

Poverty

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Abstract – In the present article is the concept of poverty, concerns of poverty at global and national level and nature of poverty. Poverty is one of the important problems confronting the world at large, especially the developing countries such as India. It is a socio-economic phenomenon, where wants of a few being satisfied and basic adequacies of many are being left unmet. Poverty is a feeling of deprivation. Poverty is the depreciation of basic requirements for a decent life in that particular society. Poverty is the man's powerful and massive affliction. The idea of the social arrangement that promotes human good was fulfill as early as Aristotle 384-322 he argued that "wealth is evidently not the good we are seeking for it is mere useful and for the sake of something else". Immanuel Kant (1724-1804) felt that human good continued the tradition of treating the human beings as the real end of all activities. Poverty is not only a deprivation but, also a multidimensional concept, which can be economic, cultural, social or psychological. It can be partly subjective and variable over time, comprising capabilities as well as welfare and partly relative to local norms, comparisons and expectations. Measurement of poverty is a subjective phenomenon. It involves two processes namely identification and aggregation. Identification refers to identifying the poor looking at their level of personal expenditure or income that enables the individual to satisfy a certain minimum consumption level. The money value of minimum requirement was set as per capita consumption expenditure of Rs. 20/- per month for rural and Rs. 25/- per month for urban at 1960-61 prices. Poverty is one of the important problems confronting the world at large, especially the developing countries such as India.

Keywords – Poverty, Deprivation, Socio-Economic Phenomenon and Deprivation of Material Requirements.

I. INTRODUCTION

Poverty is one of the important problems confronting the world at large, especially the developing countries such as India. In the recent times it has become a threat to democratic values, in many developing nations. The study of poverty reveals that it is multi-dimensional, in concept. It is partly subjective, as needs and abilities to function in a society vary from society to society and nation to nation. It is a socio-economic phenomenon, where wants of a few being satisfied and basic adequacies of many are being left unmet. Poverty is a feeling of deprivation. Poverty is the depreciation of basic requirements for a decent life in that particular society. The very idea of poverty line was first mooted by the Indian labor conference in 1957. The government of India in the year 1962 defined poverty line in terms of minimum requirement (food and non food) for individuals for a healthy life. The money value of minimum requirement was set as per capita consumption expenditure of Rs. 20/- per month for rural and Rs. 25/- per month for urban at 1960-61 prices. The task force on projection of Minimum Needs and Effective Consumption Demand in the year 1979 defined the poverty line as per

capita consumption expenditure level that meets the average per capita daily calorie requirement of 2400 Kcal per capita per day in rural areas and 2100 Kcal per capita per day in urban areas along with a minimum of non food expenditure that latter reckoned at 20 per cent of the expenditure on food and has been defined as poverty line. Poverty is one of the important problems confronting the world at large, especially the developing countries such as India.

II. OBJECTIVES

The main objectives of the present article are concerns of poverty at global and national level, and nature of poverty

Source: the present article is based on the secondary data

III. CONCEPT OF POVERTY

Poverty is the man's powerful and massive affliction. The idea of the social arrangement that promotes human good was fulfill as early as Aristotle 384-322 he argued that "wealth is evidently not the good we are seeking for it is mere useful and for the sake of something else". Immanuel Kant (1724-1804) felt that human good continued the tradition of treating the human beings as the real end of all activities. Also William petty, Gregory King etc. Adam smith, Robert Malthus, Karl Marx and John Stuart Mill focused on the concept of development. They revealed that people are both the means and the ends. Adam Smith expressed the concept of poverty that went well beyond counting calories as a concept that integrated the poor into mainstream of community.

IV. NATURE OF POVERTY

Poverty is not only a deprivation but, also a multidimensional concept, which can be economic, cultural, social or psychological. It can be partly subjective and variable over time, comprising capabilities as well as welfare and partly relative to local norms, comparisons and expectations. Poverty may therefore be conceptualized as social and economic phenomenon whereby the available resources are used to satisfy the wants of the few on one hand and the basic needs of many not being met on the other. Poverty has several, not entirely separable means and it is always being defined according to conventions of the society in which it occurs. According to Townsend, "poverty must be regarded as a general form of relative deprivation, which is the effect of oral distribution of resources viz., cash, income, capital assets and three systems of benefits in kind employment benefit, public social service benefit and private benefits".

