

Understanding Mountain Poverty

Exploring the specificities of poverty in the mountain areas of the greater Himalayan region

INFORMATION SHEET #3/10

Mountain poverty is multifaceted and intensified through such factors as remoteness, poor accessibility, the fragility of the ecosystems, and marginalisation. This complex phenomenon cannot be explained using existing definitions of poverty.

In general, poverty levels in mountain areas are higher than in other parts of the same country. At the same time, poverty reduction rates in mountain areas tend to be lower than elsewhere, leading to a further increase in the inequality between people in mountain areas and those elsewhere.

There is a lack of cohesive knowledge about the socioeconomic status of the 210 million people residing in the Hindu Kush-Himalayan region, and this, together with the generally limited understanding of the specific causes of mountain poverty, can lead to inappropriate and/or inadequate (maladapted) reduction strategies. Furthermore, increasing socioeconomic inequalities can foster unsustainable upstream-downstream linkages and structural conflict that could destabilise the greater Himalayan region.



Defining poverty

The term poverty has been defined in various different ways over the years with numerous indicators proposed for monitoring. These definitions range from pronounced deprivation in well-being to people's inability to actively participate in their society, economically, socially, culturally, and politically. A distinction is often made between 'relative poverty', having fewer goods than others within a society, and 'absolute poverty', being unable to afford basic human needs such as nutrition, health, and education. In developed countries, the concept of relative poverty is more commonly used; whereas in developing countries, it is more appropriate to use the concept of absolute poverty.

The conventional view of the term poverty solely takes into consideration income and consumption. For example, the \$1 a day poverty line is defined by income per person. In recent years, however, the definition of poverty has evolved from exclusively using measures of income, to examining the concept as a multi-dimensional phenomenon. Poverty can best be defined by identifying indices that combine different elements, for example the Human Development Index (HDI), which measures the achievements in a country in three basic dimensions of human development – a long and healthy life, knowledge and a decent standard of living – or the Human

Poverty Index (HPI), which uses indicators of the most basic dimensions of deprivation like a short life, lack of basic education, and lack of access to public and private resources. However, among the many facets of the term 'poverty', there is no single available definition that can explain the complexity of poverty in the mountains. Mountain specificities, such as poor accessibility and marginalisation, must be taken into account to fully comprehend the complexity of mountain poverty.

Exploring mountain poverty

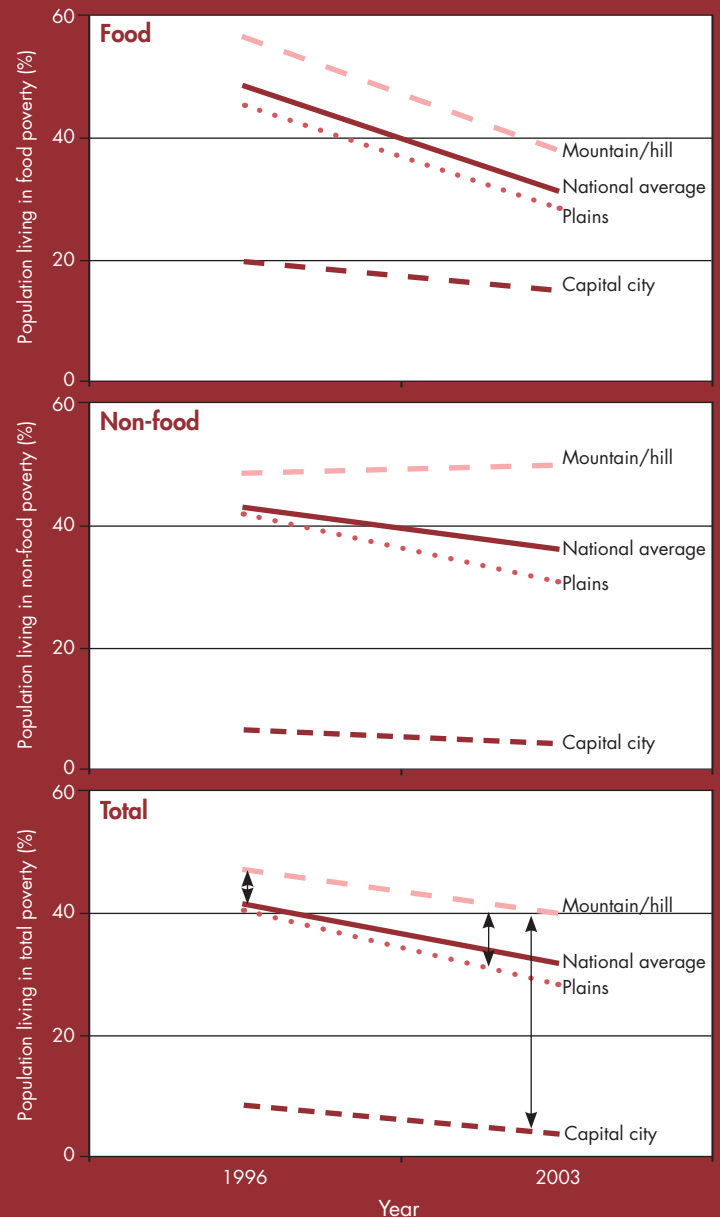
Around 210 million people reside in the greater Himalayan region, but there is a lack of cohesive information on their socioeconomic status, and of comparative data at the regional level. Hence, issues such as how and why mountain poverty differs from national poverty remain unaddressed.

