



## **DELHI PUBLIC SCHOOL BANGALORE - EAST**

### **SOCIAL SCIENCE (ECONOMICS)**

#### **POVERTY AS A CHALLENGE (PART-II)**

##### **I. Very short answers:**

**1. What led to the substantial decline of poverty in China and South-East Asian countries?**

**Ans:** Poverty has declined substantially in China and South-East Asian countries as a result of rapid economic growth and massive investments in human resource development.

**2. What are the criteria for poverty line as defined by the World Bank?**

**Ans:** The World Bank defines poverty line in terms of minimum availability of the equivalent of \$1.90 per person per day.

**3. In which country poverty was officially non-existent earlier but has resurfaced now?**

**Ans:** In Russia poverty was officially non-existent earlier but has resurfaced now.

**4. By which year, the new sustainable development goals of the United Nations proposed, ending all types of poverty?**

**Ans:** By 2030, the new sustainable development goals of the United Nations proposed, ending all types of poverty.

**5. On which two planks does the current anti-poverty strategy of the government is based upon?**

**Ans:** The two planks of the current anti-poverty programme are as follows:

- Promotion of economic growth.
- Targeted anti-poverty programmes.

**6. Define Human Poverty.**

**Ans:**

- Human poverty is the definition of poverty that goes beyond the minimum subsistence level and focuses on the reasonable level of living.
- It focuses not only a person's ability to feed himself but also on his ability to afford clothing, shelter, education and other facilities that are important for reasonable standard of living.

##### **II. Answer in detail:**

**7. Why the results of the poverty alleviation programmes were not effective?**

**Ans:** The results of poverty alleviation programmes were not effective because:

- Lack of proper implementation and right targeting.
- Less effectiveness due to overlapping of schemes.
- Lack of proper monitoring of these programmes.

### **8. Discuss the major reasons for poverty in India.**

**Ans:** The major reasons for poverty in India are:

- The low level of economic development under the British colonial administration. The policies of colonial government ruined traditional handicrafts and discouraged development of industries like textiles.
- The low rate of growth persisted until the nineteenth-eighties. This resulted in less job opportunities and low growth rate of incomes. This was accompanied by high growth rate of population
- With the spread of irrigation and Green Revolution, many job opportunities were created in the agriculture sector. But the effects were limited to some parts of India.
- The industries, both in public and private sector, did provide some jobs. But these were not enough to absorb all the job seekers. Unable to find proper jobs in cities, many people started working as rickshaw pullers, vendors, etc.
- Another reason is the huge income inequalities due to 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.
- Many other socio-cultural and economic factors are also responsible for poverty. In order to fulfill social obligations and observe religious ceremonies, people in India including the very poor, spend a lot of money.
- Small farmers need money to buy agricultural inputs like seeds, fertilizers etc. Since poor people hardly have any savings, they borrow. Unable to repay because of poverty, they become victims of indebtedness.

### **9. 'There is a strong link between economic growth and poverty reduction.' Justify the statement.**

**Ans:**

- The higher growth rates have helped significantly in the reduction of poverty. In the 1980s, India's economic growth was one of the fastest in the world.
- The growth rate rose from an average of about 3.5% a year in the 1970s to about 6% during 1980s and 1990s. The higher growth rates have helped significantly in the reduction of poverty.
- Therefore it is becoming clear that there is a strong link between economic growth and poverty reduction.
- Economic growth widens opportunities and provides the resources needed to invest in human development. This also encourages people to send their children, including girls to schools in the hope of getting better economic returns from investing in education.

### **10. Elucidate the targeted anti-poverty programmes undertaken by the government of India.**

**Ans:** There are many schemes which are formulated by the government. Some of the programmes are:

- **Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) 2005:** It aims to provide 100 days of wage employment to every household to ensure security of livelihood in

rural areas. It also aimed at sustainable development to address the causes of drought, soil erosion and deforestation. One-third of the proposed jobs have been reserved for women. The share of SCs, STs and women in the scheme are 23%, 17% and 53% respectively. The scheme provided employment to 220 crores person-days of employment to 4.78 crore households.

- **Prime Minister Rozgar Yozana (PMRY):** It was started in 1993. The aim of the programme is to create self-employment opportunities for educated unemployed youth in rural areas and small towns. They are helped in setting up small business and industries.
- **Rural Employment Generation Programme (REGP):** It was launched in 1995. The aim of the programme is to create self-employment opportunities in rural areas and small towns. A target for creating 25 lakh new jobs has been set for the programme under the Tenth Five year plan.
- **Swarnajayanti Gram Swarozgar Yojana (SGSY):** It was launched in the year 1999. The programme aims at bringing the assisted poor families above the poverty line by organizing them into self-help groups through a mix of bank credit and government subsidy.
- **Pradhan Mantri Gramodaya Yozana (PMGY):** It was launched in the year 2000. Under this, additional central assistance is given to states for basic services such as primary health, primary education, rural shelter, rural drinking water and rural electrification.
- **Antyodaya Anna Yojana (AAY):** AAY was launched in December 2000. Under this scheme one crore of the poorest among the BPL families covered under the targeted public distribution system were identified. Poor families were identified by the respective state rural development departments through a Below Poverty Line (BPL) survey. Food grains were made available to each eligible family at highly subsidized rate.

**11. How can we expect to make better progress in poverty reduction in the coming years?**

**Ans:** Poverty reduction would be possible in the coming years mainly due to:

- Higher economic growth.
- Increasing stress on universal free elementary education.
- Declining population growth.
- Increasing empowerment of the women and the economically weaker section of the society.
- Effective implementation of the anti-poverty programmes.

**12. What challenges are ahead of India with respect to poverty alleviation?**

**Ans:**

- Wide disparities in poverty are visible between rural and urban areas and among different states.
- Certain social and economic groups are more vulnerable to poverty.
- Poverty reduction is expected to make better progress in the next ten to fifteen years.
- This would be possible mainly due to higher economic growth, increasing stress on universal free elementary education, declining population growth, etc.
- The bigger challenges ahead of India are providing health care, education and job security for all, achieving gender equality and dignity for the poor.

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