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**DAILY EDITORIAL
ANALYSIS**

TOPIC

Problem of Poverty in India

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PROBLEM OF POVERTY IN INDIA

Context

- Poverty is still a major challenge that needs to be addressed.

What is Poverty?

- It entails more than the lack of income and productive resources to ensure sustainable livelihoods.
 - ♦ Its manifestations include hunger and malnutrition, limited access to education and other basic services, social discrimination and exclusion as well as the lack of participation in decision-making.
- People living below a poverty line don't have enough to meet their basic needs.
 - ♦ The World Bank updated the global poverty line from \$1.90 to \$2.15 per day.

Major Causes

- **Inequality in the Distribution of Income and Assets:** The poor mainly consists of unskilled labor, which typically does not command a high enough level of wage income.
 - ♦ the benefits of the growth have been concentrated and have not “trickled down” sufficiently to ensure improved consumption among the lower income groups.
- **Lack of Access to Social Services:** The lack of access to social services such as health and education compound the problems arising from inequality in the ownership of physical and human assets
- **Lack of access to Institutional Credit:** The banks and other financial institutions are biased in the provision of loans to the poor for the fear of default in the repayment of loans.
 - ♦ Further, the rules regarding collateral security, documentary evidences etc. present constraints for the poor to avail loan facility from banks
- **Lack of Productive Employment :** The magnitude of poverty is directly linked to the unemployment situation.
 - ♦ The present employment conditions don't permit a reasonable level of living causing poverty.
 - ♦ The lack of productive employment is mainly due to problems of infrastructure, inputs, credit, technology and marketing support. The gainful employment opportunities are lacking in the system.
- **Caste system:** Caste system in India has always been responsible for rural poverty. The subordination of the low caste people by the high caste people caused the poverty of the former
- **Social customs:** The rural people generally spend a large percentage of annual earnings on social ceremonies like marriage, death feast etc. and borrow largely to meet these requirements. As a result, they remain in debt and poverty.
- **Vicious Circle of Poverty:** Low level of saving reduces the scope for investment; low level of investment yields low income and thus the circle of poverty goes on indefinitely.
- **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 rural India.
- **Lack of urban planning,** especially that for housing low-income categories and provision of land for informal sector activities;

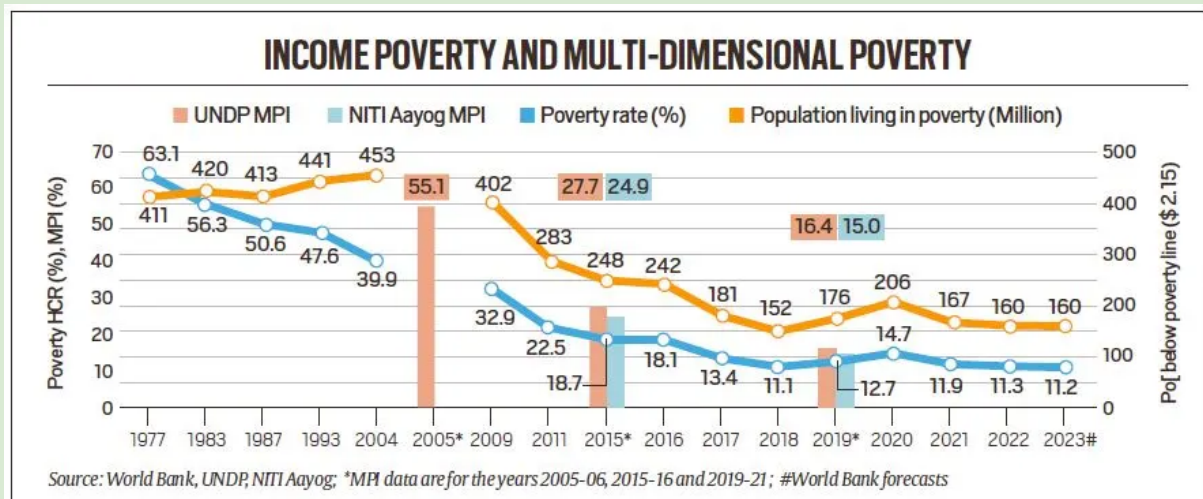
Consequences

- Malnutrition and resultant physical and mental ailments were the direct results of poverty.
- Unemployment or underemployment and the casual and intermittent nature of work in both rural and urban areas that compels **indebtedness, in turn, reinforces poverty.**
 - ♦ The **poor have more stressful lives** due to financial burdens and worries, and this stress can bleed into their personal lives,
- **Poor people** are more likely to have several kinds of family problems, including divorce and family conflict.

