



## POVERTY- THE TRUE FACE OF INDIA

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### ABSTRACT

*Though from the reports of United Nations Development Program (UNDP), which said “271 million people moved out of poverty between 2005/06 and 2015/16. The poverty rate in the country has nearly halved, falling from 55 per cent to 28 per cent over the ten-year period”, one can choose to feel better that the poverty in India has come down in the last decade. But is it really a point to be happy about? Balance is very essential in every aspect of life. The truth can be found when analyzing the status Indian poverty from a different angle. A nation with one faction of society moving out of poverty while other one sinking deeper in poverty can never flourish for long. This paper is an attempt to study the variation in poverty of India from different angle.*

**Keywords:** Poverty, India, Poverty levels, State lines.

### INTRODUCTION

It is true that, United Nation has declared in respect to human right for quality of life on earth for everyone. Everyone in this world the has right to a standard of living adequate for health and well-being, including food, clothing, housing and medical care and necessary social services. But in reality the truth is far from it. The inability of people to acquire even the basic necessities has lead to a serious issue known as POVERTY. It's not like that this poverty is a new aspect for our society, or even for the whole world. We have been fighting with poverty since the evolution of mankind.

According to the United Nations Development Program the poorest 40% of the world's population account for only 5% of global income, on the other hand, the richest 20% account for 75% of world income. One can easily say that this vast gap in the income level of the people is the major cause of poverty for any nation. Poverty was there with the Roman and Greek empire, it was there in the strong Persian reign, and it is still standing neck-to-neck with most of the countries in the world in today's economy.

India is unlucky to be one of those countries. India has been facing the problem of poverty for as long as one can remember. And the blow the India received due to the rule of British Empire, and the after effect of independence and partition, left the nation in even worst conditions than before. Today a large section of society lives under the black ceiling of poverty, unable to get even the most basic things for their survival.

The data available to build any conclusive statement on poverty in India are outdated. According to 2014 World Bank data, 21.3% of Indians live below \$1.90 per day on purchasing power parity. In simple words, 21.3% Indians live on less than Rs 120/- per day.



According to a research paper published in the medical weekly BMJ estimated that about 5.5 crore people were pushed below the poverty line between 1993 and 2012 by out-of-pocket, or OOP, expenditure on healthcare.

### LITERATURE REVIEW

There is no dearth of academic works, projects and reports trying to define a fixed poverty line depending on the need of money to gather basic living needs, or methods to eradicate poverty. These could be grouped under various heads as

- Estimation of people below the poverty line.
- On the methodological issues relating to the measurement of poverty.
- Concentrates on the incidence of chronic poverty i.e. a sub-category of chronically poor who experience poverty continuously for a long period.
- (Kumari, 2013)<sup>1</sup>:- “During five year plans, several programs has been introduced to alleviate poverty in India, yet there has been an increase in the number of poor persons in the country. There were about 32.1 crore persons living below poverty line in 1973-78. It remained almost stagnant during a decade of 1973-1983 but it come down to 26 crore in 1999-2000 and 22 crore in 2004-05. Poverty in rural sector always been on higher side as compared to urban India. But it came down in 2004-05 in both rural and urban sector. By the end of 11th plan number of poor persons are expected to come down to 10 crore.”
- (Mehta & Shah)<sup>2</sup>:- In the paper “**Chronic Poverty in India: Overview Study**” they states that the change in the number of rural and urban poor was due to the result of migration of people from one place to other. He claims that over 80% of the poor were located in rural areas in the 1970s. The substantial decrease in the number of rural poor by 32.4 million between 1977-78 and 1987-88 changed the distribution of the poor between rural and urban areas, as a result the number of urban poor increased by 10.6 million during the same ten year period partly due to migration of the poor from rural areas. There was therefore an increase in the relative share of urban poverty from 18.7% to 24.5% during the period from 1973-74 to 1987-88 and it has fluctuated around this estimate since then.
- (Dr.Parvathamma, 2014)<sup>3</sup>:- He said that unemployment and underemployment, arising in part from protectionist policies pursued till 1991 that prevented high foreign investment. He claimed that though services and industry had grown at double digit figures, agriculture growth rate has dropped from 4.8% to 2%. Neo-liberals viewed food security as an unnecessary goal compared to purely financial economic growth. According to him poverty depends on per capita household income of the individual which in turn affected by employment, wage rate, land productivity, industrialization, expansion of service sector and other general growth and distribution factors. And the combine effect of all these things is not good for the society. But he is optimistic for the future in his report as he thinks that poverty alleviation is expected to make much better progress in the years to come as compared to the past data. Increasing stress on education, reservation of seats in government jobs and the increasing



empowerment of women and the economically weaker sections of society, will also e alleviation of poverty.

- (ARVIND & Mukim, 2014)<sup>4</sup> :- In their paper '*A Comprehensive Analysis of Poverty in India*', in the section of Controversies Regarding Poverty Lines, the discuss about the method of estimating the poverty line. "Lakdawala lines" and "Tendulkar methodology" both showed different level for the poverty line. They forcefully mentioned that the poverty line should be maintained at a level which allows us to address people living in abject poverty or as commonly known as extreme poverty. They claim that the method should be properly and accurately used.

They also compared the rural and urban population with rural and urban poverty. They found that high per-capita expenditures are associated with low poverty ratios, for example rural poverty in 2009–2010. Kerala, Punjab, and Haryana, in that order, have the highest rural per-capita expenditures. They also have the lowest poverty ratios, in the same order, while Chhattisgarh and Bihar have the lowest rural per-capita expenditures and also the highest rural poverty ratios.

## OBJECTIVE

- To understand the status of poverty in India.

## RESEARCH METHODOLOGY

The data and the other materials used in this study are from the secondary sources that are available to public domain. An attempt has been made to compare and correlate data from different sources and find out the true status of poverty in India.

