

**Safety Net Programs in India:
Outreach and Effectiveness**
Village Level Perspectives in Three States

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Foreword

In the last 27 years of its existence, the Centre for Economic and Social Studies (CESS) has always been aware of its role and commitment to society through its research and publication activities. The main objective of the Centre is to undertake research, documentation and training activities in the field of economic and social development in general and with reference to the state of Andhra Pradesh in particular. The Centre recognizes that a comprehensive approach to development requires an interdisciplinary approach and tries to involve researchers from various disciplines.

In keeping with the interests of the faculty, CESS has developed expertise on several themes such as agriculture and livestock development, food security, poverty measurement and poverty alleviation programmes, unemployment, district planning, resettlement and rehabilitation, state finances, economics of health and demography. The Centre has made important contributions to research in these areas.

Social science research has to respond to the challenges posed by the changes in the development paradigms such as economic reforms and globalization. Since research is the primary activity at the Centre it is important to recognize the need to redefine/refocus the priority areas of research taking into account the contemporary challenges. While the main focus of research on poverty related issues remained the same, since the mid 1990s the area of research of the Centre became more diversified. New research areas related to broader national and frontier research issues such as evaluation of the economic reform process and its impact on different sectors of the economy, environmental and natural resource economics, livelihoods, health and education, bio-technology etc are added.

The Centre has always tried to ensure that its research is theoretically sound and methodologically rigorous, so that it can directly or indirectly contribute to policy formulations or prescriptions. In the last two and half decades, CESS has published several books and working papers. The Centre has decided to start its monograph series in this year. The monographs are basically research studies and project reports done at the Centre. It provides an opportunity for CESS faculty, visiting scholars and students to disseminate their research work.

This study entitled “Safety Net Programs in India: Outreach and Effectiveness: *Village Level Perspectives in Three States*” is the first one in the monograph series. Safety nets are non-contributory transfer programs targeted to the poor and those vulnerable to poverty and shocks. These programs help households manage risks. This paper examines some aspects of safety nets in three states of India viz., Orissa, Madhya Pradesh and Karnataka based on household and village surveys. This study contributes to the existing literature by dealing simultaneously four aspects reflecting on program efficiency: Awareness, Participation, Targeting and Distributive outcomes (benefit incidence). While past research has focused on one or two of the above mentioned aspects of program efficiency, few studies have dealt with all aspects. In addition, the study also complements quantitative analysis with a brief qualitative analysis based on focus group discussions, and household-level analysis with village-level analysis paying particular attention to the functioning of village-level institutions and social capital. We have also taken the opportunity to elicit information on household risks and shocks.

The study points to substantial variation across programs and across states with respect to all the above mentioned aspects of program efficiency. In addition, and notwithstanding the observed variation, some broad patterns do emerge, both with respect to risk patterns and program functioning.

We observe three broad patterns based on the findings on awareness, participation, targeting effectiveness in all three states. These are: (a) In-kind transfer programs like PDS, ICDS, mid-day meals, free text book, free uniform are doing well in terms of awareness and participation. However, these programs have not done well in terms of targeting effectiveness; (b) Cash transfers like IAY, NOAP, widow pensions show low awareness and participation rates, but the participating households are disproportionately from among the poor and, to this extent, their targeting performance is much better than for other programs ; (c) By far the least effective program is the credit-subsidy-based self employment program SGSY.

Looking into the future, immediate policy initiatives need to focus on improving the productivity of existing programs by encouraging village-level institutions to spread awareness of programs among the poor while at the same time tightening the outreach of programs to the poor via improvements in approaches to targeting, correct the observed serious exclusion errors (especially low participation of households belonging to scheduled tribes), launch new programs to cover

uncovered risks (especially health risks), and above all hold PRIs institutions accountable for better functioning of safety net programs with possible external oversight, and work towards synergy between programs and policies launched by the Center and states.

The study has relevance in the context of the Common Minimum Program's emphasis on effective implementation of safety net programs in India, re-stated and reinforced in the approach paper of the 11th Five Year Plan.

Similar to other publications of CESS, I hope the monograph series will be useful to the research community, civil society and policy makers.

S. Mahendra Dev
Director, CESS

TABLE OF CONTENTS

ACRONYMNS	ix
LIST OF TABLES	xi
LIST OF FIGURES	xii
LIST OF APPENDICES	xii
ACKNOWLEDGEMENTS	xvii
EXECUTIVE SUMMARY	1
I. INTRODUCTION	11
II. HOUSEHOLD RISKS AND SHOCKS	13
III. AWARE OF SAFETY NET PROGRAMS	21
IV. PROGRAM PARTICIPATION : A HOUSEHOLD LEVEL ANALYSIS	28
V. PRO-POOR, PRO-RICH, OR PRO-ALL? TARGETING AND BENEFIT INCIDENCE	48
VI. FINDINGS FROM QUALITATIVE ANALYSIS	59
VII. SUMMARY AND CONCLUSIONS	66
APPENDICES	69

ACRONYMNS

AAY	-	Antyodaya Anna Yojana
ANM	-	Auxiliary Nurse and Mid Wife
APL	-	Above Poverty Line
BC	-	Backward Castes
BPL	-	Below Poverty Line
CCSSRH	-	Credit cum Subsidy Scheme for Rural Housing
CRSP	-	Central Rural Sanitation Program
DWACRA	-	Development of Women and Child in Rural Areas
FFW	-	Food for Work
HH	-	Household
HoHH	-	Head of Household
IAY	-	Indira Awas Yojana
ICDS	-	Integrated Child Development Services
IRDP	-	Integrated Rural Development Program
JFM	-	Joint Forest Management
MDM	-	Mid-Day Meals
MLA	-	Member of Legislative Assembly
MP	-	Madhya Pradesh
MP	-	Member of Parliament
NFBS	-	National Family Benefit Scheme
NGO	-	Non-Governmental Organization
NMBS	-	National Maternity Benefit Scheme

NOAP	- National Old Age Pension Scheme
OBC	- Other Backward Caste
OC	- Other Castes
PDS	- Public Distribution System
PHC	- Physically Handicapped/Challenged
PMRY	- Prime Minister's Rojgar Yojana
PPS	- Probability Proportional to Size
PRI	- Panchayati Raj Institutions
SC	- Scheduled Caste
SCR	- Socio-cultural Regions
SGRY	- Sampoorna Grameena Rozgar Yojana
SGSY	- Swarnajayanti Gram Swarojgar Yojana
SHG	- Self Help Group
SSN	- Social Security Number
ST	- Scheduled Tribe
WDR	- World Development Report

LIST OF TABLES

Table 2.1	Percentage of Households Reporting Risk Events by the Type of Risk Events and By Quartiles	14
Table 2.2	Percentage of Households reporting Risks by Quartiles	16
Table 2.3	Results of a Logit Model of Determinants of Risks experienced by Households	19
Table 2.4	Percentage of Households using Different Coping Strategies	20
Table 2.5	Percentage distribution of coping mechanisms by type of risks- State wise	21
Table 3.1	Awareness about Programs: All States (%)	23
Table 3.2	Percentage of Households Aware of the Safety Net Programs by Social Groups (All: Three States Combined) (%)	24
Table 3.3	Village level Determinants of Awareness of Programs	27
Table 4.1	Participation Rates for All HHs: All States and Individual States (%)	29
Table 4.2	Participation Rates by Quartiles: All States (%)	30
Table 4.3	Participation Rates by Social Groups: All States (%)	31
Table 4.4	Performance of the Programs	35
Table 4.5	Significance Levels of the Variables in 13 Safety Net Programs	45
Table 4.6	No. of Programs Significant for Each Variable in Logit Models of Participation	46
Table 4.7	Factors Determining the contacts with Middle Men	47

Table 5.1	Distribution of Participants by Quartiles: All States (%)	49
Table 5.2	Percentage Distribution of Quantities of Important Commodities purchased in PDS (BPL) in quartiles	50
Table 5.3	Percentage Distribution (Quantities) of Important Commodities purchased in PDS (AAY) by quartiles	51
Table 5.4	Distribution of Wage Employment Generated by SGRY by Quartiles	53
Table 5.5	Distribution of Employment Generated by Food for Work by Quartiles	54

LIST OF FIGURES

Figure 2.1	Percentage of Households reporting different risk events (Orissa)	15
Figure 2.2	Percentage of Households reporting different risk events (Madhya Pradesh)	16
Figure 2.3	Percentage of Households reporting different risk events (Karnataka)	17
Figure 2.4	Percentage of Households reporting different risk events (All States)	17

LIST OF APPENDICES

Appendix A:	Data Sources and Sampling Frame	70
Appendix B	List of Variables Included in the Construction of Indices	74
Table B1.1	Wealth Index: (Constructed from Household Questionnaire)	75
Table B1.2	Household Structural Social Capital (from Household Questionnaire)	75

CESS Monographs - 1	xiii
Table B1.3 Women's Trust in PRIs, Officials and Community groups (from Household Questionnaire)	75
Table B1.4 Women's Participation in meeting and elections (from Household Questionnaire)	76
Table B1.5 Women's Autonomy and Decision making (from Household Questionnaire)	77
Table B1.6 Infrastructure Index (from Village Schedule)	78
Table B1.7 Economic Infrastructure (from Village Schedule)	79
Table B1.8 Functioning of Panchayati Raj Institutions (from Village Schedule)	80
Table B1.9 Index of Program Performance (from Household Questionnaire)	80
Appendix 2 – Sample households	81
Table 2.1 Distribution of Sample Households by Programs	81
Table 2.2 Number of Households Participating in the four Important Programs from Listing Schedule	82
Table 2.3 Number of Households Participating in the four Important Programs from Household Schedule	82
Appendix 3 Awareness of Programs: State-wise	83
Table A3.1 Awareness across States: All HHs (%)	83
Table A3.2 Awareness of Programs by Quartiles: Orissa (%)	84
Table A3.3 Awareness of Programs by Quartiles: Madhya Pradesh (%)	85
Table A3.4 Awareness of Programs by Quartiles: Karnataka (%)	85
Table A3.5 Awareness of Programs by Social Classes (Orissa)	86

Table A3.6	Awareness of Programs by Social Classes (Madhya Pradesh)	87
Table A3.7	Awareness of Programs by Social Classes (Karnataka)	88
Appendix 4	Participation in Programs: State-wise by Quartiles and by Programs	89
Table A4.1	Participation rates by Quartiles: Orissa (%)	89
Table A4.2	Participation rates by Quartiles: Madhya Pradesh (%)	90
Table A4.3	Participation rates by Quartiles: Karnataka (%)	91
Table A4.4	Participation rates by Social Groups: Orissa (%)	92
Table A4.5	Participation rates by Social Groups: Madhya Pradesh (%)	93
Table A4.6	Participation rates by Social Groups: Karnataka (%)	94
Appendix 5:	Logit Models of Determinants of Participation by Households by Programs	95
Table A5.1	Dependent: Participation in IAY	95
Table A5.2	Dependent: Participation in National Old Age Pension	96
Table A5.3	Dependent: Participation in Widows/Disability Pension	97
Table A5.4	Dependent: Participation in Rural Education Scholarship Pension	98
Table A5.5	Dependent: Participation in PDS (BPL)	99
Table A5.6	Dependent: Participation in PDS (AAY)	100
Table A5.7	Dependent: Participation in ICDS	101
Table A5.8	Dependent: Participation in Mid-day Meals	102
Table A5.9	Dependent: Participation in Free Text Books Scheme	103
Table A5.10	Dependent: Participation in Free Uniform Scheme	104

Table A5.11	Dependent: Participation in SGRY	105
Table A5.12	Dependent: Participation in Food for Work	106
Table A5.13	Dependent: Participation in SGSY	107
Appendix 6: Benefit Incidence Calculations: Basic data for Workfare		108
Table A6.1	Distribution of Wage Employment Generated by SGRY by Quartiles (Orissa)	108
Table A6.2	Distribution of Wage Employment Generated by Food for Work by Quartiles (Orissa)	108
Table A6.3	Distribution of Wage Employment Generated by Food for Work by Quartiles (Madhya Pradesh)	109
Table A6.4.	Distribution of Wage employment generated by SGRY by Quartiles	109
Table A6.5.	Distribution of employment generated by Food for Work by Quartiles	110
Table A6.6.	Distribution of employment generated by Food for Work by Quartiles	111
Appendix 7: Brief Description of Major anti-poverty Programs		112

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Executive Summary

I. Introduction and scope of the study

i. Poverty reduction has all along been a priority concern of public policy in India. The Government of India has approached it in a holistic manner and has adopted a strategy of combining pro-poor growth policies with specific programs targeted to poor households. The poor in India suffer on account of several risks induced by the weather, technology, life cycle events and market forces. To address these risks, both the Central and state governments have launched various safety net and/or anti-poverty programs. The main motivation of these programs is three-fold: protection (ex-post), insurance (ex-ante), and other considerations including direct poverty alleviation. Programs fall into four broad categories: (i) self employment (ii) wage employment (iii) direct cash transfers to the targeted groups and (iv) public distribution system (PDS) and supplementary nutrition.

ii. The Central government spends currently about 2% of GDP on centrally-funded anti-poverty programs (including the TPDS).¹ Compared with other South Asia countries, this level of expenditure is substantial.² While the *potential* impact of this magnitude of public expenditure on poverty reduction could be high, various surveys and evaluation studies have pointed out that the *actual* effect on poverty and vulnerability has been very modest. Therefore, the Approach Paper to the 11th Five Year Plan has emphasized the need for effective implementation of safety net programs.

iii. With a view to understanding the factors determining the effectiveness of safety net programs, this study examines some aspects of the functioning of programs in three states of India, viz., Orissa, Madhya Pradesh and Karnataka.

¹ This percentage includes the entire food subsidy which is also subsidy for procurement and buffer stock. In addition to central government spending, state governments also incur expenditures on safety net programs launched by them independently of the central assistance.

² Pakistan and Bangladesh spend 0.5% and 0.7% of GDP on social assistance programs respectively.

This study is based on a specially designed household survey conducted in nine selected districts in the three states to a random sample of households. Due to time and resource constraints, the survey instrument, (the questionnaire) was deliberately designed to be concise and focused. Several hard choices had to be made. For example, the questionnaire did not have a consumption module. Instead, information on assets and wealth was collected which enabled us to construct quartiles based on an asset/wealth index.

iv. In particular, four aspects of the functioning of programs are analyzed: Awareness, Participation, Targeting and Benefit Incidence. *An effective program is one which creates awareness of the program among potential clients, enables them to participate, reaches intended beneficiaries, and ensures that the benefits accrue disproportionately to the target households.* While examining all the four aspects, the study complements the quantitative analysis with findings from qualitative focus group discussions on the one hand, and on the other, household-level analysis with village level analysis paying particular attention to such aspects as the role of PRI institutions, households' social capital, village-level economic and social infrastructure, women's empowerment, etc. In addition, the study also took the opportunity to investigate the profile of risks faced by sample households.

v. The study points to substantial variation across programs and across states with respect to all the above mentioned aspects of program efficiency.³ In addition, and notwithstanding the observed variation, some broad patterns do emerge, both with respect to risk patterns and program functioning. These are summarized below.

II. Main findings

A. Household risk patterns

vi. *Health risks dominate in all three states and are pervasive in all quartiles.*

The proportion of households experiencing a sudden health problem is much higher for the poorest quartile than for other quartiles.

³ Benefit incidence analysis could be done only for four programs due to data constraints.

vii. *Drought and cyclone/flood is the dominant community-wide (covariate) risk is also experienced by all households, but their incidence varied by quartiles.*

The proportion of households experiencing covariate risks is higher for the richest two quartiles than for the bottom two quartiles. This is not surprising because a much higher proportion of households in the upper two quartiles comprise of large land owners, and as such are more exposed to weather-induced risks than households in the poorer quartiles.

viii. *Risk patterns varied by states....* Interesting variations in the exposure to risk can be observed in the three sample states. In Orissa, the proportion of households which experienced sudden health risk is about the same for all quartiles, and it dominates all other risks for the bottom two quartiles. Moreover, health risk is not just confined to humans but also extended to livestock: a much higher proportion of livestock experienced epidemics in Orissa than in the other two states. Similar patterns are evident in Madhya Pradesh for the poorest quartiles, but the richest two quartiles experienced sudden health risk to a lesser extent. In this state, the proportion of households that experienced weather risks rises sharply for the richest two quartiles. In the more developed state of Karnataka, by contrast, the proportion of households in the poorest quartile that experienced a sudden health risk is about one half of the proportion of households that experienced a weather risk. The observed variations in exposure to risk reflect the differences in the levels of development and in agro-climatic factors across the three states.

ix.*However, coping strategies are only weakly related to nature of risks.*

The most dominant coping mechanism adopted by most households in the face of exposure to risks is adjustments in the labor market (which include working longer hours and women and children joining the labor market) and borrowing. Borrowing is the dominant coping strategy adopted by poor households in Orissa, whereas in Madhya Pradesh and Karnataka adjustments in the labor market are the main coping strategy.

ix. *The probability of a household experiencing an idiosyncratic risk is higher if the household is scheduled caste/tribe, belonged to the poorest quartile, and is located in Orissa.* In all three states, a much higher proportion of scheduled caste and scheduled tribe households experienced idiosyncratic risks than other castes; clearly a high proportion of such households belonged to the poorest quartiles.

B. Program Effectiveness: Awareness and Participation

x. Awareness is high for some in-kind programs like the PDS and mid-day-meals but low for cash transfer programs like the AAY (housing grant) and very low for workfare programs and for the credit-subsidy-driven micro finance program of SGSY. Awareness is also low for the rural education scholarship program. Notable differences exist between social classes. In particular, a significantly lower proportion of tribal households is aware of three critical programs (education subsidy programs) including, surprisingly, even the oldest program of PDS. Considering that awareness of a program is the re-requisite for household participation, these results are a source of concern for effective functioning of safety net programs.

xi. Both in terms of awareness and participation, the two in-kind programs, PDS and mid-day meals, do very well, whereas workfare programs and SGSY fare poorly. In between the two extremes lie education-related safety nets and pension programs in which awareness and participation rates ranged somewhat modest hovering around 50 percent of households.

xii. In 9 out of 13 programs, participation rates are higher for the poorest two quartiles than for top two quartiles. NOAP, PDS under BPL, ICDS, MDM and FFW are definitely reaching a large proportion of poor households. However, participation rates are also high for the top two quartiles especially in PDS, ICDS, MDM, and free text books and uniforms, *suggesting the presence of pervasive inclusion errors.*

xiii. Participation rates varied by social classes. In seven programs the participation rates of SCs and STs are higher than for other castes (OCS) and the differences are statistically significant. The socially disadvantaged groups are deriving benefits from a majority of programs. However, there are inter-state differences in this respect. The lowest quartile recorded highest participation rates in 9 out of 13 programs in Orissa, 6 out of 12 programs in Madhya Pradesh, and only in 2 out of 7 programs in Karnataka.

xiv. Of the various factors influencing households' participation in safety net programs, social capital emerges as an important factor. Other factors differ in importance by programs though in the expected direction. Thus for IAY the

probability of illiterates participating is high and significant; in NOAP the probability of non-workers participating is high (as it should be because most old people don't work); and in PDS, not surprisingly, participation is neither related to lower quartiles nor to social classes but positively to third quartile indicating the probability of participation by the non-poor.

xv. *Participation in education subsidies is higher among households with some education, and in Madhya Pradesh more than in other states.* One interesting finding is that the probability of participation in education-related programs is high, inter alia, if the number of literates in the household is high, and if the household is located in MP rather than in Orissa or Karnataka.⁴

xvi. *Participation in workfare programs is high among SCs, STs, OBCs, and non-agricultural labor households, and among households with no literates.*

xvii. It is interesting that even the programs for which access is universal, the shares of the poorest quartiles are lower than for other quartiles. Universal access does not necessarily seem to disproportionately benefit the poor; in fact richer quartiles seem to benefit more than the poorest quartile.

C. Cross-cutting issues: Institutions and Targeting

xvii. *At the village-level, do PRI institutions help create awareness and promote participation of the poor? Yes in Karnataka, but not so in Orissa and Madhya Pradesh.* An analysis of the differences in awareness between villages showed that better functioning PRI institutions, status of women in the household, presence of NGO in the village and high overall level of education in the village contributed positively to enhancing the participation of the poor in programs. However, better functioning of PRIs promoted awareness in Karnataka but not in Orissa and Madhya Pradesh. In Orissa, households' social capital (especially via caste-based networks) enabled their participation in SSN programs, rather than PRI institutions. Household social capital positively influenced the probability of participation in 9 out of 13 programs. Focus group discussions revealed the role of caste discrimination in the functioning of PRI institutions in Orissa and Madhya Pradesh. In Karnataka, participants noted that PRI institutions functioned better, and their

⁴ This can be explained by the widespread implementation of the Education Guarantee Scheme (EGS) during the last decade. EGS ensured education subsidies reached far flung communities in Madhya Pradesh. (Clarke, 2003)

functioning helped grassroots level bureaucracy to function responsibly. Due to political interference and caste-based discrimination, PRI institutions functioned poorly in Orissa and Madhya Pradesh. However, respondents noted that even in Karnataka, PRI institutions neglected the poorest of the poor in gaining access to safety net programs.

xviii. Do poor households benefit disproportionately from anti-poverty programs? Which programs benefit the poor most? To explore this question, benefit incidence analysis was carried out. Data constraints limited our analysis to only four programs: PDS, AAY, SGRY, and FFW. *Benefit incidence analysis shows that the poor benefited disproportionately from AAY, SGRY and FFW in which the share of the richer quartiles is lowest. In PDS, however, the share of the poorest quartile is only slightly higher than 25% whereas the shares of richer two quartiles are not insubstantial.* Households in the third quartile, and even in the fourth quartile, seem to benefit substantially in all four commodities (rice, wheat, kerosene and sugar) from PDS. *Such leakage of benefits of PDS to the upper two quartiles is highest in Orissa and Karnataka, but lowest in Madhya Pradesh.* On the other hand, the distributive shares of benefits from the two wage employment programs seem to favor the bottom two quartiles and women among them, reflecting some degree of self-selection.

xix. Do BPL lists serve as effective targeting vehicles? Our analysis also shows that the problem of ineffective targeting does not stem from clustering of households around the poorest quartile of households. The problem of ineffective targeting stems largely from inclusion of households from the upper two quartiles in the BPL lists. Though this study is limited to a few programs and in three states, the findings are robust enough to conclude that as long as BPL lists are used for targeting safety net programs, ineffective targeting and leakage of benefits to non-poor will remain an issue to be confronted in all states and in all programs. Moreover, the problem is not just one of inclusion errors. The fact that substantial numbers of schedule tribe households from the poorest quartiles are excluded from participation in programs suggests that BPL lists also suffer from serious exclusion errors.

D. The Big Picture on Program Effectiveness

xviii. What broad patterns emerge from this study? We observe three broad patterns based on the findings on awareness, participation, targeting effectiveness in all three states.

1. *In-kind transfer programs like PDS, ICDS, mid-day meals, free text book, free uniform are doing well in terms of awareness and participation. However, these programs have not done well in terms of targeting effectiveness.* These programs are reaching the poorest quartile as well as not-so-poor and rich quartiles. It confirms the widely acknowledged fact of leakages to non-poor households. The current vehicle for targeting, viz., BPL lists, do not seem to serve as an effective vehicle for pro-poor targeting of anti-poverty programs.

2. *Cash transfers like IAY, NOAP, widow pensions show low awareness and participation rates, but the participating households are disproportionately from among the poor and, to this extent, their targeting performance is much better than for other programs.* Likewise, the two workfare programs fare poorly on both awareness and participation, but the few participating households are among the poorest so that these programs seem to be (self-) targeted to poor households. Moreover, there appears to be an inverse relationship between awareness and participation rates, and targeting effectiveness: programs with high awareness and participation rates are poorly targeted (which include most in-kind food transfer programs), whereas programs with low awareness and low participation rates (which include most cash transfer programs) are better targeted towards poor households.

3. *By far the least effective program is the credit-subsidy-based self employment program SGSY.* This program fares poorly in terms of awareness, participation and targeting. Presumably the large credit subsidy is attracting the non-poor to the program, while dissuading the (risk-averse) poor from taking on the program as it would definitely involve entrepreneurial skills and risk-taking.

III. Policy Recommendations

1. Our study has shown that health risk is the most important idiosyncratic risk experienced by most households especially in the lowest (poorest) quartile. However, there are currently no safety net programs to insulate the poor against health risks. India is at a stage of development that ex-ante insurance against health risks ought to be high on the agenda. In this context, Karnataka's recent experiment with Yashaswani program – claimed as the largest rural health insurance program – needs careful study from the viewpoint of its replication elsewhere in India.

2. Right from the early days of Independence, Indian policymakers were aware of weather-induced risks experienced by all rural households, and so launched public workfare programs to serve both an insurance function and a redistributive function, and also enable poor households to smooth consumption. Awareness and participation in these programs is very low despite 50 years of history of these programs – a poor reflection of the effectiveness of these programs. One problem has been delayed disbursement of funds which led to launching the program at the wrong (busy) time. The new program of employment guarantee, one would hope, addresses these concerns and promotes awareness and widespread participation of poor households in slack seasons.

3. Awareness is lower for cash transfer programs like AAY and some education subsidy programs and livelihood programs like SGRY, food for work and SGSY. PRI institutions have an important role to promote awareness of these programs. Currently PRIs only in Karnataka are performing this function – a finding confirmed by both quantitative and qualitative analysis. In this regard, PRIs in other states need to follow the Karnataka example.

4. Analysis of household networks showed that factors like social capital and women's empowerment play an important role in promoting participation. Women's empowerment, in particular, seems to substantially improve participation in child and education-related safety net programs. Raising women's empowerment via other programs such as women's self-help groups may go a long way in promoting participation of the poor in safety net programs.

5. Our study also confirms the conclusions of earlier studies that higher wage rate for public works programs reduces program participation. Currently a nationwide employment guarantee program is being implemented. It would be interesting to see how participation in this program is related to the average wage in the village. If workfare programs maintain a wage lower than the average wage in the village, it might have a better chance of attracting the poor to the program.

6. In safety net programs, exclusion errors are totally unacceptable as it would mean the poorest households not benefiting from programs. While there is a need to streamline BPL lists and prevent inclusion errors, there is an important role for PRIs is to ensure that there are no exclusion errors. Our study shows that exclusion errors are large in Madhya Pradesh: in some important programs

scheduled tribes are excluded. Information and dissemination about programs proactively by PRI institutions can help reduce exclusion errors. Here again social mobilization through PRIs and NGOs can help in identifying the poor properly. Including the poor in programs is just about as important, if not more, as prevention of the non-poor from participation.

7. Effective functioning of the safety net programs depends on several factors. Our household case history studies have shown that some good programs have led to upward mobility of households, whereas factors like caste discrimination, corruption, non-co-operation of officials etc., have made programs ineffective. Our study has not been able to further explore the quality of programs. For example, do public workfare programs create quality infrastructure? Likewise, do ICDS anganwadis provide quality services to children? Does every anganwadi have a well-designed building and essential equipment and drinking water, cooking utensils, weighing scales, medical kits, etc.? All these “quality” factors also influence households’ participation in programs – factors that this study could not explore. Quality dimension in safety net program outcomes/outputs requires a more thorough analysis than in the past.

