

3

POVERTY AS A CHALLENGE

CONCEPTS

- **Who are poor?** In our daily life we come across many poor people such as landless labourers in villages, people living in *jhuggis*, daily wage workers at construction sites, child labourers in *dhabas*, rickshaw-pullers, domestic servants, cobblers, beggars, etc.
- **Meaning of Poverty :** Usually the levels of income and consumption are used to define poverty. In India, poverty has been defined as a situation in which a person fails to earn income sufficient to buy him bare means of subsistence.
- **Other Indicators of Poverty :** Now poverty is looked through other indicators like illiteracy level, lack of access to health care, lack of job opportunities, lack of access to safe drinking water, sanitation, etc. Nowadays, the **concept of social exclusion** is becoming very common in the analysis of poverty.
- **Estimates of Poverty :** The incidence of poverty in India was around 55 per cent in 1973 which declined to 36 per cent in 1993 and further to 26 per cent in 2000.
Social groups which are most vulnerable to poverty are Scheduled Caste and Scheduled Tribe households.
- **Inequality of Incomes within a Family :** In poor families, old people, women and female children are denied equal access to family's available resources. They are *the poorest of the poor*.
- **Inter-State Disparities :** The proportion of poor people is not the same in every state. In 20 states and union territories the poverty ratio is less than the national average. Orissa and Bihar are the poorest states of India with poverty ratios of 47 per cent and 43 per cent respectively. Lowest incidence of poverty is found in Jammu and Kashmir with poverty ratio of just 3.5 per cent.
- **Global Poverty Scenario :** There has been substantial decline in global poverty. However, it is marked with great regional differences. Poverty has declined more in China and South-East Asian countries.
- **Causes of Poverty :** There are a number of causes for the widespread poverty in India. These are :
 1. **Rapid growth of population**, particularly among the poor is considered a major cause of Indian poverty.
 2. **Our agricultural sector has failed** to generate much employment opportunities for the farm labourers. Similarly, our industries could not provide much job for the job seekers.
 3. One of the major causes of poverty is the **unequal distribution of land** and other resources. Various land reform measures introduced after Independence could not improve the life of millions of rural poor because of their poor implementation.
 4. **Social factors :** People in India, including the very poor, spend a lot of money on social occasions like marriages, festivals, etc. Poor people hardly have any savings; they are, thus forced to borrow. Unable to pay because of poverty, they became victims of indebtedness.

Joint family system has prevented people from doing hard work.

- **Steps taken by the Government for Poverty Alleviation**

Our government's strategy to poverty reduction has been twofold. *One*, promotion of economic growth and, *two*, targeted poverty alleviation programmes.

Poverty Alleviation Programmes : To address the poor, a need for targeted anti-poverty programmes was strongly felt.

Some of them are given below :

1. **Prime Minister Rojgar Yojana (PMRY) :** The aim of this programme (which was started in 1993) was to create self-employment opportunities for educated unemployed youth in rural areas and small towns.
2. **Rural Employment Generation Programme (REGP) :** REGP was launched in 1995 to create self-employment opportunities in rural areas.
3. **Swarna Jayanti Gram Swarojgar Yojana (SGSY) :** SGSY was started in 1999. The programme aims at bringing the assisted poor families above the poverty line.
4. **Pradhan Mantri Gramodaya Yojana (PMGY) was launched in 2000.**
5. **Antyodaya Anna Yojana (AAY) for 'the poorest of poors' and elders.**
6. **National Food for Work Programme (NFWP) was launched in 2004.**
7. **National Rural Employment Guarantee Act (NREGA) was passed in September 2005.** The Act provides 100-days assured employment every year to every rural household in 200 districts.

- **The Challenges Ahead**

Though poverty has declined in India, poverty reduction remains India's most compelling challenge. We will have to do something special to fight against wide regional disparities. We must broaden the definition of poverty from '*a minimum subsistence level of living to a reasonable level of living*'. Bigger challenges before us are : providing health care, education and job security for all the achieving gender equality.

I. SUMMATIVE ASSESSMENT

A. NCERT TEXTBOOK QUESTIONS

Questions within the Lesson

Q.1. Discuss the following :

- (a) Why do different countries use different poverty lines?
- (b) What do you think would be the "minimum necessary level" in your locality?

Ans. (a) Basic needs in different countries are different. Therefore, different countries use different poverty lines.

- (b) The minimum necessary level should not only include food requirements but also include medical and educational requirements.

Q.2. Observe some of the poor families around you and try to find the following :

- (a) Which social and economic group do they belong to?
- (b) Who are the earning members in the family?

- (c) What is the condition of the old people in the family?
- (d) Are all the children (boys and girls) attending schools?

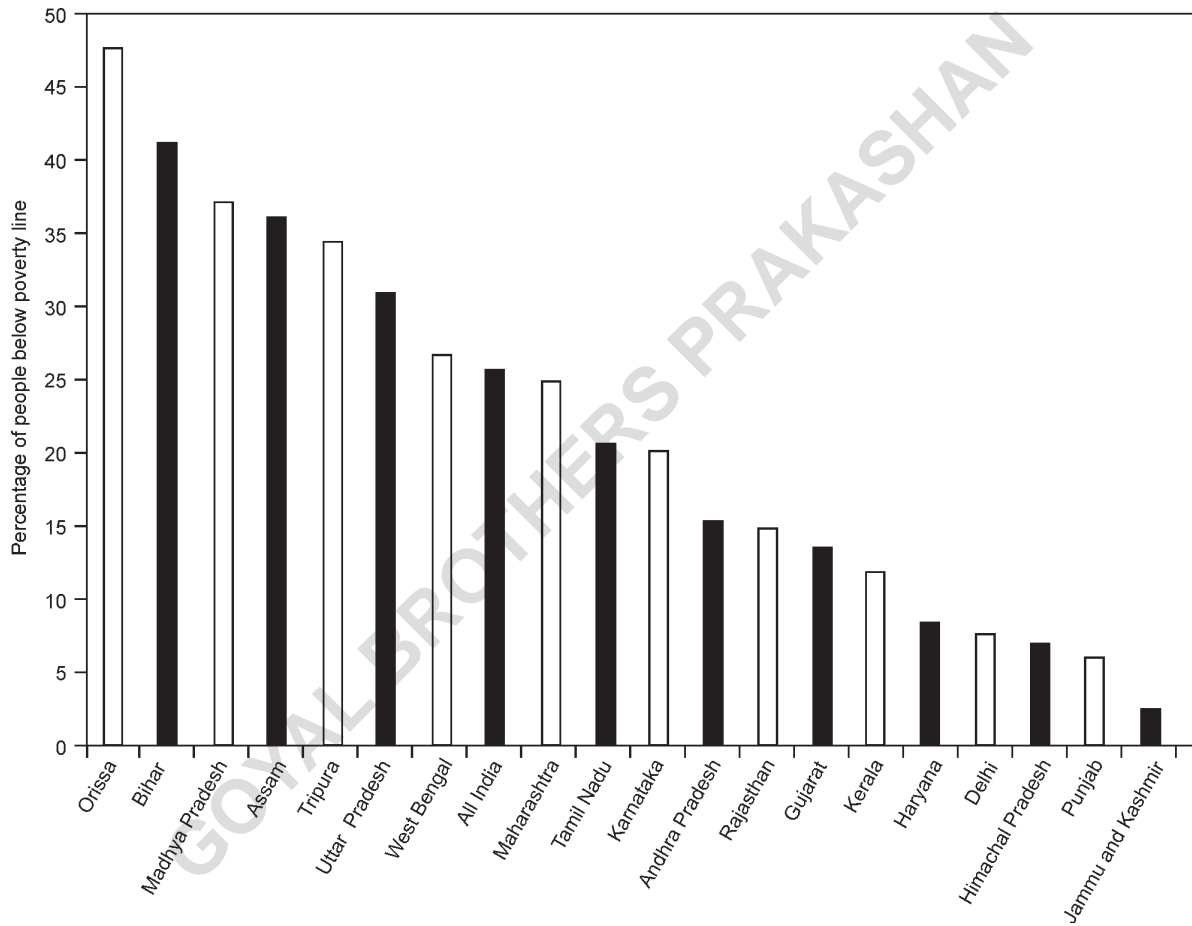
Ans. (a) They are Scheduled Caste people and are agricultural labourer households.

