



Unraveling the tapestry of poverty in India.

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ABSTRACT

Purpose: It aims to examine and comprehend the various aspects of poverty that exist in India. To examine why India remains an impoverished nation. The project intends to discover the systemic issues, contributing factors, and underlying causes of poverty among various demographic groups in the country as well as in different areas through in-depth research, data analysis, and stakeholder engagement. Also to examine the major problems caused by poverty.

Design / Methodology / Approach: A Mixed -Method Approach will be adopted for the study using both qualitative and quantitative tools of research. For data analysis secondary data on poverty will be used.

Findings: It is found that the major reason behind poverty is the country's neoliberal policies of the 1990s. "Everything was privatised, and the withdrawal of the state from areas that matter — health care, banking, credit and education, which became driven by profits, were key to creating this inequality," The other factors which contribute to poverty are Rapidly Rising population, Low Rate of Economic Development, Underutilized resources Unemployment, Caste System. Further Understood how with the help of Poverty alleviation programme poverty has been drastically reduced. Also found how through poverty alleviation programmes and policies plan poverty can be eradicated.

Keywords: Impoverishment, Deprivation, Unemployment, indigence, Poverty Alleviation Programmes

Paper Type: Research paper

INTRODUCTION

Being poor means "to be hungry, to lack shelter and clothing, to be sick and not cared for, to be illiterate and not schooled." Poverty has also been defined as a state of "pronounced deprivation in well-being. "Individuals with low incomes are more susceptible to uncontrollable unfavourable circumstances. The World Development Report (2000-01: 3), which uses income as a measure of poverty, describes the global situation as "deep poverty amid plenty," with a fifth of people living on less than \$1 per day, and 44% of them in South Asia.

Over 3 billion people worldwide live on less than \$2.50 per day, demonstrating the widespread nature of poverty. The Gross Domestic Product (GDP) of the 41 Heavily Indebted Poor Countries (567 million people)

is less than the wealth of the top seven richest persons in the world put together, which highlights the inequality. 10.6 million children died before they turned five in 2003 as a result of extreme starvation and malnutrition (or around 29,000 each day). Over three billion people, or nearly half of humankind, survive on less than \$2.50 per day, while at least 80% of people live on less than \$10 per day.

India was classified as a lower middle income country⁴ following the Atlas method and ranked 162 with a GNI per capita of 1410 US dollars in 2011. The PPP method rated India 156 with a GNI per capita of 3590 US dollars in 2011. One-third of the world's impoverished are thought to reside in India, a country with a high rate of poverty.

According to a 2010 World Bank estimate, 68.7% of Indians live on less than \$2 per day, while 32.7% of the country's population is below the international poverty line of US\$ 1.25 per day.⁵The main causes of poverty in India are the absence of appropriate government policies and the upper class's abuse of the financially weaker segment of society.

Hunger is one of poverty's principal effects. It is easy to understand the gravity of hunger given that 5.8 million children worldwide die from reasons related to malnutrition each year.

According to estimates from the National Council of Applied Economic Research (NCAER), 80 million Indian households earn between Rs. 45,000 and Rs. 90,000 annually. Additionally, these figures roughly correspond with the most recent World Bank projections of the number of households that fall below the poverty line, which might reach 456 million people.

This Research study is going to unveil the tapestry of poverty in India. There is a thorough analysis of poverty in various states, various poverty alleviation programmes by government and how impactful they have been till now. Understanding of India's Income gap, Why India is still a poor country and how we can eradicate it.

The Motive of this paper is to clearly to find a solution on eradicating poverty by unveiling the reason behind existence of Poverty.

Literature Review

1. Aasha Kapur Mehta and Amita Shah's "Chronic Poverty in India: Overview Study" presents a detailed analysis of chronic poverty in India. It emphasises the severity, length, and multifaceted deprivation associated with chronic poverty. The study emphasises the importance of focusing on places with high rates of severe income poverty and identifies vulnerable groups such as scheduled castes, scheduled tribes, women, and the disabled, all of whom experience various deprivations that make it difficult for them to escape poverty. The study investigates the spatial distribution of chronic poverty, focusing on dryland areas with crop failures and few employment prospects, as well as forest-based economies with limited access to resources and markets. The article covers poverty alleviation policies and community activities to promote openness in government expenditure. Furthermore, the publication presents income poverty trends in India using household consumer expenditure surveys done by the

National Sample Survey Organisation. It demonstrates that the percentage of persons living below the poverty line fell from 54.9% in 1973-74 to 26.1% in 1999-2000, while the rate of fall varied over time. Despite a decrease in the percentage of people in poverty, the actual number of those below the poverty line changed over the decades. This detailed study sheds light on the complexities of chronic poverty in India, emphasising the importance of specific interventions to address the various issues that chronically poor people and marginalised groups confront.

