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# SOCIO ECONOMIC STATUS OF RURAL ASSAM: AN INCOME LEVEL ANALYSIS

Debajyoti Dutta Saikia<sup>1</sup>

Uttam Khanikor<sup>2</sup>

Anupam Dutta<sup>3</sup>

<sup>1</sup>Debajyoti Dutta Saikia, Department of Geography, North Eastern Hill University, Shillong, Meghalaya. Uttam Khanikar, Gust faculty, Amguri College.

<sup>2</sup>Anupam Dutta, Research Scholar, Department of Commerce, Dibrugarh University.

**Abstract:** The current situation of society in developing nations is shifting rapidly from a poor economy to a developing economy with social development. But these changes are heterogeneous for all places. In general, rural areas are much less developed than urban areas in terms of social, cultural and economic aspects. As a branch of knowledge, geography is linked to the explanation and analysis of spatial disparities that exist across the globe. This paper includes an analysis of socio-economic disparities and their nature in terms of the income pattern. This study is based on both secondary and primary data that are collected by the author. Results are discussed with the help of statistical methods and able to shed light on many hidden aspects of the subject.

Key words: Socio-economic status, Rural Assam, Income, population, Occupation structure.

### 1. Introduction

Socioeconomic status is the most important issue in today's world, especially in the developing economies. The socio-economic situation in rural areas is steadily improving over time. In order to boost the socio-economic status of the population in rural areas, several programs and policies have been introduced. But in the economic sense, rural people are unable to grow equally across the country. There are different types of economic classes within a small village as well. In this research paper, an attempt has been made to clear understanding of the actual socio-economic status of the population of different income groups.

Socio-economic characteristics are important tools for human development measures. It is a measure of the economic and social position of an individual or a family or a group of people based on education, income, health and employment. According to Dutton and Levine (1989), socio-economic status is "a composite measure that typically incorporates economic status, measured by income; social status, measured by education; and work status, measured by occupation". The lifestyle of an individual depends largely on their economic status. The social position of a person is therefore dominated by his or her income. No society or region can be developed, with the exception of any remaining part of the lag. Proper socio-economic development can control a healthy and balanced growth in the region. Nowadays, an increasing level of education and the perception of education have changed the socioeconomic status of the rural population. Socio-economic conditions are the most important determinants of livelihoods, as they influence the levels of knowledge, skills and income that they have to live on. People's way of life differs from one income group to another, as their power of consumption also differs between population income groups. Rathod & Ningshen (2012), noted that socio-economic status is an economic and sociological combined total measure of a person's work experience and of family's economic and social position relative to others, based on income, education, and occupation. According to Krieger socio-economic position is , an aggregate concept that includes both resource-based and prestige-based measures, as linked to both childhood and adult social class position". Socio-economic status is often considered a personal demographic variable; however, Socio-economic status can also reflect aspects of an individual's broader environment. As a result, it can be measured at the individual level or the area level. Bowman (1960) undertook a study about the causes of Socio-economic development (SED) and the empirical evidence showed that the —human investment revolution was necessary for achieving higher SED of any country in the world.

### 2. Objectives

The main objectives of the present study are as follow:

- a) To study the indicators of well-being on the basis of income level in rural areas.
- b) To examine the overall socio-economic status by level of income of peoples.

## 3. Significant of the study

In Assam, rural populations are experiencing social and economic disparities in terms of income levels. Government is also implementing a large number of policies to reduce these disparities, but in reality they are not as successful. For broader societal

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needs and policy formulation and implementation by the government or other authorities, we should be aware of these kinds of social problems, and that's why this study is important for understanding the problem and thinking about the solution.

The present investigation will provide a clear idea about the socio-economic status of the rural population of Assam in terms of income level.

# 4. Data source

The data sources which were used for conducting the study are:

- Primary data: These are the first hand information which is collected directly from the field by direct investigation with the respondents of the households through observation and interview method conducted in the month of February, 2021.
- Secondary data: The study also relies on secondary data collection from relevant books, journals, newspaper and magazine articles to gain knowledge and a theoretical background for the study.
- Tertiary data: Tertiary data are those which are collected through the internet from different website, these have been of great use due to its easy accessibility.

# 5. Methodology

The current study is based on primary data gathered by the author in February 2021, from 80 randomly selected households from various socioeconomic groups in Golaghat Central Development Block, Assam. The appropriate data was gathered from a variety of indicators of well-being. To observe the overall state of the study region, all acquired data is converted into relative numbers such as percentages, and various statistical procedures are utilized to analyze the results.

