

12.08.21

ch-3

Poverty as a challenge

Exercises

1. In India poverty line is estimated by multiplying the prices of physical quantities like food, clothing, footwear, fuel, light, education, etc. in rupees. A person is considered poor if his or her income or consumption level falls below a given minimum level necessary to fulfil basic needs.

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

Ans. No, the present methodology of poverty is not appropriate. because it takes into account only the basic needs of food, clothing, fuel etc. But the quality of these basic necessities is the lowest quality available. The amount which is fixed as the poverty line does not include the margin for the constant price fluctuations. The poverty line should include some connections for inflation and market fluctuations.

3. Describe the poverty trends in India since 1973

Ans. As per the data there has been a substantial decline in poverty ratios in India from 45% in 1992-94 to 27.2% in 2004-05. These were further declined to 22% in 2011-12. Although the number of poor people declined from 1973 to 1993, there was a significant reduction in the number of the poor in 2004-05 and a further 270 million in 2011-12 with an

average annual decline of 2.2 percent. It may also be noted that poverty ratios always remained higher in rural areas as compared to urban areas. If the present trend continues, the people below the poverty line may come down to less than 20% in the next few years.

6. Give an account of interstate disparities of poverty ~~ratio~~ in India.

Ans. (1) The proportion of people is not same in every part of India.

(2) Government has introduced many schemes to remove it but ~~some~~ success ratio is different.

(3) In 20 states the poverty ratio is less than national average.

(4) It is still a serious problem in Odisha, Tripura, UP and Bihar.

(5) There is significant decline in West Bengal, Jammu & Kashmir, Andhra Pradesh, Tamil Nadu, Gujarat and West Bengal.