

# [How can poverty and inequality in india economics essay](https://assignbuster.com/how-can-poverty-and-inequality-in-india-economics-essay/)

According to NCAER (National Council of Applied Economic Research), it shows that 48% of the Indian households earn more than $1, 825. 2 or more yearly. According to NCAER, in 2009, of the 222 million households in India, the completely poor households (annual incomes below 45, 000 rupees) accounted for only 15. 6% of them or about 35 million (about 200 million Indians). Another 80 million households are in income levels of 45, 000- 90, 000 rupees per year. These numbers also are more or less in line with the latest World Bank estimates of the “ below-the-poverty-line” households that may total about 100 million (or about 456 million individuals). The states in India where the majority is poor are cities like West Bengal, Orissa, Rajasthan, Uttar Pradesh, Chhattisgarh, Madhya Pradesh and Bihar. (Wikipedia, poverty in India) According to Wikipedia, the majority of poor people in India in several states are as follows:

## States in India

## Majority that are poor (%)

## Bihar

## 81. 4%

## Chhattisgarh

## 71. 9%

## Madhya Pradesh

## 69. 5%

## Orissa

## 64. 0%

## Rajasthan

## 64. 2%

## Uttar Pradesh

## 69. 9%

## West Bengal

## 58. 3%

According to United Nations Statistics, in 2005, over 80% of the India’s rural population is poor. This might sound a bit difficult to believe, but back in those days, there wasn’t much Indians as a whole could do for their country. Now, with very intelligent people and amazing technology, it has been more capable of solving the problem. It’s not 100% solved and sadly, it never will be. The good thing is, many organizations are taking out surveys and donation to improve and help out this crisis. Hopefully, one day, it will be so improved that the economy level will rise far above the poverty line. Over the last decade, India has grown rapidly and the percentage of poor people has somewhat, decreased. The following graphs states the majority of poor in the last decades:

More than 1. 1 billion continues to live below the rural areas. Poverty remains the same for almost 30% of India’s rural population. Large numbers of poverty line. A large proportion of poor people live in India’s poorest people live in the country’s hot region. In this area, there are shortages of food and water shortages and droughts occur every now and then. Poverty affects tribal people in forest areas, where loss of “ Right and Resources” has made them even poorer. A major cause of poverty among India’s rural people, both individuals and communities, is lack of access to useful belongings and financial resources. According to United Nations statistics, High levels of illiteracy, not enough health care and extremely limited access to social services are common amongst poor rural people. Women in general are the most disadvantaged people in India basically, through their status according to their social or in a way, ethnical backgrounds. According to N A C O (National Aids Control Organization), in 2005 an estimated 5. 7 billion men, women and children in India were living with HIV/AIDS. Most of them are between 15-49 age group and or almost 40% of them, or 2. 4 million in 2008, are women.

As I ask peers or family members what they think about the poverty and inequality in India, they all tend to say the same thing. They all think the problem is quite severe but it can be enhanced in many different ways. Here are some of the ideas I collected from peers and family members:

“ India can tackle poverty by increasing its resources”

“ The reason poverty in India has become a global issue is because of mainly females”

“ The Indian government is not taking the correct measures to improve living standards, as the population increases, things just keep getting worse”

“ The improvement has never been this good”

“ India is the fastest economically rising country than any other regardless to its high population increase or it’s high proportion of poverty”

“ I think of slums when I think of India, and the reason is because people have choose to ignore the issue, rather than dealing with it”

“ India is currently an N I C (Newly Industrialized Country) but with the current rise in poverty, it will soon turn into an L E D C (Less Economically developed Country”

Inequality. As I mentioned before, inequality is the opposite of ‘ equality’ which means to treat people fairly. In India, that is very rare. In regional inequality, there was a rapid increase in regional inequality in India during the 1990s. In 2002-2003, the per capita

Net State Domestic Product (NSDP) of the richest state, Punjab, was about 4. 7 times that of Bihar, the poorest state. According to Dreze and Gazdar (1996) show that the performance of Uttar Pradesh and Bihar, two of the most populous states of India (Not to mention, poorest) , has been worse than many Sub-Saharan African on a large number of health indicators. India’s performance in health is one area which has been extremely disappointing over the years. Though there have been improvements in some health related indicators like birth and death rates.

Should Equality be considered a right or a privilege? Both. What is a privilege? What is a right? In my opinion, Equality is something not a lot of people have, this occurs in a lot of countries, so it should be considered a privilege. But at the same time, it is something we are all meant to have, something we are all supposed to have. We expect respect from others, especially if they are from the same race, age-group, ethnical group. But we can’t get respect if we don’t give it.

Word Count:

(Excluding citations): 1141

Work-Cited List

“ Poverty in India. 6 7 2006. 21 11 2011 .

## “ How little can a person live on?” The HINDU, September 30, 2011, Web. October 31, 2012. < http://www. thehindu. com/opinion/lead/article2497773. ece>

“ Household Behavior, Poverty, Human Development, Informality and Gender” NCAER, 2010, Web. October 31, 2012. < http://www. ncaer. org/research04. html>

“ Poverty in India” World Bank, 6/7/06, Web. October 31, 2012. < http://web. worldbank. org/WBSITE/EXTERNAL/COUNTRIES/SOUTHASIAEXT/EXTSAREGTOPPOVRED/0,, contentMDK: 20574067~menuPK: 493455~pagePK: 34004173~piPK: 34003707~theSitePK: 493441~isCURL: Y, 00. html>

“ The Hunger Project” India, 2011. October 31, 2012. < http://www. thp. org/where\_we\_work/south\_asia/india? gclid= CMi1mpKpq7MCFUhZ3godfE0AuQ>

“ Joint Programmes and Initiatives” UN in India, 2010, Web. October 31, 2012

“ Statistics” India, UNICEF, 26 February 2003, Web. October 31, 2012 < http://www. unicef. org/infobycountry/india\_statistics. html>