

A Study on the Socio-Economic Status and Income Levels in Rural Regions

Dr. Radha Mishra¹

Assistant Professor

Kamla Nehru B.Ed. Girls College, Satna (M.P.) INDIA

Abstract:- This research paper explores the socio-economic status of the rural population with a primary focus on income level analysis. By examining various factors influencing income levels in rural areas, this study aims to provide a comprehensive understanding of the economic challenges and opportunities faced by rural communities. The paper includes a review of existing literature, analysis of income distribution, identification of key determinants of income levels, and policy recommendations to enhance the socio-economic status of rural populations.

Keywords:- Socio-Economic Status, Income Levels, Rural Regions, Economic Analysis.

I. INTRODUCTION

The current situation in developing nations shows a shift from poor to developing economies, accompanied by improvements in social conditions. However, these changes are not uniformly distributed across all areas. Rural regions, in particular, lag behind urban areas in social, cultural, and economic development. An individual's lifestyle is heavily influenced by their economic status, making income a key factor in determining social position. For a society or region to achieve balanced development, no part should be left behind. Proper socio-economic development is essential for the healthy growth of a region. Nowadays, rising educational levels and the changing perception of education are altering the socio-economic status among rural populations.

Socio-economic characteristics are crucial for measuring human development. They assess an individual's, families, or group's economic and social position based on education, income, health, and occupation. Socio-economic status significantly determines livelihoods, influencing knowledge, skills, and income conditions, which in turn affect living standards. People's lifestyles vary across income groups, with differences in consumption power among these groups.

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." Rathod and Ningshen (2012) noted that socio-economic status is a combined economic and sociological measure of a person's work experience and a family's economic and social position relative to others, based on

income, education, and occupation. Krieger *et al.* (1997) define socio-economic position as "an aggregate concept that includes both resource-based and prestige-based measures, linked to both childhood and adult social class position."

Socio-economic status refers to the position of individuals, families, households, or other groups on various dimensions of stratification, such as income, education, prestige, and wealth, or other relevant aspects. It is often considered a personal demographic variable, yet it can also reflect broader environmental factors, making it measurable at both individual and area levels.

The socio-economic status of rural populations is a critical aspect of overall national development. Rural areas, often characterized by limited access to resources, education, healthcare, and employment opportunities, exhibit significant disparities compared to urban regions. Income level, a crucial indicator of socio-economic status, directly impacts the quality of life and the ability to access essential services. This study aims to analyze the income levels of rural populations, identify the determinants of income disparities, and suggest strategies to improve the socio-economic conditions in rural areas.

II. LITERATURE REVIEW

➤ Income Distribution in Rural Areas:

Income distribution in rural areas often shows higher levels of inequality compared to urban regions. Factors contributing to this disparity include agricultural dependency, limited industrialization, and inadequate infrastructure. Studies by Smith *et al.* (2018) and Jones (2019) highlight that rural incomes are significantly influenced by farm size, crop yield, and access to markets.

➤ Determinants of Rural Income Levels:

Various determinants affect rural income levels, including education, access to credit, land ownership, and availability of non-farm employment. Research by Brown and Taylor (2020) indicates that educational attainment in rural areas is lower, leading to limited employment opportunities and lower wages. Additionally, land ownership patterns, as discussed by Green and White (2017), show that land fragmentation and tenure insecurity adversely impact agricultural productivity and income.

➤ *Socio-Economic Challenges in Rural Areas:*

Rural areas face several socio-economic challenges, such as poverty, lack of infrastructure, and limited access to healthcare and education. According to the World Bank (2020), rural poverty rates are significantly higher, with rural households experiencing lower levels of human capital development and higher vulnerability to economic shocks.

➤ *Objective of the Study:*

- To examine the demographic characteristics based on the income levels of the sampled population in the study area.
- To evaluate the educational attainment across various income groups within the population.
- To explore the housing conditions according to the income levels of the sampled population in the study unit.