8. Looking into the future, immediate policy initiatives need to focus on improving the productivity of existing programs by encouraging village-level institutions (PRIs) to spread awareness of programs among the poor while at the same time tightening the outreach of programs to the poor via improvements in approaches to targeting, correct the observed serious exclusion errors (especially low participation of households belonging to scheduled tribes), launch new programs to cover uncovered risks (especially health risks), and above all hold PRIs institutions accountable for better functioning of safety net programs with possible external oversight, and work towards synergy between programs and policies launched by the Center and states.

Safety Net Programs in India: Outreach and Effectiveness

Village Level Perspectives in Three States

I. Introduction

Safety nets are non-contributory transfer programs targeted to the poor and those vulnerable to poverty and shocks. These programs help households manage risks. Within this overall role of safety nets, programs are usually designed with three main motivations: protection (ex-post) motivation; insurance (ex ante) motivation; and other considerations like poverty alleviation (targeting the transient poor and chronically poor), income re-distribution, and aiding economic growth (Subbarao, 2003). These motivations are complementary, and often overlap. For example, a program with protection motivation could also alleviate poverty. In addition, the recent theory and evidence “offers a new perspective on social protection policies in poor countries, suggesting that there is scope for using these policies to compensate for the market failures that perpetuate poverty, particularly in high-inequality settings” (Ravallion, 2003) (WDR 2000-01; 2006). Moreover, well-designed safety nets may also promote high risk/high return private investments by households, and prevent adverse welfare outcomes (such as pulling children out school) during periods of acute shocks/crises.

The state has a role to play in the design, financing and execution of safety net programs in all countries, both developing and developed, though the extent of state involvement may vary with the level of development of a country and the degree of uninsured risk faced by households (Subbarao et. al. 1997). In India, providing some measure of income security and ensuring a minimum level of well-being to the poor has been a central plank of public policy since Independence.⁵ Towards this end a number of safety net programs, known popularly as anti-poverty programs, have been launched. The number and diversity

⁵ The concept of minimum level of well-being can be found in the early writings of Pitamber Pant during the early 1950s and in India’s First Five Year Plan..

of anti-poverty programs has grown enormously, with state governments often introducing their own programs in addition to those sponsored and funded by the Central Government. India spends annually about 2% of GDP on programs financed by the Central Government.

This paper examines some aspects of safety nets in three states of India viz., Orissa, Madhya Pradesh and Karnataka based on household and village surveys. The study has relevance in the context of the Common Minimum Program's emphasis on effective implementation of safety net programs in India, re-stated and reinforced in the approach paper of the 11th Five Year Plan (GOI, 2006). **This study contributes to the existing literature by dealing simultaneously four aspects reflecting on program efficiency: Awareness, Participation, Targeting and Distributive outcomes (benefit incidence).** While past research has focused on one or two of the above mentioned aspects of program efficiency, few studies have dealt with all aspects. In addition, the study also complements quantitative analysis with a brief qualitative analysis based on focus group discussions, and household-level analysis with village-level analysis paying particular attention to the functioning of village-level institutions and social capital. We have also taken the opportunity to elicit information on household risks and shocks.

It is important to state the limitations of the study at the outset. First, due to time and resource constraints, only a small household questionnaire could be canvassed, which did *not* include a consumption module. However, detailed questions were canvassed on assets so we could construct a wealth/asset index which formed the basis for our distributive-share analysis. Second, not all programs could be analyzed. For example, some programs, though important nationally, were not implemented at all in some states. Thus in Karnataka we did not find much self-help-group (credit-based micro finance) activity, and workfare was extremely limited. It is also possible that due to limited sample size, we might not have captured fully the working of safety nets in Karnataka. Thus, the programs analyzed depended very much on the extent and intensity of their operation which varied a great deal across the three states. Third, quantitative analysis was limited to those aspects where a critical minimum sample size permitted; where observations were small only tabular analysis was attempted. Because of these limitations, the study does not purport to offer a comprehensive treatment of *all* safety net programs operating in the three states.

The study is organized as follows. The next section provides an overview of risks and shocks faced by households in the three states (Section II). Awareness of anti-poverty programs is discussed in Section III, followed by Participation (section IV), Targeting and Benefit incidence (section V) and Qualitative analysis (section VI). The last section (VII) concludes drawing some inferences for policy. A brief

account of the data and sampling methodology for the surveys and additional details including the variables used in the construction of asset index, infrastructure index and social capital index are provided in Appendix 1.

II. Household risks and coping strategies

When all idiosyncratic risks for all states are considered together, *sudden health problem* dominates as the principal risk for *all* quartiles (Table 2.1). Under covariate shocks, drought dominates other risks followed by cyclone/flood for all quartiles. The percentage of households reporting drought risks is about the same for the bottom two quartiles but increases for the top two quartiles (columns 16-20, row 1). As for health risk, the proportion reporting is substantially higher for the poorer two quartiles compared with the top two quartiles. Further, among the top two quartiles, the proportion reporting drought risk is much higher than the proportion of households reporting health risk. For the poorer two quartiles, drought and health risks are followed by death of family member or livestock epidemic. For the richer two quartiles, the percentage of households reporting cyclone/flood and pest attack is also high. When all states are taken together, it is interesting that the proportion reporting “robbery and violence” is small, but the proportion, though small, is twice as large for the poorest two quartiles compared with the top two quartiles – a clear reflection that failure to maintain law and order hurts the poor more than the non-poor.

Risk patterns varied by states. In the case of Orissa, the proportion of households reporting sudden health risk is more or less similar across quartiles, and it dominates all other risks for the bottom two quartiles. For the top three quartiles, weather risks (drought, cyclone, floods) dominate. The proportion reporting weather risks is somewhat lower for the poorest quartile largely because they own less (or no) land asset.

In Madhya Pradesh too, the proportion of households reporting health shock is high for the bottom two quartiles (and it dominates all other idiosyncratic shocks), but unlike in Orissa, it falls to less than 17% for the richest two quartiles. Also a much higher proportion of households experienced a drought risk in Madhya Pradesh than in Orissa, and that proportion (as well as other agriculture-related risks) rises sharply for the richest two quartiles.

In Karnataka, in the poorest quartile, a much higher percentage of households (50%) reported drought risk than in the other two states; the proportion falls for the upper quartiles though still quite high. Like in Orissa and Madhya Pradesh, a high proportion of households in the poorest quartile reported sudden health shock as a major risk factor.

We now group all risks into two categories: idiosyncratic and covariate (Table 2.2) The pattern that emerges for all states together is: the proportion of households reporting idiosyncratic shocks is higher for the poorest two quartiles whereas the proportion reporting covariate (weather-related) shocks is higher for the richest two quartiles. That pattern varies only for Orissa where the proportion reporting health shocks is high and roughly the same for *all* quartiles.

We combine both idiosyncratic and covariate shocks and show their relative importance in the three states and for all states combined (Figures 2.1, 2.2, 2.3, and 2.4) In the relatively more developed state like Karnataka, the incidence of health risk is about one half of the incidence of drought (which is not surprising because Karnataka has a large proportion of arid zone) whereas in a relatively poorer state like Orissa health risk dominates (which is also not surprising given the preponderance of malaria) alongside covariate risks. Madhya Pradesh is somewhere in between – health risk is about two-thirds of weather-induced covariate risks. Another interesting difference is that in Orissa not only health risk is hitting humans, but it is also hitting livestock – highest proportion of households experienced epidemics of livestock in Orissa in comparison with the other two states.

Table 2.1. Percentage of Households Reporting Risk events by the type of risk events and by quartiles

State	Orissa					Madhya Pradesh				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
	1	2	3	4	5	6	7	8	9	10
Drought	12.39	33.93	30.36	34.82	27.84	22.03	16.22	40.35	50.00	32.17
Cyclone/flood/ hailstorm	5.31	14.29	11.61	13.39	11.14	11.86	16.22	35.09	38.60	25.38
Pest attack	1.77	6.25	20.54	16.96	11.36	0.85	6.31	21.93	26.32	13.79
Bad seed quality	0.00	0.00	1.79	3.57	1.34	0.00	1.80	6.14	3.51	2.84
Livestock										
Epidemic	6.19	13.39	11.61	10.71	10.47	0.00	7.21	6.14	7.02	5.03
Fire accident	0.00	2.68	0.00	0.89	0.89	3.39	0.90	6.14	3.51	3.50
Robbery/violence	0.88	0.89	0.89	0.89	0.89	1.69	0.90	0.88	0.88	1.09
Human epidemic	0.00	0.89	0.00	0.89	0.45	0.00	1.80	0.00	0.00	0.44
Death of HoHH	3.54	2.68	3.57	3.57	3.34	0.85	3.60	0.88	0.88	1.53
Death of other family members	4.42	5.36	7.14	3.57	5.12	1.69	2.70	3.51	4.39	3.06
Sudden health problem	27.43	29.46	25.89	29.46	28.06	27.97	24.32	17.54	11.40	20.35
Family division/ divorce	0.88	0.89	1.79	0.00	0.89	2.54	2.70	2.63	1.75	2.41
Others	0.00	0.00	0.00	0.00	0.00	0.85	0.00	0.00	0.00	0.00

State	Karnataka					Total				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
	11	12	13	14	15	16	17	18	19	20
Drought	49.56	28.32	33.04	33.93	36.22	27.91	26.19	34.62	39.64	32.08
Cyclone/flood/ hailstorm	0.00	0.88	2.68	3.57	1.78	5.81	10.42	16.57	18.64	12.83
pest attack	2.65	0.88	8.04	15.18	6.67	1.74	4.46	16.86	19.53	10.62
bad seed quality	0.00	0.00	0.89	2.68	0.89	0.00	0.60	2.96	3.25	1.70
Livestock epidemic	1.77	3.54	1.79	3.57	2.67	2.62	8.04	6.51	7.10	6.05
Fire accident	0.88	0.00	0.00	2.68	0.89	1.45	1.19	2.07	2.37	1.77
Robbery/violence	1.77	0.88	0.00	0.00	0.67	1.45	0.89	0.59	0.59	0.88
Human epidemic	2.65	1.77	1.79	2.68	2.22	0.87	1.49	0.59	1.18	1.03
Death of HoHH	4.42	3.54	4.46	2.68	3.78	2.91	3.27	2.96	2.37	2.88
Death of other family members	4.42	0.88	4.46	2.68	3.11	3.49	2.98	5.03	3.55	3.76
Sudden health problem	30.97	17.70	12.50	15.18	19.11	28.78	23.81	18.64	18.64	22.49
Family division/ divorce	0.00	0.00	1.79	0.00	0.44	1.16	1.19	2.07	0.59	1.25
Others	0.00	0.88	0.00	0.00	0.22	0.29	0.30	0.00	0.00	0.15

Figure 2.1 Percentage of households reporting different risk events (Orissa)

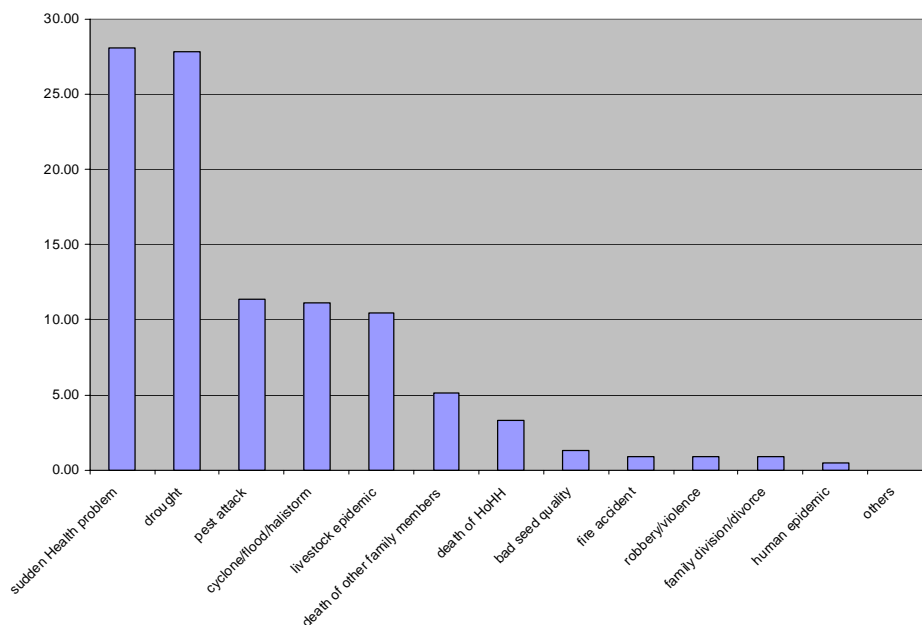


Table 2.2. Percentage of households reporting risks by quartiles

State/quartiles	Risks			
	All	Idiosyncratic	Covariate	
Orissa	1	48.7	34.5	19.5
	2	63.4	37.5	40.2
	3	62.5	33.9	48.2
	4	66.1	36.6	52.7
All	60.1	35.6	40.1	
Madhya Pradesh	1	59.3	35.6	31.4
	2	52.3	29.7	31.5
	3	77.2	28.1	69.3
	4	81.6	20.2	78.9
All	67.6	28.4	52.7	
Karnataka	1	71.7	38.9	54.0
	2	47.8	21.2	33.6
	3	50.9	21.4	40.2
	4	55.4	20.5	46.4
All	56.4	25.6	43.6	
All States	1	59.9	36.3	34.9
	2	54.5	29.5	35.1
	3	63.6	27.8	52.7
	4	67.8	25.7	59.5
All	61.4	29.9	45.5	

Notes: Idiosyncratic risks include: fire accident, robbery/violence, death of head of household, death of others in family, sudden health problem, long term health problems, family division/divorce

Covariate risks include: drought, cyclone/flood/hailstorm, pest attack, bad seed quality, livestock epidemic, human epidemic.

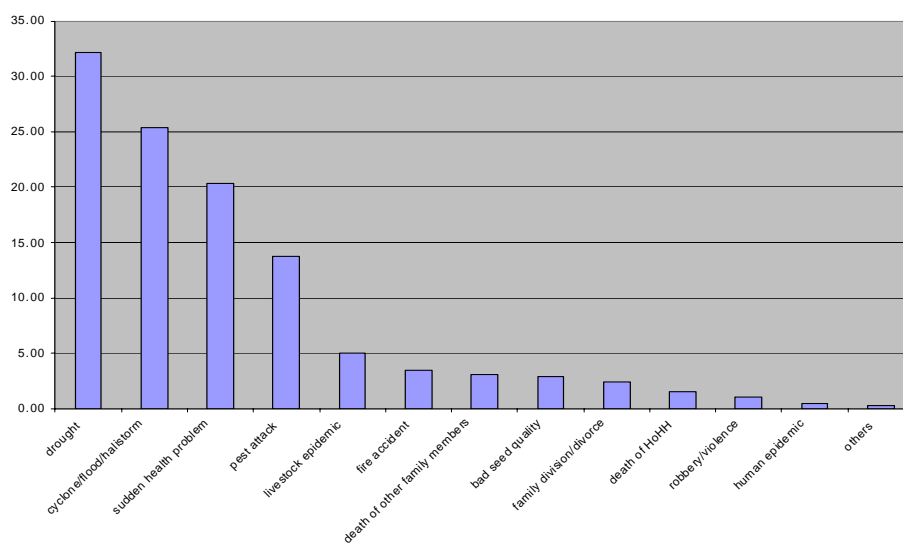
Figure 2.2 Percentage of households reporting different risk events (Madhya Pradesh)

Figure 2.3 Percentage of households reporting different risk events (Karnataka)

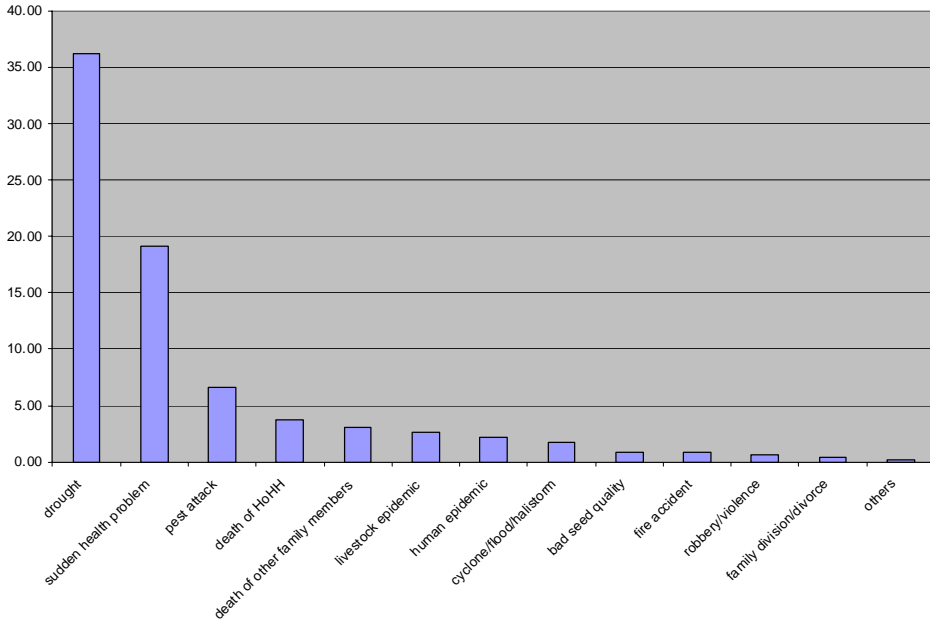
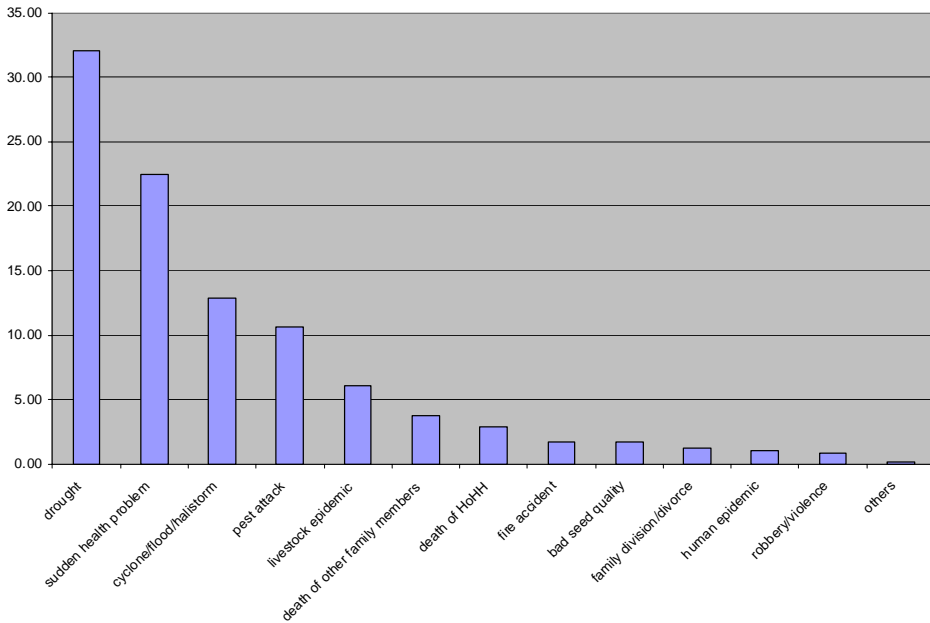


Figure 2.4 Percentage of households reporting different risk events (All States)



Using a logit model, we examined the factors that determine idiosyncratic and covariate risks experienced by households. The results show that wealth index has significant negative relationship with idiosyncratic shocks (Table 2.3), confirming its dominance for all poor households. Scheduled castes and other backward castes (OBCs) have significant positive relationship with idiosyncratic risks. Moreover, the probability of a household experiencing an idiosyncratic shock is higher if that household happens to be located in Orissa than in other states.

It is not surprising that wealth index and land ownership have positive relationship with covariate risks, reflecting the fact that the richer land-owning classes have higher probability of drought or flood risk as compared to poorer households most of whom own no land or very little land. However, schedule castes (most of whom are engaged in agricultural labor activity) have significant positive relationship with covariate risks. The probability of a household experiencing a covariate risk is higher if located in Madhya Pradesh than in other states.

How are households coping with experienced risks? All states taken together, adjustments in labor market (which include working longer hours and women and children joining the labor market) seem to be the dominant coping strategy (32%), followed by borrowing (24.8%), for the bottom quartile for all states (Table 2.4). For the richest quartile, financial adjustment is higher than labor market adjustment.

There is some variation in the coping strategy across states. In Orissa, borrowing is the dominant coping mechanism followed by changes in the labor market, possibly reflecting low employment opportunities in the state.⁶ The opposite pattern is to be noticed for Madhya Pradesh where the dominant coping strategy is in the labor market. In Karnataka, a high proportion of households in the bottom two quartiles are coping shocks with both labor market adjustments and financial adjustments. For the richest two quartiles, asset depletion appears to be the dominant coping strategy. Table 2.5 reveals weak relationship of coping mechanisms with the nature of risks.

⁶ It is interesting to note that the dominance of borrowing from money lenders has always been the coping strategy for poor households in Orissa. For example, Kalas Sarap (1978) found borrowing at very high interests from “Lal Bangla” moneylenders – one of the most exploitative form of money-lending – was the most common coping strategy against sudden health shocks even during the early 1970s.

An important point to note from the above analysis is that while health risks and shocks dominate especially among the poorest quartiles, there is not one safety net program that addresses this risk. However, for weather-induced shocks, public works programs of one hue or another have been in operation all over the country. This suggests that while weather risks are more visible largely because they are covariate and large geographical areas are affected by it, health risks are “invisible” – when a household member is hit by malaria, there is no one around providing a safety net. Perceptions among policymakers seems to be that weather risks matter more than health risks – a perception not borne out by this study.⁷

Table 2.3. Results of a Logit model of Determinants of Risks experienced by households

Variables	Idiosyncratic			Covariate		
	B	S.E.	Sig.	B	S.E.	Sig.
Land Owned	0.0031	0.0121	0.7956	0.0240	0.0150	0.1098
Wealth Index	-0.0052	0.0015	0.0005	0.0067	0.0015	0.0000
Caste (Ref: Others)						
Scheduled Castes	0.4334	0.2244	0.0535	0.6634	0.2038	0.0011
Scheduled Tribes	-0.1139	0.2175	0.6004	-0.1709	0.1938	0.3777
Other Backward Castes	0.5837	0.2066	0.0047	0.4451	0.1834	0.0152
States						
Orissa	0.5223	0.1532	0.0007	0.1731	0.1441	0.2296
Madhya Pradesh	0.0424	0.1554	0.7851	0.4350	0.1425	0.0023
Constant	-0.4515	0.3310	0.1726	-1.8499	0.3218	0.0000

Summary. Sudden health risk dominates all idiosyncratic risks. Risk patterns varied by states, quartiles and social classes. The proportion of households that experienced a health risk is much higher among the poorest quartile than for other quartiles, higher among scheduled castes and tribes than among other castes, and higher in Orissa than in other states. Weather-induced covariate shocks are present in all states and among quartiles, but the incidence varied. The proportion of households affected is larger in Karnataka (which has a large percentage of dry land) than in other states. In general, a larger proportion of households in the upper two quartiles experienced weather risks, whereas a larger proportion of households in the poorest two quartiles experienced sudden health risks. The risk of livestock epidemic is largest in Orissa. Twice as many households in the poorest quartile experienced robbery and violence than households in the richest quartile.

⁷ This is also the case in Kenya. Christiaensen and Subbarao (2005) found that the poor’s vulnerability can be explained largely by their exposure to malaria, and to a much smaller extent to droughts. When a drought occurs, donors from all over the world descend in Kenya, but when malaria hits a household, there is no safety net and no donors around.

Table 2.4. Percentage of households using different coping strategies

States/Coping Mechanisms	Quartiles				
	1	2	3	4	All
Orissa					
Asset Depleting	4.23	11.29	13.18	9.77	10.28
Adjust labor market participation	14.08	11.29	5.43	5.26	8.32
Financial adjustments	26.76	27.42	18.60	26.32	24.51
Intra HH adjustments	1.41	2.42	8.53	9.02	5.91
Depend on Aid	11.27	9.68	9.30	7.52	9.19
Others	4.23	3.23	9.30	6.02	5.91
None	38.03	34.68	35.66	36.09	35.89
All	100.00	100.00	100.00	100.00	100.00
Madhya Pradesh					
Asset Depleting	0.00	8.51	7.45	10.06	7.24
Adjust labor market participation	44.83	46.81	32.92	27.81	35.81
Financial adjustments	12.64	10.64	16.15	24.85	17.42
Intra HH adjustments	3.45	1.06	1.86	1.78	1.96
Depend on Aid	3.45	5.32	6.83	3.55	4.89
Others	17.24	9.57	11.80	4.73	9.98
None	18.39	18.09	22.98	27.22	22.70
All	100.00	100.00	100.00	100.00	100.00
Karnataka					
Asset Depleting	2.68	1.49	6.25	5.26	3.95
Adjust labor market participation	32.14	34.33	28.75	24.21	29.66
Financial adjustments	33.04	37.31	30.00	34.74	33.62
Intra HH adjustments	0.89	1.49	0.00	10.53	3.39
Depend on Aid	4.46	1.49	5.00	0.00	2.82
Others	0.89	0.00	2.50	2.11	1.41
None	25.89	23.88	27.50	23.16	25.14
All	100.00	100.00	100.00	100.00	100.00
All States					
Asset Depleting	2.22	8.07	9.19	8.82	7.41
Adjust labor market participation	31.48	28.42	22.43	19.40	24.66
Financial adjustments	24.81	24.21	20.00	27.71	24.21
Intra HH adjustments	1.85	1.75	3.78	6.30	3.71
Depend on Aid	5.93	6.32	7.30	4.03	5.82
Others	7.04	4.56	8.92	4.53	6.28
None	26.67	26.67	28.38	29.22	27.91
All	100.00	100.00	100.00	100.00	100.00

Table 2.5: Percentage distribution of Coping mechanisms by type of risks- State wise

Coping	Orissa			Madhya Pradesh			Karnataka			All		
	Risks	Idio	Cov	Risks	Idio	Cov	Risks	Idio	Cov	Risks	Idio	Cov
Asset Depleting Access	10.4	8.8	11.6	7.7	7.1	8.0	4.9	5.1	4.7	7.9	7.3	8.3
Labor markets	7.0	4.8	8.8	34.2	34.4	34.1	26.0	21.3	29.2	22.3	19.2	24.4*
Financial Adjustments	24.7	26.2	23.5	16.2	15.4	16.7	36.0	36.0	35.9	24.5	25.1	24.1
Intra HH adjustments	7.0	6.5	7.5	1.6	3.2	0.7	3.5	2.5	4.1	4.0	4.3	3.8
Depend on Aid	9.0	7.5	10.2	5.8	6.7	5.3	2.8	3.0	2.7	6.1	6.0	6.2
Others	6.3	5.4	6.9	10.4	8.7	11.4	1.4	1.0	1.7	6.5	5.4	7.3
None	35.7	40.8	31.5	24.1	24.5	23.8	25.4	31.0	21.7	28.6	32.7	25.8

III. Awareness of safety net programs

In the household questionnaire, the questions regarding awareness and participation are: (a) Are you aware about the following programs? (b) If yes, did any member of the household participate in this program during the last 3 years? (c) Who in the household participates/participated in these programs? The Survey covers 25 safety net programs; most of them being Centrally-sponsored and funded schemes. The 25 programs cover four broad categories viz., cash transfer, in-kind transfer, work fare and subsidy based livelihood programs. We distinguish targeted and universal programs among these.

