NOTE

Fixing BPL Trademark

Bharat Jhunjhunwala writes :

Confusion prevails on criteria to be used for correctly identifying the poor. Family expenditure of less than Rs 11,000 per year was the basis of inclusion in Below Poverty Line (BPL) list in the 1992 survey. But it was difficult to correctly assess the income of nearly 25 crore households. Classification became dependent on the whims of the enumerators.

The system was modified in 1997. A list of 'excluded' households was made such as those having a car. The income of remaining households was assessed as previously. This system was an improvement. Certain rich were excluded. But dependence on the Government's policy direction and enumerator's whims continued.

An entirely different system was introduced in 2002. Assessment of incomes of the households was done away with. Instead 13 criteria were made such as maximum level of education in the household. Each criterion was given certain marks and added up. Households were classified on the basis of total number of marks obtained. The whims of the enumerators was somewhat reduced. But criticism continued. A study by Foundation of Agrarian Studies found that many poorest households were still excluded from the list. Similar conclusion was reached by the N C Saxena Committee constituted by the Ministry of Rural development. It found that only 49 percent of the genuinely poor households were included in the BPL list while 17 percent rich households found entry.

Saxena has suggested that number of criteria be reduced from 13 to 5. Only such criteria should be made that were transparent and self-verifiable. The suggested criteria were (1) Caste; (2) Source of livelihood; (3) Highest educational attainment; (4) Chronic disease; and (5) Head of the family being a woman or elderly person. Marks were to be given to these criteria and households. Those getting total marks below a certain cutoff level were to be included in the BPL list. But the Government did not like Saxena's recommendation because according to this system the number of poor households in the country would increase to about 50 percent. Therefore, the Government established yet another Committee under the Chair of economist Suresh Tendulkar to undo Saxena's recommendations.

Tendulkar went back to money-based classification. He said expenditure on food, health and clothing should be considered. He suggested cutoff level of Rs 15 per person per day for rural areas and Rs 19 for urban areas. In this way, the problem of classification being at the whims of enumerators re-entered the scene. Government could decrease the number of poor according to its convenience by providing suitable guidance to the enumerators. Yet, Tendulkar's recommendations were unpalatable because it led to 37 percent of the households being classified as BPL.

In the meanwhile economist Jean Dreze has suggested that the Saxena formula should be further simplified. He said the five criteria-caste, landlessness, level of education, women-headed family and livelihood as agricultural labourer-were okay but instead of giving points on each indicator, they should be assessed in 'yes' or 'no' terms.

A household should be classified as poor if the answer is 'yes' on any one of these criteria. A household should be classified as *antyodaya* if the answer is 'yes' on any two of the five criteria. Such a system would be transparent and will eliminate corruption and complaints.

The main issue in this debate is whether to include income in the criteria or not. The 1992 and 1997 surveys and Tendulkar Committee included income in some form or the other while Saxena and Dreze suggest that this should be done away with. Saxena and Dreze suggestions are better because they are simple, transparent. But these criteria would lead to increase in the number of BPL households and challenge the success of the present model of economic development. Therefore, the Government has developed cold feet over these recommendations and is going back to the inclusion of income as suggested by Tendulkar. This will make it possible for the Government to reduce the number of 'poor' as it may be convenient.

Possible solution is to provide the facilities to the poor but without identifying them and classifying them as BPL. Facilities may be provided to them as their right as an ordinary citizen. The Economic Independence Movement initiated by Bharat Gandhi has demanded that every household-rich or poor-be provided a grant of about Rs 2,000 per month as a right of 'votership.' This amount may be paid to every household from Ratan Tata to the beggar. □□□