

Poverty as a Challenge

Fastrack Revision

- ▶ There are roughly 27 crore poor people in India and for them **poverty** means hunger and lack of shelter and not being able to afford education and health facilities. It also means lack of a regular job at a minimum decent level and living with a sense of helplessness.
- ▶ Since, poverty has many facets, social scientists look at it through a variety of indicators, some of which are as follows:
 - ▶ Poor illiteracy level.
 - ▶ Lack of general resistance due to malnutrition.
 - ▶ Lack of access to healthcare.
 - ▶ Lack of job opportunities.
 - ▶ Lack of access to safe drinking water and sanitation.
 - ▶ Social exclusion.
 - ▶ Vulnerability.
- ▶ Social exclusion is a process through which individuals or groups are excluded from facilities, benefits and opportunities that others enjoy.
- ▶ Vulnerability is a measure which describes the greater probability of certain communities or individuals of becoming or remaining poor in the coming time such as a widow or a physically handicapped person.

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Vulnerability is determined by the options available to different communities for finding an alternative living in terms of assets, education, health and job opportunities and analyse their ability to face various risks like natural disasters.

- ▶ Poverty line is a measure of poverty on the basis of income or consumption levels. According to this concept, a person is considered poor if his or her consumption level falls below a given minimum level. The accepted average calories per person per day in India are 2,400 calories per person per day in rural areas and 2,100 calories per person per day in urban areas.

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The poverty line is revised periodically by conducting surveys which are carried out by National Sample Survey Organisation (NSSO).

- ▶ For the year 2011-12, the poverty line for a person was fixed at ₹ 816 per month for the rural areas and ₹ 1,000 for the urban areas.
- ▶ According to World Bank, the poverty line has been fixed at minimum availability of \$ 1.90 per person per day.
- ▶ There has been a substantial decline in the poverty ratios in India since 1993, from 45% to 22% in 2011-12.

- ▶ Vulnerable groups in India include scheduled castes, scheduled tribes, landless agricultural labour, women, elderly people, female infants, etc. For these groups the problem of poverty is more acute.
- ▶ Apart from these social groups, there is also inequality of incomes within a family, as women, elderly people and female infants are regularly denied equal access to resources available in the family.
- ▶ Inter-state disparity is also observed in our country. Bihar and Odisha continue to be poor states with high poverty ratios.
- ▶ There has been a significant decline in poverty in Kerala, Maharashtra, Andhra Pradesh, Tamil Nadu, Gujarat and West Bengal. States like Punjab and Haryana have traditionally succeeded in reducing poverty with the help of high agricultural growth rates.
- ▶ There are a number of causes for poverty in India and some of them are enumerated below:
 - ▶ The policies of colonial government ruined traditional handicrafts and discouraged development of industries like textiles.
 - ▶ People migrated from rural areas to urban areas in search of livelihood. With irregular small incomes, these people could not afford expensive housing. They started living in slums on the outskirts of the cities and poverty became the feature of the urban sector also.
 - ▶ Another reason for poverty is unequal distribution of land and other resources.
 - ▶ Many other socio-cultural and economic factors are also responsible for poverty such as high level of indebtedness.
- ▶ The current anti-poverty strategy of the government is based broadly on two planks:
 - ▶ Promotion of economic growth.
 - ▶ Targeted anti-poverty programmes.
- ▶ Economic growth widens opportunities and provides the resources needed to invest in human development.
- ▶ However, the poor may not be able to take direct advantage from the opportunities created by economic growth and for them targeted anti-poverty programmes have been initiated.
- ▶ Some of these programmes are Prime Minister Rozgar Yojana (PMRY), Rural Employment Generation Programme (REGP), Antyodaya Anna Yojana, etc.
- ▶ Poverty reduction is expected to make better progress in the next 10 to 15 years. This would be possible mainly due to higher economic growth, increasing stress on universal free elementary education, declining population growth, increasing empowerment of the women and the economically weaker sections of the society, etc.





Practice Exercise

Multiple Choice Questions

Q 1. Poverty as defined by World Bank implies living below:

- a. \$1.90 per day
- b. \$100 per month
- c. \$10 per day
- d. \$100 per day

Q 2. What was the number of poors in China in 1981 in terms of percentage?

- a. 82.3 per cent
- b. 88.3 per cent
- c. 89.3 per cent
- d. 90.3 per cent

Q 3. In India percentage of poverty in urban areas is than poverty in rural areas.

- a. more
- b. less
- c. equal
- d. None of these

Q 4. What causes social exclusion in society?

- a. Income
- b. Education
- c. Family
- d. Caste system

Q 5. Calories requirements in rural areas are considered to be higher than urban areas:

- a. because people in rural areas are poor
- b. because people in rural areas are adversely affected by natural calamities
- c. because people living in rural areas engage themselves in more physical work
- d. because people living in rural areas are engaged in agriculture

Q 6. The accepted average calories requirement per person in urban areas in India is:

- a. 2,200 calories
- b. 2,000 calories
- c. 2,300 calories
- d. 2,100 calories

Q 7. In rural areas, average calories required per person per day is:

- a. 2,400 calories
- b. 1,400 calories
- c. 3,000 calories
- d. 3,500 calories

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People in rural areas engage themselves in more physical work so they need 2,400 calories per day. The calorie needs vary depending on age, sex and the type of work that a person does.