2. The file "POVERTY TRENDS IN INDIA: A STATE WISE ANALYSIS" examines the subject of poverty in India, focusing on its impact on social and economic growth. Poverty is defined as a socioeconomic situation characterised by inequality and harming health, productivity, and income. The text emphasises that poverty in India is a persistent and serious problem, with roughly one-fourth of the population living in poverty. It shows how poverty deprives people of fundamental needs such as food, clothing, housing, education, and healthcare.

The study goes into the technique used to quantify poverty in India, concentrating on data gathered from multiple sources, including reports from the Planning Commission of India and the National Sample Survey Organisation. It addresses many notions for quantifying poverty, such as the Poverty Line, Headcount Ratio, Poverty Gap, Gini coefficient, and others. The publication also includes poverty figures for India from various years, utilising approaches such as Lakdawala and Tendulkar.

Furthermore, it examines the trends in poverty rates in rural and urban areas across multiple decades. Between 1973-74 and 2004-05, poverty rates in both rural and urban areas decreased. It also contrasts poverty estimates based on other approaches such as Tendulkar and Rangarajan, illustrating the decrease in poverty rates over time. The study emphasises the need of using precise poverty assessment approaches to effectively identify and reduce poverty in India. (Guduri, 2017)

3. The file "An Analysis of Poverty Alleviation Programmes In India With Special Reference To Sustainable Development Goals" provides a comprehensive overview of poverty estimates in various Indian states, highlighting the percentage of the population living below the poverty line between 2004-05 and 2011-12. It discusses the dramatic decline in poverty rates across states over this time period, emphasising the need of poverty eradication for achieving long-term development objectives. The document digs into the impact of poverty on human health, efficiency, and income, highlighting the necessity to address fundamental requirements such as food, shelter, education, and health for impoverished portions of society.

The research shows a decrease in national poverty estimates from 50.1% to 25.7% in rural regions and 31.8% to 13.7% in urban areas between 1993-94 and 2011-12. According to Tendulkar Committee estimates, India's poverty rate fell by 17.89% between 1993 and 2004, and by 41.13% between 2004 and 2011.

The discussion emphasises the need of eradicating poverty as a prerequisite for effectively achieving sustainable development goals.

Various anti-poverty programmes in India are described, such as the Mahatma Gandhi

National Rural Employment Guarantee Act (MGNREGA) and Deendayal

Antayodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM), which aim to reduce poverty and improve livelihoods.

This analysis offers light on India's progress in poverty reduction, the importance of targeted anti-poverty programmes, and the country's commitment to reaching the Sustainable Development Goals through effective poverty reduction. (Mani, 2020)

- Using data from the World Top Incomes Database, the article investigates patterns of income inequality in India between 1922 and 1999. Here are the main points: Inequality in India fell significantly during the planning period due to a drop in real incomes at the top of the distribution, but this reversed in the early 1980s, resulting in a widening gap between the wealthiest (top 1%) and the rest of the population.

The study shows that inequality fell significantly throughout the planning period (1950s-1970s), but then increased significantly after the 1980s, driven by a jump in top wages, particularly at the very top (0.01%). The data show a divergence among the top 1%, with the highest earners breaking away from the rest of the 1%, indicating an increase in inequality.

Absolute measurements of inequality are equally essential, as they indicate the real income disparities between average earnings and the highest income groups. The data shows that, while relative inequality metrics remained consistent, absolute inequality quadrupled throughout specific times.

The study emphasises that changes in India's political economy began well before the 1991 reforms, with a trend towards pro-business policies visible in the 1980s. (Basole, 2014)

- Why is India poor? This is an important issue that we have all questioned at some point in our lives, whether as part of our formal education or simply as concerned citizens of India.

Per capita GDP is defined as the monetary worth of all goods and services produced each year divided by the number of people.

India's poverty is caused by overpopulation. When asked why India is poor, the most common response is that there are "too many people." I'm not sure if you remember this, but on India's 50th anniversary in 1997—the year CCS was founded, incidentally—parliament called a special session to debate what the country's major issues were after 50 years of independence in order to determine how they would address them in the future. A lack of education is the cause of India's poverty. Hopefully, we are beginning to understand how to address these kinds of problems.

One intriguing method would be to examine literacy rates in various Indian states to determine if there is a relationship with state per capita GDP.

