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CHANGES IN INCOME DISTRIBUTION PATTERN AND THEIR SIGNIFICANCE IN A SOCIETY IN TRANSITION

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This paper attempts to study the changing pattern of income distribution in a tribal village, named Katheliacherra, in the Union Territory of Tripura which is in the transition of two distinct culture patterns, viz., shifting cultivation and settled farming. The village is one of the 52 Tribal Welfare Colonies which the Tripura Administration set up under its Jhumia Settlement Scheme of 1957. This scheme was a bold attempt at reorganizing the economy of the *jhum* cultivators of Tripura, which had faced grave crisis owing to mounting population pressure on the *jhum* land and consequent shortening of the '*jhum* cycle,'¹ by alienating the people from their age-old *jhum* culture and initiating them to settled farming. The village was first surveyed by the Jorhat Centre of Agro-Economic Research in 1961 and was resurveyed in 1967 under the continuous village survey programme of the Centre. A comparative study of the survey and resurvey data on the income distribution pattern in the village forms the core of this paper.

The occupational classes that are referred to in this paper are peculiar to a *jhum* village, and their standard definitions as given in the village survey studies are as follows:

1. Solely settled farmer — One who earns his livelihood solely from settled farming.
2. Mainly settled farmer— One whose primary source of income is settled farming.
3. Mainly *jhumia* — One whose primary source of income is *jhuming*.
4. Solely *jhumia* — One who earns his income solely from *jhuming*.

There is one more class, viz., the class of non-agricultural casual labour which is however not peculiar to this village.

Concept of Village Income

The village income as defined for the purposes of this paper is the aggregate of the money values of goods and services produced by the individual members or by their productive agents. In it are included incomes from all sources that

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1. It is the interval between two successive *jhum* operations during which the soil is allowed to regain its lost fertility. Therefore, the longer the interval the more productive the subsequent operations become.

accrue to the persons residing in the village. Since most of these goods and services fall in the category of non-marketed produce, their values have to be imputed, and for the sake of uniformity and expedience this has been done on the basis of the prevailing market prices. These values are of course gross values, derived as they are from gross products, since calculation of net income from such enterprises as weaving, fishing, etc., which are usually undertaken in the leisure time, requires working out the opportunity cost of production—an exercise which is admittedly beyond the scope of this paper.

During the period of six years that followed the first point survey in 1961 the income pattern in the village underwent changes in several directions. Leaving aside the enormous but doubtful increase in the aggregate annual income (doubtful because without a consumer price index the annual figure for one period cannot be brought to a comparable level with that for the other), the village income in the two periods revealed certain differences which are indicative of a somewhat radical change in the basic character of the village economy.

To start with, the relative positions of the different sources of income in terms of their contribution to total income markedly changed. In Table I is shown distribution of income by source (details given in Appendix A).

TABLE I—DISTRIBUTION OF INCOME BY SOURCE

(in thousand rupees)

Source	1961		1967	
	Income	Percentage of total income	Income	Percentage of total income
Settled farming	12.87	42.86	56.88	57.63
<i>Jhuming</i>	10.44	34.77	4.02	4.07
Horticulture	—	—	2.35	2.38
Livestock and poultry	1.64	5.46	3.84	3.89
Casual labour	2.25	7.49	12.24	12.40
Trade, commerce and transport	0.09	0.30	6.98	7.07
Others*	2.74	9.12	12.39	12.56
Total	30.03	100.00	98.70	100.00

* Includes weaving, salaried job, forest extraction and fishing and hunting.

In order of significance, *jhum* used to occupy the second highest position among the income sources during the first count and its ratio to settled farming was as low as 1:0.8. But this ratio increased enormously (1:0.07) during the second count, and *jhum* as a source of income ceased to be dominant. On the other hand, trade, commerce and transport which had in the first count accounted for only 0.30 per cent of the village income had its share raised to 7 per cent in the second count. Likewise, from 7.49 per cent in 1961 the proportion of income from casual labour increased to 12.24 per cent in 1967. In absolute terms also the income from each of these two sources registered quite a sizable increase.

