NCERT SOLUTIONS

CLASS - 9th

Class : 9th
Subject : Economics
Chapter : 3
Chapter Name : Poverty As A Challenge

Q1 Why do different countries use different poverty lines?

Answer. Different countries use different poverty lines because
(a) The calorie requirement of different human races is different depending on their physical condition and dietary habits. Those races which have greater height and build require higher calories.
(b) The per capita income in different countries is also different i.e., per capita income is higher in developed countries as compared to developing countries.
(c) The standard of living of Western countries is higher than that of developing countries.
(d) The cost of essential items used in calculating poverty line is higher in the developed countries.

Page : 32 , Block Name : Let's Discuss

Q2 What do you think would be the "minimum necessary level" in your locality?

Answer. I live in a city so the poverty line should be calculated according to the urban area. In the year 2000, the urban poverty line was fixed at `454 per month per person. Now in the year 2012 seeing the high level of inflation and price rise it should be at least 1500 per person per month.

Page : 32 , Block Name : Let's Discuss

Q1 Study Table 3.1 and answer the following questions:

Year	Poverty ratio (%)			Number of poor (in millions)		
	Rural	Urban	Total	Rural	Urban	Combined
1993–94	507	32	45	329	75	404
2004–05	42	26	37	326	81	407
2009–10	34	21	30	278	76	355
2011–12	26	14	22	217	53	270

(a) Even if poverty ratio declined between 1993–94 and 2004–05, why did the number of poor remain at about 407 million?
(b) Are the dynamics of poverty reduction the same in rural and urban India?

Answer. (a) The poverty ratio declined between 1073-74 and 1993-94 but the number of poor

remained at about 320 million because the total population of the country increased during the same period. Out of this increased population more people got employment due to the green Revolution, establishment of more industries and growth of the tertiary sector. As result the poverty ratio declined.

(b) No, the dynamics of poverty reduction are not the same in rural and urban areas because the conditions in both the areas are completely different. Urban area poverty has decreased due to expansion of the service sector, increased industrialisation and consequent increase of jobs. This has resulted in migration to cities and towns from rural areas. Rural area poverty has reduced due to improved agricultural practices resulting in higher incomes. Some contribution to this improvement is due to the migration to urban areas.

Page : 33 , Block Name : Let's Discuss

Q1 Which social and economic group do they belong to?

Answer. There is a poor family living near our colony. They are living below the poverty line and belong to lowest socio-economic category.

Page : 35 , Block Name : Let's Discuss

Q2 Who are the earning members in the family?

Answer. The wife and husband are casual construction labourers and they are the earning members of the family.

Page : 35 , Block Name : Let's Discuss

Q3 What is the condition of the old people in the family?

Answer. The old people of the family, i.e., the grandparents are physically weak and suffering of old age diseases and problems without proper medical aid
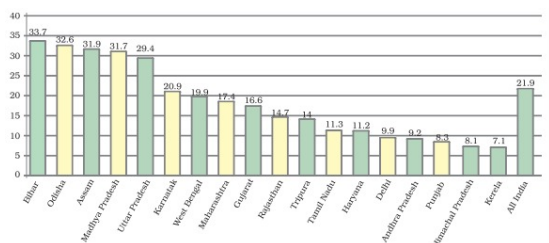
Page : 35 , Block Name : Let's Discuss

Q4 Are all the children (boys and girls) attending schools?

Answer. There are two girls and one boy in the family. Because of poverty, the father of the children Bhola is only able to send his son to school and the daughters help in the household work.

Page : 35 , Block Name : Let's Discuss

Q1 Study the Graph 3.2 and do the following:

(a) Identify the three states where the poverty ratio is the highest.
(b) Identify the three states where poverty ratio is the lowest.

Answer. (a) Three states where poverty ratio is the highest are
(i) Orissa 47.2%,
(ii) Bihar 42.6%,
(iii) Madhya Pradesh 37.4%

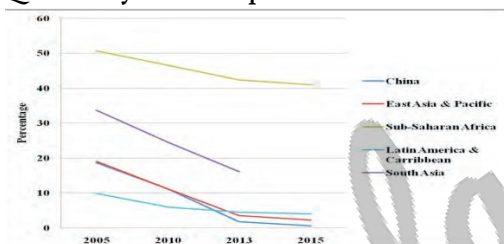(b) Three states where the poverty ratio is the lowest are
(i) Himachal Pradesh 7.6%
(ii) Punjab 6.2%
(iii) Jammu and Kashmir 3.5%

Page : 35 , Block Name : Let's Discuss

Q1 Study the Graph 3.4 and do the following:

(a) Identify the areas of the world, where poverty ratios have declined.
(b) Identify the area of the globe which has the largest concentration of the poor.

