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POVERTY ALLEVIATION PROGRAMMES IN INDIA: A REVIEW

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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.

As per the estimation by the Tendulkar Committee the number of Below Poverty Line (BPL) declined to 21.9% of the population in 2011-12 from 29.8% in 2009-10 and 37.2% in 2004-05. Poverty is a social-economic phenomenon in which a section of society is unable to fulfill even its basic necessities of life. The minimum needs are food, clothing, housing, education and other basic minimum human needs. Humanity faces pains and miseries if it does not attain a subsistence level of such needs. It is generally agreed that only these would fail to reach a certain minimum consumption standard should be regards as poor. Poverty is about contradiction of opportunities and fulfillment of human potential. Poverty and inequality are closely related and inequality appears to have been on the rise worldwide in recent decades at both national and international levels. More than 80 percent of the world"s population lives in countries where income differentials are widening. The poorest 40 percent of the world"s population account for only 5 percent of global income. On the other hand, the richest 20 percent account for 75 percent of world income, according to the United Nations Development Programme. Poverty is the principal cause of hunger and under nourishment. According to most recent estimates of the Food & Agriculture Organization of the United Nations, the number of hungry people worldwide has reached 963 million or roughly 15 percent of the estimated world population (FAO, 2009).

At the time of Indiaís independence, the socio-economic scenario was characterized by a predominantly rural economy with feudal structure. There was widespread poverty, dismal literacy rate, geographically and culturally isolated population, a rigid social structure and extremely poor transport and communication system. The state leaders and policymakers during the initial years of development planning were also not adequately acclimatised to development activities. In view of the impediments to social and economic development, the fulcrum of the planning process had been pivoted on the strategic goal of ëeconomic development with social justiceí. Thus, the planning process in India, over the years, underscored the development of backward areas and disadvantaged population groups

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:

- First Five Year Plan (1951- 1956): The plan focused mainly on agriculture and irrigation and aimed at achieving an all-round balanced development.

- 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.

- 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.

- 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.

- 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.

- 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.

- 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.

- Eighth Five Year Plan (1992-97): This plan aimed at employment generation but later failed in achieving most of its targets.

- Ninth Five Year Plan (1997-2002): The ninth five-year plan focused on the areas of agriculture, employment, poverty and infrastructure.

- 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.

- 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.

There is a higher incidence of poverty in rural areas as compared to urban areas. This is testified by the Planning Commission's estimate for 2011-12 that 25.7 per cent of the rural population was living below the poverty line (Rs 816 per capita per month for rural areas) while for urban areas the proportion was 13.7 per cent of the population being below the poverty line (Rs 1,000 per capita per month for urban areas). Thus while more than a tenth of the urban population was living below the urban poverty line in 2011-12, a quarter of the rural population was living below the rural poverty line (Planning Commission, 2013). Poverty alleviation programmes in India thus becomes important especially in the case of rural India.Rural Poverty in the Planning Process. 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.In rural areas, geographical factors as an externality can be predominant in influencing poverty, as for example, in how droughts can act to increase rural poverty by decreasing incomes from agricultural production. There can also be issues over the delivery of institutional quality in remote rural areas. Institutional quality can affect poverty alleviation and this is brought out in a study by Perera & Lee (2016). The study found that while some aspects of institutional quality such as improvements towards a stable government and a better law and order regime act to reduce poverty, other aspects such as improvements in bureaucratic quality and democratic accountability along with corruption act to increase poverty due to their association with an increase in the inequality of income distribution.

It can be added that improvements in bureaucratic quality and democratic accountability make the economic system more centrally determined, thus negating a multi-determined economics whereby income distribution can be more centrally determined unless policy leads otherwise. The correct policy configuration however, can act to foster more equitable income distribution. This necessitates the penetration of public policy in poverty alleviation programmes in India. While in urban areas the policy infrastructure can be more far reaching, in rural areas great attention is required in terms of delivery mechanisms of public policy. There can be issues over the delivery of institutional quality in rural locations in India due to their distance from hubs of policy organization. Poverty alleviation programmes in India that have a focus on rural poverty can greatly assist public policy in working for the betterment of the rural populations.

