

PROGRAMMES FOR POVERTY ALLEVIATION

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ABSTRACT

Poverty is a social-economic phenomenon in which a section of society is unable to fulfil even its basic necessities of life. Humanity faces pains and miseries if it does not attain a subsistence level of such needs. During Five year plans, several programmes have been introduced to alleviate poverty in India. Yet there has been an increase in the number of poor persons in the country. Poverty reduction, or poverty alleviation, is set of measures, both economic and humanitarian, that are intended to permanently lift people out of poverty. A combination of growth and redistribution will deliver more poverty reduction than a focus on growth alone.

Keywords: Poverty, Humanity, Growth, Redistribution, Employment.

INTRODUCTION

Poverty has become the focal point of discussion among the academicians, politicians and planners all over the world in general and among the developing countries, in particular. According to the estimates made by the World Bank, about one billion people in the world were living in absolute poverty in 1980.¹ Further, the greatest majority of the world's absolute poor, over 90 per cent, were rural people who work on farms or do non-farm work that depends in part on agriculture. Even though several programmes were launched since 1951, only in the late seventies there has been a definite shift in emphasis in favour of Rural Development. Rural economy constitutes the major segment of Indian economy despite the rise in urbanisation from 17.8 per cent in 1951 to 31.2 per cent in 2011. This is a consequence of the recognition of growing inequalities between urban and rural sectors on one hand and between the rich and the poor of the rural sector on the other.²

Poverty maybe viewed from different angles. Poverty in human terms means, a little to eat and wear. The most obvious yardsticks of poverty are low per capita income / expenditure, low per capita consumption, poor health, illiteracy and primitive shelter. In economic terms, it means employment of large masses in unproductive agriculture.³

Different scholars have perceived the causes of poverty differently. Galbrith has stressed the psychological side of man. According to him, when too many people depend on land for their livelihood, the mode of cultivation does not allow them for incentives.⁴ Poverty, no doubt, is the result of either unemployment, or low level employment. Sen⁵ on the other hand, argues that the breakdown of 'entitlement'

system is responsible for poverty. Thus, a major part of the Indian economy is characterised by steep poverty when compared to the urban segment.⁶ Urban poverty is an out flow of rural poverty.⁷

REVIEW OF LITERATURE

Research study by Fan *et al.* (1999) covers the global spending on multiple items, in rural India and funds out the impact of these on poverty reduction. The highlighting finding of the research is the high impact of investment in rural infrastructural such as roads, while poverty reduction, programmes like employment generation make a moderate impact on both poverty alleviation as well as growth in rural India.

Poverty alleviation is one of the guiding principles of the planning process in India. The role of economic growth in providing more employment avenues to the population has been clearly recognised. Poverty ratio in India have declined over the last decade, but the incidence of poverty reminds high at 28per cent. The government spending remain focussed on social protection programmes to alleviate chronic poverty (Singh, 2007).⁸

In another study Gupta (2013)⁹ analysed the impact of developmental programme of future entrepreneur's attitude, motivational level, personal control and self-esteem. The author found that demographic factors like gender parent's qualification, various income groups and business families do affect the individual's entrepreneurial attitude.

Pandey, R.N. (2013)¹⁰ emphasised the importance of increasing employment opportunities both in urban and rural areas to solve the problem of unemployment. He also observed that the large scale expansion in employment opportunities, total utilisation of the manpower resources and substantial expansion in employment opportunities, expansion of productive employment are important objectives in various Five Year Plans. The researcher stressed the reliable statistical data. The author concludes that much more needs to be done to improve the quality and coverage of statistics on employment and unemployment, presently being collected by various agencies.

Shukla and Mishra (2013)¹¹ tried to establish a link between employment generation programmes and eradication of poverty. They found employment growth transfer from primary sector to secondary sector. The author felt that corruption, political rivalry, illiteracy, reservation were some of the challenges in employment generation in India. Besides challenges, the researchers found high work force, economic work force, liberal exchange rate etc., are some of opportunities in Indian economy for employment generation.

Need for the study

There is a consensus that poverty in India has declined since the mid-1970s. The recent annual assessment of the World Bank on India commends that "India scored great success in paring down the incidence of rural poverty from 55 per cent in early 1970's to less than 35 per cent by the late 1980's.¹² Broadly all the studies agree that poverty, rural poverty in particular, has finally declined since the 1970's. This is due to the formation and implementation of the public policies and programmes which would provide for the general welfare of the public in a democratic society.

Persistent Rural poverty is one of the major challenges, India has to cope with in the new millennium. Although, India achieved great success in bringing down rural poverty, measured in terms of the head count

ratio, from 56.44 per cent in 1973-74 to 37.27 per cent in 1993-94. Yet in absolute numbers there are 244 million rural poor in the country whose needs have to be addressed by the policy makers in years to come. Of the total poor in the country, nearly three-fourth is in rural areas. Therefore, the performance of the rural economy in terms of growth and employment will have strong influence on rural poverty. There are signs that rural growth has become less poverty alleviating in the current decade than in the past. This paper attempts to study:

- (1) The programmes launched for the poverty alleviation and,
- (2) Whether the programmes are able to reduce the poverty levels.