Answer. (a) The areas of the world where poverty ratios have declined are
(i) South Asia
(ii) East Asia and Pacific
(iii) China
(b) South Asia is the area of the globe which has the largest concentration of the poor.

Page : 36 , Block Name : Let's Discuss

Q1 Describe how the poverty line is estimated in India?

Answer. A common method used to measure poverty is based on income or consumption levels. A person is considered poor if his or her income or ption level falls below a given minimum level necessary to fulfill consumption needs.
(a) While determining the poverty line in India, a minimum level of food requirement,

clothing, footwear, fuel and light educational and medical requirement etc are determined for subsistence. These physical quantities are multiplied by their price in rupees.

(b) The present formula for food requirement while estimating the poverty line is based on the desired calorie requirement.

(c) Food items such a cereals, pulses, vegetables, milk, oil, sugar etc together provide these needed calories. The need of calories depends on age and the work done by a person.

(d) The accepted average calorie requirement in India is 2400 calories per person per day in rural areas and 2100 calories per person per day in urban areas.

(e) The calorie requirement of the people in rural areas is higher than that of the people living in urban areas because they do more physical work as compared to urban people.

(f) On the basis of these calculations for the year 2000, the poverty line for a person was fixed at 328 per month for the rural areas and 454 for the urban areas.

Despite less calorie requirement the higher amount for urban areas is because of the high prices of many essential products in urban centres.

Page : 40 , Block Name : Exercise

Q2 Do you think that present methodology of poverty estimation is appropriate?

Answer. No, the present methodology of poverty estimation is inappropriate because it takes into account only the basic needs of food clothing, fuel, etc. But the quality of these basic necessities is the lowest quality available, which is not appropriate.

(a) The amount which is fixed as the poverty line does not include the margin for price fluctuations and price rise which is constantly occurring.

(b) The poverty line should include some correction for inflation and to take care of the market fluctuations.

Page : 40 , Block Name : Exercise

Q3 Describe poverty trends in India since 1973?

Answer. There was a substantial decline in poverty ratios in India from about 55 % in 1973 to 36 % in 1993.

(a) The proportion of people below poverty line further came down to about 26 % in 2000.

(b) If the trend continues, people below poverty line may come down to less than 20 % in the next few years.

(c) Although the percentage of the people living under poverty declined in the earlier two decades (1973-1993) the number of poor remained stable around 320 million for a fairly long period.

(d) The latest estimates Indicate a significant reduction in the number of poor to about 260 million.

Page : 40 , Block Name : Exercise

Q4 Discuss the major reasons for poverty in India?

Answer. The various causes of poverty in India are Colonial Economic Policies

(a) One historical reason of poverty in India is the low level of economic development under the British colonial administration.

(b) The policies of the colonial government ruined traditional handicrafts and discouraged developments of industries and textiles.

(c) The low rate of growth persisted until the 1980s. This resulted in less job opportunities and low growth rate of incomes.

(d) The government failure on both fronts. i.e.. promotion of economic growth and population control perpetuated the cycle of poverty.

Not Enough Jobs in Industries

The Industries set up in the public and private sector provided jobs to many people but the number of job seekers was far more than tile jobs available and a large number of people remafned unemployed leading to poverty.

Revolution and Employment

(a) The Green Revolution enabled multiple cropping or growing of 2 to 3 crops in, year, which created demand for labour in the agriculture sector. However, the Green Revolution was limited mainly to Punjab, Haryana and Western Uttar Pradesh and provided limited opportunities of work.

(b) The poor farmers could not buy inputs for farming and landholdings were small. Thus their production was low and the poor peasant families could hardly survive.

(c) The poor, especially in rural areas had to take loans for farming inputs and many times were unable to repay the loan. Thus they fell into a debt trap, leading to a worse situation.

(d) Another cause of poverty has been the huge income inequalities.

(e) Many communities like the Dalits, scheduled castes and scheduled tribes had traditionally been deprived of education, land and social status.

Consequently, they have not been able to raise their standard of living in the absence of education, land and other resources.

(f) To fulfill social obligations and observe religious ceremonies, people in India including the very poor, spend a lot of money. They hardly have any savmqs, so they borrow money and are unable to repay the loans because of low income, thus falling into a debt trap leading to extreme poverty.

(g) Small farmers need money to buy agricultural inputs like seeds fertilisers, pesticides etc tor which they have to take loans which they are unable to repay, thus tailing into a debt trap leading to extreme poverty.

Page : 40 , Block Name : Exercise

Q5 Identify the social and economic groups which are most vulnerable to poverty in India.

Answer. (a) The social groups which are most vulnerable to poverty are scheduled caste and scheduled tribe households.

(b) Similarly, among the economic groups, the most vulnerable groups are the rural agricultural labour households and the urban casual labour households.