# 6. Study area

Golaghat central development block is taken as study are of this present investigation. The area is located central part of Golaghat district, at the latitudinal and longitudinal figures of 26° 36' 8.1"N and 93° 55' 36.048"E respectively. The total area of the study area is 204.14 Square kilometer and total number of household is 19748, where total population is 90,696 and recorded male population is 45732 and female population is 44964. The economy of this area is dominated by primary occupation with a diverse population composition.

# 7. Discussion and analysis

# Population Distribution by Level of Per Capita Income

The total populations of sample households are 329, among them, males occupied by 45.74% and rest of 54.26% is by females. In the study area, sex ratio is high, 1186 females per 1000 males observed. Table 1 depicts that among total households, 26.66% belongs to very low monthly per capita income (below Rs.10, 000 /-), which contributes 31.00% of total population, followed by 40% households belongs to per capita monthly income of Rs.10, 000-20,000/- and share 44.96% of total sample population, 33.33% of total sample households belongs to Rs.20000 or more per capita income and compose of 24.03% of total population. The number of population is gradually decreasing with the increasing of per capita income of the population.

| 1 1                | •             | \$ <b>3</b> / |          |            |
|--------------------|---------------|---------------|----------|------------|
| INCOME             | TOTAL         | TOTAL         |          |            |
| (monthly)In rupees | HOUSEHOLDS(%) | POPULATION(%) | MALE (%) | FEMALE (%) |
| BELOW 10,000       | 26.66%        | 31%           | 30.50%   | 31.43%     |
| 10,000-20,000      | 40%           | 44.96%        | 45.76%   | 44.28%     |
| ABOVE 20,000       | 33.34%        | 24.04%        | 23.74%   | 24.28%     |

Table 1: Population composition by level of income (Monthly)

Source: Field Survey, 2021

# Levels of Education by Level of Per Capita Income

Lifestyle of an individual's is purely dependent on the level of education. "Low literacy levels have negative impacts on individuals (such as children, youth, adults and seniors), health and wellbeing, community participation, training, labour force, employment, productivity, and economic development" (Marlin,2008). The following figure reflect that in below Rs.10, 000 /-, income group, maximum literate persons are Lower primary (LP), Higher Secondary (HS) Under Graduate (UG) educated (20%), followed by Upper Primary (UP) level (17.5%), High School Living Certificate (HSLC) level (15%) of education. In Rs.10, 000-20,000/- per capita income the share of literate persons are as follows: LP (20.69%), UP 9 8.62%), HSLC (25.86%), HS (17.25%), UG (20.70%), PG (5.17%). In the above Rs.20000 income group, most of literate peoples are UP educated (25.81%), followed by HSSLC level (19.35%) and HSLC level (16.12%), LP level (12.90%) and post graduate level (12.90%), UG (9.68%) and other types (3.23%) of education.

Table 2: Levels of Education by Level of Per Capita Income.

| INCOME             | LP     | UP     | HSLC   | HSSLC  | UG     | PG     | OTHERS | ILLITERATE |
|--------------------|--------|--------|--------|--------|--------|--------|--------|------------|
| (monthly)In rupees |        |        |        |        |        |        |        |            |
|                    |        |        |        |        |        |        |        |            |
| BELOW              | 20%    | 17.5%  | 15%    | 20%    | 20%    | 0      | 2.5%   | 5%         |
| 10,000             |        |        |        |        |        |        |        |            |
| 10,000-            | 20.69% | 8.62%  | 25.86% | 17.24% | 20.70% | 5.17%  | 0      | 1.72%      |
| 20,000             |        |        |        |        |        |        |        |            |
| ABOVE              | 12.90% | 25.81% | 16.12% | 19.35% | 9.68%  | 12.90% | 3.25%  | 0          |
| 20,000             |        |        |        |        |        |        |        |            |

Source: Field Survey, 2021

# **Occupational Composition by Level of Per Capita Income**

The occupation of an individual refers to his trade, profession, type of work etc. The occupational structure of a society is the product of a number of intimately related factors. Occupation is a major factor to determine the economic status of an individual, as different type of occupation reflects different incomes. In the study area all people are actively engaged in cultivation. In spite of it, many of them are also engaged in other occupations like, business, service, etc. Among below Rs.10, 000 /-, income group of people are engaged in primary and secondary activities, where primary activity is recorded as height (87.5%) and secondary as (12.5%), Between Rs.10, 000-20,000/- group 25% of population engaged with Primary activity along with it 50% in Secondary and 25% in tertiary activities. In the income group of above Rs.20000 monthly income, 20% in primary, 10% in secondary, 60 % in tertiary and 10% in quaternary activity.

