

Unit 4

I. Choose the correct answer. (Each question carries one mark)

1. Poverty Line separates
 - a) **Poor and non-poor** b) Rich and non-rich
 - c) Poor and Weak d) None of the above.
2. In per-independent India, he was the first to discuss the concept of poverty line.
 - a) **Dadabhai Naoraji** b) Gopala krishna Gokhale
 - c) Vinobha bave d) Vinoda Bai
3. Some are rich most of the time but may sometime have a patch of bad luck. they are called
 - a) **Occasionally Poor** b) Usually Poor
 - c) Always Poor d) None of the above
4. The act provides guaranteed wage employment to every poor household for minimum of 100 days in a year is called.
 - a) PMRY b) SJSRY
 - c) **MGNREGA** d) SGSY

II. Fill in the blanks. (Each question carries four marks)

1. The causes of poverty lie in the institutional and **non-institutional** factors that mark the life of the poor.
2. Most poverty alleviation programmes implemented are based on the perspective of the **tenth five-year plan**
3. **British Colonization** impoverished millions of people in India.
4. Economists identify the poor based on their occupation and **ownership of assets**

III. Answer the following question in a word /sentence each. (Each question carries one mark)

1. Give the meaning of poverty.

Poverty has many faces, which have been changing from place to place and across time, and has been described in many ways. Most often, poverty is a situation that people want to escape.

2. Why the poor are physically weak?

Malnutrition is alarmingly high among the poor. Ill health, disability or serious illness makes them physically weak.

3. Who are the churning poor?

The churning poor who regularly move in and out of poverty (example: small farmers and seasonal workers)

4. Define poverty line as per planning commission.

One way is to determine it by the monetary value (per capita expenditure) of the minimum calorie intake that was estimated at 2,400 calories for a rural person and 2,100 for a person in the urban area. Based on this, in 1999- 2000, the poverty line was defined for rural areas as consumption worth Rs 328 per person a month and for urban areas it was Rs 454.

5. What is 'Head count Ratio'?

When the number of poor is estimated as the proportion of people below the poverty line, it is known as 'Head Count Ratio'.

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

National Social Assistance Programme is one such programme initiated by the central government

7. 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?

Swarnajayanti Gram Swarozgar Yojana (SGSY) is one such programme.

IV. Answer the following question in four sentences each. (Each question carries two marks)

1. Poverty has many dimensions. How it must be looked at?

To know what helps to reduce poverty, what works and what does not, what changes over time, poverty has to be defined, measured and studied — and even experienced. As poverty has many dimensions, it has to be looked at through a variety of indicators — levels of income and consumption, social indicators, and indicators of vulnerability to risks and of socio/political access.

2. List the features of poorest households.

Starvation and hunger are the key features of the poorest households. The poor lack basic literacy and skills and hence have very limited economic opportunities. Poor people also face unstable employment.

3. Who are the urban poor? Give examples.

The urban poor are largely the overflow of the rural poor who had migrated to urban areas in search of alternative employment and livelihood, labourers who do a variety of casual jobs and the self-employed who sell a variety of things on roadsides and are engaged in various activities. Ex: Those selling Pani puri on the roadside

4. Who are the rural poor? Give examples.

Scholars identify the poor based on their occupation and ownership of assets. They state that the rural poor work mainly as landless agricultural labourers, cultivators with very small landholdings, landless labourers who are engaged in a variety of non-agricultural jobs and tenant cultivators with small land holdings.

5. What are the social factors that trigger and perpetuate the poverty?

The mechanism for determining the Poverty Line also does not take into consideration social factors that trigger and perpetuate poverty such as illiteracy, ill health, lack of access to resources, discrimination or lack of civil and political freedoms.

6. Name the states where poverty level is far above the national poverty level.

Uttar Pradesh, Bihar, Madhya Pradesh, West Bengal and Orissa — account for about 70 per cent of India's poor

7. Name the states where poverty level is lower than the national poverty level.

Gujarat, Andhra Pradesh and Rajasthan

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

While looking for alternatives to specifically address the poor, policy makers started thinking that incomes and employment for the poor could be raised through the creation of incremental assets and by means of work generation.

9. Name the self-employment generation programmes of the government for the poor.

Examples of self-employment programmes are Rural Employment Generation Programme (REGP), Prime Minister's Rozgar Yojana (PMRY) and Swarna Jayanti Shahari Rozgar Yojana (SJSRY).

10. Why are employment generation programmes important in poverty alleviation in India?

The programmes that are being implemented now are based on the perspective of the Tenth Five Year Plan (2002-2007) Expanding self-employment programmes and wage employment programmes are being considered as the major ways of addressing poverty.

