Poverty Alleviation in India: Intervention of Policies

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The Reconstruction and Development Programme represents government’s commitment to eradicate poverty. For this vision to materialize, policies must be orientated towards the provision of basic needs, the development of human resources and a growing economy which is capable of generating sustainable livelihoods. The success of government’s strategy for growth, employment and redistribution (GEAR) is dependent on the maintenance of a sound fiscal and macro-economic framework. Rural development will contribute to this policy. Eradication of poverty and provision of basic minimum services is integral elements of any strategy to improve the quality of life. No development process can be sustainable unless it leads to visible and widespread improvement in these areas. There is by now enough evidence to show that rapid growth has strong poverty reducing effects and given a public policy stance, which is sensitive to the needs of the poor a focus on accelerated growth will also help in realizing the objectives of alleviating poverty. Economic growth and employment opportunities in themselves may not be sufficient to improve the living conditions of the poor. They need to be accompanied by measures that enhance the social and physical conditions of existence. Against this backdrop, the paper, critically analyses the chronological evolution and transformation of poverty reduction strategy over the successive Five-Year Plans. It also tries to capture the dilemma of the policymakers in addressing development and justice over the Successive plans in India.

Key words: Rural Development, poverty, Rural Employment, Government, Policies

Introduction

Alleviation of poverty has been the basic aim of policy makers ever since the India became independent. The Indian approach to poverty alleviation has relied basically on variety of schemes and programmes formulated by the Planning Commission with the objective of providing various services, benefits, facilities or creating assets for the poor at the grassroots level.

The experience of India and several other developing countries indicates that any policy of poverty reduction of necessity had to operate at the grassroots and without a coordinated and targeted approach on the part of governments and its various departments, this objective cannot be achieved. These programmes need administrative and financial support, the initiative for which must emanate from the Central and State governments. In India, the basic responsibility of implementing schemes of poverty alleviation has been of the State Governments with Federal Government providing necessary, policy, technical and administrative support.

Development of the backward rural sector, poverty alleviation and sustainable employment generation for the rural folks require not only economic betterment of the people but also large-scale social transformation. Decentralized governance, people’s participation at the grassroots levels, concerted efforts at land reforms, better access to credit and inputs better information and communication etc, go a long way in providing the rural people with better prospects for economic development, improvements in health, education, drinking water, energy supply, sanitation and hosting, and attitudinal changes also facilitate their social development.

The growing unemployment has been a major problem. Provision of employment to all the job-seekers has been a major challenge for the planners. The entire population does not have access to all the basic necessities of life, in particular, drinking water and health facilities. Infant mortality is still high and literacy levels, particularly among the women, are low. The social infrastructure has to attend to with urgency.

Eradication of poverty and provision of basic minimum services are integral elements of any strategy to improve the quality of life. No development process can be sustainable unless it leads to visible and widespread improvement in these areas. There is by now enough evidence to show that rapid growth has strong poverty reducing effects and
given a public policy stance, which is sensitive to the needs of the poor a focus on accelerated growth will also help in realising the objectives of alleviating poverty. Economic growth and employment opportunities in themselves may not be sufficient to improve the living conditions of the poor. They need to be accompanied by measures that enhance the social and physical conditions of existence. Despite considerable efforts, provision of social infrastructure and services remain inadequate. These are areas which are in the nature of quasi-public goods and in which private initiatives and the market are unlikely to play a significant role. Primary education, primary health care, including the preventive and promotive, safe drinking water, nutrition and sanitation require heavy investment which has to be provided out of public funds. The broad strategy of rural development in India is reflected in our constitution. This strategy is based on the progressive elimination of inequalities among the different sections of the society in the country. India has strong hierarchical social system with different social and economical inequalities in rural areas. Keeping this in view, the Government of India has taken initiatives for rural poverty alleviation. The initiations have been taken from the First Five Year Plan, it is envisaged that the successive five year plans would create a better, richer and fuller life for the thousands of rural communities in India. Keeping the above realities in mind various Five-year Plans formulated programmes and schemes to tackle the problem of backwardness of the rural areas, poverty and unemployment. The Government of India’s poverty alleviation programmes are broadly of five categories; they are Self Employment Programmes, Wage – employment programmes, Area Development Programmes, Social Security Programmes and other programmes such as Integrated Rural Development Programme, Jawahar Rozgar Yojana, Annapurna, Antyodaya Anna Yojana and Pradhan Manthri Gram Sadak Yojana and National Rural Employment Guarantee scheme (Planning Commission Report (2003).

