



RAJEEV  
MALHOTRA

# India Public Policy Report 2014

tackling poverty, hunger and malnutrition



O.P. Jindal Global University  
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# India Public Policy Report 2014

## Tackling Poverty, Hunger and Malnutrition

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As the Indian policymakers prepare to meet the policy challenges of a globalised economy, on one hand, and the needs of a rapid structural transformation in the domestic economy, on the other hand, it is imperative to strengthen the capacity for policymaking and its assessment at the national and sub-national levels in the country. India Public Policy Report (IPPR), a first of its kind report, responds to that need by creating an independent platform for bringing together state-of-the-art policy research and analysis on issues of policy relevance to India. In the process, it seeks to contribute to policy advocacy and improving public policy effectiveness in the country.

### IPPR Objectives

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The IPPR aims at: (a) strengthening a culture of evidence-based policymaking anchored in rigorous research; (b) evolving a credible methodology for periodic assessment and analysis of public policy options, choices exercised and performance at state level with a view to improve policy outcomes and their developmental impact; (c) anticipating and flagging thematic issues that have a bearing on the short to medium-term development prospects of the country, in the process help raise the level of public debates to inform the required policy response; (d) highlighting best practices and institutional capacity constraints in

translating policies into desired social outcomes; and (e) supporting the evolution of public policy as a multi-disciplinary subject in the country. In meeting these objectives the IPPR and its sequels seek to reach out to the policymaking machinery in the country, including the legislature and the executive (line ministries), the civil society, academic community and the media, to help it support informed debates on issues of topical policy relevance. The thematic focus of IPPR 2014 is poverty, hunger and malnutrition.

### Policy Effectiveness for Human Wellbeing

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The first half of the IPPR provides an assessment of policy effectiveness at state level in India. A methodology using quantitative data and graphical tools has been outlined to track trends in policy effectiveness at state level. The notion of policy effectiveness adopted in the report, while anchored in an aspirational notion of human wellbeing, accounts for the outcomes of the development process currently underway. The Policy Effectiveness Index (PEI) presented in the IPPR is a multidimensional and a multi-indicator measure, which is a composite of four component indices, namely:

- Livelihood Opportunity Index;
- Social Opportunity Index;
- Rule of Law Index; and
- Physical Infrastructure Development Index.

The component indices reflect human wellbeing from being able to enjoy: livelihood opportunities; a socially meaningful life; security of life and rule of law; and amenities for a sustained improvement in living standards. The nature of public goods provisioning that supports outcomes associated with each of these wellbeing dimensions provides the indicators going into the different indices. Progress in indicators capturing the different wellbeing dimensions anchoring the measure is related to the corresponding

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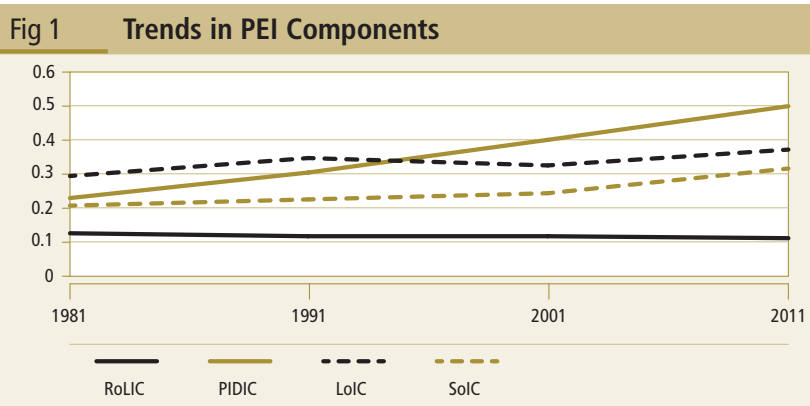
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policy action(s) to infer the effectiveness of those policies. The indices have been estimated for four points of time over the period 1981 to 2011 at state level for India (Table 1).

