

Poverty and Inequality in Odisha

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Abstract: Poverty and inequality are two inter twine socioeconomic challenges that have persisted in state of Odisha in eastern India. It grapples with high level of poverty and inequality despite its rich cultural heritage and vast natural resources. The majority of Odisha's population resides in rural areas, where agriculture is a primary source of livelihood. Vulnerabilities to climate change, natural disasters and low agricultural productivity have contributed to the persistence of poverty. On the other hand the state inequalities can be seen in number of way such as difference in income, gender and geographical distribution. With a significant portion of the population living in below poverty line and it contributes to severe inequalities in the income. Women's ability to become economically independent and advance in society is constrained by gender- based disparities that found in area like education and work force engagement. The socio economic indices in coastal district in Odisha are better than those in inland and tribally control areas, illustrating the substantial regional differences. Many poverty alleviation programs and schemes have been launched but despite that poverty and inequality existed in the state. To address these, it is essential to have a holistic approach that combines economic development with social safety nets, education, health care and environmental sustainability. It also requires strong governance, transparency and accountability to ensure those who need most.

Keywords: poverty, inequality, disparity, livelihood, socio-economic

1. Introduction

The state Odisha is arranged in the eastern district of the Nation and is having high regular asset base. It has a gigantic beach front belt, high woodland cover and tremendous a mineral saves alongside great climatic and ripe land. Based on climate, soil, rainfall and cropping pattern, it has been divided into 10 major agro climatic zones which are North Eastern Plateau, North Central Plateau, North Eastern Coastal Plain, North East and South Eastern Coastal Plain, Noth Eastern Ghat, Eastern Ghat High Land, South Eastern Ghat, Western Undulating Zones, Western Central Table Land and Mid Central table Land. It produces a wide variety of commodities such as paddy, mango, vegetables, jute and poultry. Even though paddy is the most cultivated crop with share of almost 48% in gross copped area, farming

in the state has diversified towards agriculture and livestock. The total cultivated land of the state is 61.80lakh ha out of which 29.14lakh ha is high land, 17.55lakh ha medium land and 15.11lakh ha low land and about 65% of cultivated land in kharif season is irrigated. Majority of the farmers are small and marginal and have limited access to resources. Literacy too is a concern for this vulnerable group farming community. However, the frequent occurrence of extreme natural calamities like flood, cyclone, and drought is major constraints that agriculture in the state faces. In 2019, a devastating cyclone storm "FANI" cause large scale destruction in the state livelihood. In 12 Districts and 89 Blocks, about 1.43 lakh hectares of agriculture crops and 2638 hectares crops have sustained crops loss of more than 33% due to cyclonic storms and heavy rain (OSDMA, 2019).

Sl. No.	Name of the affected Dist.	No. of Blocks affected	Total Agricultural area affected (in ha)	Total area where crop loss more than 33% (in ha)
1	Puri	11	60339	51379
2	Khurdha	10	12385	10743
3	Cuttack	14	15868	13469
4	Jagatsinghpur	8	31959	23020
5	Jajpur	10	23961	23961
6	Balasore	6	17775	7743
7	Bhadrak	5	5907	4451
8	Mayurbhanj	3	62.4	62.4
9	Ganjam	1	15	15
10	Kendrapara	9	11060	6570.5
11	Nayagarh	7	317	182
12	Dhenkanal	5	2063	1778
Total		89	181711.4	143373.9

The state's population in 2011 was 41.9 million which has been projected to have grown to 44.7 million in 2023 accounting for about 3.47% of India's population. Around 83% of this population lives in rural area as compared to national average. Moreover around 62% of the total workforce consists of agricultural workers as compared to the national average of 55% (Census 2011). In the midst of the bounty the state has been thought of as one of the

retrogressive locales among the states and is having the second most noteworthy rate of destitution among the provinces of India after Bihar. According to the most recent 2011-12 Public Example Review Association (NSSO) overview, around 33% of Odisha's populace is poor in correlations with 22% on account of All India. To evaluation 2011, 23% of the state's populace has a place with Booked Clan and 16% has a place with the Planned Rank comprising

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40% of the all out populace of the state. Destitution in Odisha stays bound to Southern and Northern locales where the SC-ST populace rate is higher. The fundamental control of the rustic populace is farming. Over 60% of the state's provincial populace relies upon the Agribusiness area for their work.