According to the criterion of household consumer expenditure used by the Planning Commission of India, 27.5 percent of the population was living below the poverty line in 2004–2005, down from 51.3 percent in 1977–1978, and 36% in 1993-1994 (Economic Survey 2009-10). The overwhelming fact about poverty in the country is its rural nature. Major determinants of poverty are lack of income and purchasing power attributable to lack of productive employment and considerable underemployment, inadequacy of infrastructure, affecting the quality of life and employability, etc. It means to understand the definition of poverty; one should have knowledge of poverty line.

Methodology

The analysis is based mainly on secondary data and draws substantially on earlier studies. Carried out by the Institutions and individuals and existing literature with a specific focus on policy perspectives of Rural development in general and poverty alleviation in particular

Inclusive growth and rural poverty eradication

Rural Poverty: The Estimates

India is one of the fastest-growing economies in the world. GDP grew by 9.6% in 2006-07 and at an estimated rate of 9% in 2007-08. As a result of the rapid growth in recent years, the percentage of people living below poverty line has declined from 55% in 1973-74 to 36% in 1993-1994 to 27.5% in 2004–2005. The decline in the percentage of people living below poverty line in the rural areas in the corresponding period was from 56.4% to 37.3% to 28.3%. However, despite the steady growth and strong macroeconomic fundamentals, the gains have not been inclusive enough. Poverty and unemployment continue to be the central challenges confronting policymakers. The Planning Commission is the nodal agency in the Government of India for estimation of poverty at national and state levels. The poverty line used is per capita consumption expenditure level which meets the per capita daily calorie requirement of 2400 kcal in rural areas and 2100 kcal in urban areas along with a minimum of non-food expenditure. The monetary equivalent of these norms i.e., poverty line for the year 1973-74 was estimated as consumer expenditure of Rs.49.09 and Rs. 56.64 per capita per month in rural and urban areas, respectively. The national level rural and urban poverty

Lines were updated for subsequent years using state-specific Consumer Price Index of Agricultural Laborers’ (CPIAL) for rural poverty line and Consumer Price Index of Industrial Workers (CPIIW) for urban poverty line. The estimates of poverty are made using the large sample survey data on household consumer expenditure conducted by the National Sample Survey Organization (NSSO) of the Ministry of Statistics and Programme Implementation. The state-specific poverty ratios are worked out from state-specific poverty lines and distribution of persons by expenditure groups obtained from the NSS data on consumer expenditure. The poverty ratio at all-India level is obtained as the weighted average of the state-wise poverty ratios. The national poverty line at 2004-05 prices is Rs.356.30 per capita per month (Rs.21, 378 or say Rs. 22000 per household (HH) per annum) in the rural areas and Rs.538.60 per capita per month (or
say Rs.32,316 per HH. per annum) in the urban areas. Table - 1 provides data on temporal profile of poverty reduction from 1973-1974 up to 2004-05. While poverty in the rural areas, in percentage terms, has declined to half from 56.4% in 1973-74 to 28.3% in 2004-05, in absolute terms, the reduction is not very significant. The population living below the poverty line (BPL) in the rural areas is still unacceptably high, at over 22 crore.

