

## **An Overview of Poverty in India**

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### **Abstract**

Poverty among the Indian people has been a major concern of the planners since India gained independence. Today marks the 72nd anniversary of India's independence and the question remains. There is a serious threat in India. Out of a population of 130 crore, more than 29.8% of the population is still living below the poverty line. The poverty of Indians is a major obstacle to the economic development of the nation. Even today, out of the total population of India, about 36 crore people are deprived of basic amenities. India's population has been steadily increasing since independence. Today, India occupies 2.4% of the world's land area, making up 17% of the world's population. According to the 2011 census, India has a population of over 121 crore and is second only to China in the world. The first adverse effect of population growth is on the per capita income of nations. After independence, the Government of India announced several schemes for poverty alleviation and through these schemes, the government has succeeded in bringing many families in India above the poverty line. But the rate is too low for a growing population. I have tried to review this in this article.

**Keywords:** below Poverty line, per capita income, Indias Population, Unemployment

### **Preface**

India has been known as a country of villages since ancient times and villages in India at that time were self-sufficient. The needs of the village were met in the village itself. An important feature of this rural economy is that every person in the village has a job at hand. Although the standard of living of the people during this period was low, there was no unemployment. Due to the low demand of the people during this period, their livelihood depended on whatever income they got. After the establishment of British rule in India, agriculture was commercialized and the self-sufficiency of Indian villages came to an end. Currency became important in transactions.

Convenience of transportation and education made the villagers turn to the city and its aim was to make more money. The one who had the ability developed his economy with effort. This has led to economic inequality among the people who grew up in the same society and over time this has continued. This situation was exacerbated by British economic policy in the twentieth century. The main reason for this is that the farmer, who is the focal point of the rural economy, is prone to poverty. After independence, India focused on industrialization and development of the service sector, and the agricultural sector, which has the largest population in India, could not grow as fast as it should. The Indian government has hit the poor, the lower middle class hard, with the Great Depression. Poverty and unemployment are closely linked, and billions of people who have struggled to stay out of poverty will be pushed back into poverty. During the Corona epidemic, many lost their jobs because of the loss of jobs, and some have ended their life's journey. Even today, 27% of the people in India are below the poverty line. Almost as many people are on the brink of poverty. At present, it is not possible to estimate the number of lower middle class.

### **Objectives of the study**

- To find out the causes of increasing poverty in India.
- Government of India to study poverty measures
- To study the impact of growing poverty on the economy.

### **Causes of Poverty in India**

The following factors are considered to be important factors in increasing the poverty of the people of India.

- 1. Low per capita income:** India has low per capita income compared to developed countries. India's per capita income through exchange was 80 480 in 2002, compared to 80 1,180 in 2009. Although India's per capita income has been increasing in the last few years, it is the lowest in terms of the Indian population.
- 2. Extra Population:** India is the seventh largest country in the world in terms of population and the second largest in the world in terms of population. In the next few

years, India is predicted to become the world's number one country in terms of population. India's per capita income is not growing at the same rate as India's population. This means that all the income that India gets is spent only to meet the needs of the people and India's growing human resources are not fully utilized. This means that unemployment is high in India. India's population is much larger than the available resources and the per capita income growth is much less than the growth of the Gross National Income due to population growth.

3. **Rising unemployment rate:** In India, semi-unemployment, hidden unemployment is high in rural areas, while well-educated unemployment is high in urban areas. The rapid growth of India's population has not created employment opportunities in agriculture, industry and trade. As a result, poverty was on the rise. Not only that, many people in India have to work in substandard jobs. Today, an engineer applies for a police recruitment job. This gives an idea of unemployment in India.
4. **Increase in economic inequality:** The distribution of wealth and income in the country is not evenly distributed among the people. The gap between rich and poor is wide due to unequal distribution of income and wealth. In particular, under the new economic policy of 1991, the Government of India abandoned the role of socialist economy and adopted privatization. In the subsequent period, India's economic inequality increased dramatically. Today, the richest person in Asia is in India, while the poorest person is in India.
5. **Illiteracy rate:** Illiteracy rate is higher among people living in poverty in India. The efficiency of illiterate people is less than that of literate people. According to the 2011 census, the literacy rate in India is around 75%. Up to 25% of the people in the country are still illiterate.
6. **Consequences of Green Revolution:** Green Revolution took place in the country. However, rich farmers were able to make progress as their benefits outweighed those of poor farmers. On the other hand, the minority and those who have dry land have not benefited and these are the people who are still in poverty.

- 7. New Economic Policy:** The new economic policy aimed at privatization of government enterprises, upliftment, reduction of fiscal deficit, etc. has not reduced the proportion of bakeries as a result of which the number of people living below the poverty line has increased.