It may be absolute or relative to understand distinctions of absolute and relative level of poverty. An over simplified version can be that, an acute poverty of people may be hunger in a famine stricken area, which can be termed as a absolute poverty or deprivation of basic requirements when compared within the same region and among the same set of people where some may be relatively better off than the other.

I felt that relative poverty refers to a state of unequal distribution of income irrespective of what income level or the corresponding state of deprivation of the people at the bottom end of the income scale might be. In Indian context, it is the extent of absolute deprivation of basic requirements. If income is considered as the measuring rod of levels of living, then deprivation among the poor depends more on the extent of income gap between the poor and non-poor. In such circumstances, the concept of poverty is interpreted as a state of deprivation but in fact, it has been quiet relevant to that of relative poverty. Any measure of relative poverty is inextricably embedded in the measure of inequality of measure of absolute poverty primarily depending on exogenously determined standard of poverty line which is socially acceptable minimum level of living. Peter Townsend discusses these distinctions as unreal and conceptualizes poverty “as a general form of relative deprivation which is the effect of the misdistribution of resources.” Amartya Sen not only conceptualized poverty as relative deprivation, but also emphasized the traverse of the context of basic requirements underlying specification of such requirements. It is cited here that the uneven economic progress among and within the countries reminds of the truth that these specifications are depressingly relevant. Hence Sen rightly emphasizes the need to use “the older notion of absolute deprivations” while studying poverty in the third world countries. Poverty has long been a tragic aspect of human society ever since the human society came into existence. The biggest threat to the spread of democratic values in most developing countries including India is poverty with various manifestations or dimensions that are interlinked to one another. The problem of poverty is the problem of growth and development.

V. INCOME POVERTY

Measurement of poverty is a subjective phenomenon. It involves two processes namely *identification and aggregation*. *Identification* refers to identifying the poor looking at their level of personal expenditure or income that enables the individual to satisfy a certain minimum consumption level. *Aggregation* refers to segregation of proportion of population as poor who are not able to attain specified level of expenditure. Than an issues that are subjected to debating like (1) whether to use income or consumption, (2) whether to use indicator which are distributive sensitive, (3) whether to focus more on non-income indicators etc. There has been vast literature on poverty measurement. Income perspective talks of a person being if and only if his/her income level is below defined poverty line which acts as the cut-off line defined

in terms of having enough incomes for a specified amount of food consumption. Under income poverty personal income is the only variable focusing to study the state of poverty of an individual, But poverty is a complex and multidimensional concept and cannot be reduced to a single dimension of human life.

The other perspective is deprivation of material requirements called basic perspective than talks of deprivation of material requirements for minimally acceptable fulfillment of human needs including food it goes beyond the lack of private income including the need of basic health and education and essential services that have to be provided by the community to prevent people from falling into poverty. It also recognizes the need for employment and participation. There is one more perspective of poverty namely capability perspective. This perspective talks of poverty representing the absence of some basic capabilities to function i.e. a person lacking the opportunity to achieve some minimally acceptable levels of functioning like being adequately clothed and sheltered and avoiding preventable morbidity, to be more complex social achievement, such as partaking in the life of the community.

The poverty line is set at a level that remains constant in real terms, which is nearly 60 per cent of mean income so that one can chalk out progress at absolute level over time. The idea to set this poverty line at standard below its ‘absolute human misery’, one practical strategy in determining a local absolute poverty line is to define an adequate food basket that varies with location and time. This is based on nutritional requirements from medical studies of required calories, protein, and micro nutrients on one hand that the ‘basic food needs’, on the other. Expenditures made on other household basic needs such as clothing, shelter, medical care, water and health denotes the ‘essential needs’. Material and non-material needs representing both minimum levels (basic food needs) and average levels (essential needs) of satisfaction when denied are esteemed to live below poverty line. These basic needs fulfillment essentially form the concept of ‘Basic Needs Approach’ to define poverty line. This is country specific, people oriented and time particular and hence traverses from survival needs of poverty to the general well being. This is called ‘Maps of Unsatisfied Basic Needs’ or ‘Index of Unsatisfied Wants’.

Poverty is measured through Poverty Line, which varies from country to country from time to time and within the same country. Poverty is measured with a cut off line when a person lives in absolute human misery and denied of calories, protein, and micronutrients, which are very basic to human existence that denotes the lower line. The other household basic needs such as clothing; shelter, medical care, safe drinking water and sanitation, health, education for productive living form the essential needs and denote the upper line. Thus, the line that is drawn denoting absolute necessity for survival with food and non-food requisite is called Poverty Line. This line is usually country specific, people oriented and time particular in nature.