The analysis of PEI provides evidence for some of the commonly held views on India's development process and its outcomes. It also throws up some results that are contrary to prevalent understanding of this process and its results. Thus, for instance, at the all India level there is a gradual, but only a marginal, improvement in the policy effectiveness index over 1981-2011. It is being compromised by a near stagnancy in expansion of livelihood opportunities and deterioration in law and order and justice dispensation environment in the country. While there is a significant improvement since 2001 in physical infrastructure development and social



opportunities, as reflected in a pick-up in the performance of the respective indices, there is a long way to go (Figure 1). The analysis at the state level is very instructive for bringing about policy correctives to address the chronic and, in some cases, the widening development gaps in order to improve human wellbeing.

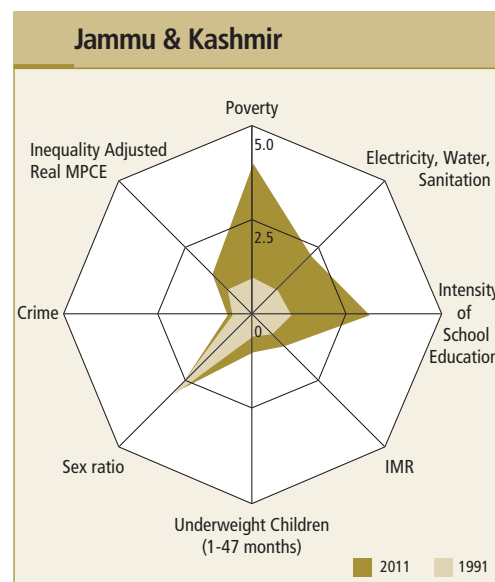
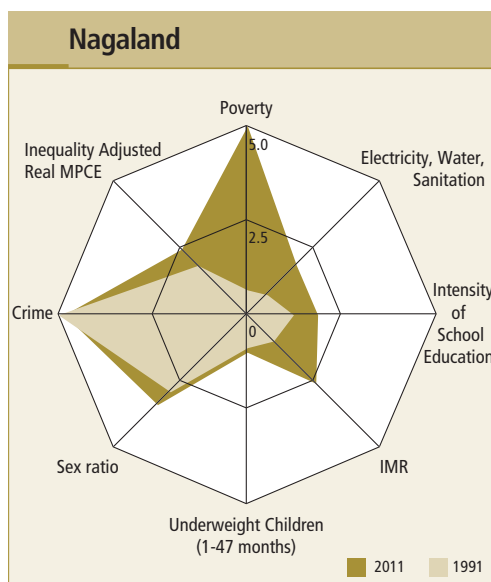
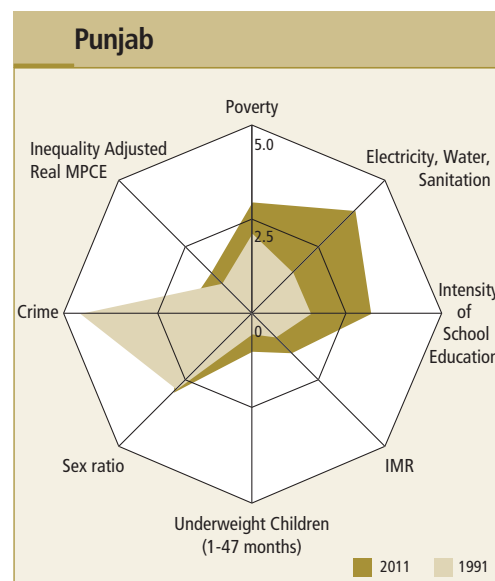
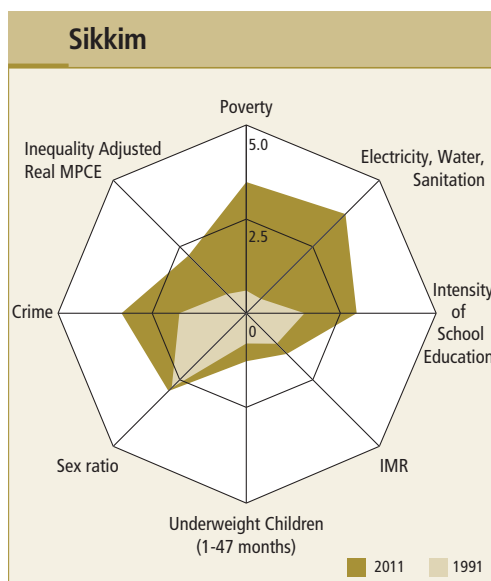
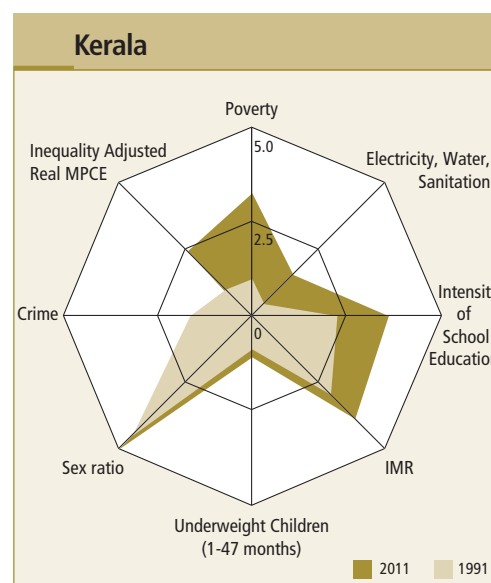
**Table 1 State Level Performance on Policy Effectiveness Index**

