



Research Article

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Assessing the Perpetuity of Tribe Indebtedness: An Empirical Analysis

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Abstract

'Indebtedness' of the tribes increases their woe. They live in inaccessible terrain with inadequate infrastructure. Living on subsistence, majority of them depend on borrowings to finance their budget deficit. Being in debt tends to become perpetual with several drastic consequences like being subject to exploitation through bonded labour, losing of assets or transfer of ownership of land and other assets under several pre-text to non-tribal or private lenders, etc. This indebtedness itself has other adverse social impacts on the tribes like the low level of education, ill-health, employment status etc. which has a spiral relationship with indebtedness. This study seeks to identify the various facets of their indebtedness from close quarters, find the extent of absorption of institutional credit by these tribes and identify the gap in their likely absorption perpetuating their indebtedness. It is based on the analysis of primary data collected through structured schedules directly from the respondents. It has been analysed using relevant statistical and econometric tools. It finds the perpetual aspect of tribes' indebtedness due to various ingrained social, cultural and economic factors. It suggests ways to end this perpetuity and amalgamate them on the path of development.

Keywords: Asset, Indebtedness, Loan, Odisha, Tribal

1. Introduction

The 'Tribes', are communities identified by some unique features like their primitive traits, distinct culture, non-contact with the external community due to shyness, isolated geographical locations and backwardness (Lokur committee, 1965). They live in inaccessible terrain with lack of adequate and proper infrastructure like connectivity through roads, communication facilities and other multi-media, lack of electricity, health and education amenities. Being forced or by self, they are used to living on subsistence. So the majority of them live below the poverty line and thereby depend on borrowings to finance their deficit in the budget. Being in debt tends to become perpetual with several drastic consequences like being subject to exploitation through bonded labour, losing of assets or transfer of ownership of land and other assets under several pre-text to non-tribal or private money lenders etc. This indebtedness itself has other adverse social impacts on the tribes like a low level of education, ill-health, loss of employment etc. which has a spiralling relationship with indebtedness making it difficult to identify a unidirectional causal effect on each other.

India itself has the dubious distinction of being the country with the second largest population of tribes after Africa. The tribes in India are mainly concentrated in Central India and the North-east region of the country, with the former having more than half of the total tribes' population. The 3 states in central India having the highest tribe population in descending order according to 2011

census are Madhya Pradesh(14.69%), Maharashtra(10.08%) and Odisha(9.2%). The tribe population of Odisha is almost 3 times the national average. They reflect a parity in their male and female population ratio which was 4.3 crores: 5.2 crores according to 2001 census while it is 4.2 crores males to 5.1 crores females in 2011 census with the difference being 0.1 crores for both over this period. The sex ratio of the Scheduled Tribe(ST) population has rather increased from 1003 to 1029 over this period which is an increase of 26 points. Thus in spite of being economically deprived, there is no bias observed against the female population in the form of female feticides and uneven sex ratio biased against the females which are observed in the overall population in the country mainly due to such practices prevalent among the non-tribal population.

However, the total ST population in the state has increased by only 0.7% from 2001 to 2011. Again 94% of the ST population is found to be living in rural areas with only 6% of them living in the urban areas, according to 2011 census. The highest increase in ST population as a proportion of the overall district population is 58.7% observed in Mayurbhanj while the lowest is 0.4% observed in Puri. While the percentage of ST population below the poverty line in Odisha(according to the methodology of Tendulkar) in rural areas has decreased by around 3% from 66% to 63.5% over 2009-10 to 2011-12, that of its urban ST population has increased by about 5% over this same period. The corresponding figure for the whole country has decreased by 2% in rural areas (i.e., from 47.4 to 45.3) and by 6% (i.e., from 30.4% to 24.1%) in urban areas during this period.

Among the hundreds of tribal communities living across the country, there are some groups who are relatively more isolated, vulnerable, deprived and backward. Basically, they live in small, scattered habitats in remote, inaccessible areas. Their livelihoods are especially vulnerable because, from the beginning, the more dominant tribes and non-tribal groups have encroached upon the resources which they originally controlled and accessed for their survival. Since the 5th Five Year plan when the Tribal Sub-Plan(TSP) approach was adopted in the country, these subset of tribal community based on certain prescribed criteria were designated as Primitive Tribal Groups(PTGs) and are recently re-designated as Particularly Vulnerable Tribal Groups(PVTGs) by Government of India for the purpose of receiving special attention for their all-round development. There are 75 such Particularly Vulnerable Tribal Groups(PVTGs) identified and distributed in 14 states and one Union Territory of India. Odisha has the largest number of PVTGs(13) among the states and UTs of India. They are the Bonda Birhor, Didayi Paudi Bhuyan, Lanjia Saora, Hill Kharia, Mankirdia, Kutia Kondh, Dongria Kondh, Juang, Chukutia Bhunjia, Lodha and Saora. The tribes selected for the current study (Juang and the Dongria Kondh) belongs to the PVTGs group based in the districts of Keonjhar and Rayagada which are located in the declared schedule areas of the state (Table 1).