The very idea of poverty line was first mooted by the Indian labor conference in 1957. An attempt for the first time was made by the Perspective Planning Division called The Working Group of the Planning Commission of Government of India in the year 1962 to define poverty line in terms of minimum requirement (food and non food) for individuals for a healthy life. The money value of minimum requirement was set as per capita consumption expenditure of Rs. 20/- per month for rural and Rs. 25/- per month for urban at 1960-61 prices. The task force on projection of Minimum Needs and Effective Consumption Demand Constituted by the Planning Commission in the year 1979 defined the poverty line as per capita consumption expenditure level that meets the average per capita daily calorie requirement of 2400 Kcal per capita per day in rural areas and 2100 Kcal per capita per day in urban areas along with a minimum of non food expenditure that latter reckoned at 20 per cent of the expenditure on food and has been defined as poverty line. The computed monetary value of poverty line estimated in 1973-74 was updated by Wholesale Price Index (WPI). The use of WPI was subjected to criticism on basis of range of items, which are not included for private consumption at all and consumers purchase goods at retail and not all wholesale prices. Hence, the study group on Estimation of Poverty Line by Planning Commission during the Seventh Five Year Plans (1985-1990) recommended use of private consumption deflator of the Central Statistical Organization to update the 1973-74 poverty lines for later years.

These state specific poverty lines of 1973-74 were updated using State Specific Price Indices by averaging the Consumer Price of Agricultural Laborers (CPIAL) of food, fuel and light, clothing and footwear, and miscellaneous items with their respective weights in consumption basket in the same period at the national level. Working group of the planning commission of Government of India in the year 1962 defined poverty line in terms of minimum requirement. The monetary value of minimum requirements was set as per capita consumption expenditure of Rs.20 per month for rural and Rs.25 per month for urban at 1960-61 prices.

Ojha has estimated the number of persons below poverty line on the basis of an average calorie intake of 2,250 per capita per day entailing monthly per capita consumption expenditure of Rs.15-18 (1960-61) in urban areas and Rs.8 – 11 in rural areas. Later the Task Force on projection of minimum needs and effective consumption constituted by the planning commission in the year 1979 defined the poverty line as per capita consumption expenditure level that meets the average per capita daily calorie requirement of 2400 Kcal per capita per day in rural areas and 2100 Kcal per capita per day in urban areas along with a minimum of non food expenditure that latter reckoned at 20 per cent of the expenditure on food. The Task force in 1973-74 estimated an average consumer expenditure of Rs.49.09 per capita per month meeting the calorie requirement of 2400 Kcal per capita per day in rural areas and Rs.56.64 per capita per month for intake of 2100 Kcal per capita per day in urban areas. Since then

onwards the computed monetary value of poverty line estimated in 1973-74 was updated with wholesale price index (WPI) of their respective sector. Da Dosta using NSS data for 1963-64 estimated three comes of poverty line in India. Dandekar and Rath (1970) have estimated the value of the diet with 2,250 calories as the desired minimum level of nutrition and monetary value of Rs.20 per capita per month (Rs.240 per annum) as the minimum desirable standard as a whole. But later, they have suggested Rs.180 per capita per annum for the rural and Rs.270 for the urban at 1960-61 prices.

VI. POVERTY AT THE GLOBAL LEVEL

The real concern of the people in terms of their individuality and collectively in their commonality and diversity is the quality of people's life that became the central concern of development that forms the subject matter of poverty. The very focus was on what people are capable of doing and what they actually did are the discriminations they confronted, the struggles they launched and expanding choices they enjoy. Thus, it covers not only economic choices but choices in every realm that extend control over lives. The pursuit of material well being became one of the choices. Hence poverty is far more than lack of income. Since income is not the lack of it, it cannot be the sum total of human deprivation as human beings, besides desiring to be wealthy, may also desire to enjoy long and healthy life, accumulate knowledge and participate freely in the life of their community. Income based on consumption poverty line is no more accepted. Although income forms another important dimension of poverty, it gives only a partial picture of many ways by which human lives can be blighted. In this context, the notion of human well being has become broader to include individual attainments in areas of education and knowledge, health and longevity as well as quality of overall social and physical environment of people. Per capita income alone does not incorporate all these. Thus, the changing face of poverty testifies that income in general is a personalized means but a predominated one in obtaining valued outcomes and at the same time inherently limited in capturing wider aspects of the human well being. Hence, along with conventional measure of human well being i.e., income and economic attainments are more appropriate in capturing desirable 'outcomes' as the means are ultimately engaged because they are 'ends' in themselves. People are concerned as the means as well as the end for development.