(b) Both men and women work as agricultural workers.

(c) They are 'the poorest of the poor.'

(d) Some of the boys are attending schools while most of the girls are denied educational opportunities.

Q.3. Graph 3.2 Poverty Ratio in Selected Indian States, 1999-2000.



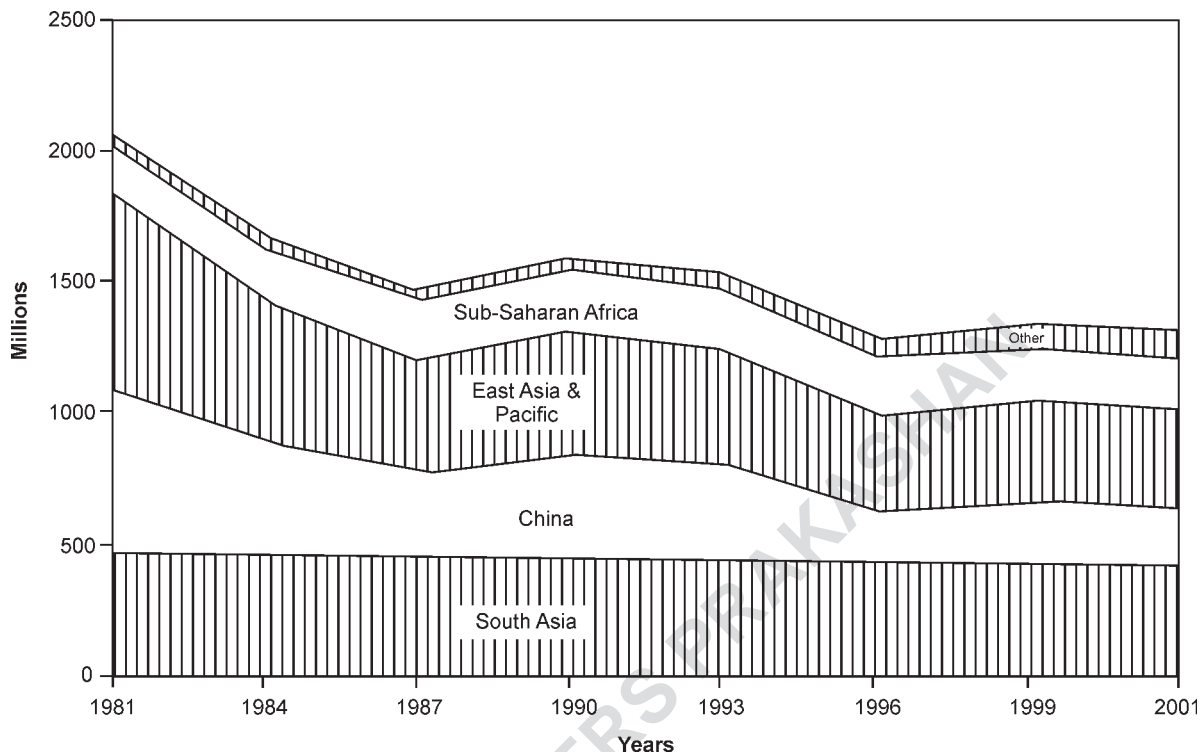
Study the Graph 3.2 and do the following :

- (a) Identify the three states where the poverty ratio is the highest.
- (b) Identify the three states where poverty ratio is the lowest.

Ans. (a) (i) Orissa, (ii) Bihar and (iii) Madhya Pradesh.

- (b) (i) Jammu and Kashmir,
- (ii) Punjab and
- (iii) Haryana.

Q.4. Graph 3.4 Poverty Ratio in Selected Indian States, 1999-2000



Study the Graph 3.4 and do the following :

- Identify the areas of the world, where poverty ratios have declined.
- Identify the area of the globe which has the largest concentration of the poor.

Ans. (a) Poverty has substantially fallen in China.

(b) Asia and Sub-Saharan Africa.

Q.5. (a) Some people say that the Bengal famine happened because there was a shortage of rice. Study the table and find out whether you agree with the statement?

(b) Which year shows a drastic decline in food availability?

Ans. (a) Yes, total food availability in the famine year (1943) was 79 which was less than that in 1942.

(b) The year 1941.

QUESTIONS IN THE EXERCISE

Q.1. Describe how the poverty line is estimated in India.

Ans. Estimation of Poverty Line in India : In India, poverty has been defined as a situation in which a person fails to earn income sufficient to buy him bare means of subsistence. Bare means of subsistence consist of minimum physical quantities of cereals, pulses, milk, butter, etc. Thus the measurement of poverty line is based on the income or consumption levels.

While determining the poverty line, the Planning Commission has fixed the minimum nutritional level of food energy at 2400 kilo calories per person per day for rural areas and 2100 kilo calories per person per day for urban areas. Those persons whose consumption levels falls below this minimum level are considered poor.