| OCCUPATION | BELOW 10,000 | 10,000-20,000 | ABOVE 20,000 |
|------------|--------------|---------------|--------------|
| PRIMARY    | 87.5%        | 25%           | 20%          |
| SECONDARY  | 12.5%        | 50%           | 10%          |
| TERTIARY   | 0            | 25%           | 60%          |
| QUATERNARY | 0            | 0             | 10%          |

Table 3: Occupational Composition by Level of Per Capita Income

Source: Field Survey, 2021

# Type of houses by Level of Per Capita Income

In rural areas, different types of house are found viz. pucca house, kutcha house and mixed type house. Types of houses distribution is solely determined by the income of an individual"s or family. Among below Rs.10, 000 /-, income groups of people, kutcha type (87.5%) of houses is mostly found in the study area, followed by mixed type house (12.5%) and no pucca house is found in that income group of peoples, because of low income. Among income groups of Rs.10, 000-20,000/-, kutcha type of houses are mostly found (41.66%), followed by pucca type houses (33.34%) and mixed type of houses (25%). Among above Rs.20000 income group of peoples, distribution of kutcha houses are equal to 0 and Pucca houses are highest (80%) and followed by mixed type of houses (20%) which indicates that this group of families are enjoying a little better lifestyle.

| TYPES OF HOUSES | BELOW 10,000 | 10,000-20,000 | ABOVE 20,000 |
|-----------------|--------------|---------------|--------------|
| PUCCA HOUSE     | 0            | 33.34%        | 80%          |
| KATCHA HOUSE    | 87.5%        | 41.66%        | 0            |
| MIXED HOUSE     | 12.5%        | 25%           | 20%          |

Table 4: Type of houses by Level of Per Capita Income

# Latrine types by Level of Per Capita Income

Lack of proper sanitation is the major concern in India basically in rural areas of the country. Proper sanitation is most important for a healthy life. But lack of finance and awareness of rural population, very small people are getting facilitated of latrine. In the study area, uses of latrine are 100% but there is a difference in types in reference to income pattern. Among below Rs.10, 000 /-, per capita incomes population, all have pit latrine (100%). Between Rs.10, 000- 20,000/- incomes population, availability of interior latrine

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(16.66%) is very low, pit latrine (58.34%) and nearly 25% population have exterior latrine facility. Above Rs.20000 incomes group of people have interior latrine (90%), exterior latrine (10%).

| LATRINE TYPE    | BELOW 10,000 | 10,000-20,000 | ABOVE 20,000 |
|-----------------|--------------|---------------|--------------|
| INTERIOR TOILET | 0            | 16.66%        | 90%          |
| EXTERIOR TOILET | 0            | 25%           | 10%          |
| PIT TOILET      | 100%         | 58.34%        | 0            |

Table 5: Latrine types by Level of Per Capita Income

#### Types of fuel uses by households for Cooking by Level of Per Capita Income

Types of fuel use by households for cooking are one of the major indexes for assessing the level of income and socio economic development. It is observed that there is a relationship between higher income and sophisticated cooking fuel. In the study area, the income group below Rs.10, 000 /-, has extensive use (62.50) of both cooking fuel, i.e. Gas and Fuel wood and only 37.5% used fuel used for cooking. The income group between Rs.10, 000-20,000/- per capita income, use Only gas 8.33%, Fuel Wood 33.33% and both for 58.34% on the other hand the income group of above Rs.20000 has extensive use of both the fuel 60% and only gas for 40%.

