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The Big picture - Eradicating Poverty

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According to the World Data Lab — which monitors global poverty using advanced statistical models — less than 50 million Indians may be living on less than \$1.90 a day (World Bank’s measure of extreme poverty) now.

The latest Indian data on household consumption is likely to come out in June this year. **It is expected that India will see a drastic drop in the number of poor in the country.**

Challenges

- India continues to have a large population, which is certainly, not able to afford basic things, whichever poverty line, either based on calorific value or on income, we consider. According to the last released official data, **in 2011, 268 million people**

were surviving on less than \$1.90 a day.

- **Urban Poverty**

- When people in rural areas don't find their work any more gainful, they leave their villages in the hope of getting some work in urban areas. But once they reach the big cities, they find it difficult to meet their ends, leading to the situation of poverty.
- **Even the well-developed cities are not immune to poverty. Slums in cities like Mumbai is an example.**

- **Rural Poverty**

- Less investment in agriculture and the absence of enough number of other economic activities in rural areas are leading causes of Rural Poverty. Monsoon- dependent nature of agriculture is also a major cause.
- The incidence of Extreme Poverty is higher in rural than in urban areas. Within rural areas, the number of people below poverty is much higher in areas where irrigation facilities are lacking, like in arid and dry lands.

- **Out-of-Pocket expenditure on 'Utilities' like on electricity, transport, health etc.**

- High Income and Wealth Inequality: According to latest Oxfam Study, India's top 1 percent holds 51.53 percent of the national wealth whereas the bottom 60 percent, the majority of the population, own merely 4.8 percent of the national wealth, indicating a huge difference in the income level of people.

Steps Taken

- **Policies adopted in and after 1991 has helped in achieving Higher Economic Growth**, which thus has helped in reducing poverty.
- Various Programs have been launched continuously, like Employment Generation Program, Income Support, Employment Guarantee (like MGNREGA) to eradicate poverty.
- Schemes for providing utilities like housing, electricity etc. to people to ease the financial expenditure of the poor households.
- **Pradhan Mantri Awas Yojana and Housing for All by 2022 Scheme to provide housing to rural and urban poor is an example.**
- Schemes for Empowering People: Indian Government's latest schemes like Start-Up India and Stand Up India are about empowering people i.e. making people, self – sufficient, to earn their livelihood.

Suggestion

- **Realistic Assessment of the present situation of poverty** in the country in need of the hour.
- **Direct income transfer to needy** is an immediate solution.
- Taxing wealth of rich people to fund amelioration of poor in the country.

- **By improving social infrastructure and job opportunities in rural areas**, migration to urban areas can be decreased, and thus urban poverty can also be decreased.
- **Investment in Agriculture** by the government is necessary to decrease rural poverty. Subsidies address only short-term issues. Also, there is a need to develop technologies, with the help of which farmers can practice all-weather agriculture.
- **Investment in infrastructure, overall, is needed to reduce the cost of utilities.** China did so and witnessed the huge fall in the number of people in the poor category. More initiatives like Ayushman Bharat, that empower people, are required.

Conclusion

Continuous Economic Growth is a prerequisite for the removal of poverty. Ultimately, political will is necessary to eradicate poverty from the country through the implementation of various schemes.