



Short Review Paper

An analysis of Government schemes on poverty in India

Tariq Ahmad Malik^{1*}, Ajaz Ahmad Dass² and Suresh Sachdeva³

¹Jiwaji University, Gwalior, MP, India

²RTMNU, Nagpur, Maharashtra, India

³Dept. of Economics, MLB Govt. College of Excellence, Gwalior, MP, India
tarimalik866@gmail.com

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Abstract

The Government of India since its inception of independence started the different schemes to alleviate poverty from the country. Poverty not merely considered as lack of sufficient income. It is a socio-economic phenomenon of a society who are not able to satisfy their basic requirements of livelihood. It badly disturbs human well-being, adeptness and efficiency which distresses the people from money. It denies the basic needs of living – bread, dressing, shelter, health and education to a section of people. Mankind expresses discomforts and despairs when these basic comforts are not obtainable. It is commonly said that those who are not able to touch the least ingestion standard should be considered as poor. The contradiction of opportunities and gratification of human prospective is poverty. The whole world is unable to alleviate the poverty despite of introducing hundreds of programmes. India too is facing the problem in spite of growth in various sectors. Poverty along with inequality are rise in the world from decades. The paper discusses the alleviation of poverty through different schemes of government since independence.

Keywords: Poverty, schemes, poverty alleviation, India.

Introduction

Poverty is a curse. Poverty is the insufficiency or the deficiency of a definite quantity of quantifiable goods or cash. It is a complex notion, which may comprise social, economic and political elements. A person who lacks basic needs like food, cloths, shelter etc. is said to be poor. Not only in India but in developing countries poverty still remains a severe issue, taking consequent toll on public welfare like deprived health facilities, less education opportunities and low level of livelihood. According to an estimation, more than 20% people in world lives in poverty. It is a big issue as thousands of people die every year in the world. According to World Bank Organization poverty is defined as:

“Poverty is appetite. Poverty is non availability of housing. Poverty is when a man is sick and lacks the ability to go to a doctor. Poverty is lack of schooling and inability to learn. Poverty is lack of employment, panic for the future, breathing a day at a time. Poverty has various aspects, varying from one place to other and across time, and has been expressed in numerous methods. It is a condition people mostly want to get rid of. Hence, poverty is a cry which needs action -- for the deprived and the rich alike--a demand to transform the world in order to provide enough food to eat, sufficient housing, educational accessibility and health facility, safety from riots, and an opinion in what ensues in their societies”.

In addition to deficiency of cash, poverty is lack of presence to enjoy the amusing events, unable to allow children to go with fellows for a trip, unable to give money for medical treatments. These are the situations of being poor. People who hardly are capable to emolument for bread and housing basically can't think other expenditures. When individuals of a society are barred, their education is nil and have difficulty in paying the money of sickness affects the society adversely. Everyone compensates the cost of poverty. The emolument price on the justice system, health facilities and extra systems that offer maintenance for the people living in poverty effects our economy.

A lot of work has been done in assessing and studying poverty and more work is in progress by the World Bank Organization to identify further dimensions of poverty. The causes of poverty are diverse and the results are also different in every event. Poverty fluctuates substantially subject to the condition. The poor people of Canada feeling different from the people living in poverty in Zimbabwe or Russia. Its variance is also within the borders of a nation.

According to World bank estimate that 10.7% of world's population or about 760 million people in developing nations living in extreme poverty on the basis of \$1.90 a day. It seems as unbelievable, but the world humanity made progress towards upliftment of people who have the minimum. The organization in order to be further specific with its taxonomy added a new poverty line for the persons living in middle and high income

nations, since 1990, when the poverty line was commenced at \$1/day. The new standards are set at \$21.70/day for 'high income countries' like Unites States, \$5.50/day for 'upper middle income' countries like Jamaica or South Africa and \$3.20 a day for 'lower middle countries' like India or Egypt¹.

Review of the Literature

Ravi S.J. stated that National Planning Committee prepared an economic analysis and recognized that "there was absence of bread, shelter and other important necessities for living life". On the basis of this the committee affirmed that objective of expansion strategy should be to "ensure an adequate standard of livelihood for people, or we can say to make people out of grave situation of poverty". To perish this, the Committee set goals for the entire people in terms of nutrition (containing a balanced diet of 2400-2800 calories per adult worker), Clothing (30 yards per capita per annum) and Housing (100 square feet per capita)².

Jay M. in his work stated that there is lack of constant measure for poverty in India. The Tendulkar Committee report was recognized by Planning Commission of India which articulates that in India 33% of people are living below poverty mark³.