Table 1: Schedule Areas of Odisha

Districts	Sub-divisions	Tehsils	Block	PTGs
1.Keonjhar	Keonjhar	Keonjhar Telkoi		Juang
	Champua	Champua Barbil		
2.Rayagada	Parlakhamundi	Parlakhamundi R.Udaygiri Guma	Rayagada	Dongria Kondh and Lanjia Saora

Source: Statistical Profile of scheduled tribes in India,2017

The word 'Juang' means 'Sons of man'. This community is divided into the Hill Juang and the Plain Juang. The hill ranges of Keonjhar and Pallahara form the settlement for the Hill Juang, whereas the plains of Dhenkanal and Keonjhar districts are occupied by the Plain Juang. The Hill Juang continues to be in a primitive stage, depending on shifting cultivation, while the Plain Juang has started practising settled cultivation. Those who live in the Juang Pirth of Keonjhar district are known as Thaniya (original settlers), while those who have migrated to the plains of Keonjhar and Dhenkanal districts are called Bhagudia(which means those who have fled away).

The Dongria Kondhs are the largest among the 62 tribes of Odisha. They stand apart from

others for their famous Meria festival, expertise in horticulture, a separate language known as 'Kuwi' and colourful dress, adornments and lifestyle. They are the original inhabitants of the Niyamgiri hilly region which extends to districts of Rayagada, Koraput and Kalahandi of South Orissa. Their population is confined to three community development blocks namely Bissamcuttack and Munuguda of Gunpur sub-division and Kalyansinghpur Block of Rayagada sub-division. They have distributed in around 120 settlements. Their region is located over a high plateau ranging from about 2000 ft to 4970 ft above the sea level and therefore enjoys a cool climate throughout the year. They have many distinctive features in their settlement pattern, house types, economic life, social organization, political system and religious beliefs which stands them separate from other tribal groups. They believe that they are descendants of Niayam Raja and therefore feel proud of their royal ancestry.

Each Dongria Kondh village is situated in the centre of a chain of hills of Niyamagiri. The Physiography of the region is of three types known as Donger, Bhata and Bado. Donger is a high hill-land. In the hill slopes, orchards are developed where turmeric, ginger, a small variety of chilly, varieties of millets like Mandia, Kosala, Johna, Kandula and suan are grown. Bhata is the fertile land at the foothills where paddy is cultivated. Bodo is the more fertile kitchen garden where vegetables are grown. They speak a language, called the Kuvi, which is of Dravidian linguistic ancestry that has no script. Their families are patriarchal and are observed to have both nuclear or extended type of families. They organize themselves into lineages and clans. Marriages by negotiation are ideal type considered by them as impressive. The other ways of acquiring mates are marriage by exchange and marriage by service.

While the Dongria Kondh constitutes 17% of the overall tribe population in the state the Juang represents a meagre 0.4% which points to their depleting number. The sex ratio is favourable for females for both these tribes. However, the literacy rate is less than 50% for both these tribes and biased towards the males who have a literacy rate of about 55% and above while it is less than 35% for the females. On the employment status, the Workforce Participation Rate(WPR) referring to the ratio of total workers(in %) to the total workforce is found to be only 50% for the STs. Of this again, the Main Workers(MW) consisting of workers who had worked for 6 months or more during the reference period are found to be less at 49% relative to the marginal workers(MgW) who had worked for less than 6 months at 51%. This ratio is found to be worse for the Juang tribe at 39:61 relative to 46:54 for the Dongria Kondh tribe. This reflects the poor employment status of these tribes with no stable source and a majority relying on seasonal employment opportunities which is one of the main reason of their low-income status and consequent 'indebtedness' (Table 2).

Table 2: Some Selected Demographic Indicators of the Tribes(Juang and Dongria Kondh) in Odisha by Census 2011

Tribes	No. of HH	Population			Sex Ratio	Child sex ratio	Literacy			WPR	MW	MgW
		Total	M	F			Total	M	F			
All STs	22,32,334	95,90,756	47,27,732	48,63,024	1029	980	52.2	63.7	41.2	49.7	48.9	51.1
Juang	10,996	47,095 (0.4%)	23,093	24,002	1039	980	42.8	54.9	31.4	50.8	38.6	61.4
Dongria Kondh#	381788	16,27,486 (17%)	7,90,559	8,36,927	1059	979	46.9	59.2	35.6	51.2	45.6	54.4

HH: Households, M: Males, F: Females, WPR: Workforce participation rate, MW: Main Workers, MgW: Marginal workers

#Here it is to be mentioned that while the Juang represents an independent tribe, the Dhongria Khond is a sub-category of the Khond tribe which further consists of Kond, Kandha, Nanguli Kandha, Sitha Kandha, Buda Kondh, Raj Kond etc. to name a few.

Source: Statistical Profile of scheduled tribes in India,2017

'Indebtedness' here is defined as a state where a person owes money to another and acknowledges it. The perpetuation of the indebtedness of these tribes in spite of several governmental attempts for their upliftment questions the approach of these programmes in achieving their objectives. This study focussed on tribe's indebtedness makes a close observation of the two selected tribe of Juang of Keonjhar and the Dongria Kondh of Rayagada districts of Odisha, to reveal the root of this problem and identifying the gap in the existing attempts to liberate them from this 'debt trap' for their social and economic progress. It will mainly focus on their status of 'indebtedness' and its several facets.

1.1 Review of Literature

Rout, Pattnaik and Pattanaik (1982) have analysed the situation of indebtedness among the Dongria Kondh and revealed that they are provided credit by the Doms who are their neighbours. The economic transactions between them are established through an annual lease of pineapple (fruits bearing trees) orchard for which they are paid partly in cash and most often in terms of few bottles of liquors. The price which is given by the Doms is very low compared to the prevailing market price of the product. They were found to borrow money to meet the day to day expenses as well as their socio traditional requirements.