Rank	1981	1991	2001	2011
1	Delhi	Punjab	Sikkim	Sikkim
2	Punjab	Sikkim	Mizoram	Mizoram
3	Manipur	Nagaland	Delhi	Goa
4	Nagaland	Delhi	Meghalaya	Punjab
5	Goa	Mizoram	Goa	Delhi
6	Meghalaya	Meghalaya	Punjab	Meghalaya
7	Gujarat	Manipur	Nagaland	Nagaland
8	Haryana	Himachal Pradesh	Manipur	Himachal Pradesh
9	Himachal Pradesh	Haryana	Jammu & Kashmir	Jammu & Kashmir
10	Sikkim	Goa	Arunachal Pradesh	Arunachal Pradesh
11	Mizoram	Jammu & Kashmir	Gujarat	Karnataka
12	Karnataka	Tripura	Himachal Pradesh	Haryana
13	Maharashtra	Gujarat	Karnataka	Manipur
14	Tamil Nadu	Maharashtra	Haryana	Maharashtra
15	Tripura	Arunachal Pradesh	Tripura	Tamil Nadu
16	West Bengal	Kerala	Maharashtra	Gujarat
17	Uttar Pradesh	West Bengal	Tamil Nadu	Tripura
18	Kerala	Karnataka	Uttar Pradesh	Rajasthan
19	Arunachal Pradesh	Rajasthan	Rajasthan	Andhra Pradesh
20	Jammu & Kashmir	Tamil Nadu	Kerala	Uttar Pradesh
21	Madhya Pradesh	Uttar Pradesh	Andhra Pradesh	Kerala
22	Rajasthan	Andhra Pradesh	West Bengal	West Bengal
23	Andhra Pradesh	Bihar	Assam	Assam
24	Assam	Assam	Madhya Pradesh	Madhya Pradesh
25	Bihar	Madhya Pradesh	Odisha	Bihar
26	Odisha	Odisha	Bihar	Odisha

