

NCERT SOLUTIONS

CLASS - 11th



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Class : 11th

Subject : Economics

Chapter : 4

Chapter Name : Poverty

Q1 Why calorie-based norm is not adequate to identify poor?

Answer.

- Calorie based norm is inadequate to identify poor as it only takes into account the expenditure on food and a few selected item as a proxy for income.
- This mechanism is helpful in identifying the poor as a group to be taken care of by the government, but it would be difficult to identify who among the poor need help the most.
- There are many factors, other than income and assets which are associated with poverty.
- Factors like access to health, hygienic environment and education facilities play a n utmost important role in determining the overall well being of an individual. These factors should be considered for identifying the poor.
- Social security factors like access to the fundamental rights, discrimination and freedom to exercise civil rights should also be considered to determine who needs the government aid.

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Q2 What is meant by 'Food for Work' programme?

Answer. 'Food for Work' programme was started in the 1970s to raise the standard of living of the poor, generate supplementary wage employment and provide food security. The programme provides wage employment to those poor who are willing to do manual unskilled labour work and are in need of wage employment. These poverty alleviation programmes aimed to raise the income and employment for the poor through creation of additional assets and by means of work generation. This programme wanted to ensure goods instead of money.

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Q3 Why are employment generation programmes important in poverty alleviation in India?

Answer. Most poverty alleviation programmes implemented are based on the perspective of the Five Year Plan. Employment generation and poverty are inversely related to each other. Increasing employment opportunities leads to rise in the income level which helps in the reduction of the poverty level.

Expanding self-employment programmes and wage employment programmes are being considered as the major way of addressing poverty. These aim at creating self-employment opportunities in rural and urban areas by providing financial assistance to set up small industries. Disguised unemployment is more in the rural areas, this can be shifted to other jobs which require unskilled labour. Rural-urban migration is increasing unemployment in urban areas, this needs to be reduced to grow employment opportunities in rural areas. Creating more employment opportunities increases the income level leading to rise in living standards of the population. Training and skill development encourages the poor to take up new jobs and start working.

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Q4 How can creation of income earning assets address the problem of poverty?

Answer. The poor are provided with several subsidies and basic amenities through government and other sources, but poverty cannot be eradicated by distribution of food grains, clothes, etc. The poor should be provided with income generating assets so that they earn for themselves and improve their living standards. Training and skill development opens new employment opportunities for the poor.

The government has implemented several policies to encourage self-employment opportunities in rural and urban areas. Under this anyone can get financial assistance in the form of bank loans to set up small industries. The educated unemployed from low-income families in rural and urban areas can get any financial help to set up any kind of enterprise that generates employment under Prime Minister's Rozgar Yojana. Those who wish to benefit from these programmes are encouraged to form self-help groups. Through banks, the government provided financial assistance to SHGs which then lends to those who need for self-employment activities. All these help to erode poverty by creating income earning assets.

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Q5 The three dimensional attack on poverty adopted by the government has not succeeded in poverty alleviation in India. Comment.

Answer. The three dimensional approach adopted by the government were as follows -

- Trickle down approach - it was assumed that the benefits of economic growth will benefit both the rich and the poor.
- Poverty alleviation approach - several income and employment generating assets were created.
- Providing basic amenities - it aimed at improving the health of the poor by providing basic amenities thereby increasing productivity and income earning capacity.

Policy towards poverty alleviation has evolved in a progressive manner, none resulted in any radical change in the ownership of assets, process of production and improvement of basic amenities to the needy.

- Due to unequal distribution of land and other assets, the benefits from poverty alleviation programmes have been appropriated by the non-poor. Resources allocated for these programmes is not sufficient.
- These programmes depend mainly on government and bank officials. Such officials are ill motivated, inadequately trained, corruption prone and vulnerable to pressure from local elites. Hence resources are inefficiently used and wasted.
- Policies reveal that high growth alone is not sufficient to reduce poverty. Without active participation of the poor, successful implementation of any programme is not possible.
- Government policies have also failed to address the vast majority of vulnerable people who are living on or just above the poverty line.
- Poverty can be eradicated only when the poor start contributing to growth by their active involvement in the growth process which is possible through a process of social mobilisation. The poor people must be encouraged to participate. They should feel empowered.