Table 1: Poverty Headcount Ratio (2010)

Poverty Headcount Ratio (2010)	
Poverty Trend	World Bank
Live with less than \$1.25 a day	32.7% (400 million)
Live with less than \$2.00 a day	68.7% (841 million)
Live with less than \$2.50 a day	81.1% (992 million)
Live with less than \$4.00 a day	93.7% (1,148 million)
Live with less than \$5 a day	96.9% (1,179 million)
Source: "India – New Global Poverty Estimates". World Bank	

Earlier the social sides of economic operations are grossly neglected and the growth in GNP was considered as the end goal. But now welfare is considered to be the end goal. Thus, development is all about enlarging choices. Poverty can involve not only lack of the necessities of material well being but also denial of opportunities and choices.

The term development means different things to different people. There have been wide intuitive notions of development. When we speak of developed societies in which we picture people to be well fed, well clothed, to possess access to variety of commodities, where sick receive proper medical care and people live in a healthy environment. In brief, it insists on “minimal” requirement for a “developed” nation to have a high physical quality of life. However, in economic sense, a high and equally accessible level of material well being is probably a prerequisite for any advancement. With the age-old concept of acquisition of wealth, per capita gross national product (GNP) was taken as the conscious goal for and probably a prerequisite for any economic advancement. There has been long a phase during which development performance was judged exclusively by the yardstick of per capita Gross Domestic Product (GDP).

Often struggles for human freedoms to be free and enjoy their rights transformed the global scenario. Universal Declaration of Human Rights of 1948 was a break through Realizing human rights as matter of common concern and collective goal of humanity as a whole. The importance of looking at developmental goals and policies from a human rights perspective is increasingly recognized. The centrality of human rights in people lives was reiterated in international conferences in the year 1990 and 1993. World Conference on Human Rights, gave a renewed impetus, defining a comprehensive international agenda for universal promotion and protection of human rights. In the year 1992, United Nations Conference on Environment and Development at Rio has declared as "Human beings are the center of concern for sustainable development. They are entitled to health and productive life in harmony with nature". Later, World conference on Human Rights, in the year 1993 at Vienna declared, "Human rights and fundamental freedoms are the birth rights of all human beings and should be treated as mutually reinforcing". Copenhagen Declaration of World Summit for Social Development in 1995 declared, "Eradicating poverty is an ethical, social, political and economic imperative of mankind".

Since the present were is on poverty and its dimensions, the areas of concern are freedom from want for a decent standard of living and, freedom for the realization human potential. To attain a decent standard of living and realizing human rights, human poverty has been a major obstacle. Global conferences have identified poverty elimination as a major goal and the same is reflecting in the UNDP's Millennium Development Goals, National Policies and Strategies. UNO in its Universal Declaration on Human Rights through "Articles 25 and 26" spells out the right to standard of living adequate for healthy and well being of himself and of his family

including food, clothing, housing etc. Motherhood and Childhood are entitled to special care and assistance. Education is esteem to direct full development of personality promoting understanding, tolerance and friendship among all and above all strengthening human rights and fundamental freedoms. Thus, UN through Universal Declaration recognized the right to standard of living adequate for the health and well-being of a person and right to education, health, nutrition and education are more valued not only for their intrinsic worth but for their positive impact on human capital and productivity (i.e.,) towards realization of one's human potential.

VII. CONCLUSION AND SUGGESTIONS

Based on the analysis the following suggestions are made to improve the living condition of the poor. Micro level planning should be encouraged towards poverty alleviation to address and deliver basic services to the poor. Slums are the pockets of poverty; let each of the pockets be dealt separately for poverty alleviation by local authorities by allocateing specific budget and relevant mode of action in tune with local requirements. Encourage the locale industries and business houses to adopt each slum or pockets of poverty or few families in alleviating and eradicating poverty.

Let the authorities, media and NGO workout to educate the ignorant poverty groups of their rights and encourage them to seek the authorities intensify their poverty redressed especially in areas of safe drinking water, sanitation, shelter health, and education.

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