In addition to the rural economy, it is high dependency on agriculture for the employment but it also amongst the poorest in the nation. After Chhattisgarh 45%, Jharkhand 41%, Arunachal Pradesh 39% and Manipur 39%, it is in fifth in term of the rural poverty. Approximately 36% of the people living in rural areas are impoverished whereas the national average is 26%. Furthermore, in comparison to the national average Rs. 39, 904 is the state per capita income in 2013-14 was just Rs. 24, 928. It was also marginally higher than that of Manipur, Assam, Uttar Pradesh and Bihar.

The poverty and inequality disparity found in the context of gender and caste also. In the Hindu society caste division into four different category who constitute 80% of India's population. While they are mutually exclusive caste groups, membership of which is determined entirely by birth. Very broadly it can think that the Brahmins who traditionally priest and teacher and represent the highest caste. Kshatriyas are traditionally warrior and ruler. Vaisyas are traditionally money lenders and traders and they treated as high caste people in society. The Sudras are traditionally performing the menial job. They are treated as untouchable in the sense of physical contact with them, most usually the acceptance of water or food is polluting or unclean. In response to the burden of social stigma and economic backwardness most of the people have converted to Buddhism or Christianity. While socially alienated people are not allow to do such type of earning activity so that they are bound to do their traditional job and inequality is the roots of the caste base division.

2. Review of Literature

- A Survey of Recent Trends (Himansu, 2011) provides a comprehensive analysis of inequality trends in India. He discussed the role of economic reforms, changes in the labor market and policy implication for addressing inequality.

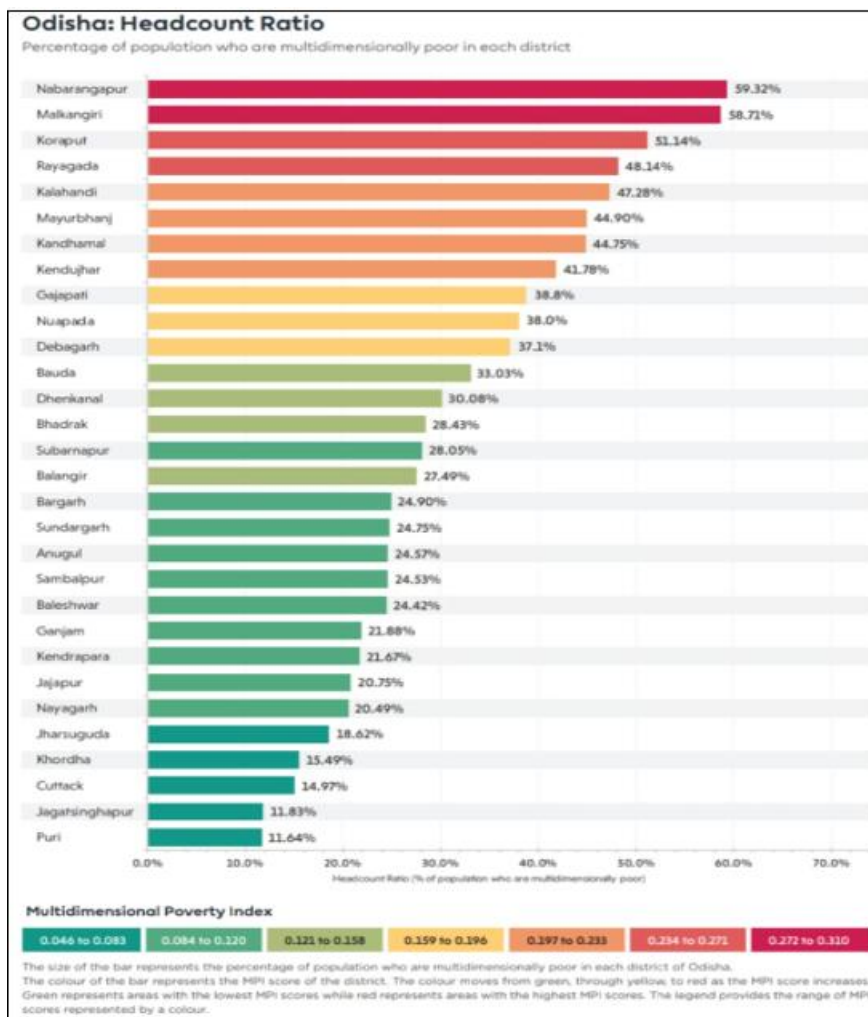
- Caste, Inequality and Poverty in India (Abhijit V. Banarjee and Esther Duflo, 2011) examined the persistence of caste-based inequalities in India and its impact on poverty. They discussed the need for target policies to address social disparities.
- India's Distorted Sex Ratio: Dire Consequences for the Country's Women (Amartya Sen, 2013) pointed out the consequences of gender-based inequality in India, particularly the imbalanced sex ratio and its implications for women's well-being and social dynamics.
- Economic Growth, Poverty and Inequality in Indian States in the Pre-Reform and Reform Periods (S. Subramanian, 2011) analyzed the relationship between economic growth, poverty and inequality in Indian states during both pre reform and reform periods shedding lights regional variations.
- Caste Discrimination and Social Justice in Lived Reality: A study of manual scavengers in Delhi (Sukhdeo Thorat, 2012) explored the experiences of manual scavengers in Delhi highlighting the persisting caste based discrimination and its implication for social justice and poverty.