India's poverty is caused by a lack of institutions and policies that promote economic freedom. When we look at examples of one people being divided into two countries, where people have the same culture, resources,

level of education, capital, and so on, but are run under different political economic systems, we can see that the policies people live under produce radically different results. (Shah P. J., 2013)

6. COVID-19 has had a severe economic impact, resulting in employment losses, economic decline, plummeting investments and exports, and declining tourism dollars. However, the influence on poverty remains unclear. Economic growth is the primary driver of poverty reduction, whereas recessions increase poverty. In 2020, governments responded to the pandemic with major social spending programmes to alleviate the economic impact and keep families afloat. The World Bank expects that there will be 103 active social protection programmes in 45 countries by December 2020, preventing many families from sliding back into poverty. The long-term effects of COVID-19 are more certain, as it may cause a brief increase in poverty in some areas before returning to pre-COVID levels as growth rates recover in 2021 and 2022. In other places, growth was low before to COVID-19 and is expected to remain low over the following decade. Using the International Monetary Fund's (IMF) long-term GDP growth estimates, poverty is expected to be concentrated in middle-income, fragile, and conflict-affected African countries. (Dooley, 2021)
7. This article explores poverty, including its definition, types, causes, factors, and indicators. The article also examines the link between inequality and poverty. This article examines both absolute and relative approaches of defining poverty. Poverty is defined as a lack of resources to maintain a socially acceptable quality of living. Poverty is determined by individual, community, household, and geographical characteristics. Inadequate access to essential amenities like housing, electricity, water, and sanitation has been linked to increased poverty.

Poverty is influenced by socioeconomic factors including unemployment, education level, gender, income, and household size. Understanding the causes, factors, and varieties of poverty is crucial for addressing the issue. Two decades after the democratic transition, South Africa still struggles with poverty. This article aims to improve knowledge of "poverty" among the public, lawmakers, and policymakers, ultimately contributing to poverty alleviation efforts. (Ramphona, 2014)

8. A variety of participatory and community-driven techniques have arisen to address the multifaceted nature of poverty in emerging countries. The current study finds crucial aspects responsible for poverty alleviation in India using fuzzy cognitive mapping (FCMs) that demonstrate causal reasoning. The study employs FCM-based simulations to evaluate the effectiveness of existing poverty-relief measures, including community-based microfinance, capability and social security, market based, and good governance.

Our findings indicate, to some extent, the complementarity of diverse approaches to poverty alleviation that must be executed concurrently for a comprehensive poverty reduction campaign. FCM-based simulations

highlight the importance of using an integrated and multidimensional approach that incorporates elements from multiple ways to eradicating poverty, which is a multidimensional phenomenon. Furthermore, the study has policy implications for the design, management, and implementation of poverty-eradication projects. On the methodological front, the study adds to the FCM research in terms of knowledge capture, sample adequacy, and the durability of dynamic system models (Singh PK, 2020)

POVERTY IN STATES

To keep this research simple, we limit ourselves to the 17 major states in India, out of 28 states and 7 Union Territories. Collectively, 95 percent of the population lives in these states collectively. We do not include the states of Sikkim, Goa, Himachal Pradesh, Uttaranchal, and the smallest six of the seven northeastern states. We also do not include any of the seven union territories, including Delhi. Based on the 2009–10 spending survey, the population of every state that is included exceeds 20 million, whilst the population of every state that is omitted is less than 10 million. Only Delhi, one of the union territories, is home to more than ten million people.

Table 1: Rural and urban poverty in Indian states

State	Rural			Urban			Total		
	1993-94	2004-05	2009-10	1993-94	2004-05	2009-10	1993-94	2004-05	2009-10
Uttar Pradesh	50.9	42.7	39.4	38.2	34.1	31.7	48.4	41.0	37.9
Maharashtra	59.2	47.8	29.5	30.2	25.6	18.3	48.4	38.9	24.8
Bihar	62.3	55.7	55.2	44.6	43.7	39.4	60.6	54.6	53.6
Andhra Pradesh	48.0	32.3	22.7	35.1	23.4	17.7	44.7	30.0	21.3
West Bengal	42.4	38.3	28.8	31.2	24.4	21.9	39.8	34.9	27.1
Tamil Nadu	51.0	37.6	21.2	33.5	19.8	12.7	44.8	30.7	17.4
Madhya Pradesh	48.8	53.6	42.0	31.7	35.1	22.8	44.4	49.3	37.3
Rajasthan	40.7	35.9	26.4	29.9	29.7	19.9	38.2	34.5	24.8
Gujarat	43.1	39.1	26.6	28.0	20.1	17.6	38.2	32.5	23.2
Karnataka	56.4	37.4	26.2	34.2	25.9	19.5	50.1	33.9	23.8
Orissa	63.0	60.7	39.2	34.3	37.6	25.9	59.4	57.5	37.3
Kerala	33.8	20.2	12.0	23.7	18.4	12.1	31.4	19.8	12.0
Assam	55.0	36.3	39.9	27.7	21.8	25.9	52.2	35.0	38.5
Jharkhand	65.7	51.6	41.4	41.8	23.8	31.0	61.1	47.2	39.3
Haryana	39.9	24.8	18.6	24.2	22.4	23.0	35.8	24.2	19.9
Punjab	20.1	22.1	14.6	27.2	18.7	18.0	22.2	21.0	15.8
Chhattisgarh	55.9	55.1	56.1	28.1	28.4	23.6	51.1	51.0	50.3
India	50.1	41.9	33.3	31.7	25.8	20.9	45.5	37.9	29.9