Poverty line has also been determined on the basis of consumption expenditure. This again has been separately fixed for rural and urban areas. The level of consumption expenditure per person per month has been fixed at Rs 328 and Rs 454 for rural and urban areas separately. Those persons whose monthly consumption expenditure falls short of this level are treated as poor.

Q.2. Do you think that the present methodology of poverty estimation is appropriate?

Ans. The official definition of poverty line is not appropriate, as it is based on the minimum subsistence level of living rather than a reasonable level of living. It is suggested that the concept of poverty must be broadened so as to include other indicators such as basic education, health, drinking water, sanitation, etc. A large number of people may have been able to feed themselves. But they do not have education, health care, job security, gender equality, etc. Therefore, a proper definition of poverty should not only be given in terms of income level but should be based on their factors also.

Q.3. Describe poverty trends in India since 1973.

Ans. Poverty Trends in India : The Planning Commission of India has made estimations about the incidence of poverty since the early 1970s. These estimates are given in the following table :

Table 3.1 : Estimates of Poverty in India

Year	Poverty ratio (%)			Number of poor (in millions)		
	Rural	Urban	Combined	Rural	Urban	Combined
1973-74	56.4	49.0	54.9	261	60	321
1993-94	37.3	32.4	36.0	244	76	320
1999-00	27.1	23.6	26.1	193	67	260

Source : Economic Survey 2002-03, Ministry of Finance, Government of India.

Table 3.1 shows that there is a substantial decline in the poverty ratio in India from about 55 per cent in 1973 to 36 per cent in 1993. This ratio has further come down to about 26 per cent in 2000. Although the poverty ratio during 1973-93 declined but the number of poor remained stable at around 320 million during this period of two decades. It may also be noted that poverty ratio always remained higher in rural areas compared to urban areas.

Q.4. Discuss the major reasons for poverty in India.

Ans. Major Reasons for Poverty in India : The major causes/factors responsible for existence of poverty in India are discussed below :

- (1) **Fast Population Growth Among the Poor :** The rapid growth of population, particularly among the poor, is considered one of the major causes behind Indian poverty. Poor people are illiterate and have traditional outlook. Hence, they are either ignorant of birth control measures or not convinced of the need of birth control. Moreover, they consider male child as an asset, that is, as a source of income and a source of security during old age.
- (2) **Low Rate of Economic Development :** The actual rate of growth in India has always been below the required level. It has been around 4 per cent since 1951. This has resulted in less job opportunities. This was accompanied by a high growth rate of population. These two combined kept the growth rate of per capita income very low. The failure at

both fronts — promotion of economic growth and population control — aggravated the problem of poverty.

- (3) **Unemployment** : Another important factor that can be held responsible for the incidence of high poverty in India is the high degree of unemployment and underemployment. The job seekers are increasing at a higher rate than the increase in the employment opportunities.
- (4) **Unequal Distribution of Income** : Although national income of India has been increasing since 1951, it was not properly distributed among different sections of the society. A large proportion of increased income has been pocketed by a few rich. They become richer. Consequently, the majority of people have to live below the poverty line.
- (5) **Social Factors** : Various social factors, viz., caste system, joint family system, religious faiths, law of inheritance, etc., have blocked the path of economic development. For example, because of religious beliefs, people regard poverty as God given. Similarly, joint family system has prevented people from doing hard work and made them dependent.

Q.5. Identify the social and economic groups which are most vulnerable to poverty.

Ans. Social Groups Vulnerable to Poverty :

- (i) Scheduled caste households
- (ii) Scheduled tribe households

Economic Groups Vulnerable to Poverty :

- (i) Rural agricultural labour households
- (ii) Urban casual labour households.

Q.6. Give an account of inter-state disparities in poverty in India.

Ans. Inter-state Disparities in Poverty

There are wide disparities in poverty across the country. The poverty ratio is not the same in every state. Recent estimates show that in 20 states and union territories, the poverty ratio is less than the national average. Orissa and Bihar continue to be the two poorest states with poverty ratios of 47 and 43 per cent respectively. In comparison, there has been a significant fall in poverty ratio in the states of Kerala, Jammu and Kashmir, Andhra Pradesh, Tamil Nadu, Gujarat and West Bengal. States like Punjab and Haryana have continuously succeeded in reducing their poverty ratio to 6.16 per cent and 8.7 per cent respectively. The lowest incidence of poverty is found in Jammu and Kashmir with a poverty ratio of 3.5 per cent.

Q.7. Describe global poverty trends.

Ans. Global Poverty Trends : The proportion of people in developing countries living in poverty has declined from 28 per cent in 1990 to 21 per cent in 2001. Although there has been a substantial reduction in global poverty, there are great regional differences visible. Poverty has substantially fallen in China and South-East Asian countries. The number of poor in China has drastically come down from 606 million in 1981 to 212 million in 2001. But the decline in poverty in India, Pakistan, Sri Lanka, Nepal, Bangladesh, Bhutan has not been so rapid. Despite decline in the poverty ratio, the number of poor has declined marginally from 475 million in 1981 to 428 million in 2001. However, in Sub-Saharan Africa, poverty rose from 41 per cent to 46 per cent during the same period.

Q.8. Describe the current government strategy of poverty alleviation.

Ans. Government Strategy Towards Poverty Alleviation :-

The current government strategy towards poverty alleviation has broadly been two-dimensional : (1) Promotion of economic growth and, (2) Anti-poverty programmes.

1. **Economic Growth** : To fight against poverty our government laid emphasis on promotion of economic growth. This strategy is based on the belief that the benefits of economic growth would automatically ‘trickle down’ to the poor people in form of more employment and more income.
2. **Anti-Poverty Programmes** : With a view to launch a direct attack on poverty, our government formulated several schemes to benefit the poor. Important among them are :
 1. Prime Minister Rojgar Yojana
 2. Swarna Jayanti Gram Swarajgar Yojana
 3. Pradhan Mantri Gramodaya Yojana
 4. Sampoorna Grameen Rojgar Yojana
 5. National Rural Employment Guarantee Act

Through the programmes, the government has tried to help the poor by way of income generation, wage employment and asset building. However, the results of these programmes have not been so satisfactory as were desired.

Q.9. Answer the following questions briefly :

- (i) What do you understand by human poverty?
- (ii) Who are the poorest of the poor?
- (iii) What are the main features of the National Rural Employment Guarantee Act, 2005?

Ans. (i) Human Poverty : Human poverty is a wider concept than poverty. It refers to the lack of human development. It reflects the state of deprivation in the society. It is measured in Human Development Index and Human Poverty Index.

