Half of India's population lives below the poverty line

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According to a new Oxford University study, 55 percent of India's population of 1.1 billion, or 645 million people, are living in poverty. Using a newly-developed index, the study found that about one-third of the world's poor live in India.

The Multidimensional Poverty Index (MPI) has been developed by the Oxford Poverty and Human Development Initiative and the United Nations Development Program (UNDP) as a more precise and comprehensive means of estimating poverty levels. It will replace the Human Poverty Index that has been used in the UNDP's annual Human Development Report since 1997.

The MPI assesses a range of factors or "deprivations" at the household level as well as income and assets. These include: child mortality, nutrition, access to clean drinking water, sanitation, cooking fuel, electricity, and years of schooling and child enrolment. "A person is considered poor if they are deprived in at least 30 percent of the weighted indicators," the study states.

As measured by the new index, half of the world's poor are in South Asia (51 percent or 844 million people) and one quarter in Africa (28 per cent or 458 million). While poverty in Africa is often highlighted, the Oxford research found that there was more acute poverty in India than many African countries combined. Poverty in eight Indian states—Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Orissa, Rajasthan, Uttar Pradesh, and West Bengal—exceeded that of the 26 poorest African countries.

The study examined poverty across 28 Indian states, concluding that "81 percent of people are multidimensionally poor in Bihar—more than any other state. Also, poverty in Bihar and Jharkand is most intense—poor people are deprived in 60 percent of the MPI's weighted indicators. Uttar Pradesh is the home of largest number of poor people—21 percent of India's poor people live there. West Bengal is home to the third largest number of poor people."

The last figure is particularly significant as West Bengal has been ruled since 1977 by a Left Front coalition government led by the Communist Party of India-Marxist (CPM). Far from being "socialist" or "Marxist", the Stalinist CPM has been responsible for implementing the pro-market agenda of economic restructuring carried out in other states and nationally by openly bourgeois parties. The result has been a decline in living standards for the majority and a deepening divide between rich and poor.

The Oxford University research also exposed high levels of poverty among India's oppressed castes and tribal peoples. The poverty level among India's so-called Scheduled Tribes is 81.4 percent. "The intensity of poverty is also very high among Scheduled Tribes, who are deprived in 59.2 percent of weighted indicators on average," the study stated. The MPI for Scheduled Castes was 65.8 percent and for Other Backward Castes (OBC) was 58.3 percent.

The figures expose the Congress-led government's claim that India's economic growth has been "inclusive". In fact, successive Indian governments led by Congress and the Hindu supremacist Bharatiya Janatha Party (BJP) are responsible for economic policies that have boosted the profits of big business and the wealth of a tiny layer at the expense of the

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working class and rural poor.

By focussing on a broader range of factors, the Oxford University study has highlighted the continuing lack of basic facilities for the majority of the Indian population. Governments at the national and state levels have failed to provide even the most rudimentary assistance for hundreds of millions of people. Moreover, existing public services have been further undermined by the policies of privatisation and restructuring.

Only 31 percent of India's population had access to improved sanitation in 2008. As a result of the lack of health care and food, 61 million children in India are stunted, the largest figure for any country, according to a UNICEF report. It also stated that the health of children suffers not just due to poor hygienic conditions and lack of nutritional food but also because mothers often suffer from anaemia and malnutrition during pregnancy.

Sharply rising food prices, including an average 83 percent increase since 2008, have been devastating for the country's poor. Their situation has been further aggravated by recent fuel price hikes announced by the Indian government. The United Nations World Food Program (UNWFP) recently painted an alarming picture, reporting that nearly 350 million people—roughly 35 percent of India's population —was food insecure and consumed less than 80 percent of their total energy requirements.

More than 1.5 million children in India are estimated to suffer from malnourishment and 43 percent of children under five years of age are underweight, according to the latest UNWFP report. The proportion of anaemic children has increased by six percent in the last six years, with 11 states reporting 80 percent child anaemia rates.

Another study that used a household income of $US2 a day as the poverty benchmark found that India not only has more poor people than sub-Saharan Africa, but also has a higher level of poverty. In India, 75.6 percent of the population, or 828 million people, live below the poverty line as compared to 72.2 percent, or 551 million people in sub-Saharan Africa.

On the other end of the scale, the wealthy few in India have amassed great riches. While impacted by the global financial crisis, the number of US dollar billionaires in India on the Forbes list rebounded to 49 in 2010, after falling to 24 last year. The figure falls just short of the record high of 53 in 2008.

The *Financial Express* commented that year: "The wealth amassed by Indian billionaires—estimated at 340.9 billion dollars by the US business magazine Forbes—is nearly 31 percent of the country's total GDP. This gives them nearly three times more weight in the economy than their American counterparts and over ten times of those in China. The GDP share of Indian billionaires' wealth is more than four times of the global average."

The situation is similar this year. While 49 individuals preside over what for most Indians is unimaginable wealth, the majority of people are struggling to survive from day to day. In India's financial capital of Mumbai, more than six million desperately poor people, half of the city's population, eke out an existence in the slums. Mumbai's gleaming skyscrapers that symbolise India's economic growth sit alongside makeshift hovels.

Like their counterparts around the world, India's business elite likes to justify their position in society on the basis of their own personal initiative, acumen and drive. In reality, their wealth is the product of the exploitation of the country's huge reserves of cheap labour and depends on the continued impoverishment of the rest of the population. This worsening social divide will inevitably produce a rebellion against the appalling conditions created by profit system and the ruling elites that defend and benefit from it.

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