3. Methodology

The information for the present research has been collected from the secondary data source. The secondary data have been collected from Government's record, website, newspaper and various articles from journals. The data have been gathered such as National Sample Survey Report, Multidivisional Poverty Index and Census Data to analysis.

4. Result and Discussion

There is evidence that the ancestors of Odisha were involved in trade with Sumatra and Java. However, the situation has deteriorated in the modern era, leading to widespread poverty. In the past feudalism dominated society in Odisha. Poverty was also a result of the exploitation of people by feudal lords and landlords. In addition, the expansion of poverty has been facilitated by the abuse of colonial authority. Living more resources with small amount of people has caused many peasants and member of working class to become landless which made the situation worse.



1) Poverty Status in Odisha:

Odisha is one of the five states in the country that lagged the sharpest drop in multidimensional poverty in the last five years (NITI Aayog -July, 2023). 13.65% declined in the proportion of multidimensional poor from 29.34% in 2001-16 to 15.68% in 2019-21 shows the progress of the eastern state in overall poverty reduction and in terms of broader aspect like health, education and standard of living. The achievement in poverty reduction in rural pocket has been consistent with the state average. Somehow the state has improved sustainability in parameters like sanitation, electricity and child and adolescent mortality indicators like nutrition, maternal health, housing and drinking water where there has been slightly progress. The MPI also focused in the tribal and conventionally backward districts of the state where multidimensional poverty remains relatively high. In Malkangiri District 45% of the people are in the multidimensional poverty bracket. Same as Nabarangpur, Mayurbhanj, Rayagada and Koraput continue to over 30%

of their population in the poverty bracket. Nabarangpur District is one of the most socio-economically backward district clock a25.87% declines but the proportion of the poor still around 33.45%. According to the report 45.1% Malkangiri district has the highest number of poor in the state while Puri 3.29% has the lowest.

2) Climate Change, Regional Disparity and Poverty:

The state has diversified geographical regions regarding climatic condition, demographical characteristics and occupational distribution. The coastal regions are well irrigated and having good climatic and soil condition. The northern regions are dominated by mining activities and extraction of mineral has taken place in these regions. The southern regions are hilly and tribal regions. It's having the highest percentage of poor followed by northern and coastal. The rural poverty in coastal region is one fifth of southern and one third of the northern region (2011).

Region/Yr	2004-04			2009-10			2011-12		
	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total
Coastal	41.75	35.38	40.75	25.16	18.08	23.95	21.60	06.90	19.00
Northern	70.73	36.29	64.98	41.66	29.26	39.78	39.97	19.13	36.74
Southern	73.44	44.61	71.00	52.35	37.08	50.80	48.00	35.60	46.61
Total	60.91	37.52	57.71	39.15	25.91	37.26	35.70	17.20	33.00

Source: NSSO data

3) Agriculture and Poverty:

According to the census of India (2011), the 80% of the state population lives in rural area and the majority of the people rely heavily on agriculture for living. As a result agriculture account for a large portion of the country's economy, although the agriculture sector lacks infrastructure development. The majority of the rural people in the state those who are working primarily as agriculture, which is not supported by scientific management and does not guarantee a standard level of output. As a result, the majority's economic situation is not improving. The majority of peasants are poor and landless. Therefore there is not enough money to invest in agriculture. The lack of education and access to modern technology has left rural residents largely ignorant of profitable agricultural practices. Fertilizer, seed and other essential supplies are also lacking in the state. One of the main issues is irrigation in the agriculture field. Despite the state's abundance of water resources, more than half of the land lacks irrigation capabilities. The storage facility is the second most crucial factor. Farmers are occasionally compelled to sell their produce for a cheap price as a result of this issue. The aforementioned conditions have all benefited the middleman and prevented farmers from receiving a fair price for their goods.

