

Poverty as a challenge

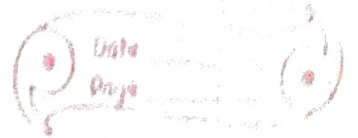


Q1. Describe how the poverty line is estimated in India.

→ In India, poverty has been defined as a situation in which a person fails to earn income sufficient to buy him basic means of subsistence. The measurement of poverty line is based on the income or consumption levels.

Poverty line has also been determined on the basis of consumption ~~or~~ expenditure. This again has been separately fixed for rural and urban areas. The level of consumption expenditure per person per month has been fixed at Rs. 529 and Rs. 454 for rural and urban areas separately. Those persons whose monthly consumption expenditure falls but should be based on their factors also.

Q2. Do you think that the present methodology of poverty estimation is appropriate?



→ The definition of poverty line is not appropriate as it is based on the minimum subsistence level of living rather than a reasonable level of ~~living~~ living. It is suggested that the concept of poverty must be broadened so as to include indicators such as basic education, drinking water, sanitation etc. A large no. of people ~~may~~ may have been able to feed themselves. But they do not ~~even~~ have education, health care, job security, gender equality, etc.

Q3. Describe poverty trends in India since 1973

→ The planning commission of India has made estimations about the incidence of poverty since the early 1970s. These estimates are given in the following table:

Year	Poverty ratio in %			No. of poor (in million)		
	Rural	Urban	Combined	Rural	Urban	Combined
1973-74	56.4	49	54.9	261	60	321
1993-94	37.3	32.4	36	244	76	320
1999-00	27.1	23.6	26.1	193	67	260

→ Economic survey 2002-03, Ministry of Finance, Government of India. Table shows that there is a substantial decline in the poverty ratio in India from the about 65 per cent in 1973 to 38 per cent in 1993. This ratio has further come down to about 28 percent in 2000. Although the poverty ratio during 1973-93 declined but the number of poor remained stable at around 320 million during this period of two decades. It may also be noted that poverty ratio always remained higher in rural areas compared to urban areas.

Q6. Give an account of inter-state disparities in poverty in India.

→ There are wide disparities in poverty ~~are~~ across the country. The poverty ratio is less than the national average. Odisha and Bihar continue to be the two poorest states with poverty ratios of 47 and 43 percent respectively. In comparison, there has been a significant fall in poverty ratio in the

the states of Kerala, Jammu & Kashmir, Andhra Pradesh, Tamil Nadu, Gujarat & West Bengal - States like Punjab and Haryana have continuously succeeded in reducing their poverty ratio of 8.16 per cent and 8.7 per cent respectively. The lowest incidence of poverty is found in Jammu and Kashmir with a poverty ratio of 3.5 per cent.

→