

Meta data of E- Content (Pre production)

S. N.	AREA OF MATA DATA	TO BE FILLED BY CONTENT GENERATOR(S)
1	Topic	Poverty
2	Subject	Economics
3	Topic connected which area of subject?	Unit : Current challenges facing Indian Economy
4	Class/ Level	XI
5	Objectives	<ul style="list-style-type: none"> • Learners will be able to know the meaning of poverty • Learners will be able to understand the concept of vicious circle of poverty.
6	Summary	Poor countries are not able to reduce poverty in their economies because they are caught in what is known as vicious circle of poverty. It is a situation, where one factor leads to another and it becomes impossible to come out of it, unless some external stimulus is introduced.
7	Key Words	Poverty, vicious circle of poverty
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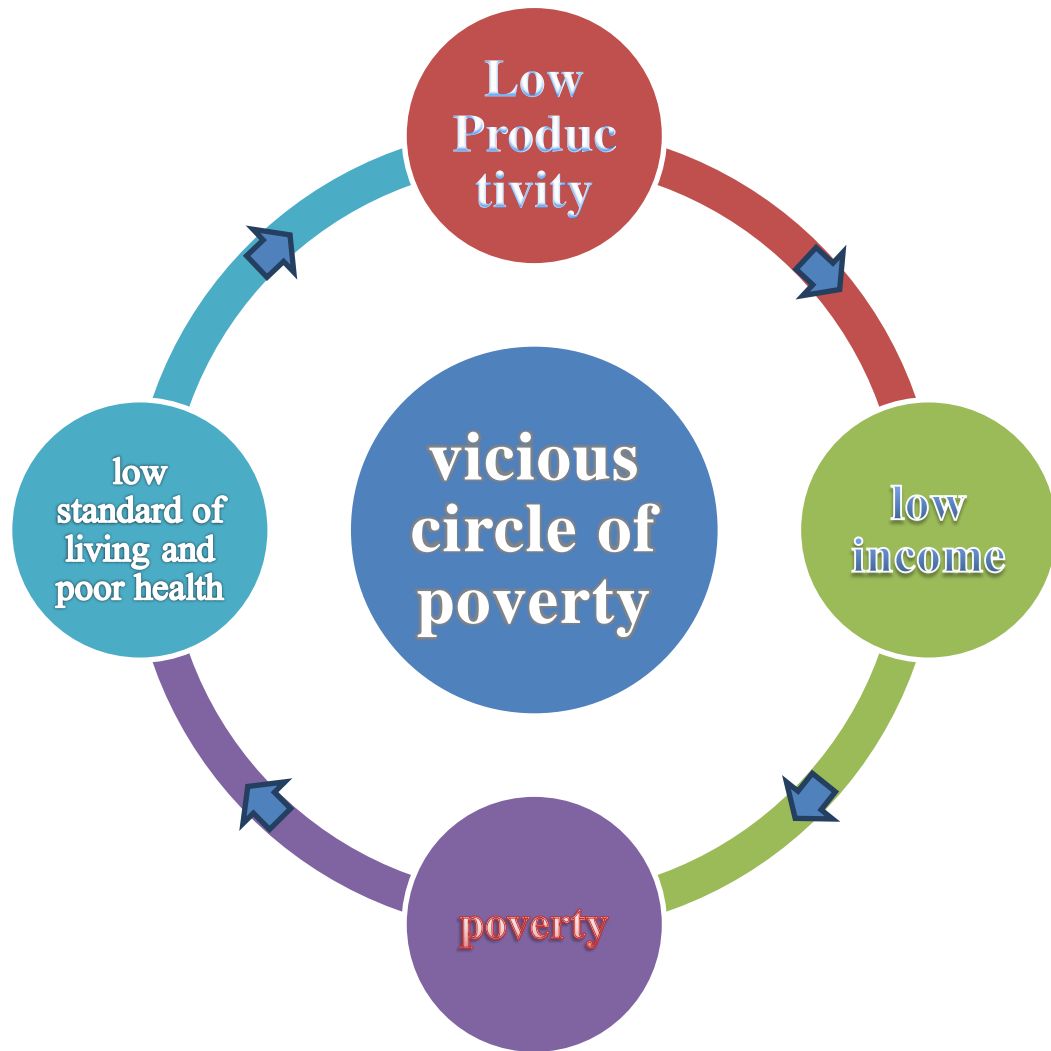
Poverty

Poverty is general scarcity, or the state of one who lacks a certain amount of material possessions or money. It is a multifaceted concept, which includes social, economic, and political elements. People are said to be poor when they don't have access to two meals a day, drinking water, medical facilities, school etc. **Poverty** may be defined as either [absolute or relative](#).



Vicious Circle of Poverty

Poor economies are caught in the web of vicious circle of poverty and poverty becomes a cause as well as an effect. It becomes very difficult for economies to come out of it unless some specific policy initiatives are undertaken.



Absolute poverty: would comprise of all those people who live below poverty line. In this case a minimum standard of consumption is fixed and all those who are not able to fulfil this level. World bank has fixed this to be 1.25\$ per person per day. In India, poverty level is defined in two ways:

In terms of Calorie intake - 2400 calories in rural areas and 2100 in urban areas, and

In terms of consumption expenditure: Rs 47 in urban areas and Rs 32 in rural areas(as per recommendations of C Rangarajan Committee 2014)

Relative poverty: compares poverty of a particular person, region or nation to that of another.

Activities:

Develop your thinking skills:

1. i) Poverty can be reduced by:

a) _____

b) _____

c) _____

d) _____

ii) Poverty includes _____
elements.

iii) Minimum standard of consumption is fixed in _____

iv) To define poverty level, the minimum calorie intake in rural areas is _____
and in urban areas is _____

2. State 'true' or 'false':

a) Poverty and unemployment are directly related.

b) Illiteracy doesn't cause poverty.

c) Poor people tend to have smaller families.

d) NREGA and Mid-day meal schemes have been launched to reduce poverty.

e) Poverty is both a cause and an effect.

Ans Key:

1. i)

- a) Creating employment opportunities
- b) Providing easy credit for self employment
- c) Education
- d) Providing minimum facilities to the poor

ii) social, economic, political

iii) absolute poverty

iv) 2400,2100

2. a)True

b)False

c)False

d)True

e) True