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## Suicides in India: The Economics at Work

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### Abstract

*Suicides in India have been rising steadily over the last couple of decades. The number of suicides committed on economic grounds has more than doubled between 1991 and 2009. This paper studies the pattern of suicides in 10 states reporting highest suicides for the year 2009 and analyses the economic factors behind these suicides. The paper finds that bankruptcy or sharp changes in economic status, along with poverty, are major factors driving suicides in India's relatively prosperous states, while property disputes, career problems and unemployment are doing so in the relatively poorer states. The paper argues that economic prosperity in India has not necessarily resulted in economic security. Suicides on economic grounds might increase unless India is able to develop effective social security mechanisms for tackling economic hardships.*

### Introduction

In a country of more than 1.2 billion people, suicides do not create much stir as a socio-economic phenomenon, unless they are associated with somewhat sensational features. According to the latest statistics provided by the National Crime Records Bureau, suicides claimed 127,151 lives

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in India in 2009, which is merely 0.01 per cent of the total population. However, they show considerable increase from 78,450 and 108,593 reported suicides in 1991 and 2000 respectively. The fact that more people are taking their lives in India indicates that there are strong factors at work precipitating suicides.

Official statistics group suicides in India into several categories according to their determinants. These can be broadly divided into two groups: economic and non-economic factors. Economic factors include bankruptcy or sudden change in economic status, poverty, property disputes, professional/career problems and unemployment. Non-economic factors driving suicides include illnesses and drug abuse and also emotionally disturbing causes such as unsuccessful personal relationships, death of near and dear ones or failure in examinations triggering destructive emotional shocks.

This paper attempts to study the economic factors behind suicides in India. Farmer suicides in various parts of India caused by financial indebtedness have drawn considerable public attention in recent years. But what is relatively less noticed and discussed is the overall large number of people taking their lives due to a variety of diverse economic factors. This is reflected in the number of suicides on economic grounds having more than doubled from 5,627 in 1991 to 11,228 in 2009.<sup>2</sup> The actual number of suicides might well be more given that several suicides are unreported and not captured by official statistics.

Clearly, suicides in India precipitated by economic factors are not confined to farmers alone, but have a more broad-based dimension. This paper aims to study some of these dimensions by analysing the pattern of suicides on economic grounds in the top ten states reporting suicides in India.

## **State Scenario**

During the year 2009, West Bengal reported the largest number of suicides followed by Andhra Pradesh, Tamil Nadu, Maharashtra, Karnataka and Madhya Pradesh (Table 1).

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<sup>2</sup> Authors' own calculations based on data from the National Crime Records Bureau. *Accidental Deaths and Suicides in India, 2009*, <http://ncrb.nic.in/CD-ADSI2009/suicides-09.pdf>. Accessed on 23 May 2011.

**Table 1: Highest Suicide States in India**

Rank	State	2009	Percentage Share of Total
1	West Bengal	14,648	11.5
2	Andhra Pradesh	14,500	11.4
3	Tamil Nadu	14,424	11.3
4	Maharashtra	14,300	11.2
5	Karnataka	12,195	9.6
6	Madhya Pradesh	9,113	7.2
7	Kerala	8,755	6.9
8	Gujarat	6,156	4.8
9	Chhattisgarh	5,883	4.6
10	Rajasthan	5,065	4.0

**Source: The National Crime Records Bureau of India;**  
**Retrieved from <http://ncrb.nic.in/CD-ADSI2009/TABLES.htm>**

It is noticeable that the top ten suicide states in India include Andhra Pradesh, Tamil Nadu, Maharashtra, Karnataka and Gujarat, which are among the well-off and economically advanced states of the country. These five states and Kerala – another top suicide state – have per capita incomes higher than the national average.<sup>3</sup> Between them, these six states reported more than 55 per cent of India’s suicides in 2009. Though this might tempt one to conclude that more suicides in India take place in the richer states, it may not be entirely so. There are examples of higher than national average per capita incomes states such as Haryana, Punjab and Uttarakhand, which do not figure among top suicide states. Leaving aside these six states, the remaining four among the top ten states – West Bengal, Madhya Pradesh, Chhattisgarh and Rajasthan – have per capita incomes lower than the national average and are relatively poorer states. High suicides in these states (a combined proportion of 27 per cent of total suicides in the year) indicate that some of the relatively poor states are afflicted by the problem as well.

