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Is India Rising Out of Poverty?

Global Context:

- According to a World Bank report, 700 million people globally live below the poverty line.
- In India, 25 crore people have risen out of poverty in the last nine years, as per a NITI Aayog report.
- For the first time in history, India's poverty rate dropped below 5% in 2024, according to a study by the Bharat State Bank.

Poverty Trends in States:

- In 2023, India's Multidimensional Poverty Index (MPI), which measures poverty based on health, education, and living standards, showed significant improvement.
- States like Uttar Pradesh, Bihar, Madhya Pradesh, Odisha, and Rajasthan have seen notable reductions in poverty rates.

Rural and Urban Improvements:

- In rural India, the poverty rate declined from 7.2% in 2023 to 4.8% in 2024.
- In urban areas, it dropped from 4.6% to 4.09% during the same period.
- A report from Bharat State Bank highlighted a steady rise in monthly per capita consumption expenditure (MPCE) in 2023-24:

Rural : Rs.4,122 per month.

Urban : Rs.6,996 per month.

Tamil Nadu's Progress:

Higher Education Enrollment:

- National average : 57.6%.
- Tamil Nadu : 81.5%.

College Enrollment:

- National average: 28.4%.
- Tamil Nadu: 47%.

Access to Clean Water:

- 81.87% of rural households in Tamil Nadu have access to clean drinking water.

Mobile Phone Access:

- 92.8% of households have at least one mobile phone.

Unemployment Rate:

- Tamil Nadu's unemployment rate stands at 4.3%.

Poverty Reduction Challenges:**Short-term vs. Long-term Solutions:**

- Despite economic growth, poverty remains sensitive to external factors like natural disasters, pandemics, and unstable economies.
- Between 2011-12 and 2022-24, about 18.1% of the population escaped poverty, but 5.3% slipped back into it.

Consumption vs. Income Gap:

- Data indicates that consumption-driven poverty dominates over persistent poverty.

Government Efforts:**Several schemes aim to reduce poverty, including:**

1. MGNREGA: Ensures rural employment.
2. Skill India Mission: Focuses on skill development.
3. Garib Kalyan Anna Yojana: Provides free food grains.
4. National Social Security Scheme.
5. PM SVANidhi: Supports street vendors.

Lingering Issues:

- Challenges persist in the implementation of schemes, leading to delays in their effectiveness.
- The absence of updated data on consumption and expenditure since 2012 complicates accurate poverty assessments.

Conclusion:

While India has made significant progress in reducing poverty, consistent challenges like inflation, inadequate implementation of programs, and reliance on external factors show there's still a long way to go to completely eliminate poverty.