III. RESEARCH METHODOLOGY

The study employs a mixed-methods approach, combining quantitative data analysis with qualitative insights. Primary data is collected through household surveys and questionnaires in selected rural areas. Secondary data is obtained from government reports, academic studies, and international development organizations. All the collected data were converted into relative numbers, such as percentages, to assess the overall situation. Additionally, the sample population was divided into five income groups based on monthly per capita income to analyze the socioeconomic status of various income groups within the study area.

➤ *Data Collection and Analysis:*

Table 1 Population Distribution by Level of Per Capita Income

Per Capita Income (Rs.)	Households		Total Population		Male		Female	
	No.	%	No.	%	No.	%	No.	%
< 500	35	41.18	218	44.58	114	43.68	105	45.06
501 – 1,000	32	37.65	190	38.85	103	39.46	88	37.77
1,001 – 1,500	9	10.59	42	8.59	25	9.58	18	7.73
1,501 – 2,000	4	4.71	17	3.48	7	2.68	11	4.72
> 2,000	5	5.88	22	4.50	12	4.60	11	4.72
Total	85	100	489	100	261	100	233	100

Source: Field Survey, 2024

➤ *Interpretation:*

Table-1 presents the distribution of the population by per capita income levels. It reveals that the largest proportion of households, accounting for 41.18%, falls into the income bracket of less than ₹500, which also represents the highest percentage of the total population at 44.58%. Among this group, males constitute 43.68% and females 45.06%. The next largest group is the income bracket of ₹501 – ₹1,000, covering 37.65% of households and 38.85% of the total population. In this bracket, males make up 39.46% and females 37.77%. The income brackets of ₹1,001 – ₹1,500 and

₹1,501 – ₹2,000 have significantly smaller shares of the population, with only 8.59% and 3.48% of the total population respectively. Finally, the income bracket exceeding ₹2,000 includes 4.50% of the population. The gender distribution within each income group varies, with female's slightly outnumbering males in lower income brackets and males slightly outnumbering females in higher income brackets. Overall, the data indicates a predominance of households in the lower income brackets, reflecting a concentration of the population with limited financial resources.

Table 2 Literacy Rate by Level Per Capita Income

Per Capita Income (Rs.)	Literate	Illiterate
< 500	59.56	40.44
501 – 1,000	66.47	33.53
1,001 – 1,500	82.05	17.95
1,501 – 2,000	85.71	14.29
> 2,000	100.00	0.00