Although we have collected data for 25 programs, the analysis is done only for selected programs as the sample is very low for some of the programs⁸. We have considered the programs which have more than 50 sample households for all states and more than 15 sample households for individual states (See Appendix Tables A2.1 to A2.3) for distribution of sample households by programs). On this criterion, only 13 programs for all states, 12 programs for Orissa and Madhya Pradesh, and 7 programs for Karnataka are relevant for our analysis. As already noted, sample is very low for many programs in Karnataka.

The proportion of households reporting awareness of programs for all states combined is shown in Table 3.1. Not surprisingly, the oldest of programs, the public distribution system (PDS) has the highest percentage of household

⁸ See Appendix 7 for a brief description on safety net programs

awareness (91%) followed by national mid-day meal (73%) and Indira Awas Yojana, IAY (68%). Among the in-kind transfer programs, awareness about free text books and free uniforms is also high. However, in the case of ICDS, the percentage of households reporting awareness is relatively low at 34%. Similarly, awareness about workfare program like SGRY is only around 30%. Also, only 17% of the households know about the national self-employment program, the SGSY. Only about 60% of households are aware of the two pension schemes, the only cash transfer programs in the three states.

Across quartiles, differences in awareness are small for most programs. In general, for majority of the programs, the awareness percentage is only slightly higher for top two quartiles as compared to bottom two quartiles. For example, a slightly lower percentage of households in the poorest quartile are aware of the education-related programs than the richer ones *but the difference is not large*. Most of the differences (means) are not statistically significant. What this suggests is if the average awareness is high in the village for a specific program, the awareness for all quartiles is likely to be high for that program.

A comparison of awareness *across social groups* shows that the differences in awareness are statistically significant in a few cases (Table 3.2). Awareness among SCs and STs is high in the very schemes where the percentage is also high for non-SC&ST group. For example, the percentage of awareness among SCs and STs and also among non-SC/STs is high for PDS, mid-day meal, IAY, free text books, free uniform and pensions. In the case of housing scheme like IAY, the awareness among SCs is higher and statistically significant as compared to non-SC&ST group while the difference between these two groups for mid-day meals is significant at 10 per cent level. A comparison between STs and non SC&ST reveal that the awareness among STs is high and statistically significant as compared to non SC&ST in the case of IAY, ICDS, SGRY, food for work and SGSY. On the other hand awareness among STs is lower and significant as compared to non SC&ST for rural education scholarship and PDS. That a lower proportion of tribal households are aware of even the oldest program of PDS and the newer ones such as education scholarship is worrisome.

Table 3.1. Awareness about Programs: All States (%)

	Quartiles				
	1	2	3	4	All
Cash Transfer Programs					
Targeted					
Indira Awas Yozana	68.02	71.13	68.93	63.61	67.92
National Old Age Pension Scheme	59.59	62.8	57.1	54.73	58.55
Widow/disable pension	60.76	63.99	58.58	54.73	59.51
Universal					
Rural Education Scholarship	29.65	29.46	28.11	33.43	30.16
In-Kind Transfer Programs					
Targeted					
Public Distribution System	86.05	90.48	92.9	94.97	91.08
Antyodaya Anna Yojana	34.01	33.33	32.84	31.36	32.89
Universal					
Integrated Child Development Services	26.74	33.63	36.98	37.28	33.63
National Mid-Day Meal Scheme	67.73	77.38	78.11	68.93	73.01
free text-book	60.17	67.56	71.6	68.64	66.96
free hostel	18.02	30.95	31.07	33.14	28.24
free uniform	51.16	59.82	62.72	61.54	58.78
Workfare Programs (Self Targeted)					
Sampoorna Grameena Rozgar Yozana	25	33.33	30.18	29.59	29.5
Food for work	28.49	29.76	25.74	26.04	27.51
Subsidy Based Livelihood Programs					
Targeted					
Swarnajayanti Gram Swarojgar yojana	10.17	16.96	18.93	21.3	16.81

Table 3.2. Percentage of Households Aware of the Safety Net Programs by Social Groups (All: Three States Combined) (%)

Programmes	Over all	SC	Sig	ST	Sig &ST	Non SC
Cash Transfer Programs						
Targeted						
Indira Awas Yozana	67.92	72.79	***	75.59	***	61.03
National Old Age Pension Scheme	58.55	56.25		62.09		57.25
Widow/disable pension	59.51	56.99		62.56		58.61
Universal						
Rural Education Scholarship	30.16	29.41		23.93	***	34.44
In-Kind Transfer Programs						
Targeted						
Public Distribution System	91.08	92.28		86.49	***	93.5
Antyodaya Anna Yojana	32.89	34.56		34.36		31.27
Universal						
Integrated Child Development Services	33.63	33.46		37.2	**	31.42
National Mid-Day Meal Scheme	73.01	77.21	*	73.46		71
free text-book	66.96	72.06		62.56	*	67.67
free hostel	58.78	63.6		55.21		59.06
free uniform						
Workfare Programs (Self Targeted)						
Sampoorna Grameena Rozgar Yozana	29.5	27.21		38.63	***	24.62
Food for work	27.51	21.32		33.89	***	25.98
Subsidy Based Livelihood Programs						
Targeted						
Swarnajayanti Gram Swarojgar yojana	16.81	13.6		21.56	***	15.11

Note: 1. The column sig. after column on SCs relates to 'T' test between SCs and Non SC&ST. Similarly the column sig. after column on STs relates to 'T' test between STs and Non SC&ST.

2. '****' represents 1 % significant level , '***' 5% significant level and '**' 10 % significant level.

Are there differences in the awareness of programs across three states? In general, awareness of most individual programs (IAY, pensions, AAY, ICDS, SGRY and food for work) appears to be higher in Orissa than in Madhya Pradesh and Karnataka (Appendix Table A3.1). For example, in the case of ICDS, for example, 57% of households are aware of the program as compared to 23% for M.P. and 19% for Karnataka. In the case of four programs (PDS, mid-day meal, free text book and free uniform), the awareness is the highest in Karnataka. Overall, **the awareness about major safety nets in Orissa seems to be higher than in the other two states.** In terms of awareness, Orissa is followed by Karnataka and M.P. in that order.

Within each state, there are some differences in awareness across quartiles but it does not appear as though households in the poorest quartile are less aware of programs than the richer quartiles for most programs (Appendix A3.2 to A3.7). We did not pursue this analysis any further. However, a comparison of awareness *among social groups* seemed more interesting. One disheartening finding is that in Orissa awareness is higher for all other groups as compared to Scheduled Tribes. The knowledge about programs among Scheduled Tribes is lower in comparison with non-SC&ST for 11 out of 12 programs and the differences (in means) are statistically significant for 8 programs. (Appendix Table A3.5) However, the difference between SCs and non-SC&ST is not statistically significant for all programs except for widows' pensions (in which it is lower). Considering that the proportion of STs in total population in Orissa is high as compared to other states, their relatively lower awareness of programs is a source of concern, especially when the state is performing well in terms of *overall* awareness of programs in comparison with the other two states.

In the case of Madhya Pradesh, the awareness among SCs is not significantly different from other castes except in regard to two pension schemes which showed lower (and statistically significant) awareness for SCs (Appendix Table A3.6). Unlike in Orissa, the awareness for two pension schemes, rural education scholarship and SGRY is significantly higher among schedule tribes than for non-SCs&STs. Only in the case of PDS, the percentage for STs is lower (and statistically significant) than for other castes. In summary, in M.P., with the exception of the PDS, awareness of programs among STs is not inferior for most programs and in fact better than for other castes in some programs.

Awareness of IAY and mid-day meal schemes is higher and statistically significant for SCs and STs compared to that for other castes in Karnataka (Appendix Table A3.7). In other programs the differences between social castes are not significant.

In summary, while Orissa ranks better than Madhya Pradesh and Karnataka in terms of overall awareness, both Madhya Pradesh and Karnataka rank better than Orissa in terms of awareness of programs among scheduled castes and schedule tribes.

Differences in awareness between villages: Our survey covers 45 villages. We constructed an awareness index for all programs at the village level, and used village-level factors as independent variables to see if these factors influence awareness at the village level. Results are presented in Table 3.3. Factors (combined for all states) such as better functioning of PRIs, status of women in the household, presence of NGO in the village, and high (overall) level of education in the village have contributed positively and significantly to creating awareness of safety net programs in sample villages. However, when disaggregated state-level PRI functioning indices are used as explanatory variables, relative to Karnataka, the coefficients for Orissa and Madhya Pradesh are either non-significant or have negative sign. It is not clear why in Orissa (negatively related to PRI) and Madhya Pradesh PRI functioning has not led to better awareness and participation – we pursued this issue in our qualitative analysis (section VII). An interesting finding is that awareness of safety net programs *is low in wealthier villages*. Understandably, the concern (and probably the demand) for safety net programs seems to be high in relatively poorer villages. At the village level, awareness overall is better in Orissa and Madhya Pradesh than in Karnataka.

Table 3.3. Village level determinants of awareness of programs

Dependent Variable: Awareness Of All Programmes					
Coefficients(a)					
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	-7.402	58.007		-0.128	0.900
PRI functioning index	26.076	14.325	0.261	1.820	0.087
Social infrastructure	-2.679	21.991	-0.019	-0.122	0.905
Economic infrastructure	2.501	17.161	0.022	0.146	0.886
HH structural social capital	-48.730	33.510	-0.758	-1.454	0.165
Trust PRI	-4.152	29.686	-0.034	-0.140	0.891
Trust Officials	36.608	46.866	0.204	0.781	0.446
Trust Groups	-3.617	20.234	-0.029	-0.179	0.860
Total Female Participation (elec, meet etc)	47.533	34.757	0.246	1.368	0.190
empowerment	127.367	44.493	0.548	2.863	0.011
Control on assets	-52.986	108.714	-0.073	-0.487	0.633
Average Index	-0.341	0.195	-0.411	-1.754	0.098
Ratio of female and male literacy	-15.824	36.846	-0.126	-0.429	0.673
% female literacy	26.935	45.251	0.219	0.595	0.560
migrated	0.016	0.235	0.009	0.069	0.946
Presence of NGO in village	18.015	9.445	0.291	1.907	0.075
Social Composition of village (Herfindal)	8.644	15.084	0.080	0.573	0.575
% of Landless	-6.909	45.913	-0.057	-0.150	0.882
% of Small Farmers	4.090	34.157	0.036	0.120	0.906
% of HH with atleast one educated	37.261	20.512	0.342	1.817	0.088
Orissa dummy	91.074	36.763	2.198	2.477	0.025
Madhya Pradesh Dummy	70.482	31.258	1.671	2.255	0.039
Orissa * Social Capital	42.869	43.388	0.409	0.988	0.338
MP * Social Capital	31.194	36.469	0.597	0.855	0.405
Orrisa * Women's autonomy and decision making	-126.476	91.947	-0.949	-1.376	0.188
MP * Women's autonomy and decision making	-155.376	66.076	-1.231	-2.351	0.032
Orissa * PRI functioning	-71.453	35.051	-0.957	-2.039	0.058
MP * PRI functioning	-28.189	27.107	-0.510	-1.040	0.314

Summary. Awareness is high for some of the in-kind transfer programs like PDS and mid-day meals and cash transfer programs like IAY and pension schemes as compared to work fare and subsidy based livelihood program. PDS has the highest awareness, followed by mid-day meal and IAY. Differences in awareness across quartiles are small for most programs. However, differences in awareness across social groups are significant for a few programs. In particular, a significantly lower proportion of tribal households is aware of three critical programs which include, surprisingly PDS, and also education-related safety net programs. Awareness of programs is better in Orissa than in other states. At the village level, factors such as status of women in the household, presence of NGO in the village, and high (overall) level of education in the village have contributed positively and significantly to creating awareness of safety net programs in sample villages. As compared to Karnataka, PRIs in the other two states are not playing an important role in creating awareness of programs. An interesting finding is that awareness of safety net programs is low in wealthier villages; presumably the demand for safety net programs is high in relatively poorer villages.

IV Program Participation: A Household level analysis

Awareness of a program is a pre-condition for participation but it does not guarantee participation. This section looks at participation rates at the household level by quartiles based on wealth/assets and by social groups.

All households (all states). The participation rates are more than 60% for in-kind programs like PDS, ICDS, mid-day meal and free text books. PDS showed the highest participation rate (70%) among the 13 programs considered in the study (Table 4.1). As expected, participation rates of PDS are higher for BPL households than for APL households. On the other hand, the higher awareness rates notwithstanding, participation rate is less than 10% for programs like AAY, SGRY, food for work and SGY. For pension schemes it is around 30%. As for differences between the states, participation rates for all households are higher in 8 out of 13 programs in Orissa than in M.P. and Karnataka. Some differences are worth noting. In the case of PDS under BPL, Karnataka showed the highest participation. Participation is higher in six programs (rural education scholarship, PDS, mid-day meal, free text book, free uniform and food for work) in M.P. than in the other two states. However, it is a source of concern that only 32% of BPL households participated in PDS in M.P. despite higher awareness. In Karnataka and Orissa, the corresponding participation rate is more than 60%.

Table 4.1 Participation Rates for All HHs: All States and Individual States (%)

	All States	Orissa	M.P.	Karnataka
CASH TRANSFER PROGRAMS				
Targeted				
Indira Awas Yozana	10.57	12.98	10.35	8.91
National Old Age Pension Scheme	31.04	43.76	32.48	—
Widow/disable pension	24.94	29.37	26.16	—
Universal				
Rural Education Scholarship	32.66	—	44.73	24.47
In-Kind Transfer Programs				
Targeted				
Public Distribution System (APL)	20.82	12.02	42.81	2.96
Public Distribution System (BPL)	50.1	60.24	32.34	62.11
Public Distribution System	69.59	69.04	74.37	64.62
Antyodaya Anna Yojana	4.61	7.94	4.16	—
Universal				
Integrated Child Development Services	64.88	77.54	51.64	50.47
National Mid-Day Meal Scheme	68.4	68	72.72	63.79
free text-book	67.77	70.07	78.26	56.91
free uniform	51.88	48.61	62.52	46.94
Workfare Programs (Self Targeted)				
Sampoorna Grameena Rozgar Yozana	8.23	22.93	4.04	—
Food for work	9.73	6.27	17.76	—
Subsidy Based Livelihood Programs				
Targeted				
Swarnajayanti Gram Swarojgar yojana	3.29	10	—	—

Across Quartiles and Social Groups: Participation Rates for All States: Anti-poverty programs by their very definition are supposed to benefit disproportionately poor and socially disadvantaged sections. To what extent is this happening, and which programs are doing better?

Table 4.2 shows that, in general, participation rates in all the four quartiles is high in the programs which showed high average participation rates, and low where the average participation rates are low. Thus, the participation rate for PDS is above 70% in all the four quartiles. On the other hand, participation is very low for SGRY, food for work and SGSY. Here the participation rates are less than 10% for all the four quartiles (and the average).

One important finding is that participation rates are higher for the lowest quartile (quartile 1 comprising the poorest) in 9 out of 13 as compared to the top two

quartiles. The differences are particularly high for NOAP, PDS under BPL, ICDS, mid-day meal scheme and food for work. It shows that these programs are reaching the poorest segments of society, but it does not necessarily reflect higher targeting efficiency because it is reaching most of the households in the upper two quartiles as well. In other words, the poor as well as the non-poor are benefiting from these programs. The participation in second quartile is higher than top two quartiles only in five programs viz., NOAP, widow pensions, AAY, SGRY and food for work. PDS has the highest participation rate (80%) for the 1st quartile, though it is also high for other quartiles. Relatively high participation rates for the top two quartiles in PDS, ICDS, mid-day meal, free text book, free uniform, SGRY etc. indicate that substantial leakage of benefits to the non-poor.

Table 4.2. Participation Rates by Quartiles: All States (%)

	Quartiles				Total
	1	2	3	4	
CASH TRANSFER PROGRAMS					
Targeted					
Indira Awas Yozana	13.2	11.11	12.46	5.05	10.57
National Old Age Pension Scheme	46.51	40.9	16.52	27.1	31.04
Widow/disable pension	29.96	32.22	22	11.76	24.94
Universal					
Rural Education Scholarship	35.31	35	35.75	24.48	32.66
In-Kind Transfer Programs					
Targeted					
Public Distribution System (APL)	12.3	18.85	19.77	33.7	20.82
Public Distribution System (BPL)	58.59	49.96	52.33	38.24	50.1
Public Distribution System	68.46	67.27	71.19	71.62	69.59
Antyodaya Anna Yojana	6.53	5.41	4.93	1.26	4.61
Universal					
Integrated Child Development Services	73.26	54.55	66.1	66.88	64.88
National Mid-Day Meal Scheme	72.35	65.79	69.1	65.86	68.4
free text-book	72.3	65.15	72.25	60.44	67.77
free uniform	56.28	54.24	54.35	42.16	51.88
Workfare Programs (Self Targeted)					
Sampoorna Grameena Rozgar Yozana	8.89	10.56	7.93	5.33	8.23
Food for work	15.23	10.5	7.5	4.98	9.73
Subsidy Based Livelihood Programs					
Targeted					
Swarnajayanti Gram Swarozgar yojana	2.68	3.22	2.92	4.45	3.29

Regarding social groups, in seven programs (PDS under BPL, mid-day meals, IAY, free text book, free uniforms, SGRY, food for work) the participation rates are higher and statistically significant for SCs and STs as compared to Other Castes (OCs.) (see Table 4.3). Moreover, participation in two more programs for SCs and one more program for STs is higher and statistically significant than for non-SC-ST group. Thus, the rates are significantly higher for SCs in 9 programs and STs in 8 programs as compared to OCs. It shows that in terms of participation, the socially disadvantaged sections are able to benefit from a majority of the programs, though the participation rate among OCs is more than 40% in in-kind programs like PDS, ICDS and mid-day meal and free text books.

Table 4.3 Participation Rates by Social Groups: All States (%)

	Social Groups				
	SC	ST	BC	OC	Total
CASH TRANSFER PROGRAMS					
Targeted					
Indira Awas Yozana	15.73**	13.53**	6.76	6.57	10.57
National Old Age Pension Scheme	55.78*	35.8	23.35	22.07	31.04
Widow/disable pension	10.6	24.72	31.12	25.38	24.94
Universal					
Rural Education Scholarship	47.16	38.18	23.62	29.85	32.66
In-Kind Transfer Programs					
Targeted					
Public Distribution System (BPL)	59.10**	58.34**	40.24	45.13	50.1
Antyodaya Anna Yojana	6.35**	6.17**	3.54	1.17	4.61
Universal					
Integrated Child Development Services	64.14	66.31*	69.31	50.84	64.88
National Mid-Day Meal Scheme	76.81**	65.82	68.56	59.25	68.4
free text-book	76.28**	68.33*	66.28	56.35	67.77
free uniform	61.83**	62.22**	42.15	40.46	51.88
Workfare Programs (Self Targeted)					
Sampoorna Grameena Rozgar Yozana	6.75**	14.68**	5.36	2.74	8.23
Food for work	6.08**	11.16**	12.62	2.83	9.73
Subsidy Based Livelihood Programs					
Targeted					
Swarnajayanti Gram Swarojgar yojana	2.01**	4.36	2.27	5.69	3.29

Across Quartiles and Social Groups : State-wise Participation rates For 9 out of 12 programs, the participation rates for the lowest quartile are higher than the other three quartiles in Orissa (Appendix Table A4.1) In particular, the differences between the lowest and top two quartiles are higher in IAY, NOAP, widow pensions, PDS under BPL, AAY and mid-day meals and SGRY and free uniforms. In the case of ICDS, however, the participation rates are similar for the lowest and top two quartiles. This is not so much of a concern because ICDS is not specifically targeted to poor children; any child can participate. What is worrying is that participation rates are high for top two quartiles for PDS, mid-day meals, free text books and free uniforms – programs meant for the poor – confirming significant inclusion errors. In the case of second quartile, the rates are substantially higher than top two quartiles only in two programs.

In the case of M.P., 6 out of 12 schemes for the bottom quartile and three out of 12 for second quartile recorded higher participation than top two quartiles (Appendix Table A4.2). In terms of reaching a higher proportion of the very poor, Orissa is doing much better than Madhya Pradesh. In some programs such as IAY, PDS, rural education scholarship, AAY – all programs intended for the poor – and in ICDS, the participation rates in the poorer two quartiles are not higher than the top two quartiles, implying significant inclusion errors in all these programs. The case of ICDS is interesting: participation by children of the top two (richest) quartiles was 57% but only 49% in the lowest quartile 41% in second quartile. In the food for work program, as expected, the first two quartiles have higher participation rates as compared to 3rd and 4th quartiles.

In Karnataka, in 2 out of 7 programs (PDS under BPL and ICDS), participation rates were higher for lowest quartile compared to the top two quartiles. (Appendix Table A4.3). There are, however, two differences between Karnataka and the other two states. First is that the participation rates for the second quartile are higher in 4 out of 7 programs. Somehow households in the second quartiles are able to participate and benefit from these programs more than the poorest quartile. The second difference is that in regard to ICDS, the lowest quartiles show participation rates much higher than the top two quartiles. ICDS though not a poverty-targeted program, seems to be reaching the poorest groups disproportionately in Karnataka whereas in the other states children of all quartiles are participating.

Regarding social groups, participation rates are higher for SCs in the case of three programs (NOAP, SGRY and food for work) and in two programs (SGRY and food for work) for STs compared to OCs in Orissa (Appendix Table A4.4). In the case of SGSY, the rate for SCs and STs is much lower than OCs. For other programs, the participation rates are uniform across all social groups.

In Madhya Pradesh, participation rates for SCs and STs are higher than in Orissa for most programs (Appendix Table A4.5) The rates are higher and statistically significant in 6 out of 10 programs for SCs and 3 out of 10 programs for STs compared to OCs. Particularly SCs have high participation rates in IAY, PDS under BPL, mid-day meals and free uniform.

In Karnataka, 3 out of 7 programs for SCs and 2 out of 7 for STs have higher participation rates as compared to OCs (Appendix Table A4.6) (and the means are statistically significantly different from each other). One interesting finding is that in the case of education schemes (rural scholarship, free text book and free uniform), the participation is much higher for SCs compared to OCs in Karnataka. In rest of the programs, the rates are uniform across social groups.

Awareness and Participation: A summary view. We summarize here the performance of the programs based on awareness and participation rates for the 13 programs. Based on the awareness and participation rates for bottom 2 quartiles, we considered very poor performance if less than 30% of households were reached, poor if 30 to 50%, good if 50 to 75% and very good if more than 75% of households were reached. These categories are of course arbitrary and are indicative. For all states, as shown in Table 4.4, PDS gets 'very good' grade for awareness, followed by 'good' grades for IAY, pension schemes, mid-day meals, free text books and uniforms. AAY and ICDS get 'poor' grade while wage employment programs and SGSY were 'very poor' in terms of awareness.

In terms of participating, when all states are considered together, PDS, ICDS, Mid-day meals, free text-books, free uniforms fall in "good" category; all others fall in either poor or very poor category.

There are significant variations across the three states. In terms of awareness Orissa has a good track record for most programs. In terms of participation too, Orissa's performance is good or very good for 6 out of 13 programs. PDS and

education-related programs have good or very good participation rates. In Madhya Pradesh pension programs and IAY have good awareness ranking but poor participation ranking. On the other hand, education-related programs have good or very good participation ranks though one of them has low awareness ranking. In Karnataka, only 7 programs have good sample sizes; of these PDS and education programs get good awareness and participation ranks. An interesting finding is that in all three states, SGRY, food for work and SGSY have both poor or very poor awareness as well as participation ranks, whereas not surprisingly PDS good or very good participation rates in all states.

Factors determining participation: Participation in the safety nets depend on several factors such as ownership of assets, social characteristics like caste, occupation of the household, literacy, household size, sex of the head of the household, social capital of households, women's autonomy and participation, village level characteristics like social and economic infrastructure, functioning of local councils like PRIs. The factors determining participation of households in programs is analyzed using multivariate analysis. For this analysis we have selected 13 programs, for which the sample size is sufficiently large. These are IAY, Old age Pensions, Widow/disable pension, Rural Education Scholarships, PDS (BPL), AAY, ICDS, National Mid-day Meals, Free text books, Free Uniform, SGRY, Food for work, and SGSY. For each of these programs we have estimated a logistic regression model to determine the factors explaining the participation of households:

$$P = f(\mathbf{H}, \mathbf{V})$$

Where P takes value 1 if any member of the household participates in the program and zero otherwise. \mathbf{H} and \mathbf{V} are household and village level variables. At household level we have considered the following variables:

1) *Wealth Index:* It is an index computed based on the household asset base. For the multivariate analysis, we used quartiles formed with the wealth index. The use of quartiles in the regression is found to give better fit than when wealth index is used directly. If the participation of household in to any program is pro-poor, the wealth effect on participation should be negative.

Table 4.4 : Performance of the programs

	Orissa		Madhya Pradesh		Karnataka		All States	
	Awareness	Participation	Awareness	Participation	Awareness	Participation	Awareness	Participation
	Cash Transfer Programs Targeted Indira Awas Yozana National Old Age Pension Scheme Widow/disable pension Universal Rural Education Scholarship In-Kind Transfer Programs Targeted Public Distribution System (BPL) Antyodaya Anna Yojana Universal Integrated Child Development Services National Mid-Day Meal Scheme free text-book free uniform Workfare Programs (Self Targeted) Saampoorna Grameeena Rozgar Yozana Food for work Subsidy Based Livelihood Programs Targeted Swarnajayanti Gram Swarojgar yojana	Very good Good Good Very Poor	Very Poor good Poor Very Poor	good good good Poor	Very Poor Poor Very Poor Poor	good Poor good Poor	Very Poor Very Poor Very Poor Very Poor	good good good Very Poor

Notes: Very Poor: If less than 30% of the bottom 2 quartiles are aware/participate
 Poor: If 30%-50% of the bottom 2 quartiles are aware/participate
 Good: If 50%-75% of the bottom 2 quartiles are aware/participate
 Very Good: If more than 75% of the bottom 2 quartiles are aware/participate

2) *Caste Groups*: Caste is an important factor in explaining the household participation in programs. With low levels of social and economic attainment, we expect higher probability of participation among SC and ST households.

3) *Household size*: *Ceteris paribus*, large households may be expected to be poorer than small households, and so large households may be expected to seek and participate in any safety net program.

4) *Sex of the head of the household*: In general, the female headed households may be expected to participate in safety net programs more than the male headed households

5) *Percentage of literates in the household*: Households with a larger number of literates may be more likely to participate in child/education centered programs and less likely to participate in workfare/livelihood programs

6) *Occupation of head of the household*: We expect higher probability of participation for households predominantly engaged in labor-based activities than self employed households

7) *Household experiencing Shocks/Risks*: In order to examine the interaction between household experiencing shocks and its participation in the program, we included variables indicating shocks and risks. We included two types of shocks, idiosyncratic and covariate. It is worth stressing that while the incidence of risks/shocks is for the *previous three* years, program participation is for the *current* year (of the survey).