Sinha (1990) concluded in his study that indebtedness is considered as one of the major issues of the tribes. For generations, they are being exploited by sahuikars and moneylenders. The economic condition of the tribes is very deplorable and they always run a deficit in their budget. At the time of emergency, they take loans from the moneylenders at a very high rate of interest, having no alternative sources.

Adhikari (1990) in his study "System of Exchange among the Tribal: A case study of the Santal in a village of Birbhum, West Bengal " analysed the pattern of exchange and the nature of economic interaction of Santal tribe. He viewed that the main occupation of this tribe is agriculture and most of them earn their livelihood as casual agricultural labourers. The author viewed that they are mostly concerned with the present and prefers a subsistence economy. He also points out that the culture of this tribe is based on the sense of self-sacrifice and they give more value on gift and mutual help.

Sadhu and Singh(1996) opined that to meet the economic and social needs, the tribes require credit like the non-tribal people. Their economy basically depends on agriculture. So for farming activities, they require timely credit to purchase seeds, pesticides, fertilizer, etc. at a low rate of interest. Prof. John D. Black has rightly stated that credit availability is the foremost requirement if our concern is to increase the agriculture output within a short span of time. Thus timely credit is very essential to strengthen the tribal economy. But unfortunately, institutional credit facilities are scarce in many tribal areas. In those areas where institutional credit facilities are available, accessing them requires collaterals in terms of proper land documents in their name. But it is not possible to produce such documents to avail loan as most of the tribes inhabit in public owned forest reserved land. Also for many others, their own land is under mortgage whereby they have handed over their ownership during the lease period. Hence, most of them run after money-lender and sahuikars in times of emergency.

Mitra and Mishra,2007 finds that the per capita loan as well as the per capita loan per agricultural asset held by the households are the most representative measures of the degree of indebtedness among the tribes. It has a wide-ranging effect on productivity and distribution in the form of decline in agricultural productivity as well as confiscation of productive assets like land further aggravating poverty and inequality among them.

The average debt of the STs in rural areas is found to be ₹3205 (relative to ₹7539 for all taken together), while the debt-asset ratio is found to be at 2.3% for the STs relative to 2.8% for the overall(MoTA, GOI,2014). Here though it is found to be lower than the overall, it does not reflect an appreciable situation. The concern is about their indebtedness itself and not its comparative status. In urban areas, the average debt of the STs is found to be ₹9233 (while it is ₹11771 for the overall), and the debt-asset ratio is 3.8% relative to 2.8% of the overall.

Due to poverty and indebtedness, the tribes are forced for bonding labour. Odisha has the

dubious distinction of having the highest number of registered bonded labour cases. Many instances of the existence of bonded labour still exist under several pre-text. For example, 31 people including 12 children all belonging to districts of Nuapada and Nabarangpur of Odisha were rescued from a brick kiln in Bengaluru. They were tempted by the middlemen and were made to work there at ₹270 per week (as against a minimum standard wage of ₹500, approximately, for 12 hours per day) without any leave or allowing their children to attend school (TOI, 2017).

1.2 Objectives

This study seeks to achieve the following objectives:

- i. To examine the tribe's status of indebtedness.
- ii. To analyse the factors influencing the indebtedness of their households.
- iii. To observe the economic impact of indebtedness on their life.

1.3 Hypothesis

To achieve the above set of objectives the following assumptions are to be tested.

- i. That, indebtedness among the tribes has assumed a perpetual feature.
- ii. That, the uneven socio-economic parameters, as well as geographical and political factors, have spiralled their indebtedness.
- iii. That, indebtedness and their status of life are largely interwoven.

1.4 Methodology

The study has used both primary and secondary data. The secondary data collected from various sources like the National Family Health Surveys, Census, National sample survey data, the Sample registration system of the Registrar General of India, Reports of the planning commission and the Ministry of Tribal Affairs, GOI etc. highlighted their overall socio-economic status in the state. The primary data was collected through structured questionnaires to analyse their status of indebtedness and the various factors influencing it. Though the selection of the sample space was judgemental based on the population of the PVTGs who are concentrated in the hilly terrain of these tribal districts, the selection of the sample units was done in random. The sample units are the women members of these households, preferably occupying a prominent position in the family which was deliberately chosen to know the status and role of women in these households (as this is a working paper which is part of the work of the author on economic contribution of tribes' women to their households and the tribes' indebtedness status at the face of the existing government policies to liberate them from debt). The investigator had an uphill task in collecting the data from these tribal belts due to many factors. The foremost among this was the huge communication barriers not only due to the unfriendly terrain but also the language gap. To bridge this gap the investigator stayed among them to build an informal rapport with the respondents. This helped to overcome their sceptic attitude towards alien members after which they could be made to reciprocate to the queries of the investigator. The information was collected as was delivered by them with all their raw expression of the deplorable status in many cases due to the unbearable yoke of debt. This method of participant observation to enabled getting a real picture of their socio-economic condition with a focus on their indebtedness and its consequences. For the purpose of data analysis various statistical and econometric tools like multiple logistic regression have been used to assess their vulnerability to indebtedness.

2. Findings of the Study

This section has been categorised in terms of the factors, status and empirical analysis of the tribes' indebtedness.