11. List the programmes that aims at improving the food and nutritional status of the poor.

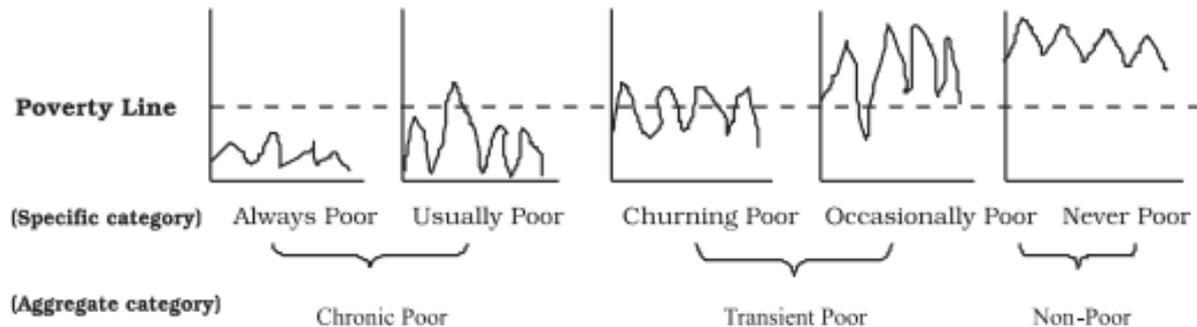
Three major programmes that aim at improving the food and nutritional status of the poor are Public Distribution System, Integrated Child Development Scheme and Midday Meal Scheme. Pradhan Mantri Gram Sadak Yojana, Pradhan Mantri Gramodaya Yojana, Valmiki Ambedkar Awas Yojana are also attempts in the same direction.

12. List the factors that prevent the successful implementation of poverty alleviation programmes

These programmes depend mainly on government and bank officials for their implementation. Since such officials are ill motivated, inadequately trained, corruption prone and vulnerable to pressure from a variety of local elites, the resources are inefficiently used and wasted. There is also non-participation of local level institutions in programme implementation

V. Answer the following question in twelve sentences each. (Each question carries four marks)

- Write the chart of poverty line and give the meaning of chronic poor, Transient poor and non-poor.



There are many ways to categorise poverty. In one such way people who are always poor and those who are usually poor but who may sometimes have a little more money (example: casual workers) are grouped together as the chronic poor. Another group are the churning poor who regularly move in and out of poverty (example: small farmers and seasonal workers) and the occasionally poor who are rich most of the time but may sometimes have a patch of bad luck. They are called the transient poor. And then there are those who are never poor, and they are the non-poor.

- What do you mean by Growth oriented approach to poverty reduction? Why it is not successful in India.

The government’s approach to poverty reduction was of three dimensions. The first one is growth-oriented approach. It is based on the expectation that the effects of economic growth — rapid increase in gross domestic product and per capita income — would spread to all sections of society and will trickle down to the poor sections also.

Population growth has resulted in a very low growth in per capita incomes. The gap between poor and rich has widened. The Green Revolution exacerbated the disparities regionally and between large and small farmers. There was unwillingness and inability to redistribute land. Economists state that the benefits of economic growth have not trickled down to the poor.

While looking for alternatives to specifically address the poor, policy makers started thinking that incomes and employment for the poor could be raised through the creation of incremental assets and by means of work generation.

3. Explain the employment generation programmes of poverty alleviation in India.

The government has a variety of programmes to generate wage employment for the poor unskilled people living in rural areas. Some of them are National Food for Work Programme (NFWP) and Sampoorna Grameen Rozgar Yojana (SGRY).

In August 2005, the Parliament has passed a new Act to provide guaranteed wage employment to every household whose adult volunteer is to do unskilled manual work for a minimum of 100 days in a year.

This Act is known as National Rural Employment Guarantee Act–2005. Under this Act all those among the poor who are ready to work at the minimum wage can report for work in areas where this programme is implemented.

4. Explain the programmes that provides minimum basic amenities to the people to reduce the poverty in India.

The third approach to addressing poverty is to provide minimum basic amenities to the people. India was among the pioneers in the world to envisage that through public expenditure on social consumption needs — provision of food grains at subsidised rates, education, health, water supply and sanitation— people’s living standard could be improved.

Three major programmes that aim at improving the food and nutritional status of the poor are Public Distribution System, Integrated Child Development Scheme and Midday Meal Scheme. Pradhan Mantri Gram Sadak Yojana, Pradhan Mantri Gramodaya Yojana, Valmiki Ambedkar Awas Yojana are also attempts in the same direction. It may be essential to briefly state that India has achieved satisfactory progress in many aspects.