### **Measures taken by the Government of India to eradicate poverty**

Poverty in India is analyzed in two ways. The first absolute poverty and the second relative poverty. Absence of basic necessities of life is called absolute poverty. When the population in the lower income group is compared to the population in the upper income group, it is called relative poverty. In India, the Planning Commission has emphasized on measuring poverty on the basis of daily calorie intake. It has been fixed at 2100 calories in rural areas and 2400 calories in urban areas. In addition, various criteria for measuring poverty have been decided by various committees appointed to the pair. These include Lakdawala Samiti (1993), Tendulkar Samiti (2009) and Rangarajan Samiti (2012). The Tendulkar Committee's criteria have been adopted by the Policy Commission. At present, as per the recommendations made by the Rangarajan Committee, it is being considered to fix the poverty line at Rs. 1407 for urban areas. For rural areas, the limit will be Rs 972. That is, if a citizen living in the city cannot afford to spend Rs 1407 a month on himself, then he is poor; This will be assumed. It has also been mentioned that in rural areas, citizens who cannot afford to spend Rs 972 on themselves will be poor. Poverty and unemployment are a constant problem facing a developing economy like India. The problem of poverty and unemployment in India is multifaceted. Poverty means not only lack of basic necessities but also denial of choice, lack of opportunity, lack of human dignity and lack of participation in the decision making process. In addition, lack of capital, lack of productive resources and equipment, dependence on agriculture and shortage of skilled manpower, illiteracy, etc. have made the problem of unemployment in India more challenging. In order to overcome poverty and unemployment, various schemes are being implemented by the government in the present situation, in which schemes are being implemented to create employment, such as Chhattisgarh, Chhattisgarh, Gujarat. In addition to this, a skilled manpower has been set up to provide skilled manpower. Its main objective is to create skilled manpower in

the country. According to the Global Multidimensional Poverty Index (MPI) report released in 2019, the number of poor people decreased by 27.1 crore in the ten years from 2005 to 2015.

### **Measures to alleviate poverty**

The Government of India has launched a massive poverty alleviation scheme in the last 72 years and has spent a lot of money on it. But the government has not changed the population figures below the poverty line. This means that all the measures taken by the Government of India to eradicate poverty are working in the wrong direction or the right person is not getting the benefit or the person below the poverty line is not trying to get out of this situation. The following solutions may be helpful to all these problems.

- 1) **Accelerate economic growth:** The first step is to accelerate India's economic growth. Increasing the rate of economic growth will enable the government to undertake a number of national development schemes and thus increase employment opportunities.
- 2) **Undertaking population control programs:** The biggest obstacle to India's economic growth is the growing population. This growing population needs to be curbed. Although India's national income is increasing, its per capita income is declining due to its growing population. The government spends the most on the amenities provided by the government to the growing population. Therefore, less capital is available to implement the necessary plans for the development of the nation. The alternative is to slow down the development of the nation. For this, it is necessary to strictly follow the words Hum Do Humare Do.
- 3) **Increasing employment opportunities in India:** The biggest reason for poverty in India is lack of employment. In India, since education is linked to government jobs, everyone expects government jobs, otherwise they declare themselves unemployed. This concept needs to be modified. The learned person is blessed to be idle instead of working. For this, such people need encouragement to start self-employed, small scale industries. This will give him employment and give employment to others.
- 4) **Enhancing infrastructure in rural areas:** Even after 72 years of India's independence, rural areas still lack electricity, roads and drinking water. If these facilities are increased,

it will help in starting small businesses in rural areas as well. Plans need to be implemented in rural areas to inculcate the habit of innovation in rural people. If loans, schemes, programs, technology in agriculture are made available in the agricultural industry, then the youth in the village will not turn to the city.

- 5) **Free schemes should be discontinued:** Many schemes of the government are lazy youth. Therefore, the beneficiary of that scheme is not willing to do more work. Thanks to the Government of India's foodgrains scheme of Rs. 2 per kg of wheat and Rs. This has created a problem for agricultural laborers in rural areas. There are so many schemes in India that they have strayed from their original purpose. Instead of trying to recover, they wallow in their sadness and thus, experience more failure. Such plans need to be reviewed and reconsidered. Instead of being lazy, the beneficiary should try to be financially capable on his own.

### **Conclusion**

Poverty alleviation was the biggest challenge facing post-independence India and it continues to be so today. In the last few years, the Government of India has achieved little in this regard, but the problem of poverty remains. Now, once again, the Indian government will have to impose sanctions on the poor. For that, as a government, a definite policy has to be formulated. Only if this policy is accompanied by great precision and meticulous planning will the situation return to normal within a few years and only then can the fight against poverty be won. The number of poor in India is 36.9 crore (369 million). However, between 2006 and 2016, a staggering 27 crore (270 million) people in India fell below the poverty line, according to a United Nations report. In the last ten years, 26 crore people have crossed the poverty line. But the growing population has added to that. The real thing will come when the census figures for 2022 come out. At that time, the population below the poverty line must have increased. For this, it is essential to have a scientific method to be able to properly assess the actual land poverty. There is a close link between employment and poverty. Therefore, it is necessary to have a definite plan for how at least one person in the family can get regular employment.

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