Sources - Panagariya A. & Mukim M. (2013-01). A Comprehensive analysis of poverty in India, Columbia University

If we do a comparison, we can see that among the larger states, Tamil Nadu has the lowest poverty ratio, followed by Andhra Pradesh and Gujrat in that order (A. Panagariya, 2013) . Among the major states, Tamil Nadu, Karnataka, and Andhra Pradesh—all from the south— have made the biggest percentage-point advances in the poverty reduction between 1993– 1994 and 2009–2010. Kerala and Haryana, in that order, have the lowest rates of poverty among the medium-sized states, whereas Orissa and Jharkhand have experienced the biggest percentage-point increases between 1993–1994 and 2009–2010.

Table 2: Per-capita expenditures in current rupees in rural and urban areas in the states

State	1993-94 (URP)		2004-05 (MRP)		2009-10 (MRP)	
	Rural	Urban	Rural	Urban	Rural	Urban
Uttar Pradesh	274	389	539	880	832	1512
Maharashtra	273	530	597	1229	1048	2251
Bihar	218	353	445	730	689	1097
Andhra Pradesh	289	409	604	1091	1090	2015
West Bengal	279	474	576	1159	858	1801
Tamil Nadu	294	438	602	1166	1017	1795
Madhya Pradesh	252	408	461	893	803	1530
Rajasthan	322	425	598	945	1035	1577
Gujarat	303	454	645	1206	1065	1914
Karnataka	269	423	543	1138	888	2060
Orissa	220	403	422	790	716	1469
Kerala	390	494	1031	1354	1763	2267
Assam	258	459	577	1130	867	1604
Jharkhand			439	1017	724	1442
Haryana	385	474	905	1184	1423	2008
Punjab	433	511	905	1306	1566	2072
Chhattisgarh			445	963	686	1370
All-India	281	458	579	1105	953	1856

Sources - Panagariya A. & Mukim M. (2013-01). A Comprehensive analysis of poverty in India, Columbia University.

First, low poverty ratios are linked to high per-capita spending. Take rural poverty in 2009–10 as an example. The largest per-capita spending in rural areas are found in Kerala, Punjab, and Haryana, respectively. In the same order, they also have the lowest rates of poverty. On the other hand, the highest rural poverty ratios and the lowest rural per-capita expenditures are found in Chhattisgarh and Bihar, respectively. More broadly, the top nine states with low poverty ratios are likewise the top nine states by rural per-capita expenditure. Urban poverty and per-capita urban spending both follow a similar pattern. Once more, according to each metric, Kerala comes in first and Bihar last.

Second, Tamil Nadu is a state that stands out for having low poverty rates while having a relatively low ranking in terms of per-capita expenditure. In 2009–10, it came in eighth place for per-capita rural spending but fourth for per capita rural poverty. Despite placing ninth in terms of urban per-capita expenditure, it fared even better in terms of urban poverty, coming in near second. Gujarat performed exceptionally well in terms of urban poverty as well, coming in third place despite ranking seventh in terms of per-capita urban spending.

Lastly, despite Kerala's low per-capita income, it is widely believed that the state has the lowest rate of poverty thanks to more successful redistribution. This thesis is fully refuted by Table 8. Kerala had the lowest rates of both rural and urban poverty in 1993–1994 and the second-highest per capita spending in the rural and third-highest per capita spending in the urban areas among the 17 states. Moreover, Kerala lags behind all other southern states in terms of the percentage-point decrease in poverty.

For instance, Tamil Nadu reduced poverty by 27.4 percentage points between 1993–1994 and 2004–2005, whereas Kerala reduced poverty by 19.3 percentage points over the same period. We might also mention Kerala's extremely high level of expenditure disparity. Both in rural and urban areas, the state had by far the highest Gini coefficient in 2009–10 of any state when it came to expenditures.