**Note** Chhattisgarh, Jharkhand and Uttarakhand and the union territories are not included in this table.

## Development Radars – Select States

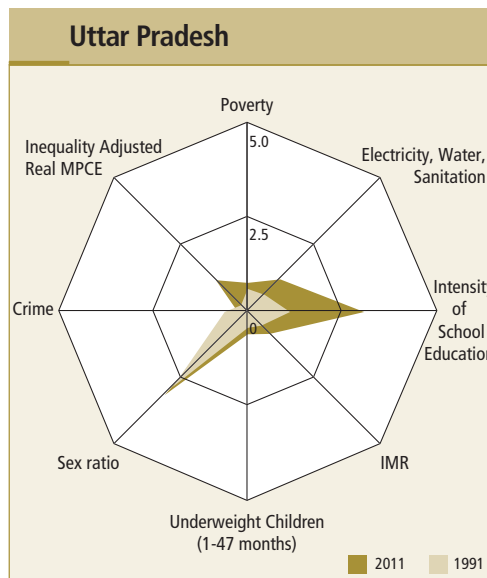
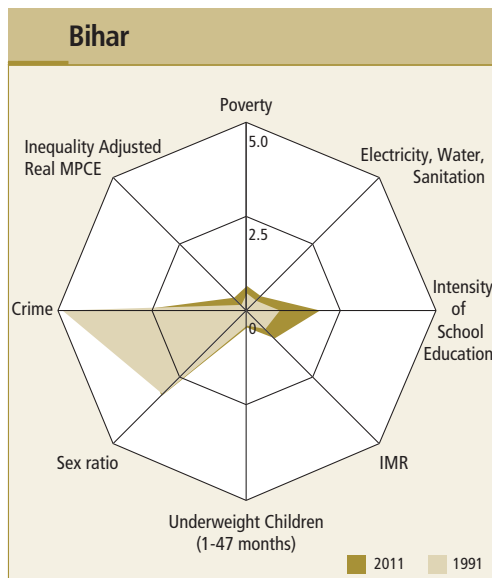
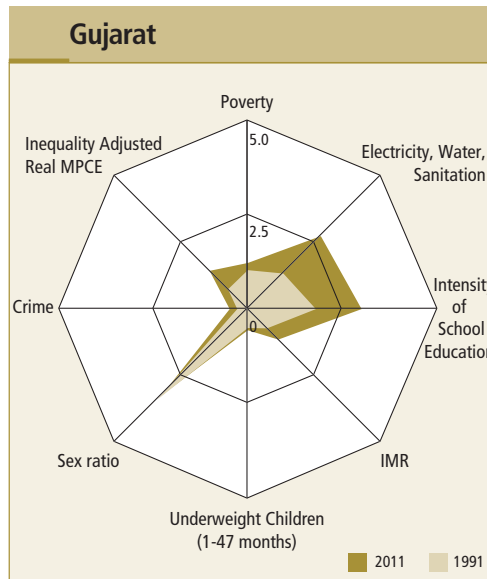
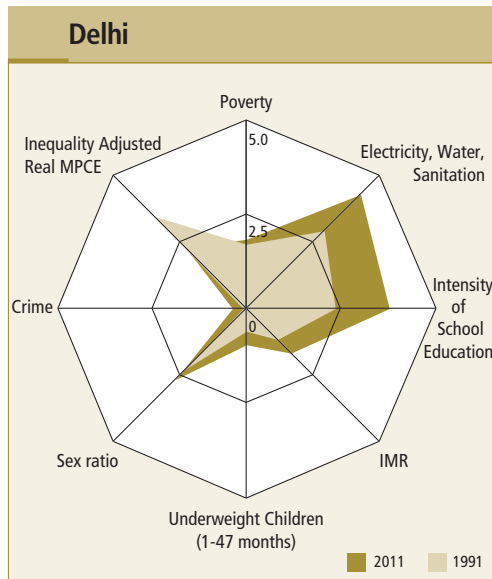
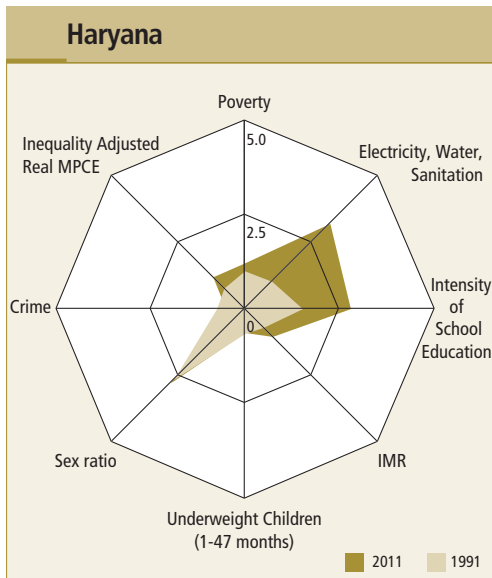
The IPPR uses development radars as a means to present a snapshot view of the development profile of states. It is a diagrammatic representation of performance of states on some identified indicators, depicting valued social attainments, presented together to reveal the overall development in the state at two points of time, early 1990s and for the years around 2011. At one go it reflects the level of attainment or outcomes on the identified indicator at the state level, collectively the structure and balance of various social attainments in that state, the pace of progress in attainments at two points of time and the gaps relative to predetermined norms on desired attainments that remain to be bridged. The development radars for a sample cross-section of states are presented here to show the changes in different social attainments over the last two decades.



