

Poverty Alleviation Programmes (INDIA)

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ABSTRACT

The programmes to reduce poverty are broken down into five categories: self-employment, wage employment, food security, social security, and urban poverty alleviation. Because there are more impoverished people in our country than anywhere else in the world, rural development and poverty reduction continue to be one of the main priorities of the national development programme. In India, programmes aimed at reducing poverty are generally associated with rural development. The community's participation, especially that of the impoverished, has improved the programmes' achievement of their objectives. By empowering the poor to solve their own financial issues, such initiatives not only helped to eliminate poverty. As poverty is on the rise, it is necessary to decentralise the activities by bolstering the panchayat raj institutions.

Over 40 crore poor people live in India, but they lack the means to access the consumption basket that serves as the benchmark for poverty. 83.36 percent of these were located in rural areas. 2 33% of the poorest people live in India and are considered to be below the poverty line. Given that one of the main goals of the development planning process has been to eradicate poverty, such a high incidence of poverty is cause for concern. Poverty is, in fact, a global problem. The goal of sustainable development for humanity is viewed as requiring its eradication. Therefore, reducing poverty in India is essential for achieving both national and global objectives. The majority of the rural poor are wage earners in agriculture, small and marginal farmers, and sporadic employees engaged in non-agricultural enterprises. For households that rely on land-based activities for their livelihood, poverty is caused by small landholdings and their low productivity. Poverty is also sustained by a weak educational foundation and a lack of other practical skills. A huge percentage of the population is compelled to seek employment in professions with incredibly low levels of productivity and earnings because of the weak physical and social capital base. For those responsible for planning and implementing development projects, creating employment possibilities for the unskilled workforce has been a significant concern. One of the main themes of India's planning process has been the reduction of poverty. The three main pillars of India's anti-poverty policy for urban and rural areas are human development, economic growth promotion, and targeted interventions to address the multifaceted character of poverty. The contribution of economic expansion to the population's access to greater work opportunities has long been

understood. The growth-oriented strategy has been strengthened by a focus on particular industries that give individuals more possibilities to take part in the growing process. The planning process has gradually internalised the numerous aspects of poverty related to health, education, and other essential services. Despite the implementation of special programmes, nothing has changed in the lives of Indians. In light of the aforementioned discussion, I have attempted to focus on India's genuine poverty in this paper, as well as the union government's initiatives and their effects.

Keywords: Poverty Alleviation programmes, Poverty, India

INTRODUCTION

India has seen considerable success in the years after its independence on a variety of fronts. In terms of agriculture, after once being net importers, we are now one of the largest food contributors in the world in addition to being net exporters. We are at the cutting edge of several scientific and technological fields, including communications, information technology, and space exploration. Despite this, there are more poor people in our country than anywhere else in the world, so rural development and poverty reduction remain one of the main focuses of the country's development policy. The measures for reducing poverty are mostly associated with rural development in India. India may be the nation that has spent the most time and resources fighting poverty while having the least success. The poverty ratio, or the proportion of the poor in the population, has decreased by half over a 25-year span, from 1973–1974 to 1999–2000, from 55% to 27%. Given the size and complexity of the issue, it is not a little accomplishment, but the truth remains that our performance in comparison to that of many other nations, particularly China and the countries of East and South-East Asia, has been, to put it mildly, far from satisfactory.



LITERATURE REVIEW

Every developing nation struggles with poverty. India is hardly an exception either. The issue of how to end poverty has always been the subject of heated debate in the nation. Understanding what poverty is and the many variables that contribute to it is important when talking about the issue. It is impossible to grasp the concept of poverty without understanding it. In a developing nation, poverty is a social-economic phenomenon in which some members of society are unable to provide for their members' basic needs. Food, clothes, housing, education, and other fundamental human necessities are considered the minimal requirements. When these requirements are not met, humanity experiences pain and suffering.

The government has implemented a number of programmes to end this plague of poverty in our nation. Furthermore, rural households experience more poverty than urban ones do due to the absence of infrastructure and other basic amenities in rural areas.