Bandyopadhyay K.R. in his work stated that the worried about poverty, the Indian Government has initiated numerous policies and methods in rural regions to curb the poverty menace, but still a lot of work is to be done to make the life of rural India prosperous⁴.

Lawrence A.J., Neil G.B., Dalton C.C. and Jiali L. in their work analyzed that a harmonization is needed at micro level among central and state governments in implementing the poverty alleviation schemes. The central funds should be adequate, states should use and distribute these funds efficiently and the financial management should also able be solid and competent⁵.

Objectives: i. To know the poverty scenario in World and India.
ii. To analyze the different schemes for poverty alleviation in India.

Methodology

To carry out a research work, a researcher needs data: primary and secondary. Our work is mainly based on secondary data collected through Economic surveys, books, research papers, different official websites, HDI reports, BPL Index, Multi-dimensional Poverty Index and internet sources.

Poverty scenario at global level

The poverty estimates have been updated from time to time and some new provisions were included to examine the number of poor persons in the world. Recently the new global headcount ratio at \$1.90 shows an increase from 10.7% to 10.9% or we can say the number rises from 769 million to 783 million people. The main causes for this alteration at universal level is due to

new analyses from South Asia and Sub Saharan African nations. The new analysis of Bangladesh and Ethiopia added more than and million people each compared to older analysis.

There were significant changes from some regional headcounts ratios which are unnoticeable at world level. The latest reviewed growth rates driven by Syria shows that headcount ratio in North Africa and Middle East increases from 2.3% to 2.7% and the number of persons living in poverty increases from 8.3 million to 9.6 million. The headcount ratio in Central Asia and Europe decreases 1.6% from 2.2% and the number decreases to 7.7 million from 10.4 million people. It is mostly due to fluctuations and downward poverty estimates in Tajikistan and Uzbekistan. This is prompted by new surveys with superior comparability in Tajikistan and new CPI series in Uzbekistan⁶.

According to a latest report by World Poverty Clock, Nigeria surpasses India in extreme level of poverty. Nigeria is adding six people every minute to extreme poverty while as India is approaching on a dropping level of poverty. The study reports eighty-seven million people of Nigeria in comparison of seventy-three millions of Indian people are living in extreme poverty. The survey further analyzed that in near future D. R Congo in Africa will replace India as number two and by the end of 2018 Africa might be home to extra 3.2 million people in extreme poverty⁷.

The huge population increase in Africa seems to be major hurdle in curbing the extreme poverty till 2030 by United Nations Sustainable Development Goal (SDG). According to a UN report, in future Africa will be the World's highest contributor in most number of poor people and is estimated that by 2050 it will add about 2.2 billion people. List of top ten extreme poverty countries is given in the Table-1.

Table-1: List of top ten extreme poverty countries⁸.

Name of the Country	Population living in extreme poverty (in millions)
Nigeria	86.9
India	73
D. R Congo	60.9
Ethiopia	23.9
Tanzania	19.9
Mozambique	17.8
Kenya	14.7
Uganda	14.2
South Africa	13.8
South Sudan	11.4

The report further states that only Ethiopia from these countries is on track to meet the United Nation Sustainable Development Goal of finishing the extreme poverty by 2030.

Poverty scenario in India

The most menacing solo task that wants a multidimensional tactic is poverty. It is an extensively evil spread in the world, predominantly in Asia and African nations. It is the prime challenge to the mankind. In spite of promising growth during the last decade, poverty is the most serious and gritty problem which is staring our country. Presently, the poverty of India is of great significance even though numerous procedures have been taken by numerous governments and International organizations to alleviate the poverty level.

The World Bank has reviewing as well as designated to quantify the levels of poverty from time to time. The reviewing definitions underlying small sample surveys were used to estimate the poverty line from 1950 to 2010. The Indian government in 2012 stated that around twenty-two percent of our population is living beneath the formal level of poverty⁹. On basis of purchasing power parity 2005, the World Bank in 2011 estimated 23.6% of Indian people below poverty level¹⁰. Out of 1.2 billion people in India, 21.9% or 270 million people are living below poverty level in 2011-12 as per the United Nations Millennium Development Goals (MDG) Programme¹¹.

According to the Suresh Tendulkar Committee report, the number of people living below the poverty level in India was 354 million in 2009-10 or 29.6% of population and 269 million or 21.9% of population in 2011-12¹². In 2104 the Rangarajan Committee reports that in 2009-10, the number of people below poverty level was 454 million or 38.2% of population and in 2011-12 the number was 363 million or 29.5% of the population¹³.

