



## The state of India's poor must be acknowledged

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**(Mains GS 2 : Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources & Issues relating to poverty and hunger.)**

### Context:

- Bangladesh bettering India's average income statistics must be a reason for Indians to introspect.
- The kind of growth path India takes has led to India sliding in the sustainable development goals index as well as in the per capita income rankings.
- If India does not bother to know of the increased numbers sliding into poverty, there would be little possibility of moving toward a solution.

### An imperative:

- Indian Government needs to secure India from successive COVID-19 waves and also need to document the exact numbers of the dead.
- An equal attention is needed to count the number of the poor and to prioritise them, if the state of the decrepit Indian economy is to be repaired.
- The World Bank \$2-a-day (poverty line) might be inadequate but it would be a start and higher than the last line proposed by the C. Rangarajan committee.

### Hesitancy in acknowledgement:

- There has been hesitation for a variety of reasons to wrestle with the rising numbers of the poor in India.
- The leadership tried to mask the dramatic rise in poverty .
- A survey in 2013 had said India stood at 99 among 131 countries, and with a median income of \$616 per annum, it was the lowest among BRICS and fell in the lower middle-income country bracket.

### There has been a slide:

- Important data points have made it clear that the state of India's poor needs to be acknowledged if India is to be lifted.
- There is a fall in the monthly per capita consumption expenditure of 2017-18 for the first time since 1972-73.
- There is also the fall of India in the Global Hunger Index to 'serious hunger' category.
- The recently concluded National Family Health Survey or NFHS-5 had worrying markers of increased malnutrition, infant mortality and maternal health.

### **Increased poverty trap:**

- The precarious situation after the demonetisation in 2016 was rendered calamitous with the novel coronavirus pandemic and the shrinking of the economy.
- In 2019, the global Multidimensional Poverty Index reported that India lifted 271 million citizens out of poverty between 2006 and 2016.
- Since then, the International Monetary Fund, Hunger Watch, SWAN and several other surveys show a decided slide.
- In March, the Pew Research Center with the World Bank data estimated that 'the number of poor in India, on the basis of an income of \$2 per day or less in purchasing power parity, has more than doubled to 134 million from 60 million in just a year due to the pandemic-induced recession'.
- In 2020, India contributed 57.3% of the growth of the global poor.
- India contributed to 59.3% of the global middle class that slid into poverty.
- The last time that 'India reported an increase in poverty was in the first 25 years after Independence, when from 1951 to 1974, the population of the poor increased from 47% to 56%'.
- Thus urgent solutions are needed within, and the starting point of that would be only when we know how many are poor.

### **Poverty line debate:**

- In India, the poverty line debate became very fraught in 2011, as the Suresh Tendulkar Committee report at a 'line' of ₹816 per capita per month for rural India and ₹1,000 per capita per month for urban India, calculated the poor at 25.7% of the population.
- The anger over the 2011 conclusions led to the setting up of the C. Rangarajan Committee, which in 2014 estimated that the number of poor were 29.6%, based on a person's spending below ₹47 a day in cities and ₹32 in villages.

### **Reasons why numbers count:**

#### **For urgent cash transfer:**

- Knowing the numbers and making them public makes it possible to get public opinion to support massive and urgent cash transfers.

- The world outside India has moved onto proposing high fiscal support and higher levels of minimum wages than it has in the past.
- Spain has accorded security to its gig workers by giving delivery boys the status of workers.
- In India too, a dramatic reorientation would get support only once numbers are honestly laid out.

### **Policy evaluation:**

- The argument for recording the data is that all policies can be honestly evaluated on the basis of whether they meet the needs of the majority.
- Policy such as bank write-offs of loans amounting to ₹1.53-lakh crore last year, which helped corporates overwhelmingly, was doubtedly beneficial to the vast majority.
- This would be possible to transparently evaluate only when the numbers of the poor are known and established.

### **Accountability from public representatives:**

- The government data were to honestly account for the exact numbers of the poor.
- The concerns of the real majority must be resolved by demanding accountability from public representatives.

### **Increasing inequality:**

- India has clocked a massive rise in the market capitalisation and the fortunes of the richest Indian corporates has grown manifold in the past few years.
- But at the same time millions of Indians have experienced a massive tumble into poverty.
- Thus, if billionaire lists are evaluated in detail and reported upon, the country cannot shy away from counting its poor.

### **See the 'bread line':**

- The late Arjun Sengupta, as Chairman of the National Commission for Enterprises in the Unorganised Sector in 2004, had concluded that 836 million Indians still remained marginalised.
- He spoke of the poorest of poor and the commission's recommendations on social security resulted in the enactment of the Unorganised Sector Workers Social Security Act.
- At the time his conclusion was ignored that 77% of India was marginalised emphasising that it was a problem of a much bigger magnitude, than the figure of 25.7% conveyed.

### **Conclusion:**

- The massive slide into poverty in India that is clear in domestic and international surveys and anecdotal evidence must meet with an institutional response.
- The Government must girdle up and unflinchingly quantify the slide from the 'fastest growing economy' to the country with the largest rise in the number of poor people.
- Thus almost a sub-human level of existence of the majority of fellow Indians cannot continue and counting them would be a much-needed start to convey that each life matters.