The fight against poverty has now been successful for the first time since independence, with numerous states now having a share of the absolute poor that is far lower than the national average. Hunger, malnutrition, illiteracy, and a lack of basic essentials still exist in many parts of India despite various attempts to alleviate poverty.

the end of poverty Over the past 55 years, the strategy for fighting poverty has gradually changed, but programmes haven't changed all that much.

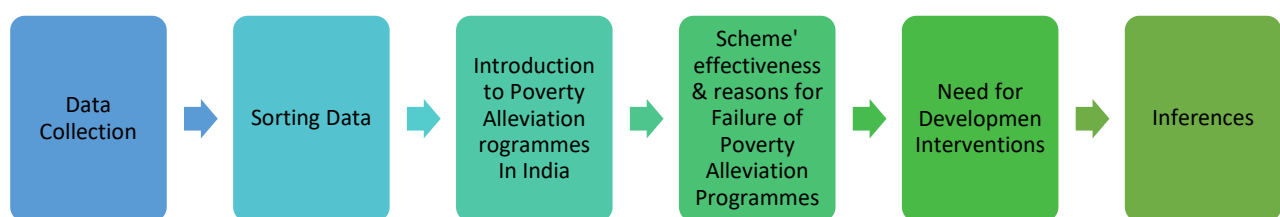
In India, reducing poverty is a complicated issue that is difficult to solve. All parties involved, including the government apparatus, non-governmental organisations, and civil society, must make earnest efforts to end poverty, particularly for rural residents. It is impossible to eliminate social injustices and end poverty without the active participation of such persons.

METHODOLOGY

This study attempts to summarise the present state of knowledge regarding poverty, the issues it causes, and national strategies, plans, and programmes for eradicating poverty in India. Secondary data that is pertinent is gathered from a variety of sources, including websites, economic surveys, books, and journals.

An attempt has been made to summarise the current body of information regarding poverty and the issues it causes in this research study. Additionally, a concerted effort has been made to comprehend the national initiatives and programmes launched in India to combat poverty. The research work is based on pertinent secondary data that was gathered from papers and resources created by other authors and located in various periodicals. While writing the paper, the economic surveys and resources from various websites and newspapers were also used.

POVERTY ALLEVIATION PROGRAMMES IN INDIA



The government's plan for addressing the problem of poverty is referred to as poverty alleviation. The major goal is to rescue people from the clutches of poverty. The government has implemented a number of programmes to end this plague of poverty in our nation. Furthermore, rural households experience more poverty than urban ones do due to the absence of infrastructure and other basic amenities in rural areas.

Some of the poverty alleviation programmes launched by the Indian government are:

1. **Integrated Rural Development Programme(IRDP)** - The IRDP is one of the leading programmes for eradicating poverty and has contributed significantly to eradicating the evil of deprivation to some extent. The main goal of the programme, which was first implemented in 1978–1979, is to give the target population—those who live below the poverty line—self-employment. This target audience consists of rural artisans, small and marginal farmers, and agricultural labourers. Inclusions are also required, with 50% going to the scheduled castes and tribes.
2. **Jawahar Gram Samridhi Yojana** - The Jawahar Rozgar Yojana has been reformed with the aforementioned plan. Sampoorna Grameen Rozgar Yojana is the name by which this programme is currently recognised. Under this, demand-driven communities are actually being created in rural locations with the goal of providing jobs for the locals. People who are below the government-defined poverty line are given employment opportunities. Additionally, 3% of the budget will go towards providing accessible infrastructure for the disabled.
3. **Pradhan Mantri Grameen Awaas Yojana** - The aforementioned programme, which was introduced in 2015, is one of the most successful initiatives within the government's initiatives to reduce poverty. The primary goal is to give free homes for BPL residents who live in rural areas. The private sector's involvement, the subsidy procedure, and the provision of affordable housing to the public all contribute to this achievement.



