

## Chapter 4

### Poverty

Q. 1 Why calorie - based norm is not adequate to identify the poor?

Answer:

Poverty line is estimated by the per capita expenditure on minimum calorie intake. It was estimated to be 2400 calories for a person of rural area and 2100 for a person of urban area. This calorie-based norm is not adequate to identify the poor due to following reasons –

1. It puts all the poor in a single group and does not differentiate between very poor and other poor so it becomes tough to identify that who needs the aid most.
2. It considers only the expenditure on few selected food items.
3. It does not consider other important factors associated with poverty like healthcare, quality of drinking water, sanitation, education etc.
4. It also ignores the other social security factors like lack of access to resources, lack of civil and political freedom, discrimination, etc.

Q. 2 What is meant by ‘Food for Work’ programme?

Answer:

The food for work programme was started in November, 2004 in 150 most backward districts with the objective to provide them additional resources apart from the resources available under the Sampoorna Grameen Rozgar Yojana.

The focus of the programme was on

- Water conservation
- Drought proofing and
- Land development

- Flood control
- Rural connectivity

The Provision of Programme –

- The wages to be given to the rural poor was to be divided as 5 kg of food grains per man per day and the remaining portion in cash.
- In exceptional cases, more than 5 kg food grains can be given to the labourers provided that at least 25 % of wages should be paid in cash.

Q. 3 Why is employment generation programmes important in poverty alleviation in India?

Answer:

The Employment Generation Programmes are important in reducing poverty in India because -

1. With help of these programmes the poor's can raise their income through various government supported schemes.
2. The increased income improves the standard of living and gives greater access to the facilities like education, better health care facilities, proper sanitation, etc.
3. These programs also help in creating additional assets through work or employment generation.

Q. 4 How can creation of income earning assets address the problem of poverty?

Answer:

Giving food grains to poor or distributing clothes cannot be the permanent solution to the problem of poverty rather the poverty can be removed when poor start earning for themselves and also contribute to growth of the nation.

This is possible by providing income generating assets to the poor. The creation of income earning or generating assets will generate employment opportunities and it will be possible for poor to raise their income, which will be helpful in improving their living standards and can also be helpful in solving the problem of poverty of the country.

Q. 5 The three-dimensional attack on poverty adopted by the government has not succeeded in poverty alleviation in India. Comment

Answer:

The three-dimensional approaches adopted by government to alleviate poverty

1. Trickle down approach: This approach assumes that the positive effects of economic growth will benefit all the sections of society whether rich or poor or very poor.
2. Poverty alleviation approach: In this approach income earning assets and employment generation opportunities were created.
3. Providing basic amenities: This approach aimed at providing basic amenities to the poor people so as to improve their health, productivity and income earning opportunities for alleviating poverty.

The effect of these three-dimensional approaches are -

- a) Though there has been a reduction in the percentage of absolute poor in some of the states of India but still we cannot see that the basic amenities could reach every poor people.
- b) The income earning assets and productive resources are not owned by the poor.
- c) There was inequality of income from land due to land reforms.
- d) The improper implementation of poverty alleviation programmes lead to increased corruption and improper and inefficient allocation of scarce resources.

Q. 6 What programmes has the government adopted to help the elderly people and poor and destitute women?

Answer:

The programmes adopted by government to help the elderly people and poor and destitute women are -1) National Old Age Pension Scheme: The National Old Age Pension Scheme is a part of National Social Assistance Programme, which came into effect from 15th August 1995 and the objective of this scheme is to provide social assistance to old age persons.

2) National Family Benefit Scheme: The National Family Benefit Scheme is a part of National Social Assistance Programme, which came into effect from 15th August 1995 and objective of this scheme is to provide social assistance and benefits to the eligible families.

3) National Maternity Benefit Scheme: The National Maternity Benefit Scheme was launched by Ministry of Women and Child Development of Government of India in 1995. The pregnant woman who is of or above 19 years of age and has BPL card is eligible for the benefits of this scheme. Under this scheme Rs.500 per pregnancy is paid to women for pre-natal and post-natal maternity care up to first two live births.

4) Public Distribution System: Public Distribution system is a programme of government under which government sponsored chain of shops are entrusted with the responsibility of distribution of basic food and nonfood items to the needy section at very cheap prices. These shops are commonly known as ration shops.

Q. 7 Is there any relationship between unemployment and poverty? Explain.

Answer:

Poverty and unemployment are very closely related. Due to unemployment the income of people is reduced to a large extent and

they are unable to get even the basic facilities like education, health facility, proper sanitation, etc.

Unemployment increases the number of dependent on working population due to which per head consumption expenditure declines and a vast majority of people have to live in poverty.

These are the reasons for which government has started many employment programmes to remove poverty like Prime Minister Rozgar Yojana, Swarna Jayanti Shahri Rozgar Yojana, etc.

Q. 8 Suppose you are from a poor family and you wish to get help from the government to set up a petty shop. Under which scheme will you apply for assistance and why?

Answer:

To set up a petty shop I will apply under the scheme of Prime Minister's Rozgar Yojana.

This scheme provides assistance for setting up any kind of enterprise to an unemployed educated person from low income family in rural and urban areas so that employment can be generated.

Q. 9 Illustrate the difference between rural and urban poverty. Is it correct to say that poverty has shifted from rural to urban areas? Use the trends in poverty ratio to support your answer.

Answer:

The basic difference between rural poverty and urban poverty is the nature of poverty.

1) Urban poor are those rural poor who have shifted from rural area to urban area for better employment opportunities and in search of better standard of living.

2) Rural poor include landless and the marginal farmers.

- 3) There is a wide economic gap between urban poor and rural poor.
- 4) The living condition of urban poor is better than that of the rural poor.
- 5) The rural poverty is temporary in nature and is not distressful whereas urban poverty is permanent and distressful.

It is very true that the poverty has shifted from rural to urban areas and is clearly visible from the data available from Planning Commission.

Year	Rural poverty (in %)	Urban poverty (in %)	Poverty in India (in %)
1973 – 74	56.4	49.0	54.9
1977 – 78	53.1	45.2	51.3
1983 – 84	45.7	40.8	44.5
1987 – 88	39.1	38.2	38.9
1993 – 94	37.3	32.4	36.0
1999 – 2000	27.1	23.6	26.1
2004 - 05	28.3	25.7	27.5

In the year 1973-74 the rural poverty was 56.4% which declined to 28.3 % in the year 2004-05 whereas the urban poverty was 49% in the year 1973-74 which declined to 25.7% in 2004-05.

In the year 1973-74 the gap between rural and urban poverty was quite wide than in the year 2004-05.

Q. 10 Suppose you are a resident of a village, suggest a few measures to tackle the problem of poverty.

Answer:

My suggestions regarding the measures to be taken to tackle the problem of poverty would be –

1. Self-employment opportunities for the poor class
2. Minimum indirect tax on wage goods consumed by workers

3. Ceiling on land Holdings
4. Guaranteeing minimum wages to labours
5. Proper steps to be taken against exploitation of child and women labour
6. Free access to basic facilities like education and health care
7. Re-distribution of income earning assets
8. Motivating poor to acquire skill, information and knowledge
9. Infrastructure Development
10. Introducing family planning programs to check population growth
11. Generating employment opportunities for poor section