POVERTY ALLEVIATION PROGRAMME

“Overcoming poverty is not a gesture of charity. It is the protection of a fundamental human right, the right to dignity and a decent life.” — Nelson Mandela, Former President of South Africa.

The 1st Sustainable Development Goal (SDG) is **"End poverty in all its forms everywhere."**

Poverty alleviation programmes are critical endeavours in modern society, addressing the complicated issue of poverty with far-reaching consequences for individuals, communities, and countries. These programmes seek to close the gap between those living in deprivation and the chances for a dignified, fulfilling life.

To accomplish Sustainable Development Goal 1 (No Poverty) in India, the Government of India has implemented many poverty-reduction policies and activities. Poverty has decreased significantly during the past two decades.

Some anti-poverty projects include the following:

1. **National Food for work Programme:** The scheme is open to rural poor who seek wage employment and prefer physical, unskilled jobs. The plan is fully funded by the central government and provides free food grains to all states. States are responsible for transportation costs, handling charges, and taxes on food grains.
2. **Sampoorna Grameen Rozgar yojana:** The SGRY programme, begun in 2001, aims to increase wage employment in rural regions, improving food security and nutrition. The SGRY is open to rural poor seeking pay employment for manual and unskilled work in their village/habitat. The scheme is implemented through Panchayati Raj Institutions (PRIs).
3. **Swarna Jayanti shahri Rozgar yojana:** This programme began on December 1, 1997. The primary goal is to create self-employment opportunities for unemployed youngsters in urban regions. Youth with up to a 9th standard education are living in poverty. The system requires a 75% investment from the centre and 25% from the states. In 2003-04, the expenditure totalled Rs.103 crore. The allotment for 2004-05 was Rs. 103 crores, with Rs. 90.38 crore utilised by December 31, 2004. In 2008-09, it provided coverage for 9.47 lakh beneficiaries. In 2008-09, this initiative cost Rs. 541 crores.
4. **Indira Awas Yojana:** The scheme includes converting unserviceable kutcha dwellings to semi-pucca houses. From 1999-2000, monies were allocated to states/UTs based on housing shortages rather than poverty ratios. The criteria for allocating funds to districts have been updated to consider both the SC/ST population and the housing need.
During 2007-08, Rs. 4033 crores were allocated to build 21.27 lakh dwellings. Up to 2008, the states reported that 9.40 lakh dwellings were built. The Ministry of Rural Development (MORD) offers equity support to HUDCO for this purpose.
5. **Pradhan Mantri gram sadak yojana:** The PMGSY, inaugurated in December 2000 as a 100% Centrally Sponsored Scheme, intends to provide rural connection to unconnected habitations with populations of 500 or more by the end of the Tenth Plan.

The NCMP includes a plan to improve and modernise rural roads. The scheme is funded mostly from diesel cuss accruals in the Central Road Fund.

6. National Rural Employment Guarantee scheme: This scheme was introduced on February 2, 2006. The National Rural Employment Guarantee Act was passed on September 7, 2005. This scheme includes two schemes: Sampoorn Gramin Rozgar Yojana and National Food For Work Programme. The NREGS plan was initially implemented in 200 districts. The programme will be implemented across all districts in the country during a 5-year period. The goal is to give every family with at least 100 days of employment per year. In 2006-07, this initiative employed 56 lakh individuals. The plan will increase from 200 districts in 2006-07 to 596 in 2008-09. In the 2009-10 budget, Rs. 30,100 crores has been allocated.

How effective Poverty alleviation programmes have been?

The extreme poverty rate (living on less than \$1.90 per day) has dramatically decreased, from 36% in 1990 to 9.2% in 2017. This shows that poverty-relief efforts have made progress. Successful Programmes like Microfinance initiatives, conditional cash transfers, and skills training programmes have all shown to boost income and well-being in specific circumstances.

Criticism of poverty alleviation programmes:

1. None resulted in any radical change in the ownership of assets, process of production and improvement of basic amenities to the needy.
2. The Amount of resources allocated for these programmes is not sufficient.
3. Government policies have also failed to address the vast majority of vulnerable people who are living on or just above the poverty line.

Despite government efforts and legislation, India's poverty rate continues to rise, hindering economic growth. Poverty causes a variety of issues, including violence and slow economic development. Poverty negatively impacts impoverished communities, leading to poor health outcomes.