<table>
<thead>
<tr>
<th>Years</th>
<th>Rural</th>
<th>Urban</th>
<th>Combined</th>
<th>Rural</th>
<th>Urban</th>
<th>Combined</th>
</tr>
</thead>
<tbody>
<tr>
<td>1973</td>
<td>56.44</td>
<td>49.01</td>
<td>54.88</td>
<td>26.13</td>
<td>6.00</td>
<td>32.13</td>
</tr>
<tr>
<td>1983</td>
<td>45.65</td>
<td>40.79</td>
<td>44.48</td>
<td>25.20</td>
<td>7.09</td>
<td>32.29</td>
</tr>
<tr>
<td>1993</td>
<td>37.27</td>
<td>32.36</td>
<td>35.97</td>
<td>24.40</td>
<td>7.63</td>
<td>32.04</td>
</tr>
<tr>
<td>2004</td>
<td>28.30</td>
<td>25.70</td>
<td>27.50</td>
<td>22.09</td>
<td>8.08</td>
<td>30.17</td>
</tr>
</tbody>
</table>

Source: Planning Commission

Table - 2 projected rural BPL populations by 2015

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Population</th>
<th>Rural Population</th>
<th>Rural BPL Population</th>
<th>Rural HH</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008-09</td>
<td>114.75</td>
<td>80.45</td>
<td>20.92</td>
<td>4.23</td>
</tr>
<tr>
<td>2009-10</td>
<td>116.25</td>
<td>81.13</td>
<td>20.50</td>
<td>20.50</td>
</tr>
<tr>
<td>2010-11</td>
<td>117.76</td>
<td>81.81</td>
<td>20.09</td>
<td>4.02</td>
</tr>
<tr>
<td>2011-12</td>
<td>119.27</td>
<td>82.49</td>
<td>19.69</td>
<td>3.94</td>
</tr>
<tr>
<td>2012-13</td>
<td>120.78</td>
<td>83.17</td>
<td>19.29</td>
<td>3.86</td>
</tr>
<tr>
<td>2013-14</td>
<td>122.29</td>
<td>83.85</td>
<td>18.91</td>
<td>3.78</td>
</tr>
<tr>
<td>2014-15</td>
<td>125.31</td>
<td>84.53</td>
<td>18.53</td>
<td>3.71</td>
</tr>
</tbody>
</table>

Assumptions (1) Based on the Annual Population Growth Rate 2008-2015 (1.3%)
(2) Based on the per annum decline ratio for rural poverty 2008-15 (2%)

Methodology

The analysis is based mainly on secondary data and draws substantially on earlier studies Carried out by the Institutions and individuals and existing literature with a specific focus on various policies of poverty alleviation in particular and rural development in General

Conceptual frame work

Although concerned efforts have been initiated by the Government of India through several plans and measures to alleviate poverty in rural India, there still remains much more to be done to bring prosperity in the lives of the people in rural areas.( Aurora 2004) Self-employment programmes like microcredit is successful because of people’s participation in the form of SHGs. The government has taken a major step in this direction in the form of 73rd and 74th amendment to the constitution to give more powers to PRI ( Planning Commission, Government of India 2004 ) India is a haven to 22% of the world’s poor. Such a high incidence of poverty is a matter of apprehension, in view of the fact that poverty eradication has been one of the major objectives of the development process. Really, poverty is a global dialog. Poverty eradication is considered integral to humanity’s mission for sustainable development. Thus, reduction of poverty in India is vital for the attainment of international goals. The philosophy underlying the poverty alleviation programs is to tackle the rural poverty by endowing the poor with productive assets and training for raising their skills so that they are assured of a regular stream of employment and income in raising themselves above the poverty line ( Dhiraj Nayyar 2000 ) At the macro-level, there is a need to co-ordinate a myriad of poverty alleviation programmes of the central government and the State governments. The transfer of central funds to the States for different programmes should be efficient. Currently, such funds and goods like food grains are not fully utilized by the States. There is a need to strengthen the financial management capacity of certain States to use the funds efficiently (Global Poverty Report 2000)