Q 8. The monthly income is multiplied by the number of members in the family to find the:

- a. poverty line
- b. total income
- c. per capita income
- d. percentage of poverty

Q 9. Highly vulnerable groups to poverty are:

- a. Scheduled Castes
- b. Scheduled Tribes
- c. Both a. and b.
- d. None of these

Q 10. Which one of the social groups is vulnerable to poverty?

- a. Scheduled caste
- b. Urban casual labour
- c. Rural agricultural households
- d. All of the above

Q 11. The poorest states in India are:

- (i) Odisha
- (ii) Bihar
- (iii) Punjab
- (iv) Haryana
- a. (i) and (ii)
- b. (iii) and (iv)
- c. (ii) and (iii)
- d. All of these

Q 12. Choose the correct statement.

- a. Every fifth person in India lives in poverty.
- b. Every third person in India lives in poverty.
- c. Every second person in India lives in poverty.
- d. Every fourth person in India lives in poverty.

Q 13. Poverty in Kerala declined significantly because of:

- a. large industries
- b. availability of natural resources
- c. development of human resources
- d. All of the above

Q 14. MGNREGA, 2005 provided employment to crore person days of employment to 4-78 crore households.

- a. 117
- b. 120
- c. 220
- d. 230

Q 15. Choose the correct statement about cause of poverty in India.

- a. Low level of economic development
- b. Failure of population control
- c. Unequal distribution of land
- d. All of the above

Q 16. Kerala has succeeded in reducing poverty with the help of:

- a. agricultural development
- b. human resource development
- c. land reforms
- d. None of the above

Q 17. For making comparisons between developing countries, the uniform standard (per person per day) for the poverty line used in terms of minimum availability is:

- a. \$1.90
- b. \$2
- c. \$3
- d. \$5

Q 18. Which one is not the major cause of income inequality in India?

- a. Unequal distribution of land
- b. Lack of fertile land
- c. Gap between the rich and the poor
- d. Increase in population

which of the following countries did poverty tually decline from 2005 to 2018?

- Sub-Saharan Africa b. India
China d. Russia

Q 20. Which of the following is a social indicator of poverty laid by social scientists?

- a. Increase in population b. Illiteracy level
c. Caste d. Health club membership

Q 21. Millennium Development Goals for reducing poverty is the plan of which agency?

- a. World Bank b. United Nations
c. IMF d. Government of India

Q 22. has the lowest per capita income.

- a. Goa b. Assam
c. Bihar d. Haryana

Q 23. What is the most difficult challenge faced by Independent India?

- a. Unemployment b. Poverty
c. Castelism d. Child labour

Q 24. Which scheme was started in 1993 to create self-employment opportunities for educated unemployed youth in rural areas and small towns?

- a. Prime Minister Rozgar Yojana
b. National Rural Employment Guarantee Act
c. Rural Employment Generation Programme
d. Swarnajayanti Gram Swarozgar Yojana

Q 25. 'India would be truly independent only when the poorest of its people become free of human suffering'. Who said this?

- a. Mahatma Gandhi b. Jawaharlal Nehru
c. Atal Bihari Vajpayee d. Vallabhbhai Patel

Q 26. What is the full form of NSSO?

- a. National Sample Survey Organisation
b. National Security Survey Organisation
c. National Society for Survey and Organisation
d. None of the above

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The poverty line is estimated periodically normally every five years by conducting sample surveys carried out by NSSO.

Q 27. When was the Prime Minister Rozgar Yojana (PMRY) launched?

- a. In 1993 b. In 1990
c. In 1997 d. In 2000

Q 28. The current anti-poverty strategy of the government is based on:

- a. promotion of economic growth
b. targeted anti-poverty programmes
c. providing many job opportunities
d. Both a. and b.

Q 29. Choose the incorrect pair.

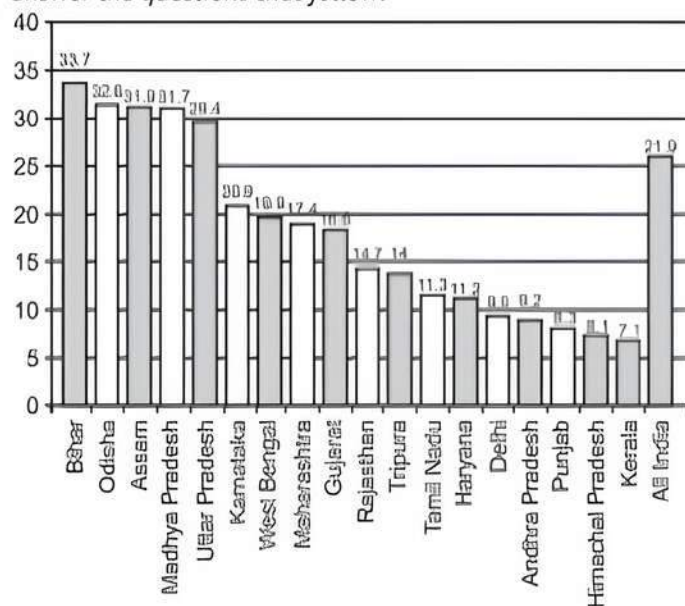
- a. Rural Employment Generation Programme (REGP)-1995
b. Swarnajayanti Gram Swarozgar Yojana (SGSY)- 1999
c. Pradhan Mantri Gramodaya Yojana (PMGY)-1999
d. Prime Minister Rozgar Yojana (PMRY)-1993

Q 30. Match the following:

Column I	Column II
1. Head count ratio	A. Borrowing capacity provided to an individual by the banking system.
2. Bank credit	B. Distribution of essential commodities through a network of fair price shops on a recurring basis.
3. Economic growth	C. Proportion of a population that lives below the poverty line.
4. Public distribution system	D. An increase in real output of a country.