In fact, except *jhuming* and livestock and poultry, income from every other source showed an increase in its proportion to aggregate income. Of special significance, however, is the share that horticulture contributes. The emergence of this new source is, as it were, an acid test on the attitude of the *jhumias* towards settled life. For a *jhumia* would not plant a permanent tree unless he accepted the pattern of living he was initiated to.

When a subsistence economy with given resources tends to progress in spite of the growing population, it signifies either technological change or the operation of some forces of change hitherto unknown in the economy. In either case the result is diversification of economic pursuits—in the former because it releases resources that can be utilized in other enterprises, in the latter because it opens up new avenues for employment. The obvious effect of diversification of economic activities is that the proportion of income from the primary sector of the economy declines. In the village under reference this decline was to the extent of 15 per cent. Although agricultural income (of course at current prices) increased by 169 per cent, the share of agriculture in the village income got reduced from 83 per cent in 1961 to 68 per cent in 1967. This at once signifies a cultural change-over and an increase in the income from non-farm occupations.

As regards the distribution of income occupationwise, changes in it must, and do correspond to the changes in the distribution of income by source, inasmuch as the classification of occupation is being made on the basis of highest income source. From Table II it has been found that the solely settled farmer class, whose income share was 20.57 per cent in 1961 alone accounted for 59.51 per cent in 1967 which was the highest percentage accruing to any class. In con-

TABLE II—DISTRIBUTION OF INCOME BY OCCUPATIONAL CLASSES

Occupational classes	(in thousand rupees)			
	1961		1967	
	Income	Percentage of total income	Income	Percentage of total income
Solely settled farmer	6.18	20.57	58.74	59.51
Mainly settled farmer	8.90	29.64	26.18	26.53
Mainly <i>jhumia</i>	9.74	32.43	1.65	1.67
Solely <i>jhumia</i>	4.72	15.73	0.28	0.29
Non-agricultural casual labour ..	—	—	11.85	12.00
Miscellaneous	0.49	1.63	—	—
Total	30.03	100.00	98.70	100.00

trast, the percentages of income accruing to the mainly *jhumia* and solely *jhumia* classes very much diminished and came to stand at the lowest in 1967. Another remarkable change is the relatively high percentage of income earned by the new class, the non-agricultural casual labour—remarkable because it indicates the emergence of a new avenue for off-farm employment.

One of the most notable changes in the income distribution pattern in the village is that the percentage of families in the lower income-groups declined, while that in the higher income-groups increased many fold. It will be found from Appendix B that the respective percentages of families in the income-groups below Rs. 500 and Rs. 500—1,000 declined from 35 per cent and 49 per cent during the first count to 4 per cent and 19 per cent respectively in the second. On the other hand, the respective percentages of families in the income-groups Rs. 1,000—2,000 and Rs. 2,000—3,000 increased from 12 per cent and 4 per cent in 1961 to 47 per cent and 21 per cent respectively in 1967. Further, the income range itself moved up from below Rs. 3,000 in the first count to above Rs. 4,000 in the second with 9 per cent of the families belonging to the latter. The distribution of income either in the first count or in the second was, however, never uniform, there being a good deal of incongruity between the distribution of income and the distribution of families according to income-groups. But then, as the Lorenz curve fitted to Appendix B indicates, the incongruity was slightly greater in the first count than in the second.

