



Grade IX

Lesson 3 - Economics

Poverty as a Challenge

Solved Question Bank

Objective Type Questions

1. The current anti-poverty program consists of two planks, they are:
 - a. Social-economic reasons and public distribution system.
 - b. Promotion of economic growth and targeted anti-poverty program.
 - c. Anti-poverty program and promotion of economic growth.
 - d. None of the above
2. Who is an Urban poor as per the year 2011-12?
 - a. Income ₹ 450 per month per person
 - b. Income ₹ 500 per month per person
 - c. Income ₹ 1,000 per month per person
 - d. Income ₹ 454 per month per person
3. Poverty as defined by World Bank implies living below:
 - a. \$ 1.90 per day
 - b. \$ 100 per month
 - c. \$ 10 per day
 - d. \$ 100 per day
4. For the year 2011-12, the poverty line for a person in rural areas in India was fixed at:
 - a. ₹ 454 per month
 - b. ₹ 816 per month
 - c. ₹ 328 per month
 - d. ₹ 1640 per month





5. Which of the following is not an anti-poverty programme?

a. NREGA

b. AAY

c. NSSO

d. PMGY

1. (c)	2. (c)	3. (a)	4. (b)	5. (c)
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Fill in the Blanks

6. _____ is a state in which people do not have sufficient income to fulfil the basic necessities of like food, clothing and shelter.

7. The common indicators of poverty are _____ and _____.

8. _____ refers to the total number of people living below poverty line.

9. _____ refers to the poverty of people in relation to other people, regions or nations.

10. The state of living in very poor conditions and excluded from facilities, benefits and opportunities that others enjoy is _____.

11. _____ describes that level of poverty when people have a greater probability of being adversely affected than other people at the time of natural disasters.

6. Poverty	7. Level of income, level of consumption	8. Absolute poverty
9. Relative poverty	10. Social exclusion	11. Vulnerability

True or False

12. Social exclusion is a common indicator of poverty.

13. An urban poor has an income of ₹ 2,000 per month.

14. Odisha and Chhattisgarh are the poorest states in India.

15. Rural Employment Generation Programme was launched in 1995.

12. True	13. False	14. False	15. True
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Very Short Answer Type Questions

1. What kind of people in India are considered poor?

They could be landless labourers in villages or people living in overcrowded jhuggis in cities. They could be daily wage earners at construction sites or child workers in dhabas. They could also be beggars with children in tatters.

2. What is poverty?

Poverty is a situation which a person is unable to get the minimum basic necessities of life. i.e., food, clothing and shelter for his or her sustenance.

3. Mention any one historical reason for poverty.

Low level of income under the British colonial rule.

4. State two consequences of poverty.

Growth of slums and high level of indebtedness are the two consequences of poverty.

5. What are the factors of human poverty?

There are many factors of human poverty like not having job security, discrimination due to caste, having inadequate access to education, shelter or food etc.

6. Why is the concept of poverty being broadened into human poverty?

The concept of poverty is being broadened into human poverty as the challenge is becoming bigger and the analysis of poverty is becoming rich through a variety of new concepts like social exclusion.

7. Mention any one common indicator of poverty.

Social exclusion is a common indicator of poverty today.

8. How is the analysis of poverty becoming rich in recent years?

The analysis of poverty is being enriched through a variety of new concepts like social exclusion and vulnerability.





9. What is poverty line?

Poverty line is an indicator of poverty, i.e., it is a level of income which barely meets sustenance.

10. When is a person considered poor?

A person is considered poor if his or her income or consumption level falls below the given minimum level necessary to fulfil the basic needs.

11. Who is an urban poor?

An urban poor is a person who has an income of ₹1,000 per month and in terms of calories, has a requirement of 2,100 calories per person per day.

12. Which methods are used to estimate the poverty line in India?

The daily income and consumption method are used to estimate the poverty line in India.

13. How is poverty line estimated periodically? State the organisation which is responsible for estimating poverty.

The poverty line is estimated periodically by conducting sample surveys. These surveys are carried out by the National Sample Survey Organisation (NSSO).

14. Why is the calorie requirement higher in rural areas?

On account of people in the rural areas engaging themselves in strenuous physical work, calorie requirement is needed higher than in urban areas.

15. Give the definition poverty line as defined by the World Bank.

World Bank defines poverty line in terms of minimum availability of the equivalent of \$ 1.90 per person per day.

16. Which social groups are vulnerable to poverty?

The two social groups, most vulnerable to poverty, are scheduled castes and scheduled tribes households.

17. Give any two poorest states in India.

Odisha and Bihar are the two poorest states in India.





18. Which states of India has seen a significant decline in poverty?

There has been a significant decline in poverty in Kerala, Maharashtra, Andhra Pradesh, Tamil Nadu, Gujarat and West Bengal.