(ii) **The Poorest of the Poor** : People from poor families like old people, women and female infants are the poorest of the poor. These people are denied equal access to resources available to the family.

(iii) **Main Features of National Rural Employment Guarantee Act, 2005**

- (i) NREGA provides 100 days assured employment every year to every rural household in 200 districts. Later, the scheme will be extended to 600 districts. One-third of the proposed jobs would be reserved for women.
- (ii) The central government will establish a National Employment Guarantee Fund. Similarly, state governments will establish State Employment Guarantee Funds for the implementation of the scheme.

B. MULTIPLE CHOICE QUESTIONS (1 MARK)

Q.1. Every _____ person in India is poor.

- (a) third (b) fourth (c) fifth (d) sixth

Ans. (b)

Q.2. Vulnerability to poverty is determined by the options for finding an alternative living in terms of

- (a) assets (b) education (c) health (d) all the above

Ans. (d)

Q.3. Social exclusion denies certain individuals the

- (a) facilities (b) benefits (c) opportunities (d) all the above

Ans. (d)

Q.4. How many people in India live below the poverty line?

- (a) 30 crores (b) 26 crores (c) 28 crores (d) 24 crores

Ans. (b)

Q.5. Which organisation carries out survey for determining the poverty line?

- (a) NSSO (b) CSO (c) Planning Commission (d) None of the above

Ans. (a)

Q.6. Which social group is most vulnerable to poverty in India?

- (a) Scheduled castes (b) Scheduled tribes (c) Casual labourers (d) All the above

Ans. (d)

Q.7. Which two states of India continue to be the poorest states?

- (a) Madhya Pradesh, Jammu & Kashmir (b) Uttar Pradesh, Uttarakhand
(c) Orissa, Bihar (d) None of the above

Ans. (c)

Q.8. Poverty line in rural areas is (As per 1999 – 2000 prices)

- (a) Rs 328 (b) Rs. 370 (c) Rs 454 (d) Rs. 460

Ans. (a)

Q.9. Who are the poorest of the poor?

- (a) Women (b) Old people (c) Children (d) All the above

Ans. (d)

Q.10. What is the poverty ratio in the state of Orissa?

- (a) 50% (b) 47% (c) 60% (d) 57%

Ans. (b)

Q.11. In which state has the high agricultural growth helped to reduce poverty?

- (a) Jammu & Kashmir (b) West Bengal (c) Punjab (d) Gujarat

Ans. (c)

Q.12. In which state have the land reform measures helped to reduce poverty?

- (a) Tamil Nadu (b) Punjab (c) West Bengal (d) Kerala

Ans. (c)

Q.13. Which state has focused more on human resource development?

- (a) Gujarat (b) Madhya Pradesh (c) Maharashtra (d) Kerala

Ans. (d)

Q.14. In which state is the public distribution system responsible for the reduction in poverty?

- (a) Andhra Pradesh (b) Tamil Nadu (c) Both (a) and (b) (d) None of the above

Ans. (c)

Q.15. What is the main cause of poverty in India?

- (a) High income inequalities (b) Less job opportunities
(c) High growth in population (d) All the above

Ans. (d)

Q.16. Which of the following is responsible for high poverty rates?

- (a) Huge income inequalities (b) Unequal distribution of land
(c) Lack of effective implementation of land reforms
(d) All the above

Ans. (d)

Q.17. In rural areas, which of the following are not poor?

- (a) Landless agricultural workers (b) Backward classes
(c) Rural artisans (d) Medium farmers

Ans. (d)

Q.18. Nutritional level of food energy is expressed in the form of

- (a) calories per day (b) wheat consumption
(c) rice consumption per day (d) none of the above

Ans. (a)

Q.19. As per Planning Commission, minimum daily intake of calories for determining poverty line for rural area is

- (a) 2100 (b) 2400 (c) 1500 (d) none of the above

Ans. (b)

Q.20. Poverty ratio in India as compared to Pakistan is

- (a) same (b) half (c) two times (d) two and a half times

Ans. (c)

Q.21. What are accepted average calories required in India in urban areas? [CBSE 2010]

- (a) 2100 (b) 2400 (c) 2800 (d) 2500

Ans. (b)

Q.22. Who is considered as poor? [CBSE 2010]

- (a) A rich landlord (b) A businessman (c) A landless labourer (d) A teacher

Ans. (c)

Q.23. Which among the following is the method to estimate the poverty line? [CBSE 2010]

- (a) Investment method (b) Income method
(c) Capital method (d) Human method

Ans. (b)

Q.24. Which state has the largest percentage of poors in India? [CBSE 2010]

- (a) Bihar (b) Orissa (c) Kerala (d) Punjab

Ans. (b)

Q.25. When was National Rural Employment Guarantee Act passed? [CBSE 2010]

- (a) September 2005 (b) August 2004 (c) May 2009 (d) None of these

Ans. (a)

Q.26. Who advocated that India would be truly independent only when the poorest of its people become free of human suffering ? [2011 (T-2)]

- (a) Mahatma Gandhi (b) Indira Gandhi
(c) Jawahar lal Nehru (d) Subhash Chandra Bose

Ans. (a)

- Q.27. Which of the following programmes was launched in the year 2000?** [2011 (T-2)]
 (a) National Rural Employment Guarantee Act
 (b) Prime Minister Rojgar Yojana
 (c) Swarna Jayanti Gram Swarozgar Yojna
 (d) Pradhan Mantri Gramodaya Yojana
Ans. (d)
- Q.28. Who do not come under the category of urban poor?** [2011 (T-2)]
 (a) The casual workers (b) The unemployed
 (c) The shopkeepers (d) Rickshawpullers
Ans. (c)
- Q.29. How many percent of Indian people were poor in the year 2000?** [2011 (T-2)]
 (a) 36% (b) 46% (c) 26% (d) 29%
Ans. (c)
- Q.30. Which scheme was started in 1993 to create self-employment opportunities for educated unemployed youth in rural areas and small towns?** [2011 (T-2)]
 (a) Prime Minister Rojgar Yojana
 (b) National Rural Employment Guarantee Act
 (c) Rural Employment Generation Programme
 (d) Swarnajayanti Gram Swarozgar Yojana
Ans. (a)
- Q.31. For how many days NREGA provides employment?** [2011 (T-2)]
 (a) 70 (b) 80 (c) 90 (d) 100
Ans. (d)
- Q.32. Which one of the social groups are vulnerable to poverty?** [2011 (T-2)]
 (a) Scheduled caste (b) Urban casual labour
 (c) Rural agricultural households (d) All the above
Ans. (d)
- Q.33. By which year governments are aiming to meet the Millennium Development Goals including halving the rate of global poverty?** [2011 (T-2)]
 (a) 2011 (b) 2015 (c) 2045 (d) 2035
Ans. (b)
- Q.34. Which one is not the major causes of income inequality in India?** [2011 (T-2)]
 (a) Unequal distribution of land (b) Lack of fertile land
 (c) Gap between rich and the poor (d) Increase in population
Ans. (b)
- Q.35. In which of the following countries did poverty actually rise from 1981 to 2001?** [2011 (T-2)]
 (a) Sub-Saharan Africa (b) India
 (c) China (d) Russia
Ans. (a)

