



ECONOMIC STORY OF PALAMPUR



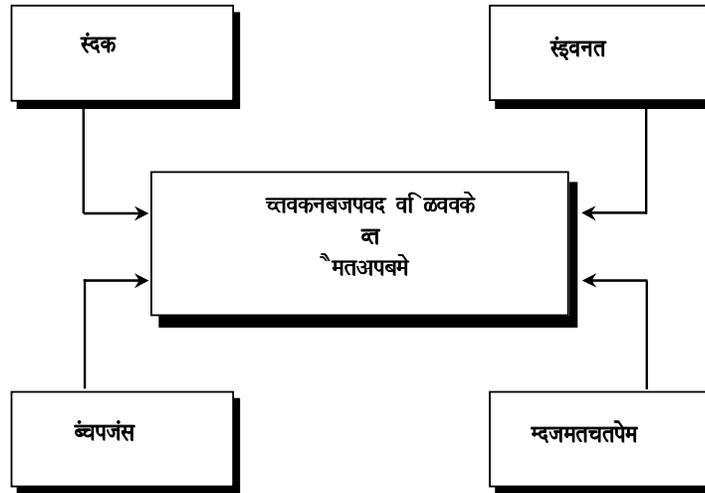
SL-01(E)

INTRODUCTION

- In Palampur farming is the main activity. Several other activities such as small scale manufacturing, dairy transport etc. are also carried out. In these production activities various resources combine to produce the desired goods and services.
- Palampur is well connected with neighboring villages and towns. An all weather road connects the village to Raiganj and further on to the nearest small town. many kinds of transport such as bullock carts, tongas, bogeys, motorcycles, jeeps, tractors and trucks are visible on this road.
- Palampur has about 450 families belonging to several different castes. 80 families of upper caste own the majority of land. Their houses are quite large and made of brick with cement plastering. The SCs (dalits) comprise one third of the population and live in one corner of the village and in such smaller houses, some of which are of mud and straw.
- Most of the houses have electric connections. Electricity powers all the tubewells in the fields. Electricity is also used in various types of small business. Palampur has two primary schools and one high school. There is a primary health centre run by the government and one private dispensary.

ORGANISATIONAL PRODUCTION

Production of any type of goods or services requires the services of four factors of Production.



- First requirement is land and other natural resources such as water, forests and minerals.
- Second requirement is labor. Some production activities require highly educated workers, other activities require workers who can do manual work.
- Third requirement is physical capital, i.e. the variety of inputs required at every stage during production. Tools, machines, buildings can be used in production over many years, and are called fixed capital. Raw materials and money in hand are called working; these are used up in production.

- (iv) There is a fourth requirement too. One needs knowledge and enterprise to be able to put together land, labor and physical capital and produce an output. this, these days is called human capital. every production is organised by combining land, labor, physical capital and human capital, which are know as factors of production.

FARMING N PALAMPUR

(a) Fixed land:

Farming is the main production activity in Palampur. 75 per cent of the working people are dependent on farming for their livelihood. Since 1960 in Palampur, there has been no expansion in land area under cultivation. By then, some of the wastelands in the village had been converted to cultivable land. There exists no further scope to increase farm production by brining new land under cultivation.

(b) Ways to produce more from the same land:

All land is cultivated in Palampur. No land is idle. During the rainy (kharif) season, people grow jowar and bajra which are used as cattle feed. Between Octobers to December they cultivate potatoes. In the winter (or the Rabi) season they sow wheat. a part of the land area is also devoted to sugarcane which is harvested once every year. The main reasons why farmers are able to grow three different crops in a year are:-

- (i) As a result of the coming of electricity in the Palampur village, people have greatly improved the system of irrigation. They can now irrigate more lands quite effectively.
- (ii) Tube wells were first installed by the government but soon people were able to set up their own tubewells.
- (iii) By multiple cropping more then one crop is grow on a piece of land during the same year. All farmers in Palampur grow at least two main crops; many are growing potato as the third crop.
- (iv) The other way is to use modern farming methods for higher yield. Higher yields are possible from a combination of HYV seeds, irrigation, chemical fertilisers, pesticides etc.

(c) Green Revolution:

Large increase in crop yields, leading to record food production started, in our country from 1960 onwards and marked a turning point in Indian agriculture which has led to green revolution in our country. The great increase in the production of food grain crops especially the wheat crop in our country during the last 30 years is called Green Revolution. This is because a sort of revolution has taken place in Indian agriculture leading to enormous food grain production. the revolution is called because it has led to unprecedented greenery of crops everywhere. The period 1960 to 1980 is also called 'golden era' for the record food grain production. it is because of the green revolution that our country has become salt sufficient in food production and even buffer stocks of food grains have been created for use in the times of natural calamities like drought and floods.

(d) How Electricity help the farmers in Palampur?

- (i) The major impact of the spread of electricity in Palampur was to transform the system of irrigation.
- (ii) Electricity helped the farmers to shift from the traditional Persian wheels to electricity run tube wells.
- (iii) The irrigation capacity of electricity run tube wells is much more then that of the Persian wheels.
- (iv) Spread of electricity leads, literally the whole society from darkness to light. it transforms all social economic norms of life . it is like a whole new world.

(e) Sustainable use of land:

- (i) land being a natural resource, it is necessary to be very careful in its use. The modern farming methods have overused the land resource.
- (ii) Green Revolution is associated with the loss of soil fertility due to increased use of chemical fertilizers.
- (iii) Continuous use of groundwater for tube well irrigation has reduced the water-table below the ground.
- (iv) Environmental resources like soil fertility and groundwater are built up over many years. Once destroyed, it is very difficult to restore them.

(f) Distribution of land between the farmers of Palampur:

- (i) Not all the people engaged in agriculture have sufficient land for cultivation. In Palampur, about one third of the 450 families are landless, i.e. 150 families, most of them dalits, have no land for cultivation.
- (ii) Of the remaining families who own land, 240 families cultivate small plots of land less than 2 hectares in size.
- (iii) In Palampur, there are 60 families of medium and large farmers who cultivate more than 2 hectares of land. A few of the large farmers have land extending over 10 hectares or more.

(g) Who will provide the labour?

