

POVERTY

- ***Definitions of Poverty***
- ***Types of poverty***

Definitions of Poverty

- Poverty has been defined in a number of ways. The World Bank (1990) has defined poverty as *“the inability to attain a minimal standard of living”*.
- In the words of Dandekar (1981) *“want of adequate income, howsoever defined is poverty...”* Thus, lack of adequate income to buy the basic goods for subsistence living is an important element in the definitions of poverty.

Types of poverty

- 1. Absolute poverty and Relative poverty***
- 2. Temporary and Chronic/structural poverty***
- 3. Primary Poverty and Secondary Poverty***
- 4. Rural Poverty and Urban Poverty***

The extent of poverty in a country depend mainly on two factors:

- (1) the average level of national income
- (2) the degree of inequality in its distribution.

Poverty Line

- *Poverty Line* refers to the minimum income, consumption, or, more generally *access* to goods and services below which individuals are considered to be poor. The poverty line is the expenditure level at which a minimum calorie intake and indispensable non-food purchases are assured.
- It may be noted that even among the poor, there are differences in the degrees of poverty. So the focus of the government policies should be on the poorest of the poor. Nutrition based poverty lines are used in many countries.

Causes of Poverty in India

1. Unemployment and underemployment: Even during the year in which there are good rains, agricultural labourers do not get work throughout the year.
2. Population pressures : Because of population pressure, there are many dependents per every earning member. And there is the problem of disguised unemployment. On a farm, there may be work for only four persons. But six or seven persons may be there on the farm. The marginal productivity of the extra persons is almost zero.
3. Indian agriculture is marked by low productivity. So majority of those engaged in agriculture are poor.
4. A majority of people in rural areas do not have enough assets, especially land. The main reason for this is the concentration of land in the hands of a few families.

Poverty alleviation programmes

1. Land Reforms

Land reforms legislation has been passed by the state governments, which aim at improving the economic conditions of agricultural landless labourers. For instance, with the abolition of the Zamindari system, the exploitation associated with the system has been removed. Tenancy Laws have been passed in most of the states for protecting the interests of the tenants and helping them to acquire possession over the lands they cultivate. Every state has passed the necessary legislation fixing ceiling on agricultural holdings by which the maximum amount of land which a person can hold has been fixed by law. The surplus lands thus acquired were to be distributed to the landless labourers and small peasants.

2. Jawahar Gram Samridhi Yojana (JGSY)

- It was introduced in April 1999 as a successor to Jawahar Rozgar Yojana on a cost sharing basis of 75 : 25 between the Union and States.

3. National Social Assistance Programme (NSAP)

It was launched on August 15, 1995 to provide social assistance benefits to poor households affected by old age, death of primary bread winner or need for maternity care.

4. Employment Assurance Scheme (EAS)

It was started on October 2, 1993 in 1778 backward blocks in drought prone, desert, tribal and hill areas. It was expanded to cover all the 5,488 rural blocks of the country. It gave wage employment to the rural poor. In September 2001, it was merged into new Sampoorna Gramin Rozgar Yojana along with Jawahar Gram Samridhi Yojana.

5. Pradhan Mantri Gramodaya Yojana (PMGY)

- It was introduced in the Budget for 2000-2001 with an allocation of Rs.5,000 crore. Its focus is on health, primary education, drinking water, housing and rural roads.
- Common Property Rights in grazing lands, wastelands, forests and water resources were made available to the rural people in the past. They have been cancelled in the recent past due to commercialisation and privatisation of these rural community resources in the country.

6. Swarna Jayanti Shahari Rozgar Yojana (SJSRY)

Urban self-employment and urban wage employment are the two special schemes under it. It substituted in December 1997 various programmes operated earlier for urban poverty alleviation. It is funded on 75:25 basis between the Union and the States.

7. Integrated Rural Development Programme (IRDP)

The concept of an Integrated Rural Development Programme was first proposed in the central budget for 1976-77, and a beginning was made in this regard. This programme was intended to assist rural population to derive economic benefits from the development of assets of each area.

The programme with some modifications was introduced on an expanded scale in 1978-79, beginning with 2,300 blocks, of which 2000 were under common coverage with SFDA, DPAP and CADP, with another 300 blocks added up during 1979-80. Its coverage was extended to all the blocks of the country since October 2, 1980.