Page : 40 , Block Name : Exercise

Q6 Give an account of interstate disparities of poverty in India.

Answer. (a) The proportion of poor people is not the same in every state.
(b) Government has made many efforts to reduce poverty by following various programmes but the success rate of reducing poverty is different in different states.
(c) In 20 states and union territories the poverty ratio is less than the national average.
(d) Poverty is still a serious problem in Orissa, Bihar, Assam, Tripura and Uttar Pradesh.
(e) Orissa and Bihar continue to be the two poorest states with poverty ratios of 47% and 43 % respectively.
(f) There has been a significant decline in poverty in Kerala, Jammu and Kashmir, Andhra Pradesh, Tamil Nadu, Gujarat and West Bengal.
(g) States like Punjab and Haryana have traditionally succeeded in reducing poverty with the help of agricultural growth rates.
(h) In West Bengal, land reform measures have helped in reducing poverty.
(i) In Andhra Pradesh and Tamil Nadu, public distribution of loodqrams has been responsible for the reduction of poverty.

Page : 40 , Block Name : Exercise

Q7 Describe global poverty trends.

Answer. The proportion of people in developing countries living in extreme economic poverty i.e, on less than $ 1 per day as defined by World Bank has fallen from 28 % in 1990 to 21 % in 2001.
There has been a substantial reduction in global poverty, but it is marked with great regional differences
(a) Poverty declined substantially in China and South Asian countries as a result of rapid economic growth and massive development.
(b) The number of poor in China has come down from 606 million 1981 to 212 million in 2001.
(c) In the countries of South Asia (India, Pakistan, Sri Lanka, Nepal, Bangladesh, Bhutan) the decline has not been so rapid, it has declined marginally from 475 million in 1981 to 428 million in 2001.
(d) In the Sub Saharan Africa, poverty rose from 41 % in 1981 to 46 % in 2001.
(e) In Latin America the ratio of poverty has remained the same.
(f) Poverty has resurfaced in some of the former socialist countries like Russia, where it was non- existent earlier.

Page : 40 , Block Name : Exercise

Q8 Describe current government strategy of poverty alleviation?

Answer. The current anti-poverty strategy of the government is based broadly on two planks
Promotion of Economic Growth

(a) India's economic growth gained momentum and since the eighties has been one of the fastest in the world.

(b) The growth rate jumped from the average of about 3.5 % a year in 1970's to 6 'Yo dUring the 1980's and 1990's.

(c) The higher growth rates have helped significantly in the reduction of poverty.

(d) It is becoming clear that there is a strong link between economic growth and poverty reduction.

(e) Economic growth widens opportunities and provides resources to invest in human development.

(f) This also encourages people to send their children. including girls. to schools in the hope of getting better economic returns from investing In education.

Targeted Anti-Poverty Programmes

Promotion of economic growth was a long term time solution to the problems. but a need was felt for short term target oriented anti-poverty programmes which the government ultimately undertook. Some of the programmes to remove poverty are

(a) National Rural Employment Guarantee Act (NREGA) 2005

(b) National Food for Work Programme (NFWP) 2004

(c) Prime Minister Rozgar Yojana (PMRY) 1993

(d) Rural Employment Generation Programme.(REGP) 1995

(e) Swamjayanti Gram Swarozgar Yojana (SGSY) 1999

(f) Pradhan Mantri Gramodaya Yozana (PMGY) 2000

(g) Antyodaya Anna Yozana (AAY)

Page : 40 , Block Name : Exercise

Q9 Answer the following questions briefly

(i) What do you understand by human poverty?

(ii) Who are the poorest of the poor?

(iii) What are the main features of the National Rural Employment Guarantee Act 2005?

Answer. (i) Human poverty is a definition of poverty which takes us beyond the general definitions of poverty i.e, not having enough money. Being able to earn a fixed amount as set by the government as poverty line does not actually free them from poverty.

A person who is unable to get proper education and shelter and nutritious food, or if a child is forced to child labour or they face social and caste discrimination, then they come under human poverty.

(ii) Women, elderly people and female infants are the poorest of the poor is society. Women, elderly people and the girl child are systematically denied equal access to the resources available in the family. That is why they and considered the poorest of the poor.

(iii) The main features of National Rural Employment Guarantee Act, 2005 are

(a) The act provides 100 days assured employment every year to every rural household in 200 districts. Later the scheme will be extended to 600 districts.

(b) 1/3rd of the proposed jobs would be reserved for women.

(c) The central government will also establish National employment Guarantee Funds. Similarly, the State Government will also establish the State Employment Guarantee Funds for

the implementation the scheme.
(d) Under the scheme if an applicant is not provided employment within 15 days he/she will be entitled to a daily unemployment allowance.

Page : 40 , Block Name : Exercise