From an analytical perspective, the top ten suicide states of India can be divided into two broad economic groups: ‘more developed’ (Andhra Pradesh, Gujarat, Karnataka, Kerala, Maharashtra, Tamil Nadu) and ‘less developed’ (Chhattisgarh, Madhya Pradesh, Rajasthan, West Bengal). For a better understanding of economic factors driving suicides in both categories, it is important to examine the incidence of suicides occurring in each of the states according to the individual

<sup>3</sup> National average for the year 2009-10 was reportedly Rs. 46,492. Data from Per capita Net State Domestic Product and Per capita Net National Product at Current Prices (as on 15 May 2011). Directorate of Economics Statistics of respective State Governments, and Central Statistical Organisation, [http://planningcommission.nic.in/data/datatable/1705/final\\_96.pdf](http://planningcommission.nic.in/data/datatable/1705/final_96.pdf). Accessed on 30 May 2011.

factors driving these suicides. This is shown in Table 2. Similarly, Table 3 provides a break-up of state-wise suicides according to the profession of the individuals (eg. service, unemployed, self-employed, etc.).

**Table 2: Share of States in Suicides due to Economic Causes**

State	Causes				
	Bankruptcy/ Sudden Change in Economic Status	Poverty	Professional/ Career Problem	Property Dispute	Unemployment
Andhra Pradesh	28.1	50.7	8.9	9.6	10.4
Tamil Nadu	4.5	10.6	7.2	5.6	15.1
Maharashtra	24.2	10.2	21.3	4.4	12.7
Karnataka	7.7	8.3	1.9	3.4	4.9
Kerala	17.9	0.0	4.9	2.4	0.8
Gujarat	5.7	4.6	6.3	1.6	11.9
<b>High-Income States</b>	<b>88.0</b>	<b>84.3</b>	<b>50.6</b>	<b>27.0</b>	<b>55.9</b>
West Bengal	2.8	1.5	19.8	23.2	17.3
Madhya Pradesh	2.5	2.7	9.9	7.3	6.8
Chhattisgarh	0.9	0.2	2.4	1.2	0.8
Rajasthan	1.3	0.4	4.0	9.5	0.9
<b>Low-Income States</b>	<b>7.5</b>	<b>4.8</b>	<b>36.1</b>	<b>41.2</b>	<b>25.8</b>
<b>Total (of 10 states)</b>	<b>95.5</b>	<b>89.1</b>	<b>86.7</b>	<b>68.2</b>	<b>81.7</b>

**Source:** The National Crime Records Bureau of India;  
Retrieved from <http://ncrb.nic.in/CD-ADSI2009/TABLES.htm>.

**Note:** Shares represent the proportion of suicides occurring in a particular state due to a particular cause as a percentage of total suicides attributable to that cause.

Andhra shows the largest number of suicides among the developed and economically better-off states of India. The two largest economic determinants of suicides in Andhra are bankruptcy or sudden change in economic status and poverty. The state accounts for 28 per cent of the total suicides in the country due to bankruptcy and 51 per cent of suicides forced by poverty. This is similar to factors at work in Maharashtra, where in addition to bankruptcy, professional/career problems and unemployment appear to be major economic drivers of suicides. Unemployment and poverty appear dominant factors in Tamil Nadu, as do they in Karnataka where bankruptcy also appears to be influencing suicides. It is interesting to note that Kerala does not account for

any of the national suicides driven by poverty, but rather is responsible for a large chunk of suicides caused by bankruptcy. Indeed, it is the second largest state accounting for self-deaths caused by bankruptcy. Finally, Gujarat appears to have been affected more by unemployment and career problems than poverty.

Looking at the four relatively economically laggard states, West Bengal shows a strikingly high incidence of suicides driven by property disputes, followed by career problems and unemployment. Property disputes are significant drivers of suicides in Rajasthan and Madhya Pradesh as well. Madhya Pradesh has been affected by unemployment and career problems as well. Chhattisgarh shows a fairly large incidence of suicides arising from career problems too.

