

CLASS-9
ECONOMICS
CHAP-3
POVERTY AS A CHALLENGE

Q1. Describe how the poverty line is estimated in India?

Answer: A person is considered poor if his or her income or consumption level falls below a given “minimum level” necessary to fulfil the basic needs. This minimum level is called the poverty line. In India, the poverty line is estimated by multiplying the prices of physical quantities like food, clothing, footwear, fuel, light, education, etc. in rupees. The numbers involved in determining the poverty line vary for different years. Also, the poverty line for rural areas is different from that of the urban areas because the work, lifestyle and expenses are different for rural and urban areas.

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

Answer: No, the present-day methodology of poverty estimation does not seem to be completely appropriate. This is because the only factor is taken into consideration is the economic status, and moreover, it considers a minimum subsistence of living instead of a reasonable

status of living. Poverty, today is a larger concept than only the economic status of the people. With advancements and development, the definition of poverty has also changed. People may have been able to feed themselves and their family, but education, shelter, health, job security and dignity are still at a threat. To overcome poverty entirely, all the above-mentioned factors also need to be kept in consideration. To completely remove poverty from the country, the methodology to estimate poverty should also be changed.

Q3. Describe poverty trends in India since 1973.

Answer: The Economic Survey of 2017-18 shows that although poverty has declined in the country, the number of poor still remains very high. The poverty ratio of 1993-94 for both rural and urban areas together was at 45% and the ratio for the year 2011-12 has declined down to 22%. However, the topic of concern still remains that there has not been any massive decline in the number of poor living in the country. From 404 million poor population in both rural and urban areas together in 1993-94. The poor population till 2011-12 remains to be 270 million for both rural and urban areas. The survey clearly tells that the concerned authorities must take some serious steps in order to make India a country free of poverty.

Q4. Discuss the major reasons for poverty in India.

Answer: The major reasons for poverty in the country are:

(i)The low level of economic development under British colonial rule. The policies of the colonial government ruined traditional handicrafts and discouraged the development of industries like textiles.

(ii)The spread of the Green Revolution created many job opportunities for the people of the country, yet they were not sufficient in comparison to the number of job seekers.

(iii)Unequal distribution of land and resources is another important factor for poverty in India.

(iv)In order to fulfil social obligations and religious ceremonies the poor end up spending a lot which results in poverty.

(v)Inequality in the income of the people is also a major reason for poverty.

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

Answer: The social groups which are most vulnerable to poverty in India are:

Scheduled Caste Households

Scheduled Tribe Households

The economic groups which are most vulnerable to poverty in India are:

Rural Agricultural Labour Households

Urban Casual Labour Households

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

Answer: Poverty in India differs for different states. The success rate of reducing poverty varies from state to state, causing inter-state disparities in poverty level. Orissa, Bihar and Madhya Pradesh are the three poorest states in India with their people living below the poverty line being 47, 42 and 37 per cent, respectively. Jammu and Kashmir, Punjab and Himachal Pradesh are the three better-off states in India as far as poverty is concerned. There are various factors that are responsible for these interstate disparities of poverty in India.