Source: Field Survey, 2024

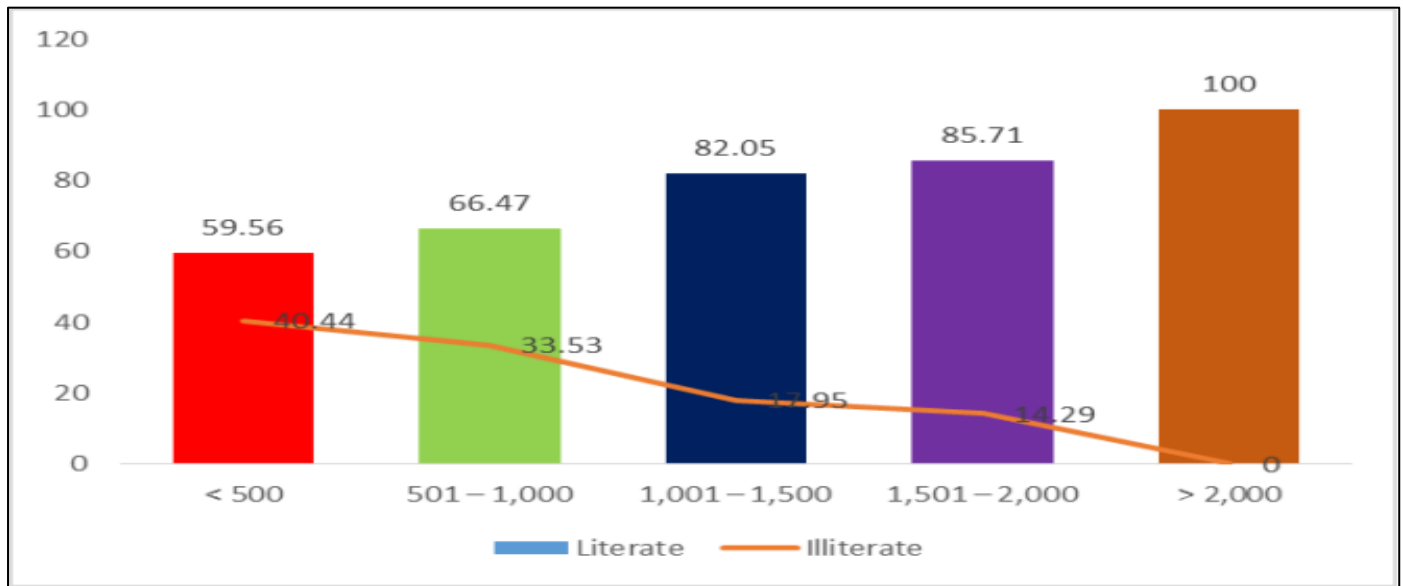


Fig 1 Literacy Rate by Level Per Capita Income

➤ *Interpretation:*

The data presented in Table-2 reveal a clear correlation between per capita income and literacy levels. As per capita income increases, the proportion of literate individuals rises significantly. For income levels below Rs. 500, only 59.56% of individuals are literate, while 40.44% remain illiterate. In contrast, the literacy rate among those with an income between Rs. 501 and Rs. 1,000 improves to 66.47%, with illiteracy dropping to 33.53%. This trend continues as income

increases: for the Rs. 1,001 to Rs. 1,500 bracket, literacy rates reach 82.05%, and for the Rs. 1,501 to Rs. 2,000 bracket, 85.71% of individuals are literate. Remarkably, for those with incomes exceeding Rs. 2,000, the literacy rate achieves 100%, with no illiterate individuals recorded. This data suggests that higher per capita income is strongly associated with higher literacy levels, highlighting the impact of economic resources on educational attainment.

Table 3 Levels of Education by Level of Per Capita Income

Per Capita Income (Rs.)	Level of Education					
	Primary	Pre-Secondary	Secondary	Higher Secondary	Graduate	Post-Graduate
< 500	33.94	41.28	19.27	4.59	0.92	0.00
501 – 1,000	35.65	34.78	20.00	5.22	4.35	0.00
1,001 – 1,500	21.88	34.38	21.88	6.25	15.63	0.00
1,501 – 2,000	25.00	25.00	16.67	25.00	8.33	0.00
> 2,000	4.76	19.05	28.57	23.81	9.52	14.29

Source: Field Survey, 2024

➤ *Interpretation:*

The analysis of educational attainment across different levels of per capita income reveals distinct patterns. For individuals with a per capita income below ₹500, a substantial proportion—33.94%—have only attained primary education, while 41.28% have reached pre-secondary education. The percentage of individuals achieving secondary education is relatively modest at 19.27%, with only 4.59% attaining higher secondary education and a mere 0.92% reaching graduation, and none achieving post-graduate education. As income increases to the ₹501 – ₹1,000 range, there is a notable rise in the proportion of individuals attaining secondary education (20.00%) and higher secondary education (5.22%), while the percentage of those with only primary education slightly decreases to 35.65%. The percentage of graduates also begins to appear, though still

modest at 4.35%. For the ₹1,001 – ₹1,500 income group, there is an increase in higher education attainment with 15.63% achieving graduation, and secondary education remains significant at 21.88%. The proportion of those with post-graduate education is still non-existent. In the ₹1,501 – ₹2,000 income bracket, educational attainment becomes more diverse, with a significant 25.00% reaching higher secondary education and 8.33% obtaining graduate degrees. Finally, in the income group exceeding ₹2,000, the distribution of educational levels shows a more balanced spread, with 28.57% having attained secondary education, 23.81% having reached higher secondary, and 14.29% achieving post-graduate education. This progression highlights how higher income correlates with higher levels of educational attainment, demonstrating a clear association between per capita income and the educational status of individuals.