- (i) Farming requires a great deal of hard work. Small farmers along with their families, cultivate their own fields. Thus, they provide the labor required for farming themselves. Medium and large farmers hire farm labourers to work on their fields.
- (ii) Farm labourers come either from landless families cultivating small plots of land. Unlike farmers, farm labourers do not have a right over the crops grown on the land. Instead, they are paid wages by the farmer for whom they work. Wages can be in cash or in kind of crop. Sometimes labourers get meals also. Wages vary widely from region to region, from crop to crop, from one farm activity to another (like sowing and harvesting).there is also a wide variation in the duration of employment. a farm labourer might be employed on a daily basis, or for one particular farm activity like harvesting, or for the whole year.

(h) The capital needed in farming:

- (i) Most small farmers have to borrow money to arrange for the capital. They borrow from large farmers or the village moneylenders or the traders who supply various inputs for cultivation. The rate of interest on such loans is very high. They are put to great distress to repay the loan.
 - (ii) In contrast to the small farmers, the medium and large farmers have their own savings from farming. They are thus able to arrange for the capital needed.
- (i) Sale of Surplus Farm Products:**
- (i) Small farmers have little surplus because their total production is small and from this a substantial share is kept for their own family needs. so, it is the medium and large farmers who supply wheat to the market.
 - (ii) Large and medium farmers sell the surplus farm products. a part of the earnings is saved and kept for buying capital for the next season. Thus, they are able to arrange for the capital for farming from their own savings. Some farmers might also use the savings to buy cattle, trucks, or to set up shops.

NON FARMING ACTIVITIES IN PALAMPUR

(a) dairy :

Dairy is a common activity in many families of Palampur. People feed their buffalos on various kinds of grass and the jowar and bajra that grow during the kharif season. The milk is sold in Raiganj, the nearby large village. Two traders from Shahpur town have set up collection cum chilling centers at Raiganj from where the milk is transported to far away towns and cities.

(b) Small scale manufacturing in Palampur:

Less than fifty people are engaged in manufacturing in Palampur unlike the manufacturing that takes place in the big factories in the big towns and cities, manufacturing in Palampur involves very simple production methods and are done on a small scale. they are carried out mostly at home or in the fields with the helps of family labor.

(c) The shopkeepers of Palampur:

People involved in trade (exchange of goods) are not many in Palampur. the traders of Palampur are shopkeepers who buy various goods from wholesale markets in the cities and sell them in the village. There are a few small general stores in the village selling a wide range of items like rice, wheat, sugar, tea, oil, biscuits, soap, toothpastes, batteries, candies, notebooks, pen, pencil and even some cloth.

(d) Transport:

there are a variety of vehicles on the road connecting Palampur to Raiganj. Rickshawallahs, tongawallahs, jeep, tractor, truck drivers and people driving the traditional bullock cart and bogey are people in the transport services. They ferry people and goods from one place to another, and in return get paid for it.

EXERCISE

OBJECTIVE DPP-1.1

- Which of the following is the main activity in village Palampur?
(A) Manufacturing (B) Farming (C) Transportation (D) Dairy
- Production activities need various types of resources which include-
(A) Natural Resources (B) Man made items (C) Human effort and money (D) All the above
- Production of any type of goods or services requires the service of _____ factors of production.
(A) Five (B) Four (C) Three (D) Two
- The name of the small town nearest to village Palampur is-
(A) Shanjahan pura (B) Shivpuri (C) Shahpur (D) Sheopur
- The village Palampur has a population of about how many families?
(A) 550 (B) 350 (C) 250 (D) 450
- People of which caste live in a corner of the village?
(A) Higher Caste (B) Middle income Group (C) OBC's (D) The SC's (Dalits)
- Physical capital means the-
(A) Raw materials and money (B) Capital that works
(C) Air, Water & Gas (D) All the above
- Working capital means-
(A) Working with capital (B) Capital that works
(C) Raw materials and money in hand (D) None of the above
- Human capital includes-
(A) The working population of the country
(B) All those places where humans live
(C) All that capital which is produced by humans
(D) All that capital which is used in production by only humans
- Which of the following is not a factor of production?
(A) Land (B) Labor (C) Capital (D) Trading
- Which of the following is a fixed factor of production?
(A) Land (B) Labor (C) Capital (D) Organisation
- Which non-farming activity is practiced in Palampur?
(A) Small manufacturing activities (B) Shop – keeping
(C) Transport (D) All of the above
- How many people of Palampur are engaged in non-farm activities?
(A) 10 per cent (B) 15 per cent (C) 20 per cent (D) 25 per cent
- Which types of transport are visible in the Palampur-Raiganj road?
(A) Bullock carts and Tongas
(B) Bogeys or wooden carts drawn by buffalos
(C) Motor vehicles like motorcycles, jeeps, tractors and trucks
(D) All of the above

SUBJECTIVE DPP - 1.2

Very Short Answer Type Questions:

1. What are the major economic activities of rural India?
2. What are factors of production? Name any four factors of production.
3. How many families are there in the Palampur village?
4. What is a fixed capital?
5. What is multiple cropping?
6. What is meant by HYV seeds?
7. Who are the farm labourers?
8. Who are the small farmers?

Short Answer Type Questions:

9. Is it important to increase the area under irrigation? Why?
10. What is the main production activity in Palampur?
11. What is capital? Distinguish between physical capital and working capital.
12. How electricity has helped the farmers of Palampur?
13. Why are the wages for farm labourers in Palampur less than minimum wages?
14. Distinguish between Rabi and Kharif crops. Make a list of various food grains and non food grain crops of both these seasons.
15. What are the different ways of increasing production on the same piece of land?
16. Differentiate between traditional and HYV seeds.

Long Answer Type Questions:

17. Define single-cropping, double-cropping and multiple-cropping.
18. How do the medium and large farmers obtain capital for farming? How is it different from the small farmers?
19. What can be done so that more non-farm production activities can be started in villages?
20. Modern farming methods require more inputs which are manufactured in industry. Do you agree?
21. What do you mean by green revolution? Why was it caused? Discuss its advantages and disadvantages to large and small farmers separately.

ANSWER KEY

(OBJECTIVE DPP 1.1)

Que.	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Ans	B	D	B	C	D	D	B	C	A	D	A	D	D	D



PEOPLE AS RESOURCE



SL-02 (E)

HUMAN CAPITAL

Population becomes human capital when there is investment made in the form of education, training and medical care. Human capital is the stock of skill and productive knowledge embodied in them. People as a resource are a way of referring to; a country's working people in terms of their existing productive skills and abilities.

(a) Human Capital formation:

When the existing 'human resource' is further developed by becoming more educated and healthy, we call it 'human capital formation' that adds to the productive power of the country just like 'physical capital formation'. 'Investment in human capital (through education, training, medical care) yields a return just like investment in physical capital'.