- Q.36. The calorie requirement is higher in the rural areas because :** [2011 (T-2)]
 (a) they do not enjoy as much as people in the urban areas.
 (b) food items are expensive.
 (c) they are engaged in mental work.
 (d) people are engaged in physical labour.
Ans. (d)
- Q.37. Which of the following is an indicator of poverty in India?** [2011 (T-2)]
 (a) Income level (b) Illiteracy level
 (c) Employment level (d) All of these
Ans. (d)
- Q.38. Which of the following is not a valid reason for the poverty alleviation programme in India?** [2011 (T-2)]
 (a) Lack of proper implementation (b) Lack of right targeting
 (c) Corruption at the highest level (d) Overlapping of schemes
Ans. (c)
- Q.39. Which industry suffered the most during colonial period?** [2011 (T-2)]
 (a) Jute (b) Textile
 (c) Indigo (d) All the above
Ans. (a)
- Q.40. Poverty ratio in which of the following states is above the national average?** [2011 (T-2)]
 (a) West Bengal (b) Tamil Nadu
 (c) Andhra Pradesh (d) Karnataka
Ans. (a)
- Q.41. Which of the following is not considered a social indicator of poverty?** [2011 (T-2)]
 (a) Less number of means of transport (b) Illiteracy level
 (c) Lack of access to health care (d) Lack of job opportunities
Ans. (a)
- Q.42. Full form of NFWP is :** [2011 (T-2)]
 (a) National Federation for Work and Progress (b) National Forest for Wildlife Protection
 (c) National Food and Wheat Processing (d) National Food for Work Programme
Ans. (d)
- Q.43. Which country of South-East Asia made rapid economic growth resulting in a significant decline in poverty?** [2011 (T-2)]
 (a) India (b) China (c) Nepal (d) Pakistan
Ans. (b)
- Q.44. In which part of the world poverty has remained the same during 1981 to 2001?** [2011 (T-2)]
 (a) South Asia (b) Sub-Saharan Asia
 (c) China (d) Latin America
Ans. (d)

Q.45. Which of the following states has the poverty ratio below the national average?

[2011 (T-2)]

- (a) West Bengal (b) Uttar Pradesh (c) Assam (d) Maharashtra

Ans. (d)

Q.46. The current anti-poverty programme consists of two planks. They are: [2011 (T-2)]

- (a) Socio-economic reasons and public distribution system.
(b) Promotion of economic growth and targeted anti-poverty programme.
(c) Anti-poverty programme and public distribution system.
(d) None of the above.

Ans. (b)

Q.47. According to World Bank, poverty is measured by: [2011 (T-2)]

- (a) People living below Rs. 100 per day (b) People living below 1\$ per day
(c) People living below Rs. 550 per month (d) None of the above

Ans. (b)

Q.48. Kerala has tried to control poverty by: [2011 (T-2)]

- (a) Investing in human resource (b) Investing in medical science
(c) Investing in infrastructure (d) None of the above

Ans. (a)

C. SHORT ANSWER TYPE QUESTIONS (3 MARKS)

Q.1. Explain how poverty begets more poverty.

Ans. Poverty begets more poverty. It is both a cause as well as consequence of poverty. A poor country cannot save much out of its national income. As a result, it suffers from capital deficiency which adversely affects the level of production and income in the country.

Q.2. Explain the concepts of :

- (a) Social exclusion (b) Vulnerability

Ans. (a) **Social Exclusion :** According to this concept, poverty must be seen in terms of the poor who have to live only in a poor surroundings with other poor people. Poor people are excluded from better surroundings with better-off people. For example, in India people belonging to certain castes are excluded from equal opportunities.

- (b) **Vulnerability :** There is a greater possibility of remaining poor in case of certain communities (such as members of a backward classes, widows, physically handicapped persons). These groups of people face greater risks at the time of natural disasters (earthquakes, tsunami). Thus vulnerability describes the greater possibility of being adversely affected in comparison of other people in odd times.

Q.3. Who are poor in the rural areas?

Ans. In the rural sector, the poor include farm labourers, small and marginal farmers, rural artisans, backward classes and backward tribes. They lack basic literacy and skills. They are unable to find alternative employment elsewhere. They generally become victims of village moneylenders.

Q.4. Who are poor in the urban sector?

Ans. In the urban sector, the poor consist of rickshaw-pullers, cobblers, street vendors, petty self-

employed persons, domestic servants and low-paid workers working in factories or in other occupations. They reside in poor localities where the conditions of living are very poor.

Q.5. Explain how the low level of education can be held responsible for poverty in India.

Ans. Low level of education of the poor is a major cause behind their poverty. Poor people are illiterate. Because of their illiteracy, Indian farmers have failed to learn new methods of cultivation. Even the village moneylenders succeed in cheating them quite easily. Moreover, poor parents are not able to send their children to schools. Because of their illiteracy, poor people are employed as unskilled workers and are paid low wages.

Q.6. Suggest some measures to reduce regional poverty.

Ans. Measures to reduce regional poverty : Several states of India like Orissa, Bihar, Madhya Pradesh, Uttar Pradesh, Nagaland, etc., are economically very poor. To remove this regional poverty the following measures may be suggested :

- (a) More Central assistance and grants should be given to backward states.
- (b) Special concessions may be given for investments in backward areas.
- (c) Public sector enterprises should be set up in backward states.

Q.7. Discuss any three measures to reduce poverty in India. [CBSE 2010]

Ans. • More Industrialisation : In order to remove poverty and unemployment, especially in cities, more and more industries are to be set up.

- **Improvement in Agriculture :** While latest methods should be adopted in improving agriculture, steps should also be taken so that land is provided to the tiller and it is not concentrated in the hands of few rich farmers and landlords.
- **Education :** Education is must for removing any evil, including poverty and unemployment. It must be made cheaper so that every person could get it easily.