Table 4 Occupational Composition by Level of Per Capita Income

Occupation	Per Capita Income (Rs.)				
	< 500	501 – 1,000	1,001 – 1,500	1,501 – 2,000	> 2,000
Cultivators	100.00	100.00	100.00	100.00	100.00
Day Labourer	47.06	25.80	0.00	0.00	0.00
Business	0.00	25.80	62.50	33.33	0.00
Service	0.00	0.00	12.50	33.33	100.00
Other	11.74	6.45	25.00	0.00	0.00

Source: Field Survey, 2024

➤ *Interpretation:*

The analysis of the occupational composition by per capita income levels reveals distinct patterns in employment types across different income brackets. For individuals with a per capita income of less than Rs. 500, cultivators dominate the occupation landscape, representing the entire workforce within this income group. As income increases, the proportion of day laborers significantly drops, reflecting a shift in employment types. In the income range of Rs. 501 – 1,000, day laborers make up 25.80% of the workforce, while business occupations emerge, accounting for the same percentage. This trend continues as the income level rises,

with business occupations becoming more prominent, reaching 62.50% in the Rs. 1,001 – 1,500 bracket and 33.33% in the Rs. 1,501 – 2,000 bracket. Conversely, the service sector, which was negligible in the lower income ranges, becomes dominant at higher income levels, with 100% representation for those earning more than Rs. 2,000. The 'other' category shows varied representation across income levels but does not align with any specific trend. Overall, these patterns indicate a clear transition from labor-intensive occupations to more business and service-oriented roles as per capita income increases.

Table 5 Type of Houses of Level of Capita Income

Types of House	Per Capita Income (Rs.)				
	< 500	501 – 1,000	1,001 – 1,500	1,501 – 2,000	> 2,000
Pucca House	0.00	3.23	0.00	0.00	100.00
Kutcha House	97.06	83.87	50.00	100.00	0.00
Mixed House	3.03	12.90	50.00	0.00	0.00