Household structural Social Capital: The social capital of the household is computed as the participation of household members in a number of social/political groups. The Social capital index indicates the networking ability of the household. We expect that the household with higher social capital to have higher probability of participating in the program.

Women's autonomy and decision making: This is an index based on the women's decision making on various household issues (like child education, marriages, health, savings, investments etc.) and ability of the women to do a few things on her own independently (like going to PDS shop, participating in workfare

programs, visiting parents, setting money apart for self, buying clothes for self, etc.). We expect household with higher women's autonomy to be more likely to participate in the program.

Women's participation in meetings and elections: This index is based on the women's participation and raising issues (any) in the meetings of village council/ education committees/ water user association and women's participation in elections (village/block/district/state council and national elections). We expect likelihood of participation in safety net program to increase with women's participation index.

We used age of the head of the household and average land size as controls.

At the village level we used the following controls:

1) *Social/Economic Infrastructure:* Two separate indices have been constructed to capture the level of village development with respect to social infrastructure and economic infrastructure. These are used as controls. The households located in higher social/economic infrastructure may be expected to higher probability of participating in programs.

2) *Functioning of PRIs:* The index of functioning of PRI is based on regularity of the village council meetings and active participation of SC and STs. The households in villages with better functioning of PRIs may have higher probability of participation in programs.

3) *Average wage rate in the village:* An important determinant of participation in case of workfare programs and SGSY.

The results of the logit models for each program are given in Appendix Tables A5.1 to A5.13. A summary of the variables with their coefficients and statistical significance levels are given for 13 programs in Table 4.5

The results for each program are discussed below.

1. LAY: Pro-poor factors like household size, social characteristics like SCs, and social capital of hhs. are positively related to participation in housing program.

As shown below, the probability of households having social capital participating is high for many of the safety net programs considered in this study including IAY. Apart from these factors, the coefficient of self employed in non-agriculture is positive and significant. However, other factors like ownership of assets, land holdings, agriculture labourers, female headed households and village infrastructure do not have significant relationship with participation. Percentage of literates in the hhs. has negative relationship indicating that the probability of participation for illiterates is high. Also, the probability of male headed households participating in the housing program is high. It is surprising to find that the 3rd quartile based on wealth has significant positive relationship with participation. It confirms inclusion errors: the probability of non-poor participating in the housing program is high in all three states. IAY offers a large sum of money – the size of the cash transfer itself is good enough attraction for the non-poor to be attracted to the program. The results indicate that the households, who experienced weather-induced covariate risks, are more likely to participate in IAY (a housing subsidy program) compared to others. It is possible that some preferential treatment may have been given to those whose homes were badly damaged or rendered homeless due to cyclones/floods.

2. National Old Age Pension (NOAP): In the case of old age pensions, the third quartile of the participants and all the occupational categories (self employed in agriculture, agriculture labour etc.) have significant negative relationship with participation. It indicates that the probability of participation by non-workers and the relatively rich quartile is high in NOAP. Participation by non-workers is understandable as mainly old age people are supposed to get pensions. On the other hand, the rich participating in the old age pension program old age pension is interesting! Also, participation has significant positive relationship with household size and negative relationship with land holding. Literacy in the household has negative relationship. With the exception of participation by the rich, the results are on the expected lines. Some of the household characteristics like caste, sex of the hh, literacy of the head of the household are not significantly related to participation. Village level characteristics also do not have significant relationship with participation. It indicates that location of the household does not matter for participation. However, the probability of participation in Orissa and M.P. is higher for NOAP than in Karnataka.

3. Widow/disability pension: Five variables viz., 1st quartile, 2nd quartile, male headed hhs, self employed in non-agriculture and social infrastructure have significant positive relationship while four variables such as SCs, STs, percentage of literacy in hh, and functioning of PRIs have negative relationship with participation. The positive relationship of first two quartiles and social infrastructure are in the right direction. Illiterates, non-STs and non-female headed hhs have high probability of getting widow pensions. As compared to Karnataka, the probability of participation in M.P. is low. Other variables do not have significant relationship with participation.

4. Rural Education Scholarship: Participation in this scheme is positively related to seven variables viz., SCs, household size, male headed households, literates in the household, agricultural labor, social capital, and women's autonomy. The results are in the right direction and interesting, especially the finding that households with a large number of literates, high social capital and women's autonomy have higher probability of getting scholarships for their children. On the other hand, it is negatively related to variables like first quartile, age of the household and functioning of PRIs. That the poorest quartile has low probability of participation, and PRIs do little to enhance the participation, is worrisome. The probability of participation in scholarship program is highest for M.P. as compared to Orissa and Karnataka. (This latter observation needs to be interpreted with caution: the sample size is very low for Orissa for the rural education scholarship program.).

5. Public Distribution System (PDS) under BPL: Surprisingly, the participation in PDS under BPL is neither related to households by quartiles nor related to social groups. Only third quartile has significant positive relationship indicating probability of relatively rich getting PDS rations is high. An interesting finding is that social capital has positive relationship with participation of PDS for BPL. *It shows that net working really plays an important role in gaining access to BPL ration cards.* Land holding size has negative relationship indicating relatively poorer households have higher probability of participating in PDS. The results also show that the likelihood of participation is lower if the household is located in Orissa and Madhya Pradesh as compared to Karnataka. That well-functioning PRIs play little role in the poor gaining access to ration cards is also interesting: the poor seem to rely more on their social capital than on PRIs to obtain BPL ration cards.

6. Antyodaya Anna Yojana (AAY): Here also the quartiles based on assets do not have significant relationship with AAY participation. On the other hand, SCs, STs and OBCs have positive and significant relationship with participation in AAY. Destitutes may be higher in these social groups as compared to other castes. This is an interesting result in the expected direction. The age of the head of the household also has positive relationship indicating the older the head of the household the higher probability of getting AAY. Factors like female headed household, functioning of PRIs have negative relationship with participation in AAY. It is not clear why better functioning PRIs do not lead to higher participation rates for AAY. The probability of households in M.P. participating in this program is higher than Karnataka.

7. ICDS: For ICDS, many of the included variables are not significantly related to the participation. Only backward castes, household size, women's autonomy have positive relationship in this scheme. Literacy in the household is negatively related indicating that illiterate households have the probability of participating in ICDS. The probability of participation in ICDS is higher for Orissa and M.P. as compared to Karnataka None of the other variables have significant relationship with participation in this program. One interesting result is that the participation in ICDS increases with exposure to weather risks. Presumably the demand for ICDS services (especially supplementary nutrition for children) increases when households are hit by a drought/cyclone.

8. Mid-day Meal Scheme: It is interesting that in contrast to ICDS, mid-day meal scheme has positive relationship with the first three quartile of households, SCs and BCs, literacy in the household, household size, social capital and women's participation in meetings – all signs are in the expected direction. The poor and the socially disadvantaged groups, large families and households with some literacy and social capital and women's empowerment have high probability of participating in mid-day meals. The probability of third quartile getting mid-day meals is higher than the top rich quartile. Village level infrastructure and PRI functioning do not have any significant relationship with participation in mid-day meals. The probability of participation in mid-day meal scheme is higher for Orissa and M.P. than in Karnataka. As in case of ICDS, the probability of household participation in mid-day meals increases with coverate risks.

9. Free Text Books: The same factors determine participation in mid-day meals above also determine the variation in the participation in free text books scheme. It is clear that household's social capital and women's empowerment variables are important for participation in child-related schemes like ICDS, mid-day meal scheme and free text books. As with the mid-day meal scheme, the probability of participation in free text book scheme is higher for Orissa and M.P. than in Karnataka. None of the other village-level factors influence participation in this scheme.

10. Free Uniform: In this scheme also, SCs and STs, household size, literacy and social capital have significant positive relationship. The results are in the expected direction. Other variables, including village-level factors, are not significant determinants of participation in this scheme. Households experiencing idiosyncratic risks are less likely to participate in the program; presumably households experiencing health risks may not be taking advantage of school-related incentives.

11. SGRY: Participation in public works program SGRY has positive relationship with STs, SCs, OBCs, non-agricultural labor households, social infrastructure, social capital and women's participation. Surprisingly it does not have any significant relation with households by quartiles and occupational groups except non-agricultural labor. We expected agricultural labor households to be positively related to participation in SGRY but the relationship is not significant. Literacy has negative relationship with SGRY. One important finding is that economic infrastructure has negative relationship indicating probability of high participation in backward areas. Also, household social capital and women's participation increase the probability of participation. Average wage rate does not have any influence on the participation in SGRY. The probability of participation in Orissa is higher than Karnataka. The results indicate that the likelihood of participation in SGRY is lower among households hit by covariate risks. This may appear counter-intuitive, but this finding is presumably due to the fact that weather-induced covariate risks were experienced in the previous three years (which may have been "bad" years), whereas the observed lower participation in SGRY for the current year may be because it is a good agricultural year. In any case, we do not wish to overstate this point: the relationship between risks and program participation would need a panel survey which is beyond the scope of this study.

12. Food for work program: Participation in food for work is positively related to 11 variables viz., SCs, STs, OBCs, male-headed households, self employed in

agriculture, agricultural labor households, self employed in non-agriculture, and non-agricultural labor households, social infrastructure and social capital. It is negatively related to land holdings and literacy of the household. These results are in the expected direction. **One interesting result** is that average wage rate has negative relationship with food for work participation. In other words, if market wage rates are high, participation in public works would be lower: an important finding in the expected direction. The probability of participation in M.P. in food for work is higher than in Karnataka.

13. SGSY: Only a few variables included in the model have significant relationship with the participation in the self employment program SGSY. STs have negative relationship with participation in SGSY. Wealth quartiles do not have any relationship with SGSY. Male-headed households, and households with social capital have a probability of participation. In contrast to SGRY and food for work, economic infrastructure and average wage rate have positive relationship with SGSY. It indicates that the probability of participation by households in relatively developed areas is high for SGSY, probably reflecting that demand-side factors (for the products/ services produced and offered by the self-employed informal sector activities) play an important role in determining participation.⁹ Households in less developed areas have little prospect of participation in SGSY. As with most programs, the probability of participation by households in Orissa is also higher than in Karnataka and Madhya Pradesh. The coefficient of the idiosyncratic risks is negative and significant, indicating that the participation in SGSY is lower among households hit by idiosyncratic risks.

Important variables determining participation for most programs: Which factors are generally very important for participation in safety net programs? A summary of the importance (statistical significance) of variables by programs is presented in Table 4.6

(a) *Quartiles:* The quartiles based on assets do not seem to have significant relationship with the participation in a majority of the programs. For example, the

⁹ This confirms an earlier finding on the earliest version of self-employment program, the IRDP. Subbarao (1985) noted that regional variation in the performance of IRDP is attributable largely to differences in the district-level infrastructural development: the program operated better in the more developed districts than in backward areas.

lowest quartile is significantly positive only for three programs viz., widow pensions, mid-day meals and free text books. In fact, the third quartile is positively significant for three programs viz., IAY, PDS under BPL, and mid-day meals.

(b) *Social Groups*: On the other hand, the households belonging to socially disadvantaged sections have significant positive relationship with participation in many programs. For example, SCs have significant and positive coefficient for 8 out of 13 programs viz., IAY, rural scholarship, AAY, MDM, free text, free uniform, SGRY and, food for work programs. In comparison with scheduled castes, households belonging to schedule tribes have probability of participation in only fewer (four) programs.

(c) *Household size* has significant and positive influence on household participation of 7 programs viz., IAY, NOAP, rural education scholarship, ICDS, MDM, free text and, free uniform. Female headed households do not show significant relationship for most of the programs. Similarly, with few exceptions, occupation groups do not seem to significantly influence the participation.

(d) *Percentage of literates* in the household is positively related to four education-related programs and negatively with 7 poverty-centered programs. These results are in the expected direction.

(e) *Size of land holding* has negative relationship for four programs (NOAP, PDS under BPL, free uniforms and food for work). In other programs, land variable is not significant.

f) *Covariate Risks and idiosyncratic risks* — In case of IAY, ICDS and MDM the covariate risk is positively associated with the participation in the programs, whereas in the case of SGRY, it is negatively associated. *Idiosyncratic Risk* is significant in case of only three programs, rural education scholarships, Free uniforms, and SGSY. However, it is negatively associated with free uniforms and SGSY. It is worth stressing that the relationship between risks and program participation can be better explained only with panel data, which is beyond the scope of this study.

(f) *Village infrastructure* does not much influence on the households participating in many safety programs. Social infrastructure has positive influence on participation in two programs while economic infrastructure has negative coefficient in only one

program. It is interesting that economic infrastructure does not influence program participation generally.

(g) *PRIs*: It is also interesting to note functioning of PRIs also do not positive influence on the participation in safety net programs. In fact it has a negative (counter-intuitive?) relationship on participation in three programs viz., widow pensions, rural scholarships and AAY.

(h) *Social Capital*: One interesting finding is that social capital has positively significant relationship with participation in 9 out of 13 programs. **This is an important finding of this study.** It shows that households' networking ability goes a long way in promoting household participation in safety net programs.

(i) *Women's Empowerment*: The variables relating women's empowerment are significantly positive for programs which are related to children and education. Likewise women's autonomy is significant for rural education scholarships and ICDS while women's participation is significant for mid-day-meals and free text books.

(j) *Average wage rate* has negative influence on the participation in food for work program while it has positive relationship with self employed program.

Accessing programs: An Aside on the role of middlemen. One of the factors often mentioned in the literature on anti-poverty programs is that the poor often take the help of various functionaries to access programs including such things as obtaining a BPL card. Ideally, the poor should be able to gain access to BPL cards and other programs without anybody's help, but typically that did not appear to be case in villages we surveyed. So we collected village-level information on the role of middlemen (or other "contacts") in accessing programs, and computed a village-level index, and used various village-level factors to assess what factors influence the dependence of poor households on middlemen to access programs. Results are reported in Table 4.7.

Female literacy, and women's general status in the household and households "trust" in public institutions significantly reduced the dependence on middlemen. The dependence on middlemen is higher in the relatively poorer state of Orissa than in the other two states.

Table 4.5. Significance Levels of the variables in 13 safety net programs

Variables	Targeted Cash Transfer Programs				Universal Cash Transfer Programs			Targeted In-Kind Transfer Program			Universal In-Kind Program			Self-targeted Workfare Program			Targeted Subsidy Based Livelihood Program	
	IAY	NOAP	Widows Pensions	Rural Edu Schol ships	PDS (BPL)	AAAY	ICDS	Mid-das Meal	Free uniforms	SGRY	FFW	SGSY						
Wealth Index (Ref: 4th Quartile)																		
1st quartile	0.603	-0.914	1.056	-0.989	0.31	0.637	0.554	0.888	**	0.127	-0.595	-0.133						
2nd Quartile	0.366	-0.802	1.217	-0.663	0.174	0.875	-0.097	0.484	**	0.12	0.458	0.232						
3rd Quartile	0.606	-0.996	0.373	-0.492	0.462	0.993	-0.517	0.399	*	0.34	0.222	0.052						
Sociaol Group (Ref: Others)																		
SC	0.687	-0.599	-2.237	1.099	0.13	1.663	0.456	0.629	**	1.253	1.331	-1.098						
ST	0.491	-0.825	-0.976	0.485	0.26	1.965	0.063	0.286	**	1.322	1.288	0.7						
OBC	-0.053	-0.366	0.082	-0.364	-0.204	1.779	0.632	0.41	**	-0.128	1.38	-0.291						
Household Size	0.109	0.231	-0.017	0.339	0.028	0.008	0.444	0.513	**	0.214	0.05	-0.034						
Sex of Head of household (Ref: Male)																		
Female	0.575	0.417	2.763	1.602	0.285	0.858	-0.079	0.397	**	0.059	1.289	1.008						
% of Literates in HH	-0.005	-0.033	-0.021	0.018	-0.003	-0.012	-0.021	0.014	**	0.02	-0.013	-0.006						
Occupation of Head of Household (Ref: Non Worker)																		
Self-employed in Agri.	0.65	-1.033	0.162	0.126	-0.016	-0.846	-0.169	0.152	**	-1.186	0.861	0.605						
Agricultural Labor	0.522	-1.418	-0.372	1.318	0.261	0.588	0.183	0.177	**	-0.941	0.741	-0.582						
Self-employed in non-agri	0.923	-1.667	1.517	-0.536	0.075	0.318	0.551	-0.096	**	-1.06	0.438	0.099						
Non-agri Labor	0.376	-2.299	0.138	1.055	0.182	0.041	-0.222	0.017	**	-1.174	1.108	-0.627						
Others	-0.318	-1.553	-0.224	-1.472	-0.349	-1.7962	-0.689	-1.025	**	-1.814	0.376	-1.009						
HH experiencing Any Idiosyncratic Risks (Ref: none)	-0.173	-0.267	0.493	0.641	0.186	0.231	-0.143	0.098	**	-1.076	-0.391	-0.958						
HH experiencing Any Covariate Risks (Ref: none)	0.327	-0.268	0.263	-0.015	-0.191	0.308	0.727	0.298	*	-0.067	-0.436	0.3						
Age of Head of Household	-0.007	**	-0.008	-0.031	**	0.013	-0.018	-0.031	**	-0.008	0.004	-0.008						
Land possessed	-0.052	-0.147	0.004	-0.005	-0.027	0.006	0.003	0.017	*	-0.06	-0.025	0.023						
Social Infrastructure	-0.208	-0.226	3.991	1.12	0.228	0.123	-0.751	0.16	**	0.884	3.452	2.984						
Economic Infrastructure	0.668	1.34	0.95	0.362	0.135	-1.235	-0.429	0.54	**	-1.425	-1.457	1.147						
Functioning of PRIs	0.89	-0.415	-2.468	-1.81	**	-2.57	-0.171	0.464	**	0.424	0.865	-0.379						
Household Structural Social Capital	0.807	0.036	0.494	0.692	**	0.254	0.293	0.687	**	0.435	0.833	1.712						
Women Autonomy and decision making score	-0.145	0.099	-0.128	1.593	**	-0.071	1.004	0.24	*	0.09	-0.656	-0.121						
Women Participation in meetings and elections	0.161	1.095	-1.213	0.251	0.35	0.826	1.116	1.502	**	-1.123	2.693	0.049						
Average Wage in Village												0.031						
State (Ref: Karnataka)												0.004						
Orissa	0.387	1.341	-0.384	-2.066	**	0.704	1.755	0.562	**	0.125	2.468	4.598						
Madhya Pradesh	-0.058	1.21	-1.028	1.164	**	1.376	0.718	0.432	*	0.824	0.462	1.547						
Constant	-4.363	-0.476	-1.792	-3.667	-0.728	-5.371	-2.583	-4.407	**	-1.883	-6.734	-6.003						

Table 4.6. No. of Programs Significant for Each variable in Logit Models of Participation

Variables	No. of of programs <i>positive</i> and significant out of 13 programs	No. of of programs <i>Negative</i> and significant out of 13 programs
Welath Index quartiles (Ref: Fourth Quartile)	—	—
Q1	3	1
Q2	2	Nil
Q3	3	1
Caste Group(Ref: Other Castes)	—	—
SC	8	1
ST	4	2
BC	5	Nil
Household Size	7	Nil
Sex of Head of hh (Ref: Female)	—	—
Male	6	Nil
% of Literates in Household	4	7
Occupation of Head of Household (Ref: Non Worker)	—	—
Self-employed in Agrl.	1	1
Agricultural Labor	2	1
Self-employed in non-agrl	3	1
Non-agrl Labor	2	1
Others	Nil	Nil
Age of Head of Household	2	3
Land Holding of hh	Nil	4
Social Infrastructure of Village	2	Nil
Economic Infrastructure of Village	1	1
Functioning of PRI	Nil	3
Household Structural Social Capital	9	Nil
Women's Autonomy and Decision Making	2	Nil
Women's Participation in meeting and elections	3	Nil
Average Wage rate in village	1	1
State (Ref: Karnataka)	—	—
Orissa	6	2
Madhya Pradesh	7	2

Table 4.7 Factors Determining the contacts with Middle Men

Dependent Variable: Contacting Middle Man (All Programmes)						
Coefficients(a)						
ModelI		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-0.122	0.132		-0.925	0.369
	PRI functioning index	-0.048	0.033	-0.255	-1.483	0.158
	Social infrastructure Economic infrastructure	0.002	0.050	0.006	0.030	0.976
	HH structural social capital	0.027	0.039	0.124	0.696	0.497
	Trust PRI	0.091	0.076	0.743	1.190	0.251
	Trust Officials	-0.030	0.068	-0.131	-0.445	0.662
	Trust Groups	-0.064	0.107	-0.187	-0.597	0.559
	Total Female Participation (elec, meet etc)	0.129	0.046	0.540	2.796	0.013
	Empowerment	0.047	0.079	0.129	0.596	0.559
	Control on assets	0.126	0.101	0.286	1.247	0.230
	Average Index	-0.377	0.247	-0.275	-1.524	0.147
	Ratio of female and male literacy	0.000	0.000	0.083	0.295	0.772
	% female literacy	0.183	0.084	0.769	2.183	0.044
	Migrated	-0.244	0.103	-1.048	-2.371	0.031
	Presence of NGO in village	0.000	0.001	-0.139	-0.884	0.390
	Social Composition of village (Herfindal)	0.006	0.021	0.050	0.274	0.788
	% of Landless	-0.037	0.034	-0.181	-1.077	0.298
	% of Small Farmers	0.130	0.104	0.569	1.249	0.230
	% of HH with atleast one educated	0.113	0.078	0.519	1.455	0.165
	Orissa dummy	0.067	0.047	0.326	1.444	0.168
	Madhya Pradesh Dummy	0.296	0.084	3.766	3.541	0.003
	Orissa * Social Capital	-0.019	0.071	-0.240	-0.270	0.791
	MP * Social Capital	-0.117	0.099	-0.587	-1.184	0.254
	Orissa * Women's autonomy and decision making	-0.064	0.083	-0.651	-0.777	0.448
	MP * Women's autonomy and decision making	-0.586	0.209	-2.319	-2.803	0.013
	Orissa * PRI functioning	-0.090	0.150	-0.375	-0.597	0.559
	MP * PRI functioning	-0.105	0.080	-0.745	-1.323	0.205
		0.113	0.062	1.075	1.828	0.086

Summary. There is much variation in participation rates across programs, quartile groups and as between states. Across programs, more than 60% of households are aware of in-kind programs like PDS, ICDS, mid-day meal and free text books. Participation rate is less than 10% for programs like AAY, SGRY, food for work and SGSY. Across states, participation rates for all households are higher in 8 out of 13 programs in Orissa, six out of 13 programs in M.P. Across quartile groups, the participation rate for PDS is above 70% in all the four quartiles. Participation rates are higher for the lowest quartile in 9 out of 13 as compared to the top two quartiles. The differences are particularly high for NOAP, PDS under BPL, ICDS, mid-day meal scheme and food for work. Relatively high participation rates for the top two quartiles in PDS, ICDS, mid-day meal, free text book, free uniform, SGRY etc. indicate that substantial sections of non-poor are participating in these programs. While overall participation rates among poor quartiles is higher in Orissa than in the other two states, Madhya Pradesh is performing a lot better in reaching SC and ST than Orissa and Karnataka. In Orissa, the proportion of tribal households participating in the programs is lowest.

Among the factors determining participation of households in various programs, the coefficient of social capital is positive and statistically significant in 9 out of 13 programs. It indicates that households use their networking ability to gain entry into safety net programs. Another interesting finding is that the literacy in the household influences positively in households' participation in all child-related and education-related programs and negatively related to participation in the workfare programs. Women's empowerment is also significant in child-related safety net programs. In most programs, functioning of PRI institutions and village level infrastructure are not statistically significant except in Karnataka. In half of the programs, the probability of participation is higher in Orissa than in Madhya Pradesh and Karnataka.

V: Pro-poor, Pro-rich, or Pro-all? Targeting and Benefit Incidence

By their very definition, anti-poverty programs are supposed to be targeted to poor households, i.e., households below the poverty line (BPL families). In our questionnaire we do not have consumption module but we have constructed asset/wealth index. We have divided all households into four quartiles in terms of the asset/wealth index. In order to gain insights into targeting efficiency, we look at the distribution of beneficiary households by quartiles. This is shown in

Table 5.1. One would expect the beneficiary households to belong to the poorest quartile, or the bottom two quartiles. We see a different picture. For IAP, widows pension, AAY, SGRY, FFW and rural education scholarship, the bottom three quartiles account for the bulk of participants. The beneficiaries are about equally distributed across all quartiles for PDS, ICDS, Mid-day meals, free uniforms and free textbooks. A high proportion of beneficiaries of credit-based micro finance program (SGSY) belong to the richest quartile. It is clear that with few exceptions, most anti-poverty programs are reaching the poorest quartile as well as not-so-poor quartiles – thus confirming the widely acknowledged fact of poor targeting.

Table 5.1. Distribution of participants by quartiles: All States (%)

	Quartiles				Total
	1	2	3	4	
CASH TRANSFER PROGRAMS					
Targeted					
Indira Awas Yozana	33.61	26.03	29.08	11.27	100
National Old Age Pension Scheme	29.01	27.6	13.63	29.76	100
Widow/disable pension	37.01	34.43	18.25	10.31	100
Universal					
Rural Education Scholarship	33.05	23.38	25	18.57	100
In-Kind Transfer Programs					
Targeted					
Public Distribution System (BPL)	31.49	24.71	25.78	18.02	100
Antyodaya Anna Yojana	38.1	29.08	26.4	6.43	100
Universal					
Integrated Child Development Services	25.41	22.06	26.2	26.33	100
National Mid-Day Meal Scheme	27.94	24.16	26.29	21.62	100
free text-book	28.83	23.12	26.98	21.07	100
free uniform	29.54	24	26.62	19.84	100
Workfare Programs (Self Targeted)					
Sampoorna Grameena Rozgar Yozana	29.1	31.81	23.8	15.29	100
Food for work	42.14	26.74	19.02	12.09	100
Subsidy Based Livelihood Programs					
Targeted					
Swarnajayanti Gram Swarojgar yojana	21.93	24.26	21.92	31.89	100

We have also looked for differences across states (Appendix Tables A6.1-A6.3). The general finding is that in terms of targeting efficiency Orissa is only slightly better than the other two states for most programs.

Targeting and Safety Nets. Is the problem of one of large number of households being clustered around the poverty line so that BPL lists include both the poor and the not-so-poor which are only slightly above the poverty line? We cannot answer this question satisfactorily as we do not have a consumption module in our survey. However, some discussion of this problem is worth attempting.

The Ministry of Rural Development designed a survey to identify the below poverty line household throughout the country. Most of the states have conducted these surveys to identify the BPL families for administering the safety net programs. Since the identified BPL families are not given any special identification cards, a household in general can not say if it is identified as BPL. However, in most cases ration cards were distributed based on this survey. Since the type of ration card a household receives depends on its poverty status, we can get an idea of the distribution of BPL families by examining the distribution of the households by the type of ration card they hold across deciles. Table 5.2 presents this distribution.