Poverty is widespread and pervasive in the mountains. Factors such as uneven distribution and quality of land, poor access to education and health facilities, low level of infrastructure development, and lack of employment opportunities provide possible explanations for such variation. The generally poor access in mountain areas, the complexity and fragility of mountain conditions, and the marginalisation of mountain communities from the mainstream, coupled with climate stresses and proneness to natural disasters, contribute to the high levels of income and food poverty. As a result, mountain people are increasingly exposed to growing physical, social, and economic risks and vulnerabilities.

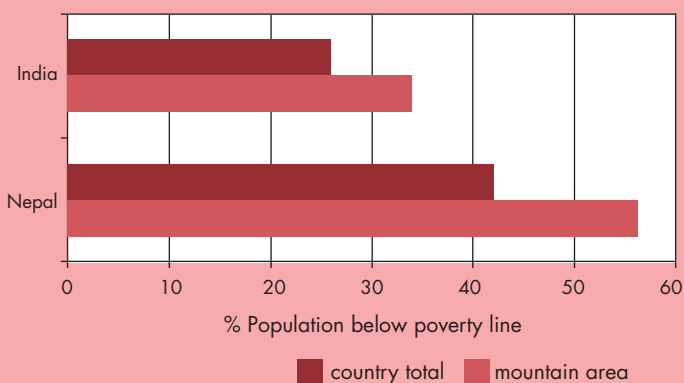
The high rate of poverty and low poverty reduction rate compared to national levels are a serious concern in terms of increasing inequalities within a nation and region. The graphs on the right illustrate the situation in Nepal as an example. Inequality between mountain communities and those in other areas is increasing. With increasing climate related stress, these inequalities might increase still further. Increasing inequality can foster unsustainable upstream-downstream linkages, like increased outmigration and pressure on already overburdened urban centres, and structural conflict.

Poverty in Nepal is generally considered in terms of food poverty, when means are insufficient to purchase basic food (top), and non-food poverty, when means are insufficient to purchase basic non-food items (centre). There is an inequality between mountain and hill areas, which have the highest rate of poverty, and the plains and capital city. Further, there is an alarming trend towards increased inequality as poor communities in the plains are 'outgrowing' total poverty twice as fast as those in the mountains (bottom).

Source: ICIMOD weighted analysis based on data from the Nepal National Livelihood Standards Surveys 1995/96 (3,373 HHs) and 2002/03 (3,913 HHs)



Mountain poverty in India and Nepal



Source: Planning Commission, India (2006)
Nepal Network for Sustainable Development (2004)



The specificities of mountain poverty

Mountain inhabitants in the greater Himalayan region, often indigenous people, continue to remain at the periphery of socioeconomic and geopolitical opportunities. It is believed that even if the Millennium Development Goal of halving poverty by 2015 is largely achieved at the national level in these countries, poverty will still remain prevalent in the remote and unfavourable environments of the mountainous areas as a result of the combination of spatial disadvantages, remoteness, and weak agricultural and natural resource endowments. Inadequate investments in public infrastructure such as roads, electricity, water supply, public schools, and health facilities, further constrain opportunities to escape poverty.