2.1 Factors Affecting Tribes' Indebtedness

Tribe' indebtedness is the result of many direct and indirect factors which are discussed below. Some factors which directly contribute towards their indebtedness are mainly economic in nature like the individual and household's amount and source of income and savings, their pattern and amount of expenditure etc. These economic factors determine their budget deficit and thereby their dependence on debt for financing the gap between income and expenditure. The indirect factors which contribute to their indebtedness are their level of literacy, employment status, family structure and size, the status of women in the household, availability and approach towards governmental schemes for tribal upliftment etc. For the purpose of analysis in this paper both these categories of factors causing their indebtedness have been explored and highlighted, which are as follows:

2.1.1 Occupational Profile of the Tribes

The occupational pattern determines the amount and continuity of income earned by these tribes. As per the Mid Term evaluation conducted by Schedule Caste and Schedule Tribe Research and Training Institute(SCSTRTI), Bhubaneswar during 2009-10 and 2016-17, it is observed that the PVTGs are still dependent on the traditional occupational pattern with some gradual penetration of contemporary source of livelihood. The tribes carry on agriculture, horticulture, shifting cultivation, forest collection, food gathering, fishing, wage-earning, small business etc. However, it is found that most of the PVTGs like Bonda, Didayi, Dongria Kondh, Kutia Kondh, Paudi Bhuyan and Saora are dependent upon shifting cultivation. Other PVTGs like Hill Kharia, Mankirdia, Lodha, Saora, Kutia Kondh and Paudi Bhuyan are dependent on forest collection and hunting. Two PVTGs such as Saora and Lanjia Saora do terrace cultivation along with shifting cultivation.

A good number of PVTGs depend on land and forest for their livelihood. These tribes are gradually adopting settled cultivation in place of shifting cultivation. The Dongria Kondhs are expert horticulturists and supplement their livelihood by forest collections. However, the average size of land holding per household is found to be less than 2 acres which affect their efficient farming practices(Table 3).

Table 3: Distribution of PTGs according to Techno-Economic Stages

Serial No.	Techno-Economic Stages	Name of the PTGs
1.	Hunter-Gatherers	Birhor, Mankirdia, Hill-Kharia
2.	Shifting Cultivators	Bonda,Didayi,Dongria Kondh,Kutia Kondh, Juang, Lanjia Saora, Paudi Bhuyan, Saora
3.	Terrace Cultivators	Saora, Lanjia Saora
4.	Settled Cultivators	Lodha, Chuktia Bhunja

Source: SCSTRTI Government of Odisha, Bhubaneswar

2.1.2 Source of Income for the Selected Tribes:

It was found from the study that approximately 81% of the tribes' households are involved in the collection of minor forest products. In Keonjhar district nearly 95% of the sample households are engaged in farming whereas it is 44.8% in Rayagada district. Around 53% of the total households got their income from wages. In contrast in Rayagada district, 74.4% of the sample households are engaged in horticulture activities while it is zero in case of Keonjhar district. About 22% of them get their income from job seeker allowance and 12% from poverty funds provided by the government. Thus overall they are very much dependent on the sale of minor forest products, farming as well as horticulture as their major source of employment and income generation. It is to be noted that while 94% of these tribes in Keonjhar are dependent on farming, 46% of them get their income from wages which implies their dependence on other's land for earning their income. In contrast in Rayagada, the percentage of tribe population having wage as their source of income is almost 60%(Table 4).

Table 4: Sources of Income of the Tribes' Households (in %)

Sl.No	Sources of Income	Keonjhar	Rayagada	Total
1	Wage/Salary	46.4%	59.2%	52.8%
2	Job Seeker Allowance	17.6%	26.4%	22%
3	Sale of Minor Forest Product	89.6%	72%	80.8%
4	Horticulture	0	74.4%	37.2%
5	Farming	94.4%	44.8%	69.6%
6	Poverty Funds	15.2%	8.8%	12%

Source: Field Survey

2.1.3 Monthly Household Income of the Tribes:

The overall income range of these tribes was found to vary between 0 to 10000 with ₹ 1000 being the lowest monthly income of the household and the highest being ₹ 9500. On further categorising them into different groups as shown in Table 4, it is seen that 46% of the tribes' households fall in the average income group of ₹2000 to ₹5000. Thus not only the income of these tribes' are low but are also concentrated towards the average level within this range (Table 5).

Table 5: Monthly Household Income of the Sample Households

Name of the District	Name of the Tribe	Above ₹ 10,000/-	₹ 5,000- ₹ 10,000/-	₹ 2,000- ₹ 5,000/-	Less than ₹2,000/-
Keonjhar	Juang	0	21.6%	54.4%	24%
Rayagada	Dongria Kondh	0	40.8%	37.6%	21.6%
	Total	0	31.2%	46%	22.8%

Source: Field Survey

However, a tribe-wise analysis of the variable shows that while in Keonjhar the monthly household income is more or less normally distributed with more concentration in the average income group, it is positively skewed towards the higher income group from ₹ 5000 to ₹ 10,000 among the Dongria Kondh of Rayagada district. This shows a district wise variation in the range and concentration of income earned.

2.1.4 Expenditure Pattern of the Tribes:

The analysis of their expenditure pattern not only reflects their allocation of income but also their standard and way of living. To achieve this the expenditure pattern was not only analysed in terms of their type of consumption but also their quantum of expenditure on different items categorised into different ranges (Table 6).

