

**GOVERNMENT OF INDIA  
STATISTICS AND PROGRAMME IMPLEMENTATION  
LOK SABHA**

UNSTARRED QUESTION NO:6950  
ANSWERED ON:10.05.2000  
POVERTY REDUCTION STRATEGY  
SUKDEO PASWAN;SUSHIL KUMAR INDORA

**Will the Minister of STATISTICS AND PROGRAMME IMPLEMENTATION be pleased to state:**

- (a) whether Planning Commission member has called for designing a vigorous poverty alleviation strategy as a supplement to the growth strategy;
- (b) if so, whether the current schemes were not capable of reducing poverty unless the growth rate was doubled, with less than 2% rise in per capita income;
- (c) if so, whether the country is witnessing a very slow rate of decline in poverty;
- (d) if so, whether it has been suggested that a strategy to remove poverty could be worked out by identifying specific factors responsible for poor economic condition;
- (e) if so, whether the percentage of poor in the population which had declined from 44.4 in 1983 to 38.8 in 1987-88 and 35.9 in 1993-94;
- (f) whether any strategy to be adopted for poverty reduction in future has been framed; and (g) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE OF THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS.

(SHRI ARUN SHOURIE)

(a) : Dr. S.P. Gupta, Member, Planning Commission, in a paper titled 'Trickle down theory revisited' has questioned the claim of an exclusive policy of GDP growth in resolving poverty and unemployment and has called for a special emphasis on employment generation policy as one of the major tool for ameliorating poverty.

(b to e) : According to estimates of the incidence of poverty, the percentage of people living below the poverty line declined from 54.88 per cent in 1973-74 to 44.48 per cent in 1983 and further to 35.97 per cent in 1993-94, the latest year for which the estimates of poverty are available. The annual rate of decline in the percentage of people below the poverty line has been 2.1 per cent during the period 1973-74 to 1993-94.

The paper while noting that no macro policy based only on market-led growth will be successful in dealing with either poverty or employment in India, suggests that there is a need for positive employment generation policy, among the rural poor by different direct poverty alleviation programmes, especially in the short term. There is a need for policy packages for improving education, training and for creating opportunities for the rural poor spread over the medium and longer periods so that they too could enter in the higher productivity areas including non-agricultural activities or post-harvest activities in the rural sector. This warrants enhancing the betterment of productivity of those crops which can be cultivated on marginal lands and improving the productivity of industries and services specially in informal sectors that provide subsidiary occupation in rural areas covering small and tiny industries.

(f to g): The Government has adopted a three pronged strategy for reducing poverty. It comprises of

- (i) accelerated economic growth with a focus on sectors which are employment intensive;
- (ii) human and social development through basic minimum services in order to improve the capabilities of the poor; and
- (iii) targetted anti-poverty programmes via schemes for income generation through self-employment and supplementary wage employment.

Further, poverty can be effectively eradicated only when the poor start contributing to growth by their active involvement in the growth process. Implementation of the programmes should be increasingly based on approaches and methods which involve the poor in the process of poverty eradication and economic growth. This is possible through a process of social mobilisation, encouraging participatory approaches and institutions and empowerment of the poor through involvement of the Panchayati Raj Institutions, the voluntary organisations and community based Self-Help Groups.