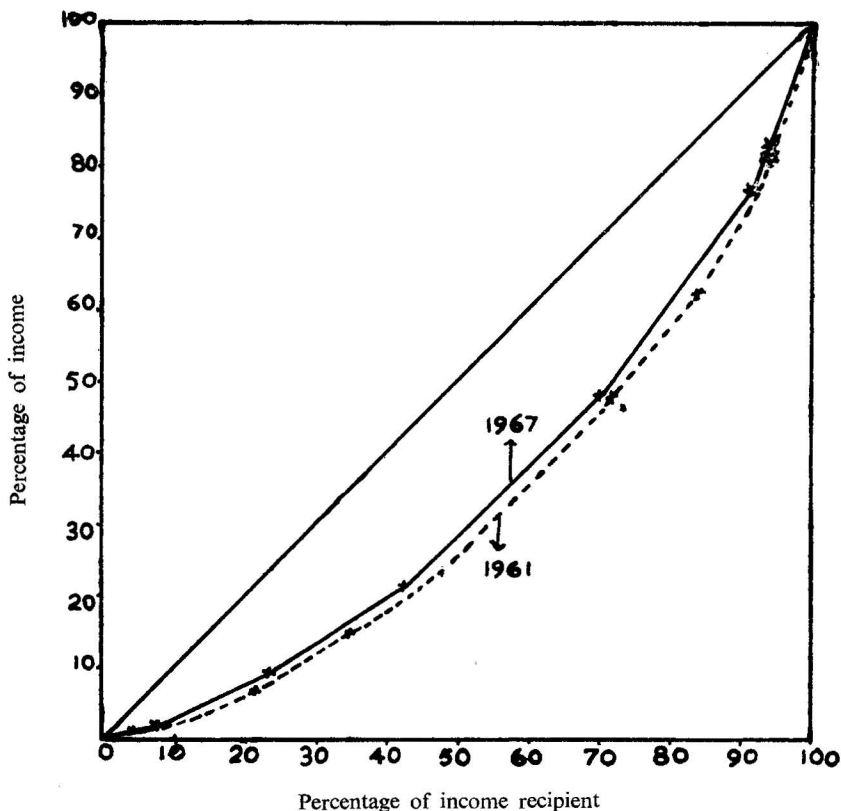


Figure 1—Lorenz Curve on Distribution of Income

At the time of first point survey there were 49 *jhumias* settled in the colony. During the intervening period under reference there were as many as 11 cases of desertion and 15 cases of new settlement so that by the time of resurvey the number

of *jhumias* stood at 53. It is worthwhile to probe into the case of this original group of *jhumias* and see to what extent their income distribution pattern has changed consequent upon induced shifts in culture pattern. For the sake of brevity, only the distribution of income per family according to source will be presented here.

It has been found from Table III that there were marked variations in the sourcewise distribution of family incomes. While on the one hand the distri-

TABLE III—INCOME PER FAMILY OF THE ORIGINAL SETTLERS

(in Rs.)

Source of income	1961		1967	
	Income	Percentage of total income	Income	Percentage of total income
Settled farming	342.57	45.36	1,023.09	54.54
<i>Jhuming</i>	251.09	33.23	84.77	4.52
Horticulture	—	—	51.35	2.74
Livestock and poultry	28.49	3.78	86.18	4.59
Casual labour	57.37	7.59	299.35	15.96
Trade, commerce and transport ..	2.50	0.33	109.03	5.81
Others	73.37	9.71	222.11	11.84
Total	755.35	100.00	1,875.91	100.00

bution pattern was conspicuous by sharp decline in the proportion of income from *jhuming*, on the other it showed the increasing relative importance of the non-agricultural sources. The decline in the proportion of income from *jhuming* and the sizable increase in the proportion of income from settled farming are enough testimony to show that the *jhumias* are no longer on the fence but are gradually crossing over to the other side, alienating themselves at every step from their traditional *jhum* culture.

The relevance of all that has been said in the preceding paragraphs to this paper is that changes in the cultural practices bring about changes in the livelihood pattern and consequent changes in the allocation of resources in the economy which in turn cause the income distribution pattern to change. In other words, changes in the livelihood pattern and the resultant changes in income distribution are an objective manifestation of cultural change. Thus a society in transition from one culture pattern to another can be conveniently judged by its various objective manifestations. The objective phenomena not only provide the necessary and workable tool but are in themselves a reflection on their subjective counterparts, *viz.*, the shifts in value judgment which act as the prime mover of any change. For a clearer perception of the process of change, therefore, there need be some quantifiable data on some of the vital aspects of the socio-economic life of the people concerned. One such aspect is the livelihood pattern of the individuals. Any change in it necessarily means change in cultural practices, and cultural practices make a society what it is.