Policy Approaches in Five-Year Plan: A Review

India has so far successfully implemented 10 five – Year Plan. The 11th Five-Year Plan (2007-08 to 2011-12) has started. The First Plan was formulated soon after the independence. Therefore, that plan endeavored, first of all to present a coordinated veir of resources available. The plan aimed at
correcting disequilibria in the economy caused by the wars and the partition of the country. Secondly, it proposed to initiate simultaneously a process of all-round, balanced development, which would ensure a rising national income and a steady improvement in living standards. The problems the country faced in the early 1950s were totally different from those the country is facing in the 21st century. The major concern before the country was to come out of the shocks caused by wars and partition. Shortage of food was a major problem. This had led to the; ‘Grow More Food’ campaign, which, however, was not successful. It was then realized the agricultural development was very much linked to the overall development of the rural areas. This awareness led to the campaigning of “Rural Extension Service”. It was realized that high intensive work needs to be undertaken in the rural areas and it needed to be organized.

1. at the village level,
2. for a small group villages numb erring about 10 and having a population of about 5000 and
3. for a larger block of 50 or 60 villages with a population of about 25000 to 34000.

For achieving rural development, community development programmes (CDP) were formulated. Community Development was the method and Rural Extension the agency through which the Five-Year Plans sought to initiate a process of transformation of the social and economic life of the villages. The CDP was launched during 1952, covering approximately 300 villages and a population of about 200000. The development programme was to cover a population of about 15 million. The main field of activity in the CDP covered agriculture, communications education, health, and employment, housing, training and social welfare, cooperative movement.

The second Five-Year Plan, launched on April 1, 1956, sought to rebuild rural India for laying the foundations for industrial development, to secure feasible opportunities for weaker and underprivileged sections of the people and for balanced regional development. This Plan envisaged a close inter-dependence between agriculture and industrial sector. The Plan focused on ‘growth’, rapid industrialization, employment generation and reduction in inequalities in income and wealth and more even distribution of economic power.

During the second Plan, industrial development got the top priority. Within the framework of industrial Policy Resolution (IPR), priority was given to increase the production in the basic and heavy industries. Village and small scale industries were also considered as integral and prominent elements in the scheme of nation planning.

In the field of ‘rural development’ only agriculture and allied activities were given some importance- this included promotion of improved seeds, manure, plant protection, horticulture and cooperation. Agricultural regulated markets were also given importance. Land reforms and agrarian reorganization had a crucial role to play in the Second Plan. The four initiatives in this direction pertained to consolidation of land holdings, land management, cooperative farming and development of cooperative village management along with economic and social justice to the rural community.

The Third Five-Year Plan (1961-1966) stressed upon agricultural development, especially with a view to achieving self-sufficiency in foods grains and increasing agricultural production to meet the requirements of industry and exports. Soil conservation, dry farming, land reclamation along with the use of chemical fertilizers and irrigation were given importance.

The Plan also gave importance to the Community Development Programmes and Panchayath Raj governance. It suggested that local plans should be prepared at the local bodies level so as to ensure that each area realized its maximum development potential on the basis of local manpower. As a measure of non-farm sector development, the plan emphasised development of village and small-scale industries. The Third Plan closed on March 31, 1966. This was followed by three annual plans (1966-67, 1967-68 and 1968-69).

The Fourth Five-Year Plan (1969-1974) focused on overall growth as well as on small cultivators and the farmers in dry areas to help them participate in the development and share its benefits. The Plan gave priority to minor irrigation, agricultural credit and animal husbandry. Large investments were made for community works like tanks and tube-wells for the benefit of small farmers. The Agricultural Refinance Corporations were promoted to provide assistance on an area basis to support the small farmers and help them take advantage of agriculture, dairying, poultry and other programmes. During this period, ‘Small Farmers’ Development Agencies’ (SFDA) were established on an experimental basis with a view to identifying the problems of small but potentially viable farmers and ensure the availability of inputs, service and credit. SFDA were also meant for providing assistance for various other agriculture-related operations and activities. They were also to deal with the problems of sub-marginal farmers and agricultural labourers (MFAL) by way of bringing land reforms and taking up measures aimed at generation of employment-oriented activities. The High Yielding Variety (HYV) Programme received special importance and eventually brought about the ‘Green Revolution’ in the country.