India has a legacy of high incidence of poverty, and as such it is considered a very important aspect of the developmental process in India by policymakers in the planning process. The NitiAayog, the chief planning body for the Government of India has a Task Force dedicated to this purpose. In estimating poverty however, the first step is enumeration of poverty, and in this fixing a poverty line (with incomes below which coming under the category of absolute poverty) becomes very important, and its exact value is usually widely debated after being fixed. On the basis of market prices in 1960-61, the earliest poverty line for rural populations was fixed at Rs 20 per capita per month. Although it was not the official poverty line, it led to extensive discussions on estimating poverty in the Planning Commission of India.

These discussions on poverty in India culminated in an expert committee being appointed by the Planning Commission in 1977 under the economist Y. K. Alagh that looked to produce a methodology for measuring poverty in India. A report was submitted by the committee in 1979 that set the rural poverty line at Rs 49.09 per capita per month in terms of market prices of 1973-74. The report also suggested setting different rural and urban poverty lines. This was followed by the Lakdawala Committee which suggested a methodology to update the poverty lines over time in 1993. The Alagh and Lakdawala Committee recommendations remained the basis for national estimates on measuring poverty until 2004-05. Towards the end of 2005, the Planning Commission appointed the Tendulkar Committee which submitted its report in 2009 which made upward adjustments to the poverty line such that it could be updated. What is now referred to as the Tendulkar poverty line is used in estimating the poverty line in India (NitiAayog, 2016). The values used in the poverty line however, remain a contentious issue.

The poverty line can play a very crucial role in certain poverty alleviation programmes in India in the identification of poverty, the regional tracking of poverty and in estimations of expenditure for these programmes. Although the poverty line plays a crucial role in targeted poverty alleviation programmes it is not important in universal poverty alleviation programmes. In universal poverty alleviation programmes in India, the benefits of the programme can be available to all rural households and are not hugely dependent on exact estimates of poverty. An example of a universal poverty alleviation programme is the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA). In targeted programmes information on poverty is necessary and expenditure allocations are sometimes made on alternative criteria that do not depend on estimates of the poverty line used.

Rural Poverty Alleviation Programmes in India

Several poverty alleviation programmes in India meant to address poverty alleviation directly or indirectly have been launched by the incumbent government such as the *Pradhan Mantri Jan Dhan Yojana* (PMJDY) – a financial inclusion scheme, the *Pradhan Mantri Gramin* Awaas Yojana – a housing scheme for the rural poor, the *Atal Pension Yojana* (APY) – aimed at increasing pension scheme beneficiaries in India, the *Sansad* Adarsh Gram Yojana (SAGY) – aimed at fostering infrastructure development in rural areas, the *Pradhan Mantri Fasal* Bima Yojana (PMFBY) – a crop insurance scheme, the *Pradhan Mantri Gram Sinchai Yojana* – aimed at attracting irrigation investments, the *Deen Dayal Upadhyaya Grameen Kaushalya Yojana* (DDUGKY) – for skill development of rural youth, being some examples (Sarkari Yojana, 2018).

Many of these schemes are quite nascent and performance evaluations of these schemes are rather difficult. In the decades shortly after the turn of the century, the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) and the Public Distribution System (PDS) are prominent examples of the running policies for poverty alleviation in rural India. Before the MGNREGA and the PDS working under new legislation, the Integrated Rural Development Program (IRDP), the Mid-Day Meal Scheme (MDMS), the National Family Benefit Scheme (NFBS) and the National Old Age Pension Scheme (NOAPS) represent some of the older schemes aimed at benefitting poor people in rural India. The MGNREGA came into force in 2006 and the scheme guarantees 150 days of paid work a year to people in rural areas. The policy aims to improve opportunities for rural people in gaining employment by providing guaranteed wage employment for unskilled manual work. By 2018, 1.5 million households were registered under the MGNREGA (Ministry of Rural Development – GoI, 2018).