Q.8. Discuss any three government programmes for poverty alleviation. [CBSE 2010]

Ans. 1. Prime Minister's Rojgar Yojana (PMRY) : These schemes have been started for the welfare of the educated unemployed in urban areas. Youth belonging to the weaker sections of society are given priority.

2. Employment Assurance Scheme (EAS) : These were launched in 1999 to create wage employment to families below poverty line and to improve the quality of life in the rural areas.

3. Jawahar Gram Samridhi Yojana (JGSY) : The objective of this programme is to generate gainful employment for the unemployed and underemployed men and women in rural areas, community and social assets are created such as soil conservation work.

Q.9. Give brief account of inter-state disparities of poverty in India. [CBSE 2010]

Ans. • Proportion of poor people is not the same in every state.

- In 20 states and union territories, the poverty ratio is less than national average.
- In the states of Orissa, Bihar, Assam, Tripura and Uttar Pradesh poverty percentage is more than 35. So poverty is serious problem in these states. Along with rural poverty, urban poverty is also high in these states.
- While in the states like Kerala, Jammu and Kashmir, Tamil Nadu, Andhra Pradesh there is significant decline in poverty.
- States like Punjab and Haryana have succeeded in reducing poverty with the help of high agricultural growth rates.
- In West Bengal, land reform measures have helped in reducing poverty.

Q.10. Mention any three features of the National Rural Employment Guarantee Act, 2005.

[2011 (T-2)]

Ans. National Rural Employment Guarantee Act, 2005 was passed in September 2005 with the following features :-

- (i) It provides 100-days assured employment every year to every rural household with the reservation for one-third of the proposed jobs for women.
- (ii) The central government will establish a National Employment Guarantee Fund for Women and state governments will establish State Employment Guarantee Funds for implementation of the scheme.
- (iii) If an applicant is not provided employment within 15 days, he/she will get daily unemployment allowance.

Q.11. How is the regular growth of population one of the major causes of poverty?

[2011 (T-2)]

Ans. Problem of high population growth is the major hurdle for economic growth in Indian economy. This results in less job opportunities and low growth rate of incomes. These factors in combination make the growth rate of per capita income very low. The failure on two fronts – promotion of economic growth and population control – perpetuates the cycle of poverty. Rapid growth of population increases the number of job seekers and job opportunities are again limited. So population is one of the major causes of poverty in India.

Q.12. What are the main causes of poverty in India?

[2011 (T-2)]

Ans. Main causes of poverty in India are :-

- (i) Huge income inequalities makes it difficult for the government policies to implement properly for poverty elimination. Therefore income inequality is a major cause of poverty in India.
- (ii) Exploitation of traditional Indian handicrafts and textile industries by British colonial administration is another major cause of poverty.
- (iii) In order to fulfil social obligations and observe religious ceremonies, the poor spend a lot of money. Poor people borrow money for different reasons and become the victims of indebtedness.

Q.13. How the policies of colonial government were responsible for poverty in India?

[2011 (T-2)]

Ans. Policies of colonial government is one of the historical reasons of poverty after and at the time of British colonial administration. The policies of the colonial government ruined traditional handicrafts and discouraged development of industries like textiles. The low rate of growth persisted until the nineteen eighties. This resulted in less job opportunities and low growth rate of incomes. This was accompanied by a high growth rate of population. The two combined to make the growth rate of per capita income very low. The failure at both the fronts – promotion of economic growth and population control – perpetuated the cycle of poverty.

Q.14. Explain three ways in which poverty can be estimated in India.

[2011 (T-2)]

Ans. While determining the poverty line in India, a minimum level of food requirement, clothing, footwear, fuel and light, educational and medical requirement etc. are determined for subsistence.

- (i) The calorie requirement depending upon the age, sex, area and type of work is the way of estimating poverty. Average calorie requirement in India is 2400 per person per day in rural areas and 2100 per person per day in urban areas.
- (ii) Monetary expenditure per capita needed is also a way of estimating poverty. In the year 2000, poverty line for a person was fixed at Rs 328 per month for the rural areas and Rs 454 for the urban areas.
- (iii) A uniform standard for poverty line is also used, which is given by international organisations like World Bank. This is equivalent of \$ 1 per person per day.

Q.15. Explain the principal measures taken in Punjab, Kerala and Andhra Pradesh to reduce poverty. [2011 (T-2)]

- Ans.** (i) The principal measures taken in Punjab to reduce poverty is increasing the agricultural growth rates.
- (ii) Kerala focussed more on human resource development to reduce poverty.
- (iii) Andhra Pradesh focussed on public distribution of foodgrains to reduce poverty.

Q.16. "In poor families all suffer but some suffer more than others." Explain. [2011 (T-2)]

Ans. Analysis of poverty on the basis of social exclusion and vulnerability shows that there are people in our economy who suffer more than others. Socially excluded people due to caste discrimination are excluded even from facilities, benefits and opportunities that others enjoy. Vulnerability brings greater risks to the people at the time of natural disasters or terrorism etc. Vulnerable groups lack social and economic ability to handle risks.

Q.17. What is poverty line? Give the income for poverty line fixed for the rural and urban areas in India according to 2000. [2011 (T-2)]

Ans. A person is said to be poor if his or her income or consumption level falls below a given "minimum level" necessary to fulfil basic needs. Each country uses an imaginary line that is considered appropriate for its existing level of development and its accepted minimum social norms.

In the year 2000, a family of five members living in rural areas and earning less than about Rs 1640 per month were below the poverty line, whereas in urban areas earning less than about 2270 per month in similar family were below the poverty line.

Q.18. "There is a strong link between economic growth and poverty reduction." Explain. [2011 (T-2)]

Ans. Economic growth widens the opportunities and provides the resources needed to invest in human development. This also encourages people to send their children, including the girl child, to schools in the hope of getting better economic returns from investing in education. Since eighties, India's economic growth has been one of the fastest in the world. The growth rate jumped from the average of about 3.5% a year in the 1970s to about 6% during the 1980s and 1990s which significantly helped in the reduction of poverty.

Q.19. Give one positive and one negative side of poverty conditions in India, and mention the major weaknesses of poverty alleviation programmes. [2011 (T-2)]

Ans. Positive aspect :-

- (i) India's economic growth is one of the fastest in the world which helps in reducing poverty.

Negative aspect :-

- (i) Large number of poors live in villages and dependent upon agriculture where growth is much below expectation.

Weakness of Poverty alleviation programme :-

- (i) Lack of proper implementation and right targetting with lots of over lapping schemes.

D. LONG ANSWER TYPE QUESTIONS (4 MARKS)

Q.1. What are the main features of poverty in India?