Source: Field Survey, 2024

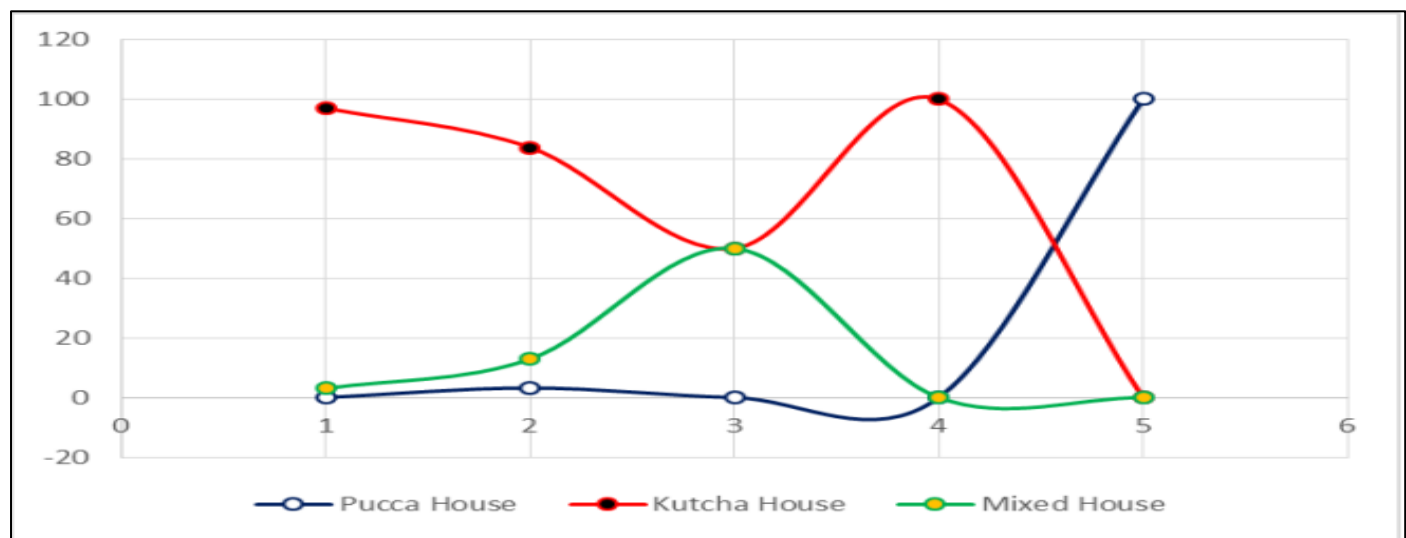


Fig 2 Type of Houses of Level of Capita Income

➤ *Interpretation:*

Table-5 illustrates the distribution of different types of houses across various levels of per capita income. The data reveals a clear pattern in housing types as income levels increase. For households with a per capita income of less than Rs. 500, the majority reside in kutcha houses (97.06%), with a minimal percentage in mixed houses (3.03%) and none in pucca houses. As income levels rise to Rs. 501 – 1,000, the proportion of kutcha houses decreases to 83.87%, while mixed houses increase to 12.90%, and pucca houses appear at

a small rate of 3.23%. For incomes between Rs. 1,001 and Rs. 1,500, the distribution shows an equal share of kutcha and mixed houses at 50% each, with no pucca houses present. At the highest income bracket of over Rs. 2,000, there is a notable shift with all households living in pucca houses (100%), while kutcha and mixed houses are no longer observed. This pattern highlights a strong correlation between higher per capita income and the likelihood of residing in pucca houses, while lower incomes are associated with kutcha and mixed housing types.

Table 6 Latrine Types by Level of Per Capita Income

Types of Latrine Used	Per Capita Income (Rs.)				
	< 500	501 – 1,000	1,001 – 1,500	1,501 – 2,000	> 2,000
Flush Latrine	0.00	3.23	12.50	0.00	100.00
Pit Latrine	5.88	25.80	50.00	33.33	0.00
No Latrine	94.12	70.97	37.50	66.67	0.00

Source: Field Survey, 2024

➤ *Interpretation:*

Table 5 illustrates the distribution of different types of houses across various levels of per capita income. The data reveals a clear pattern in housing types as income levels increase. For households with a per capita income of less than Rs. 500, the majority reside in kutcha houses (97.06%), with a minimal percentage in mixed houses (3.03%) and none in pucca houses. As income levels rise to Rs. 501 – 1,000, the proportion of kutcha houses decreases to 83.87%, while mixed houses increase to 12.90%, and pucca houses appear at

a small rate of 3.23%. For incomes between Rs. 1,001 and Rs. 1,500, the distribution shows an equal share of kutcha and mixed houses at 50% each, with no pucca houses present. At the highest income bracket of over Rs. 2,000, there is a notable shift with all households living in pucca houses (100%), while kutcha and mixed houses are no longer observed. This pattern highlights a strong correlation between higher per capita income and the likelihood of residing in pucca houses, while lower incomes are associated with kutcha and mixed housing types.

Table 7 Availability of Electricity by Level of Per Capita Income

Electrified House	Per Capita Income (Rs.)				
	< 500	501 – 1,000	1,001 – 1,500	1,501 – 2,000	> 2,000
Electricity	23.53	48.39	50.00	66.67	75.00
No Electricity	76.47	51.61	50.00	33.33	25.00