## The Challenge of Poverty Eradication

Over the past decades there has been a decline in the poverty incidence at the national level and in most states in India on most methodologies put forth for estimating the poor. However, the magnitude of poverty continues to be unacceptably high on any count. India has the largest number of poor among all countries and it is home to one-fourth of the world's poor.

India's poverty is getting increasingly concentrated in a few geographical areas (undivided Uttar Pradesh, Madhya Pradesh and Bihar and in Odisha), and among specific social groups, including the scheduled tribes, scheduled castes (in both rural and urban areas), Muslims in urban areas and Christians in rural areas (mainly Odisha), asset-less labour and women. There is evidence to suggest that inter-personal, rural-urban and across-state inequalities in per capita consumption and in some socially valued human development outcomes have increased in recent years,



though not uniformly. Urban poverty is becoming more widespread than rural poverty and is likely to grow further as the pace of urbanisation picks up in the coming decades (Figure 2). Further, there is tendency for income inequalities to rise, especially in urban areas, which has to be checked so that growth can effectively support a rapid reduction in poverty incidence in the country.

Overcoming poverty requires a context specific multi-pronged strategy that has as its pillars: a basic needs approach, a human rights entitlement approach, a natural resource management approach and a focus on economic growth and reforms for poverty alleviation. These four pillars of the poverty alleviation strategy between them provide a policy framework for a time-bound eradication of poverty. Over the past decades elements that comprise this strategy have been seen to be instrumental in making significant gains in overcoming poverty and deprivation in large parts of the country. Success has been more visible in those states where besides tailoring the strategy to respond to the local context,

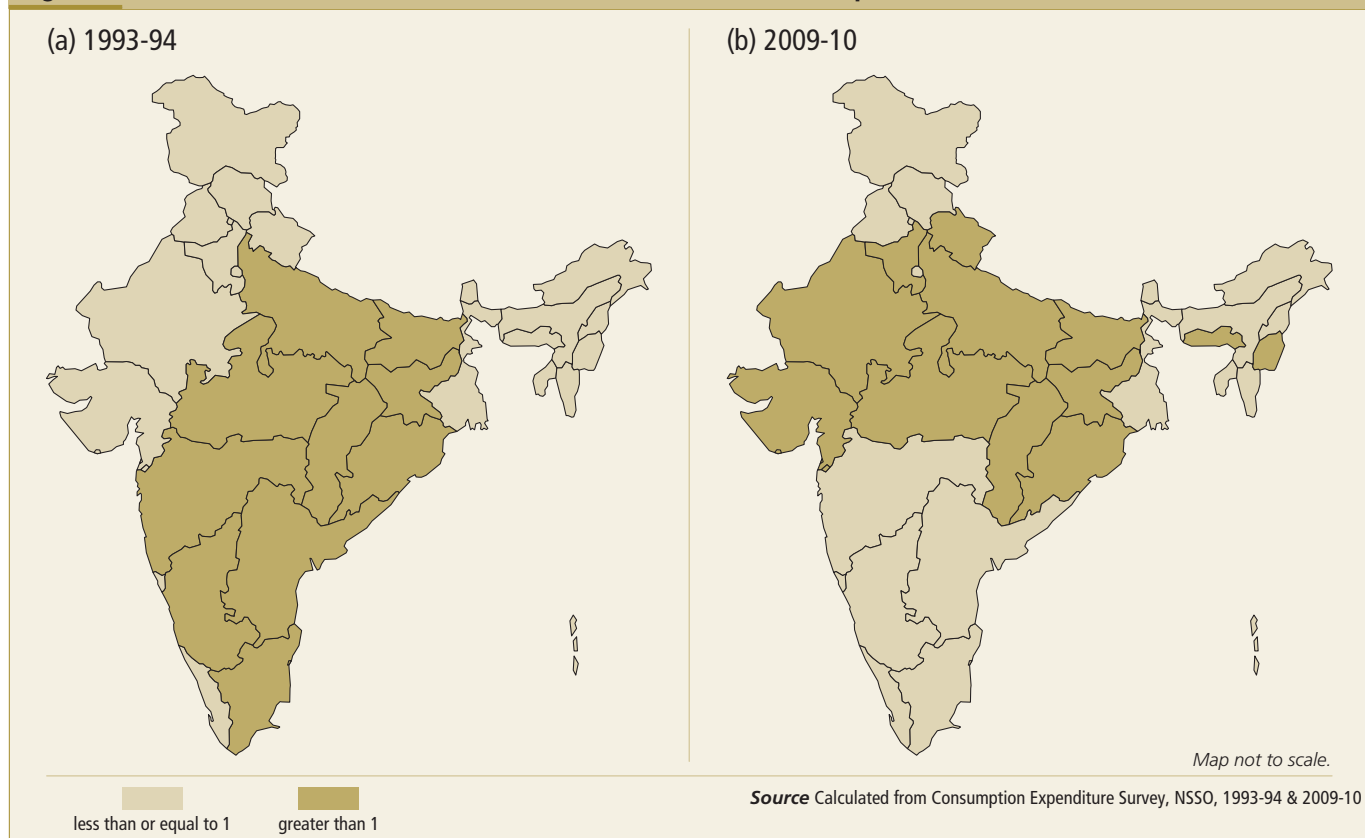
an 'X-factor' of sensitive governance and leadership involving the administrative machinery of the programme, including the Panchayati Raj Institutions, as well as the civil society, have played a vital role. The IPPR 2014 outlines the contours of each of these strategic pillars of the overall poverty alleviation approach and analyses the extant public interventions for their impact and possible correctives.