**Table 3: Share of States in Suicides Categorised by Profession**

State	Profession					
	Service (Private)	Unemployed	Self-Employed (Business Activity)	Self-Employed (Professional Activity)	Self-Employed (Farming / Agriculture)	Self-Employed (Others)
Andhra Pradesh	11.6	7.5	17.5	13.7	14.1	12.0
Tamil Nadu	16.7	20.9	10.8	9.2	6.2	11.1
Maharashtra	16.7	9.2	5.4	17.7	16.7	12.7
Karnataka	8.2	5.6	8.6	4.3	13.3	12.5
Kerala	4.2	8.4	7.8	6.4	5.2	7.7
Gujarat	6.1	6.1	4.4	15.5	3.4	3.3
<b>High-Income States</b>	<b>63.5</b>	<b>57.7</b>	<b>54.6</b>	<b>66.8</b>	<b>58.9</b>	<b>59.4</b>
West Bengal	7.9	14.2	17.4	5.8	6.1	9.3
Madhya Pradesh	6.1	3.4	7.8	10.5	8.1	4.8
Chhattisgarh	2.8	5.1	1.4	3.8	10.5	4.0
Rajasthan	5.2	1.6	3.7	1.5	5.0	4.8
<b>Low-Income States</b>	<b>22.0</b>	<b>24.4</b>	<b>30.3</b>	<b>21.6</b>	<b>29.7</b>	<b>22.8</b>
<b>Total (of 10 states)</b>	<b>85.5</b>	<b>82.1</b>	<b>84.9</b>	<b>88.4</b>	<b>88.6</b>	<b>82.2</b>

**Source:** The National Crime Records Bureau of India;  
Retrieved from <http://ncrb.nic.in/CD-ADSI2009/TABLES.ht>

**Note:** Shares represent the proportion of suicides occurring in a particular state by those of a particular profession as a percentage of total suicides attributable to that profession.

The official data on state-wise suicides also helps in looking at the professions of people committing suicides. Six broad categories can be arrived at in this regard: service (private), self-employed (business activity), self-employed (professional activity), self-employed (farming/agriculture), self-employed (others) and unemployed. The first category refers to the salaried in private sector. The next four covers various categories of self-employed including farmers, and the last one considers the unemployed.

Among the richer states, Andhra reflects the largest number of suicides for the self-employed in business and farming. While incidents of farmers' suicides in Andhra are well known, it is surprising to note that the state accounts for 17.5 per cent of national suicides attributable to the self-employed in business. The self-employed in farming also account for significant suicides in Maharashtra, where the proportions of self-employed (business) and service (private) suicides are also noticeably high. Tamil Nadu does not account for as many suicides from the self-employed professionals as Andhra and Maharashtra. The unemployed are found taking their lives the most in Tamil Nadu with the state accounting for more than 20 per cent of unemployed suicides in the country. Tamil Nadu also has one of the largest incidences of suicides from service (private). Both self-employed (farming) and self-employed (other) suicides are high in Karnataka and much less in Kerala and Gujarat. Unemployed suicides account for most of Kerala's suicides while Gujarat appears to be considerably affected by suicides by self-employed (professional).

West Bengal – among the economically relatively poorer states – has largest share of suicides from the self-employed (business), followed by the unemployed. Farmers' suicides, surprisingly, are not the dominant profession among suicides in poorer states except in Chhattisgarh and partly in Rajasthan. Incidence of the self-employed (business) taking their own lives is fairly high in Madhya Pradesh, while service (private) suicides are significant in Rajasthan.

### **Digging Deeper**

A study of the economic factors and professions driving suicides in 10 of India's major states throw some light on the nature of issues precipitating suicides. In this respect, there are some distinctions between factors at work in the relatively high-income and low-income states.

The top six high-income states account for 68.5 per cent of total suicides in India attributable to economic factors. The most significant economic drivers of suicides in these states are bankruptcy/sudden change in economic status and poverty with the six states discussed in this paper accounting for 88 per cent and 84.3 per cent of the bankruptcy and poverty-driven suicides in the country (Table 2). They also account for 55.9 per cent of suicides arising from

unemployment and around half of suicides caused by professional/career problems. On the other hand, property dispute is a much less significant cause for suicides in these states. It is an important cause behind suicides in the lower-income states mentioned in this paper, where career problems and unemployment, also lead to loss of several lives. Between themselves, the four low-income, high suicide states discussed in the paper account for 18.1 per cent of total suicides attributable to economic reasons. Career problems and unemployment appear to be common causes influencing suicides in both high and low-income states in the country.

The suicides data does not give information on victims from which profession committed suicides on what grounds. For example, it is not possible to know how many people committing suicides from the self-employed (farming) profession did so due to bankruptcy. Nonetheless, observations drawn from individual analysis of economic factors driving suicides in the top 10 states, and the professions of suicide victims, does help in reaching at some broad conclusions.