- (i) It increases the productivity of the workers.
- (ii) Educated, trained and healthy people can use natural resources in a better way.
- (iii) It adds to quality of labor.
- (iv) A country can earn foreign exchange by exporting services.

(b) Human resources is different from other resources like land and physical capital:

Land consists of all natural resources. These are provided to us by nature. Physical capital consists of all those objects that help in further production of different type of goods and services. Human resource, on the other hand, consists of knowledge and skills. Other resources are not capable of bringing about an improvement in them by their own effort; they can be changed only by human resources. They do not have a mind and a brain of their own. Human resources, on the other hand, can be trained to perform any task for which it is required. It requires education, training and health care. These, in turn, are again provided by human resources. Thus, human resources, unlike other factor resources, has an ability to improve itself.

(c) "Population is an asset for the economy rather than a liability":

Population, for long, had been seen as a liability which slows down the rate of economic growth. This view of population was based on the fact that population represented the stock of human beings. Human beings make a demand on a nation's resources for their survival. Larger the population, more the resources like, food, health facilities, etc., would be required by it for its survival. Hence, population would be treated as a liability. However, this view of population is not the correct one. More important thing is that population is the source of supply of the most important factor resource, i.e., human capital. It is human capital that organizes the population activity and makes other factor resources work. It is in this sense that the stock of knowledge and skills that constitutes human resource is a valuable asset. However, it may be noted that unless human beings are converted into human resource they may constitute a liability.

(d) Importance of Human Capital Formation:

Investment in human resource (via education and medical care) can give high rates of return in the future. This investment on people is the same as investment in land capital.

QUALITY OF POPULATION

The quality of population depends upon the literacy rate, health of a person indicated by life expectancy and skill formation acquired by the people of the country. The quality of the population ultimately decides the growth rate of the country.

(a) Education:

Advantages of Education:

- (i) Education helps individual to make better use of the economic opportunities available before him.
- (ii) Education and skill are the major determinants of the earning of any individual of the market.
- (iii) Education opens new horizons for an individual, provides new aspiration and develops values of life.
- (iv) Education contributes towards the growth of society also.
- (v) Education enhances the national income, cultural richness and increases the efficiency of governance.
- (vi) Literacy is not only a right; it is also needed if the citizen are to perform their right properly.

Steps taken by the government to promote education in India:

Among the important measures taken in recent years to promote education, the following may be mentioned:

- (i) Steps have been taken by government to promote universalisation of education.
- (ii) Navodaya Vidhyalayas have been set up in each of the districts to provide quality education.
- (iii) Vocational streams have been developed to equip large number of high school students with occupations related to knowledge and skills.
- (iv) Sarva Shiksha Abhiyan has been launched with the aim of providing elementary education to all children in the age group of 6 to 14 years by 2010.
- (v) Bridge courses and back to school camps have been initiated to increase the enrollment in elementary education.
- (vi) Mid-day meal scheme has been implemented to encourage attendance and retention of children. It also aims at improving nutritional status of children.

Four peculiarity of literacy in India:

- (i) The literacy rates have increased from 18% in 1951 to 65% in 2001.
- (ii) A vast difference is noticed across different sections of population. Literacy among males is nearly 50% higher than females and it is about 50% higher in urban areas as compared to the rural areas.
- (iii) Literacy rates vary from 96% in some districts of Kerala to a below 30% in some parts of Madhya Pradesh and Bihar.
- (iv) According to the census of 2001, a person aged 7 years and above who can read and write with understanding in any language is treated as literate.

Strategy pursued in the Tenth Five Year Plan to promote education :

- (i) The Tenth Five-Year Plan pays special attention to increase the enrollment in higher education of the 18 to 23 years age group from the present 6% to 9% by the end of the plan period.
- (ii) The strategy focuses on: a vast difference is noticed across, quality, adoption of state-specific curriculum modification, vocationalisation, networking and the use of information technology. The plan also focuses on distant education, convergence of formal, non-formal, distant and IT education and IT education institutions.
- (iii) The Tenth Plan provides for an expenditure of Rs. 43,825 crore on education during the period 2002-07, as against Rs. 151 Crore spent during the First Plan (1951-56).

(b) Health:

The health of a person helps him to realize his potential and the ability to fight illness. An unhealthy person becomes a liability for an organization indeed; health is an indispensable basis for relishing one's well-being. Health does not mean survival only; it involves not only the physical fitness of the individual but also his mental, economic and social well-being. Good health increases the efficiency of a worker. Good health increases the learning capacity of a worker.

Main elements of national health policy and its achievements:

Our national health policy aims at improving the accessibility of health care, family welfare and nutritional service with special focus on underprivileged segment of population. India has built up a vast health infrastructure and manpower required at primary, secondary, and tertiary care in government as well as in the private sector. The success of these measures gets reflected in the following:

- (i) Life expectancy has increased to over 64 years in 2000.
- (ii) Infant Mortality Rate has come down from 147 in 1951 to 75 in 2000.
- (iii) Crude birth rate have dropped to 26.1
- (iv) Death rate has come down to 8.7 during the same duration of time.

All these facts are indicators of better health conditions in the country.

UNEMPLOYMENT

Unemployment is said to exist when people who are willing to work at the going wages cannot find jobs.

(a) Disguised Unemployment:

It is a situation in which more workers are working in an activity than required. The people who are actually engaged in such an activity appear to be employed but are not fully employed, for e.g. if for the cultivation of one hectare land, 10 workers are required but instead of 10 workers, 15 workers are working in this case 5 workers are disguised unemployed. In such cases even if the surplus workers are removed, the overall production does not suffer.

(b) Seasonal Unemployment:

It is a type of unemployment in which a worker is employed during some parts of the year (especially during harvesting or sowing season) and remain without work during the rest of the year. Factors responsible for seasonal unemployment

- (i) Lack of small scale and cottage industries in rural areas.
- (ii) Lack of multiple cropping
- (iii) Lack of commercialization of agriculture.

(c) Structural unemployment:

The working force in India is very large. It wants work but the existing capital structure is unable to absorb them. The mismatch of available capital and the size of the labor force create persistent unemployment both in agriculture and industry. We lack resources to improve agriculture and industry to provide employment to our labor force. This causes unemployment. This type of unemployment occurs due to

- (i) Lack of capital
- (ii) Lack of resources.
- (iii) Under utilization of natural resources.
- (iv) Surplus workers as compared to demand.

Indian economy is facing structural unemployment as work force is more than the demand.