Source: Field Survey, 2024

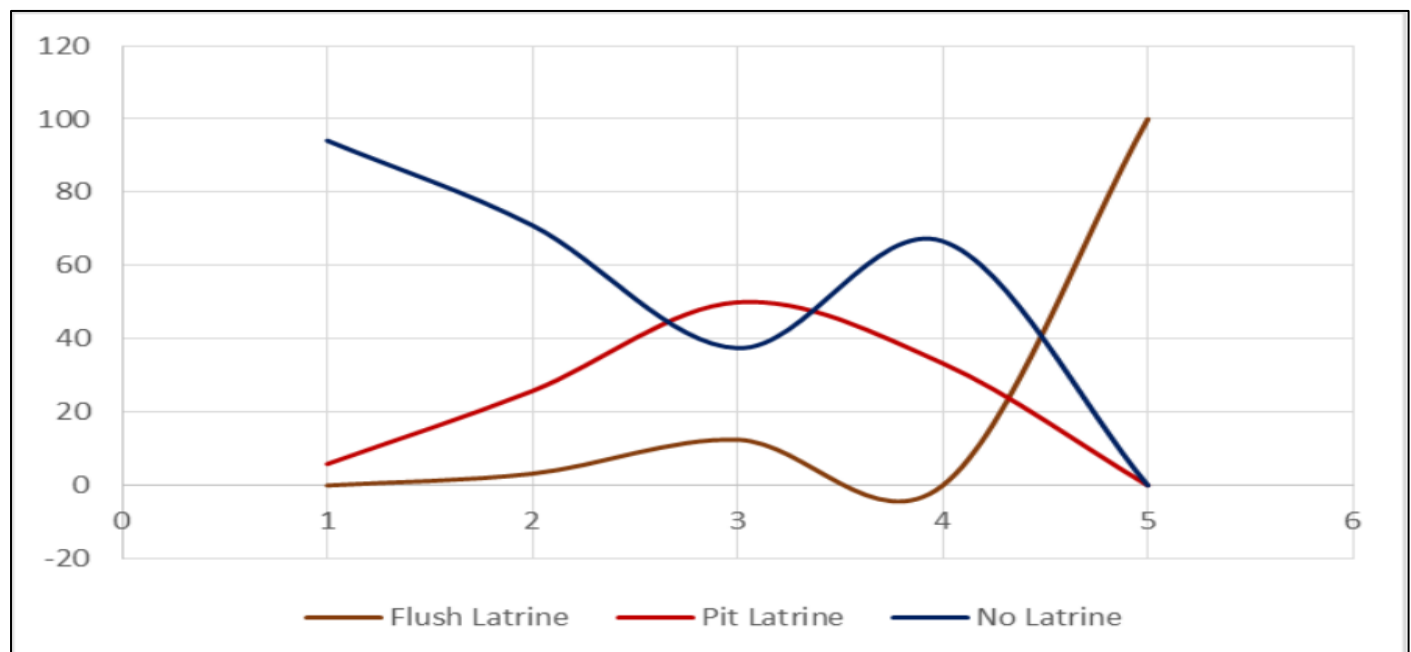


Fig 3 Availability of Electricity by Level of Per Capita Income

➤ *Interpretation:*

Table 7 illustrates the availability of electricity across different levels of per capita income. The data reveal a clear relationship between income levels and access to electricity. For households with a per capita income below Rs. 500, only 23.53% have access to electricity, while a substantial 76.47% lack it. In contrast, the situation improves significantly with rising income. Among households earning between Rs. 501 and Rs. 1,000 per capita, 48.39% have electricity, with 51.61% without. For those with a per capita income between Rs. 1,001 and Rs. 1,500, the percentage of households with

electricity increases to 50.00%, balancing with those without. As income further rises, the percentage of households with electricity reaches 66.67% for those earning between Rs. 1,501 and Rs. 2,000, and 75.00% for households with a per capita income exceeding Rs. 2,000. Conversely, the proportion of households without electricity decreases correspondingly. This trend highlights that higher income levels are positively correlated with better access to electricity, underscoring the impact of economic status on essential utility access.