- 1 2 3 4
a. A C B D
b. C A D B
c. C A B D
d. A C D B

Directions (Q.Nos. 31-32): Study the graph given below and answer the questions that follow:



Q 31. Identify the two states where the poverty ratio is the highest.

- a. Bihar and Assam
b. Bihar and Odisha
c. Odisha and Assam
d. None of the above

Q 32. Identify the two states where the poverty ratio is the lowest.

- a. Andhra Pradesh and Kerala
b. Andhra Pradesh and Punjab
c. Himachal Pradesh and Kerala
d. Himachal Pradesh and Punjab

the following:

	Name of Programme	Target Group
1.	Rural Employment Generation Programme	A. Rural areas in states
2.	Pradhan Mantri Gramodaya Yojana	B. Rural households
3.	Antyodaya Anna Yojana	C. Unemployed youth in rural areas
4.	MGNREGA	D. Poor families in urban and rural areas

1 2 3 4

- a. C D B A
 b. D C A B
 c. C A D B
 d. A C D B

Q 34. Read the following statements carefully and choose the correct option:

Statement (I): Poverty is a major challenge for economic development.

Statement (II): Poverty is associated with low levels of human development, poor health and low levels of productivity, which hinder economic growth.

- a. Statement (I) is correct and (II) is incorrect.
 b. Statement (I) is incorrect and (II) is correct.
 c. Both statements are incorrect.
 d. Both statements are correct.

Q 35. Read the following statements carefully and choose the correct option:

Statement (I): The government has no role to play in poverty reduction.

Statement (II): Poverty is a result of individual choices and cannot be eliminated by government policies.

- a. Statement (I) is correct and (II) is incorrect.
 b. Statement (I) is incorrect and (II) is correct.
 c. Both statements are incorrect.
 d. Both statements are correct.



Assertion & Reason Type Questions

Directions (Q.Nos. 36- 42): In the questions given below, there are two statements marked as Assertion (A) and Reason (R).

Read the statements and choose the correct option:

- a. Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
 b. Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A).
 c. Assertion (A) is true, but Reason (R) is false.
 d. Assertion (A) is false, but Reason (R) is true.

Q 36. Assertion (A): The accepted average calories per person per day in India are 2,400 calories per person per day in rural areas and 2,100 calories per person per day in urban areas.

Reason (R): The calorie requirements are high in rural areas because rural people undertake more physical labour.

Q 37. Assertion (A): The anti-poverty strategy of Indian government is based on promotion of economic growth and targeted anti-poverty programmes.

Reason (R): Removal of poverty has been one of the major objectives of Indian development strategy.

Q 38. Assertion (A): Poverty is an important challenge faced by independent India.

Reason (R): Poverty line may vary with time and place.

Q 39. Assertion (A): The proportion of poor people is not the same in every state of India.

Reason (R): The proportion of people below poverty line is the same for all social groups and economic categories in India.

Q 40. Assertion (A): The high level of indebtedness is both the cause and effect of poverty.

Reason (R): There is a strong link between economic growth and poverty reduction.

Q 41. Assertion (A): There has been less effectiveness of poverty alleviation programmes.

Reason (R): The benefits of these programmes are not fully reached to the deserving poor.

Q 42. Assertion (A): The dynamics of poverty reduction are same in the rural and urban India.

Reason (R): The rural poor and urban poor have to face different issues of poverty.

Answers

1. (a) 2. (b) 3. (a) 4. (d) 5. (c)
 6. (d) 7. (a) 8. (d) 9. (c) 10. (d)
 11. (a) 12. (a) 13. (c) 14. (c) 15. (d)
 16. (b) 17. (a) 18. (b) 19. (a) 20. (b)
 21. (b) 22. (c) 23. (b) 24. (a) 25. (a)
 26. (a) 27. (a) 28. (d) 29. (c) 30. (b)
 31. (b) 32. (c) 33. (c) 34. (d) 35. (b)
 36. (a) 37. (a) 38. (b) 39. (c) 40. (b)
 41. (a) 42. (d)

Source Based Questions

1

Read the source given below and answer the questions that follow by choosing the most appropriate option:

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. These physical quantities are multiplied by their prices in rupees. The present formula for food requirement while estimating the poverty line is based on the desired calorie requirement. Food items, such as cereals, pulses, vegetable, milk, oil, sugar, etc., together provide these needed calories. The calorie needs vary depending on age, sex and the type of work that a person does. The accepted average calorie requirement in India is 2,400 calories per person per day in rural areas and 2,100 calories per person per day in urban areas. Since, people living in rural areas engage themselves in more physical work, calorie requirements in rural areas are considered to be higher than in urban areas. The monetary expenditure per capita needed for buying these calorie requirements in terms of foodgrains, etc., is revised periodically taking into consideration the rise in prices.

- Q 1. While estimating the poverty line, the formula for food requirement is based on:**
- monetary expenditure
 - desired calorie requirement
 - sample surveys
 - level of development
- Q 2. On what factors do calorie needs vary for a person?**
- Sex
 - Age
 - Type of work a person does
 - All of the above
- Q 3. What is the average number of calories required per person per day in rural areas of India?**
- | | |
|----------|----------|
| a. 2,100 | b. 2,400 |
| c. 2,600 | d. 2,800 |
- Q 4. Why is the calorie requirement of people higher in rural areas as compared to urban areas?**
- Rural people are engaged in more physical labour.
 - Social exclusion is higher in rural areas.
 - There is low level of development in rural areas.
 - They are less unemployed.