The Fifth Five-Year Plan had some starting problems and it could not be finalized till September 1976. The gap was filled with annual plans. For the first time, the national Minimum Needs Programme (MNP) was introduced in the country dur-
The Integrated Rural Development Programme (IRDP) was first proposed in the Central Budget of 1976-77. The programme with some modifications was introduced in 2,300 blocks in 1978-79. Of the 2,300 blocks, 2,000 were under coterminous coverage with SFDA, DPAP and CAD (Command Area Development) programmes.

However, the Fifth Plan was terminated in March 1978, one year ahead of its full term, by the new Janata Party Government which came to power in June 1977. The new government introduced the concept of ‘Rolling Plans’ from 1978-79. This new plan was also considered as the Fifth Five-Year Plan (1978-83), even though it was actually the Sixth Plan for the country.

Again, when the Congress Government came back to power, the Janata Party’s plan (1978-83) was shelved and a new ‘Sixth Five-Year Plan (1980-85) was introduced. This Plan gave lot of importance to agriculture and rural development. The major thrust of the Plan was on strengthening the socio-economic infrastructure of development in rural areas, alleviating rural property and reducing regional disparities. For this purpose, different programmes such as IRDP, DPAP, CAD, DDP, NREP, RLEGAP were adopted. TRYSEM, DWA-CRA, SITRA and GKY were made part of the IRDP. Various employment generation programmes were taken up on a priority basis. Allocations were liberally made for Community Development and Panchayati Raj schemes. Rural development was sought to be promoted with the development of village industries. In order to improve the quality of life of the poor, the Minimum Needs Programme was strengthened.

In order to strengthen agricultural credit, the National Bank for Agriculture and Rural Development (NABARD) was established in July 1982. It has emerged as the apex national institution accredited with all matters concerning policy, planning and operation for agricultural credit and other economic activities in rural areas.

Various programmes like IRDP, TRYSEM, NREP, RLEGAP, DPAP, MNP etc., were strengthened for poverty alleviation and supplementing the overall economic growth in terms of generating productive assets and skills as well as incomes for the poor. NREP was launched in October 1980 and become a regular plan programme from April 1981.

During the Seventh Five-Year Plan (1985-90), poverty alleviation was viewed in a wider perspective of socio-economic transformation in the country. Such programmes should ensure that the pattern of overall economic growth itself should generate adequate income for the poorer sections through its greater impact on employment generation and on the development of backward rural areas. It also stressed that social framework should be such as to provide opportunities for the poor to display initiative and become self-reliant.

As a step towards reducing poverty, generating employment and developing the rural areas, the Seventh Plan gave high priority to dry land and rain-fed farming leading to increase in agricultural productivity. Its main focus was to minimize the risk to the farmers and to provide them with area specific technological packages, inputs and services. Along with agriculture, due attention was paid to horticulture, pastures, afforestation and other subsidiary occupations. The National Dry Land and Rain-fed Farming Project was introduced as a Centrally-sponsored scheme to supplement the states’ efforts.

The minimum Needs Programme received good attention and also new direction during the Seventh Plan. The MNP was integrated with other rural development and anti-poverty programmes in order to create necessary linkages in the delivery services. The MNP comprised two components.

- Human resource development activities which cover elementary and adult education, health, drinking water, nutrition and rural houses; and
- Area development like rural roads, electrification, etc.

The Eight Five-year Plan covered the period of 1992-97. the various difficult circumstances prior to 1992 led the planners to reorient some of the development paradigms, since the plan’s objectives was to lay a sound foundations for higher growth and to achieve the most significant goals, namely improvement in the levels of things, health and education of the people, full employment, elimination of poverty and planned growth in population. As far as employment to he building up of durable productive assets in the rural areas.