## India's Hunger and Malnutrition

In the popular public discourse in India, there is, to some extent, a lack of clarity about the notion of hunger, malnutrition, and poverty that underpins the official data categorizing the people in one or the other of those categories. While there is some overlap in the concepts, they are indeed different and require a distinct policy focus.

The incidence of food inadequacy or undernourishment in India is low, much

**Fig 2 Ratio of State's Share in India's Poor to Share in India's Population (Urban)**

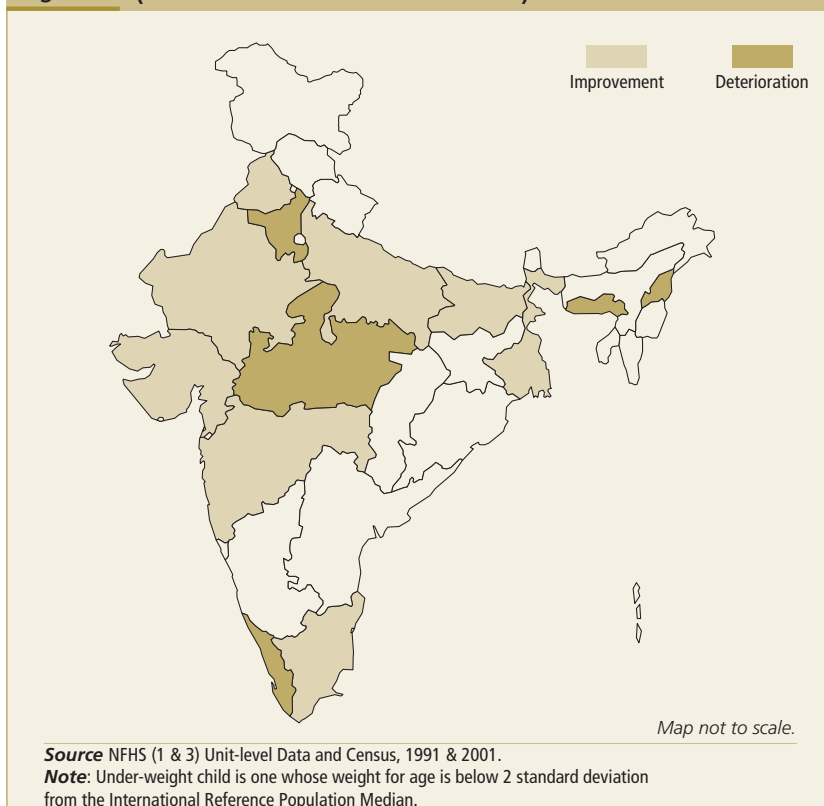


lower than the incidence of poverty. However, it does not take into account the issue of malnutrition or, the absorption capacity of an individual (for both macro and micronutrients), which is vital for a healthy and productive life. Even though there is improvement in food adequacy over the years, nutritional improvement is not commensurate, in fact, there is deterioration in some regions. Over time inadequate food intake and a poor diet, especially in combination with low birth weights and high rates of infection can result in stunted and underweight children, making it necessary to track both anthropometric measures and mortality indicators for assessing undernourishment and malnourishment in the population. The comparable relevant anthropometric measures and mortality indicators at state level in India paint a dismal picture since 1990s (Figure 3). Yet, post-2006 data from the revamped Integrated Child Development Programme shows encouraging results for some states.

Policies to tackle hunger need dovetailing of the longer-term perspective, in the form of empowering of the poor and improving their entitlements through investment in human capital, with the social protection measures that address the immediate needs of the hungry and the malnourished. Access to a diverse food basket alone may not overcome malnutrition significantly. There is scope for well implemented government programmes so that access to sanitation, potable water and health facilities, in a

timely manner, helps in the consolidation of the gains from improved entitlements to food and nourishment. In India, virtually all public programmes at the central and state level have some elements of poverty and hunger eradication. Synergy and convergence between different programmes at the grassroots level can ensure a more holistic and a result driven approach to eradication of hunger on a sustainable basis. In regions where there is a large burden of hunger, the focus has to be on involving the local community in service delivery and oversight. IPPR 2014 proposes a model at the local level where the political interest itself becomes the vehicle to bring about an administrative convergence across splintered and thinly-spread programmes across different sectors, but broadly with similar objectives and the targeted population.