Table 6: Percentage of Households in different Expenditure Range (on consumption)

Expenditure on different items	More than ₹10,000	₹5,000-10,000	₹ 2,000-5,000	Less than ₹5,000	Less than ₹2,000	Less than ₹1,000	₹500-1,000	Less than ₹500	Nil consumption	Total
On consumption of food items	-	-	20.4	-	79.6	-	-	-	-	100
On consumption of non-food items	-	-	-	-	-	-	100	-	-	100
On consumption of alcohol, handia, smoking etc.	-	-	-	-	11.6	-	48.8	38.8	0.8	100
On celebrating festival/rituals, marriage etc.	4.8	30	44	21.2	-	-	-	-	-	100

Source: Field Survey

Their expenditure on food consumes less than ₹2000 for 80% of the tribe's households while only 20% was found to spend on food in the range of ₹2000-₹5000. Non-food consumption which mainly is related to their spending on items of clothing, fuel, transport etc. is in the range of ₹500-₹1000 for all the tribes' households. The reason for the above observation is that most of these households are associated with direct or indirect farming producing most of their food requirement. And in the non-food category, they have very negligible awareness or dependence on any modern electronic gadgets. More noteworthy is the fact that 99% of the households are addicted to alcohol, handia, ganja, smoking and other forms of intoxicants. Almost 49% of these households spend on these items in the range of ₹500-₹1000 while 39% spends less than ₹500 on these products. However the highest consumption of these tribes is on celebrations and rituals in marriages, festivals etc. to the tune of ₹5000-₹10000 (for 30% of the households) and ₹2000-₹5000 for 44% of these households in the study area.

Thus the tribe's indebtedness is rooted deep in their expenditure pattern which is highly skewed towards unproductive expenditures governed more by habit and tradition syndrome (like lavish spending on marriage, payment of bride price, birth and death rites, religious ceremonies etc.) than by actual necessity. Such bias prompts them to run into deficit to cover these expenditures and thus compelled to borrow.

The per capita expenditure (PCE) is always a reliable measure reflecting the actual dependency ratio of the households in terms of income generation and the total spending. The PCE of their overall population was found to be ₹735. Analysing in terms of the income group variations, it was found to be high for all the income groups except the lower average and the middle average income group (Table 7).

Table 7: Income-Wise Variation Of Average Per Capita Expenditure (APCE)

Income Group	0-2000	2001-4000	4001-6000	6001-8000	8001-10000
APCE (in Rs)	757.31	719.34	681.62	793.69	815.97
The difference from overall PCE (in Rs)	22.29	-15.68	-53.40	58.67	80.95
% Difference of group APCE from overall APCE	3.033	-2.13	-7.26	7.98	11.01

Source: Field Survey

2.1.5 Sources of Saving of the Tribes:

Majority of the tribe households are found to be living below the poverty line. Their low income gets exhausted on their expenditures leaving out meagre or no surplus for saving. Not only are their saving low but also their means of safeguarding these savings have not improved over the years. Hoarding is a common form of keeping money by these women. For this, they follow traditional techniques. The Dongria Women, for instance, put all their coins and notes in an earthen pot and buried in the holes dug in their kitchens which are then plastered for their safekeeping. Similarly, they are found to hoard money in bamboo pipes which are then sealed with clothes to hoard their money. Many of these practices still exist simultaneously with the sources of the organised savings, under the penetration of the external influence and the resultant changes in the attitude of these tribal communities in the study area which is however far from satisfactory (Table 8).

Table 8: Sources of Saving of the Sample Households*

Different Sources	Rayagada	Keonjhar	Total
Bank	32.8%	25.6%	58.4%
Post Office	4%	0.6%	9.6%
Private	7.2%	2.4%	9.6%
Cash in hand	34.4%	19.2%	53.6%
Total	78.4%	52.8%	65.6%

Source: Field study (* The percentages are not additive to cent per cent because many households had more than one sources of savings).

Like the uneven expenditure pattern, the saving sources also show features driving towards indebtedness. However, it is difficult to determine the cause-effect relationship between saving and indebtedness for these tribes as the relationship takes a vicious circle. The saving habit, however meagre is found to exist only among 66% of the households with the remaining having nil savings for their future. Categorising these sources into the organised source (i.e. banks and post office) and non-organised sources (i.e., private sources like money lenders, sahumars, dombs etc), it is observed that though almost 68% have adopted the organised sources a similar 64% still depends on the unorganised source of savings. Again among the latter, 54% still saves in the form of cash in hand and 10% saves in private sources. These indicate the non-utilisation of their savings with no potential for growth.

2.1.6 Sources of Incurring Loans by the Tribes:

Out of the total sample households, 92% were found indebted. The source of incurring loan assumes great significance for the tribes not only in terms of the cost of debt but also the surrender of earning/ non-earning assets of the household to avail the loans. Most of the sample households have incurred loan from more than one source. The main sources of incurring loans by the tribes can be divided into 2 categories which are:

- a. *Financial Institutions*: consisting of banks and cooperative societies and Self Help Groups, and
- b. *Non-financial Institutions*: consisting of sahumars/moneylenders, relatives or neighbours and Dombs.

While 40% of the households were found to be incurring loans from the financial institutions, it showed district wise variations with the banks and cooperative societies being more active in Keonjhar with accessibility by 32% of the households while the SHGs are more active in Rayagada, being a remote district, to the extent of 24% (Table 9).