19. Poverty, which was officially non-existent earlier, has resurfaced in which country?

Russia

20. What led to the substantial decline in poverty in China?

The substantial decline in poverty in China has been a result of rapid economic growth and massive investment in human resource development.

21. By which year the new sustainable development goal of the United Nations proposes ending all types of poverty?

2030.

22. How is regular growth of population one of the major causes of poverty?

High population growth rate increases the rate of depletion of resources. Due to this, pressure on resources increases. People will have to manage with a smaller share of resources, thus bringing more people below the poverty line.

23. The current anti-poverty programme consists of two planks. Name them.

The two planks of the current anti-poverty programme are:

- a. Promotion of economic growth
- b. Targeted anti-poverty programmes

24. Name the scheme which was launched to create self-employment opportunities for the educated youth in the rural areas.

The Prime Minister Rozgar Yojana

25. What is the full of MGNREGA?

MGNREGA stands for Mahatma Gandhi National Rural Employment Guarantee Act.

26. What does PMGY stand for?

PMGY stands for *Pradhan Mantri Gramodaya Yojana*.





27. When was Rural Employment Generation Programme launched?

India's most compelling challenge is poverty reduction.

Short Answer Type Questions

1. Explain the colonial rule and income inequalities as causes of poverty.

One historical reason responsible for the low level of economic development, i.e., poverty, was the British colonial administration. It was responsible for the ruin of the traditional handicrafts and textile industries. It led to a fall in employment and thereby income level. The situation was further aggravated by the high growth rate of population. As a result, the growth rate of per capita income was very low.

Another major cause of poverty has been the huge inequalities in income, which are attributed to unequal distribution of land and other resources. Major policy initiatives like land reforms which aimed at redistribution of assets in rural areas were not properly implemented.

2. "Poverty is a curse upon humanity." Explain.

Indeed 'poverty is a curse upon humanity' because the poor cannot afford belly-full meals a day.

a. The poor do not have a proper roof on their heads to protect themselves from cold, rain and heat.

b. Basic essentials like clothing, oil and soap etc. are missing in the daily routine of the poor. They cannot afford a minimum subsistence level of living.

c. Sick members of the family suffering from serious ailments like TB, cancer etc. cannot be looked after in the absence of medication.

d. In the absence of saving in account of very low income, the poor fall an easy prey to indebtedness.





3. "Every fourth person in India is poor." Substantiate the given statement.

The above statement throws light upon the fact that in India there is poverty all around us. This implies that roughly 270 million people in India live in poverty. This also substantiates the fact that India has the largest single concentration of the poor in the world. India faces the biggest challenge on the poverty front with the landless labourers in villages, over crowded *jhuggis* in cities, daily wage workers, child workers in the *dhabas* and beggars around us.

4. Explain any three social indicators through which poverty is looked upon.

Poverty today is looked upon through social indicators like illiteracy level, lack of access to healthcare, lack of job opportunities etc.

- a. People are poor because they are illiterate and they are illiterate because they are poor.
- b. Poverty is a situation where sick people cannot afford treatment, i.e., they lack access to healthcare.
- c. Poverty also implies lack of a regular job, at a minimum decent level.

5. Define 'Vulnerability'. How is it determined?

Vulnerability refers to a measure describing the greater probability of certain communities like people belonging to backward castes, handicapped persons, old women etc. becoming or remaining poor in the coming years. It is determined by the options available to different sections of the society to have an access to an alternative living in terms of assets, education, health, and job opportunities, when confronted with any kind of disaster or calamity.

6. Describe how the poverty line is estimated in India.

In India, the poverty line is estimated periodically, usually every five years, by conducting sample surveys. These surveys are carried out by the National Sample Survey Organisation (NSSO).

In India, for determining the poverty line, the accepted average calorie requirement is 2,400 calories per person per day on urban areas. In the year 2011-12, the poverty line for a person was fixed at ₹ 816 per month for the rural areas and ₹1,000 for the urban areas.





But for making comparisons between developing countries, many international organisations like the World Bank use a uniform standard for the poverty line, i.e., minimum availability of the equivalent of \$ 1.90 per person per day.

7. Explain the two methods to estimate poverty line.

The two methods used to estimate poverty line are:

a. Income method: In this method, the poverty line is estimated with the help of minimum income required. In the year 2011-12, the poverty line for a person was fixed at ₹ 816 per month for the rural areas and ₹ 1,000 per month for the urban areas. The higher amount for urban areas has been fixed because of high prices of essential products in urban areas.

b. Consumption method: In this method, the average calorie requirement of a person is multiplied to the current prices. The accepted average calorie requirement in India is 2,400 calories per person per day in rural areas and 2,100 calories per person per day in urban areas.

