

CBSE Test Paper-02
Chapter 09 Poverty

1. The poverty line defined for rural areas as consumption worth rupees ____ per person a month **(1)**
 - a. 328
 - b. 454
 - c. 345
 - d. 445

2. Which among the following schemes was started in the year 2000 for the indigent senior citizens? **(1)**
 - a. SGSY
 - b. Annapurna
 - c. PDS
 - d. NFWP

3. Which of the following method is used to measure income inequalities. **(1)**
 - a. Gini Co-efficient
 - b. None of these
 - c. HDI
 - d. Gini Co-efficient and HDI

4. The poverty line defined for urban areas as consumption worth rs ____ per person a month **(1)**
 - a. 428
 - b. 454
 - c. 328
 - d. 228

5. What are the key features of the poorest households? **(1)**

6. The nature of one's employment is one of the determinants of one's poverty.

Elaborate. (1)

7. The poverty has shifted from rural to urban areas. Why? (1)
8. Name two major programmes that aim at improving the food and nutritional value of the poor. (1)
9. State the main problems that are generally associated with poverty of the economy. (3)
10. How calorie norms are fixed for average rural person and average urban person in India for poverty line? (3)
11. Explain "**Minimum Needs Programme**". (4)
12. Briefly explain the three dimension attack on poverty adopted by the government. (4)
13. What was Dadabhai Naoroji's concept of poverty line? (4)
14. Explain briefly the causes for poverty. (6)
15. Why are employment generation programmes important in poverty alleviation in India? (6)

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Answers

1. a. 328

Explanation: Suresh Tendulkar Committee defined the poverty line on the basis of monthly spending on food, education, health, electricity and transport. According to this estimate, a person who spends Rs. 27.2 in rural areas and Rs. 33.3 in urban areas a day are defined as living below the poverty line. The Rangarajan panel considered people living on less than Rs. 32 a day in rural areas and Rs. 47 a day in urban areas as poor.

2. b. Annapurna

Explanation: Annapurna was launched in the year 2000 for indigent senior citizens. Under this scheme 10 kg of foodgrains per month are provided free of cost to those senior citizens who though eligible, are not receiving old age pension.

3. a. Gini Co-efficient

Explanation: Gini coefficient is a statistical measure of distribution developed by Italian statistician Corrado Gini in 1912 to gauge economic inequality among a population.

4. b. 454

Explanation: Suresh Tendulkar Committee defined the poverty line on the basis of monthly spending on food, education, health, electricity and transport. According to this estimate, a person who spends Rs. 27.2 in rural areas and Rs. 33.3 in urban areas a day are defined as living below the poverty line. The Rangarajan panel considered people living on less than Rs. 32 a day in rural areas and Rs. 47 a day in urban areas as poor.

5. The key features of the poorest households are starvation, hunger, malnutrition and ill health. Disability or serious illness makes them physically weak. Most poor households have no access to electricity.

6. Poverty is closely related to nature of employment. Casual and intermittent nature of

work leads to poverty in both rural and urban areas. These kinds of casual jobs like construction workers or daily wages workers do not have any guarantee that they will get the job every day. As such they are more prone to be below the poverty line.

7. The poverty has shifted from rural to urban areas because of the overflow of the rural poor who migrated to urban areas in search of alternative employment and livelihood as the agriculture dominant rural areas cannot provide employment opportunities to all.
8. Two major programmes that aim at improving the food and nutritional value of the poor are
 - i. Public Distribution System - The PDS is an important activity of the government to ensure food security to the people.
 - ii. Integrated Child Development Scheme - It is a government programme which provides food, education, and healthcare to children and their mothers.
9. Poverty in an economy is the result of the reasons given below:
 - i. **Rapidly rising population**- This further leads to high level of illiteracy, poor health care facilities and lack of access to financial resources.
 - ii. **Low productivity in agriculture** - A large section of rural poor in India are the small farmers. They have less fertile lands and the income from this small landholding is not sufficient to meet their basic needs.
 - iii. **Under utilised resources** - We have the resources but the resources like labour is not being utilised properly due to which there is too much of unemployment leading to poverty and as a result low rate of economic development.
 - iv. **Price rise** - Ever increasing prices of even basic commodities is another reason for poverty. A person below the poverty line finds it difficult to survive.
10. For fixing the calorie norms, the composition of the population in rural and urban areas is ascertained. Then the entire population is categorised into sixteen categories on the basis of age, sex and activity and calories for each group are ascertained. The calorie which is required for a particular category is multiplied by its proportion in the population. By adding all these products, the average calorie requirements for rural and urban persons are calculated. The calorie requirements for a rural person was fixed at 2400 calories and the calorie requirement for an urban person was fixed at 2100 calories respectively.