(d) Educated Unemployment:

If the spread of education is not according to the needs of economy it can create an army of educated unemployment. In India educated unemployment has become a common phenomenon.

India has failed to balance its education policy according to the needs of the economy. There is surplus of manpower in certain categories while there is a dearth of technical skills in other sectors.

‘Education unemployment a peculiar problem of India’

Education unemployment is a person who has some formal education upto some level, say senior secondary or more, and fails to find a job. This type of unemployment is on the rise in India. This is due to the following factors:

- (i) Much of the education is of low-quality and general in nature. It does not have any vocation-specific component. Therefore, much of it is irrelevant.

- (ii) The rate at which white-collar jobs have been created in India is much less than the rate at which population and education have been increasing.
- (iii) In the globalizing world, demand for high-skilled labor is fast increasing. There is no demand for persons with not or little skills. Our education system is mass producing this second category of persons.

Steps for solving the problem of educated unemployment:

The ultimate solution to the problem of educated unemployment is to be sought within the educated system.

- (i) This needs a proper manpower planning. Manpower planning implies that a realistic assessment should be made about the manpower requirements in different sectors of the economy. Once these assessments have been made, education and training programs in schools, colleges, universities and other professional and training institutes should be accordingly designed.
- (ii) Education should be made vocational. So that an-adult can find a suitable job immediately after he leaves a school or a college.
- (iii) Higher education should be restricted to a meaningful few. To be realistic, education at this level should be high quality and research-oriented. In short, universal education is a must; but higher education should be restricted to a few and should be of high standards.

(e) Technical Unemployment:

If unemployment occurs owing to changes in technology, it is referred to as technical unemployment. Suppose, when computer reduces the need for labourers drastically in an economy. This leads to technical unemployment.

(f) Magnitude of unemployment of India:

There are two ways by which the magnitude of unemployment is measured in India.

- (i) The first one is through conducting sample surveys and population census.
- (ii) The information provided by employment exchanges.

(g) Factors responsible for unemployment of India:

- (i) Rapid growth of population: our population has been continuously rising. From a population of 361 million in 1951 it has risen to 1027 million in 2001 but due to slow economic growth employment opportunities have not risen at the same pace.
- (ii) Over dependence on agriculture: Even after more than 50 years of independence more than 60% of our population still depends upon primary sector for its livelihood.
- (iii) Under-development of cottage and small scale industry: our rural sector is facing problems of disguised and seasonal unemployment. This is due to under development of cottage and small scale industry.
- (iv) Under-development industries: due to shortage of capital and other essential input the industrialization process is very slow. So the industrial sector has failed to provide enough job opportunities to unemployed workers.

(h) Disadvantages of Unemployment:

- (i) Wastage of resources: human capital is one of the most important resources. Unemployment leads to wastage of manpower resource. People who are an asset for the economy turn into a liability. There is a feeling of hopelessness and despair among the youth.
- (ii) Poverty: the basic cause of poverty is unemployment. People do not have enough money to support their family. Inability of educated people who are willing to work to find gainful employment implies a great social waste.
- (iii) Increase in dependent population: unemployment tends to increase economic overload. The dependence of the unemployed on the working population increase.
- (iv) Poor quality of life: the quality of life on an individual as well as of society is adversely affected. When a family has to live on a bare subsistence level, there is a general decline in its health status and rising withdrawal from the school system.

Hence, unemployment had detrimental impact on the overall growth of an economy. Increase in unemployment is an indicator of a depressed economy. It also wastes the resource, which could have been gainfully employed. If people cannot be used as a resource, they naturally appear as a liability to the economy.

(i) Employment scenario in the three sectors:

- (i) Agriculture is the most labour absorbing sector of the economy. More than 60% of the population is already working in the primary sector. This sector is already facing the problem of disguised unemployment. Some of the surplus labor has moved to either the secondary or the tertiary sector.
- (ii) In the secondary sector, small scale manufacturing is the most labor-absorbing. There is much scope in this sector as new manufacturing units are being set up.
- (iii) In case of the tertiary sector, various new services are now appearing like biotechnology, information technology and so on. As the need for the service sector is increasing, this sector has the ability to absorb a large number of working population.

(j) Methods to remove rural unemployment:

- (i) By promoting small scale and cottage industry.
- (ii) By spreading technical education.
- (iii) By promoting supplement works like animal rearing, horticulture etc.

EXERCISE

OBJECTIVE DPP- 2 .1

1. Population becomes human capital when there is investment made in the form of -
(A) Education (B) Training (C) Medical care (D) All of the above
2. _____resources are capable of bringing about an improvement in them by their own effort.
(A) Land (B) Capital (C) Mineral (D) Human
3. Activities which contribute to the flow of goods and services in the economy are called -
(A) Economy activities (B) Non-economy activities (C) Both (A) and (B) (D) None of the above
4. A large population need not be a liability. It can be turned into a productive asset by investment in -
(A) Human capital (B) physical activity (C) Land (D) Labour
5. The sector which includes agriculture, forestry, animal husbandry, fishing, poultry, farming and mining –
(A) Primary Sector (B) Secondary Sector (C) Tertiary Sector (D) All of the above
6. A process where by we add to the stock of human resources, but not human beings also in an economy is termed as:
(A) Human Resource (B) Human Capital
(C) Capital formation (D) Human capital formation
7. The plan outlay on education has increased from Rs. _____ crore in the first five year plan to Rs. _____ crore in the tenth five year plan.
(A) 125, 48253 (B) 151, 43825 (C) 170, 42385 (D) 190, 52834
8. When the number of person employed in a work is more than what is required, it is known as?
(A) Seasonal unemployment (B) Frictional unemployment
(C) Disguised unemployment (D) Secular unemployment
9. _____ is the death of children under one year of age.
(A) Mortality Rate (B) Death Rate (C) Early Death Rate (D) Infant Mortality rate
10. Which of the following is Non-Market Activity?
(A) Production for exchange (B) Production for self consumption
(C) Production for trade (D) Production for exports
11. Trade, Transport, Communication, Tourism, health and insurance are the activities included in:
(A) Primary Sector (B) Tertiary Sector (C) Secondary Sector (D) None of the above

12. In recent years, there has been a decline in the dependence of population on _____ partly because of disguised unemployment .
 (A) Agriculture (B) Industries (C) Transport sector (D) Banking sector
13. Which of the following countries has a poor natural resource but rich human resources?
 (A) India (B) Nepal (C) Japan (D) Sri Lanka

SUBJECTIVE DPP - 2.2

Very Short Answer Type Questions:

1. What is human capital?
2. How is human resource different from other resource like land and physical capital?
3. What is death rate?
4. Why are women employed in low paid work?
5. What is the role of health in human capital formation?
6. What major changes indicate improvement of health in India?
7. What is sarva shiksha Abhiyan?
8. How can the infant mortality rate be reduced?
9. How will you explain the term unemployment?
10. What is the male and female literacy rate in India?