Q 5. Why is poverty line higher in urban areas?

- Less physical work is done by rural people.
- There are high prices of many essential commodities in urban areas.
- Due to lack of financial resources.
- None of the above

Q 6. There are two statements marked as Assertion (A) and Reason (R). Read them and choose the correct option:

Assertion (A): Calorie requirements in rural areas are considered to be higher than urban areas.

Reason (R): Poverty should be viewed on the basis of social exclusion and vulnerability.

- Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
- Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A).
- Assertion (A) is true, but Reason (R) is false.
- Assertion (A) is false, but Reason (R) is true.

Answers

1. (b) 2. (d) 3. (b) 4. (a) 5. (d) 6. (d)

Source 2

Read the source given below and answer the questions that follow:

Poverty in India also has another aspect or dimension. The proportion of poor people is not the same in every state. Although state level poverty has witnessed a secular decline from the levels of early seventies, the success rate of reducing poverty varies from state to state. Recent estimates show while the all India Head Count Ratio (HCR) was 21.9 per cent in 2011-12 states like Madhya Pradesh, Assam, Uttar Pradesh, Bihar and Odisha had above all India poverty level. Bihar and Odisha continue to be the two poorest states with poverty ratios of 33.7 and 32.6 per cent respectively. Along with rural poverty, urban poverty is also high in Odisha, Madhya Pradesh, Bihar and Uttar Pradesh.

In comparison, there has been a significant decline in poverty in Kerala, Maharashtra, Andhra Pradesh, Tamil Nadu, Gujarat and West Bengal. States like Punjab and Haryana have traditionally succeeded in reducing poverty with the help of high agricultural growth rates. Kerala has focused more on human resource development. In West Bengal, land reform measures have helped in reducing poverty. In Andhra Pradesh and Tamil Nadu, public distribution of foodgrains could have been responsible for the improvement.

are the poorest states in India having low poverty ratios?

Ans. The two poorest states in India having low poverty ratios are Bihar and Odisha with the ratios of 33.7 and 31.6 per cent respectively.

Q 2. In which states, rural as well as urban poverty are high?

Ans. Rural as well as urban poverty are high in the states of Odisha, Madhya Pradesh, Bihar and Uttar Pradesh.

Q 3. Which states have shown a significant decline in poverty?

Ans. The states like Kerala, Maharashtra, Andhra Pradesh, Tamil Nadu, Gujarat and West Bengal have shown a significant decline in poverty.

Very Short Answer Type Questions ↘

Q 1. What is poverty?

Ans. Poverty is a situation in which a person is unable to get the minimum basic necessities of life, i.e., food, clothing and shelter for his or her subsistence.

Q 2. What is meant by poverty line?

Ans. The line dividing the poor and the non-poor, on the basis of per capita income and expenditure, is known as poverty line.

Q 3. What is mass poverty?

Ans. Mass poverty is a situation in which a large section of people in economy are deprived of the basic necessities of life.

Q 4. Who is considered as poor?

Ans. Any person who is deprived of food, clothes, shelter, education, healthcare and economic activity is considered as poor.

Q 5. Why does inflation hit poor hard?

Ans. Inflation increases the price of the commodity. So, the poor having lesser purchasing power are hit hard.

Q 6. Which social groups are most vulnerable to poverty?

Ans. The social groups most vulnerable to poverty are the scheduled castes and the scheduled tribes.

Q 7. Mention the country which has the highest percentage of population below poverty line.

Ans. Nigeria, with 70.8% people below poverty line, has the highest percentage.

Q 8. What is both the cause and effect of poverty?

Ans. The high level of indebtedness is both the cause and effect of poverty.

Q 9. 'The current anti-poverty strategy of the government is based broadly on two planks.' Name the two planks.

Ans. The two planks are:

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

Q 10. What is the basic cause of reduction of poverty in India?

Ans. Rapid growth and massive investments in human resource development are the basic cause of reduction of poverty in India.

Q 11. What is the minimum consumption level for a rural person and an urban person?

Ans. The consumption level is 2,400 calories for a rural person and 2,100 calories for an urban person.

Q 12. Name any four poverty ridden states.

Ans. Odisha, Bihar, Assam and Tripura are the four poverty ridden states.

Q 13. How have Andhra Pradesh and Tamil Nadu reduced poverty?

Ans. Andhra Pradesh and Tamil Nadu have reduced poverty with the help of public distribution of foodgrains.

Q 14. States like Punjab and Haryana have traditionally succeeded in reducing poverty. How did they make it possible?

Ans. States like Punjab and Haryana have reduced poverty with the help of high agricultural growth rates.

Q 15. Name any two social indicators of poverty.

Ans. Illiteracy level and lack of job opportunities are the two social indicators of poverty.

Q 16. What is meant by 'social exclusion'?

Ans. According to the concept of social exclusion, poor people live in poor surroundings with other poor people, excluded from enjoying social equality with better-off people.

Q 17. Define vulnerability to poverty.

Ans. Vulnerability to poverty is a measure that describes the greater probability of certain communities of becoming or remaining poor in the coming time such as members of a backward caste or individuals like widow, physically handicapped person and so on.