4. **National Social Assistance Programme (NSAP)** - The initiative was established in 1995 with the primary goal of providing social security to the underserved sections of society, such as widows, the disabled, and the elderly who fall under the BPL category. This particular programme includes the following three schemes:
 - **National Old Age Pension Scheme** - The persons who are seen as being in need are given pensions through this. The major goal of this programme is to provide eligible recipients with social security. Beneficiaries of this pension under the National Old Age Pension Scheme are not required to make any contributions during the initial period.
 - **National Maternity Benefit Scheme** - The persons who are seen as being in need are given pensions through this. The major goal of this programme is to provide eligible recipients with social security. Beneficiaries of this pension under the National Old Age Pension Scheme are not required to make any contributions during the initial period.
 - **National Family Benefit Scheme** - The money is given to households whose primary breadwinner has passed away for any cause. The household receives \$10,000 as a result of this.

How effective have been the Poverty Alleviation Programmes?

For the first time since independence, efforts to combat poverty have been successful, with several states now having a share of the absolute poor that is significantly lower than the national average. Despite numerous efforts to combat poverty, hunger, malnutrition, illiteracy, and a lack of basic necessities persist in many regions of India.

Elimination of poverty While the approach to reducing poverty has changed gradually over the past 55 years, programmes have not undergone any significant changes. The names of the programmes may change, be integrated, or undergo modifications. None, however, led to a fundamental shift in the way assets were owned, how things were made, or how the basic necessities provided to the poor were improved.

Reasons for the Failure of Poverty Alleviation Programmes

One of the main reasons for ineffectiveness is poor execution and targeting. Additionally, there has been a lot of overlap in the schemes. Although these programmes have the best of intentions, not all of the deserving poor benefit from them.



Figure 1. Poverty trap

When evaluating Poverty Alleviation Programmes, scholars identify three key issues that prevent their successful implementation. The benefits from direct poverty reduction programmes are taken by the non-poor as a result of the unequal distribution of land and other assets.

- Compared to the extent of poverty, the resources allotted for these programmes are insufficient. Furthermore, staff from the government and banks play a key role in putting these programmes into action.
- The resources are ineffectively employed and wasted because such officials lack motivation, are undertrained, corruptible, and susceptible to pressure from a variety of local elites.
- There is also non-participation of local-level institutions in the implementation of Poverty Alleviation Programmes.
- The vast majority of vulnerable people who live on or are simply above the poverty line have not been addressed by government programmes. It also demonstrates that poverty reduction cannot be achieved solely through prime growth. Any programme cannot be successfully carried out without the active involvement of the underprivileged.

Only until the impoverished begin actively participating in the growth process and contributing to growth will poverty be eradicated. This is frequently made feasible by social mobilisation, which encourages disadvantaged people to take part and gain their empowerment. Additionally, by fostering employment opportunities, this may raise income, skill development, health, and literacy levels. Additionally, it's important to identify areas that are impoverished and provide infrastructure like roads, schools, telecom, IT services, training facilities, etc.

It is believed that the private sector can play a critical role in creating the economic growth, employment opportunities, and purchasing options necessary to significantly reduce poverty. Reducing poverty is one of the most serious concerns facing the globe today.

Poverty reduction can enhance the lives of millions of people worldwide because it is significantly correlated with a wide range of detrimental measurable aspects of living standards.

Poverty Alleviation Programmes in Urban Area

The Differential Rate of Interest (DRI), which had been launched in 1972 but had been expanded to cover the urban poor in 1977, was the first Credit Scheme for the Poor that started in 1997. Commercial banks extended subsidised credit for three years. The highest loan amount was Rs. 6500, with a 4% interest rate and a 5-year repayment term that included a two-year grace period. SC/STs and people with disabilities may be eligible for an additional loan of Rs. 5000, the former for accommodation and the latter for tools and equipment for a business endeavour.

The Nehru Rozgar Yojana (NRY) was introduced in 1989 with the intention of assisting BPL urban households, 30% of which have to be headed by women. In proportion to their respective populations, SCs and STs were represented. The NRY programmes were anticipated to benefit up to 10 lakh urban poor who were unemployed or underemployed. The NRY Scheme of Urban Micro Enterprises (NRY-SUME) established microbusinesses in the service and small-scale manufacturing sectors. At a cost of Rs. 1200 per person, training was provided through ITIs and polytechnics run by the government, the commercial sector, and NGOs. Without any kind of security or third party guarantee, women and other beneficiaries may borrow up to Rs. 5000. Women, SC/STs, and everyone else may receive up to Rs. 15,000 from a bank for the remaining amount.

