

## CBSE Class 11 Economics

### Revision Notes

### Chapter - 12

### POVERTY

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**Poverty** is the inability to fulfill the minimum requirement of life like food, clothing, housing education and health facilities etc.

**Relative poverty** refers to poverty of people in comparison to other people in different region or nations.

**Absolute poverty** refers to total number of people living below the poverty line.

**Absolute poverty is measured on the basis of two criteria:-**

1. Minimum Calories Consumption Criteria
2. Minimum Consumption Expenditure Criteria

**1. Minimum Calories Consumption:-** People who are not getting 2400 calories per person per day in rural areas and 2100 calories in urban area is considered to be living below poverty line.

**2. Minimum Consumption Expenditure Criteria:-** The new poverty line, thus, translates to a monthly per capita consumption expenditure of Rs 972 in rural areas and Rs 1,407 in urban areas in 2011-12. Or, Rs 32 in rural areas and Rs 47 in urban areas on a per capita daily basis.

**Poverty line** refers to that line which expresses per capita average monthly expenditure that is essentially required by the people to satisfy their minimum needs. As per Tendulkar committee, poverty line is estimated in monthly basis as Rs. 816 in rural areas and Rs. 1000 in urban areas. People who are not able to earn even such amount in a month are considered below poverty line.

According to a survey, approx. 22% population in India is below poverty line.

**Estimation of poverty line:**

Calories based estimation— For rural area intake calorie was estimated at 2,400 calories and

for urban area it is 2,100 calories,

In 1999-2000 new ways of measuring started i.e. monthly per capita expenditure—it estimates for rural area as consumption worth Rs. 816 per persons and for urban areas it is Rs. 1000

Presently as per Tendulkar committee.

Three approach of govt to combat poverty.

### **Approach**

1. Enhancing Economic Growth
2. Specific Programmes for Poverty Alleviation
3. Fulfilling Minimum Needs of the poor

**Vicious Circle of Poverty:-** It refers to situation of self reinforcing forces in which there are certain factors that are related in a circular way and results in continuation of poverty and under development.

### **Causes of Poverty:**

1. Rapid increase in population.
2. Low level of National product.
3. Rise in price.
4. Unemployment.
5. Low rate of growth.
6. Capital deficiency.
7. Rural Indebtedness
8. Exploitation under British rule
9. Low education
10. Inflationary Pressure
11. High Level of Migration from rural areas
12. Failure to implement land reforms.

### **Measures adopted by the Government to remove poverty.**

1. Food for work programme.
2. Swarnjayanti Gram Swarozgar Yojana.
3. Pradhan Mantri Gramodaya Yojana.

4. Sampoorna Gramin Rozgar Yojana.
5. Swarn Jayanti Shahri Rozgar Yojana.
6. Mahatma Gandhi National Rural Employment Guarantee Scheme.
7. Jawahar Gram Samridhi Yojana

**Programme adopted by govt. to help elderly and poor people and also destitute women:-**

1. National social assistance programme which includes National Old Age Pension Scheme, National Family Benefit Scheme, National Maternity benefit scheme.
2. Annapurna Yojana
3. On the job training