Ans. Features of Poverty in India : Following are the main features of poverty in India.

- (1) **Declining Trend :** The proportion of people below poverty line in India had variations. Poverty ratio increased during the decade of the 1970s. It decreased sharply during the decade of the 1980s. During the decade of 1990s, there was first a rise following the period of economic reforms and then a fall in the incidence of poverty. Since 1993-94, the total number of the poor shows a declining trend.
- (2) **Inter-State Variations :** Poverty is not equally distributed through the country. A recent study shows that more than 90 per cent of India's rural poor live in the states of Andhra Pradesh, Orissa, Bihar, Madhya Pradesh, Karnataka, Maharashtra, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal. Further, 50 per cent of India's rural poor live in three states (namely, Bihar, Madhya Pradesh and Uttar Pradesh). As against this, the poverty ratio in the states of Jammu and Kashmir, Gujarat, Kerala, Punjab and Haryana is quite low.
- (3) **Nature of Poverty :** Poverty is visible both in our rural and urban areas. The rural poor consist of people of low castes and tribal groups. The major group of the poor include landless agricultural labourers, small and marginal farmers, rural artisans, etc.

In the urban sector, the poor include largely unemployed, underemployed or persons employed in low productivity occupations such as rickshawpullers, cobblers, street vendors.

Q.2. Describe in brief the important poverty alleviation programmes undertaken by the Government of India.

Ans. Poverty Alleviation Programmes of India : The important poverty alleviation programmes which are in operation in rural and urban areas are :

- (1) **Prime Minister Rojgar Yojana (PMRY) :** PMRY was launched on 2 October 1993. The aim of this programme is to create self-employment opportunities for educated youth in rural areas and small towns. They are helped in setting up small business and industries.
- (2) **Swarna Jayanti Gram Swarojgar Yojana (SGSY) :** SGSY was launched on 1 April, 1999. It aims at promoting enterprises at the village level. It helps the rural people to organise themselves into self-help groups. The objective of SGSY is to bring the existing poor families above the poverty line by providing them income generation assets through a mix of bank credit and government subsidy.
- (3) **Pradhan Mantri Gramodaya Yojana (PMGY) :** PMGY was introduced in 2000. Its objective is to focus on village level development in five critical areas, that is, primary health, primary education, rural shelter, rural drinking water and rural roads. As a result of this, the quality of life of rural people will improve.
- (4) **Sampoorna Grameen Rojgar Yojana (SGRY) :** This programme was launched in September 2001. The objectives of this scheme are :

- (a) to provide wage employment along with food security in the rural areas.
- (b) to create durable community, social and economic assets.

The ongoing Employment Assurance Scheme and JGSY would be merged with SGRY.

- (5) **National Rural Employment Guarantee Act (NREGA)** : NREGA was passed in September 2005. The Act provides for 100-days assured employment to every rural household in 200 districts. Later, the scheme will be extended to 600 districts.

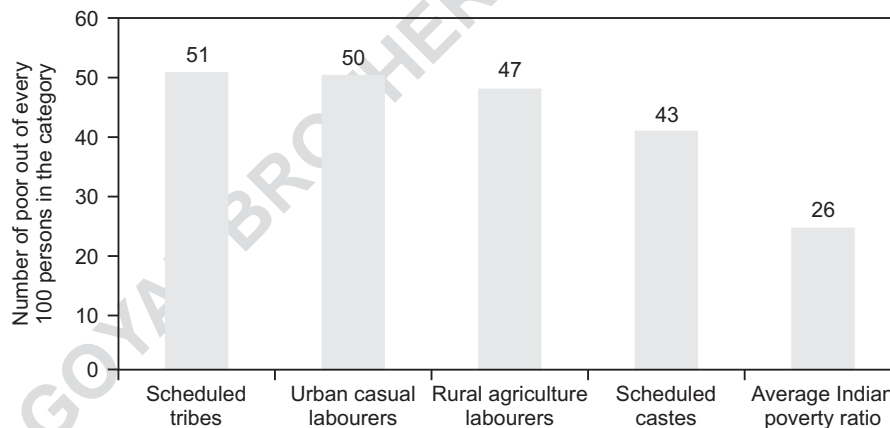
However, the results of these programmes have not been very effective. One of the major reasons for their less effectiveness is the lack of proper implementation and right targeting. Also, there has been overlapping of schemes. Therefore, the major emphasis in recent years is on their proper monitoring.

Q.3. What is meant by 'vulnerability' to poverty? Which economic categories are more vulnerable to poverty in India? [CBSE 2010]

Ans. Vulnerability to poverty : It is a measure which describes the greater probability of certain communities or individuals (such as widow or a physically handicapped person) of becoming or remaining poor in coming years.

- **Economic categories more vulnerable to poverty in India** : Schedule tribes, urban casual labourers, rural agriculture labourers, scheduled castes are major economic groups, which are more vulnerable to poverty. Among these, scheduled tribes contribute to 51% of poverty in India which average Indian poverty ratio is 26.

Graph 3.1 : Poverty in India 2000 : Most Vulnerable Groups.



Source : Reports on Employment and Unemployment among Social Groups in India No. 469,472, NSSO, Ministry of Statistics, Programme Implementation, Govt. of India.

Q.4. How is the illiteracy responsible for Poverty in India? Explain. [2011 (T-2)]

Ans. Illiteracy is responsible for poverty in India as it causes the vicious circle of life where a poor remains poor. Educated parents teach their children and make them more productive towards the economic growth. They are more conscious about the education, health and hygiene of their children. On the other hand, illiterate parents are not aware and conscious about providing better education, health and hygiene facilities to their children. Thus they do not look for other occupational facilities other than traditional one, therefore remain poor.

Q.5. How can poverty be reduced in future in India? Suggest any four points. [2011 (T-2)]

Ans. Poverty can be reduced in the following ways:-

- (i) Increasing empowerment of women and the economically weaker sections of society.
- (ii) Fostering the economic growth.
- (iii) Increasing the stress on universal free elementary education.
- (iv) Caste and gender discrimination to be avoided.
- (v) Improving health care, education and job security.
- (vi) Removing inequality of wealth among people.

Q.6. Mention the two planks on which the current anti-poverty strategy of the government is based. Why were the poverty alleviation programmes not successful in most parts of India? [2011 (T-2)]

Ans. The current anti-poverty strategy of the government is based broadly on two planks:

- (i) Promotion of economic growth.
- (ii) Targeted anti-poverty programmes.