**Fig 3** Change in Incidence of Underweight Children (Between 1993-94 and 2004-05)



### Team IPPR and Jindal School of Government and Public Policy

**Rajeev Malhotra**, author, is a development economist and a civil servant with over two decades of experience of working on development policy issues. He was Economic Adviser to the former Union Finance Minister of India and has earlier worked at the Planning Commission of India and the United Nation's office in Geneva. He has published widely on issues relating to poverty estimation, human development, human rights indicators and the Indian economy.

**Partha Saha**, Assistant Professor, and Research Coordinator.

**Geetika Rathee**, Senior Research Fellow.



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## India Public Policy Report 2014

'India is going through a tremendous structural transformation that is changing its economic, political and social dynamics. The ... controls on initiative and entrepreneurship ... [are] getting replaced by the restless energy and the rising expectations of India's youth and business. There is mobilisation of people on issues that affect the society at large. ...

India cannot afford to miss this huge opportunity that its youthful population presents, even to swim against the tide and join the ranks of developed nations in the not-too-distant future.'

*India Public Policy Report (IPPR)* is aimed at helping create an independent platform for bringing together research on topical issues of policy relevance for India. The report:

- focuses on strengthening a culture of evidence-based policymaking anchored in rigorous research;
- presents a framework for objective assessment of policy effectiveness, particularly for use in developing countries; and
- presents a methodology for periodic assessment and analysis of public policy options, choices exercised and performance at state level in India, with a view to improve policy outcomes and their developmental impact.

Poverty, hunger and malnutrition – the three development issues that have been serious concerns in the context of the country – constitute the theme for *IPPR 2014*. The report reflects on policy advocacy needs and contributes towards improving public policymaking and its implementation process in the country.

### About the Author

**Rajeev Malhotra**, author and Chief Editor of *India Public Policy Report*, is Professor and Executive Director, Centre for Development and Finance, at the Jindal School of Government and Public Policy, O.P. Jindal Global University, Sonapat, Haryana, India.

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