Table 5.2 Distribution of the Poverty Categories by Quartiles

	AA Y	BPL	All Poor (AA Y-BPL)	APL	None	All
Orissa						
1	13.27	64.60	77.88	8.85	13.27	100.00
2	9.82	58.04	67.86	11.61	20.54	100.00
3	4.46	66.96	71.43	13.39	15.18	100.00
4	4.46	53.57	58.04	19.64	22.32	100.00
All	8.02	60.80	68.82	13.36	17.82	100.00
Madhya Pradesh						
1	3.39	38.98	42.37	33.05	24.58	100.00
2	5.41	29.73	35.14	42.34	22.52	100.00
3	7.02	32.46	39.47	44.74	15.79	100.00
4	0.00	12.28	12.28	78.07	9.65	100.00
All	3.94	28.45	32.39	49.45	18.16	100.00
Karnataka						
1	7.96	65.49	73.45	0.88	25.66	100.00
2	5.31	67.26	72.57	1.77	25.66	100.00
3	1.79	61.61	63.39	4.46	32.14	100.00
4	2.68	50.00	52.68	2.68	44.64	100.00
All	4.44	61.11	65.56	2.44	32.00	100.00
All States						
1	8.14	56.10	64.24	14.53	21.22	100.00
2	6.85	51.79	58.63	18.45	22.92	100.00
3	4.44	53.55	57.99	21.01	21.01	100.00
4	2.37	38.46	40.83	33.73	25.44	100.00
All	5.46	50.00	55.46	21.90	22.64	100.00

Note: households having AAY cards are considered as poor

The following findings emerge:

1) Overall all 55.56 of the households in the three states are categorized as poor (BPL+AAY) . The highest % is Orissa (69%) followed by 66% in Karnataka. Surprisingly, in Madhya Pradesh only 32% of families fall into the category of “poor families.” Moreover, only 42% and 35% of the 1st and 2nd quartiles (by wealth index) were poor respectively. These numbers of Madhya Pradesh compare very poorly with other states. In Orissa, the poor households constitute 78% and 68% in the first two quartiles respectively. Karnataka the about 73% of the first two quartiles are poor. These numbers lend support to the suspicion that there might have been large exclusion errors (especially of tribal households) in BPL lists of Madhya Pradesh.

2) On the other hand both in Orissa and in Karnataka, a large proportion of the richer quartiles (top two) are categorized as poor. In fact in Orissa almost 58% of the top quartile are poor and in Karnataka the 53% of the same quartile are poor. In both the states inclusion errors (in BPL lists) seem to be very large. By contrast, in Madhya Pradesh, 40% of 3rd quartile and only 12% of the top quartile belonged to BPL lists, suggesting that inclusion errors were small.

3) In summary, our data suggests that the exclusion errors are large in MP, while in Orissa and Karnataka, inclusion errors are large.

4) Are these errors any thing to do with the distribution being ‘clusted around poverty line’? We can not straightaway answer this because we do not have consumption data to construct a poverty line. But we have some info on food and clothing expenditure. The per capita expenditures on these items by quartiles (by wealth index) are given Table 5.3.

5) The expenditures seem to be underestimates as we used highly condensed module. But, we can broadly infer on the distributions. The data show that the inequalities are high in Madhya Pradesh compared to Orissa and Karnataka (ratio of Q4/Q1). But the distribution of PCE between Q2 (where the poverty line is most likely to be) and Q3 seems to be flat uniformly in all the states. If the targeting mechanism can not discriminate between Q2 and Q3, we can expect inclusion errors to be large from Q3. But what we find is large scale inclusions from Q4 in Orissa and Karnataka and large scale exclusions from Q1 and Q2 in

MP. Thus, the of mistargeting does not not seem to stem from clustering of distribution around poverty line. It is simply due to deliberate inclusion of non-poor households into BPL lists due to poor governance.

Table 5.3 Per Capita Expenditure on food and clothing by quartiles

Quartiles	Orissa	Madhya Pradesh	Karnataka	All
Q1	93.43	74.45	100.07	85.20
Q2	180.16	181.13	180.57	180.69
Q3	297.05	289.30	292.91	292.69
Q4	597.10	663.82	563.71	594.50
All	283.53	221.36	301.35	268.44
Ratio of Q4 to Q1	6.39	8.92	5.63	6.98
Ratio of Q3 to Q2	1.65	1.60	1.62	1.62

Benefit incidence. Distribution of beneficiary households by quartiles does not inform us about the actual benefits (kilos of grain for example). We have tried to *quantify* the benefits and estimated distributive shares across quartiles for major safety net programs. This is discussed below.

Public Distribution System (PDS) PDS benefits targeted to BPL families are supposed to go to the lowest two quartiles (particularly to the bottom quartile). Table 5.4 shows that the lowest quartile for all states gets around 30% for rice and wheat and 36% and 40% for sugar and kerosene respectively. The second quartile also gets more than 25% for all the commodities. However, the share of third quartile is high for wheat at 30% and 25% for rice. The richest quartile also gets 17% for rice and less than 15% for other commodities. The results can be interpreted in two ways. The program is reasonably targeted to the poor as their share is higher than the top two quartiles. However, there is substantial leakage of benefits to the non-poor.

State-wise details show that program effectiveness in terms of higher quantity of benefits reaching the poor, both Orissa and Madhya Pradesh fare better than Karnataka. In Karnataka, the second and third quartiles receive most of the benefits; even the fourth quartile receives substantial benefits. By contrast, in Madhya Pradesh the benefits accruing to richest quartile are negligible for all commodities.

Table 5.4. Percentage Distribution quantities of important commodities purchased in PDS (BPL) by quartiles

State/Quartiles	Commodity			
	Rice	Wheat	Kerosene	Sugar
Orissa				
Q1	29.31	31.98	39.73	32.76
Q2	24.02	17.27	19.40	24.69
Q3	25.49	31.01	22.18	22.05
Q4	21.18	19.73	18.69	20.49
All	100.00	100.00	100.00	100.00
Madhya Pradesh				
Q1	47.44	36.87	56.43	48.75
Q2	27.61	23.32	24.84	26.00
Q3	20.27	31.21	13.90	16.57
Q4	4.68	8.60	4.83	8.68
All	100.00	100.00	100.00	100.00
Karnataka				
Q1	25.98	24.13	24.95	24.44
Q2	29.87	28.35	31.41	30.20
Q3	25.33	27.14	26.14	26.77
Q4	18.81	20.38	17.50	18.60
All	100.00	100.00	100.00	100.00
All States				
Q1	30.25	31.92	40.05	36.28
Q2	27.81	25.10	26.36	27.64
Q3	24.60	29.66	20.65	21.65
Q4	17.33	13.32	12.94	14.43
All	100.00	100.00	100.00	100.00

Antyodaya Anna Yojana As one would expect, this program fares better in terms of benefit incidence (Table 5.5) The lowest quartile for all states gets around 36% to 44% of the total. In the case of wheat second and third quartile gets higher than the first quartile. The share of top quartile was less than 5% for all commodities except rice. At the state level, the performance is the best in Karnataka followed by Orissa. In Orissa, all commodities except kerosene are well targeted to the bottom two quartiles. In M.P., third quartile also gets substantial benefits from all commodities.

Table 5.5. Percentage Distribution (quantities) of important commodities purchased in PDS (AAY) by quartiles

State/Quartiles	Commodity			
	Rice	Wheat	Kerosene	Sugar
Orissa				
Q1	43.78	3.04	21.90	31.92
Q2	16.44	95.10	16.90	48.62
Q3	21.70	0.00	52.68	0.00
Q4	18.07	1.85	8.52	19.46
All	100.00	100.00	100.00	100.00
Madhya Pradesh				
Q1	25.72	19.48	53.05	29.14
Q2	15.80	34.94	17.97	28.09
Q3	58.48	45.58	28.97	42.77
Q4	0.00	0.00	0.00	0.00
All	100.00	100.00	100.00	100.00
Karnataka				
Q1	50.31	53.11	38.24	53.70
Q2	40.58	37.14	53.59	38.95
Q3	0.00	0.00	0.00	0.00
Q4	9.12	9.75	8.17	7.35
All	100.00	100.00	100.00	100.00
All States				
Q1	41.98	22.71	44.00	36.18
Q2	23.02	40.09	25.56	32.89
Q3	23.03	35.74	27.06	27.19
Q4	11.96	1.47	3.38	3.74
All	100.00	100.00	100.00	100.00

SGRY Since wage employment may be expected to be self-targeted, the bottom two quartiles should participate disproportionately in the program. We disaggregated the information also by gender. (Table 5.6) The wage employment generated by *SGRY* for all states show that the benefits are going more to second quartile as compared to first quartile. More than 80% of the males in *SGRY* belonged to the second quartile. Interestingly, the targeting seems to be more effective for females than for males. Around 59% of the females working in *SGRY* belonged to the lowest quartile. Among the seasons, works during rabi and summer seem to be more pro-poor for females as seen by the higher share of lowest quartile. In the case of males, the share of second quartile dominates in all the seasons. Clearly the program is not attracting the richer quartiles, thus confirming some degree of self-selection.

Table 5.6 Distribution of Wage employment generated by SGRY by Quartiles

All States					
	Q1	Q2	Q3	Q4	Total
Head of Household					
Kharif	27.76	51.36	10.37	10.51	100.00
Rabi	33.54	46.93	10.87	8.66	100.00
Summer	4.95	29.52	61.53	4.00	100.00
All	17.27	39.23	36.72	6.78	100.00
Adult Male					
Kharif	10.47	84.03	0.00	5.50	100.00
Rabi	20.01	56.26	6.34	17.40	100.00
Summer	0.00	86.45	6.02	7.52	100.00
All	4.90	81.52	4.96	8.62	100.00
Adult Female					
Kharif	23.44	48.51	17.54	10.52	100.00
Rabi	48.96	27.67	9.14	14.24	100.00
Summer	70.05	9.66	9.62	10.67	100.00
All	58.78	19.13	10.79	11.30	100.00
All members					
Kharif	23.96	56.83	9.61	9.60	100.00
Rabi	34.49	44.40	9.69	11.41	100.00
Summer	20.26	39.23	33.89	6.61	100.00
All	23.81	44.26	23.72	8.21	100.00

At the state level we look at only Orissa as the sample is low for other two states. The SGRY seems to be more effective in Orissa as more than 75% of the benefits go to the first two quartiles (Appendix Table A6.4). Here again, the share of lowest quartile for rabi is higher than other seasons. More than 80% of the male employment in Orissa belonged to the second quartile and 63% of the employment generated for females belonged to the lowest quartile. On the whole, benefits of the program seem to accrue disproportionately to the bottom quartiles and women among them.

Food for Work The employment generated under food for work seems to be even more pro-poor than SGRY. The lowest quartile has a share of 43% in the total employment generated under food for work (Table 5.7). In all the seasons, the share of the lowest quartile is the highest. Particularly the share of the first quartile in summer season (when unemployment rates are high and the opportu-

nity cost of labor is low), FFW employment is 68%. About the benefits to males and females, the results are similar to those of SGRY. More than 50% of the employment generated by females belongs to lowest quartile. In fact, lowest quartile has a share of 78% of the employment in summer season for females. However, we have a counter-intuitive result: 28% of the employment is generated by the households belonging to the rich quartile. The reasons for participation by the rich are not known.

Table 5.7. Distribution of employment generated by Food for Work by Quartiles

All States					
	1	2	3	4	Total
Head of Household					
Kharif	48.30	23.58	14.58	13.53	100.00
Rabi	54.14	1.22	16.52	28.13	100.00
Summer	62.03	9.78	11.88	16.31	100.00
All	50.83	19.43	14.39	15.35	100.00
Adult Male					
Kharif	13.92	43.77	12.74	29.57	100.00
Rabi	0.00	24.96	75.04	0.00	100.00
Summer	15.94	52.17	15.94	15.94	100.00
All	13.64	43.63	14.52	28.22	100.00
Adult Female					
Kharif	27.00	37.32	21.60	14.07	100.00
Rabi	30.61	0.00	16.33	53.06	100.00
Summer	77.50	13.97	3.28	5.24	100.00
All	51.34	24.24	12.57	11.86	100.00
All members					
Kharif	36.37	30.76	15.09	17.77	100.00
Rabi	46.53	2.77	20.79	29.90	100.00
Summer	68.32	13.87	7.45	10.36	100.00
All	43.35	25.42	14.02	17.21	100.00

As with SGRY, Orissa's performance is good for FFW as well. The share of the bottom quartile is more than 50% in the benefits (Appendix Table A6.5). The lowest quartile has very high share in summer season employment. Similarly, the lowest quartile has a share of 78% in female employment in Orissa. Considering Orissa is relatively poorer than Karnataka, over-subscription of the poor into both workfare programs is not surprising. Compared to Orissa, the program effective-

ness is somewhat lower for M.P, though the share in the lower quartile is high around 45% (Appendix Table A6.6). In the case of both males and females, the share of second quartile is higher the first quartile. In terms of male-female participation, female participation in both workfare programs is substantially better in Orissa than in Madhya Pradesh. In our sample we did not have many households participating in workfare programs in Karnataka.

Our qualitative analysis of case studies show that work fare programs prevented migration from rural areas (see Box 5.1)

In general, safety nets benefit the households in several ways. Our qualitative findings reveal that various safety nets in Karnataka helped in achieving food and nutrition security, getting credit, educating the children etc. (Box 5.2)

Box 5.1 Workfare Prevents Migration

i. Venkatesh is a landless agricultural laborer. So does his wife Mangala. Besides their three children, they have Venkatesh's old parents also to look after, with their meagre incomes. They decided that, whenever the opportunities are less, Venkatesh would migrate to some other place that fetches him work. It was a hard decision to come through, he traveled to distant places in Andhra Pradesh looking for work, but often returned with more money than he would have earned by being at home. But family life has taken a toll from his long absence. It is during this period; Sampoorna Grameena Rozgar Yojana has been announced in the village. For last two years, Venkatesh does not go for his migratory labor; rather he gets the work in the village or around. Though he earns less compared to the long migratory work, the family is happy that he is around and they lead a happy life.

ii. Sadhu Munda belongs to a predominantly tribal village of Angul in Sundergarh of Orissa. The options for employment are less in the village and he works as a daily laborer in the non-agricultural sector. The work is erratic and he used to undergo tremendous pressure to support the family of five during the times when there was no work. Similarly, during the rainy season, it was really terrible to pull along during the days as they had only a ramshackle shelter. In the last two years, Sadhu Munda has more peaceful life, which he attributes to the government programs for poverty alleviation. Last year he got the assistance through IAY for constructing his own house, which gives an immense respite for the troubles during the monsoon months. During the last season, he has also got work through SGRY so that he could avoid the long and tedious migration. He has a feeling that had the villagers been aware of the programs by the government and if it is reaching them properly, it would have a major impact in the lives of the poor. He feels that the laborers and the landless are being impoverished progressively and only the rich are getting richer. So the government has to understand the scenario in the grassroots and implement programs efficiently.

Box 5.2. Girls, Poverty and Safety Nets

Amita Adgale from Karnataka works as a tailor. At the age of 28, she lost her husband because of tuberculosis. With two girls to take care, she refused to get remarried, as she always feared that the kids would be in the receiving end of the affair. Without much support from family, she has opted for the difficult path in life- to make the two ends meet herself. As the kids grow-up, their education has become a problem with the huge expenses it incurs even in the government schools like uniforms, books and other timely expenses. She vouches on the Mid-day meals scheme and the free text books by the government only could enable both of them to study. At the home front, the Public Distribution System kept the stomachs filled. Later on, she wanted to expand her tailoring unit by adding three machines more as she was getting more seasonal orders like uniforms, festival time clothes etc. With the help of DWCRA, she got assistance from PMRY and she could expand her venture broadly. This year, eldest daughter got a clerical job at a co-operative society and now Amita is busy looking for a groom for her. The second daughter is at her 12th standard and she is having her dreams to go for computer engineering. 'if she gets enough marks and admission, I would certainly make her an engineer', it is Amita's resolve, and for somebody who had faced life in its more darker forms is more than capable of winging her daughter's dreams.

Summary. Targeting in terms of distribution of beneficiaries by quartiles shows that the beneficiaries are about equally distributed across all quartiles for PDS, ICDS, Mid-day meals, free uniforms and free textbooks. A high proportion of beneficiaries of credit-based micro finance program (SGSY) belong to the richest quartile. We see a different picture for IAP, widows pension, AAY, SGRY, FFW and rural education scholarship. In these programs, the bottom three quartiles account for the bulk of participants. Analysis relating BPL lists to quartile distribution suggests that the reason why so many BPL households appear in the richer two quartiles may not be due to "clustering of households" around the poverty line, but more likely due to entry of richer households into BPL lists.

Data constraints limited the analysis of benefit incidence to only four programs: PDS, AAY, SGRY, and FFW. The analysis shows that the poor benefit disproportionately from AAY, SGRY and FFW in which the share of the richer quartiles is lowest. In PDS, however, the share of the poorest quartile is only slightly higher than 25% whereas the shares of richer two quartiles are not insubstantial. Households in the third quartile, and even in the fourth quartile, seem to benefit substantially in all four commodities (rice, wheat, kerosene and sugar) from PDS. Such leakage of benefits of PDS to the upper two quartiles is highest in Orissa and Karnataka, but lowest in Madhya Pradesh. On the other

than hand, the distributive shares of benefits from the two wage employment programs seem to favor the bottom two quartiles and women among them disproportionately, reflecting some degree of self-selection.

The analysis contained in this section also shows that the problem of ineffective targeting does not stem from clustering of households around the poorest quartile of households. The problem of ineffective targeting stems largely from the inclusion of households from the upper two quartiles in BPL lists. Moreover, the problem is not confined to inclusion errors. The fact that substantial numbers of schedule tribe households from the poorest quartiles are excluded from participation in programs suggests that BPL lists also suffer from serious exclusion errors.

VI Findings from Qualitative Analysis

To supplement the quantitative analysis, we conducted focus group discussions and also collected brief family histories of selected poor households who either attempted but failed or actually participated and benefited from safety net programs. Ideally, a qualitative analysis should throw light on those aspects in which the quantitative analysis is either inadequate or throws some puzzles. For example, we found that in two important dimensions, awareness of programs and the pathways in which households access programs, the contribution of PRI institutions has been minimal except in Karnataka. In order to unpack some of these puzzles, we organized focus group discussions across the different stakeholders that included the target communities, lower level bureaucracy, NGOs and political leaders.

The respondents from the communities across the three states generally agreed that the functioning of safety net programs depended a great deal on the institutions implementing the programs including the local governing bodies (Panchayat Raj Institutions), elected representatives and grassroots level bureaucracy, and the relevant institutions/ agencies channeling the funds, as well as “activeness” of target communities themselves. The latter depended on households’ literacy levels, cohesiveness among women; and the extent of caste, religious and class discrimination practices prevalent in the communities.

An important factor noted by respondents is the role of caste and religion played in the functioning of local governing bodies including especially PRIs. Significant discrimination against SC/ST and minorities was noted as one pervasive feature

of local bodies (see Box 7.1). For example, there is hardly any representation of tribals in local bodies. The awareness levels of tribal households are very low in all the states. In some villages, the failure to access major safety net programs is evident among minorities. Village-level institutions functioned poorly due to bureaucratic interference in Madhya Pradesh relative to Orissa and Karnataka. In particular, interventions by politicians in conjunction with caste-based discriminations led to poor governance of local bodies (PRIs). Representatives of Non-governmental Organizations (NGOs) were of the view that political interference and bureaucratic hassles are the main hindrances for the effective implementation of programs. Between Orissa and Karnataka states, focus group discussions revealed that Karnataka, largely due to better functioning of PRI institutions and the grassroots level bureaucracy, targeted communities managed to access programs better than in other states. However, the respondents from the sample communities of Karnataka have reported that the PRIs and the bureaucracy have neglected the *poorest of the poor* in providing access to the safety net programs. This perhaps explains the lack of relationships of PRI functioning and access to programs that are targeted to the poorest of the poor (such as IAY) (see Boxes 6.1 and 6.2)

Box 6.1 PRIs, Bureaucracy, Caste discrimination and Corruption: Focus Group Discussions

“About 75% of the population in this village is below the poverty line and most of these people are not covered under any of the programs. Sarpanch does not listen to people like us, we are told only about some of the ongoing programs and schemes”- Male FGD, Khamariya, Seoni- MP

“There is no means to know about the schemes available for us, it is through politicians and government officials we get to know about it, but is often diverted to their party supporters”- Male FGD, Beguvalli, Shimoga- Karnataka

“We are not able to avail the benefits of some of the programs due to non-cooperation of the government officials and local politicians, otherwise there are no entry barriers”- Male FGD, Balunga Bandi, Jajapur-Orissa

“These programs are basically availed by the rich who in fact do not deserve it and those who deserve these are denied. There is discrimination also on the basis of caste. People from the scheduled castes are deliberately ignored for such programmes. These programmes are provided to people from high castes.”- Female FGD, Sirolipar, Seoni-Madhya Pradesh

“We are not provided the benefits which aim at our upliftment. In many ways we are discriminated; the high caste officials and politicians do not let us know about the programmes first of all. When we apply they try dissuading us. Later when we ask about the status of the application they tell us that it has been forwarded to Bhopal”- Male FGD, Chakkbena, Datia- Madhya Pradesh

“People who deserve these benefits are not able to avail these, like; old age pension is not given to old people who deserve it the most. Two scheduled caste people were named for Indira Awas Yojna last year but the Pradhan diverted the fund to two OBC persons who paid Pradhan half of their funds. There is a lot of discrimination in the village on the caste basis.” – Male FGD, Bagpura, Datia- Madhya Pradesh

“Government officials who are responsible for implementing and monitoring these programmes do not cooperate with us and sometimes ask for bribes.”- Female FGD, Bhomatola, Seoni, Madhya Pradesh

“The government officials are often playing partisan and they prefer only those who are close to them and bribe them”- Male FGD, Garadihi, Jajapur, Orissa

Box 6.2 PRIs, Bureaucracy, IAY and Corruption: Case Studies

The Case Studies of the target group households also substantiate the findings in Box 7.1

i. Three years back, Prameshappa from Karnataka has taken Rs.32,000 as part of Credit cum Subsidy scheme to construct a house. He thought his savings clubbed with the loan amount would suffice the needs for the small house he wanted to make. And in the villages they say, it is during the bad phase in life one would embark on making houses. It was proved as an out and out truth for Prameshappa. He exhausted all the self-earned resources in the very initial phase of house construction and the loans came through after a long point of time. Bribing officials for getting it sanctioned is a practice and Prameshappa refused to do so. It delayed the process and his house is still not finished.

ii. Govind Vishwakarma from Madhya Pradesh was asked to apply for Indira Awas Yojana. Govind Vishwakarma contacted the Sarpanch who asked him to apply and inform him, so that he can facilitate the process. He approached some employee in the office who demanded Rs.500 for writing the application and other procedural expenses. He has given Rs.400 to get the work done. Later the strenuous follow up of the application began and this continued for nearly two months. Then the Sarpanch demanded Rs.5000 and he had to give that amount. Within a week's time, Rs. 20,000 was allotted to Govind Vishwakarma. He repaid the debt of Rs.5000 from that and the rest of the money was utilized for the renovation of the house. Thus, he had to give bribes at two points which amounts for more than one fourth of the total grant.

iii. Shamila Yadav is an unskilled agricultural worker from Bordai village of Seoni district of Madhya Pradesh. However, with their meagre incomes they are yet to build a comfortable shelter for them and they find it difficult to live in the broken down hut they presently live. They were told about IAY and Shamila applied for the scheme finding her among the most eligible categories. She filed the application expecting that something would happen positively soon. However nothing has worked out even after her continued perusal. Later she met Sarpanch and as suggested by his accomplice, she has given Rs.200 to him. He assured that it would be done positively in a month. However, even after ten months, Shamila Yadav did not get the benefits and the family continues to live in the same hut braving summers, winters and monsoons.

iv. Ghasi Bilputia is a widow, lives along with her daily laborer 18-year old daughter in Similiguda block of Koraput district of Orissa. Her house is in dilapidated condition with walls and cracked asbestos roofs. She has tried for IAY and applied for it. The village meeting discussed it and approved their application also. But nothing proceeded further. The neighbors tell her that if she can bribe the Sarpanch and the ward members, she would get a house. For somebody who is struggling for making the two ends meet, where is the big money that needed for bribing politicians and officials to get her housing grant cleared?

One important finding that emerged from focus group discussions is that better functioning of PRIs led to functioning of the grassroots level bureaucracy – as is the case in Karnataka. Respondents from bureaucracy across the states also have expressed this perspective. The relatively better status of decentralization was evident from better empowerment of PRIs in Karnataka as compared to Orissa and Madhya Pradesh. From what one gathers from respondents in Madhya Pradesh is that the mere fact of decentralization to empower the PRIs may not work in favor of vulnerable communities given the pervasive social discrimination practiced (Box 6.1)

The respondents have also reflected on the role of alternative institutions, viz., Non-governmental organizations (NGOs) and Women Self-help Groups in implementing the safety net programs. The respondents from Karnataka state are not totally in favor of NGOs. They have preferred PRIs to NGOs. This indicates the trust of the targeted communities in PRIs. Moreover, this also indicates that the NGOs are crowded out if the PRI institutions function well. The NGOs were preferred in the States of Orissa and Madhya Pradesh (see boxes 6.3 and 6.4). Women’s Self-help groups are preferred as alternatives to improve the implementation process of safety net programs in all the states, by and large (see box 6.5).

Box 6.3 NGOs, PRIs and Safety Net Programmes: Focus Group Discussions

“SSNs should remain with the Gram Panchayats as NGOs and other agencies are unable to function properly. We have experienced it more than once”- Male FGD, Buklapura, Shimoga-Karnataka

“We are not that optimistic about the private parties as they start and stop the programs according to their interests, we should know it first before we prefer them”- Female FGD, Bijalgaon, Bidar- Karnataka

“Self Help Groups are doing a good work and they could be trusted, similarly, other NGOs also might play a beneficial role in identifying the prospective beneficiaries and implementing the programs”- Female FGD, Baghuapal, Koraput-Orissa

We are least concerned about whether these programs are implemented by the government or non-government organizations, what we are concerned about that the benefits of these programs should reach us. We should get employment and other benefits.” - Male FGD, Agdal, Rewa-Madhya Pradesh

Box 6.4 NGOs, PRIs and Safety Net Programs: Case Studies

The rural people across Karnataka viewed in negative about NGOs. Most of them do not find any difference with NGOs and private business and in majority of the cases they categorically negated the role of NGOs in dispensing the poverty alleviation programs. The following case studies substantiate this.

i. Hanumantha Rao of Bidar described how it has happened. 'Karnataka has a large number of NGOs, most of them are fraud with the main intention of minting the money, and people have experienced it'. He narrated the case: from one of the neighbouring villages, an NGO began to function in this village. They organized many community activities like cleaning the public places with the help of school children, cleaning the village tank, organizing medical camps etc. They later on set a branch office in the village. Doing a commendable work, everyone supported its activities. They began to collect fee for the services. Still people find it reasonable as long as the services provided like assisting those getting loans, government programs, free textbooks and uniforms etc. But the major project was not yet unfolded. They did a detailed survey across the village and its resources soon after a severe drought and people were eagerly expecting some good gestures from the NGO. In a fanfare, they announced the government's plan for imparting the benefits of Swarnajayanti Gram Swarojgar Yojana to every person in the village. They collected Rs. 250 from every person in the pretext of processing fee. With great difficulty almost everyone in the village has given the money in a short period. It was the same exercise that happened across three villages of its operation and that was the last somebody has seen the organizers of the NGO. The office workers were unpaid for the last two months and they had to face the wrath of the people too. Some how the real culprits went scot-free and people have lost money.

ii. The weather gods are rather unkind towards backward community of Shyamsunderpur village at the Dasarathpur block in Jajapur district of Orissa. Two years back, an NGO approached village leaders and community, made sensitization program about sanitation practices and provided the details of the Rural Sanitation Program. Subsequently they asked the villagers to pay Rs.200 so that the NGO would construct toilets at the houses of those who are willing to co-operate with the program. Initially, 12 families deposited Rs.200 each. But even after two years, they have not got the toilets constructed in their houses. The NGO holds a position that it is highly expensive to construct toilets for just 12 families and more numbers are needed to fulfill the required scale economy. Now, the families who have paid Rs.200 are in the horns of dilemma –they are unable to get back the money and have not received the benefits too.