5. Critically asses the poverty alleviation programmes of the government.

Efforts at poverty alleviation have borne fruit in that for the first time since independence, the percentage of absolute poor in some states is now well below the national average. Despite a variety of approaches, programmes and schemes to alleviate poverty; hunger, malnourishment, illiteracy and lack of basic amenities continue to be a common feature in many parts of India. Though the policy towards poverty alleviation has evolved in a progressive manner, over the last five and a half decades, it has not undergone any radical transformation.

However, none resulted in any radical change in the ownership of assets, process of production and improvement of basic amenities to the needy. Scholars, while assessing these programmes, state three major areas of concern which prevent their successful implementation.

Due to unequal distribution of land and other assets, the benefits from direct poverty alleviation programmes have been appropriated by the non-poor. Compared to the magnitude of poverty, the amount of resources allocated for these programmes is not sufficient. Moreover, these programmes depend mainly on government and bank officials for their implementation.

Since such officials are ill motivated, inadequately trained, corruption prone and vulnerable to pressure from a variety of local elites, the resources are inefficiently used and wasted. There is also non-participation of local level institutions in programme implementation.

VI. Answer the following question in twenty sentences each. (Each question carries six marks)

1. Explain the causes of poverty.

Poverty is explained by individual circumstances and/or characteristics of poor people. Some examples are

- (i) Low levels of education and skills
- (ii) Infirmary, ill health, sickness
- (iii) Discrimination.

These can be caused because of

- (i) Social, economic and political inequality
- (ii) Social exclusion
- (iii) Unemployment
- (iv) Indebtedness
- (v) Unequal distribution of wealth.

Aggregate poverty is just the sum of individual poverty. Poverty is also explained by general, economy-wide problems, such as

- (i) Low capital formation
- (ii) Lack of infrastructure
- (iii) Lack of demand
- (iv) Pressure of population
- (v) Lack of social/welfare nets.

A large section of the rural poor in India are the small farmers. The land that they have is, in general, less fertile and dependent on rains. Their survival depends on subsistence crops and sometimes on livestock. With the rapid growth of population and without alternative sources of employment, the per-head availability of land for cultivation has steadily declined leading to fragmentation of land holdings. The income from these small land holdings is not sufficient to meet the family's basic requirements

2. Explain briefly the three-dimensional programmes adopted by the government to eradicate the poverty in India.

The government's approach to poverty reduction was of three dimensions. The first one is growth-oriented approach. It is based on the expectation that the effects of economic growth — rapid increase in gross domestic product and per capita income — would spread to all sections of society and will trickle down to the poor sections also

The second one of the noted programmes initiated in the 1970s was Food for Work. The programmes that are being implemented now are based on the perspective of the Tenth Five Year Plan (2002-2007) Expanding self-employment programmes and wage employment programmes are being considered as the major ways of addressing poverty.

Examples of self-employment programmes are Rural Employment Generation Programme (REGP), Prime Minister's Rozgar Yojana (PMRY) and Swarna Jayanti Shahari Rozgar Yojana (SJSRY). The first programme aims at creating self-employment opportunities in rural areas and small towns.

The Khadi and Village Industries Commission is implementing it. Under this programme, one can get financial assistance in the form of bank loans to set up small industries. The educated unemployed from low-income families in rural and urban areas can get financial help to set up any kind of enterprise that generates employment under PMRY.

SJSRY mainly aims at creating employment opportunities—both self-employment and wage employment—in urban areas. Through banks, the government provides partial financial assistance to SHGs which then decide whom the loan is to be given to for self-employment activities. Swarnajayanti Gram Swarozgar Yojana (SGSY) is one such programme.

The government has a variety of programmes to generate wage employment for the poor unskilled people living in rural areas. Some of them are National Food for Work Programme (NFWP) and Sampoorna Grameen Rozgar Yojana (SGRY).

In August 2005, the Parliament has passed a new Act to provide guaranteed wage employment to every household whose adult volunteer is to do unskilled manual work for a minimum of 100 days in a year. This Act is known as National Rural Employment Guarantee Act-2005. Under this Act all those among the poor who are ready to work at the minimum wage can report for work in areas where this programme is implemented.

The third approach to addressing poverty is to provide minimum basic amenities to the people. India was among the pioneers in the world to envisage that through public expenditure on social consumption needs — provision of food grains at subsidised rates, education, health, water supply and sanitation— people's living standard could be improved.

Three major programmes that aim at improving the food and nutritional status of the poor are Public Distribution System, Integrated Child Development Scheme and Midday Meal Scheme. Pradhan Mantri Gram Sadak Yojana, Pradhan Mantri Gramodaya Yojana, Valmiki Ambedkar Awas Yojana are also attempts in the same direction.