4) Gender, Caste and Poverty:

The impoverished are kept out of the market by widespread economic uncertainty brought about by significant changes in commerce, finance and technology. The state severely undernourished rural population as a result of limited access to livelihood opportunities. Malnutrition and deficiencies affect 48% of rural women in Odisha, the percentage is higher for Scheduled Caste and illiterate women. Moreover, the tribal areas have been impacted by rapid modernization. In Odisha, issues pertaining to their rehabilitation, education, electricity, drinking water and general sustainable life are still unaddressed. It was observed that the Government appears to be committing maximum happiness but to the smallest number of people in the name of Odisha's wellbeing.

5) Significant Factors of Poverty:

There are many significant factors that contribute to poverty in Odisha. These are as follows:

- **Unemployment:** Poverty is reflected in unemployment which is the primary cause of Odisha' rising poverty. People are either under employed or remain unemployed as a result of a lack of opportunities. Most of these individuals are from vulnerable groups such as rural marginal farmers.
- **Gender Inequality:** According to analysis, there is a greater poverty rate among employed women in India than among employed males, primarily due to income pulling. Women get paid less for doing the same labour, especially in the unorganized sector which leaves them economically vulnerable. Gender based barriers prevent women from working in numerous sectors.
- **Lack of Education:** With a 72.9% literacy rate, Odisha is ranked 25th out of all states in India. In Odisha, there are 2.67 crore literate people, of whom 2.13 crore are only found in rural region (census, 2011). Further it is found that the literacy rate is lower than the national average. Education serves as a vehicle for social

progress and equality because they must work to support themselves; impoverished people find it difficult or impossible to attend the school and must instead return to their livelihood.

- **Social Norms:** The people of Odisha strongly adhere to the Varnashrama dharma, which means that a vaisya can only earn bread through commerce and a sudra can't be a trader. Their occupation is determined by the place of their birth.
- **Modernization:** Despite having an abundance of natural resources, Odisha lags far behind in term of industrialization. Numerous minerals including chromites, bauxite and iron ore are abundant in this area. Even if the state is able to create a large scale companies, its profit are not very high and do not meet the needs of its citizens in terms of welfare. The state has neglected its small scale village industry which has led to an increase in the rate of poverty and inequality in the society. Many traditional occupations such as art and craft have become less relevant due to the modernization. This has made the situation even worse.
- **Climate Change:** Another factor contributing to the Odisha's poverty is cyclone and other natural calamities. In Odisha agriculture is the mostly reliant on rainfall. Drastic whether can occasionally result in drought while strong rain fall sometimes ruin the crops. Poverty in Odisha has also been caused by these natural disasters. As a result the challenges posed by the environment and climate have a significant influence on state's growth.

5. Suggestion and Recommendation

As a result large scale industries are growing and crating the job opportunities and spurring significant development in Odisha. Undoubtedly the government's move is positive but it also needs to consider cottage, small and medium industries that might not negatively impact the environment. Displace people used locally produced goods or create job for local tribes without creating any tension during rehabilitation. When rural populations are uprooted from their ancestral lands and livelihoods due to industrialization and mining, more focus needs to be placed on agricultural and related industries, environmental degradation, forestry and the preservation of rural livelihoods. Instead of destroying their way of life at the expense of industrialization, step must be taken to improve it. Sustainable, inclusive and broad based growth must be prioritized while bringing wealthy corporations to the state. One of the key are of the rural development that must be considered when thinking about rural Odisha is mobilizing and empowering the rural poor through improving their skills, proving vocational training and building infrastructure. One of the most important democratic values, equality is not politically or economically protected in rural Odisha. While political interaction, large scale welfare and enormous productive potential of the modern state have expanded, some people are found to be more profitable than others in the socio economic domain. A large socio economic gap between the rich and the poor should be counter balance by rising public awareness of various government agencies, initiative and policies. Moreover due to the lack of infrastructure and other basic facilities in the

rural areas, the extent of poverty in rural household is more than the metropolitan ones. So there is need to be look after all the circumstances to be well evaluated by the personnel to achieve the objectives of the schemes and programmes.

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6. Conclusion

In order to bring about changes in the present context, it is necessary to analyze the situation and devise effective measures to be end poverty on the needs of the populace. Despite making up a sizable fraction of Odisha's population, women, scheduled caste and scheduled tribes are marginalized in the society at large. The entire component of the system need to be encouraged to grow in order to brought them out of the circumstances. In addition few individual are aware of policies and program aimed at reducing poverty. So necessary action need to be taken to rich the people. Means of livelihood, proper education and skill development must be given to the people. Small scale industries must be promoted by the government and people must be inclined to various development processes. Moreover measures need to be taken to make agriculture more productive and profitable. So that poverty and inequality must be balance in the society.

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