Q 18. Name two social groups which are most vulnerable to poverty.

Ans. Scheduled castes and scheduled tribes are the two social groups which are most vulnerable to poverty.

Q 19. Name a scheme which was launched to create self-employment opportunities for the educated youth in the rural areas.

Ans. The Prime Minister Rozgar Yojana was launched to create self-employment opportunities for the educated youth in the rural areas.

Q 20. Which section of the population is the target for REGP and AAY anti-poverty programmes?

Ans. The target group for REGP is unemployed rural youth and the target group for AAY is the rural and urban poor families.

Q 21. Which of the government anti-poverty programme is not employment or self-employment related?

Ans. Only the Antyodaya Anna Yojana (AAY) ensures food security to the poorest of the poor by providing foodgrains at highly subsidised rates. It is not concerned with employment or self-employment.

Which section of the population is the target for MGNREGS and NREGA programmes?

The target for MGNREGS is rural poor households and the target for NREGA is rural households.

Q 23. Complete the table.

Name of Programme	Target Group	Started In	Significant Feature
National Food for Work Programme	A. _____ _____ _____	B. _____ _____ _____	Generating supplementary wage employment

Ans. A. Poor people in rural areas of 150 most backward district.

B. 2004.

Short Answer Type Questions

Q 1. Discuss the major dimensions of poverty.

OR

What does poverty mean?

Ans. The major dimensions of poverty are:

- It means hunger and lack of shelter.
- It is a situation in which parents are not able to send their children to schools.
- It means lack of regular and permanent job at a minimum decent level.
- It means lack of clean water and sanitation facilities.

Q 2. Explain briefly the characteristics of poverty.

Ans. Characteristics of poverty are as follows:

- Insufficient food is an important characteristic of poverty. It leads to malnutrition, hunger and starvation.
- Poor health and education have always been the consequences of poverty everywhere.
- Poverty suffers from shortage of resources. It is further worsened due to limited economic opportunities available to poor persons. It does not allow the poor person to release himself from the clutches of poverty.

Q 3. 'Poverty is a curse upon humanity.' Explain.

Ans. The given statement can be explained with the help of the following points:

- Poverty is a curse because most of the poor people live with a sense of helplessness.
- Poor people are debarred from the basic necessities of life, i.e., good health, drinking water, etc.
- Poor people face a situation in which they are ill-treated at almost every place, viz., in farms, factories, government offices, hospitals, railway stations, etc.

Q 4. Explain colonial rule and income inequalities as causes of poverty.

Ans. India was a colony of the British who drained the country economically, destroyed traditional handicrafts and discouraged development of industries like textiles. This was colonial rule that resulted in less job opportunities.

It was accompanied by high population growth and reduced income or income inequalities due to non-availability of land to rural landless labourers. Hence, they are forced to work for low wages for the large farmers leading to poverty due to inability to meet their daily needs with their meagre earnings.

Q 5. Why does the poverty line vary with time and place?

Ans. The poverty line is estimated on the basis of income incurred or consumption of minimum calorie intake. A person is considered poor if his or her income or consumption level falls below a given minimum level necessary to fulfil the basic needs. Since, the income varies from region to region and the consumption expenditure is subject to prices of food items, which also change over time and place, therefore the poverty line also varies. Each country uses an imaginary line which is considered appropriate for its existing level of development and its accepted minimum social norms.

Q 6. Why do different countries use different poverty lines?

Ans. Different countries use different poverty lines due to the following reasons:

- The calorie requirement of different human races is different on the basis of their physical conditions and dietary habits.
- The per capita income in different countries is different i.e., higher in developed countries as compared to developing countries.
- The standard of living of Western countries and the cost of essential items used to calculate the poverty line are also higher in developed countries than that from developing countries.

Q 7. What is the difference between absolute poverty and relative poverty?

Ans. **Absolute Poverty:** People having lesser than the minimum level of diet, which is 2,400 calories in rural and 2,100 calories in urban areas, are considered as absolutely poor.

Relative Poverty: It is measured on the basis of standard of living of the people. A person may be able to fulfil his basic needs but he may be poor as compared to another person.

the features of vulnerability.

Following are the features of vulnerability:

Vulnerability is determined by the options available to different communities for finding an alternative living in terms of assets, education, health and job opportunities.

- (ii) It is analysed on the basis of the greater risks which these groups face at the time of natural disasters.
- (iii) Vulnerability basically describes the greater probability of being more adversely affected when bad times come.

Q 9. Identify the social and economic groups which are most vulnerable to poverty in India.

Ans. Social groups which are the most vulnerable to poverty are Scheduled Tribes, Urban Casual Labourers, and Scheduled Castes. Social groups consisting of widows, orphans, physically handicapped and old people are also vulnerable to poverty. The Scheduled Castes are not allowed to avail the facilities provided to others due to caste system prevailing in the society.

The economic groups vulnerable to poverty are the rural agricultural labour and the urban casual labour households. Among these, the rural ones do not own land and so are not able to earn enough to meet their daily needs thus resulting in poverty.

Q 10. 'Apart from SCs, STs and other social groups, there is also inequality of incomes within a family.' Justify the above statement by giving two reasons.

Ans. The explanation of the above statement is as follows:

- (i) In poor families, all suffer, but some suffer more than the others.
- (ii) Women, elderly people and female infants are systematically denied equal access to resources available in the family. Hence, women, children (especially the girl child) and old people are the poorest of the poor, and suffer from inequality of incomes within a family.