Schemes for alleviation of unemployment

Unemployment remains a major challenge in the third world countries. While there has been a steady decline in unemployment over the last few decades, the total number of unemployed persons has perhaps remained constant because of growth in population. Better utilisation of human resources through establishment of enterprises (micro, small and medium) through the launch of intensive schemes will facilitate employment and acceleration of economic growth in the long run. However, this strategy needs to be complemented with a focus on provision of basic services for improving the quality of life of the people through the intervention in the form of targeted employment generation programmes. A number of employment generation and employment guarantee programmes are specifically designed for the generation of both self-employment and wage employment in rural and urban areas. The programmes introduced for alleviation of unemployment in rural and urban sectors are illustrated in table 1 & 2.

Table 1

The Government of India Introduced various Schemes for Alleviation of unemployment in Rural Sector

S.No.	Name of the Employment Generation Programmed	Year of Beginning	Objective of the Programme
1	Employment Guarantee Scheme of Maharashtra	1972	To assist the economically weaker sections of the rural society.
2	Crash Scheme for rural Employment	1972	For rural employment
3	Training Rural Youth for Self-Employment (TRYSEM)	1979	Program for Training rural youth for self-employment
4	Integrated Rural Development Programme (IRDP)	1980	All-round development of the rural poor through a program of asset endowment for self-employment
5	National Rural Employment Programme (NREP)	1980	To provide profitable employment opportunities to the rural poor.
6	Rural Landless Employment Guarantee Program (RLEGP)	1983	For providing employment to landless farmers and labourers
7	Jawahar Rozgar Yojana (JRY)	1989	For providing employment to rural unemployed
8	Employment Assurance Scheme (EAS)	1993	To provide employment of at least 100 days in a year in village
9	Swarna Jayanti Gram Swarozgar Yojana (SJGSY)	1999	For eliminating rural poverty and unemployment and promoting self-employment
10	Sampoorna Grameen Rozgar Yojana (SGRY)	2001	To provide wage employment and food security in rural areas and also

			to create durable economic and social assets
11	Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)	2003	To create a right based framework for wage employment programmes and makes the government legally bound to provide employment to those who seek it.
12	National Rural Employment Guarantee Scheme	2006	To provide at least 100 days wage employment in rural areas

Source: Various Annual Reports of Planning Commission, Government of India, New Delhi.

Table 2 explains about the schemes introduced in India for alleviation of unemployment in urban sector.

Table 2

Various schemes introduced for Alleviation of unemployment in Urban Sector by Government of India

S.No.	Name of the Employment Generation Programmed	Year of Beginning	Objective of the Programme
1	Self-Employment programme for Urban Poor (SEPUP)	1986	To provide self-employment to urban poor through provision of subsidy and bank credit.
2	Nehru Rozgar Yojana	1989	For providing employment to urban unemployed.
3	Scheme of Urban Wage Employment (SUWE)	1990	To provide wages employment after arranging the basic facilities for poor people in the urban areas where population is less than one lakh
4	Swarnajayanthi Shahari Rozgar Yoana (SJSRY)	1997	To provide gainful employment to urban unemployed and under employed poor through self-employment or wage employment.

Source: Various Annual Reports of Planning Commission, Government of India, New Delhi.

Programmes for poverty alleviation

The poverty alleviation programs in India can be categorised based on whether it is targeted for rural areas and urban areas. Most of the programmes are designed to target rural poverty as prevalence of poverty is high in rural areas. The programmes can be mainly grouped into:

1. Self-employment Programme
2. Wage Employment Programmes
3. Social security programmes
4. Food security programmes
5. Area development programmes, and
6. Urban poverty alleviation programmes