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Q6 What programmes has the government adopted to help the elderly people and poor and destitute women?

Answer. The government has a variety of social security programmes to help a few groups. National Social Assistance Programme is initiated by the central government. Under this, elderly people who do not have anyone to look after them are given pension to sustain themselves. There are schemes to provide the elderly people and the poor and needy with basic necessities, ration shops provide food and non-food items at very cheap prices.

The scheme also includes poor women who are destitute and widow. The government has also introduced a few schemes to provide health insurance to the poor. The government has initiated programmes for pregnant women to ensure that women have access to health and other facilities.

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Q7 Is there any relationship between unemployment and poverty?

Answer. Yes, poverty and unemployment are very closely related.

Most members of the scheduled caste and scheduled tribes are not able to participate in employment opportunities due to lack of skills and knowledge. Urban poor are largely the overflow of rural poor who migrate to urban areas in search of employment and livelihood. Urban poor are either unemployed or intermittently employed as casual labourers with no job security, no assets, limited skills, sparse opportunities and no surplus.

Poverty is very closely related to nature of employment. Unemployment or under employment and casual and intermittent nature of work in both rural and urban areas compel indebtedness, in turn reinforces poverty. Under-employed or unemployed are unable to fulfill their needs and go after debts and they don't have enough income to pay back the debt and they thus tend to take more loans falling into debt trap. Unemployment also increases the number of dependent population leading to the decrease in per head expenditure and poorer standards of living.

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Q8 Suppose you are from a poor family and you wish to get help from the government to set up a petty shop. Under which scheme will you apply for assistance and why?

Answer. I would apply Swarna Jayanti Sahari Rozgar Yojana (SJSRY) because it aims at creating employment opportunities- both self employment and wage employment in urban areas. It consists of two schemes namely -

- The Urban Self Employment Programme. (USEP)
- The Urban Wage Employment Programme. (UWEP)

The Urban Self Employment Programme focuses on creating self employment opportunities for the unemployed in urban areas. Under this one can get financial assistance in the form of bank loans to set up small industries. It provides assistance to the urban poor for establishing self employment ventures. It also provides the necessary training for enhancing the skills and opening new opportunities of self employment.

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Q9 Illustrate the difference between rural and urban poverty. Is it correct to say that poverty has shifted from rural to urban areas? Use the trends in poverty ratio to support your answer.

Answer.

Rural Poverty	Urban Poverty
In rural areas, those people who are landless agricultural labourers and small and marginal farmers are considered to be poor.	In urban areas those people who are unemployed, underemployed, or/ employed in low productivity occupations with low wages are considered to be poor.

Year	Poverty ratio	
	Rural (%)	Urban (%)
1973-74	49	56
1983	41	46

1993-94	32	38
2004-05	26	42
2009-10	21	35
2011-12	15	26

From the table above it can be seen that in the 1990s, the absolute number of poor declined in the rural areas, whereas number of their urban counterparts increased marginally. A large section of urban poor are largely the overflow of rural poor who migrate to urban areas in search of employment and livelihood. Industrialization has not been able to absorb all these people. The rural poverty declined significantly while the urban poverty is still high. Therefore, it can be said that poverty has shifted from rural to urban areas.

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Q 10 Suppose you are a resident of a village, suggest a few measures to tackle the problem of poverty.

Answer. Being a resident of a village, I would suggest the following measures to tackle the problem of poverty.

- Identification of poor - poor can be identified as someone who doesn't have access to basic necessities like food, clothing, shelter, health facilities, education.
- Generating self-employment opportunities for the poor like private tuitions, small shops, etc.
- Organizing them into self help groups so that they can help each other
- Access to elementary education and health care facilities
- Encouraging poor for participation in these programmes of the government
- Providing vocational training to the unskilled unemployed
- Motivating poor to acquire knowledge and skills and providing free education and skills related trainings.
- Establishing income-earning assets through government policies
- Ensuring proper implementation of government policies by taking survey throughout the locality and reporting to the concerned authorities responsible for the implementation.

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