Q 11. Explain the Rural Employment Generation Programme started by government to reduce poverty.

Ans. Rural Employment Generation Programme (REGP) was launched in 1995 as an anti-poverty measure. The various features of this programme are:

- (i) Its main objective was to create Self-employment opportunities in rural areas and small towns.
- (ii) It has the net target of creating 25 lakh new jobs under the Tenth Five Year Plan.

Q 12. Why were the poverty alleviation programmes not successful in most parts of India?

Ans. The poverty alleviation programmes were not successful in most parts of India due to the following reasons:

- (i) There was lack of proper implementation and right targeting.
- (ii) There has been a lot of overlapping of schemes.
- (iii) There has been a large increase in the population of the country every year which makes the scheme ineffective.
- (iv) The benefits of the schemes do not reach to the deserving poor though the intentions are good.

Q 13. Discuss about the major challenges before India with respect to poverty alleviation.

Ans. Poverty reduction is still the most compelling challenge in India. There are wide disparities in poverty seen between rural and urban India.

The major challenges before India with respect to poverty alleviation are:

- (i) To provide universal free elementary education.
- (ii) To provide employment opportunities and job security.
- (iii) To provide healthcare facilities.

Q 14. When was National Food for Work Programme (NFWP) launched? What are its objectives?

Ans. National Food for Work Programme (NFWP) was launched in 2004 in 150 most backward districts of the country. It was implemented as a 100% centrally sponsored scheme. Objectives of NFWP are as follows:

- (i) To provide employment to all rural poor, who are in need of wage employment and desire to do manual unskilled work.
- (ii) To ensure that poor people do not die of hunger and starvation.



Long Answer Type Questions

Q 1. What is poverty? Describe its dimensions.

Ans. Poverty is a situation in which a person is unable to get the minimum necessities of life. Poverty brings the poor people in a situation in which they are ill-treated at every place.

The dimensions of poverty are:

- (i) **Illiteracy:** It is a situation in which parents are unable to send their children to school.
- (ii) **Lack of Access to Healthcare:** It is a situation in which sick people cannot afford treatment.
- (iii) **Lack of Access to Drinking Water:** It means the lack of clean water and sanitation facilities.
- (iv) **Lack of Job Opportunity:** It means the lack of a regular job at a minimum decent level.
- (v) **Lack of General Resistance:** It means lack of general resistance because of malnutrition and poor dietary habits.
- (vi) **Ill-treatment:** It is a situation in which poor people are ill-treated at every place, in farms, factories, government offices, hospitals, railway stations, etc.

Discuss the major reasons for poverty in India.

The major reasons for poverty in India are:

- (i) There has been low level of economic development under the British rule in India.
- (ii) Indian handicrafts industry was ruined by the policies of the colonial government which led to unemployment, poverty and misery responsible for the low rate of economic growth.
- (iii) Social factors such as caste system, religious faiths and beliefs also kept certain section of people in society in poverty.
- (iv) High growth rate of population has led to a very low per capita income in the country.
- (v) Huge income inequalities have been the major feature of high poverty rates and they have been due to unequal distribution of land and other resources.

Q 3. Describe how the poverty line is estimated in India.

Ans. The poverty line is estimated in India in the following manner:

- (i) 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.
- (ii) The desired calorie requirements are then determined depending on age, sex and the type of work that a person does.
- (iii) The accepted average calorie requirement in India is 2,400 calories per person per day in rural areas and 2,100 calories per person per day in urban areas.
- (iv) On the basis of calculations, for the year 2011-12, the poverty line for a person was fixed at ₹816 per month for the rural areas and ₹1,000 for the urban areas. It means that a person living in rural areas and earning less than ₹816 per month will be below the poverty line. In the same way, a person living in urban areas and earning less than ₹1,000 per month will be below the poverty line.

Knowledge BOOSTER

The Expert Group under the chairmanship of Dr. C Rangarajan recommended that poverty line should be fixed at ₹ 1,407 monthly per capita expenditure in urban areas and ₹ 972 in rural areas.

Q 4. Are the dynamics of poverty reduction the same in rural and urban India? Explain by giving any five examples.

Ans. No, the dynamics are not the same. The examples for explaining this are as follows:

- (i) There has been a substantial decline in poverty ratios in India from about 45% in 1993-94 to 37.2% in 2004-05. However, the fall in ratios has been different in rural and urban areas.

- (ii) Rural poverty continues to be higher than urban poverty, though both have shown a significant decline.
- (iii) Rural poverty has declined from 50% in 1993-94 to 26% in 2011-12.
- (iv) Urban poverty has declined from 32% in 1993-94 to 14% in 2011-12.
- (v) The total number of poor in rural areas still stand at 217 million people which is much more than 53 million people in urban areas in 2011-12.

Q 5. Describe the global poverty scenario giving its features?

Ans. Although there has been a substantial reduction in global poverty, it is marked with great regional differences as will be evident through the following points:

- (i) Poverty has declined substantially in China and South-East Asian countries as a result of rapid growth and massive investment in human resource development.
- (ii) In the South Asian countries also, the decline has been very rapid. There has been a decline in the percentage of poor as also the number of poor.
- (iii) In Sub-Saharan Africa, poverty has fallen from 51% in 2005 to 40.2% in 2018.
- (iv) In Latin America, the ratio of poverty has declined from 10% in 2005 to 4% in 2018.
- (v) Poverty has also resurfaced in some of the former socialist countries like Russia where officially it was non-existent earlier.