APPENDIX A

DISTRIBUTION OF INCOME BY SOURCE AND OCCUPATIONAL CLASSES

(in thousand rupees)

Source and occupational classes		Number of households	Settled farming	<i>Jhuming</i>	Horticulture	Livestock and poultry	Weaving	Casual labour	Salaried job	Trade, commerce and transport	Forestry, extrusion, fishing and hunting	Total
Solely settled farmer	1961	7	4.41	—	—	0.24	0.12	0.06	1.26	0.09	—	6.18
	1967	30	36.21	—	1.97	2.56	1.62	3.78	0.96	6.48	5.16	58.74
Mainly settled farmer	1961	11	5.20	2.83	—	0.31	0.24	0.32	0.73	—	—	9.63
	1967	14	17.54	2.13	0.05	0.88	0.88	2.17	—	—	2.53	26.18
Mainly <i>jhumia</i>	1961	13	2.85	4.43	—	0.48	0.21	1.04	—	—	—	9.01
	1967	1	0.11	1.00	—	0.16	0.08	0.15	—	—	0.15	1.65
Solely <i>jhumia</i>	1961	14	—	3.14	—	0.61	0.15	0.83	—	—	—	4.73
	1967	1	—	0.15	—	—	0.04	—	—	—	0.10	0.29
Non-agricultural casual labour	1961	—	—	—	—	—	—	—	—	—	—	—
	1967	7	3.02	0.74	0.33	0.24	0.29	6.14	—	0.50	0.58	11.84
Miscellaneous	1961	4	0.41	0.04	—	—	0.03	—	—	—	—	0.48
	1967	—	—	—	—	—	—	—	—	—	—	—
Total	1961	49	12.87	10.44	—	1.64	0.75	2.25	1.99	0.09	—	30.03
	1967	53	56.88	4.02	2.35	3.84	2.91	12.24	0.96	6.98	8.52	98.70

APPENDIX B

DISTRIBUTION OF INCOME ACCORDING TO INCOME-GROUPS

Income-groups (Rs.)					Percentage of families in this group	Percentage of income received by this group	Percentage of families in this group and lower ones	Percentage of income received by this group and lower ones
Below	500	1961	..	..	34.69	15.36	34.69	15.36
		1967	..	..	3.77	0.74	3.77	0.74
500 —	750	1961	..	..	36.74	32.18	71.43	47.54
		1967	..	..	3.77	1.25	7.54	1.99
750 —	1,000	1961	..	..	12.25	14.54	83.68	62.08
		1967	..	..	15.09	6.85	22.63	8.84
1,000 —	1,500	1961	..	..	10.20	18.81	93.88	80.89
		1967	..	..	18.87	12.35	41.50	21.19
1,500 —	2,000	1961	..	..	2.04	4.85	95.92	85.74
		1967	..	..	28.31	27.04	69.81	48.23
2,000 —	3,000	1961	..	..	4.08	14.26	100.00	100.00
		1967	..	..	20.75	27.58	90.56	75.81
3,000 —	4,000	1961	..	..	—	—	—	—
		1967	..	..	3.77	7.17	94.33	82.98
4,000 and above		1961	..	..	—	—	100.00	100.00
		1967	..	..	5.67	17.02	—	—
Total		1961	100.00	100.00	—	—
		1967	100.00	100.00	—	—

PATTERN OF INCOME DISTRIBUTION IN RURAL AREAS

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The introduction of improved technology has accelerated the pace of transformation of the farm economy from subsistence level to profitable farm business. The green revolution in recent years has led to an increase in incomes of the farming

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