Government Schemes for poverty alleviation in India

The government of India from since independence started various programmes to curb poverty in the country. Some of the schemes introduced by the Government of India to solve the menace of poverty are discussed as: i. Prime Ministers Rozgar Yojana (PMRY): In 1993 Prime Ministers Rozgar Yojana was started and aiming the prospects of providing self-business jobs for the qualified young persons and providing government support. The scheme aims at both rural and urban areas having the family income of upto 40,000 per annum. ii. The Rural Employment Generation Programme (REGP): In 1995 the programme was started for job prospects ingenerating own business establishments in rural and small towns. The scheme is executed by Khadi and Village Industries Commission (KVIC). The businesspersons will able to start an industry, getting assistance from banks and KVIC of 25 lakhs. iii. National Social Assistance Programme (NSAP): The central government

launched this programme in 1995-96, to deliver three kinds of benefits to poor people. The benefits are; National Family Benefit Scheme, National Old AGE Pension Scheme and National Maternity Benefit Scheme. The expenditure on these benefits are wholly provide by the central government. iv. Swarna Jayanti Shahri Rozgar Yojana: On 1 Dec. 1997, the programme was launched for the unemployed youth of urban areas. The motive was to provide self-employment opportunities to youth having education of up to 9th standard belongs to poor families. It was a sharing scheme of central and state governments of providing 75% and 25% funds respectively. v. Swarn Jayanti Gram Swarozgar Yojana (SGSY): To provide assistance for the poor families (Swarozgar) by forming a group known as Self Help Groups (SHGs) over an amalgam of Government subsidy plus bank credit. The programme was started in 1999. The scheme is central sponsored on 75:25 sharing, with states. vi. Indira Awaas Yojana (IAY): The programme was launched to replace the kutcha house into a pukka house. The aim was to provide assistance to poor people in construction new housing and replace the old ones. In collaboration with Housing and Urban Development Corporation (HUDCO), the Ministry of Rural Development (MORD) provides equity support. vii. Antyodaya Anna Yojana (AAY): To provide food grains for poor families the scheme was started in the year 2000. The aim of this scheme is to provide food ounces by supported prices under the Targeted Public Distribution System (TPDS). Under this scheme the rate of rice is Rs 3.00kg and for wheat is Rs 2.00 per kg and the quantity was increased from 25kg per family to 35kg per family.

Besides these schemes there are other various programmes started by the government of India to alleviate poverty. These are: Annapurna Yojana, Pradhan Mantri Gramodhya Yojana (PMGY), Valmiki Ambedkar Awas Yojana (VAMAY), Pradhan Mantri Gram Sadak Yojana (PMGSY), National Food for Work Programme, National Rural Employment Guarantee Scheme (NREGS), Public Distribution System, Prime Ministers Employment Generation Programme (PMEGP), Integrated Child Development Scheme, Mid-Day Meals Scheme (MDMS), Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and other developmental programmes.

These were the programmes through which the level of poverty in India reduced from 32.1 crore in 1973-74 to 26 crore in 1999-2000 and it further declined to 18.53 crore. The impact of these programmes is evident from that in 2009-10 the percentage of poor people was 29.8% which reduces to 21.9% in 2011-12 and the latest estimate shows that poverty rate reduced to 12.4% according to data released by World bank.

India also progress in United Nations HDI report. The value of India's HDI in 2015 is 0.624, which puts it in the medium human development category, which was 0.428 in 1990, an increase of 45.8% from 1990 to 2015. India is second after China in improvement among the BRICS nations and is shown in the Table-2.

Table-2: Multidimensional Poverty Index¹⁴.

Country Name	Population near multidimensional poverty (%)	Population in severe multidimensional poverty (%)	Intensity of deprivation
Brazil	6.7	0.3	40
China	22.7	1.0	43.3
India	18.2	27.8	51.1
South Africa	17.1	1.3	39.6
Russia	-	-	-

Conclusion

Poverty in India from independence shows a positive sign of reduction. The programmes from various government and International organizations shows a sufficient impact on the alleviation of poverty in the country. India has improved much than other global countries. The social and economic parameters have improved through which the poverty line has decreased up to a considerable level. The aim of poverty alleviation programme should be marginalized at whole society not at an individual level. The work done is not sufficient still there is lot more to do to get rid from this evil. The growth of a country depends upon its development. The government should work for inclusive development and upliftment of downtrodden sections of the society. The aim of programme should be both social and economic development instead of mere income generation. The policies of the government should be sustainable in nature. Moreover, the programmes should be enforced from grass root level instead of politicizing them for influential people. The policies should be monitored on regular basis at micro and macro level, assistance should be available easily, bottlenecks should be cleared as soon as possible in the way of development and awareness should be made in rural areas regarding government schemes. This will help in poverty alleviation in the country and every citizen will live in real freedom.

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