TIP

Learn thoroughly the figures related to poverty for different years.

Q 6. Name the two poorest states of India. Give one factor responsible for reduction in poverty in each of the following states:

- (i) Punjab,
- (ii) Kerala,
- (iii) West Bengal,
- (iv) Andhra Pradesh.

Ans. Odisha and Bihar are the two poorest states of India. Factors responsible for reduction in poverty in states are:

- (i) **Punjab:** Due to high agricultural growth made possible through Green Revolution.
- (ii) **Kerala:** Due to improvement in human resource development through education.
- (iii) **West Bengal:** Due to successful implementation of land reform measures.
- (iv) **Andhra Pradesh:** Due to effective public distribution of foodgrains.

are the measures to accelerate the rate of economic growth?

Acceleration in the rate of economic growth is the foremost task for removal of poverty in India.

For this, following measures may be adopted:

- (i) Minimum and fair wages to the poor.
- (ii) Increase in self-employment opportunities for the poor sections of the society.
- (iii) Provision for education, training and health, with a view to improve labour productivity.
- (iv) Establishment of cottage and small scale industries in the backward regions of the country.
- (v) Efficient use of natural, human and capital resources of the country.

Q 8. 'The proportion of poor people is not the same in every state.' Analyse the statement.

Ans. Proportion of poor people is not the same in every state. This can be justified with the help of the following points:

- (i) The success of reducing poverty varies from state to state.
- (ii) 20 states have poverty ratio less than national average.
- (iii) Bihar and Odisha continue to be the two poorest states with poverty ratios of 33.7% and 32.6% respectively.
- (iv) There is a significant decline in poverty in Kerala, Jammu and Kashmir, Andhra Pradesh, Tamil Nadu and some other states.
- (v) With the help of high agriculture growth rates, states like Punjab and Haryana have succeeded in reducing poverty to a large extent.
- (vi) Proper organisation of Public Distribution System (PDS) in Andhra Pradesh and Tamil Nadu has also helped to tackle the poverty problems.



TIP

Analysis of the statement should be given through different examples.

Q 9. What are the main features of the Mahatma Gandhi National Rural Employment Guarantee Act, 2005?

Ans. MGNREGA, which was earlier named as National Rural Employment Guarantee Act (NREGA), was passed in September, 2005. Its main features are:

- (i) The act provides 100 days assured employment every year to every rural household in 200 districts, further extended to 600 districts.
- (ii) One-third of the jobs will be reserved for women.

(iii) The Central Government will establish National Employment Guarantee Fund and the State Governments will also establish State Employment Guarantee Funds (SEGF) for the implementation of scheme.

(iv) If job is not provided to an applicant within fifteen days, daily unemployment allowance will be provided.

Q 10. Mention the features of following poverty alleviation programmes implemented by the Government of India.

(i) National Food for Work Programme (NFWP).

(ii) Antyodaya Anna Yojana (AAY).

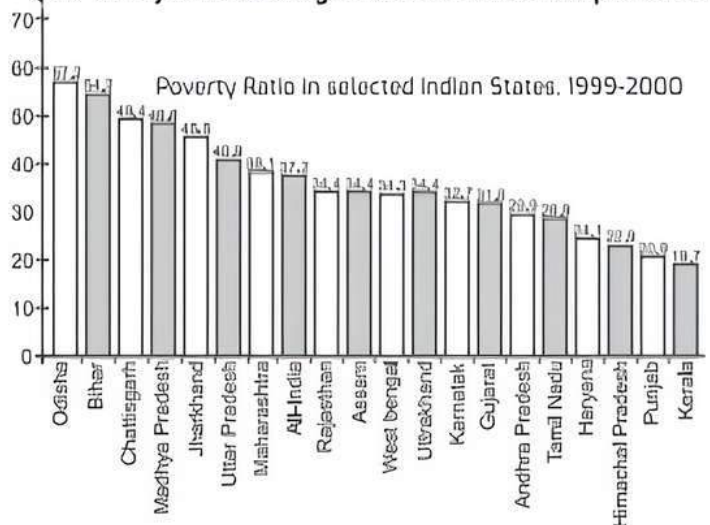
Ans. National Food for Work Programme (NFWP)

- (i) This programme was launched in 2004 in 150 most backward districts of the country.
- (ii) This programme is open to all rural poor who are in need of wage employment and desire to do manual unskilled work.
- (iii) It is implemented as a 100% centrally sponsored scheme.
- (iv) Under this scheme, foodgrains are provided free of cost to the states.
- (v) Later, this scheme was merged with NREGA.

Antyodaya Anna Yojana (AAY)

- (i) This scheme was launched in December 2000.
- (ii) 1 crore of the poorest among the BPL families were covered under the targeted PDS.
- (iii) 25 kg of foodgrains were made available to each eligible family at a highly subsidised rate: 2 per kg for wheat and 3 per kg for rice.
- (iv) This quantity has been enhanced from 25 kg to 35 kg with effect from April 2002.
- (v) Now, almost 2 crore families are covered under this scheme.

