667	21

Research Paper
Impact Factor: 6.462
Peer Reviewed & Indexed Journal
www.ijmsrr.com

IJMSRR
E- ISSN - 2349-6746
ISSN -2349-6738

11	17500	3
12	30000	12
13	40000	7
14	50000	8
15	125000	4
16	200000	4
17	333333	3
TOTAL	**885568**	**100**

Source: Field data

The per capita income of the respondent's households is shown in the table. It ascertains that in most of the samples' per capita income is Rs.16,667 with 21 respondents and followed by Rs.30,000 by 12 respondents. From Rs.30000 onwards the number of households is gradually declined, except Rs.50000. The number of respondents of Rs.50000 is little bit more than the number of households who are getting Rs.30000. It is ascertained that up to Rs.12000 there are 31 households from that onwards there are 69 households. It is clear from the table that the per capital income ranges from Rs.5000 to Rs.333333.
Income inequalities:

The income inequalities in the sample area are measure by Lorenz curve and Gini index.

Figure No.03,Lorenz curve
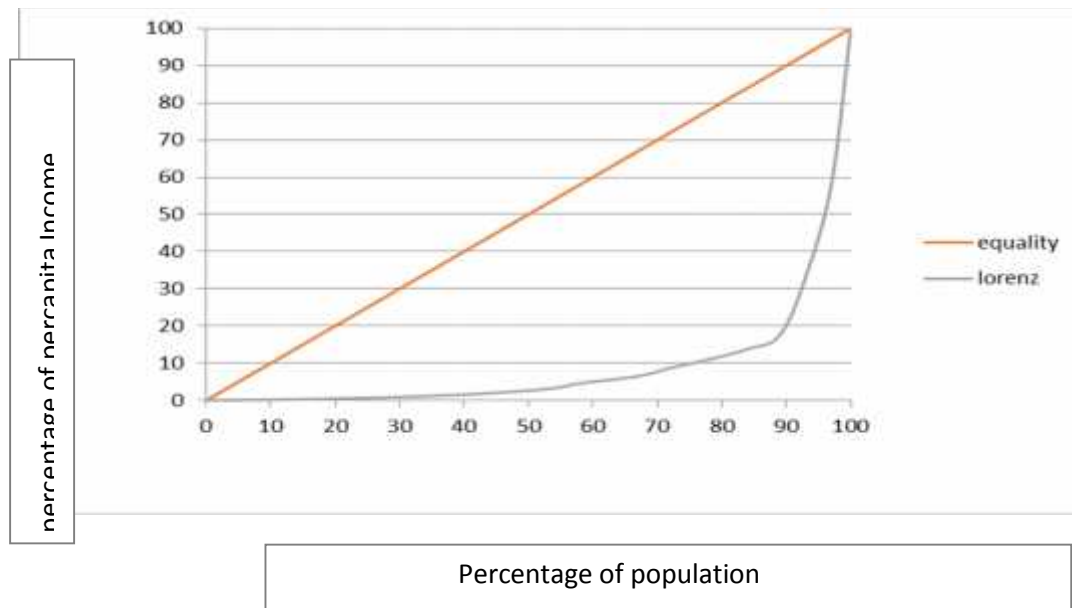
Source: Table No.05

Gini co-efficient $=\dfrac{A}{A+B}$

A= 4104.276
A+B= 5000 (100X100÷2)
Gini co-efficient = 0.820855
In per cent = 82.086.

It is clear that the concept of income inequalities is depicted and measure by Lorenz curve and Gini index with empirical data that shown in the table No.05. The area pertaining between the line of equal that shown in red colour and the Lorenz curve which is in green colour which the area considered as the area "A" is wider than the rest of the area under the line of equal that is area "B". As per the given formula the Gini Index is calculated. The Index value is 0.820855. It can be expressed in percentage. It is 82.086 per cent.

6. Conclusion

A positive change along with social justice is the basic concept of democratic economic development. All kinds of inequalities are nothing but deny of the right of equal opportunities which is guaranteed by the constitution of India, to a section of people in the society or inequality prevailed in any kind of form is a destitution of human dignity and his legal rights and it is a root cause of humiliation.

Agriculture plays a crucial role in achieving democratic economic development in rural India. The sector is a forefront warrior to combat with socio economic evils like poverty, socially degradation etc and to achieve the foremost objectives of the country such as inclusive growth, growth sustainability and food security. Agriculture in spite of plays a significant and catalytic role in the country's economic development unfortunately it is affected frequently due to uncertainty of monsoons, natural calamities etc. the table No.01 portrays the uncertainty in agricultural growth rate. In 2014-15 the growth rate was registered just 1.2 and gradually reaches its heights in 2016-17 with 7.3 growth rate. From that onwards it is declining. The growth rate of the sector fell to 0.9. Of course not only the Indian economy but also entire the world is devastated by the virus covid-19.

The growth rate in other than farm sector is usually more than farm sector. It is in spite of a good indicator for or a sign of development the volatility in farm sector will show adverse impact on socioeconomic life of the people. It is not a favorable condition to achieve democratic economic development which is foremost pre determinant of democratic country like India.

It is found in the study that the income inequalities have been found in the sample area in YSR District due to differentiation in source of income such as wage rates, assets etc. it is arrived at the wage rates in agricultural sector are comparatively lower than non-agricultural sector. The practice of gender differentiation is a common phenomenon in wage rates particularly in agriculture. The wage rates for male and female workers in the farm sector in the sample area are Rs.250 and Rs.200 gradually.

It is noticed during the survey that the per capita income of downtrodden communities comparatively lower than the people of socially upper stratum. It is observed that the differentiation of per capita income is significant in the sample area. The lowest per capita income is registered in ST community. It accounted for Rs.6739 and it followed by SC community with Rs.9167. the average incomes of the two communities are found as in the same manner. The co-efficient of standard deviation (C.S.D) of per capita incomeof SC community is low but the average per capita income of the community is also low and its average and C.S.D are comparatively lower than BC and OC communities. It is identified that C.S.D of SC, ST, BC and OC 0.169, 5.149, 0.43 and 2.765 and average incomes of these communities are Rs.41330, Rs.30750, Rs.115000 and Rs.392000 respectively. A noteworthy that belongs to income inequalities as a whole that the average income as a whole is Rs.31710, but its co-efficient of standard deviation is 7.57. The co-efficient of S.D. regarding the total per capita income is witnessing that there is a lot of income inequalities in the rural YSR District. The value of Gini Index that is 0.820855, in percentage 82.855rounded to 82.086 is reinforced the conclusion.

Reference

1. VibhaSood (1997) "Socio-economic inequalities among Gaddi households in Himachal Pradesh: A case study of Kangra District." Himachal Pradesh University, Shimba.
2. Bimla Devi Varma(1989) "A Socio-Economic Study of economically weaker sections in Himachal Pradesh: A Case Study of Bilaspur District, Himachal Pradesh." Himachal Pradesh University, Shimba.
3. Prem Kumar Gupta(2002) "Economic inequalities among the Tribal in Himachal Pradesh: A Case study of Chambla District," Himachal Pradesh University, Shimba.