Table 8 Saving by Level of Per Capita Income

Saving Status	Per Capita Income (Rs.)				
	< 500	501 – 1,000	1,001 – 1,500	1,501 – 2,000	> 2,000
Savings	5.88	12.90	50.00	100.00	100.00
Insurance	32.35	61.29	50.00	100.00	100.00

Source: Field Survey, 2024

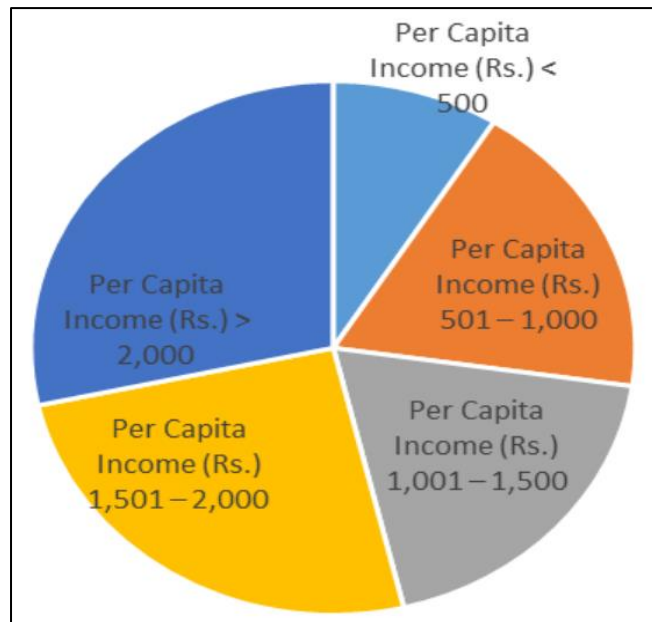


Fig 4 Saving by Level of Per Capita Income

➤ Interpretation:

Table-8 presents an analysis of saving and insurance status across different levels of per capita income. The data shows that as per capita income increases, both savings and insurance coverage improve significantly. For individuals with a per capita income of less than Rs. 500, only 5.88% report having savings, and 32.35% have insurance. This contrasts sharply with the higher income brackets. In the Rs. 501 – 1,000 range, the percentage of individuals with savings rises to 12.90%, and those with insurance increases to 61.29%. For individuals earning between Rs. 1,001 and Rs. 1,500, savings and insurance coverage both reach 50.00%. Notably, among those with a per capita income exceeding Rs. 2,000, savings and insurance coverage both attain 100%. This progressive increase underscores the positive relationship between income level and financial security, reflecting that higher income brackets are more likely to engage in saving and securing insurance.

IV. SUGGESTIONS

- Enhance educational opportunities in the region by establishing new primary and secondary schools.
- Identify individuals classified as Below Poverty Line (BPL) and issue BPL cards to ensure they receive additional government benefits.
- Offer primary healthcare services and raise health awareness among villagers.
- Extend electricity services to all households in the village.
- Implement job-oriented programs at the village level.

- Launch various employment initiatives aimed at the youth to alleviate unemployment.
- Provide small loans to villagers for initiating and running small-scale household industries.
- Introduce subsidy programs for various activities, particularly in agriculture, social services, and credit.
- Develop and implement schemes specifically designed to assist the impoverished members of the village.

V. CONCLUSION

The socio-economic status of the rural population is intrinsically linked to income levels, which are influenced by various factors including education, access to credit, and land ownership. Addressing the disparities in income levels requires a multifaceted approach, involving targeted policy interventions to improve education, financial inclusion, and land tenure security. Enhancing the socio-economic conditions in rural areas is essential for achieving broader national development goals and reducing rural-urban disparities.

The analysis clearly reveals that the overall socio-economic condition of the village population is poor. A significant portion, 44.8%, of the sample population earns less than Rs. 500 per month, while only 4.34% earn more than Rs. 2000. Individuals in lower income brackets primarily work in agriculture, rice mills, brick kilns, or as day laborers. Many of them lack basic amenities such as electricity, clean drinking water, and proper sanitation, which are more accessible to those with higher incomes. Despite a somewhat better quality of life for the higher-income group, the socio-economic status of the lower-income population remains precarious due to low literacy levels and insufficient income, leading to numerous social issues and environmental challenges.

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