There is little doubt that India's relatively richer states account for a considerable part of suicides driven by economic factors, particularly bankruptcy and poverty. However, while these states show fairly high suicide tendencies among all professions, they are particularly high on suicides from self-employed (professionals and business) and service (private). These trends probably indicate high incidences of bankruptcy or sharp change in economic status among the self-employed (professionals and business) and service professions precipitating suicides. For example, a common factor influencing suicides particularly in urban areas could be inability to service high-cost debts due to sudden loss of income from equity market.

The high share of these six states in suicides committed out of poverty is primarily due to large contribution from Andhra, which accounts for more than 50 per cent of such suicides. The shares are around 10 per cent or little less for Tamil Nadu, Maharashtra and Karnataka. Gujarat shows much less suicides from poverty, while Kerala has none. But states like Andhra in particular, and Tamil Nadu, Maharashtra and Karnataka to some extent, are probably facing circumstances where the poor are being driven to suicides more than elsewhere in the country. These are also the states where suicides by self-employed (farmers) are fairly high underlining the distinct possibility of poor farmers being driven to suicides in situations where income poverty is reinforced by bankruptcy.

The four low-income states reported in this paper account for roughly 18 per cent of total suicides attributable to economic factors. As pointed out earlier, bankruptcy or poverty are less critical factors in influencing suicides in these states. Property disputes, unemployment and career-related problems are the more precipitating causes affecting the self-employed in business and farming and obviously the unemployed. While unemployment and career-related difficulties are expected features of states like West Bengal and Madhya Pradesh, where shallow industrial

bases and subdued economic activity have constrained job opportunities and career prospects, property disputes, and the high number suicides resulting from such disputes, are rather surprising findings. Other than Chhattisgarh, property disputes are noticed to be prime movers behind suicides in West Bengal, and also in Madhya Pradesh and Rajasthan. The importance of the factor can probably be explained by highlighting the significance of property as an income-generating asset in these states, where opportunities of earning income from other sources are much limited. Lack of economic opportunities forces households to rely on property as the sole source of wealth. But the limitation also increases individual claims on property, often between members belonging to same households, forcing disputes that stretch over long periods in time, resulting in emotional frustrations and economic hardships arising from costs of litigation leading to desperate decisions like taking one's life. Matters are not helped by poor systems of maintaining property rights and title deeds, which only accentuate hardships.

### **Grim and Gloomy**

Suicides in India prompted by economic factors are clearly increasing as is evident from the doubling of such suicides during 1991-2009. This is perhaps inevitable in a country struggling to come to grips with sweeping changes unleashed in an economy saddled with institutions and social systems ill-equipped to handle such changes. While factors determining suicides are often specific to individual instances and typical of the location and time where they occur, some broad trends cannot be overlooked. India's prosperous states have not been able to develop mechanisms for safeguarding economic distresses arising from rising occasions of bankruptcy. Much of these occasions are probably related to inability of individuals to remain financially solvent for servicing loans or mortgages. This applies to both rural and urban individuals. While rural suicide victims might be falling prey to vicious loan cycles set off by high interest micro-finance schemes and the lack of alternative financing, urban victims are more prone to illusions of more prosperous lives gathered from sudden windfall gains made in equity markets. It is worth noting that the reference period for analysis in this paper was the year 2009, when markets in India crashed after the global recession leading to large contractions in wealth and economic surpluses of several households and families relying on market-based savings instruments for not only subsistence earnings, but also rising gains. In addition to abrupt changes in economic status, which such dependence can create, it is obvious that there is no state-supported mechanism in terms of social security that can help individuals and households in such precarious conditions. Thus the crisis and the resultant financial distress and its adverse implications might have influenced the suicide statistics for the year.

Unless Indian states devote more attention to social security provisions, economic factors might claim more lives in India through rising incidence of suicides. The economic factors discussed in

this paper are closely connected. Bankruptcy enhances poverty, which, from a different perspective, is always reinforced by unemployment and endless costs of lingering property disputes. The rising suicides are clear indication of India's economic prosperity not necessarily generating economic security.

With the different states showing different trends in suicides, a more rigorous study of the suicide trends in each of the states reporting high suicide numbers is required before any of the hypotheses mentioned in the paper can be verified. However, there is enough evidence to highlight that these trends would require a better set of development initiatives that would focus on the need to spread economic progress more broadly and improve rural infrastructure through policy measures. Suicides due to economic determinants in India, and not just farmer suicides, require both attention, as well as policy changes.

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