INDIA'S INCOME GAP

India, known for pioneering the theory of "Bindu Visphot" and SUNYA (Zero), has a unique approach to its economy. While it has made significant progress in reducing absolute poverty, the majority of the population remains underserved. However, the results were invariably odd. Despite extraordinary macro-level reforms, India's progress in addressing the complexities of its different realities has been slow. This could be attributed to the country's distinctive socioeconomic structure, which includes a Pareto economy with significant disparities between the rich and the poor. As a result, the middle class has limited access to salaried positions and receives minimal subsidies.

It's terrible to be poor, but it's far more challenging to be trapped in the middle, with limited opportunities for upward mobility and numerous obstacles preventing progress.

Economists Thomas Picketty and Lucas Chancel released a press release stating that the top 1% of the population has consistently held the biggest percentage of the national income since the British Raj era. The study analysed income disparity in India from 1977-2015 using household surveys, national accounts, and tax data. The data shows that the top 1% of earners received less than 21% of total income in the late 1930s, 61.0 in the early 1980s, and 22% in the current decade. According to an article in the Economic Times on the World disparity

Report, income and wealth disparity in India has increased since 1947. Between 1857 and 1947, the top 10% of the population accounted for roughly 50% of total income and wealth, and 65% of total wealth. According to Oxford Committee for Famine Relief reports. The top 10% of Indians own 77% of the total national wealth. In 2017, the richest 1% received 73% of the wealth, while the poorest half of the population (670 million Indians) witnessed only a 1% growth.

According to the 'World Inequality Report 2022', India's top 10% and 1% account for 57% and 22% of total national income, respectively, while the bottom 50% share has decreased to 13%.

The report was written by Lucas Chancel and organised by economists Thomas Piketty, Emmanuel Saez, and Gabriel Zucman.

Overall, India's social-political framework is not conducive to the trickle-down effect, which may be effective in other countries. Diversity and varying levels of development are evident. India is on track to become the new Silicon Valley, but there are also reports of poverty related suicides.

Recognise that we are all playing the same game at different levels, experiencing comparable challenges and conditions. To traverse this landscape efficiently, we must distinguish between earnings, high earnings, and over-earning, and recognise the cycle of diminishing utilities and increasing demands. India is known for its large wealth discrepancy, which includes both poverty and riches.

According to economist Jagdish Bhagwati, the dampening effect of technological advancement on social welfare, along with a never-ending cycle of shrinking utilities and increasing wants, has led to India's perception as an impoverished society with an affluent elite.

WHY INDIA IS STILL A POOR COUNTRY?

India has struggled to eradicate poverty. This is because significant political decisions resulted in economic movements that harmed the poor while enriching the rich, according to P. Sainath, author of Everybody Loves a Good Drought, a book about poverty in rural India. Sainath is also the originator of the People's Archive of Rural India (PARI), an online platform that documents rural India's livelihood, arts, culture, as well as social and economic inequities.

He blames the country's neoliberal policies of the 1990s for the problem. "Everything was privatised, and the withdrawal of the state from areas that matter — health care, banking, credit and education, which became driven by profits, were key to creating this inequality," he said. He claims that in an India concerned with expansion and profit, there is little regard for the needs of the poor and vulnerable.

Chancel agrees that India's growth has been particularly unequal since the 1990s. "We can see this on the ground." For example, parts of Delhi have altered dramatically, whereas rural areas of the country are nearly unchanged from 30 years ago." And we can see that in the figures, he says: "From 2000 to 2015, average yearly per-adult income increase approached

5%. However, not everybody is average. The bottom half of the population expanded at just 2% each year, the middle 40% at roughly 2.5%, and the top 10% at 7% per year!"

India's major economic reforms of the 1990s are credited with increasing the country's GDP (gross domestic product), bringing in private investment and growth, and lifting many Indians out of poverty. However, some economists argue that higher GDP growth does not always equate to the social well-being required for a more fair society. If growth had been dispersed more evenly since the 1990s, there would be less poverty and more middle-class families, according to Chancel. According to Chancel, public investments are critical for generating prosperity for the lowest 50% of the population by providing equal access to essential services such as excellent education, transportation, and health. "This is still lacking in India."

Instead, many Indians continue to suffer with fundamental requirements that are not provided. Hunger is rife. According to the World Food Programme, India is home to one-quarter of the world's undernourished people. Despite sustained economic expansion and a tripling of per capita income in recent years, the World Food Programme reports that minimum dietary intake has fallen.

During the epidemic, the government attempted to solve the hunger issue. On March 26, 2020, the Indian government unveiled the PM-GKAY, a food security welfare initiative that will provide free food grains to migrants and the very poor to help them survive the pandemic.

The National Food Security Act has provided 800 million people with 5 kilogrammes (11 pounds) of rice or wheat each month since its implementation. According to media sources, 98.4 million metric tonnes of grain had been distributed.