In this direction, it stressed on greater integration of the existing special employment programmes with other sectoral development programmes, which in turn would generate larger and more sustainable employment.

The Ninth Five-Year Plan, launched in the 50th year of India’s independence, was to take the country into the new millennium. Much had happened in the 50 years since Independence. The Approach
The specific objectives of the Ninth Plan as approved by the National Development Council were as follows:

- Priority to agriculture and rural development with a view to generating adequate productive employment and eradication of poverty;
- Accelerating the growth rate of the economy with stable prices;
- Ensuring food and nutritional security for all, particularly the vulnerable sections of society;
- Providing the basic minimum services of safe drinking water, primary health care facilities, universal primary education, shelter, and connectivity to all in a time-bound manner; containing the growth rate of population;
- Ensuring environmental sustainability of the development process through social mobilization and participation of people at all levels; empowerment of women and socially disadvantaged groups such as scheduled Castes, Scheduled Tribes, and Other Backward Classes and Minorities as agents of socio-economic change and development.
- Promoting and developing people’s participatory institution like Panchayath Raj institutions, cooperatives and self-help groups;
- Strengthening efforts to build self-reliance.

The Ninth Plan recognized the integral link between rapid economic growth and the quality of life of the masses. It also recognized the need to combine high growth policies with the pursuit of our ultimate objective of improving policies which are prp-poor and are aimed at the correction of historical inequalities. Thus, the focus of the Ninth Plan could be described as ‘Growth with Social Justice and Equity.’

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- Containing the growth rate of population;
- Ensuring environmental sustainability of the development process through social mobilisation and participation of people at all levels;
- Empowerment of women and socially disadvantaged groups such as Scheduled Castes, Scheduled Tribes and Other Backward Classes and Minorities as agents of socio-economic change and development.
- Promoting and developing people’s participatory institution like Panchayath Raj institutions, cooperatives and self-help groups;
- Strengthening efforts to build self-reliance.

The Tenth Five-Year Plan did emphasize on the aggregate growth of the economy, but it was felt that it was unlikely to achieve only through macro-economic measures and sector-specific interventions were needed. Furthermore, it was realized that though the growth has strong employment generation and direct poverty reduction effects, the frictions and rigidities in the Indian economy would make these processes less effective. Hence the plan explicitly addresses the need to ensure equity and social justice through a sector-specific focus and in this direction it had adopted three dimensions to the strategy. These are:

- Agricultural development to be viewed as a core element of the plan which would likely to yield widest spread of benefits especially to the rural poor;
- Ensuring rapid growth of those sectors which most likely to create gainful employment opportunities; and
- Continuing need to supplement the impact of growth with special programmes aimed at special target groups which may not benefit sufficiently from the normal growth process.

Outlining its vision, the Eleventh Plan noted that ‘the economy accelerated in the Tenth Plan period (2002-03 to 2006-07) to a record average of growth of 7.6 percent – the highest in any Plan period so far.’ It emphasized the fact that during the last 4 years of the Tenth Plan, average GDP growth was 8.6% making India one of the fastest growing economies in the world. The saving and investment rates have also increased. The industrial sector has responded well to face competition in the global economy. Foreign investors are keen to invest in the Indian economy. But “a major weakness in the economy is that growth is not perceived as being sufficiently inclusive for many groups, especially SCs, STs and minorities...The lack of inclusiveness is borne out by data on several dimensions of performance.”