The specificity of mountain poverty is not well understood, thus poverty alleviation among mountain people may be inappropriately addressed. ICIMOD is analysing national representative livelihood data to delineate a system to explore and understand mountain poverty as a basis for improving understanding of the triggers of poverty in mountain areas compared to the rest of a country. The analytical framework helps to explain mountain poverty through the interrelations of infrastructural (access to facilities and accessibility) and individual (socioeconomic) characteristics. The framework has been tested using national representative data for Nepal and is expected to evolve further once additional countries have been added for comparative analysis. The indicators relevant for explaining poverty in Nepal, and mountain/plains differences, are summarised in the table.

Determinants of poverty for mountain areas were identified using multivariate statistical analysis. The analysis shows a higher concentration and combined prevalence of indicators in mountain areas. For example, parameters of inaccessibility, access to basic facilities, and dependency rate are more prominent in the mountain and hill areas than in the plains. The analysis is based on national representative data; and is thus empirically significant for mountain specific policy advocacy and planning.

The preliminary findings of this empirical research in Nepal further substantiate the specificity of mountain poverty, with total poverty 10 per cent higher in mountain and hill areas than in the plains, and non-food poverty 20 per cent higher. Further, the intensity of individual poverty indicators is stronger in the mountains than in the plains. The multi-step regression model showed that physical access, access to basic facilities, and household composition are strong indicators for understanding and explaining the specificity of mountain poverty.

Table: Indicators for determinants of poverty

The table shows the percentage of people in mountains/hills and plains living in food, non-food, and total poverty, followed by the value of indicators of the determinants of poverty in mountain/hill and plains areas. Multivariate analysis showed whether the listed indicators had a positive or negative effect on poverty. The marked boxes indicate the value with a greater negative effect on poverty. There are more negative values for the hill/mountain areas than for the plains, indicating greater poverty.

Indicators	Mountains/ Hills	Plains
General poverty indicators		
HH under the food poverty line (%)	38.3	30.5
HH under the non-food poverty line (%)	49.3	31.0
HH under the total poverty line (%)	40.0	27.6
Social status		
Dalit HHs (%)	13.1	13.6
Uneducated head of HH (%)	62.4	59.0
Percentage of literate HH members over 5 years of age (mean)	48.1	44.0
HH Composition		
HHs with female head ^a (%)	17.7	10.9
Dependency rate (mean)	1.14	1.04
Land ownership		
Land owned by HHs in ha (mean)	0.74	0.77
Number of plots (mean)	3.4	2.3
Number of livestock per head (mean)	2.3	1.2
Percentage of HH members in non-agricultural professions (mean)	54.7	40.8
Access to basic facilities		
Basic Facility Index	-0.16	-0.06
HHs with improved source of drinking water (%)	69.1	89.5
HHs with toilet facilities (%)	40.2	27.8
HHs with electricity (%)	24.5	35.2
Accessibility		
Accessibility Index	-0.36	0.31
Hours to next paved road (mean)	19.0	1.1
Hours to next market centre (mean)	7.3	1.1
Hours to next bus stop (mean)	13.3	0.6
Hours to next agricultural centre (mean)	6.1	1.0
Hours to next cooperative (mean)	8.1	1.0
Hours to next bank (mean)	10.1	1.4

HH = household

^a Preliminary results from recent ICIMOD research indicate that female-headed households in mountain areas have a better poverty status than others; the study is still underway.

Source: ICIMOD weighted analysis based on data from the 2002/03 Nepal National Livelihood Standards Survey (NLSS)



The way forward

There is a clear lack of the knowledge needed to fully understand poverty from a mountain perspective, and the reason for the disparities that exist between the mountain and hill areas and the rest of the country. Pilot studies for Bhutan, India, and Nepal seek to understand mountain poverty by integrating additional indicators such as inaccessibility and marginality into the poverty analysis. The overall aim of this analysis is to recognise, understand, and substantiate the specificity of mountain poverty through the following:

- Development of a regional, analytical framework to describe mountain poverty
- Identification and documentation of pockets of persistent poverty and vulnerable communities in the greater Himalayan region
- Preparation of socioeconomic datasets for a regional statistical database

Further reading

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