

UPSC Civil Services Examination

UPSC Notes [GS-III]

Topic: Poverty Alleviation- Programmes And Policies (UPSC Notes)

Poverty Alleviation Programmes aims to reduce the rate of poverty in the country by providing proper access to food, monetary help and basic essentials to the households and families belonging to the below poverty line. As per the Planning Commission of India, the level of poverty in a country can be estimated based on the consumer expenditure surveys that are conducted by the National Sample Survey Office (NSSO) under the Ministry of Statistics and Programme Implementation.

What is Poverty Alleviation?

Poverty Alleviation is the set of steps taken in an economic and humanitarian way for eradicating poverty from a country. According to the World Bank, if a person is living on \$1.90 a day or less, then he/she is living in extreme poverty and currently, 767 million people of the world fall under that category. According to the last released official data, in 2011, 268 million people in India were surviving on less than \$1.90 a day. Various Programmes and Schemes under the Government of India were launched to eradicate poverty and for providing basic amenities to the poor households.

Schemes like Pradhan Mantri Awas Yojana and Housing for All by 2022 were developed to provide housing to the rural and urban poor. Latest government schemes like [Start-Up India](#) and [Stand Up India](#) focuses on empowering people to earn their livelihood.

Recommended Video:

What is Below Poverty Line (BPL)?

Below Poverty Line (BPL) can be defined as an economic benchmark used in the identification of the economically weaker people and households. BPL is set by the Government of India based on a threshold income. The households or individuals having an income below this threshold value are considered to be under the below poverty line.

Measuring BPL in India

Poverty line solely depends on the per capita income in India rather than the level of prices. The poverty line is the minimum income required to purchase the basic goods and services that are essential to satisfy the basic human needs. The proportion of the population that is below this poverty line is called the poverty ratio or headcount ratio. Similar approaches are followed by most countries and international institutions for determining BPL.

In India, the first official rural and urban poverty lines at the national level were introduced in 1979 by Y. K. Alagh Committee. Criteria for the measurement of BPL are different for the rural and urban areas.

- Currently, according to the Tenth Five-Year Plan, the degree of deprivation is measured with the help of parameters with scores given from 0–4, with 13 parameters.
- Families with 17 marks or less (formerly 15 marks or less) out of a maximum of 52 marks have been classified as BPL.
- The poverty line is calculated every 5 years. According to the recent estimation based on inflation, the threshold income should be more than Rs. 962 a month for urban areas and Rs 768 a month in rural areas i.e., above Rs. 32 a day in an urban area and above Rs. 26 a day in a rural area.

Poverty Alleviation in India- Five Year Plans

Eleven Five Year Plans were launched with an aim to eradicate poverty from India. The list of these Five Year Plans that started in the year 1951 is given below:

1. **First Five Year Plan (1951- 1956):** The plan focused mainly in agriculture and irrigation and aimed at achieving an all-round balanced development.
2. **Second Five Year Plan (1956-1961):** It focused on the growth of basic and heavy industries, expansion in employment opportunities and an increase of 25 per cent in the national income.
3. **Third Five Year Plan (1961-1966):** The Chinese aggression (1962), Indo-Pak war (1965) and severest drought led to the complete failure of the third five-year plan. It was replaced by three annual plans that continued from 1966 to 1969.
4. **Fourth Five Year Plan (1966-1974):** It aimed at increasing national income by 5.5 per cent, creating economic stability, reducing inequalities in income distribution and achieving social justice with equality.
5. **Fifth Five Year Plan (1974-1979):** This plan mainly focused on the removal of poverty (Garibi Hatao) and aimed in bringing larger sections of the poor masses above the poverty line. It also

assured a minimum income of Rs. 40 per person per month calculated at 1972-73 prices. The plan was terminated in 1978 instead of (1979) when the Janata Government came to power.

6. **Sixth Five Year Plan (1980-1985):** Removal of poverty was the main objective of the sixth five-year plan with a major focus on economic growth, elimination of unemployment, self-sufficiency in technology and raising the lifestyles of the weaker sections of the society.
7. **Seventh Five Year Plan (1985-90):** The Seventh Five Year Plan aimed in improving the living standards of poor with a significant reduction in the incidence of poverty.
8. **Eighth Five Year Plan (1992-97):** This plan aimed at employment generation but later failed in achieving most of its targets.
9. **Ninth Five Year Plan (1997-2002):** The ninth five-year plan focused on the areas of agriculture, employment, poverty and infrastructure.
10. **Tenth Five Year Plan (2002-2007):** The tenth five-year plan aimed in the reduction of poverty ratio from 26 per cent to 21 per cent by the year 2007 and also to help the children in completing five years of schooling by 2007.
11. **Eleventh Five Year Plan (2007-2012):** The eleventh five-year plan targets towards reducing poverty by 10 percentage points, generating 7 crore new employment opportunities and ensuring electricity connection to all villages.

Poverty Alleviation Programmes in India

As per the 2011-2012 estimation by the Planning Commission of India, 25.7 percent of the rural population was under the below-poverty line and for the urban areas, it was 13.7 percent. The rate of poverty in the rural areas is comparatively higher than that in the urban areas due to the lack of proper infrastructure, insufficient food supply and poor employment system.