Short Answer Type Questions:

11. Countries like Japan did not have any natural resources, still they are 'developed countries'. Give reasons.
12. What is the difference between economic activities and non-economic ?
13. What is the difference between disguised unemployment and seasonalur ?
14. Mention a few peculiarity of literacy in India.
15. Why is educated unemployed a peculiar problem of India?
16. What strategy has been adopted by the government in the Tenth Five Year Plan to improve the education sector?
17. What do you understand by virtuous cycle of human development?
18. How does unemployment adversely affect an economy?

Long Answer Type Questions:

19. What is the role of education is human capital formation?
20. Describe various activities undertaken in primary, secondary and territory Sector.
21. Define structural unemployment, disguised unemployment and seasonal unemployment?
22. Which of the factors of production, namely land, labor, physical and human capital is the best and why?
23. What do you understand by the term Gross National Product? Is it a correct measure of a country's progress? If not, what else methods can you suggest?
24. Outline the main elements of our national health policy. What are the main achievements in health area in India?

ANSWER KEY

(OBJECTIVE DPP 2.1)

Que.	1	2	3	4	5	6	7	8	9	10	11	12	13
Ans	D	D	A	A	A	D	B	C	D	B	B	A	C



POVERTY AS A CHALLENGE



SL- 03 (E)

INTRODUCTION

India has the largest single concentration of the poor in the world. This illustrates the seriousness of the challenge. Poverty means hunger and lack of shelter. It is also a situation in which parents are not able to send their children to school or a situation where sick people cannot afford treatment. Poverty also means lack of clean water and sanitation facilities. It also means lack of a regular job at a minimum decent level. Above all it means living with a sense of helplessness. Poor are in a situation in which they are ill-treated at almost every place, in farm, factories, government offices, hospitals, railway stations etc. Obviously nobody would like to live in poverty.

POVERTY AS SEEN BY SOCIAL SCIENTISTS

Usually the indicators used to work out poverty, relate to the level of income and consumption. But now poverty is looked through other social

Indicators like illiteracy level, lack of general resistance due to malnutrition, lack to access to healthcare, lack of job opportunities, lack of access to safe drinking water, sanitation etc. Analysis of poverty based on social exclusion and vulnerability is now becoming very common.

- (i) Social Exclusion: is a process through which individuals or groups are prevented from using facilities, benefits and opportunities that the better-off section of the society enjoy . Social exclusion can be both a cause and a consequence of poverty.
- (ii) vulnerability : vulnerability describes the greater probability of being more adversely affected than other-people when bad time comes for everybody, whether a flood or an earthquake or simply a fall in the availability of jobs.

POVERTYLINE

A common method used to measure poverty is based on the income or consumption levels. A person is considered poor if his or her income or consumption level falls below a given “minimum level” necessary to fulfil basic needs. Poverty line may vary with time and place. Each country uses an imaginary line that is considered appropriate for its existing level of development and its accepted minimum social norms. While determining the poverty line in India, a minimum level of food requirement, clothing, footwear, fuel and light, education and medical requirement to. Are determined for subsistence. these physical quantities are multiplied by their prices in rupees. The total equivalent is considered as poverty line. Daily minimum nutritional requirement for a person has been fixed at 2400 calories per person/ per day in rural areas and 2400 calories per person/per day in urban areas. The monetary expenditure per capital needed for buying these calorie requirements in terms of food grains etc. is revised periodically taking into consideration the rise in prices. On the basis of these calculations, for the year 2000, the poverty line for a person was fixed at Rs. 328 per month in rural areas and rs.454 per month in urban areas. In this way in the year 2000, a family of live members living in rural areas and reaming less then about Rs. 1640 per month will be below the poverty line. a similar family in the urban areas would need a minimum of rs.2270 per month to meet their basic requirements.

For making comparisons between developing countries, many international organizations like the World Bank use a uniform standard for the poverty line: minimum availability of the equivalent of \$ 1 per person per day.

Is present methodology of poverty

estimation appropriate?

No, the present methodology of poverty estimation is not appropriate. It is only a quantitative concept. It captures only a limited part of what poverty really means to the people. It is about a 'minimum' subsistence level of living rather than a 'reasonable level of living. Many scholars advocate that we must broaden the concept into human poverty. The other aspect like education, shelter, health, job, self-confidence equality etc. should also be included while calculating poverty.

POVERTY ESTIMATES

There is substantial decline in poverty ratios in India from about 55 per cent in 1993. the preparation of people below poverty line further came down to about 26 per cent in 2000. If the trend continues. People below poverty line may come down to less than 20 per cent in the next few years. The latest estimates indicate a significant reduction in the number of poor to about 260 million.

VULNERABLE GROUPS

The proportion of people below poverty line is also not same for all social groups and economic categories in India.

- (i) Social groups which are most vulnerable to poverty are scheduled caste and scheduled tribe households.
- (ii) Among the economic groups, the most vulnerable groups are the rural agricultural labor households and the urban casual labor households.
- (iii) Although the average for people below poverty line for all groups in India is 26, 51 out of 100 people belonging to scheduled tribe are not able to meet their basic needs. Similarly, 50 percent of casual workers in urban areas are below poverty line. About 50 percent of landless agricultural workers and 43 percent of scheduled castes are also poor.
- (iv) The double disadvantage, of being a landless casual wage labor household in the socially disadvantaged social groups of the scheduled caste or the scheduled tribe population highlights the seriousness of the problem.
- (v) some recent studies have shown that except that for the scheduled tribe household, all the other three groups i.e. scheduled castes, rural agricultural labourers and the urban casual labor household have seen a decline in poverty in the 1990s.
- (vi) Women, elderly people and female infants are systematically denied equal access to resources available to the family. Therefore women, children (especially the girl child) and old people are poorest of the poor.

INTER STATE DISPARITIES

There has been significant decline in poverty since independence. In 1960-61 more than 34% population of the country was living below poverty line which has declined to 26% in 2000-01. Although there has been reduction in poverty, the success rate of reducing poverty varies from state to state.