The cost of training per person was Rs. 1500. Each EWS home received a Rs. 19,500 loan from HUDCO for development. It might take ten years to pay this back. Up to Rs. 1000 in expenses received a 25% subsidy. For the implementation, the State Slum Board, for example, was to be designated as the nodal agency by the State Government.

In 1993, the Scheme of Liberation and Rehabilitation of Scavengers (SLRS) was implemented in an effort to find alternative work for scavengers, particularly SCs and STs. The maximum amount eligible for the 50% subsidy was Rs. 10,000. Loans up to Rs. 6500 were to be classified as DRI and had a repayment period of 3 to 7 years, including a grace period of 6 months.

The Prime Minister's Rozgar Yojana was an effort to give educated unemployed people in the business, service, and industrial sectors self-employment opportunities. A maximum of Rs. 7500 per entrepreneur and Rs. 15,000 per entrepreneur in the Northeast States were set for the project's 15% subsidy. For industrial loans under Rs. 2 lakh and Rs. 5 lakh for partnership projects, there was no requirement for collateral. Without collateral, service loans up to Rs. 1 lakh might be obtained. The repayment period was 3 to 7 years. Per-person training costs were Rs. 1000.

In 1997, the Swarna Jayanti Shahari Rozgar Yojana (SJSRY) was introduced. According to state-specific poverty guidelines, it selected BPL households that had been a part of the community for at least three years and had never missed a payment on a loan from a nationalised bank. The state of the roof, floor, water, sanitation, level of education, kind of occupation, and status of the children in a home were additional criteria used to identify other recipients. It established Neighbourhood Groups (NHGs) in neighbourhoods where 10–40 women lived in a uniformed environment. A Resident Community Volunteer (RCV) was chosen to coordinate the events and serve as a liaison between the Neighbourhood Housing Groups (NHGs) and Neighbourhood Communities (NHCs).

RCVs from nearby NHGs and representatives from other community initiatives came together to form an NHC. Through collaboration with NGOs and CBOs, it provided training to address local issues. A convener was chosen to represent the NHC in a formal association of NHCs at the municipal level called the Community Development Society (CDS). It attempted to create local community assets while ensuring loan payback.

The SJSRY Urban Self Employment Programme (USEP) targeted the urban poor BPL in all towns, young people who are unemployed or underemployed—30% of whom are female—and 3% people with disabilities. Based on their share in the population, SCs and STs were represented. People who headed households were given priority. The SJSRY-USEP's goal was to promote self-employment through skill development and microbusiness. Setting up a tea shop, doing laundry, or running a vending machine are examples of entrepreneurial endeavours that don't require special talents, but some do, such as electronic repairs, building work, running a small business that produces furniture, clothing, or food processing.

The most that can be spent to set up each unit is Rs. 50,000 per person. 15% of the project was subsidised, and 5% was contributed in cash by the recipients. At priority sector loan interest rates, 95% may be secured as a bank loan without collateral. Following an initial moratorium of 6 to 18 months, loans had to be repaid within a time frame of 3 to 7 years. The CDS was supposed to guarantee repayment. The SJSRY-USEP also made an effort to improve entrepreneurial and vocational skills, at a cost of Rs. 600 per recipient per month. For groups of 10 women (18–60) from recognised BPL families, the SJSRY-USEP Development of Women and Children in Urban Areas (DWCUA) carried out self-employed projects.

NEED FOR DEVELOPMENT INTERVENTIONS

In order to enhance the country and compete with the developed countries, it is clear that the issue of poverty in India is a serious one that requires top attention in our development strategy. There are about three times as many poor people in rural India as there are in urban areas. The majority of the poor are located in the villages because they make up about three-fourths of the nation's overall population. It is why Gandhi Ji repeatedly said that **“India lives in villages and the development of the nation cannot be achieved without the development of the villages”**.