The Public Distribution System (PDS) is another programme that helps in improving the quality of life of impoverished populations in India. The National Food Security Act (NFSA), 2013 ties up with the PDS for distribution of food in India for providing subsidized food grains. About 50 per cent of the urban population and about 75 per cent of the rural population is covered by the purview of the Act and beneficiaries are entitled to receive 5 kg of food grains in a month per person at subsidized rates of Rs 3/2/1 per kg of rice, wheat or coarse grains respectively. The Act has been implemented in all of the states and union territories in India and the government claims that out of a coverage target of 813.4 million people, the policy has reached 807.2 million people in total for both rural and urban areas (GoI, 2018). There are some discrepancies however, over the implementation of certain provisions of the Act by some states (ET, 2017).

An example in terms of an older government scheme for the benefit of rural India is the Integrated Rural Development Programme (IRDP). The policy came into force in 1979 and aimed to help micro-enterprises by extending loans to beneficiaries for the purchase of assets and by subsidizing asset costs by between 25 and 50 per cent. Although some of the poor made moderate progress as a result of the policy, the IRDP has succeeded in helping only 1 in 5 people in crossing the poverty line (Saxena, 2013). Some rural poverty alleviation programmes in India are listed below

With greater revenue available for social programmes, policy-makers can now look forward to more far-reaching poverty alleviation programmes in India. The NitiAayog constituted a task force for the elimination of poverty on March 16, 2015 headed by Dr. Arvind Panagariya, the vice chairman at the NitiAayog. Using the methodology described by the recommendations of the Tendulkar Committee, the task force fixed that those earning less than Rs 27.20 in rural areas are below the poverty line. The estimate was controversial and generated much debate in policy circles. Based on these estimates which fixed the poverty line in urban areas at Rs 33.33 per day in urban areas in addition to the low income in rural areas, 22 per cent of the people in the country could be classified as poor (ET, 2017). Many believed that the proportion of the poor can be much larger in India while others questioned the extremely low income cited as the poverty line. This is important since many of the government's rural poverty alleviation programmes in India are targeted schemes.

In contemporary times enumerative devices such as one's UIDAI is also assuming importance in terms of policy orientation in rural poverty alleviation programmes in India. For example, after the 2015-16 budget, insurance schemes were introduced that made use of bank accounts linked to the Adhaar scheme. New poverty alleviation programmes in India such as the Jan Dhan Yojana make use of Adhaar identification. The UIDAI in poverty alleviation can be important given that many of the target beneficiaries do informal work. It can also help in establishing regimes of identification for poorer people at the margins such that their needs can be addressed by policy. Using one's Adhaar card to collect compensation in the event of a natural disaster such as floods is one example.

The use of mobile cum banking is also gaining prominence in financial transactions although many in rural India still prefer dealing in cash. One good however, is that access to cash has been made easier in rural areas by the intervention of government schemes. The problem for rural areas has for a long time been a lack of access to financial support or opportunities. Rural poverty alleviation programmes in India look to improve access to employment, food, finances and other such basic needs for people in rural India, many of whom can sometimes live in remote areas outside the purview of large-scale development. A basic needs approach is all the more necessary in addition to fixing a poverty line in rural areas given that access to developmental processes and facilities might be more limited in far-flung rural areas.

Poverty is defined in terms of income, expenditure and nutritional value (calorie intake). Poverty is more of social marginalisation of an individual, household or group in the community or society rather than inadequacy of income to fulfill the basic needs. The goal of poverty alleviation programme should aim merely at the increasing of the income level of individual, household or group but generally marginalised in the development process of the country. The country cannot claim economic growth when sections of the people are marginalised to the periphery of the society (Strohschein, 2005). Poverty, therefore, is a complex phenomenon of many dimensions but not merely the economic dimension. So, the government should provide better development programme facilities, so that people living below poverty line can improve their livelihood. It also suggests that Poverty alleviation programmes should also take up the issue of poverty from the social and economic perspectives. Impact assessment offers potential as the tools for lowering poverty, increasing energy and for renewing the field of development cooperation. More analytical assessment can be employed to support worldwide local democracy in the face of the globalized corporate power. Such assessment can be used to measure and promote substantial, sustainable gains of the poor in terms of money and power. Resent works on impact indicators at the micro and macro levels especially in the areas of local economic development, gendered development and institutional capacity building can be consolidated and extended in the service of impact assessment. This can also be used to strengthen the design methods to place full control or at least shared control in the hands of citizens at the best in the evaluation of development interventions and more especially in poverty alleviation assessments

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