

BAL BHARATI PUBLIC SCHOOL, PITAMPURA, DELHI - 110034

CLASS IX

ECONOMICS

CHAPTER- 3 POVERTY AS A CHALLENGE

SUBJECT- ECONOMICS

NUMBER OF BLOCKS- 1 BLOCK/WEEK

CLASS- IX

TOPIC- POVERTY AS A CHALLENGE

SUB TOPIC- Poverty Line, Anti-poverty Measures

INSTRUCTIONS AIDS- E-lesson, PDF of NCERT textbook, YouTube videos, Case studies

LEARNING OBJECTIVES- Each child will be able to:

1. Express the meaning of the poverty line.
2. Explain the methodology to calculate the poverty line
3. Analyse the anti-poverty measures- promotion of economic growth and Poverty Alleviation programs

LESSON DEVELOPMENT

Dear students

Please read the given content carefully and answer the questions that follow. Write the answers in your Economics notebook.

For reference you can read Pg no. 32, 38, 39 and 40 of the NCERT textbook available on www.ncert.nic.in

POVERTY LINE

It is a common method to measure poverty on the basis of income or consumption levels.

A person is considered as poor if his income or consumption falls below a given minimum level necessary to fulfill the basic needs.

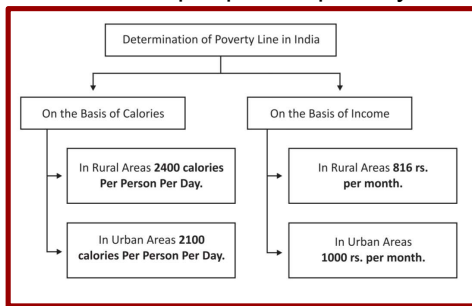
Therefore, POVERTY LINE is defined as an imaginary line that expresses the minimum levels of income or consumption needed to fulfill the basic needs.

Poverty line varies from place to place and from time to time.

In India, the poverty line is estimated periodically after every five years by conducting sample surveys. These surveys are carried out by the **National Sample Survey Organization (NSSO)**

The current poverty line in India is 816 Indian rupees per person per month in rural areas and 1000 Indian rupees per person per month in urban areas.

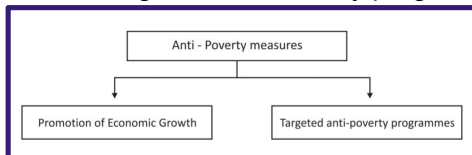
In terms of calories it is established at 2400 calories per person per day in rural India and 2100 calories per person per day in urban India.



ANTI POVERTY MEASURES

Current anti-poverty strategy of the government is based on two planks:

1. Promotion of economic growth
2. Targeted Anti-Poverty programs or Poverty Alleviation programmes



Promotion of Economic Growth

Over a period of time it has become clear that there is a strong link between economic growth and poverty reduction. It can be explained as
 More the economic growth...more the opportunities...more the development of human resources...more productivity...more income...less the poverty

Or

The link between economic growth and poverty reduction can also be explained as:
 More the economic growth...more the income...more the demand...more the production...more employment...less poverty.

However, the poor may not be able to take a direct advantage from the opportunities created by economic growth.

Hence, there is a clear need for targeted anti-poverty programs.

ANTI- POVERTY PROGRAMS

Although there are so many schemes formulated to affect poverty directly or indirectly but some of them are worth mentioning.

1. *NREGA (National Rural Employment Guarantee Act), 2005*

× NREGA - Overview Salient Features

- Employment to all those who are willing to work (100 days)
- Unlimited supply of funds for this project
- Free registration with a job guarantee within 15 days of application
- At least 1/3 rd of the employees must be women
- Fixed minimum wage rate and no upper limit
- Weekly disbursement of wages and delays not beyond a fortnight

2. NFWP (NATIONAL FOOD FOR WORK PROGRAM), 2004

The National Food for Work Programme (NFWP), 2004 was launched by minister of rural development, central government on 14 November 2004 in 150 of the most backward districts of India with the objective of generating supplementary wage employment. ... Food grains are provided to the States free of cost.

3. PMRY (PRADHAN MANTRI ROZGAR YOJNA), 1993

Pradhan Mantri Rozgar Yojana (PMRY)

PMRY is a loan scheme for educated unemployed youth. Under the scheme, the government is providing loan for setting up a small business so that they can make them self employed.

4. SGSY (SWARNJAYANTI GRAM SWAROZGAR YOJNA), 1999

Aim and Objective

- Establishment of large number of micro enterprises in the rural areas
- SGSY is to bring the assisted poor families above poverty line by providing them income-generating assets through bank credit and government subsidy.

5. REGP (RURAL EMPLOYMENT GENERATION PROGRAM), 1995

- Special Package of subsidy to promote rural industrialization.
- Empowering entrepreneurs through Skill Development and entrepreneurial development programme (EDP)

6. PMGY (PRADHAN MANTRI GRAMODAYA YOJNA), 2000

Pradhan Mantri Gramodaya Yojana

- This Yojana for the primary health sector is an initiative to strengthen and revitalize the primary health infrastructure for the improved provisioning of basic minimum services in rural areas so as to improve the quality of life. The Planning Commission of India has allocated additional Central Assistance of Rs 2800 crore for six sectors, i.e. rural electrification, primary health, primary education, shelter, drinking water and nutrition.

PERFORMANCE OF POVERTY ALLEVIATION PROGRAMS

The result of these programs has been mixed.

Some of the main reasons for the less effectiveness of these programs are:

1. Lack of proper implementation.
2. Lack of proper targeting.
3. Overlapping of schemes.
4. Lack of awareness
5. Corruption

Therefore, in recent years the major emphasis is on proper monitoring of all the poverty alleviation programs.

ASSIGNMENT

Q1 Why does the poverty line vary with time and place?

Q2 Describe the current government strategy of poverty alleviation.

Q3 Critically analyze the main reasons for the less effectiveness of the poverty alleviation programs.