## FINDINGS AND DISCUSSIONS

As per the report of Planning Commission of India, even the distribution of poverty within the country is uneven. In 2004-2005, while Jammu & Kashmir, Andaman & Nicobar, Lakshwadeep, Daman and Diu had poverty level of 13.10%, 3%, 6.4% & 8.80% respectively, states like Odisha and Jharkhand had poverty level of more than 45%.

The same level of disparity can be found in the next two reports of the planning commission:

**Table 1 State poverty levels as per government data**

State/Union Territory	2004-05	2009-10	2011-12
Andhra Pradesh	29.60	21.10	9.20
Arunachal Pradesh	31.40	25.90	34.67
Assam	34.40	37.90	31.98
Bihar	54.40	53.50	33.74
Chhattisgarh	49.40	48.70	39.93
Goa	24.90	8.70	5.09
Gujarat	31.60	23.00	16.63



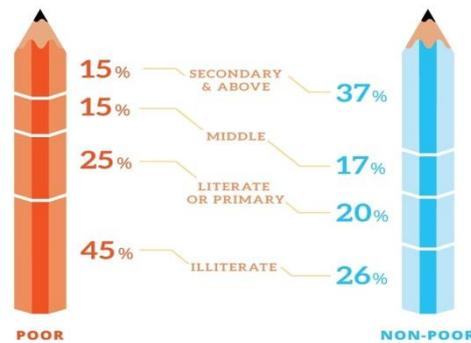
Haryana	24.10	20.10	11.16
Himachal Pradesh	22.90	9.50	8.06
Jammu & Kashmir	13.10	9.40	10.35
Jharkhand	45.30	39.10	36.96
Karnataka	33.30	23.60	20.91
Kerala	19.60	12.00	7.05
Madhya Pradesh	48.60	36.70	31.65
Maharashtra	38.20	24.50	17.35
Manipur	37.90	47.10	36.89
Meghalaya	16.10	17.10	11.87
Mizoram	15.40	21.10	20.40
Nagaland	8.80	20.90	18.88
Odisha	57.20	37.00	32.59
Punjab	20.90	15.90	8.26
Rajasthan	34.40	24.80	14.71
Sikkim	30.90	13.10	8.19
Tamil Nadu	29.40	17.10	11.28
Tripura	40.00	17.40	14.05
Uttar Pradesh	40.90	37.70	29.43
Uttarakhand	32.70	18.00	11.26
West Bengal	34.20	26.70	19.98
Andaman & Nicobar	3.00	0.40	1.00
Chandigarh	11.60	9.20	21.81
Dadra & Nagar Haveli	49.30	39.10	39.31
Daman and Diu	8.80	33.30	9.86
Delhi	13	14.20	9.91
Lakshwadeep	6.40	6.80	2.77
Puducherry	14.20	1.20	9.69
<b>All India</b>	<b>37.20</b>	<b>29.80</b>	<b>21.92</b>

- ❖ Based on MRP Consumption
- ❖ The above stats show poverty in percentage.
- ❖ Source: Planning Commission, Government of India.

Even though a downfall in the poverty level can be found from the last three official reports of the Indian government, it is evident from the above data that few states have shown negligible or no downfall in the

poverty rate. Moreover few states have not only been unsuccessful to reduce the poverty level but have instead witnessed an unbelievable increase in the poverty level.

**How is poverty related to education?**

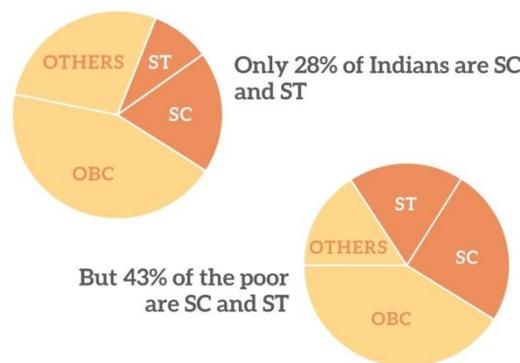


**Figure 1 World bank data for poverty and education**

It is hard to understand what the reality is. Are we poor because of lack of education, or the lack of education is the result of poverty. Because though it is true that education can help in removing poverty, but that can be said for a simple condition. India has been going through the case of chronic poverty, so if the Indians cant afford food, and clothing, the prime factor for survival then how can we expect them to focus on education.

Whatever the case maybe, but the report of World Bank clearly shows that illiteracy rate is more in poor faction, as compared to non-poor.

**Caste wise poverty difference.**



**Figure 2 World bank data for caste wise poverty in India**

It is shocking to find that while out of total population of India, only 28% belong to schedule cast & schedule tribes, their ratio in poverty profile is nearly double. Out of all the people in India, who fall in the category of poor, 43% are poor. These stats of world bank clearly shows that the development of India has had less effect on the lower cast people as compared to the general and OBC category.



We can't say that the poverty rate of India has decreased if a particular faction is relatively poorer than the other.

## CONCLUSION

From one point of view, one can say that a decrease in poverty level from 37.20% to 21.92% from 2004-2012 can be considered as a big achievement and success for the government. But, for India being the second largest population of the world, this 21.92% is still a big value, and thus is still a very serious issue as it shows a huge number of poor people are still falling below poverty line.

More focus should be given on the education of the people, especially education of the new generation children's. If we focus only on other methods to remove poverty and ignore education completely than it may reduce the poverty level of India for a shorter time period but the poverty rate will again hop up to that of 90s or 80s if not more.

The schemes and actions of government should be such that the reduction rate in poverty should be evenly distributed in all the category of peoples, not just one faction. One part of society being rich and other being poor does not reduces poverty, it simply hides it.

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