Table 6: Types of fuel uses by households for Cooking by Level of Per Capita Income

| TYPES OF FULE | BELOW 10,000 | 10,000-20,000 | ABOVE 20,000 |
|---------------|--------------|---------------|--------------|
| GAS           | 0            | 8.33%         | 40%          |
| FULE WOOD     | 37.50%       | 33.33%        | 0            |
| ВОТН          | 62.50%       | 58.34%        | 60%          |

#### Savings by Level of Per Capita Income

As saving is surplus earning. It can be unorganized (personal savings at home) or organized (savings at bank, insurance, post office bank services etc.). Organized savings indicates the relationship of individual with various financial organizations and their responsibility. It is observed that people in rural Assam has a weak relationship with these type of official organizations. So we have taken it as a parameter of our study. After a detail study of the selected area, we have found that, the lower income (below Rs.10, 000 / -) population cannot save their earning because management of three times meals and cloths is challengeable task within this income. Small portions of population try to save a little bit. But comparatively higher incomes group have high scale savings. But it is notable that after the initiatives that taken by union government and banks, the 90% of the village populations are came contact with banks but the amount of savings are still in low scale.

### 8. Findings

In this survey, author tried to focus the various socio-economic condition of rural Assam with reference to per capita income. The followings are the major finding of our short study.

1. There is a negative correlation between income level and family size.

Let us suppose here, X = income, and Y = family size.

By using the standard formula of 'r'

$$r = \frac{N \cdot \sum dx dy - \sum dx \cdot \sum dy}{\sqrt{N \sum dx^2 - (\sum dy)^2} \sqrt{N \sum dy^2 - (\sum dy)^2}}$$

It is found that the value of, "r" is -0.5410.

We can state that there is a negative correlation between X (income) and Y (family size). X and Y variables move in the opposite direction. X and Y are negatively correlated (i.e. r= -0.54), meaning as income rises, family size decreases. In other word we can state that higher the income, smaller the family size and lower the income bigger the family size in rural areas of Assam, it is because of development of education and high standard of living as well as changes in the thought along with income level. So in the study area the high income group has recorded as small family size and low income family has big family size.

2. Income (A) and education (B) have a positive relationship. Let us suppose here, A= income, and B=Educational level.

By using the standard formula of "r"

$$r = \frac{N \cdot \sum dx dy - \sum dx \cdot \sum dy}{\sqrt{N \sum dx^2 - (\sum dy)^2} \sqrt{N \sum dy^2 - (\sum dy)^2}}$$

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It is found that the value of 'r' is 0.7262.

Education level increases with the increase of income. But due to changes in with new generation.

3. Occupation and level of per capita income is co-related. Where higher the level of occupation (i.e. Tertiary or quaternary), higher the income and lower the level of occupation (various primary and unorganized services) lower income. In the study area, the majority of high income house hold engaged in high level of occupation such as Tertiary and Quaternary activities (i.e. 70%).

4. Shelter is basic need. By studying the study area we can come to a conclusion that, the type of houses is determined by the income of the households. It is seen that high income, house with high facilities and low income, house with low housing facility. In the study area, 80% of high income group family have pucca house and 87% of low income family have katcha houses.

5. Types of sanitation and its facilities also indicate the level of development. It is observed that level of per capita income also influenced in sanitation types and its facilities.

6. Savings is a part of income. We find that the size and types of savings are also influenced by level of income and in the study area though majority of family are connected with banks but only the high income group have a regular and notable amount of savings.

# 9. Suggestions

Following are the few suggestions for the improvement of socio-economic condition of population of the village:

• To improve the educational status of the people in the study area by set up new secondary schools or junior college since the distance from the study area and senior college is little bit more and there is only one higher secondary school Mark the people under Below Poverty Line (BPL) and provide them BPL card so that they can get more facilities from the government site.

- To provide primary health care services and creates awareness about health among the villagers.
- Job oriented programmers should be implemented in the village level.
- To introduce various employment programmers for the youth population to reduce the burden of unemployment.
- To provide small loans to the villagers to run various small household industrial activities.
- To introduce subsides programmers for various activities, especially, agriculture, social services and credit.
- To introduce various schemes for poor peoples of the village.

### 10. Conclusion

As our main objective of the field work was to study about the socio-economic development of rural area from an income level analysis perspective. After we have completed our primary level study and analysis of data, we have come to a conclusion that overall socio-economic status of population in the village is relatively good. 26.66% of total sample household's monthly income is below Rs.10, 000 /-, and 33.34%"s is above Rs.20000. The lower income groups of people mainly engaged in agricultural fields, some unorganized service sector or other places as day labour. Most of them are still not getting many facilities like house, proper education, employment and proper sanitation etc., where comparatively higher income peoples are getting some of these facilities. Although comparatively higher income population enjoy a little better life but lower income population's socio-economic situation is very risky due to mainly low level of literacy and low income resulting create many social issues and pollution.

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