However, activists have pointed out that the system does not cover millions of impoverished people, the majority of whom are migrant workers, due to a lack of proof of domicile and other required documents.

Wealthy Indians, on the other hand, were mostly unscathed by the lockdowns that devastated India's labour force. According to a study of how Indian households coped during the COVID lockdown, researchers

discovered a negative impact on 84% of homes across the country, with a steep drop in income, but wealthier households fared better.

Other Major factors behind poverty in India –

1. Social inequality leading to exclusion and marginalisation.
2. Illiteracy
3. Population
4. Gender Inequality
5. Unequal Distribution of wealth
6. Corruption

India happens to be a rich country inhabited by very poor people. — Dr. Manmohan Singh, former prime minister of India

Major Problem Caused by poverty.

Poverty is one of the toughest challenges faced by independent India. Though India has made significant strides in poverty reduction, but poverty remains a major challenge affecting millions of people. Major problem caused by poverty are as follows –

FAMILY PROBLEM –

The impoverished are more likely to experience family issues, such as divorce and domestic abuse. Even in affluent households, running a family, raising children, and paying expenses all contribute to stress. impoverished families face additional stress as a result of their poverty, and the everyday stresses of family life become even more intense in impoverished families. Thus, various types of family difficulties are more common in poorer households than in affluent families. Furthermore, when these difficulties arise, poor families have fewer resources than affluent families to deal with them.

Healthcare and Medical Care –

The most significant challenge of poverty is bad health. People living in poverty lack access to adequate food, suitable clothing, medical services, and a clean environment. Poor health occurs when these basic demands are not met. Most of them suffer from malnutrition, and they don't even have the money to go to the doctor. Poor children are more likely to have inadequate nutrition, which contributes to their health, behavioural, and cognitive issues. These issues, in turn, limit their capacity to succeed in school and find stable job as adults, contributing to the perpetuation of poverty across generations.

Effects on Society –

There is a significant surge in violence and criminality. Because of unemployment and marginalisation, impoverished people frequently engage in unfair practices such as prostitution, theft, and other illegal acts.

People who are homeless often sleep on the side of the road, which is dangerous for them, especially women and children.

Poverty forces parents to send their children to work rather of enrolling them in school. Poor families typically send their children when they are only five years old.

Effects on Economy –

Poverty can result in lower production due to poor health, a lack of education, and limited economic prospects.

Increased government spending: Poverty necessitates government spending on social safety nets and healthcare, which can strain government budgets.

Poverty can stifle economic growth because people lack the resources to invest in enterprises and other economic activity.

Effects on Education –

Low literacy rates: Poverty frequently results in low literacy rates because children may lack access to education owing to budgetary constraints.

Lack of basic amenities: Children living in poverty may not have access to basic amenities like clean water, sanitation, and electricity, which can impair their capacity to learn. Reduced possibilities: Children living in poverty may not have the same opportunities as those from affluent families, limiting their future achievement.

Overall, Poverty increases the likelihood of family problems such as divorce and conflict, as well as health issues. Children who grow up in poverty are less likely to complete high school or college and are more likely to commit street crime. There is impact of poverty in all spheres whether it is on society, economy, psychologically.

How can we eradicate poverty?

Government have been attempting the eradication of the poverty through multi-dimensional approaches. (Shapiro, Edward. (2001). The changing role of the CEO. organisational and social dynamics.) The Reconstruction and Development Programme demonstrates the government's commitment to eradicating poverty. To make this vision a reality, policy must focus on meeting fundamental necessities, developing human resources, and building a rising economy capable of generating long-term livelihoods.

The government's strategy for growth, employment, and redistribution (GEAR) is predicated on the maintenance of a strong fiscal and macroeconomic framework. Rural development will add to this policy.

Poverty eradication and the provision of basic minimum services are essential components of any strategy for improving people's quality of life. No development process can be considered sustainable unless it results in evident and widespread improvement in these domains. Economic growth and job creation may not be enough to improve the poor's living conditions. They must be supplemented by efforts that improve the social and physical conditions of life.

There are various poverty alleviation programmes introduced by the government for the eradication of poverty such as National food for work programme, Sampoorna Gramin Rozgar yojana, Swarna Jayanti Shahri Rozgar Yojana, Indira Awas Yojana , Pradhan Mantri gram sadak yojana , National Rural Employment guarantee scheme which have been elaborately discussed above . Apart from these poverty alleviation programmes policy plan also plays an important role in eradicating poverty in India.