The results of poverty alleviation programmes have been mixed. The major reasons for less effectiveness are :-

- (i) Lack of proper implementation and right targeting.
- (ii) Overlapping of a number of schemes.

They lack proper monitoring and therefore the benefits of these schemes do not fully reach out to the deserving poor.

Q.7. NREGA 2005 is an important anti-poverty programme. Explain. [2011 (T-2)]

Ans. NREGA stands for National Rural Employment Guarantee Act, 2005. Following things were included in the scheme :

- (i) It aims at providing 100-days assured employment every year to every rural household.
- (ii) It initially started for 200 districts but later on extended to 600 districts.
- (iii) One-third of the proposed jobs were reserved for women.
- (iv) The Central government established National Employment Guarantee Funds and state government established State Employment Guarantee Funds for implementation of the scheme.
- (v) If an applicant is not provided employment within fifteen days he/she will be entitled to a daily unemployment allowance.

Q.8. Social exclusion can be both a cause as well as consequence of poverty. Explain.

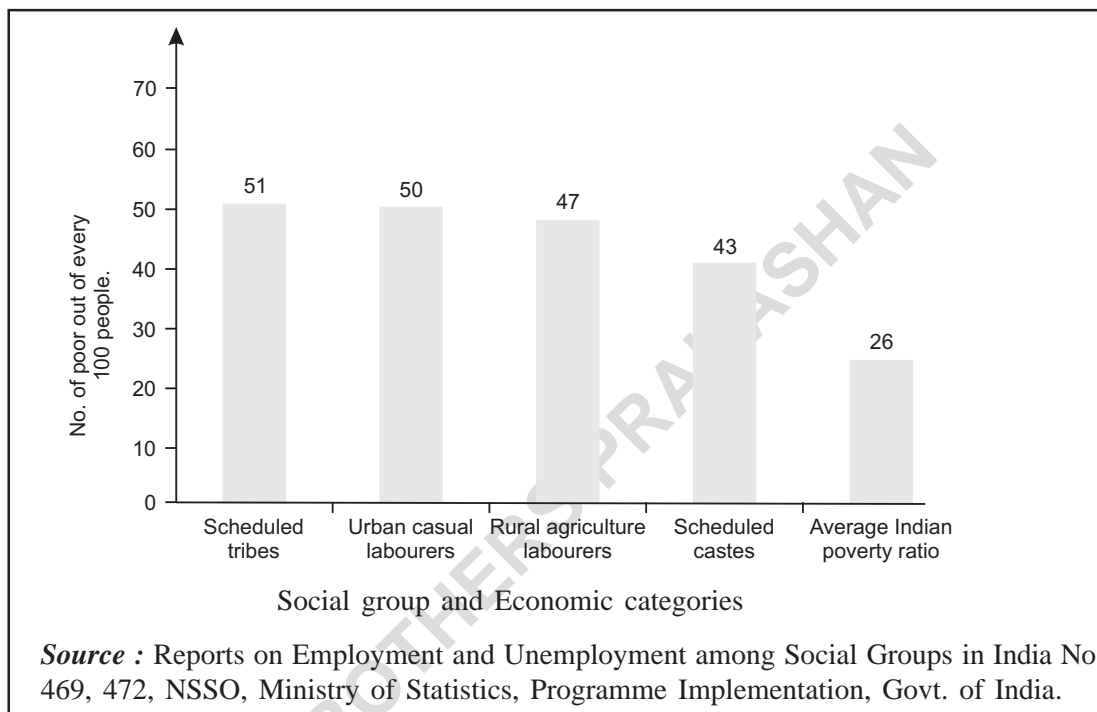
[2011 (T-2)]

Ans. Social exclusion can be seen in the terms of poors who have to live only in a poor surrounding with other poor people. Poor people are excluded from better surroundings with better-off people. For example, in India people belonging to certain lower castes (i.e., Scheduled Castes) are excluded from equal opportunities. Poor people of certain castes have to live in a separate locality and are excluded from mixing with better-off people. Due to such discrimination These people are deprived of better employment and growth opportunities. Social exclusion thus lead to poverty and can cause more damage than having a very low income.

Q.9. Who are the most vulnerable as far as poverty is concerned? How have the states of West Bengal, Punjab and Tamil Nadu tackled poverty? [2011 (T-2)]

Ans. The most vulnerable groups to poverty are :

- (i) Scheduled Castes and Scheduled Tribes
- (ii) Rural agricultural labour
- (iii) Urban casual labour.



States tackled poverty in the following ways :-

1. **West Bengal** :- Land reform measures have helped in reducing poverty.
2. **Punjab** :- Reduce poverty with high growth rates of agriculture.
3. **Tamil Nadu** :- Public distribution of foodgrains has reduced the poverty.

II. FORMATIVE ASSESSMENT

A. PROJECT WORK

Topic covered : Poverty

Objective : To make the students understand how social obligations and religious ceremonies affect poor men.

Skills developed :

- To understand what the society expects from a family in rural areas
- To understand how a poor man faces difficulties to fulfil these social obligations.

Time required : 5 days

Method : Divide the class into 4 groups and send the groups to 4 different communities like Brahmin, backward caste, Thakur and agricultural labour hamlets. Ask them to attend marriage function or child's mundan ceremony and study the following points:

- How much money was spent on the various rituals or ceremonies?
- How many guests and neighbours were invited for the function?
- How much money was spent on organising 'Preeti Bhoj'?
- What difficulties did the poor men face to organise these functions?
- Draw conclusion on which activity was most costly for the poor men.

B. ACTIVITY

Visit a labour-oriented industry (like textile mill or cement industry) in your area and study the following points :

- What are the various categories of workers in the mill?
- Wage structure for individual category of workers.
- Whether their earning is sufficient for decent standard of living?
- What incentives do they get from management for increased productivity or efficiency?
- Why are they forced to work in such a low-income earning work?
- Where are they living, whether in company accommodation or outside?
- How do they educate their children?
- Are the transport facilities provided by the company or not to its labourers?

C. GROUP DISCUSSION

Hold a discussion on the following topics in your class :

1. Are we helping beggars by offering money or should we discourage begging?

Guidelines : Group discussion should include the following points :

- Experiences on facing beggars
- The language they use and their actions
- Attitude of people and police towards them
- What forced them into begging?
- How to avoid begging? (offering them work etc.)
- Draw conclusions based on the discussions stating how this problem can be tackled.

2. Effectiveness of poverty alleviation programmes in India.

Guidelines : Group discussion should include the following points :

- Anti-poverty measures taken by state governments and government of India and their main purpose.
- Effectiveness of each programme. (How is each programme helping the society to overcome the problem of poverty?)