The major Poverty Alleviation Programmes that were developed with an initiative to eradicate poverty are mentioned in the table below:

List of Poverty Alleviation Programmes in India			
Name of the Scheme/Programme	Year of Formation	Government Ministry	Objectives

Integrated Rural Development Programme (IRDP)	1978	Ministry of Rural Development	To raise the families of identified target groups living below the poverty line through the development of sustainable opportunities for self-employment in the rural sector.
Pradhan Mantri Gramin Awaas Yojana	1985	Ministry of Rural Development	<ul style="list-style-type: none"> To create housing units for everyone along with providing 13 lakhs housing units to the rural areas. To provide loans at subsidized rates to the people. To augment wage employment opportunities to the households by providing employment on-demand and through specific guaranteed wage employment every year.
Indira Gandhi National Old Age Pension Scheme (NOAPS)	15th August 1995	Ministry of Rural Development	<ul style="list-style-type: none"> To provide pension to the senior citizens of India of 65 years or higher and living below the poverty line. It provides a monthly pension of Rs.200 for those aged between 60-79 years and Rs.500 for the people aged above 80 years.
National Family Benefit Scheme (NFBS)	August 1995	Ministry of Rural Development	To provide a sum of Rs.20,000 to the beneficiary who will be the next head of the family after the death of its primary breadwinner.
Jawahar Gram Samridhi	1st April	Implemented by	<ul style="list-style-type: none"> Developing the infrastructure of

Yojana (JGSY)	1999	the Village Panchayats.	<p>the rural areas which included the connecting roads, schools and hospitals.</p> <ul style="list-style-type: none"> To provide sustained wage employment to the families belonging to the below poverty line.
Annapurna	1999-2000	Ministry of Rural Development	To provide 10 kg of free food grains to the eligible senior citizens who are not registered under the National Old Age Pension Scheme.
National Maternity Benefit Scheme	2016	Ministry of Health & Family Welfare (MoHFW)	<ul style="list-style-type: none"> To provide a sum of Rs.6000 to a pregnant mother who is aged above 19 years. The sum is provided normally 12–8 weeks before the birth in three instalments and can also be availed even after the death of the child.

Apart from eradicating poverty in India, the Poverty Alleviation Programmes also took an initiative in providing employment opportunities to the households of the BPL categories. The Government of India developed the [Mahatma Gandhi National Rural Employment Guarantee Act \(MGNREGA\)](#) with an aim to provide a legal guarantee for one hundred days of employment to the adult members of any rural household in every financial year.

Role of Public Distribution System in Poverty Alleviation

The Public Distribution System (PDS) which evolved as a system of management for food and distribution of food grains plays a major role in poverty alleviation. This programme is operated jointly by the Central Government and the State Government of India. The responsibilities include:

- Allocations of commodities such as rice, wheat, kerosene and sugar to the States and Union Territories.
- Issue of Ration Cards for the people below the poverty line.
- Identification of families living below the poverty line.
- Management of food scarcity and distribution of food grains.

PDS was later relaunched as Targeted Public Distribution System (TPDS) in June 1997 and is controlled by the Ministry of Consumer Affairs, Government of India. TPDS plays a major role in the implementation and identification of the poor for proper arrangement and delivery of food grains. Therefore, the Targeted Public Distribution System (TPDS) under the Government of India plays the same role as the PDS but adds a special focus on the people below the poverty line.

To know more about [PDS and TPDS in India](#), refer to the linked page.

Why is employment generation important in poverty alleviation in India?

Unemployment issue in India is considered as one of the major causes of poverty in India. The poverty rate of a country can be reduced with high economic growth and by reducing the unemployment problem. Various poverty alleviation programmes are set up under the Government of India that aims to eradicate poverty by providing employment on-demand and through specific guaranteed wage employment every year to the households living below the poverty line.

The generation of employment is important in poverty alleviation because of the following reasons:

- It will increase the income level of the poor household families and will help in reducing the rate of poverty in the country. Hence, there is a significant relationship between unemployment and poverty.
- It will decrease the rural-urban migration through the generation of employment programmes in rural areas.
- An increase in the income level through the generation of employment programmes will help the poor in accessing basic facilities including education, health facilities and sanitation.

What are the reasons for the ineffectiveness of poverty alleviation programmes?

The major reasons for the ineffectiveness of the poverty alleviation programmes are mentioned below:

- The poverty alleviation programme may not properly identify and target the exact number of poor families in rural areas. As a result, some of the families who are not registered under these programmes are benefited by the facilities rather than the eligible ones
- Overlapping of similar government schemes is a major cause of ineffectiveness as it leads to confusion among poor people and authorities and the benefits of the scheme do not reach the poor.
- Overpopulation of the country increases the burden of providing the benefits of the schemes to a large number of people and thus reduces the effectiveness of the programmes.
- Corruption at various levels of implementation of schemes is another major reason.

Candidates preparing for the [UPSC 2020](#) should follow the latest developments in Current Affairs related to other government schemes. Several questions are asked from these sections in both UPSC Prelims and IAS Mains Examination.