Following are the policies plan –

1. Credit strategies to encourage farm investment and rural microenterprises. Policies promoting human capital can enhance the capabilities of the impoverished.
Development of rural financial markets.
2. Local community engagement and participation in NRLM (National rural livelihood mission) and MGNREGS.
3. The Self-Help Group Approach should be strengthened because it has proven to be an effective technique of empowering the disadvantaged.
4. Economic Growth and job creation.
5. Investment in essential services such as prioritizing education, healthcare and infrastructure development to break the cycle of poverty.
6. Programme decentralisation through the strengthening of Panchayati raj institution.
7. The Public Distribution System (PDS) should be modified and better targeted.

The primary goal of Indian planning is to relieve poverty. The government has developed numerous poverty alleviation projects. However, there has been no significant change in asset ownership, production processes, or access to basic utilities for the poor. Poverty reduction projects have failed owing to insufficient finances, implementation issues, poor participation, and inadequate infrastructure.

The projects are carried out by government bureaucrats, and they must be transferred to beneficiary organisations in order to reap the most possible benefits for the most vulnerable members of society. In today's economic development period, proper programme implementation is more vital than numbers and large money allocations in achieving certain specified targets.

CONCLUSION

In Conclusion it can be said that , Poverty is defined as hunger, a lack of shelter, disease, illiteracy, and a lack of education. Over 3 billion people worldwide live on less than \$2.50 per day, with India, a high-income

country, having 68.7% of its population living on less than \$2. The primary causes of poverty in India are insufficient government programmes and the upper class's exploitation of the financially disadvantaged.

India includes 28 states and 7 Union Territories; however, the analysis concentrates on the 17 major states, which together account for 95% of the population. Every state has a population of more than 20 million, whereas the removed states have fewer than 10 million. Tamil Nadu has the lowest poverty rate among the bigger states, followed by Andhra Pradesh and Gujarat. Major states such as Tamil Nadu, Karnataka, and Andhra Pradesh made the most percentage point gains in poverty reduction between 1993-1994 and 2009-2010. Kerala and Haryana have the lowest poverty rates among medium-sized states, whereas Orissa and Jharkhand have had the most percentage-point increases.

The first Sustainable Development Goal (SDG) of India aims to eradicate poverty in all its manifestations. To achieve this, the Indian government has developed a number of poverty reduction policies and initiatives. These programmes include the National Food for Work Programme, Sampoorn Grameen Rozgar Yojana, Swarna Jayanti Shahri Rozgar Yojana,

Indira Awas Yojana, Pradhan Mantri Gramme Sadak Yojana, and the National Rural Employment Guarantee Scheme.

These programmes seek to give wage work to the rural poor, enhance food security and nutrition, and create self-employment options for unemployed youth in urban areas. The allocation of cash has expanded dramatically over the last two decades, with the Ministry of Rural Development providing equity support to HUDCO.

The National Rural Employment Guarantee scheme, which was implemented in 2006, seeks to give every household with at least 100 days of employment per year. The scheme employed 56 lakh people in 2006-07, and it is scheduled to grow from 200 districts to 596 in 2008-09. These schemes received Rs. 30,100 crore from the 2009-10 budget.

India has failed to alleviate poverty as a result of major political decisions that have resulted in economic movements that affect the poor while rewarding the wealthy. P. Sainath, author of *Everybody Loves a Good Drought*, blames the problem on the country's 1990s neoliberal policies, claiming that privatisation and the state's withdrawal from areas such as healthcare, banking, credit, and education were important to producing inequality. Since the 1990s, India's growth has been extremely unequal, with the bottom half of the population growing at around 2% per year, the middle 40% at around 2.5%, and the top 10% at 7% per year. While India's major economic reforms in the 1990s raised GDP, some economists say that higher GDP development does not always translate into the social well-being required for a more equitable society. Public investments are vital for generating prosperity for the bottom half of the population by ensuring equal access to basic services such as education, transportation, and health.

Poverty is a major issue in India, impacting millions of people. It causes familial and health problems, as well as societal challenges like violence, criminality, and limited economic opportunities. Poor families sometimes lack access to basic necessities and education, resulting in lower literacy rates and less possibilities for children. Poor also raises the chance of family troubles, health challenges, and street crime, perpetuating poor for decades. Despite gains in poverty reduction, millions of individuals continue to face tremendous challenges.

The Indian government is committed to eradicating poverty through multi-dimensional approaches, including the Reconstruction and Development Programme. However, these efforts have failed due to insufficient finances, implementation issues, poor participation, and inadequate infrastructure. To improve living conditions, the government should focus on meeting fundamental necessities, developing human resources, and building a rising economy. Policy plans, such as credit strategies, community engagement, and decentralization, are also crucial for achieving poverty reduction targets.

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