Box 6.5 SHGs and Upward Mobility (Case Studies)

The following **case studies** suggest that upward mobility is possible via SHGs:

i. Saritha Devi belongs to a typical ST family in Bijalgaon, a rural village in the Bidar district of Karnataka- a family of five members barely literate, no agricultural land for cultivation, swinging between agricultural and non-agricultural work for making the two ends meet and still remain in abject poverty and hang back to sleep with unfed stomachs. With disasters like famine and drought frequently visiting the households that are already subsist in the thin lines of being and not being, the life chances take an ugly turn even for the sheer survival. 2004 was such a year. Bijalgaon experienced drought. And most of the villagers were finding it difficult to have food at least for once in a day. It has driven most of the men folk in the village to migrate to some other places in the state or even outside to look for some jobs. Saritha's husband went to port town of Karwar in search of luck. This made life miserable both for her and for her children, at least for the initial period, wherein his contributions were also not coming. Those were the days of virtual penury. As soon as his first money order came, along with some other women of similar situation; Saritha initiated the moves for starting an SHG, which she had heard of from Anganwadi workers. It was difficult to convince the fellow women even after getting them for the meeting, a couple of times. Finally, of all the hassles ranging from financial to apprehensions, an SHG was formed in almost a month's time. Now, Saritha says the situation of the members has improved and they all are adding to the family income by involving in some income generation activity or other by making use of the scheme, SGSY. In her case, she got loans to buy goats and goat rearing is providing the family a consistent income. Though the troubled times are far from over, it somehow ensures a source wherein the children do not go hungry to bed.

ii. Namita Jamuda, a 43-year old ST female from Bartoli village in Sundergarh district of Orissa, was like any other housewife in the village, was merely engrossed in household chores a few years back. The life is quite difficult in the countryside of Bartoli and it worsens when the frequent droughts unkindly mark its spells. The major income as agricultural labourers ceases to exist and seasonally all working males from the village migrate to distant places for work leaving the families in lurch. 2005 was such a year. Namita's husband Satyendra went to some nearby districts looking for the work and the situation back home was really pathetic. For many days even the kids were not fed and it loomed throughout the season despite Satyendra sending some money a few times. It was during the same time, Namita came across a friend who was married off in another village who told her about SHGs and its potentialities. She could immediately make sense about the idea. She got in touch with some Panchayat members and made the initial efforts to form a SHG. Other women were not that keen on the idea during the early stage. Somehow, she convinced a few and by the time their husbands came back from the place of migration, they pooled in the initial money to start a SHG. As it began to work well, they could get loans also from other sources and most of the members preferred goat rearing as a source of income. It has been flourished in almost all the cases and the household began to experience economic mobility and consistent additional income without much inputs. In her case, Namita has 6 goats now and gets sufficient income to run her 5-member family. Next time, when drought strikes, Satyendra would not be migrating to distant places, rather being at their own village, he would look around for fodder for his goats

Summary. The qualitative analysis strongly complements the findings from the quantitative analysis. In particular, it reveals the role of caste discrimination in gaining access to programs. In both Orissa and Madhya Pradesh, caste discrimination seems to be a major factor lowering participation rates. Households of disadvantaged social classes do not seem to have much faith in the functioning of PRI institutions in Orissa and Madhya Pradesh. Particularly discriminated are tribal households who simply do not seem to avail of PRI institutions to air their grievances. It also explains why poor households in all three states seem to be using their networking ability to gain access to programs. Qualitative analysis also shows that in places where caste discrimination is pervasive in PRI functioning, poor households seem to use NGOs and SHGs to access and benefit from programs. Where PRIs are doing reasonably well, as in Karnataka, poor households do not seem to favor NGOs; instead they seek PRI intervention to redress their grievances. Qualitative analysis has also shown interesting success stories of upward mobility via benefits from SHGs and education-related safety net programs, and huge problems of corruption and leakages in the housing scheme (IAY) where the amount of transfer is by the largest.

VII. Concluding Remarks: Household Risks and Safety Nets

This study is based on household-level and village-level surveys on the profile of household risks and the functioning of safety net (anti-poverty) programs in the states of Orissa, Madhya Pradesh and Karnataka. The survey instrument itself is concise and does not include a consumption module. In all 13 programs are covered in the study, which fall into four broad categories viz., cash transfer, in-kind transfer, work fare and subsidy based livelihood program.

The study points to one gaping hole in the safety net policy/program framework. The prevailing safety net programs do not seem to address the most dominant and pervasive risk of poor households, viz., exposure to serious health risk. Considering that the poor resort to coping strategies of borrowing and working extended hours by women (and possibly also children), episodes of serious illness in the household are the most likely cause of perpetual indebtedness and possibly also to poverty trap situations.

Community-wide weather-induced risks (drought, cyclone and/or flood) are also experienced by households in all quartiles, but their direct incidence is highest among households in the relatively richer quartiles who happen to own land.

Unlike in the case of health risks, there are workfare programs (SGRY, FFW) in place to provide consumption-smoothing in the wake of such weather-induced risks. However, participation rates in these programs is low – either because of inappropriate timing of programs, or due to sporadic or untimely release of funds for these programs.

The risks that are best covered by programs are those relating to household food security. PDS, MDM, and ICDS are all reaching a large proportion of poor households. But the problem is: they are also reaching a high proportion of households in the upper two quartiles – an immediate result of weak targeting enforced by BPL lists.

Homelessness is a risk that attracted policy attention several years ago when the program of housing subsidy (IAY) was launched. But gaining “entry” into the program would require households to possess enough “social capital”, i.e., networking ability. Not surprisingly, the program (which has a very large cash transfer) is attracting households in the upper quartiles. Qualitative analysis had shown substantive abuses and corruption in the actual implementation of this program.

Recent programs have begun to cover other risks, viz., the risk of old age poverty, poverty among widows, and the risk of children dropping out school. The two pension programs – NOAP and Widows Pensions – seem to be reaching poor households, especially widows pension is strongly correlated with participation by widows from the poorest quartiles. The education programs (free uniforms, text books etc.), on the other hand, show mixed results. These programs seem to work well in Madhya Pradesh, but not in the other two states. The fact that the presence of educated individuals in the household is an important factor promoting children’s participation suggests that children belonging to parents with no education, especially children of scheduled tribes, have not been able to take advantage of this safety net. On the positive side, women’s empowerment seems to strongly influence participation in child-related safety nets. To the extent women are empowered by programs such as self-help groups, children of deprived communities should be able to take advantage of these programs.

The study has provided some important insights into the functioning of institutions and social capital. Karnataka clearly stands apart from the other two states in

the functioning of PRI institutions, and their positive role in promoting awareness and participation of the poor. Where caste discrimination is pervasive, households do not seem to trust PRI institutions. Instead, they seem to rely on their social capital and caste networks to gain entry into programs (and even in obtaining BPL cards). As the strangle hold of caste is eased over time, village level PRI institutions may be expected to do better in reaching out to the poor.

Finally, the study has pointed to the disconnect between BPL lists and asset/wealth position of households. Households with BPL cards can be found in all quartiles, including especially the two richest quartiles, and in all three states. Much of the observed weak targeting of some programs (especially PDS) can be traced to the targeting enforced by BPL lists.

Looking into the future, immediate policy initiatives need to focus on improving the productivity of existing programs by encouraging PRI institutions at the village level to promote awareness of programs among poor households and especially correct the observed serious exclusion errors (as evidenced by low participation of households belonging to scheduled tribes), while at the same time tightening the outreach of programs to the poor via improvements in approaches to targeting (so as to avoid inclusion errors), launch new programs to cover uncovered risks (especially health risks), and most importantly hold PRI institutions accountable for better functioning of safety net programs with possible external oversight, and work towards synergy between programs and policies launched by the Center and states so as to avoid duplication of efforts.

APPENDICES

APPENDIX I

A. Data sources and the sampling design

This study utilizes a special household survey conducted in three Indian states, Orissa, Madhya Pradesh and Karnataka. A multi stage stratified sample scheme (see Table A1.1) was followed for selecting the sample households, as described below.

Selection of Districts: In each state, 3 districts were selected. While sampling the districts within each state, it was ensured that they are located in different agro-climatic zones with differing socio-economic characteristics. For this purpose each state was divided into different Socio-cultural regions (SCRs)¹⁰ based on the agro-climatic zones and socio-economic characteristics (urban, remote, tribal, etc). From each state three SCRs were selected with probability proportional to size (PPS). Further one district was selected randomly using PPS method from each sample SCR. The list of selected districts is given in Table A1.2.

Selection of Blocks: From each sample district two blocks were selected. While making the selection, it was ensured that one block represented the most developed area of the district and the other the least developed area. For this purpose, a comprehensive development index was constructed for all the blocks in the sample district on the basis of Census data like sex ratio, literate population and literacy rate, worker & non-worker population, etc.

Selection of Villages: A total of 5 villages were selected from each district. For this we first selected two blocks, one most developed and other least developed based on development ranking. From the most developed block, 2 villages were selected randomly using PPS method. In the least developed block three villages were selected with PPS, one from the list of all villages having more than 60% SC and ST population and two from the rest.

Selections of Households: In each village a sample frame of households was prepared by listing all the households using a separate listing schedule. The

¹⁰ "Federal India - A design for change" by Rasheeduddin Khan, 1992, Vikas Publishing House Pvt Ltd.

listing schedule also contained some ancillary information like the caste, land possessed, education, participation in four major safety net programs, etc. From the listing of households, a sample of 30 households was selected for administering the main household questionnaire and the women's questionnaire. In order to gain insight into the benefits availed from government-funded safety net programs, it was decided to over-sample households which have availed benefits under Food for Work, Indira Awas Yojna, SGRY, SGSY.¹¹ For this purpose all the listed households were divided into five strata. The participants in the programs Food for Work, Indira Awas Yojna, SGRY, SGSY were treated as four separate strata¹². The rest of the households were treated as the fifth stratum. Finally, we selected 3 households from each of the first four strata. The balance of 18 sample households were selected randomly from fifth stratum¹³. The survey was conducted in 45 villages covering 1356 households.

The main questionnaire was administered to the head of the household. In case the head of the household was absent, it was administered to any knowledgeable adult member of the household. The section for the females was administered to the spouse of the head of the household. In case she was not available, it was administered to any adult married female available in the household.

A.1.1 The coverage for the study is summarized in the following table:

Level	Details	Sample in the Study
States	Madhya Pradesh, Orissa & Karnataka	3
Districts	3 per State	9
Blocks	2 per District	18
Villages	5 per District	45
Households Survey	30 per Village	1356

¹¹ Suitable multipliers were used; the multipliers were constructed based on the population sizes used for drawing samples at each stage.

¹² In case of households accessing more than one program, the household is selected based on its participation in one program.

¹³ In case of any short-fall of samples under the program strata, the remaining samples were drawn from the general strata.

Methodology and tools: A mix of quantitative and qualitative approaches was adopted in the survey. The instruments used to collect the data are shown in Table 2.3.

Table A1.2 Districts selected for the survey

State	SCR	District
Madhya Pradesh	Bhagelkhand	Rewa
	Bundelkhand	Datia
	Chhatisgarh & Gondwana	Seoni
Karnataka	Kannada (Bombay)	Bagalkot
	Karnatak (Deccan)	Bidar
	Old Mysore & Maland	Shimoga
Orissa	Chhatish Garh & Gondwana	Sundargarh
	Coastal Orissa (Kalinga)	Jajapur
	Dandekaranya	Koraput

Table A1.3. Instruments used

Instrument	Respondent	Total Sample	Objective
Household Questionnaire	Household member	1,350 (450 per State)	Information about the households – - Socio-economic characteristics, - Programme participation, - Profile of benefits, shocks/ risk profile etc.
Village schedule	Local key informants- Sarpanch, Patwari	45	Information about the village – - Demographic characteristics and Infrastructure facilities, - Program coverage, Utilization of funds, - Functioning of Panchayat, NGOs etc, - Social mapping - Political economy and institutional incentives issues.
Focus Group Discussions in the village: Separately for men and women	Stakeholders	90	
Case studies		30	- Households who successfully used and benefited from programs and those who did not. - Major shocks faced and coping mechanisms - Seasonal migration and household/community impacts - Detailed situation of specific vulnerable groups - Dynamics of poverty and poverty traps.
Interview with Block Development Officers		18 (6 per State)	Seek information on implementation of the SSN schemes, its success /failure and reasons
Interview with NGOs		9 (2 per State)	

B. Construction of Indices:

The data at the household level enabled us to construct an asset index, household's social capital (networking) index, an index of women's participation in PRIs. Data collected at the village enabled us to construct a village-level infrastructure index and an index of performance of PRI institutions. In all cases the indices were constructed by rescaling the ordinal responses, such that the indices reflect the level of attainment/better functioning/desirable etc.

Tables B1.1 to B1.9 provide the list of variables included in the construction of the indices.

Table B1.1 Wealth Index: (constructed from household questionnaire)

Wealth Index		
SI No	Indicator	Score
I	Durables	
1	Cycle otherwise	1, if household possess, 0
	Radio/Transistor	-do-
	Fan	-do-
	Cot/Charpai	-do-
	Almirah	-do-
	TV	-do-
	Refrigerator	-do-
	Car	-do-
	Scooter/motorcycle	-do-
	Watch/Clock	-do-
	Furniture (Chair, stool, Table etc)	-do-
	Telephone (Landline or Mobile)	-do-
	Durable Index	Weighted average
II	Utensils used for cooking	
	Earthen pots	0
	Aluminum	0.50
	Stainless steel	1.00
	Index for Utensils	Average
II	Clothing	
	One set	0
	Two sets	0.33
	Three sets	0.67
	More than three	1.00
	Index for Clothing	Average
	Welath Index	Average (I,II,III)

* For constructing the durable index, weights are assigned to each durable. The normalized weights are derived from the reciprocals of the frequency of possession. Thus the most commonly owned durable gets a lower weight while one with less frequently owned gets higher weight.

Table B1.2: Household Structural Social Capital (from Household questionnaire)

S.No.	Indicator	Score
1	Village Development Committee	1 if any member of the household is a member of
2	NGO- SHG	-do-
3	Vana Samrakshana Samithi –SHG	-do-
4	Finance, credit group (Other than DWCRA/ NGO SHG)	-do-
5	Religious group	-do-
6	Political parties	-do-
7	Caste Association	-do-
8	Mahila Mandal	-do-
9	Development of Women and Children in Rural Areas (DWACRA/NGO SHG)	-do-
10	Vana Samrakshana Samithi Management committee	-do-
11	Rythu Mitra/Farmers' association	-do-
12	Mothers' Committee	-do-
13	Watershed Committee	-do-
14	Village Education Committee	-do-
15	Village Tribal Development Agency	-do-
16	Water Users Association	-do-
	Index of Household Structural Social Capital	Average (1 to 16)

Table B1.3: Women's Trust in PRIs, Officials and Community groups (from Household Questionnaire)

S.No.	Indicator	Score
I	Trust in PRIs	
1	Ward-members	1 if women trust
2	Village vice-sarpanch	-do-
3	Sarpanch	-do-
4	Village Assistant (Patwari)	-do-
	Women's trust in PRIs	Average(1 to 4)
II	Trust in Officials	
1	Teachers	1 if women trust
2	Extension officers	-do-
3	ANM	-do-
4	Banks	-do-
5	Post office	-do-
6	Aaganwadi teacher	-do-
7	Aaganwadi helper	-do-
8	Police	-do-
	Women's trust in officials	Average(1to 8)
III	Trust in Community Groups	1 if women trust
1	Mother Committee	-do-
2	Village Education Committee	-do-
3	Parents Teachers Committee	-do-
4	Any Other important village committee	-do-
5	Women's trust in Community Groups	Average(1 to 5)

**Table B.1.4: Women's Participation in meeting and elections
(from Household Questionnaire)**

S.No.	Indicator	Score
I	Participation in meetings	
	female participation in the meeting of	
1	Gram Panchayat	1 if participated
2	Water users association	-do-
3	Village Education Committee	-do-
	speak /raise any issue at the meetings	
4	Gram Panchayat	1 if raised any issue
5	Water users association	-do-
6	Village Education Committee	-do-
	Index of Women's Participation in meeting and elections	Average (1 to 6)
II	Participation in elections	
1	Gram Panchayat elections	=1 if voted in the recent
2	Block elections	-do-
3	Zila Parishad	-do-
4	State Legislature (MLA)	-do-
5	Lok Sabha (MP)	-do-
	Index of Participation in elections	Average(1 to 9)
	Index of Women's Participation in meeting and elections	Average(I,II)

**Table B.1.5: Women's Autonomy and Decision Making
(from Household Questionnaire)**

S.No.	Indicator	Score
I	Household Decision making	=1 if Women is involved in final decision
1	Daughter's Marriage	-do-
2	Son's Marriage	-do-
3	Food related	-do-
4	Debt related	-do-
5	Children's education – Boy	-do-
6	Children's education – Girl	-do-
7	Care of elderly people	-do-
8	Health Care	-do-
9	No.of children	-do-
10	Family Planning	-do-
11	Spacing between births	-do-
12	Application for ration card	-do-
13	Participation of HH members in public works	-do-
14	Participation in SHG	-do-
	Index of Household Decision making	Average(1 to 14)
II	Control Over Assets	
1	Agricultural Land	=1 if female member owns
2	House/plots	-do-
3	Gold & Silver	-do-
4	Durables	-do-
	Control over Assets	Average(1 to 4)
III	Autonomy	
	Can go alone without permission	
1	Marketing	=1 if can go without permission
2	Visiting friends	-do-
3	Visiting relatives	-do-
4	Cinema, local entertainment, etc	-do-
5	Local health center/Doctor	-do-
6	Outside village for Work	-do-
7	Community Center/Park in the village	-do-
8	Community functions	-do-
9	Allowed set aside some money for self use.	=1 if allowed to set money aside.
9	Did you purchase clothes for yourself on your own during the last 12 months?	=1 if purchased
	Autonomy	Average (1-9)
I	Index of women's autonomy and decision making	Average(I,II,III)

Table B1.6: Infrastructure Index(from Village Schedule)

S.No.	Indicator	Score
I	Education	
1	Pre-primary school	=1 if the village has the facility
2	Primary school (Public)	-do-
3	Primary School (Private)	-do-
4	EG School	-do-
5	Upper primary school (Public)	-do-
6	Upper Primary School (Private)	-do-
7	Bridge school /Informal schools (schools for mainstreaming child labor)	-do-
8	High school	-do-
9	Social Welfare residential school (SC, ST, BCs)	-do-
10	Residential School (Disabled)	-do-
11	Adult education center	-do-
12	School for disabled persons	-do-
13	Index of Education Infrastructure	Average(1 to 13)
II	Health	=1 if the village has the facility
1	Health Sub-centre	-do-
2	PHC	-do-
3	Government hospital	-do-
4	Private hospital	-do-
5	Private clinics	-do-
6	Trained Dais	-do-
7	Community health workers	-do-
8	Private MBBS Doctor	-do-
9	Private Doctor who is qualified in alternative medicines (Homeopath / Ayurvedic/Unanni)	-do-
10	Traditional healers	-do-
11	Anganwadi/ICDS center	-do-
	Index of Health Infrastructure	Average(1 to 11)
	Social Infrastructure	Average(I, II)

Table B1.7: Economic Infrastructure (from Village Schedule)

S.No.	Indicator	Score
I	Transport and Telecommunications	
1	Post office available	=1, if the facility is available
2	Public phone booth	-do-
3	Community TV set	-do-
4	Internet Café/rural kiosk	-do-
	Village connected by	
5	Mud Road	=0
6	Semi-Pucca Road	.5
7	Pucca Road	1
8	Public Transport	=1 if available
9	Electricity	=1 if available
	Index of Telecommunication Infrastructure	Average(1 to 9)
II	Financial	-do-
1	Commercial Bank	-do-
2	Rural bank	-do-
3	Primary agricultural credit society	-do-
4	Cooperative society	-do-
5	Any Institution involved in micro finance (NGO)	-do-
6	Any Institution involved in micro finance (Government)	-do-
	Index of Financial Services	Average(1 to 6)
III	Market	-do-
1	Regulated Market	-do-
2	Temporary (seasonal) Market	-do-
3	Animal shandy	-do-
4	Milk collection Centre	-do-
5	Medical shop/pharmacy	-do-
6	Fair price shop	-do-
7	Fertilizers shop	-do-
8		-do-
9		-do-
10		-do-
	Index of Market Infrastructure	Average(1 to 10)
	Economic Infrastructure	Average(I,II, III)

Table B1.8: Functioning of Panchayati Raj Institutions (from Village Schedule)

S.No.	Indicator	Score
1	Whether stipulated Grama Sabhas were held during the last year?	=1 if yes
2	Is there participation of SC/STs in Grama sabhas?	=1 if yes
3	Do people represent any grievances/raise issues in the Grama Sabha Do these functionaries live in the village?	=1 if yes
4	Sarpanch	=1 if yes
5	Vice-Sarpanch	=1 if yes
	Index of Functioning of PRI	Average(1,5)

Table B1.9: Index of Program Performance (from Household Questionnaire)

S.No.	Index of Performance of Program (All/group of programs)	
1	Who was contacted for the benefit of the following programmes Village Development Officer Block Development Officer	8
2	Village Sarpanch-	1
3	Local MLA/MP/Leader	1
4	Middle Man	0
I	Index of contact	Average of all programs
1	Time Taken for the sanction of program	$1-t/\max(t)$
II	Index of delay	Average of all programs
1	Adequacy of assistance of programmes	=1 if Adequate =0.5 if Inadequate =0 if Very Inadequate
III	Index of adequacy	Average of all programs
	Regularity of the program benefit	=1 IF Regular
IV	Index of Regularity	Average of all programs
	Index of overall performance	Average of (I,II,III,IV)

Appendix 2

Table A 2.1. Distribution of Sample Households by Programs

Programs	State			Total
	Orissa	Madhya Pradesh	Karnataka	
Cash Transfer Programs				
Targeted				
Indira Awas Yozana (IAY)	59	46	41	146
Credit-cum-Subsidy Scheme for rural Housing	2	4	1	7
National Old Age Pension Scheme (NOAP)	32	22	4	58
Widow/disabled Pension	25	17	14	56
National Family Benefit Scheme (NFBS)	1	0	0	1
National Maternity Benefit Scheme (NMBS)	10	1	13	24
Universal				
Girl Child Protection Scheme	3	1	1	5
Rural Education Scholarship	3	64	30	97
Health Insurance	6	3	4	13
In-Kind Transfer Programs				
Targeted				
PDS	318	350	289	957
Antyodaya Anna Yojana (AAY)	34	21	13	68
Annapurna Scheme	3	1	0	4
Universal				
Integrated Child Development Services (ICDS)	120	39	24	183
National Mid-day Meal Scheme	154	155	147	456
Central Rural Sanitation Program (CRSP)	5	4	2	11
Free Text-Book	147	138	141	426
Free Hostel	9	10	9	28
Free Uniform	86	77	103	266
Work-Fare Programs (self Targeted)				
Sampoorna Grameena Rozgar Yozana (SGRY)	95	16	6	117
Food for work	32	68	14	114
Prime Minister's Rozgar Yojana (PMRY)				
Subsidy Based Livelihood Programs	3	2	0	5
Targeted				
Swarnajayanti Gram Swarozgar yojana (SGSY)	46	5	1	52
Development of Women and Child in Rural Areas (DWACRA) Groups	0	2	0	2
Universal				
Joint Forest Management (JFM)	6	0	0	6
Farmers Clubs	0	0	5	5

Table A 2.2. Number of Households Participating in the four important programs from Listing Schedule

	SGRY	SGSY	IAY	FFW	All
Orissa	467	159	253	104	2,360
Madhya Pradesh	90	12	74	332	2,368
Karnataka	24	8	77	57	2,929
All	581	179	404	493	7657

Table A 2.3. Number of Households Participating in the four important programs from Household Schedule

	SGRY	SGSY	IAY	FFW	All
Orissa	95	46	59	32	449
Madhya Pradesh	16	5	46	68	457
Karnataka	6	1	41	14	450
All	117	52	146	114	1356

Appendix 3

Awareness of Programs: State-wise

Table A3.1. Awareness Across States: All HHs (%)

Program	Orissa	M.P.	Karnataka
CASH TRANSFER PROGRAMS			
Targeted			
Indira Awas Yozana	86	62	58
National Old Age Pension Scheme	69	62	—
Widow/disable pension	69	57	—
Universal			
Rural Education Scholarship	—	39	37
In-Kind Transfer Programs			
Targeted			
Public Distribution System (BPL)	90.24	89	94
Antyodaya Anna Yojana	55.32	27	—
Universal			
Integrated Child Development Services	57.24	23	19
National Mid-Day Meal Scheme	73.58	64	82
free text-book	65.57	50	87
free uniform	56.76	38	83
Workfare Programs			
(Self Targeted)			
Sampoorna Grameena Rozgar Yozana	62.26	16	—
Food for work	35.39	31	—
Subsidy Based Livelihood Programs			
Targeted			
Swarnajayanti Gram Swarajgar yojana	39	—	—

Table A3.2. Awareness of Programs by quartiles: Orissa (%)

	Quartiles				
	1	2	3	4	All
CASH TRANSFER PROGRAMS					
Targeted					
Indira Awas Yozana	87	92	81	83	86
National Old Age Pension Scheme	64	74	69	70	69
Widow/disable pension	64	75	71	68	69
In-Kind Transfer Programs					
Targeted					
Public Distribution System (BPL)	84.68	90.91	93.06	92.8	90.24
Antyodaya Anna Yojana	55.9	53.39	55.65	56.27	55.32
Universal					
Integrated Child					
Development Services	50.53	56.1	62.48	60.39	57.24
National Mid-Day Meal Scheme	64.33	82.23	77.69	70.94	73.58
free text-book	56.92	72.69	69.73	63.74	65.57
free uniform	48.99	58.07	60.24	60.44	56.76
Workfare Programs					
(Self Targeted)					
Sampoorna Grameena					
Rozgar Yozana	53.8	71.47	66.63	57.97	62.26
Food for work	30.69	41.14	32.49	37.73	35.39
Subsidy Based Livelihood Programs					
Targeted					
Swarnajayanti Gram Swarojgar Yojana	26.54	38.73	44.96	46.85	39