Table 3
Poverty alleviation programmes implemented in India

S.No.	Programmes	Year
I	Self-employment programmes	
1	Integrated Rural Development Programme (IRDP)	1979
2	Training of Rural Youth for Self-Employment (TRYSEM)	1979
3	Prime Minister Rozgar Yojana (PMRY)	1993
4	Swarna Jayanti Shahri Rozgar Yojana (SJSRY)	1997
5	Swarnajayanti Gram Swarajgar Yojana (SGSY)	1999
II	Wage employment programme	
1	Crash scheme for Rural employed	1971
2	Pilot Intensive Rural Employment Project (PIREP)	1972
3	National Rural Employment Guarantee Programme (NREGP)	198
4	Rural Landless Employment Guarantee Programme (RLEGP)	1983
5	Jawahar Rozgar Yojana (JRY)	1989
6	Nehru Rozgar Yojana (NRY)	1989
7	Employ Assurance Scheme (EAS)	1993
8	Prime Minister's Gram Sadak Yojana (PMGSY)	2000
9	Sampurna Grameena Rozgar Yojana (SGRY)	2001
10	Food for Work Programme (FFWP)	2004
11	Mahatma Gandhi National Rural Employment Guarantee Act 2005 (MGNREGA)	2006
12	Prime Minister Employment Generation Programme (PMEGP)	2008
III	Social Security Programmes	
1	Marginal Farmers Development Agency (MFDA)	1969-74
2	Development of Women and Children in Rural Areas (DWCRA)	1982
3	The Million Wells Scheme (MWS)	1988-89
4	National Social Assistance Programme (NSAP)	1995
5	Prime Minister Gramodaya Yojana (PMGY)	2000-01
IV	Food Security Programme	
1	Public Distribution System (PDS)	
2	Annapurna Yojana	2000
3	Antyodaya Aawas Yojana (AAY)	2000
V	Area Development Programme	
1	Hill Area Development Programme (HAD) Programme	
2	Tribal Area Development Plan (TADP)	
3	Drought Prone Areas Programme (DPAP)	1995
4	Dissert Development Programme (DDP)	1982

There are other programmes like:

1. Jawahar Gram Samruddhi Yojana (JGSY) – 1999
2. National Oldage Pension Scheme (NOAPS) = 1995
3. National Family Benefit Scheme (NFBS) – 1995
4. National Maternity Benefit Scheme (NMBS) - 1995
5. India Awaas Yojana (IAY) - 1985

Five Year Plans for removal of poverty

The poverty alleviation has been one of the guiding principles of the planning process in India. The role of Economic growth in providing more employment avenues to the population has been clearly recognised. The various dimensions of poverty relating to health, education and other basic services have been

progressively internalised in the planning process. The targets and achievements of Five Year Plans in India are depicted in Table 4.

Table 4
Objectives and growth rate of Five-Year plans (I to XII)

Plan No.	Period	Objectives	Target (per cent)	Achievement (per cent)
I	1951-56	Agricultural Development	2.9	3.6
II	1956-61	Industrial Development	4.5%	4.1
III	1961-66	Self-Active position to take off independent	5.6	2.8
Plan Holiday, Annual Plans	1966-69	Agriculture and allied sectors	-	-
IV	1969-74	Garibi Hatao	5.7	3.3
V	1974-79	Agricultural Growth	4.4	4.8
Rolling Plan	1979-80	-	-	-
VI	1980-85	Poverty Eradication	5.2	5.7
VII	1985-90	Self-sufficient economy and productive employment	5.0	6.0
Annual Plans 1990-91		---		--
1991-92				
VIII	1992-97	Employment Education and Public Health	5.6	6.8
IX	1997-2002	Growth with justice and equity	6.5	5.4
X	2002-07	Poverty reduction	8	7.6
XI	2007-12	Faster and more inclusive growth	9	8
XII	2012-17	Faster more, inclusive and sustainable growth	Target is 8%	-

Table 5
Percentage and number of poor estimated by Tendulkar Method using Mixed Reference Period (MRP)

S.No.	Year	Poverty Ratio (Percentage)			No. of Poor (Million)		
		Rural	Urban	Total	Rural	Urban	Total
1	1993-94	50.1	31.8	45.3	328.6	74.5	403.7
2	2004-05	41.8	25.7	37.2	326.3	80.8	407.1
3	2011-12	25.7	13.7	21.9	216.5	52.8	269.7

Source: XI Five Year Plan, Ministry of Finance

The percentage of persons below the poverty line in 2011-12 has been estimated as 25.7 per cent in rural areas, 13.7 per cent in urban areas and 21.9 per cent for the country as a whole. The respective ratios for the rural and urban areas were 41.8 per cent and 25.7 per cent and 37.2 per cent for the country as a whole in 2004-05. The number of poor persons has decreased from 403.7 million in 1993-94 to 269.3 million in 2011-12.

Conclusion

Poverty is one of the evils that acts a major impediment in development of the country. Recognising this, India had pursued various poverty alleviation programmes to pull people out of vicious circle of poverty. India used mutli-pronged approach in dealing with this.

- a) Government envisaged that employment can reduce poverty and therefore enacted laws like food for work, MGNREGA etc., and it was quite successful in achieving the targets and improving the socio-economic status and standard of living.
- b) Government realised that supply of basic needs like food, education etc., to the people can alleviate the poverty to some extent as poverty basically means inability to purchase basic amenities. Hence, it established Public Distribution System (PDS) and Indira Awaas Yojana (IAY) etc.

Suggestions

- 1) Implementation of rapid and sustained economic growth policies and programmes in backward areas.
- 2) Promotion of agriculture and agro-based industries
- 3) The poor should be given more employment.
- 4) More investment should be made in public and private sectors to generate employment.

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