Table 9: Percentage of Households incurring Loans from different Sources

The loan from the different source	Rayagada (Dongria Kondh)	Keonjhar (Juang)	Total
Financial Institution			
i) Bank	8%	32%	20%
ii) Cooperative Societies			
iii) SHGs	21.6%	12%	16.8%
iv) Both Bank & SHGs	2.4%	4%	3.2%
Non-financial Institution			
i) Sahukar/Moneylender	0.8%	44%	22.4%
ii) Relatives/Neighbours			
iii) Dombs	59.2%	-	29.6%
Not incurring Loan	8%	8%	8%
Total	100%	100%	100%

Source: Field Survey

However, 60% of the tribe households are still dependent on non-financial sources for incurring loans with the sahumars and moneylenders being dominant in Keonjhar while the dependence is on the Dombs as a source of a loan in Rayagada almost for all the households. The 'Dombs' are some people belonging to the Schedule castes of the nearby districts/villages who were found to settle down with the Dongria Kondhs from early years and has been exploiting them economically by taking advantage of their ignorance, simplicity, seclusion from the outside world and lack of source of loan facilities in need. Studies have found that the Dombs paid them only a single bottle of wine for a lease of fruit-bearing orange trees worth ₹1500 or 6 jack fruit trees yielding fruits of the same value for years (Sachchidananda et.al, 1988).

With regard to accessibility of loan during need, it was found that 74% of the households

faced difficulty in getting hassle-free accessibility to these sources of fund of which again 99% experienced these difficulties in case of private sources like uncertainty, very high-interest rate, mortgage requirement, providing bonded labour till repayment of the debt etc.

2.1.7 Loan Conditionality of the sources:

The tribes incur their loans at a very high rate of interest varying from above 2% (which was the minimum found) to as high as 10% as was stated during the survey. However, the actual vulnerability of these people in this regard was more deplorable in view of the fact that many of the households responded that they even don't know the rate of interest which is being charged on the loan taken by them. They go on paying as per the record maintained and stated to them by their private lenders.

The loans from the organised sources like the cooperatives are targeted for productive purposes like agriculture, horticulture, buying fodder etc but are not given for their consumption needs. The tribes are forced to approach the private lenders to meet their expenditures for direct consumptions like lavish spending on social customs and rituals, addiction of intoxicants, health care needs etc being the major ones besides others. They are made to avail the loan only against mortgage of their valuables which was found to range from agricultural lands, livestock, orchard, ornaments to the extent of surrendering self in the form of bonded labourers to repay their loans. If they fail to repay, then the burden of 'bonded labour' work passes on to their family members until they are cleared off their loans. Their lack of education, simplicity, ignorance and strong belief on the obligation to repay their loan are exploited by the private money lenders to extract their own benefits. Many of them were found to be engaged as bonded labourers on their own land now under the possession of the money lenders. Even the women and children were made to offer such labour in field or housework of these private lenders against the taken loan. While the average loan was found to be of ₹776 per household, the contradictory figures of 92% of the household in almost perpetual debt with a long term mortgage of their valuable household assets and submission of self labour many a time for generations reflects the huge scale exploitation of the tribes due to indebtedness. Thus the indebtedness which is actually revealed is to a large extent 'artificial persuasion' by the powerful people to exploit the ignorance of these tribes.

2.2 An Outline of Tribe Indebtedness:

As already pointed out, almost 92% of the tribe households were found to be in debt. Of these indebted households, only a meagre 6% of the households were able to get rid of their indebtedness while this forced adversity continued for the rest 94% of the households.

About 49% of the households had taken a loan by mortgaging their property. It was found that in the case of the Juang tribe, most of the households have incurred loan from the people belonging to Gouda or Sundhi (moneylender) caste of the same village or nearby villages by mortgaging their cultivable paddy lands. In case of Dongria Kondh, many were found to have taken a loan from the Dombs which constitute the main non-institutional loan source, by mortgaging their orchard or fruit-bearing trees.

The spending heads of the borrowed funds taken by these tribes reveal that 82% of them have taken the loan for the celebration of marriage, festivals and rituals followed by consumption of alcohol, handia and smoking purposes by 67% of the households. About 47% of the households are incurring loan for payment of their old loans while loan availed for shifting cultivation and agriculture is 15%. Again 11% of the households incurred loan to meet their day to day consumption purposes. Only 1.6% of the households have taken a loan for the purchase of land and 0.4% for upgrading their business like grocery shops etc. Thus, leaving a negligible 2% of the households who have utilised their borrowed fund for income generation, almost 98% of the household use them for carrying out their direct consumption or repayment of earlier debt. This feature itself has the seed of perpetuating their debt burden (Table 10).

Table 10: Spending Heads of Borrowed Funds by the Tribal Households* (in %)

Consumption purposes	Celebration of marriage & festivals/rituals	Shifting cultivation & agriculture	Payment of old loan	House building	Illness	Consumption of alcohol, handia, smoking etc.	Education	For purchase of land	Any other (upgrading business)
11.2	82	15.2	47.2	1.6	0	66.8	0	1.6	0.4

Source: Field Survey (*Spending heads shown above are not mutually exclusive as many households have taken the loan for multiple purposes)

2.3 An Empirical Analysis of the Socio-Economic Factors Influencing Tribe Indebtedness

To further analyse the features of tribes' indebtedness, the probability of being indebtedness with respect to different factors was analysed using the multiple logistic models. For this analysis, a mix of social-economic factors is explored. Tribal Indebtedness, 'L' (dependent variable) is taken as a function of income (Inc), Per capita expenditure (PCE), working in the Self-help groups (WSHG), ownership of earning assets (OEA) as well as the decision making power of women (DMw) in the household to work out the model, many of which have been discussed above.