- Poor people are more likely to engage in criminal activities such as robbery, homicide, and burglary.
 - ◆ However, they are also more likely to be the victims of street crime.
- Children growing up in poverty are less likely to graduate high school or go to college, and they are more likely to commit street crime.
- The main victims of caste, religious and other discriminatory practices are poor.
- Government **initiatives are yet to transform the ownership** of assets, processes of production and meet the basic amenities of the poor

Data Analysis

- NITI Aayog has released the National Multidimensional Poverty Index: A **Progress Review 2023**.
 - ◆ As per this report, **13.5 crore people escaped** “Multidimensional Poverty” between 2015-16 and 2019-20.
 - ◆ A steep decline has been reported in the number of multi dimensionally poor from 24.85% to 14.96% between 2015-16 and 2019-22. This indicates that India is well on course to achieve the **SDG target 1.2 much ahead of 2030**.



Various committees Formed on Poverty in India

- Six official committees have so far estimated the number of people living in poverty in India
 - ◆ the working group of 1962
 - ◆ V N Dandekar and N Rath in 1971
 - ◆ Y K Alagh in 1979
 - ◆ D T Lakdawala in 1993
 - ◆ Suresh Tendulkar in 2009
 - ◆ C Rangarajan in 2014.
- The government did not take a call on the report of the Rangarajan Committee; therefore, poverty is measured using the Tendulkar poverty line.
- The **Lakdawala Committee assumed that health and education** is provided by the state — therefore, expenditure on these items was excluded from the consumption basket it proposed. Since expenditure on health and education rose significantly in the 1990s, the Tendulkar Committee included them in the basket.

Initiatives of Government

- Over the years, the government has been following three approaches to reduce poverty in India: growth oriented development, specific poverty alleviation programmes and meeting the minimum needs of the poor.

- **Mahatma Gandhi National Rural Employment Guarantee Work (MGNREGA)** : It provides wage employment while also focusing on strengthening natural resource management through works that address causes of chronic poverty.
- Flagship programmes like the **Poshan Abhiyan** and **Anaemia Mukh Bharat** have contributed to reduced deprivations in **health**.
- Initiatives such as **Swachh Bharat Mission (SBM)** and **Jal Jeevan Mission (JJM)** have improved sanitation across the country.
- The provision of subsidized cooking fuel through the **Pradhan Mantri Ujjwala Yojana (PMUY)** has positively transformed lives
- Initiatives like **Saubhagya, Pradhan Mantri Awas Yojana (PMAY), Pradhan Mantri Jan Dhan Yojana (PMJDY)**, and Samagra Shiksha have also played a major role in significantly reducing multidimensional poverty in the country.

Suggestions

- **Inequalities of income, education, and opportunity** are all interconnected and must be addressed together.
- **Reducing inequalities of opportunity** and of incomes among individuals, populations, and regions can foster social cohesion and boost general well-being.
- **Jobs and employment** are the surest way to reduce poverty and inequality.
- **Poverty eradication** must be mainstreamed into the national policies and actions in accordance with the internationally agreed development goals forming part of the broad United Nations Development Agenda.
- **Policymakers must intensify** efforts to grow their economies, while protecting the most vulnerable.
- It is essential that the government should provide education and health services free of cost for the deserving citizens and those from the socially oppressed classes.

Source: *IE*

DAILY MAINS QUESTION

Do you agree with the view that Poverty is a multi-dimensional challenge for India ?Give reasons in support of your arguments.