Q 11. Study the following table and answer the questions:



Source: Economic Survey 2001-02, Ministry of Finance, Government of India

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

- Ans. (i) The states where poverty ratio is the highest are:
- (a) Odisha-57.2%
 - (b) Bihar-54.2%
 - (c) Chhattisgarh-49.4%
- (ii) The states where poverty ratio is the lowest are:
- (a) Kerala-19.7%
 - (b) Punjab-20.9%
 - (c) Himachal Pradesh-22.9%

Q 12. Study the table and answer the following questions:

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

- (i) Even if poverty ratio declined between 1973-74 and 1993-94, why did the number of poor remain at about 320 million?

- (ii) Are the dynamics of poverty reduction the same in rural and urban areas?

- Ans. (i) The poverty ratio declined between 1973-74 and 1993-94 but the number of poor remained at about 320 million because the total population of the country increased during the same period. Out of this increased population more people got employment due to the Green Revolution, establishment of more industries and growth of the tertiary sector. As a result, the poverty ratio declined.
- (ii) No, the dynamics of poverty reduction are not the same in rural and urban areas because the conditions in both the areas are completely different.

Urban area poverty has decreased due to expansion of the service sector, increased industrialisation and consequent increase of jobs. This has resulted in migration to cities and towns from rural areas. Rural areas poverty has reduced due to improved agricultural practices resulting in higher incomes. Some contribution to this improvement is due to the migration to urban areas.



Chapter Test

Multiple Choice Questions

- Q 1. In which state have the land reform measures helped to reduce poverty?**
- a. Tamil Nadu
 - b. Punjab
 - c. West Bengal
 - d. Kerala
- Q 2. Which of the following groups are the most vulnerable groups in India among the various economic groups?**
- a. Rural agricultural labour households and urban casual labour households
 - b. Farmers with 1 hectare land
 - c. Urban small shopkeepers
 - d. Urban daily wages
- Q 3. The current anti-poverty strategy of the government is based on:**
- a. promotion of economic growth
 - b. targeted anti-poverty programmes
 - c. providing many job opportunities
 - d. Both a. and b.

Q 4. Match the following:

Column I	Column II
1. Head count ratio	A. Borrowing capacity provided to an individual by the banking system.
2. Bank credit	B. Distribution of essential commodities through a network of fair price shops on a recurring basis.
3. Economic growth	C. Proportion of a population that lives below the poverty line.
4. Public distribution system	D. An increase in real output of a country.

- | | | | | |
|----|---|---|---|---|
| | 1 | 2 | 3 | 4 |
| a. | A | C | B | D |
| b. | C | A | D | B |
| c. | C | A | B | D |
| d. | A | C | D | B |

would be truly independent only when poorest of its people become free of human suffering'. Who said this?

- a. Mahatma Gandhi b. Jawaharlal Nehru
c. Atal Bihari Vajpayee d. Vallabhbhai Patel

Assertion and Reason Type Questions

Directions (Q. Nos. 6-7): In the following questions given below, there are two statements marked as Assertion (A) and Reason (R). Read them and choose the correct option:

- a. Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
b. Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A).
c. Assertion (A) is true, but Reason (R) is false.
d. Assertion (A) is false, but Reason (R) is true.

Q 6. Assertion (A): The anti-poverty strategy of Indian government is based on promotion of economic growth and targeted anti-poverty programmes.

Reason (R): Removal of poverty has been one of the major objectives of Indian development strategy.

Q 7. Assertion (A): Poverty reduction is a major challenge in India due to the wide differences between regions as well as rural and urban areas.

Reason (R): There is strong linkage between economic growth and poverty reduction.

Source Based Question

Q 8. Read the source given below and answer the questions that follow:

With the spread of irrigation and the Green Revolution, many job opportunities were created in the agriculture sector. But the effects were limited to some parts of India. The industries, both in the public and the private sector, did provide some jobs. But these were not enough to absorb all the job seekers. Unable to find proper jobs in cities, many people started working as rickshaw pullers, vendors, construction workers, domestic servants, etc. With irregular small incomes, these people could not afford expensive housing. They started living in slums on the outskirts of the cities and the problems of poverty, largely a rural phenomenon also became the feature of the urban sector.

Another feature of high poverty rates has been the huge income inequalities. One of the major

reasons for this is the unequal distribution of land and other resources. Despite many policies, we have not been able to tackle the issue in a meaningful manner. Major policy initiatives like land reforms which aimed at redistribution of assets in rural areas have not been implemented properly and effectively by most of the state governments. Since, lack of land resources has been one of the major causes of poverty in India, proper implementation of policy could have improved the life of millions of rural poor.

- (i) Why do huge income inequalities lead to high poverty rates?
(ii) What were the effects of job opportunities created in the agriculture sector?
(iii) Mention the major policy initiative that has not been implemented properly and effectively by most of the State Governments.

Very Short Answer Type Questions

- Q 9. How is poverty line estimated periodically? State the organisation which is responsible for estimating poverty.
Q 10. How is regular growth of population one of the major causes of poverty?
Q 11. Which of the government anti-poverty programme is not employment or self-employment related?
Q 12. What is the minimum consumption level for a rural person and an urban person?

Short Answer Type Questions

- Q 13. Mention any three social indicators through which poverty is looked upon.
Q 14. 'In poor families all suffer but some suffer more than others'. Explain the statement.
Q 15. 'Apart from SCs, STs and other social groups, there is also inequality of incomes within a family.' Explain.
Q 16. What are the major objectives of National Food for Work Programme (NFWP)?

Long Answer Type Questions

- Q 17. 'The proportion of poor people is not the same in every state.' Analyse the statement.
Q 18. Mention the various programmes introduced by the government to alleviate poverty.