- (i) States with poverty ratio more than the national average: Orissa, Bihar, Assam, Tripura and Uttar Pradesh are the most poverty ridden states of India. The poverty ratio in these states is much higher than the national average. Orissa and Bihar are the poorest states with poverty ratio of 47 and 43 respectively. Most of these states are facing rural as well as urban poverty.
- (ii) States with poverty ratio less than the national average: recent studies show that in 20 states and Union Territories, the poverty ratio is less than the national average. There has been a significant decline in poverty ratio in Kerala, Andhra Pradesh, Tamil Nadu, Gujarat and West Bengal.

- (iii) States with poverty ratio: states like Panjab, Haryana, Goa, Himachal Pradesh and Jammu Kashmir have very low percentage of population living below poverty line.

GLOBAL POVERTY SCENARIO

- (i) The population of people in developing countries living in extreme economic poverty-defined by the World Bank as living on less than \$1 per day-has fallen from 28 per cent in 1960 to 21 per cent in 2001. Although there has been a substantial reduction in global poverty, it is marked with great regional differences.
- (ii) Poverty declined substantially in China and South-east Asian countries as a result of rapid economic growth and massive investments in human resource development.
- (iii) In the countries of South Asia (India, Pakistan, Sri Lanka, Bangladesh, Bhutan) the decline has not been as rapid.
- (iv) In Sub-Saharan Africa, poverty in fact rose from 41 per cent in 1981 to 46 per cent in 2001.
- (v) In Latin America, the ratio of poverty remained the same.
- (vi) The Millennium Development Goals of the United Nations calls for reducing the proportion of people living on less than \$1 a day to half the 1990 level by 2015.

CAUSES OF POVERTY

- (i) **BRITISH Rule:** Britishers ruled India for more than 100 years. Prior to the British rule, traditional Industries, for instance, textiles, were flourishing in India. During the British rule, they adopted policies to discourage such industries. This left millions of weavers poor.
- (ii) **Rural Economy:** Indian economy is predominantly rural economy. As such, the major production is of primary goods. In India, 70% of the total population is engaged in agriculture but its contribution to the national income is only one-third. It means that despite India being predominantly an agricultural country, it is very much backward in agriculture.
- (iii) **Heavy Pressure of Population:** population in India has increasing very rapidly. Main factors accounting for it is sharp fall in death rate but stable birth rate for the many decades. This pressure of population serves as a big stumbling block to economic development.
- (iv) **Chronic Unemployment and Under-employment:** with constant increase in population there has developed a situation of chronic unemployment and underemployment. Due to increasing pressure on land, per hectare availability of land is decreasing. Due to division of land, production is decreasing. Agriculture sector is also facing problem of disguised unemployment.
- (v) **Lack of Proper Industrialisation:** India is very backward from the industrial point of view. Hardly 3 percent of working population is engaged in large scale industries. Consumers' goods industries like soap, cloth, sugar, leather, oil etc. have developed to a large extent but capital and producers' goods industries have not yet developed properly.
- (vi) **Social factors:** social factors like illiteracy, large size of family, law of inheritance, and caste system are also responsible for prevalence of poverty ridden people.

ANTI POVERTY MEASURES

The current anti – poverty strategy of the government is based broadly on two planks

- (i) Promotion of economic growth
- (ii) targeted anti –poverty programmers.

(a) Promotion of Economic Growth:

- (i) Since the eighties, India's economic growth has been one of the fastest in the world. The growth rate jumped from the average of about 3.5 per cent a year in the 1970s to about 6 per cent during the 1980s and 1990s. The higher growth rates have helped significantly in the reduction of poverty. It is becoming clear that is a strong link between economic growth and poverty reeducation.
- (ii) Economic growth widens opportunities and provides the resources needed to invest in human development. This also encourages people to send their children, including the girl child, to schools in the hope of getting better economic returns from investing in education.

(b) Targeted Anti – Poverty Programmers:**National Rural Employment guarantee Scheme (NREGA) 2005:**

- (i) It was passed in September 2005. This Act provides for 100 days assured employment every year to every rural household in 200 districts. Later the scheme will be extended to 600 districts.
- (ii) one third of the proposed jobs will be reserved for women.
- (iii) The Central Government will establish National Employment Guarantee Funds.
- (iv) State government will establish State Employment Guarantee Funds for implementation of the scheme.
- (v) Under the programme if an applicant is not provided employment within fifteen days, she/he will be entitled to a daily unemployment allowance.

National Food for Work Programme (NFWP):

- (i) It was launched in 2004 in 150 most backward districts of the country.
- (ii) The programme is open to all rural poor who are in need of wage employment and desire to do manual unskilled work.
- (iii) It is implemented as a 100 percent centrally sponsored scheme and food grains are provided free of cost to the states.

Prime Minister Rozar Yozana (PMRY):

- (i) It is another scheme which was started in 1993.
- (ii) The aim of the programme is to create self-employment opportunities for educated unemployed youth in rural areas and small business and industries.
- (iii) They are helped in setting up small business and industries.

Rural Employment Generation Programme (REGP):

It was launched in 1995. The aim of the programme is to create self-employment opportunities in rural areas and small towns. A target for creating 25 lakh new jobs has been set for the programme under the Tenth Five Year Plan.

Swarnjayanti Gram Swarojgar Yojana (SGSY):

It was launched in 1999. The programme aims at bringing the assisted poor families above the poverty line by organizing them into self help groups through a mix of bank credit and government subsidy.

Pradhan Mantri Gramodaya Yozana (PMGY):

- (i) It was launched in 2000.
- (ii) Additional central assistance is given to states for basic services such as primary health, primary education, rural shelter, rural drinking water and rural electrification.

Antyodaya Anna Yozana (AAY):

This scheme was launched in December 2000. Under this scheme one crore of the poorest among. The BPL families covered under the targeted public distribution system were identified. Poor families were identified by the respective state rural development departments through a Below Poverty Line (BPL) survey. Twenty five kilograms of food grains were made available to each eligible family at a highly subsidized rate of Rs 2 per Kg for wheat and Rs 3 per for rice. This quantity has been enhanced from 25 to 35 kgs with effect from April 2002. The scheme has been further expanded twice by additional 50 lakh BPL families in June 2003 and in August 2004. With this increase, 2 crore families have been covered under the AAY.

(c) Assessment of poverty – alleviation programmes:

Poverty-alleviation programmes have been implemented in India since 1978. The results of these programmes have been mixed.