Table A3.3. Awareness of Programs by quartiles: Madhya Pradesh (%)

Program	Quartiles				
	1	2	3	4	All
IAY	70.00	60.00	66.00	53.00	62.00
NOAP	72.00	65.00	55.00	54.00	62.00
widow/disable pension	69.00	62.00	48.00	47.00	57.00
Rural Education Scholarship	49.00	31.00	38.00	36.00	39.00
PDS	82.00	87.00	94.00	96.00	89.00
AAY	32.00	25.00	30.00	21.00	27.00
ICDS	11.00	22.00	27.00	33.00	23.00
National Mid-Day Meal Scheme	64.00	57.00	73.00	62.00	64.00
free text-book	47.00	41.00	59.00	53.00	50.00
free uniform	34.00	31.00	46.00	39.00	38.00
SGRY	19.00	18.00	13.00	13.00	16.00
Food for work	41.00	32.00	32.00	21.00	31.00

Table A 3.4. Awareness of Programs by quartiles: Karnataka (%)

Program	Quartiles				
	1	2	3	4	All
Cash Transfer Programs					
Targeted					
Indira Awas Yozana	52	65	60	57	58
Universal					
Rural Education Scholarship	31	41	30	43	37
In-Kind Transfer Programs					
Targeted					
Public Distribution System (BPL)	92	94	94	96	94
Universal					
Integrated Child Development Services	19	18	19	19	19
National Mid-Day Meal Scheme	76	91	83	76	82
free text-book	79	90	89	90	87
free uniform	70	91	85	85	83

Table A3.5 Awareness of Programs by social classes (Orissa)

Programmes	Overall	SC	Sig	ST	Sig	Non SC&ST
Cash Transfer Programs Targeted						
Indira Awas Yozana	85.3	88.3		83.26		86.43
National Old Age Pension Scheme	69.49	76.6		63.26	**	74.29
Widow/disable pension	69.49	84.04	*	60.47	**	73.57
In-Kind Transfer Programs Targeted						
Public Distribution System (BPL)	90.87	91.49		87.91	**	95
Antyodaya Anna Yojana	54.57	64.89		44.19	***	63.57
Universal						
Integrated Child Development Services	56.35	56.38		50.7	***	65
National Mid-Day Meal Scheme	73.5	76.6		70.23		76.43
free text-book	65.48	71.28		58.14	***	72.86
free uniform	56.57	60.64		51.16	**	62.14
Workfare Programs (Self Targeted)						
Sampoorna Grameena Rozgar Yozana	61.47	62.77		59.53		63.57
Food for work	36.3	35.11		40		31.43
Subsidy Based Livelihood Programs Targeted						
Swarnajayanti Gram Swarojgar yojana	39.42	36.17		36.28	*	46.43

Table A3.6 Awareness of Programs by social classes (Madhya Pradesh)

Programmes	Overall	SC	Sig	ST	Sig	Non SC&ST
Cash Transfer Programs Targeted						
Indira Awas Yozana	61.05	66.18		61.96		59.6
National Old Age Pension Scheme	61.71	48.53	*	75	**	60.61
Widow/disable pension	56.24	42.65	*	68.48	**	55.56
Universal						
Rural Education Scholarship	38.07	35.29		46.74	*	36.03
In-Kind Transfer Programs Targeted						
Public Distribution System (BPL)	89.28	91.18		76.09	***	92.93
Antyodaya Anna Yojana	26.7	19.12		31.52		26.94
Universal						
Integrated Child Development Services	24.07	23.53		20.65		25.25
National Mid-Day Meal Scheme	63.46	61.76		64.13		63.64
free text-book	49.23	48.53		45.65		50.51
free uniform	38.07	32.35		34.78		40.4
Workfare Programs (Self Targeted)						
Sampoorna Grameena Rozgar Yozana	15.54	11.76		23.91	**	13.8
Food for work	30.2	22.06		35.87		30.3

Table A3.7 Awareness of Programs by social classes (Karnataka)

Programmes	Overall	SC	Sig	ST	Sig	Non
SC&ST						
Cash Transfer						
Programs						
Targeted						
Indira Awas Yozana	57.56	63.64	***	72.17	***	47.11
Universal						
Rural Education						
Scholarship	36.44	34.55		35.65		37.78
In-Kind Transfer						
Programs						
Targeted						
Public Distribution						
System (BPL)	93.11	93.64		92.17		93.33
Universal						
Integrated Child						
Development Services	20.67	20		25.22		18.67
National Mid-Day						
Meal Scheme	82.22	87.27	**	86.96	**	77.33
free text-book	86.44	87.27		84.35		87.11
free uniform	82	85.45		79.13		81.78

Appendix 4:**Participation in programs: State-wise by quartiles and by programs****Table A4.1. Participation rates by Quartiles: Orissa (%)**

	Quartiles				
	1	2	3	4	All
Cash Transfer Programs					
Targeted					
Indira Awas Yozana	17.16	17.1	12.41	4.9	12.98
National Old Age Pension Scheme	66.36	39.88	36.06	39.88	43.76
Widow/disable pension	38.19	32.83	21.49	18.68	29.37
In-Kind Transfer Programs					
Targeted					
Public Distribution System (BPL)	67.81	54.52	64.42	53.2	60.24
Antyodaya Anna Yojana	12.9	7.99	7.66	2.65	7.94
Universal					
Integrated Child Development Services	80.88	63.91	80.21	84.77	77.54
National Mid-Day Meal Scheme	75.87	62.36	68.63	65.53	68
free text-book	78.51	61.92	74.46	66.33	70.07
free uniform	59.32	39.67	53.36	41.76	48.61
Workfare Programs (Self Targeted)					
Sampoorna Grameena Rozgar Yozana	26.48	25.86	22.98	16.09	22.93
Food for work	5.65	7.52	5.34	6.66	6.27
Subsidy Based Livelihood Programs					
Targeted					

Table A4.2. Participation rates by Quartiles: Madhya Pradesh (%)

	Quartiles				
	1	2	3	4	All
Cash Transfer Programs					
Targeted					
Indira Awas Yozana	12.43	11.2	13.89	2.34	10.35
National Old Age Pension Scheme	48.85	45.54	24.86	19.09	32.48
Widow/disable pension	26.92	28.67	31.6	4.15	26.16
Universal					
Rural Education Scholarship	42.62	50.35	47.39	38.51	44.73
In-Kind Transfer Programs					
Targeted					
Public Distribution System (BPL)	46.11	30.68	34.44	12.77	32.34
Antyodaya Anna Yojana	3.61	4.41	7.55	0.7	4.16
Universal					
Integrated Child Development Services	48.89	40.94	57.84	57.56	51.64
National Mid-Day Meal Scheme	81.82	58.38	72.35	79.09	72.72
free text-book	84.3	66.01	80.59	79.75	78.26
free uniform	71.28	59.03	61.03	54.76	62.52
Workfare Programs (Self Targeted)					
Sampoorna Grameena Rozgar Yozana	3.75	7.91	3.21	0.76	4.04
Food for work	29.5	19.55	12.33	5.56	17.76

Table A4.3. Participation rates by Quartiles: Karnataka

	Quartiles				
	1	2	3	4	All
Cash Transfer Programs					
Targeted					
Indira Awas Yozana	10.66	6.45	10.94	7.66	8.91
Universal					
Rural Education Scholarship	27.09	20.73	28.79	22.52	24.47
In-Kind Transfer Programs					
Targeted					
Public Distribution System (BPL)	67.45	68.73	62.45	50.4	62.11
Universal					
Integrated Child Development Services	71.97	53.54	36.91	13.7	50.47
National Mid-Day Meal Scheme	59.17	78.08	64.82	55.26	63.79
free text-book	56.22	67.32	61.27	46.22	56.91
free uniform	42.53	62.12	49.36	36.73	46.94

Table A4.4. Participation Rates by Social Groups: Orissa (%)

Social Groups					
	SC	ST	BC	OC	Total
Cash Transfer Programs					
Targeted					
Indira Awas Yozana	10.66	6.45	10.94	7.66	8.91
Cash Transfer Programs					
Targeted					
Indira Awas Yozana	10.43	15.31	11.84	9.78	12.98
National Old Age Pension Scheme	79.36*	42.9	31.43	27.06	43.76
Widow/disable pension	12.66	38.57	20.66	50.11	29.37
In-Kind Transfer Programs					
Targeted					
Public Distribution System (BPL)	56.59	66.88	50.25	56.17	60.24
Antyodaya Anna Yojana	10.11	8.35	6.51	4.6	7.94
Universal					
Integrated Child Development Services	73.23	76.13	90.83	71.63	77.54
National Mid-Day Meal Scheme	75.81	67.19	63.73	64.41	68
free text-book	79.12	71.45	60.99	66.23	70.07
free uniform	48.74	63.81	15.63	45.91	48.61
Workfare Programs					
(Self Targeted)					
Sampoorna Grameena Rozgar Yozana	17.25*	29.67**	20.63	8.83	22.93
Food for work	6.24**	10.31**	0	0	6.27
Subsidy Based Livelihood Programs					
Targeted					
Swarnajayanti Gram Swarojgar yojana	5.17**	10.44**	6.97	22.4	10

Table A4.5. Participation Rates by Social Groups: Madhya Pradesh (%)

	Social Groups				
	SCs	STs	BC	OC	Total
Cash Transfer Programs					
Targeted					
Indira Awas Yozana	27.25**	11.15	7.05	3.15	10.35
National Old Age Pension Scheme	42.79	44.15	25.47	31.18	32.48
Universal					
Rural Education Scholarship	62.41	52.57	33.57	53.93	44.73
In-Kind Transfer Programs					
Targeted					
Public Distribution System (BPL)	47.89**	38.41**	28.46	18.45	32.34
Antyodaya Anna Yojana	5.91*	6.37**	3.59	0	4.16
Universal					
Integrated Child Development Services	43.49	44.41	67.88	18.72	51.64
National Mid-Day Meal Scheme	89.26**	63.49	76.17	54.15	72.72
free text-book	86.07	75.62	78.81	69.42	78.26
free uniform	81.38*	71.4	57.5	51.61	62.52
Workfare Programs (Self Targeted)					
Food for work	12.74**	17.22*	22.03	5.41	17.76

Table A 4.6. Participation Rates by Social Groups: Karnataka (%)

	Social Groups				
	SCs	STs	BC	OC	Total
Cash Transfer Programs					
Targeted					
Indira Awas Yozana	11.95	13.36*	4.07	7.62	8.91
Universal					
Rural Education Scholarship	43.15*	27.53	10.86	16.09	24.47
In-Kind Transfer Programs					
Targeted					
Public Distribution System (BPL)	68.22	65.96*	55.06	62.46	62.11
Universal					
Integrated Child Development Services	64.69	42.53	46.67	50	50.47
National Mid-Day Meal Scheme	71.09	66.12	56.89	60.92	63.79
free text-book	70.15*	58.07	51.14	44.82	56.91
free uniform	62.14*	54.93	35.77	31.94	46.94

APPENDIX 5

Logit Models of Determinants of Participation of Households

Table A5.1 Dependent: Participation in IAY

	B	S.E.	Sig.	Exp(B)
Wealth Index (Ref: 4th Quartile)				
1st quartile	0.6035	0.3998	0.1312	1.8285
2nd Quartile	0.3660	0.3848	0.3416	1.4419
3rd Quartile	0.6064	0.3372	0.0721	1.8338
Socioal Group (Ref: Others)				
SC	0.6870	0.3602	0.0564	1.9878
ST	0.4911	0.3479	0.1580	1.6341
OBC	-0.0529	0.3622	0.8840	0.9485
Household Size	0.1087	0.0458	0.0177	1.1148
Sex of Head of household (Ref: Male)				
Female	0.5754	0.3080	0.0618	1.7779
% of Literates in HH	-0.0055	0.0032	0.0925	0.9946
Occupation of Head of Household (Ref: Non Worker)				
Self-employed in Agrl.	0.6495	0.4988	0.1929	1.9146
Agricultural Labor	0.5216	0.4888	0.2860	1.6847
Self-employed in non-agrl	0.9225	0.5448	0.0904	2.5156
Non-agrl Labor	0.3764	0.5009	0.4523	1.4571
Others	-0.3184	0.7647	0.6771	0.7273
HH exepriencing Any Idiocyncratic Risks (Ref: none)	-0.1734	0.2051	0.3978	0.8408
HH exepriencing Any Covariate Risks (Ref: none)	0.3272	0.1948	0.0931	1.3871
Age of Head of Household	-0.0069	0.0075	0.3614	0.9932
Land possessed	-0.0521	0.0427	0.2221	0.9492
Social Infrastructure	-0.2080	0.8301	0.8021	0.8122
Economic Infrastructure	0.6677	0.6703	0.3192	1.9497
Functioning of PRIs	0.8898	0.6207	0.1517	2.4347
Household Structural Social Capital	0.8065	0.2206	0.0003	2.2401
Women Autonomy and decision making score	-0.1450	0.4027	0.7187	0.8650
Women Participation in meetings and elections	0.1609	0.6892	0.8153	1.1746
State (Ref: Karnataka)				
Orissa	0.3873	0.2701	0.1516	1.4731
Madhya Pradesh	-0.0578	0.2876	0.8408	0.9439
Constant	-4.3632	0.9808	0.0000	0.0127

Table A5.2 Dependent: Participation in National Old Age Pension

	B	S.E.	Sig.	Exp(B)
Wealth Index (Ref: 4th Quartile)				
1st quartile	-0.9139	0.5972	0.1260	0.4009
2nd Quartile	-0.8021	0.5551	0.1485	0.4484
3rd Quartile	-0.9962	0.5128	0.0521	0.3693
Sociaol Group (Ref: Others)				
SC	-0.5985	0.5837	0.3052	0.5496
ST	-0.8253	0.5133	0.1079	0.4381
OBC	-0.3655	0.5142	0.4771	0.6938
Household Size	0.2307	0.0824	0.0051	1.2595
Sex of Head of household (Ref: Male)				
Female	0.4166	0.4724	0.3779	1.5168
% of Literates in HH	-0.0328	0.0062	0.0000	0.9678
Occupation of Head of Household (Ref: Non Worker)				
Self-employed in Agrl.	-1.0329	0.5052	0.0409	0.3560
Agricultural Labor	-1.4178	0.5047	0.0050	0.2422
Self-employed in non-agrl	-1.6673	0.8467	0.0489	0.1887
Non-agrl Labor	-2.2989	0.5695	0.0001	0.1004
Otheres	-1.3527	0.8405	0.1075	0.2585
HH exepriencng Any Idiocyncratic Risks (Ref: none)	-0.2666	0.3540	0.4514	0.7660
HH exepriencng Any Covariate Risks (Ref: none)	-0.2684	0.3389	0.4283	0.7646
Land possessed	-0.1465	0.0818	0.0733	0.8637
Social Infrastructure	-0.2256	1.3333	0.8656	0.7980
Economic Infrastructure	1.3401	1.0778	0.2137	3.8196
Functioning of PRIs	-0.4147	1.0335	0.6883	0.6606
Household Structural Social Capital	0.0364	0.3829	0.9243	1.0370
Women Autonomy and decision making score	0.0990	0.6570	0.8802	1.1040
Women Participation in meetings and elections	1.0951	1.0953	0.3174	2.9894
State (Ref: Karnataka)				
Orissa	1.3410	0.6169	0.0297	3.8230
Madhya Pradesh	1.2101	0.6490	0.0622	3.3539
Constant	-0.4762	1.2868	0.7113	0.6211

A5.3 Dependent: Participation in Widows/Disability Pension

	B	S.E.	Sig.	Exp(B)
Wealth Index (Ref: 4th Quartile)				
1st quartile	1.0555	0.6401	0.0992	2.8734
2nd Quartile	1.2173	0.5884	0.0386	3.3782
3rd Quartile	0.3731	0.6246	0.5503	1.4522
Social Group (Ref: Others)				
SC	-2.2366	0.7766	0.0040	0.1068
ST	-0.9756	0.5881	0.0972	0.3770
OBC	0.0823	0.5748	0.8862	1.0858
Household Size	-0.0168	0.0932	0.8566	0.9833
Sex of Head of household (Ref: Male)				
Female	2.7634	0.4430	0.0000	15.8543
% of Literates in HH	-0.0213	0.0060	0.0003	0.9789
Occupation of Head of Household (Ref: Non Worker)			0.0446	
Self-employed in Agrl.	0.1619	0.6938	0.8155	1.1758
Agricultural Labor	-0.3715	0.6672	0.5776	0.6897
Self-employed in non-agrl	1.5169	0.7045	0.0313	4.5579
Non-agrl Labor	0.1383	0.6732	0.8372	1.1483
Others	-0.2236	1.0241	0.8271	0.7996
HH experiencing Any Idiocratic Risks (Ref: none)	0.4934	0.3686	0.1807	1.6379
HH experiencing Any Covariate Risks (Ref: none)	0.2629	0.3807	0.4898	1.3007
Age of Head of Household	-0.0075	0.0127	0.5534	0.9925
Land possessed	0.0045	0.0259	0.8623	1.0045
Social Infrastructure	3.9910	1.5636	0.0107	54.1088
Economic Infrastructure	0.9496	1.2090	0.4322	2.5846
Functioning of PRIs	-2.4681	1.1030	0.0252	0.0847
Household Structural Social Capital	0.4941	0.4467	0.2687	1.6390
Women Autonomy and decision making score	-0.1279	0.6633	0.8471	0.8799
Women Participation in meetings and elections	-1.2134	1.5019	0.4191	0.2972
State (Ref: Karnataka)				
Orissa	-0.3843	0.5189	0.4589	0.6809
Madhya Pradesh	-1.0282	0.5863	0.0795	0.3577
Constant	-1.7921	1.4975	0.2314	0.1666

A5.4 Dependent: Participation in Rural Education Scholarship

	B	S.E.	Sig.	Exp(B)
Wealth Index (Ref: 4th Quartile)				
1st quartile	-0.9890	0.5827	0.0897	0.3720
2nd Quartile	-0.6635	0.5664	0.2415	0.5151
3rd Quartile	-0.4922	0.4840	0.3091	0.6113
Social Group (Ref: Others)				
SC	1.0987	0.5376	0.0410	3.0004
ST	0.4846	0.5164	0.3480	1.6236
OBC	-0.3639	0.4723	0.4411	0.6950
Household Size	0.3389	0.0842	0.0001	1.4034
Sex of Head of household (Ref: Male)				
Female	1.6022	0.6291	0.0109	4.9640
% of Literates in HH	0.0181	0.0063	0.0043	1.0182
Occupation of Head of Household (Ref: Non Worker)				
Self-employed in Agrl.	0.1263	0.7990	0.8744	1.1346
Agricultural Labor	1.3176	0.8038	0.1012	3.7343
Self-employed in non-agrl	-0.5358	1.0654	0.6150	0.5852
Non-agrl Labor	1.0554	0.8321	0.2047	2.8731
Others	-1.4719	1.3280	0.2677	0.2295
HH experiencing Any Idiosyncratic Risks (Ref: none)	0.6409	0.3157	0.0423	1.8983
HH experiencing Any Covariate Risks (Ref: none)	-0.0148	0.3112	0.9620	0.9853
Age of Head of Household	-0.0310	0.0140	0.0272	0.9695
Land possessed	-0.0045	0.0200	0.8203	0.9955
Social Infrastructure	1.1205	1.3729	0.4144	3.0663
Economic Infrastructure	0.1298	1.3054	0.9208	1.1386
Functioning of PRIs	-1.8102	0.8699	0.0374	0.1636
Household Structural Social Capital	0.6919	0.3535	0.0504	1.9974
Women Autonomy and decision making score	1.5930	0.6064	0.0086	4.9182
Women Participation in meetings and elections	0.2507	1.1764	0.8312	1.2849
State (Ref: Karnataka)				
Orissa	-2.0661	0.7226	0.0042	0.1267
Madhya Pradesh	1.1644	0.4052	0.0041	3.2041
Constant	-3.6672	1.5291	0.0165	0.0255

A5.5 Dependent: Participation in PDS (BPL)

	B	S.E.	Sig.	Exp(B)
Wealth Index (Ref: 4th Quartile)				
1st quartile	0.3100	0.2279	0.1736	1.3634
2nd Quartile	0.1736	0.2118	0.4124	1.1896
3rd Quartile	0.4621	0.1902	0.0151	1.5873
Social Group (Ref: Others)				
SC	0.1297	0.2177	0.5513	1.1385
ST	0.2596	0.2021	0.1989	1.2964
OBC	-0.2039	0.1958	0.2979	0.8156
Household Size	0.0279	0.0316	0.3776	1.0283
Sex of Head of household (Ref: Male)				
Female	0.2847	0.2244	0.2045	1.3293
% of Literates in HH	-0.0028	0.0021	0.1910	0.9972
Occupation of Head of Household (Ref: Non Worker)				
Self-employed in Agrl.	-0.0156	0.3083	0.9596	0.9845
Agricultural Labor	0.2610	0.3113	0.4018	1.2982
Self-employed in non-agrl	0.0749	0.3599	0.8351	1.0778
Non-agrl Labor	0.1825	0.3177	0.5657	1.2002
Others	-0.3493	0.3946	0.3761	0.7052
HH experiencing Any Idiosyncratic Risks (Ref: none)	0.1862	0.1338	0.1640	1.2047
HH experiencing Any Covariate Risks (Ref: none)	-0.1907	0.1269	0.1329	0.8264
Age of Head of Household	0.0133	0.0049	0.0061	1.0134
Land possessed	-0.0270	0.0174	0.1207	0.9733
Social Infrastructure	0.2285	0.5422	0.6735	1.2567
Economic Infrastructure	0.3618	0.4441	0.4152	1.4359
Functioning of PRIs	0.3243	0.3497	0.3538	1.3831
Household Structural Social Capital	0.6758	0.1611	0.0000	1.9656
Women Autonomy and decision making score	-0.1925	0.2620	0.4624	0.8249
Women Participation in meetings and elections	0.3505	0.4593	0.4455	1.4197
State (Ref: Karnataka)				
Orissa	-0.3572	0.1675	0.0329	0.6997
Madhya Pradesh	-1.6192	0.1827	0.0000	0.1981
Constant	-0.7280	0.5859	0.2141	0.4829

A5.6 Dependent: Participation in PDS (AAY)

	B	S.E.	Sig.	Exp(B)
Wealth Index (Ref: 4th Quartile)				
1st quartile	0.6369	0.7450	0.3926	1.8905
2nd Quartile	0.8745	0.7093	0.2176	2.3977
3rd Quartile	0.9925	0.6633	0.1346	2.6981
Social Group (Ref: Others)				
SC	1.6635	1.0822	0.1243	5.2777
ST	1.9651	1.0607	0.0639	7.1355
OBC	1.7788	1.0756	0.0982	5.9228
Household Size	0.0076	0.0839	0.9282	1.0076
Sex of Head of household (Ref: Male)				
Female	0.8578	0.4731	0.0698	2.3580
% of Literates in HH	-0.0116	0.0060	0.0538	0.9885
Occupation of Head of Household (Ref: Non Worker)			0.1583	
Self-employed in Agrl.	-0.8460	0.6994	0.2265	0.4291
Agricultural Labor	0.5883	0.6163	0.3397	1.8010
Self-employed in non-agrl	0.3177	0.7132	0.6559	1.3740
Non-agrl Labor	0.0405	0.6565	0.9508	1.0413
Others	-17.9619	55.0898	0.9974	0.0000
HH experiencing Any Idiocratic Risks (Ref: none)	0.2309	0.3493	0.5087	1.2597
HH experiencing Any Covariate Risks (Ref: none)	0.3079	0.3581	0.3899	1.3606
Age of Head of Household	0.0218	0.0119	0.0667	1.0221
Land possessed	0.0063	0.0595	0.9150	1.0064
Social Infrastructure	0.1225	1.5720	0.9379	1.1304
Economic Infrastructure	-1.2351	1.3091	0.3455	0.2908
Functioning of PRIs	-2.5698	1.1620	0.0270	0.0766
Household Structural Social Capital	0.2540	0.4364	0.5605	1.2892
Women Autonomy and decision making score	-0.0708	0.6984	0.9192	0.9316
Women Participation in meetings and elections	0.8256	1.1798	0.4841	2.2833
State (Ref: Karnataka)				
Orissa	0.7036	0.5019	0.1610	2.0210
Madhya Pradesh	1.3761	0.6035	0.0226	3.9593
Constant	-5.3706	1.7669	0.0024	0.0047

A5.7 Dependent: Participation in ICDS

	B	S.E.	Sig.	Exp(B)
Wealth Index (Ref: 4th Quartile)				
1st quartile	0.5537	0.4009	0.1672	1.7397
2nd Quartile	-0.0970	0.3745	0.7956	0.9075
3rd Quartile	-0.5174	0.3329	0.1202	0.5961
Social Group (Ref: Others)			0.2325	
SC	0.4558	0.4586	0.3203	1.5774
ST	0.0627	0.4490	0.8889	1.0647
OBC	0.6317	0.4131	0.1262	1.8808
Household Size	0.4445	0.0756	0.0000	1.5597
Sex of Head of household (Ref: Male)				
Female	-0.0794	0.4446	0.8582	0.9236
% of Literates in HH	-0.0208	0.0044	0.0000	0.9794
Occupation of Head of Household (Ref: Non Worker)				
Self-employed in Agrl.	-0.1693	0.4981	0.7340	0.8443
Agricultural Labor	0.1829	0.5489	0.7390	1.2007
Self-employed in non-agrl	0.5509	0.5983	0.3572	1.7348
Non-agrl Labor	-0.2225	0.5223	0.6702	0.8006
Others	-0.6886	0.6056	0.2556	0.5023
HH experiencing Any Idiosyncratic Risks (Ref: none)	-0.1427	0.2590	0.5815	0.8670
HH experiencing Any Covariate Risks (Ref: none)	0.7271	0.2618	0.0055	2.0690
Age of Head of Household	-0.0178	0.0097	0.0664	0.9823
Land possessed	0.0026	0.0193	0.8927	1.0026
Social Infrastructure	-0.7511	1.1433	0.5112	0.4718
Economic Infrastructure	-0.4291	0.8122	0.5973	0.6511
Functioning of PRIs	-0.1707	0.8082	0.8327	0.8430
Household Structural Social Capital	0.2933	0.3081	0.3411	1.3408
Women Autonomy and decision making score	1.0040	0.5188	0.0529	2.7292
Women Participation in meetings and elections	1.1162	0.9287	0.2294	3.0534
State (Ref: Karnataka)				
Orissa	1.7545	0.4027	0.0000	5.7808
Madhya Pradesh	0.7179	0.4469	0.1082	2.0502
Constant	-2.5834	1.1308	0.0223	0.0755