The decision making factor influencing the indebtedness of the household is a dummy variable which has been categorised into two consisting of only the wife as the decision maker (W) where $D_i=1$ and $D_i=0$ otherwise where both the gender were found to enjoy equal power in the household with regard to making decisions about financial and other matters. This is because during the process of data collection none of the responses was found with the husband as the sole decision maker in the household. There was either the women of the household as the dominant decision-making authority or there was equal distribution of the decision making power with both taking part in the decision making the process.

Multiple Logit Regression model is used to estimate the probability of the tribal households being indebted due to the above-chosen factors.

Let P_i represent the probability of the i^{th} household being indebted. Here $P_i = e^{L_i} / (1 + e^{L_i})$ where L_i represents the equation of indebtedness as a function of the related factors.

$$L_i = \alpha + \beta_1 \text{Inc} + \beta_2 \text{PCE} + \beta_3 \text{WSHG} + \beta_4 \text{OEA} + \beta_5 (D_i W) \quad (i)$$

The odd-ratio for indebtedness is given as $P_i / (1 - P_i) = e^{L_i}$. The natural log of the odd-ratio is L_i , that is $\ln[P_i / (1 - P_i)] = L_i$ which is the Logit model in its estimable form. The estimated L_i model is found to be :

$$L_i = 0.90 + 0.0000037 \text{Inc} - 0.000093 \text{PCE} + 0.031 \text{WSHG} + 0.027 \text{OEA} + 0.040 W$$

[t-stat: (13.76) (0.44) (-2.35) (0.82) (0.57) (1.03)]
[p-value: (2.88E-32) (0.66) (0.019) (0.414) (0.57) (0.30)]
($R^2 = 4\%$ and F-stat value = 1.60) (Tabulated t-value at 5% level of significance = 1.645)

[Note: This is Pseudo R^2 , as it is not relevant here in this logit model]

The coefficients for income, working in SHGs and ownership of earning assets and decision making variables were found to be insignificant. However, they are found to be positive which may be due to the fact observed that those families with a source of earning from the SHGs or earning assets did take loans to enhance their income with the backing of the remuneration from these sources. Also, those households who owned some kind of assets were found to mortgage them for availing the loan. However, the coefficients are insignificant may be because the overall earning from these sources were found to be either very negligible or mostly in kind or are used for direct consumption leaving no surplus for savings. However, the decision making variable is found to be insignificant in influencing the indebtedness of the households. It only speaks of the dominant position which usually the tribes' women enjoys in their households and also an equal authority of making a decision by both the gender. However the $E(L_i | D_i=1)$

$=(\alpha + \beta_5) + 0.0000037Inc - 0.000093PCE + 0.031WSHG + 0.027OEA$ where the intercept($\alpha=0.90$) has been found to be highly significant (t-value =13.76) which shows a higher indebtedness in households where women are dominant decision makers.

The probability of indebtedness of the tribes was calculated using the estimated Logit model(shown in Table 11).

Table 11: Probability of Indebtedness Among Tribal Households (in %) (Income-Wise)

Income group	0-2000	2001-4000	4001-6000	6001-8000	8001-1000
% of HH* in these income groups	23	29	27	14	7
Probability of indebtedness	% of HH in these income groups	% of HH in these income groups	% of HH in these income groups	% of HH in these income groups	% of HH in these income groups
0.65	0	0	0	3	0
0.68	3	1	1	0	0
0.69	7	4	1	3	0
0.70	9	21	13	9	12
0.71	36	29	39	37	29
0.72	40	41	36	31	35
0.73	5	4	10	17	24
	100	100	100	100	100

Source: Author's calculation HH*: Household

The observed values showed some peculiar features about the tribes' indebtedness which are as follows:

- i. Almost all the households were found to be in debt(92%). The Probability of indebtedness was found to be high in the range of 65% to 73%.
- ii. For a comparative analysis, this has been grouped into the low range of probability of indebtedness (65% to 69%) and a high range of probability (70% and above). Only around 6% of the household was found to have a probability of indebtedness in the lower ranger of the probability of which 43% belonged to the lowest income group while the rest 57% belonged to all the other higher income groups. There are no households in the lower probability range in the highest income group. This showed more probability of indebtedness among the higher income group.
- iii. 90% and more of the households in each income range showed a high probability of indebtedness which is found to be increasing with the increase in income range. It is 90% in the ₹0-₹2000 income range while it is 100% of the households in the highest income range of ₹8001-₹10000. A similar concentration of the population in the higher range of probability is observed for the households in the middle and higher average income group.

Thus not only a majority of the tribe households are in debt but also they are unable to break this 'debt trap', which is due to the very social, physical, economic and political environment they survive as described above. Thus 'indebtedness', has become perpetual among the tribes due to the failure to vent this vicious circle formed.

3. Discussions

'Indebtedness' has far-reaching adverse consequences on the present and future life of the tribes. The overall effect of indebtedness can be summarised in the line that 'tribes' indebtedness deprives the deprived'. Thus it has created a vicious circle where being poor they are forced to borrow or being in debt they are poor and so has to further borrow or repay it by other means. The immediate effects observed were:

- i. Alienation of their land by the private money lenders.
- ii. Voluntary or involuntary bonding of labour to repay the debt. This was found to be

- inherited by the family members to continue repaying the debt.
- iii. Poor socio-economic condition due to the debt burden. The direct economic effects are low income, low saving and uneven expenditure. While the indirect social effects are low/no spending on health, education and factors contributing to having a good standard of living.
 - iv. Low job status of the tribes. Most of them are marginal workers working on others' land or engaged in gathering and sale of minor forest products(MFP). Many of them were found to be engaged on their own land as bonded labourers with or without remuneration as the land has been mortgaged.
 - v. The unemployed youth are easily entrapped into anti-social activities. This is the reason for the huge surge of Naxalite movement in the Rayagada districts consisting of the tribes' population being deprived of their land and other earning assets and being subject to physical, mental, economic and social exploitation.
 - vi. The existing schemes suffer from lack of follow-ups on part of the government. So many of these programmes to provide credit facilities to the tribes have not shown the desired result. The tribes continue to be in debt and subject to the consequential exploitations. This can be seen from the gross violation of the various government policies meant for their safeguard to liberate them from the 'debt trap' like safeguarding their assets, providing them income, liberating them from bonded labour etc as reflected in Table 12.