Objectives of the Eleventh Plan

The Plan envisages a high growth of GDP of the order of 9 percent for the country as whole. This implies that per capita GDP would grow at about 7.5% per year to double in 10 years. However, the Plan document hastens to add that the target is not just faster growth but also inclusive growth which ensures broad based improvement in the quality of life of the people, especially the poor SCs/STs, OBCs and the minorities. Vision for the
Eleventh Plan The broad vision of the 11th Plan includes seven inter-related components.
- Rapid growth that reduces poverty and creates Employment opportunities;
- Access to essential services in health and education especially for the poor;
- Empowerment through education and skill development;
- Extension of employment opportunities using National Rural Employment Guarantee Programme;
- Environmental sustainability;
- Reduction of gender inequality

Twelfth Five Year Plan (2012-17)

The Twelfth Plan commenced at a time when the global economy was going through a second financial crisis, precipitated by the sovereign debt problems of the Eurozone which erupted in the last year of the Eleventh Plan. The crisis affected all countries including India. Our growth slowed down to 6.2 percent in 2011-12 and the deceleration continued into the first year of the Twelfth Plan, when the economy is estimated to have grown by only 5 percent. The Twelfth Plan therefore emphasizes that our first priority must be to bring the economy back to rapid growth while ensuring that the growth is both inclusive and sustainable. The broad vision and aspirations which the Twelfth Plan seeks to fulfil are reflected in the subtitle: ‘Faster, Sustainable, and More Inclusive Growth’. Inclusiveness is to be achieved through poverty reduction, promoting group equality and regional balance, reducing inequality, empowering people etc whereas sustainability includes ensuring environmental sustainability, development of human capital through improved health, education, skill development, nutrition, information technology etc and development of institutional capabilities, infrastructure like power telecommunication, roads, transport etc.

The Twelfth Plan lays out an ambitious set of Government programmes, which will help to achieve the objective of rapid and inclusive growth. In view of the scarcity of resources, it is essential to take bold steps to improve the efficiency of public expenditure through plan programmes. Need for fiscal correction viz tax reforms like GST, reduction of subsidies as per cent of GDP while still allowing for targeted subsidies that advance the cause of inclusiveness etc. and managing the current account deficit would be another chief concerns.

Achieving sustained growth would require long term increase in investment and savings rate. Bringing the economy back to 9 per cent growth by the end of the Twelfth Plan requires fixed investment rate to rise to 35 per cent of GDP by the end of the Plan period. This will require action to revive private investment, including private corporate investment, and also action to stimulate public investment, especially in key areas of infrastructure, energy, transport, water supply and water resource management. Reversal of the combined deterioration in government and corporate savings has to be a key element in the strategy.

Conclusion

To sum up, it can be concluded that, poverty alleviation has been one of the guiding principles of the planning process in India. The role of economic growth is providing more employment avenues to the population which has been clearly recognized. The growth-oriented approaches been reinforced by focusing on specific sectors, which provide greater opportunities to the people to participate in the growth process. The various dimensions of poverty relating to health, education and other basic services have been progressively internalized in the planning process. Central and state governments have considerably enhanced allocations for the provision of education, health, sanitation and other facilities, which promote capacity building and well-being of the poor. Investments in agriculture, area development programmes and afforestation open avenues for employment and income. Special programmes have been taken up for the welfare of SCs and STs, the disabled and other vulnerable groups.

In other words, the development policy and associated instruments, in general, and poverty reduction strategy, in particular, has to essentially internalize the moot principles of the international normative framework of human rights like non-discrimination, participation and accountability.

This requires the nation state to put in place suitable legislative and administrative codes and streamlined justice-delivery system to ensure guaranteed access to legal remedies in case of violation of rights of the poor and the disadvantaged. It also requires creation of mechanisms or institutions to ensure empowerment of the people. Although, India’s policy pronouncements provide for people’s participation in development planning and administration, such participation has generally been ineffective. For instance, for rural poverty alleviation programmes, the gram sabha (or village council) is considered as epicenter participation. However, in some research studies and programme evaluation, it has been documented that, at many places, the gram sabha is never held at all and the minutes of the meeting are prepared arbitrarily without any participation of the poor and the vulnerable, for whom such meetings are meant. Thus, for positive policy outcome, fundamental changes are required in development planning and administration so as to ensure actual implementation of what is guaranteed and promised in policy pronouncements. India would be able to enhance the pace of poverty reduction significantly if such changes are molded in rights-based framework.
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