

Inequality in the Distribution of Consumption Expenditure and Wealth among Social Groups in Kerala: A Comparative Analysis

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The growing economic inequality in Kerala remains the black spot within the silver lining of its achieved heights in the domain of development. The growing inequality in both consumption expenditure and wealth questions the process of sustainable development of the state since both these inequalities having negative leverage effects on social as well as human development. The present study estimated inequality in the distribution of both consumption and wealth among social groups in Kerala and compared it with the All India pattern using 50th, 61st & 68th Rounds of National Sample Survey Office (NSSO) unit level data on household consumption expenditure and All India Debt and Investment Survey (AIDIS) unit level data on asset holdings provided by NSSO, 70th Round Jan-Dec, 2013. The study found that marginalised groups in the social hierarchy remain the worst suffering one due to the upsurge in inequality in the state and there is little inclusiveness found in the distribution of consumption expenditure and wealth. Compared to inequality in consumption expenditure, inequality in wealth was found higher among all social groups which become a challenge to the future development especially for the deprived groups. The decomposition analysis shows that compared to 'between the group' inequality, the 'within the group' inequality contributed the highest proportion to total inequality in both the cases of consumption expenditure and wealth. This warrants the need for considering the heterogeneous character of each social group in policy formulations rather than taking each social group as a solid homogeneous one.

I Introduction

The development of an economy in modern parlance is not an uni-dimensional concept but a multidimensional one eliciting the progress of human lives. As 'development' entails multifaceted dimensions, each and every dimension of it is debated with concurrent issues like inequality, poverty, deprivation, unemployment etc. of which, 'inequality' assumes larger domain in the

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