Table 12: Ground Realities Reflecting Violation/Non-implementation of Tribal Protection Acts/Policies(Survey Findings)

Keonjhar District	% of HH*	Rayagada District	% of HH
Farming Land is given in mortgage to Private Moneylenders	16%	Farming Land is given in mortgage to Private Moneylenders	0%
Getting Paid in Kind for labour given	17.6%	Fruit bearing Orchard given in mortgage to Private Moneylenders	28%
Getting paid nothing for labour given	3.2%	Getting Paid in Kind for labour given	35.2%
Paying interest rate more than 10%	31.2%	Getting paid nothing for labour given	9.6%
Getting less for their MFP	80.8%	Paying interest rate more than 10%	43.2%
		Getting less for their MFP	91.2%
Total	% of HH	Name of the act(s)/policy(ies) violated/Not implemented	
Farming Land given in mortgage to Private Moneylenders	16%	The Orissa Scheduled Areas Transfer of Immovable Property(By Scheduled Tribes) Regulation, 1956:	
Fruit bearing Orchard given in mortgage to Private Moneylenders	28%	The Orissa Scheduled Areas Transfer of Immovable Property(By Scheduled Tribes) Regulation, 1956:	
Getting Paid in Kind for labour given	26.4%	The Bonded Labour System(Abolition) Act 1976:	
Getting paid nothing for labour given	12.8%	The Bonded Labour System(Abolition) Act 1976:	
Paying interest rate more than 10%	37.2%	The Orissa Money Lenders (Amendment) Act, 1975:	
Getting less for their MFP	86%	1.Forest Rights Act, 2006: 2.Panchayat(Extension to the Scheduled Areas) Act,1996 or the PESA Act:	

Note: The percentages are not mutually exclusive as they overlap in case of several Households.

Source: Compiled based on the collected data (HH*: Household)

4. Suggestions and Policy Implications

The following suggestions are made to the relevant authorities following from the current study on tribes' indebtedness. They are:

- i. The financial institutions should make focused attention to relieve the tribes from indebtedness by financing their productive activities like farming, horticulture etc. on their own land. For this, on a prior basis, their alienated land has to be restored to their owners from the clutches of the money lenders by paying the debt on their behalf and penalising in

- case of violation of the existing laws.
- ii. The tribes should be made to curb their unaffordable activities like lavish spending on rituals by borrowing and consumption of intoxicants. Awareness should be created to avoid indebtedness for these unproductive consumptions. This has to be done by creating groups consisting of members from the tribe itself who themselves are to be oriented to create awareness amidst their community.
 - iii. The SHGs are to be strengthened to orient the tribes towards income generating activities.
 - iv. They should get proper price for their MFP by avoiding the middlemen's meddling which can be done by activating the operation of the cooperative societies and these must be made to run by trained persons from their own community.
 - v. They should be assisted in non-farming activities in which they have a comparative advantage. For instance, the crafts and shawls prepared by the tribes in Rayagada have wide national and international demand but the artisan/craftsmen have been deprived of their actual economic benefit due to geographical and communication seclusion and exploitation by middlemen without appropriate governmental support.

5. Conclusion

The major reasons for the perpetuity of the tribe's indebtedness were observed to be several social, geographical, economic and political factors spiralled with each other. Their income, savings, employment and expenditure status which have a direct and indirect bearing on all other socio-economic parameters was found to be low and irregular. A major part of their income is obtained in kind rather than cash which makes them dependent on loan to carry on their expenditures (recurring or durable) or repay their earlier debt thus spiralling the overall indebtedness in the form of a vicious circle. The expenditure pattern is uneven with borrowed funds being used to finance their direct consumption, lavish spending on ceremonies and rituals and intoxicants etc. leaving them no surplus for spending on income generating activities. Low income and the deficit in their household budget leads to indebtedness and the high burden of debt leads to further lowering of income and uneven expenditure pattern adversely affecting their socio-economic parameters like literacy level, health status, employment opportunities etc..

The existence of alternative and modern sources of loan like banks, cooperatives, SHGs etc not only has low reach but also the absorption level by these tribes is far from satisfactory to be able to break their whirl of indebtedness. The major barriers identified for this are the focussed purpose of granting loans by these organised agencies unlike private sources, formalities to be observed which are less understood by these tribes due to communication gap, ignorance etc. Thus they are compelled to depend on private lenders with the consequential perpetuation of their indebtedness. There has been a gross violation of all major government policies implemented to safeguard them in these aspects due to disguised transactions in between the tribes and the non-tribe population and no adequate follow up by the government. A target oriented approach to liberate them from this yoke of perpetual indebtedness is the need of the hour to enable them to participate in the various welfare schemes and adopt the path of development.

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