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### POVERTY MEASURES AND POVERTY ALLEVIATION PROGRAMMES IN INDIA

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#### Introduction:

Poverty is about not having enough money to meet basic needs including food, clothing and shelter. However, poverty is much more than just not having enough money. Poverty is the lack of basic necessities that all human beings must have i.e. food and water, shelter, education, medical care, security, etc. The World Bank has defined poverty as survival on less than \$1.25 per day. The Government of India fixed poverty line Rs. 803 per capita/month's income for rural poor while Rs.1038 Per capita/ month's income for urban poor. About 1/5<sup>th</sup> of the world population live on less than \$ 1 per day and 44% of them are in South Asia. Almost half of the world, over 3 billion people lives on less than \$2.50 per day. Internationally, an income of less than \$1.25 per day per head of purchasing power parity is defined as extreme poverty. By this estimate, about 40% percent of Indians are extremely poor. Nearly a billion people entered the 21st century unable to read a book or sign their names. Less than one per cent of what the world spent every year on weapons was needed to put every child into school by the year 2000 and yet it didn't happen. 1 billion children live in poverty (1 in 2 children in the world). 640 million live without adequate shelter, 400 million have no access to safe water, 270 million have no access to health services.

#### Poverty Measures:

**Head Count Ratio (HCR):** proportion of total population that falls below poverty threshold income or expenditure. Based on either national PL or dollar-a-day PL.

**Poverty Gap Index (PGI):** unlike HCR, it gives us a sense of how poor the poor are. It is equivalent to income gap below PL per head of total population, and expressed as a percentage of the poverty line.

**Squared Poverty Gap index (SPG):** Adds the dimension of inequality among the poor to the poverty gap index. For a given value of the PGI, population with greater dispersion of income among poor indicates a higher value for the SPG.

#### Causes of Rural Poverty:

**1. Rapidly Rising Population:** The population during the last 45 years has increased at the rate of 2.2% per annum. On average 17 million people are added every year to its population which raises the demand for consumption goods considerably.

**2. Low Productivity in Agriculture:** The level of productivity in agriculture is low due to subdivided and fragmented holdings, lack of capital, use of traditional methods of cultivation, illiteracy etc. This is the main cause of poverty in the country.

**3. Under Utilized Resources:** The existence of under employment and disguised unemployment of human resources and under utilization of resources has resulted in low production in agricultural sector. This brought a down fall in their standard of living.

**4. Low Rate of Economic Development:** The rate of economic development in India has been below the required level. Therefore, there persists a gap between level of availability and requirements of goods and services. The net result is poverty.

**5. Price Rise:** The continuous and steep price rise has added to the miseries of poor. It has benefited a few people in the society and the persons in lower income group find it difficult to get their minimum needs.

**6. Unemployment:** The continuously expanding army of unemployed is another cause of poverty. The job seeker is increasing in number at a higher rate than the expansion in employment opportunities.

**7. Shortage of Capital and Able Entrepreneurship:** Capital and able entrepreneurship have important role in accelerating the growth. But these are in short supply making it difficult to increase production significantly.

**8. Social Factors:** The social set up is still backward and is not conducive to faster development. Laws of inheritance, caste system, traditions and customs are putting hindrances in the way of faster development and have aggravated the problem of poverty.

**9. Political Factors:** The Britishers started lopsided development in India and reduced Indian economy to a colonial state. They exploited the natural resources to suit their interests and weaken the industrial base of Indian economy. In independent India, the development plans have been guided by political interests.

#### **Poverty alleviation programme:**

**1. Integrated Rural Development Programme (IRDP):** Integrated Rural Development Programme was initiated in 1976-77 in 20 selected districts and further in 1980 it was started in all blocks of the country. The objective of the programme is to enable the selected families to cross the poverty line through a strategy of productive assets endowment. During the Seventh Five Year Plan period an outlay of Rs. 2.462 crore was provided for the programme and the target was to cover 20 million beneficiaries.

**2. National Rural Employment Programme (NREP):** National Rural Employment Programme was launched in October 1980. The basic objective of the programme was to generate additional gainful employment in the rural areas to bring about a general improvement in the overall quality of life in rural areas.

**3. Rural Landless Employment Guarantee Programme (RLEGP):** The RLEGP was launched on 15 August 1983 to generate additional employment in rural areas. The basic objective of the programme was to improve and expand employment opportunities to create

productive and durable assets for strengthening rural infrastructure and to improve the overall quality of life in rural areas.

**4. Jawahar Rozgar Yojna:** Jawahar Rozgar Yojna has been introduced in 1989-90 with a purpose of generating more employment in the country. To create 837 million mandays of employment a sum of Rs. 2623 crores has been provided.

**5. Development of Women and Children:** This programme was launched during the Sixth Plan on a pilot basis in 50 districts and was continued in the Seventh Plan. The object of the programme is to improve the lot of rural women through the creation of income generation activities in a district.

**6. Desert Development Programme:** DDP was started in 1977 on the recommendations of the National Commission on Agriculture. The main objective of DDP was on controlling further diversification of desert areas and raising the productivity of local inhabitant.

**7. Employment Guarantee Scheme:** This Scheme has been launched in states, such as, Maharashtra, West Bengal, Kerala, Rajasthan etc. Under the schemes unemployed persons are given economic assistance.

**8. Prime Minister's Rozgar Yojana (PMRY):** This Yojana was implementing 1993 to give employment to more than 10 lakh people by setting up seven lakh m enterprises during Eighth Plan in industry, service and business. In 1995-96 it generated employment for 3.75 lakh people. It provided employment to 2.1 lakh proper day in 1999-2000.

**9. Self-Employment Programmes:** Swarnajayanti Gram Swarozgar Yojna (SGSY). Integrated Rural Development Programme (IRDP) and allied programmes as Training of Rural Youth for Self Employment (TRYSEM), Development of Women and Children in Rural Areas (DWCRA) and Million Wells Scheme (MWS) have been restructured into a single self-employment programme called the Swarnajayanti Gramya Swarozgar Yojana (SGSY) from April 1999.

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