On the positive side, the incidence of poverty has declined in India . There has been a significant fall in poverty during the decades of 1980s and 1990s. Whereas in 1973, about 55 percent of India's population lived below poverty. This ratio has currently come down to 26 percent.

On the negative side, poverty reduction remains India's most compelling challenge. About one-fourth on India's total population, i.e., about 260 million persons, live below the line of poverty. This shows that the poverty alleviation programmes have not lived up to the expectations. The major weaknesses of these programmes have been as follows:

- (i) Lack of proper implementation.
- (ii) Lack of right targeting
- (iii) Overlapping of schemes.
- (iv) Non-delivery of benefits to the targeted groups.

THE CHALLENGES AHEAD

- (i) Poverty has certainly declined in India. But despite the progress, poverty reduction remains India's most compelling challenge. Wide disparities in poverty are visible between rural and urban areas and among different states.
- (ii) Poverty reeducation is expected to make better progress in the next ten to fifteen years. This would be possible mainly due to higher economic growth, increasing stress on universal free elementary education, declining population growth, increasing empowerment of the woman and the economically weaker section of society.
- (iii) The official definition of poverty captures only a limited part of what poverty really means to people. It is about a "minimum" subsistence level of living rather than a "reasonable" level of living. We must broaden the concept into human poverty.
- (iv) With development the definition of what constitutes poverty also changes. Eradication of poverty is always a moving target. Hopefully we will be able to provide the minimum "necessary" in terms of only income to all people by the end of the next decade. But the target will move on for all, and achieving gender equality and dignity for the poor. These will be even bigger tasks.

EXERCISE

OBJECTIVE DPP- 3.1

1. Poverty means:
(A) Lack of intelligence (B) Lack of proper health (C) Lack of income (D) All of the above
2. An estimated income that is required to purchase the minimum subsistence needs of a person is termed as:
(A) Poverty ratio (B) Income level (C) poverty line (D) poverty standard
3. The attitude of higher income groups people towards the poor that forces the latter to keep away maintaining any social with the former is known as:
(A) Social awareness (B) Social contract (C) Social exclusion (D) Social contact
4. World Bank uses a uniform standard for the poverty line; minimum availability of the equivalent of _____ per person per day.
(A) Rs. 10000 (B) 100 Yen (C) 10 Euro (D) 1 U.S. Dollar
5. In 1960-91 more than _____ population of the country was living below poverty line which has declined to _____ in 2000-01.
(A) 34%, 26% (B) 46%, 34% (C) 58%, 36% (D) 36%, 22%
6. Which of the following is the minimum calories requirement of poverty in India?
(A) 2200 in urban and 2600 in rural areas (B) 1800 in urban and 2300 in rural areas
(C) 2100 in urban and 2400 in rural areas (D) None of the above

7. The minimum monthly expenditure in India for poverty line is fixed at:
 - (A) 428 per month person in rural and 445 in urban areas
 - (B) 428 per person in rural and 444 in urban areas
 - (C) 328 per person in rural and 454 in urban areas
 - (D) Rs. 328 in rural and 445 in urban areas
8. The poverty ratio in this state is less than the national average-
 - (A) Kerala
 - (B) Assam
 - (C) Punjab
 - (D) Gujarat
9. India is very backward from the industrial point of view. Hardly _____ of working population is engaged in large scale industries.
 - (A) 3 per cent
 - (B) 13 per cent
 - (C) 31 per cent
 - (D) None of the above
10. Since the eighties, India's growth has been one of the fastest in the world. the growth rate jumped from the average of about _____ a year in the 1970s and 1980s and 1990s.
 - (A) 1.5%, 5%
 - (B) 2.5%, 7%
 - (C) 3.5%, 7%
 - (D) 3.5%, 6%
11. This programme provides for 100 days assured employment every year to every rural household in 200 districts.
 - (A) NFWP
 - (B) PMRY
 - (C) NREGA
 - (D) All the above
12. Prime Minister Rozgar Yozana was started in –
 - (A) 1993
 - (B) 1995
 - (C) 1999
 - (D) 2003
13. Which programme aims at bringing the assisted poor families above the poverty line by organizing them into self help groups through a mix of bank credit and government subsidy?
 - (A) SGSY
 - (B) PNGY
 - (C) AAY
 - (D) PMRY
14. Poverty Alleviation Programmes have been implemented in India since-
 - (A) 1958
 - (B) 1968
 - (C) 1978
 - (D) 1988
15. How many people in India live in poverty?
 - (A) 20 crore people
 - (B) 26 crore people
 - (C) 30 crore people
 - (D) None of the above

SUBJECTIVE DPP - 3.2

Very Short Answer Type Questions:

1. Define Poverty.
2. What is Poverty Line?
3. What is accepted average calorie requirement in India for rural and urban areas?
4. Which two states of India continue to be the poorest states?
5. What do you mean by poverty alleviation programmes?
6. Who is the poorest of the poor?
7. What is the aim of the National and State Employment Guarantee Funds?
8. Identify the social and economic groups which are more vulnerable to poverty in India.

Short Answer Type Questions:

9. Explain the measurement of poverty.
10. Do you think that present methodology of poverty estimation is appropriate?

11. What are the Prime Minister's Rozgar Yojna (PMRY) and swaranjayayanti Shahri Rozgar Yojna (SJSRY)?
12. Discuss the poverty trends in India since 1973.
13. Give an account of inter-state disparity in India.
14. Discuss global poverty trends.
15. What are the main features of the National Rural Employment Guarantee Act 2005?

Long Answer Type Questions:

16. Discuss the major reasons for poverty in India.
17. Describe current government strategy of poverty alleviation.
18. "Poverty has certainly declined in India. But despite the progress, poverty reduction remains India's most compelling challenge." Discuss.

ANSWER KEY

(Objective DPP 3.1)

Que.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Ans	D	C	C	D	A	C	C	B	A	D	C	A	A	C	B



FOOD SECURITY



SL- 04 (E)

FOOD SECURITY

Food security means availability, accessibility and affordability of food to all people at all times. Food security depends on the public Distribution System (PDS), Government vigilance and action at times when this security is threatened.

Food security has following dimensions:

- (i) Availability of food production within the country, food imports and the previous years stock stored in government granaries.
- (ii) Accessibility means food is within reach of every person.
- (iii) Affordability: it implies that a person has enough money to buy sufficient nutritious and safe food to meet one's dietary needs. Thus, food security is ensured in a country only if
 - (I) Enough food is available for all the person.
 - (ii) All persons have the capacity to buy food of acceptable quality.
 - (iii) There is no barrier on access to food.

