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Class 11<sup>th</sup>.

Subject Indian Economics

Topic Poverty in India.

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marginal farmers = having less than 2.5 acres of land.

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Q15.  
[3/4]

Explain in brief the nature of poverty in India.

- Ans → 1. In India all type variety of poverty are found such as chronic poor, transient poor, relative poverty, absolute poverty etc.
2. Poverty is more serious in rural area (267.4% vs 14% urban poverty) showing that if poverty has to be eradicated, the focus should be more on rural poverty. That's why 70-80% of poverty elimination programmes are run in rural area.
3. In rural area, poor people are those who are landless agricultural labourer, small and marginal farmers.
4. In urban areas, poor people are those who are unemployed or work as rickshawpuller, daily wage earner, street vendor.

V.I.

- Q.16 Discuss briefly the govt. schemes / policies / programmes / major measures taken up by the govt. to remove poverty. [6 M] 08
- Discuss in brief the govt's 3 dimensional approach to remove poverty.
- Ans → In India the problem of poverty is chronic, long duration problems.

Govt. measures in this regard have remained concentrated towards the following -

1. Higher rate of economic growth / high GDP growth rate & Growth Oriented Approach — Trickle-Down approach  
1970's Theory

Till 1966, it was believed that having a high GDP growth rate or high rate of growth of National income or per-capita income will automatically remove poverty. This assumption was based on Trickle-Down Theory. The Theory says that if economy grows with a high growth rate and there is all round development of primary, secondary & tertiary sectors, in the long run benefits of development will finally reach to poor people sooner or later, by and by.

- Unfortunately, the theory has not worked much and though India achieved faster growth rate yet the burden of poor have has increased since independence.
2. Special poverty alleviation programmes (direct beneficiary oriented program) — alleviation

When govt. thought that Trickle-Down Theory <sup>did</sup> ~~has failed~~. By 1960's, it started employment generation programme exclusively for poor people specially BPL. These programmes were only reserved for poor people. Hence, they were called direct beneficiary program. Some of the programs which either created wage employment and self-employment also are - Mahatma Gandhi National Rural Employment Guarantee Program (MGNREGA), Swarnajayanti Shahari Sramik Rajgarh Yojana, Sampurna Gramin Rajgarh Yojana, Pradhan Mantri Gramodaya Yojana etc.

### 3. Minimum need based programme

Under this schemes, poor children were given cooked meal byanganwadi Yojana; pregnant women were supplied iron and calcium tablets. Lastly, PDS system were introduced under which 15 crore people are supplied essential goods like wheat, rice, sugar, salt etc at highly subsidised rate through 5 lakh PDS shops.

~~Q17.~~ Explain in brief some demerits / flaws in anti-poverty programme [3/4]

~~A17.~~ It is a bitter but true fact that despite so many anti-poverty program and so much expenditure made by the govt. on removal of poverty, India is having the largest no. of poor people in the world i.e., about 26-30 crore people which is 20% of global poverty. There is a wide gap between govt's annual target and actual realisation.

The main reasons for this are as under -

1. Inadequate amount of health fund -

The amount which was given to poor families was in many case too little, too small to bring them out of clutch of poverty. The govt. data shows that in 70% case the families was even able to increase their income but it was not

National urban Livelihood mission  
National Rural Livelihood mission  
Prm Jyotiya Yojna

sustainable and in the end only 15% people were able to rise above P/L.

## 2. Lack of Interest -

Most of the programmes are funded by central govt. but are implemented by state govt. officials. These officials are overburdened with work and they have little interest towards poverty removal. They don't understand the suffering of poor.

## 3. Multiplicity of schemes -

Rather than having one big program (which presently MNREGA is), 70-80 programmes were in operation, some of them of very small size. This resulted in less money available to poor and high administrative expenses.

## 4. Large scale corruption -

Nearly, 80-85% money was siphoned by corrupt officials, middle men and official machinery. As a result, the actual amount which actually reached to the pocket of poor was very less.