8. Analyse the factors responsible for contributing to decline in poverty in Kerala, Andhra Pradesh, Tamil Nadu and Punjab.

There has been a decline in poverty in Kerala because it has focused more on human resource development.

In states of Andhra Pradesh and Tamil Nadu, the public distribution of food grains could have contributed to the improvement in food availability and thereby reducing the poverty. In Punjab, there has been a reduction in the level of poverty on account of high agricultural growth rate.

9. "Removal of poverty has been one of the major objective of Indian development strategy." In the light of this statement explain the two planks of Indian government on anti-poverty strategy.

Over a span of thirty years, till early 1980s a very little growth in per capita income was observed and reduction in poverty was also not much.

Since the 80s, India's economic growth has been the fastest in the world from 3.5% per annum in 1970s to about 6% during the 1980s and 1990s. The higher growth rate has helped significantly in the reduction of poverty. This stands a testimony to the strong link between the economic growth and reduction in poverty.





In the light of these, there is a dire need for the introduction of targeted anti-poverty programme to affect poverty directly or indirectly. Some of the major programmes in this direction are MGNREGA, PMRY, SGSY, AAY etc.

10. Why the results of the poverty alleviation programmes have been mixed up?

The results of poverty alleviation programmes have been mixed up on account of:

- a. Lack of proper implementation and right targeting.
- b. Less effectiveness due to a lot of overlapping of these schemes.
- c. Despite the good intentions, the benefits of these programmes have not fully reached the deserving poor.
- d. Lack of proper monitoring of these programmes.

Long Answer Type Questions

1. State the dimensions of poverty.

The various dimensions of poverty are:

- a. It means hunger and shelter.
- b. It is a situation in which parents are not able to send their children to schools.
- c. It is a situation where sick people cannot afford treatment.
- d. It means lack of safe drinking water and sanitation treatment.
- e. It means lack of a regular job at a minimum decent level.

2. Give an account of inter-state disparities in poverty in India.

In every state, the proportion of poor is not the same. As a matter of fact, the success rate of reducing poverty varies from state to state. While the All India Head Count Ratio (HCR) was 21.9% in 2011-12, but states like Madhya Pradesh, Assam, Uttar Pradesh, Bihar and Odisha has poverty above the all India poverty level. Bihar and Odisha continue to be the poorest states with poverty ratios of 33.7% and 32.6% respectively. In Odisha, Madhya Pradesh, Bihar and Uttar Pradesh along with rural poverty urban poverty is also high.





There has been a significant decline in poverty in states like Kerala, Maharashtra, Andhra Pradesh, Tamil Nadu, Gujarat and West Bengal. High agricultural growth rates are responsible for reducing poverty in Punjab and Haryana. Kerala has focussed more on human resource development. Land reform measures have helped in reducing poverty in West Bengal. Public distribution of food grains is held responsible for the improvement on the poverty front of Andhra Pradesh and Tamil Nadu.

3. Give one most suitable factor responsible for the reduction of poverty in each of the following cases.

a. Punjab b. Kerala c. West Bengal d. Andhra Pradesh

- a. High agricultural growth rates are responsible for reducing poverty in Punjab.
- b. Kerala has focussed more on human resource development.
- c. Land reform measures have helped in reducing poverty in West Bengal.
- d. Public distribution of food grains is responsible for the improvement in poverty in Andhra Pradesh.

4. Mention any four causes of poverty in India.

Or

Discuss the major reasons of poverty in India.

There are a number of causes responsible for the widespread poverty in India. Some of them are:

- a. Low level of economic development under the British rule in India.
- b. Decline of Indian handicrafts industry, which led to unemployment, poverty and misery which were responsible for the low rate of income growth.
- c. Social factors like caste system, religious faiths and beliefs also kept certain section of people in society in poverty.
- d. High growth rate of population led to a very low per capita income in the country.
- e. Huge income inequalities due to unequal distribution of land and other resources.





5. What are the main features of National Rural Employment Guarantee Act, 2005?

The main features of the National Rural Employment Guarantee Act 2005 are:

- The Act assures 100 days employment every year to every rural household.
- One-third of the jobs are reserved for women.
- It also aimed at sustainable development to address the cause of draught, deforestation and soil erosion.
- The share of SCs, STs and women are 23 per cent, 17 per cent and 53 per cent respectively.
- Under this, the average wage has increased from ₹65 in 2006-07 to ₹132 in 2013-14.
- The scheme provided employment to 220 crores person and 4.78 crore households.
- In March 2018, the wage rate for unskilled manual workers has been revised again state wise.
- The range of wage rates for different states and union territories lies in between ₹281 per day (for the workers in Haryana) to ₹168 per day (for the workers in Bihar and Jharkhand).



Next Generation School