In actuality, unless people are liberated from the grip of poverty, they will not be able to experience the true benefits of independence and democracy. At first, it was believed that the 'trickle down' effect would solve the poverty issue once the process of development got underway. This process did achieve results in countries where industries and the service sector developed faster and overtook the agriculture-based economies, but in countries like India, it did not work due to various reasons, some of the important ones are as follows:

- i. India's economy is still largely based on agriculture, which accounts for less than one-fourth of the country's GDP but employs more than 70% of the rural labour population.
- ii. More than 80% of farmers have small, marginal holdings (less than two hectares), and the majority of them engage in subsistence farming. In addition, a sizable portion of landless people rely on agricultural work. The bulk of these folks are from socially disadvantaged groups and have limited access to various agricultural development tools.
- iii. Other significant issues that have negatively impacted the development process include a fast pace of population expansion and a low level of literacy.
- iv. One of the main reasons for poverty in India is the slow rate of development in the industrial and service sectors, as well as the incapacity of non-agricultural industries to absorb surplus manpower from the agricultural sector.
- v. Additionally, if there was any trickle-down effect, it was limited to metropolitan regions alone.

In the current situation, it was essential for the government to start the development of rural areas through various sorts of interventions to suit various types of regions, diverse social and economic classes of people, with varying economic bases, as well as those without any economic assets. As a result, the Indian government launched a variety of schemes as a part of its deliberate plan to improve rural India and combat poverty.

INFERENCES

In India, reducing poverty is a complicated issue that is difficult to solve. All parties involved, including the government apparatus, non-governmental organisations, and civil society, must make earnest efforts to end poverty, particularly for rural residents. It is impossible to eliminate social injustices and end poverty without the active participation of such persons.

Many of the impoverished in our country have benefited from measures to reduce poverty. Progress is frequently transient for individuals who are able to escape poverty. Climate change, food insecurity, and economic shocks pose a threat to their progress and could push them back into poverty. Programmes should occasionally be changed to fit the demands of the circumstance. Poverty can be significantly decreased with the help of both public and private initiatives.

Beyond simply not having enough money to live on, poverty is a multifaceted phenomena. It is regarded as a condition of social, economic, and political deprivation of individuals that prevents them from taking part in development as equals.

While poverty has undoubtedly decreased in India, the impact of these programmes has not been as great or widespread as intended. The widening inequalities between the rural and urban areas present complex problems for both the government and society at large. But the government can't just focus on this one thing. We should all play our bit at the personal level by putting an emphasis on education, empowering the underprivileged, providing financial support for the underprivileged, etc. To completely eradicate poverty in India, the nation still has a long way to go.

CONCLUSION

Income, spending, and calorie intake are the three criteria used to determine poverty. As opposed to not having enough money to meet one's fundamental requirements, poverty is more often characterised by social marginalisation of a person, household, or group within a community or society. Increasing the income level of an individual, home, or group that is typically excluded from the country's progress should be the sole objective of programmes to combat poverty. When certain groups of individuals are relegated to society's margins, the nation cannot assert that its economy is growing. As a result, poverty is a multidimensional phenomena with 77 elements that go beyond its economic aspect. Therefore, the government should offer better development programme infrastructure so that those who are below the poverty line can improve their standard of living. Additionally, it suggests that programmes for reducing poverty should examine the problem from both the social and economic angles. Impact evaluation has the potential to be a tool for reducing poverty, boosting energy levels, and revitalising

the field of development cooperation. In order to defend local democracy across the globe against corporate power that has become increasingly globalised, more analytical analysis can be used. Such an evaluation can be used to monitor and encourage significant, long-term progress for the underprivileged in terms of wealth and influence. Impact assessment could benefit from the consolidation and expansion of recent work on impact indicators at the micro and macro levels, particularly in the fields of local economic development, gendered development, and institutional capacity building. This can also be used to improve design methodologies that best provide individuals full control, or at the very least shared control, over the evaluation of development interventions, particularly in assessments of poverty alleviation.

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