

11/9/21

HOME ASSIGNMENT - Exercise

4. Discuss the major reasons for poverty in India?

Ans) Major reasons for poverty in India:

(i) The low level of economic development under the British colonial administration. The policies of the colonial government ruined traditional handicrafts and discouraged development of industries like textiles. The low rate of growth persisted until the 1980s. This resulted in less job opportunities and low growth rate of incomes. This was accompanied by a high growth rate of population. The two combined to make the growth rate of per capita income very low.

- (ii) Lack of job opportunities - Lack of job opportunities compelled many people to work 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.
- (iii) High income inequalities - One of the major reasons for this is the unequal distribution of land and other resources. Major policy initiatives like land reforms which aimed at redistribution of assets in rural areas have not been implemented properly by most of the state governments.
- (iv) Lack of land resources has been one of the major causes of poverty in India.
- (v) High level of indebtedness among the small farmers is also a major cause of poverty in our country. Since poor farmers hardly have any savings, they borrow. Unable to repay because of poverty, they become victims of indebtedness.

7. Describe global poverty trends.

(i) Although there has been substantial reductions in global poverty, it is marked with great regional differences. Poverty declined substantially in China and South-east Asian countries as a result of rapid economic growth and investments in

human resource development. Numbers of the poor in china has come down from 606 million in 1981 to 242 million in 2001.

- (i) In ^{the} ~~the~~ countries of South Asia - India, Pakistan, Sri Lanka, Nepal, Bangladesh, Bhutan the decline has not been as rapid.
- (ii) In sub-Saharan Africa, poverty in fact rose from 41 per cent in 1981 to 46 per cent in 2001.
- (iv) In Latin America, the ratio of poverty remained the same. Poverty has also resurfaced in some of the former socialist countries like Russia.

8. Describe current government strategy of poverty alleviation.

- Ans) The current government strategy of poverty alleviation is based on the two planks:
- (i) Promotion of economic growth.
 - (ii) Targeted anti-poverty programmes.
 - (iii) Promotion of economic growth: Till the early eighties, there were little per capita income growth and not much reduction in poverty. Since the eighties, India's economic growth has been one of the fastest in the world. The growth rate jumped from the average of about 3.5 per cent a year in the 1970s to about 6 per cent during the 1980s and

1990s. The higher growth rates have helped significantly in the reduction of poverty by widening opportunities.

(ii) Targeted anti-poverty programmes

The government has started several anti-poverty schemes. Some of them are worth mentioning:

→ Rural Employment Generation Programme (REGP) :-
It was launched in 1993, the aim of the programme is to create self-employment opportunities for educated unemployed youth in rural areas and small towns.

→ National Food for Work Programme (NFWP) :-
This scheme was launched in 2004 in 150 most backward districts of the country. The programme is open to all rural poor who are in need of wage employment and desire to do manual unskilled work.

→ Antyodaya Anna Yojna (AAY)
It is an ^{Indian} government sponsored scheme for ten million of the poorest families. It is on the lookout for the 'poorest of the poor' [1] by providing them 35 kilograms of rice and wheat at Rs 2 per kg respectively.

→ Prime Minister Rozgar Yojna (PMRY) is another scheme, launched in 1993, it was intended

to give employ to over million people by starting seven lakhs micro ventures by the jobless educated youth. They are helped in setting up small business and industries in rural areas and small towns.

9) Answer the following questions briefly:

(i) What do you understand by human poverty?

Ans) Human poverty is a concept that goes beyond the limited view of poverty due to lack of income. It refers to the denial of political, social and economic opportunities to an individual to maintain a reasonable standard of living. Illiteracy, lack of job opportunities, lack of access to proper health care and sanitation, caste and gender discrimination etc are all components of human poverty.

(ii) Who are the poorest of the poor?

Ans) Women, children (especially the girl child) and old people are the poorest of the poor.

(iii) What are the main features of Mahatma Gandhi National Rural Employment Guarantee Act, 2005?

Ans) The main features of National Rural Employment Guarantee Act, 2005:

* The Act provides 100 days assured employment every year to every rural household in 200 districts.

- * One third of the proposed jobs would be reserved for women.
- * Under the programme, if an applicant is not provided employment within fifteen days, he/she will be entitled to a daily unemployment allowance.