A5.8 Dependent: Participation in Mid-day Meals

	B	S.E.	Sig.	Exp(B)
Wealth Index (Ref: 4th Quartile)				
1st quartile	0.8879	0.2836	0.0017	2.4300
2nd Quartile	0.4840	0.2620	0.0646	1.6226
3rd Quartile	0.3993	0.2321	0.0854	1.4908
Social Group (Ref: Others)				
SC	0.6289	0.2837	0.0266	1.8755
ST	0.2856	0.2705	0.2910	1.3306
OBC	0.4104	0.2515	0.1027	1.5073
Household Size	0.5129	0.0512	0.0000	1.6702
Sex of Head of household (Ref: Male)				
Female	0.3973	0.3078	0.1968	1.4878
% of Literates in HH	0.0142	0.0030	0.0000	1.0143
Occupation of Head of Household (Ref: Non Worker)			0.0570	
Self-employed in Agrl.	0.1519	0.4006	0.7045	1.1641
Agricultural Labor	0.1773	0.4110	0.6662	1.1940
Self-employed in non-agrl	-0.0955	0.4581	0.8348	0.9089
Non-agrl Labor	0.0169	0.4183	0.9677	1.0171
Others	-1.0250	0.5136	0.0460	0.3588
HH experiencing Any Idiosyncratic Risks (Ref: none)	0.0977	0.1636	0.5502	1.1027
HH experiencing Any Covariate Risks (Ref: none)	0.2985	0.1581	0.0590	1.3478
Age of Head of Household	-0.0308	0.0069	0.0000	0.9696
Land possessed	0.0175	0.0154	0.2576	1.0176
Social Infrastructure	0.1599	0.7065	0.8210	1.1734
Economic Infrastructure	-0.4044	0.5431	0.4565	0.6674
Functioning of PRIs	0.4640	0.4503	0.3029	1.5903
Household Structural Social Capital	0.6874	0.1960	0.0005	1.9886
Women Autonomy and decision making score	0.2404	0.3269	0.4622	1.2717
Women Participation in meetings and elections	1.5016	0.6011	0.0125	4.4888
State (Ref: Karnataka)				
Orissa	0.5623	0.2170	0.0096	1.7546
Madhya Pradesh	0.4323	0.2286	0.0586	1.5408
Constant	-4.4071	0.7810	0.0000	0.0122

A5.9 Dependent: Participation Free Text Books Scheme

	B	S.E.	Sig.	Exp(B)
Wealth Index (Ref: 4th Quartile)				
1st quartile	0.6195	0.2830	0.0286	1.8580
2nd Quartile	0.2281	0.2623	0.3846	1.2562
3rd Quartile	0.3326	0.2314	0.1506	1.3946
Sociaol Group (Ref: Others)				
SC	0.4763	0.2923	0.1032	1.6101
ST	0.1869	0.2789	0.5029	1.2054
OBC	0.0879	0.2593	0.7347	1.0919
Household Size	0.4392	0.0511	0.0000	1.5514
Sex of Head of household (Ref: Male)				
Female	0.3807	0.3094	0.2186	1.4633
% of Literates in HH	0.0118	0.0031	0.0002	1.0119
Occupation of Head of Household (Ref: Non Worker)				
Self-employed in Agrl.	0.0330	0.4094	0.9358	1.0335
Agricultural Labor	0.1597	0.4136	0.6995	1.1731
Self-employed in non-agrl	-0.0854	0.4665	0.8547	0.9181
Non-agrl Labor	-0.1109	0.4263	0.7947	0.8950
Otheres	-0.7597	0.5117	0.1376	0.4678
HH exepriencing Any Idiocyncratic Risks (Ref: none)	0.0991	0.1695	0.5587	1.1042
HH exepriencing Any Covariate Risks (Ref: none)	0.0975	0.1627	0.5492	1.1024
Age of Head of Household	-0.0244	0.0071	0.0006	0.9759
Land possessed	-0.0059	0.0130	0.6486	0.9941
Social Infrastructure	0.5162	0.7111	0.4679	1.6756
Economic Infrastructure	-0.2509	0.5469	0.6465	0.7781
Functioning of PRIs	-0.1119	0.4553	0.8059	0.8942
Household Structural Social Capital	0.8363	0.2041	0.0000	2.3079
Women Autonomy and decision making score	-0.0609	0.3383	0.8572	0.9410
Women Participation in meetings and elections	1.2794	0.6030	0.0338	3.5946
State (Ref: Karnataka)				
Orissa	0.5730	0.2145	0.0076	1.7736
Madhya Pradesh	0.9172	0.2351	0.0001	2.5023
Constant	-3.3828	0.7842	0.0000	0.0340

A5.10 Dependent: Participation Free Uniform Scheme

	B	S.E.	Sig.	Exp(B)
Wealth Index (Ref: 4th Quartile)				
1st quartile	0.1265	0.4536	0.7803	1.1349
2nd Quartile	0.1196	0.4279	0.7798	1.1271
3rd Quartile	0.3405	0.3737	0.3623	1.4056
Social Group (Ref: Others)				
SC	1.2529	0.4328	0.0038	3.5006
ST	1.3223	0.4239	0.0018	3.7519
OBC	-0.1279	0.3968	0.7471	0.8799
Household Size	0.2141	0.0711	0.0026	1.2387
Sex of Head of household (Ref: Male)				
Female	0.0588	0.5103	0.9082	1.0606
% of Literates in HH	0.0201	0.0054	0.0002	1.0203
Occupation of Head of Household (Ref: Non Worker)				
Self-employed in Agrl.	-1.1862	0.7277	0.1031	0.3054
Agricultural Labor	-0.9410	0.7236	0.1935	0.3902
Self-employed in non-agrl	-1.0602	0.7857	0.1773	0.3464
Non-agrl Labor	-1.1742	0.7470	0.1160	0.3091
Others	-1.8136	0.8409	0.0310	0.1631
HH experiencing Any Idiosyncratic Risks (Ref: none)	-1.0756	0.2681	0.0001	0.3411
HH experiencing Any Covariate Risks (Ref: none)	-0.0673	0.2461	0.7846	0.9349
Age of Head of Household	-0.0078	0.0109	0.4716	0.9922
Land possessed	-0.0602	0.0335	0.0726	0.9416
Social Infrastructure	0.8836	1.1110	0.4264	2.4196
Economic Infrastructure	0.5400	0.8642	0.5321	1.7161
Functioning of PRIs	0.4241	0.7616	0.5777	1.5282
Household Structural Social Capital	0.4348	0.3363	0.1960	1.5446
Women Autonomy and decision making score	0.0897	0.5542	0.8715	1.0938
Women Participation in meetings and elections	-1.1232	0.9361	0.2302	0.3252
State (Ref: Karnataka)				
Orissa	0.1254	0.3457	0.7167	1.1336
Madhya Pradesh	0.8239	0.4758	0.0834	2.2793
Constant	-1.8835	1.3179	0.1529	0.1521

A5.11 Dependent: Participation in SGRY

	B	S.E.	Sig.	Exp(B)
Wealth Index (Ref: 4th Quartile)				
1st quartile	-0.1786	0.4254	0.6746	0.8364
2nd Quartile	0.4581	0.3936	0.2445	1.5810
3rd Quartile	0.2215	0.3708	0.5502	1.2480
Social Group (Ref: Others)				
SC	1.1455	0.5601	0.0408	3.1441
ST	1.2885	0.5154	0.0124	3.6272
OBC	1.3797	0.5598	0.0137	3.9735
Household Size	0.0504	0.0609	0.4074	1.0517
Sex of Head of household (Ref: Male)				
Female	0.1436	0.3900	0.7127	1.1544
% of Literates in HH	-0.0125	0.0039	0.0012	0.9875
Occupation of Head of Household (Ref: Non Worker)				
Self-employed in Agrl.	0.8608	0.6052	0.1549	2.3651
Agricultural Labor	0.7408	0.6156	0.2288	2.0977
Self-employed in non-agrl	0.4377	0.6988	0.5310	1.5492
Non-agrl Labor	1.1084	0.6002	0.0648	3.0295
Others	0.3759	0.7418	0.6124	1.4562
HH experiencing Any Idiosyncratic Risks (Ref: none)	-0.3912	0.2614	0.1345	0.6763
HH experiencing Any Covariate Risks (Ref: none)	-0.4363	0.2538	0.0856	0.6464
Age of Head of Household	-0.0008	0.0086	0.9303	0.9992
Land possessed	-0.0246	0.0471	0.6025	0.9757
Social Infrastructure	3.4524	1.1199	0.0021	31.5758
Economic Infrastructure	-1.4247	0.9345	0.1273	0.2406
Functioning of PRIs	0.8648	0.8887	0.3305	2.3744
Household Structural Social Capital	0.8332	0.2705	0.0021	2.3006
Women Autonomy and decision making score	-0.6563	0.5117	0.1996	0.5188
Women Participation in meetings and elections	2.6928	0.7524	0.0003	14.7731
Average Wage in Village State (Ref: Karnataka)	0.0038	0.0093	0.6845	1.0038
Orissa	2.4679	0.4783	0.0000	11.7978
Madhya Pradesh	0.4615	0.5404	0.3931	1.5865
Constant	-7.3287	1.4245	0.0000	0.0007

A5.12 Dependent: Participation in Food for Work

FFW	B	S.E.	Sig.	Exp(B)
Wealth Index (Ref: 4th Quartile)				
1st quartile	-0.5947	0.5463	0.2763	0.5517
2nd Quartile	-0.5592	0.5156	0.2781	0.5716
3rd Quartile	-0.2886	0.4403	0.5121	0.7493
Social Group (Ref: Others)				
SC	1.3309	0.7077	0.0600	3.7843
ST	1.9129	0.6800	0.0049	6.7725
OBC	1.1368	0.6776	0.0934	3.1168
Household Size	0.1141	0.0662	0.0847	1.1208
Sex of Head of household (Ref: Male)				
Female	1.2894	0.4356	0.0031	3.6307
% of Literates in HH	-0.0097	0.0045	0.0309	0.9903
Occupation of Head of Household (Ref: Non Worker)				
Self-employed in Agrl.	2.5293	0.8797	0.0040	12.5445
Agricultural Labor	2.4447	0.8669	0.0048	11.5275
Self-employed in non-agrl	1.5917	0.9949	0.1096	4.9121
Non-agrl Labor	1.4573	0.8884	0.1009	4.2942
Others	0.7202	1.3505	0.5938	2.0549
HH experiencing Any Idiosyncratic Risks (Ref: none)	0.0244	0.2863	0.9320	1.0247
HH experiencing Any Covariate Risks (Ref: none)	-0.4629	0.2834	0.1024	0.6295
Age of Head of Household	0.0037	0.0106	0.7283	1.0037
Land possessed	-0.1178	0.0664	0.0759	0.8889
Social Infrastructure	2.9842	1.1732	0.0110	19.7702
Economic Infrastructure	-1.4571	1.0492	0.1649	0.2329
Functioning of PRIs	0.9823	1.0111	0.3313	2.6706
Household Structural Social Capital	0.7377	0.3670	0.0444	2.0911
Women Autonomy and decision making score	-0.2848	0.5617	0.6121	0.7521
Women Participation in meetings and elections	0.6952	0.9510	0.4648	2.0041
Average Wage in Village State (Ref: Karnataka)	-0.0198	0.0104	0.0563	0.9804
Orissa	0.3342	0.4373	0.4447	1.3968
Madhya Pradesh	1.4097	0.4712	0.0028	4.0948
Constant	-6.7343	1.6636	0.0001	0.0012

A5.13 Dependent: Participation in SGSY

SGSY	B	S.E.	Sig.	Exp(B)
Wealth Index (Ref: 4th Quartile)				
1st quartile	-0.1326	0.5911	0.8225	0.8758
2nd Quartile	0.2318	0.4778	0.6275	1.2609
3rd Quartile	0.0516	0.4677	0.9121	1.0530
Social Group (Ref: Others)				
SC	-1.0978	0.6114	0.0726	0.3336
ST	-0.6996	0.4893	0.1528	0.4968
OBC	-0.2915	0.5671	0.6073	0.7472
Household Size	-0.0340	0.1013	0.7376	0.9666
Sex of Head of household (Ref: Male)				
Female	1.0084	0.5260	0.0553	2.7411
% of Literates in HH	-0.0056	0.0056	0.3171	0.9944
Occupation of Head of Household (Ref: Non Worker)				
Self-employed in Agrl.	0.6049	0.7234	0.4031	1.8311
Agricultural Labor	-0.5823	0.8299	0.4829	0.5586
Self-employed in non-agrl	0.0987	0.8182	0.9040	1.1038
Non-agrl Labor	-0.6268	0.7701	0.4157	0.5343
Others	-1.0093	1.0574	0.3398	0.3645
HH experiencing Any Idiocratic Risks (Ref: none)	-0.9579	0.4365	0.0282	0.3837
HH experiencing Any Covariate Risks (Ref: none)	0.3003	0.3984	0.4510	1.3503
Age of Head of Household	-0.0079	0.0129	0.5410	0.9922
Land possessed	0.0227	0.0301	0.4504	1.0230
Social Infrastructure	-5.4745	1.8845	0.0037	0.0042
Economic Infrastructure	1.1471	1.5838	0.4689	3.1489
Functioning of PRIs	-0.3791	1.5201	0.8031	0.6845
Household Structural Social Capital	1.7116	0.3987	0.0000	5.5378
Women Autonomy and decision making score	-0.1212	0.7263	0.8674	0.8858
Women Participation in meetings and elections	0.0493	1.2211	0.9678	1.0505
Average Wage in Village State (Ref: Karnataka)	0.0315	0.0159	0.0482	1.0320
Orissa	4.5979	1.0712	0.0000	99.2760
Madhya Pradesh	1.5467	1.2226	0.2058	4.6961
Constant	-6.0029	2.0528	0.0035	0.0025

Appendix 6: Targeting and Benefit Incidence

Table A 6.1. Distribution of participants by quartiles: Orissa

	Quartiles				
	1	2	3	4	All
IAY	36.11	31.26	23.35	9.27	100.00
NOAP	25.24	27.67	11.28	35.82	100.00
widow/disable pension	43.60	29.16	11.92	15.32	100.00
PDS(APL)	15.48	24.88	23.33	36.31	100.00
PDS(BPL)	30.74	21.47	26.12	21.68	100.00
PDS	26.94	23.38	25.34	24.34	100.00
AAY	44.37	23.86	23.57	8.19	100.00
ICDS	23.67	20.41	26.80	29.12	100.00
MDM	27.75	25.79	25.63	20.83	100.00
free text-book	28.86	25.99	24.81	20.34	100.00
free Uniforms	32.99	21.86	25.23	19.92	100.00
SGRY	31.54	26.75	24.48	17.23	100.00
food for work	24.63	28.47	20.81	26.09	100.00
SGSY	26.49	29.31	19.30	24.89	100.00

Table A 6.2. Distribution of participants by quartiles: Madhya Pradesh

	Quartiles				
	1	2	3	4	All
IAY	35.16	27.47	32.61	4.75	100.00
NOAP	36.62	25.45	17.84	20.09	100.00
widow/disable pension	36.44	32.33	29.53	1.69	100.00
Rural Education Scholarship	35.90	23.26	26.55	14.28	100.00
PDS(APL)	16.14	22.50	22.77	38.59	100.00
PDS(BPL)	41.74	24.08	25.87	8.31	100.00
PDS	26.90	22.33	25.14	25.63	100.00
AAY	25.44	26.95	44.07	3.54	100.00
ICDS	11.05	23.80	31.60	33.55	100.00
MDM	30.21	19.95	28.95	20.89	100.00
free text-book	31.39	18.80	30.32	19.50	100.00
free Uniforms	34.62	18.70	29.63	17.05	100.00
SGRY	27.14	49.62	19.29	3.95	100.00
food for work	48.62	27.93	16.86	6.59	100.00

Table A 6.3. Distribution of participants by quartiles: Karnataka (%)

	Quartiles				
	1	2	3	4	All
IAY	28.68	18.06	31.10	22.16	100.00
Rural Education Scholarship	27.56	18.30	22.49	31.66	100.00
PDS(APL)	13.55	13.37	34.69	38.40	100.00
PDS(BPL)	26.03	27.58	25.47	20.92	100.00
PDS	25.58	26.55	25.32	22.55	100.00
ICDS	53.62	26.21	15.80	4.37	100.00
MDM	25.14	28.28	23.37	23.21	100.00
free text-book	25.70	25.97	24.74	23.60	100.00
free Uniforms	22.93	29.97	24.89	22.21	100.00

Table A6.4. Distribution of Wage employment generated by SGRY by Quartiles

	Orissa				
	1	2	3	4	All
IAY	28.68	18.06	31.10	22.16	100.00
Head of Household					
Kharif	34.60	20.09	22.50	22.82	100.00
Rabi	37.04	40.15	12.69	10.11	100.00
Summer	10.87	43.58	36.76	8.78	100.00
All	25.08	37.04	25.43	12.45	100.00
Adult Male					
Kharif	35.12	64.88	0.00	0.00	100.00
Rabi	38.42	33.86	12.18	15.54	100.00
Summer	0.00	93.50	2.32	4.18	100.00
All	7.29	84.30	3.27	5.14	100.00
Adult Female					
Kharif	27.58	33.71	24.20	14.52	100.00
Rabi	48.96	27.67	9.14	14.24	100.00
Summer	73.27	10.10	5.46	11.17	100.00
All	62.79	16.50	8.52	12.19	100.00
All members					
Kharif	32.94	28.68	20.27	18.11	100.00
Rabi	40.31	36.19	11.70	11.80	100.00
Summer	30.02	47.03	14.74	8.21	100.00
All	32.96	41.46	14.90	10.67	100.00

Table A6.5. Distribution of employment generated by Food for Work by Quartiles

Orissa					
	1	2	3	4	All
Head of Household					
Kharif	33.24	66.76	0.00	0.00	100.00
Rabi	36.95	0.00	19.56	43.48	100.00
Summer	0.00	23.82	40.45	35.73	100.00
All	20.28	24.79	24.26	30.67	100.00
Adult Male					
Kharif	0.00	100.00	0.00	0.00	100.00
Rabi	0.00	33.06	66.94	0.00	100.00
Summer	33.33	0.00	33.33	33.33	100.00
All	10.67	46.65	32.01	10.67	100.00
Adult Female					
Kharif	16.86	0.00	83.14	0.00	100.00
Rabi	30.61	0.00	16.33	53.06	100.00
Summer	84.72	6.41	2.73	6.13	100.00
All	74.11	5.28	10.08	10.53	100.00
All members					
Kharif	21.81	51.31	26.88	0.00	100.00
Rabi	30.65	3.82	24.00	41.53	100.00
Summer	65.59	9.76	11.51	13.14	100.00
All	52.56	14.40	16.13	16.91	100.00

Table A6.6. Distribution of employment generated by Food for Work by Quartiles

Madhya Pradesh					
	1	2	3	4	All
Head of Household					
Kharif	51.00	23.22	15.29	10.49	100.00
Rabi	61.69	1.96	15.58	20.77	100.00
Summer	95.33	4.67	0.00	0.00	100.00
All	56.18	19.86	13.79	10.18	100.00
Adult Male					
Kharif	16.43	57.91	17.84	7.81	100.00
Rabi					
Summer					
All	16.43	57.91	17.84	7.81	100.00
Adult Female					
Kharif	33.76	49.06	9.27	7.91	100.00
Rabi					
Summer	0.00	100.00	0.00	0.00	100.00
All	30.32	54.25	8.32	7.11	100.00
All members					
Kharif	41.27	34.06	15.09	9.58	100.00
Rabi	61.69	1.96	15.58	20.77	100.00
Summer	80.68	19.32	0.00	0.00	100.00
All	45.46	31.29	13.89	9.35	100.00

Appendix 7: BRIEF DESCRIPTION OF MAJOR ANTI-POVERTY PROGRAMS

A. Cash-transfer programs

Indira Awaas Yojana (IAY)

IAY aims to provide dwelling units, free of cost, to the Scheduled Castes (SCs), Scheduled Tribes (STs), and freed bonded labourers, and also the non-SC/ST BPL families in rural areas. It is funded on a cost-sharing basis in the rates of 75.25 between the Centre and the States. Under IAY, the ceiling on construction assistance is Rs.25,000/- per unit in the plains and Rs.27,500/- for hilly/difficult areas; and Rs.12,500/- on upgradation of unserviceable kutcha house to pucca/semi pucca house for all areas. Up to January 30, 2006, about 138 lakh houses had been constructed/upgraded with an expenditure of Rs.25,208 crore.

National Social Assistance Programme (NSAP)

NSAP was introduced on 15 August, 1995 as a 100 per cent Centrally Sponsored Scheme for social assistance benefit to poor households affected by old age, death of primary bread earner and maternity care. The program has three components (all cash transfers):

- National Old Age Pension Scheme (NOAPS),
- National Family Benefit Scheme (NFBS), and
- National Maternity Benefit Scheme (NMBS).

In addition some states also have a pension program for widows

B. In-kind transfer programs

Public Distribution System (PDS)

PDS means distribution of essential commodities to a large number of people through a network of FPS on a recurring basis. The commodities are as follows—
— Wheat, Rice, Sugar, Kerosene

PDS as it stood earlier, had been widely criticized for its failure to serve the population Below the Poverty Line (BPL), its urban bias, limited coverage in the

States with high concentration of the rural poor and lack of transparent and accountable arrangements for delivery. Therefore, in June 1997, the Government of India launched the Targeted Public Distribution System (TPDS) with focus on the poor. Under the TPDS, States are required to formulate and implement fool proof arrangements for identification of the poor for delivery of foodgrains and for its distribution in a transparent and accountable manner at the FPS level.

To work out the population below the poverty line under the TPDS, there was a general consensus at the Food Minister's conference held in August 1996, for adopting the methodology used by the expert groups set up by the Planning Commission under the Chairmanship of Late Prof. Lakadawala. The BPL households were determined on the basis of population projections of the Registrar General of India for 1995 and the State wise poverty estimates (1993-94) of the Planning Commission for 1993-94. The total number of BPL households so determined was 596.20 lakh. Thus the scheme, when introduced, was intended to benefit these poor families for whom a quantity of about 72 lakh tonnes of foodgrains was earmarked annually.

Since 1997, the Scale of issue of the **BPL** families has been gradually increased from 10 Kg to 35Kg per family per month. The scale of issue was increased from 10kg. to 20 kg. per family per family per month with effect from 1.4.2000. The allocation for APL families has been retained as the same level as at the time of introduction of TPDS (I.e 10 Kg. per family per month). The allocation of foodgrains for the **BPL** families has been further increased from 20 Kg. to 25 Kg. per family per month with effect from July, 2001. Initially, the Antyodaya families were provided 25 Kg. of foodgrains per family per month at the tome of launching of the scheme. The scale of issue under **APL**, **BPL** and **AAJ** has been revised to 35 Kg. per family per month with effect from 1.4.2002 with a view to enhancing the food security at the household level.

Antyodaya Anna Yojana (AAJ)

AAJ launched in December 2000 provides foodgrains at a highly subsidized rate of Rs.2.00 per kg for wheat and Rs.3.00 per kg for rice to the poor families under the Targeted Public Distribution System (TPDS). The scale of issue, which was initially 25 kg per family per month, was increased to 35 kg per family per month from April 1, 2002. The scheme initially for one crore families was expanded in June 2003 by adding another 50 lakh BPL families. During 2003-04, under the

AAY, against an allocation of 45.56 lakh tonnes of foodgrains, 41.65 tonnes were lifted by the State/UT Governments. Budget 2004-05 expanded the scheme further from August 1, 2004 by adding another 50 lakh BPL families. With this increase, 2 crore families have been covered under the AAY.

Integrated Child Development Services (ICDS)

One of the largest child intervention programmes in the world is the ICDS Scheme initiated in 1975 with a package of six basic services for children up to six years of age, and for pregnant and nursing mothers. These services are: health-checkup, immunization, referral services, supplementary feeding, pre-school education, and health and nutrition education through a single window delivery system. Starting with a modest 33 blocks/projects, it has gradually expanded to 5,652 projects of which 5,624 projects with 7,43,156 Anganwadi Centres were operational on July 31, 2005. ICDS covers 484.42 lakh beneficiaries consisting of 403 lakh children below 6 years of age and 81 lakh pregnant and lactating mothers.

Mid-day meal Scheme

The Centrally-sponsored Mid-Day Meal Scheme was revised and universalized at primary level with effect from September, 2004 to make a provision for providing cooked meals to children studying in Government, Government-aided, and local body schools and EGS&AIE centres. Besides providing foodgrains free of cost to the States/UTs, and foodgrains transportation subsidy, the Central Government provides assistance for converting foodgrains into cooked meal at a rate of Re. 1 per child per day. The programme now covers nearly 12 crore children studying in over 9 lakh primary schools and EGS&AIE Centres. Budget provision for this scheme, which is the world's largest school feeding programme involving preparation of a hot meal everyday, for 2005- 06 is Rs. 3345.26 crore.

C. Workfare programs

Sampoorna Grameen Rozgar Yojana (SGRY)

SGRY, launched on September 25, 2001 to provide additional wage employment in the rural areas, has a cash and food grains component, and the Centre bears 75 per cent and 100 per cent of the cost of the two with the balance borne by the States/UTs. In 2004-05, 82.23 crore persondays were generated with the Centre

releasing Rs.4,496 crore as cash component and about 50 lakh tonnes of foodgrains to the States/Uts. Besides, under the special component of the SGRY, with the States/Uts meeting the cash components, Centre released 26 lakh tonnes of foodgrains to the 13 calamity affected States. In 2005-06 up to November, 2005, the number of persondays generated under SGRY was 48.75 crore, while the Centre's contributions in terms of the cash and foodgrains components up to January, 2006 were Rs.4651 crore and 35 lakh tonnes, respectively. Under the special component, about 11.65 lakh tonnes of foodgrains have been released to the 11 calamity-hit States in the current year.

National Food for Work Programme (NFFWP)

The NFFWP was launched as a CSS in November 2004 in the 150 most backward districts to generate additional supplementary wage employment with food security. States receive food grains under NFFWP free of cost. The focus of the programme is on works relating to water conservation, drought proofing (including afforestation/tree plantation), land development, flood-control/protection (including drainage in waterlogged areas), and rural connectivity in terms of all-weather roads. In 2004-05, allocation of Rs.2,020 crore and 20 lakh tonnes of foodgrains generated 7.85 crore persondays of employment. In 2005-06, of the allocation of Rs.4,500 crore and 15 lakh tonnes of food grains (Revised), Rs.2,219 crore and 11.58 lakh metric tonnes of foodgrains had been released up to January 27, 2006. About 17.03 lakh persondays were generated up to December 2005.

D. Credit-subsidy-based livelihood creation programs

Swarnajayanti Gram Swarozgar Yojana (SGSY)

SGSY, launched in April, 1999 after restructuring the Integrated Rural Development Programme and allied schemes, is the only self-employment programme for the rural poor. The objective is to bring the self-employed above the poverty line by providing them income-generating assets through bank credit and Government subsidy. Up to November 2005, the Centre and States, sharing the costs on 75:25 basis, had allocated Rs.8,067 crore, of which Rs.6,980 crore had been utilized to assist 62.75 lakh self-employed.

Under this rubric, several state governments have launched "self-help groups" – which are essentially group lending micro finance programs (especially in Andhra Pradesh and Tamil Nadu)

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