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11. **Minimum Needs Programme:** The Minimum Needs Programme (MNP) was introduced in the first year of the Fifth Five Year Plan (1974–78), to provide certain basic minimum needs and improve the living standards of people. It aims at "social and economic development of the community, particularly the underprivileged and underserved population". This is third approach which aims to provide minimum basic amenities to the people. India was among the pioneers who visualised that through public expenditures on social consumption needs, (Foodgrains at subsidised rates, education, health, water supply and sanitation) people's living standard could be improved. Programmers under this approach are expected to supplement the consumption of the poor by creating employment in education and health. Three major programmes that aim at improving the food and nutritional status of poor are:-
- i. Public Distribution System
 - ii. Integrated Child Development Scheme
 - iii. Midday Meal Scheme
12. The three dimensional approach of economic growth, employment generation and alleviating poverty could not achieve the desired result. Although there has been a reduction in the percentage of absolute poor in some of the states but still the poor people lack basic amenities, literacy, and nourishment. This is because of
- i. Unequal distribution of land and other assets among rich and poor farmers.
 - ii. Improper implementation of poverty alleviation programmes by ill-motivated and inadequately trained bureaucrats further worsened the situation.
 - iii. Corruption along with the inclination towards interest of elites led to an inefficient and misallocation of scarce resources.
13. According to Dadabhai Naoroji, the average poverty line was three-fourths of the adult jail cost of living. The computation of jail cost of living can be understood in the following manner. Individuals in an economy include adults and children. He assumed that 1/3rd of the population consists of children and the rest 2/3 are adults. He also assumed that half of the children eat very little and the other half eat half the diet consumed by an adult.
- Adult population = $\frac{2}{3}$
Food consumed by them = $\frac{2}{3} \times 1 = \frac{2}{3}$
Child population = $1 - \frac{2}{3} = \frac{1}{3}$

Half of the child population = $\frac{1}{3} \times \frac{1}{2} = \frac{1}{6}$. Food consumed by half of the child population which eat very less = $\frac{1}{3} \times \frac{1}{2} \times 0 = 0$ or $\frac{1}{6} \times 0 = 0$.

The other half of the child population is also equal to $\frac{1}{6}$. Food consumed by other half of the child population who consume half the diet consumed by an adult.

$$= \frac{1}{6} \times \frac{1}{2} = \frac{1}{12}$$

Average poverty line = Total food consumed by adult and child population

$$= \frac{2}{3} + 0 + \frac{1}{12} = \frac{9}{12} = \frac{3}{4}$$

So, the poverty line is $\frac{3}{4}$ th of the adult jail cost of living.

14. i. **Lack of education:** Lack of education is one of the root causes of poverty. Education is one which has enabled many people to overcome poverty. Hence you can see almost all the nations in the world spend a lot on education. Because of education, there was spread of scientific knowledge. Hence there was progress regarding the production of automobiles, electronic gadgets which made huge profits for the manufacturers.
- ii. **Lack of resources:** People or nations with some natural resources could eliminate poverty. Middle East countries which are previously considered as desert countries are now some of the wealthiest nations. This is due to the availability of petroleum resources by which they could generate massive income from exports. These countries are also afraid of the decline of oil reserves.
- iii. **International sanctions:** Many nations were affected by international sanctions due to the acts of their governments. Countries like North Korea, Iraq, Russia suffered from international sanctions or economically advanced countries like United States, European Union, Japan, etc. When these sanctions are levied, these countries are exempted from benefits of foreign investments and imports. Then the people in those countries had to suffer from hunger and economic problems.
- iv. **Ill health:** If one develops ill health, then it would be difficult to perform their jobs. Even, they cannot make plans or goals to progress in life. Even if they have any plans, lack of proper health will make them impossible to execute. Thus they would not be able to achieve fullest potential and success. So one needs to take care of health to live better and perform well. This good health can be regarding both and physical and mental health.
- v. **Lack of planning:** This is also one of the prominent cause of poverty. Lack of financial planning for future or old age also leads to poverty. Many old age people

suffer from poverty due to lack of regular income or savings at that period. Apart from physical weakness, poverty hurts them a lot. They cannot acquire nutritious food, medicine and also support to ease the stress of old age.

15. In India, twin problems exist i.e. poverty and unemployment. Poverty can effectively be eradicated only when the poor start contributing to growth by their active involvement in the development process. This can only be achieved by launching various employment schemes.

Following points discuss the importance of employment generation programmes to eradicate poverty

The government has started poverty alleviation programmes like Prime Minister Rozgar Yojana, Swarna Jayanti Shahari Rozgar Yojana, MNREGA etc. The MNREGA aims to enhance livelihood security in rural areas by providing at least 100 days of wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. These programmes are trying to deliver the maximum to eradicate poverty by generating employment opportunities for the poor.

- i. **Nexus between Unemployment and Poverty:** There exists a deep nexus between unemployment and poverty. If employment opportunities are generated, then more people will get employment which will lead to a rise in their income. This, in turn, will help in reducing poverty.
- ii. **Availability of Basic Facilities:** With the rise in employment opportunities, the income of the poor people increases and they are able to get access to good education, health facilities, proper sanitation, etc.
- iii. **Creation of Assets:** The employment generation programmes of the government aim at creation of assets like water harvesting, irrigation facilities, construction of roads, construction of dams, etc. All these assets help in the social and economic development of the rural and urban areas and hence go a long way in eradicating poverty.
- iv. **Creation of Skills:** An essential element of employment generation programmes is the formation of human capital by imparting skills to the unskilled labourers through training. This skill formation will make the poor capable of getting employment which in turn will enhance their income-earning capacity.