

CLASS-9
ECONOMICS
CHAP-3
POVERTY AS A CHALLENGE

Q 7: Describe global poverty trends.

Answer: The proportion of people in developing countries living on less than \$1 per day has fallen from 28 per cent in 1990 to 21 per cent in 2001. There has been a substantial reduction in global poverty since the nineteen eighties. However, the reduction in poverty is marked with great regional differences. Due to rapid economic growth and massive investment in human resource development, poverty declined substantially in China and Southeast Asian countries.

On the other hand, in South Asian countries (India, Pakistan, Sri Lanka, Nepal, Bangladesh, Bhutan), the decline has not been as rapid. While the ratio of poverty in Latin America has remained the same, in sub-Saharan Africa, poverty has risen from 41 per cent in 1981 to 46 per cent in 2001. According to the

world development report of 2001, countries like Nigeria, Bangladesh and India still have a large percentage of people living under poverty.

Poverty has also resurfaced in some of the former socialist countries like Russia, where officially it was non-existent earlier.

Q 8: Describe current government strategy of poverty alleviation.

Answer: The current anti-poverty strategy of the government has a two-lined approach – promotion of economic growth and targeted anti-poverty programmes.

Economic growth widens opportunities and provides resources needed to invest in human development. Also, so that the poor can take advantage of this economic growth, the government has formulated several anti-poverty schemes to affect poverty directly or indirectly. Prime Minister Rozgar Yojana, Rural Employment Generation Programme, Swarnajayanti Gram Swarozgar Yojana, Pradhan

Mantri Gramodaya Yojana, Antyodaya Anna Yojana, National Food for Work Programme, National Rural Employment Guarantee Act, and proposals for establishing National and State Employment Guarantee Funds are some of the anti-poverty schemes of the government.

However, despite the good intentions of these schemes, the benefits have not fully reached the deserving poor. Hence, the major emphasis in recent years has been on proper monitoring of all the poverty alleviation programmes.

Q 9: Answer the following questions briefly.

(i) What do you understand by human poverty?

Answer: Human poverty is a concept that goes beyond the limited view of poverty as lack of income. It refers to the denial of political, social and economic opportunities to an individual to maintain a “reasonable” standard of living. Illiteracy, lack of job opportunities, lack of access to proper healthcare and sanitation, caste and gender discrimination, etc., are all components of human poverty

(ii) Who are the poorest of the poor?

Answer: Women, female infants and elderly people are the poorest of the poor. Within a poor family, such individuals suffer more than the others. They are systematically denied equal access to the resources available to the family.

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

Answer: Main features of the National Rural Employment Guarantee Act 2005:

(a) The Act assures 100 days employment every year to every household.

(b) Initially covering 200 districts, the Act would be extended later on to cover 600 districts.

(c) One-third of the jobs are reserved for women.