WHY FOOD SECURITY

(a) Over population:

The population of India is increasing at a very fast rate. the population of India has increased from 361 million in 1951 to 1027 million in 2001.

(b) Reduction in net sown area under cereals:

There has been a gradual shift from cultivation of food crops to cultivation of fruits, vegetables, oilseeds and other cash crops, which also act as industrial raw material; This has lead to the reduction in net sown area under cereals, millets and pulses.

(c) Hoarding and black marketing:

There is continuous tendency on the part of traders in India to hoard food grains and to accentuate the shortage of food grains in order to push up the prices for reaping extraordinary profit.

(d) Reduction of land under cultivation:

The use of more and more land for construction of factories, warehouses and shelters has reduced the land under cultivation and new fertile land for framing no longer available.

(e) Corrupt administrative practices:

The government has imposed various measures like price controls, rationing, zoning, surprise checks etc. but as the administrative machinery in India is totally corrupt, these measures fail to reap any benefit to the general masses of the country.

(f) Natural calamities:

Natural calamities like earthquake, drought, flood, tsunami, famine etc. can also adversely affect the food security of the country.

How is food security affected during a calamity?

Due to a natural calamity, say drought, total production of foodgrains decreases. It creates a shortage of food in the affected areas. Due to shortage of food if such calamity happens in a very wide spread area of is stretched over a longer time period, it may cause a situation of starvation. A massive starvation might take a turn of famine. a famine is characterized by wide spread deaths due to starvation and epidemics caused by forced use of contaminated water or decaying food and loss of body resistance due to weakening from starvation . There are places like Kalahandi and Kashipur in Orissa where famine-like conditions have been existing for many years and where some starvation deaths have also been reported. Therefore, food security is needed in a country to ensure food at all times.

WHO ARE FOOD INSECURE?

- (i) In India, the worst affected groups are landless people with or no land to depend upon, traditional artisans, providers of traditional services, petty self-employed workers and destitute including beggars.
- (ii) In the urban areas, the food insecure families are those working members are generally employed in ill-paid occupation and casual labor market. These workers are largely engaged in seasonal activities and are paid very low wages that just ensure bare survival.
- (iii) The social composition along with the inability to buy food also plays a role in food insecurity.
- (iv) The SCs, STs, and some sections of the OBCs (lower castes among them) who have either poor land-base or very low land productivity are prone to food insecurity.
- (v) The people affected by natural disasters, who have to migrate to other areas in search of work, are also among the most food insecure people.
- (vi) A high incidence of malnutrition prevails among women. This is a matter of serious concern as it puts even the unborn baby at the risk of malnutrition.

(a) Which states are more food insecure?

the food insecure people are disproportionately large in some regions of the country, such as economically backward states with high incidence of poverty, tribal and remote areas, regions more prone to natural disasters etc. in fact, the states of Uttar Pradesh (eastern and south-eastern parts), Bihar, Jharkhand, Orissa, West Bengal, Chattisgarh, parts of Madhya and Maharashtra account for largest number of food insecure people in the country.

(b) Hunger:

Hunger is another aspect indicating food insecurity. Hunger is not just an expression of poverty, it brings about poverty. The attainment of food security therefore involves eliminating current hunger and reducing the risk of future hunger. Hunger has chronic and seasonal dimension.

(i) Seasonal Hunger:

Seasonal hunger is related to cycle of food growing and harvesting. During off season, prices of foodgrains become high or there can be shortage of foodgrains. This situation leads to seasonal hunger. This type of hunger exists when a person is unable to get work for the entire year.

(ii) Chronic Hunger:

Chronic hunger is a consequence of diets persistently inadequate in terms of quality. The basic cause of chronic hunger is very low income. The type of hunger exists when a person is unable to get work for the entire year.

(c) India is aiming at self-sufficiency in foodgrains since independence:

- (i) After independence, Indian policy makers adopted all measures to achieve self-sufficiency in food grains. India adopted a new strategy in agriculture, which resulted in the ‘Green Revolution’ especially in the production of wheat and rice.

- (ii) Since the advent of the Green revolution in the early-'70s, the country has avoided famine even during adverse weather conditions.

Impact of Green Revolution:

- (i) The success of Green Revolution has made India self sufficient in good grains.
- (ii) Because of Green Revolution there was an increase in the production of wheat and rice.
- (iii) The higher rate of growth was achieved in Punjab and Haryana.
- (vi) Tami Nadu and Andhra Pradesh recorded significant increase in rice yield.
- (v) The increase in the production of foodgrains helps the Government to build buffer stock.
- (vi) This buffer stock led to food security.

FOOD SECURITY IN INDIA

India has become self-sufficient in foodgrains during the thirty years because of a variety of crops grow in whole country. The availability of foodgrains at the country level has further been ensured with a carefully designed food designed system. This system has two components: (a) Buffer Stock (b) Public Distribution System.

(a) What is Buffer Stock?

Buffer Stock refers to the stock of foodgrains, namely wheat and rice procured by the government through Food Corporation of India (FCI). The FCI purchases wheat and rice from the farmers in states where there is surplus production. FCI procures wheat and rice from the market immediately after harvesting of these crops. The stocks are released for sale through the Fair Price Shops. The principal objective of buffer stock is to maintain stability in the prices of foodgrains. The prices stability is essential to protect the interests of both producers and consumers: of course, different conditions favour producers and consumers.

- (i) If there is a bumper crop: by guaranteeing to purchase crops at a pre-announced price, the government ensures that price of wheat does not crash, and farmers interests are protected.
 - (ii) If there is a crop deficit: in this situation wheat would be released from the buffer stock; it would be made available for sale in the market, Supply of wheat would increase. price of wheat could come down.
- Thus buffer stocks help to protect the interests of both producers and consumers.

(b) Public distribution system.

The food procured by the FCI is distributed through government regulated ration shops among the poorer section of the society. This is called the Public Distribution System (PDS). Ration shops are now present in most localities, villages, towns and cities. There are about 4.6 lakh ration shops all over the country. Rations shops also know as Fair Price Shops, keep stock of foodgrains, sugar, and kerosene oil for cooking. These items are sold to people at a price lower than the market price. Any family with a ration card can buy a stipulated amount of these items every month from the nearby ration shops.

History of Rationing in India:

The introduction of Rationing in India dates back to the 1940s against the backdrop of the Bengal Famine. The rationing system was revived in the wake of an acute food shortage during the 1960s, prior to the Green Revolution. In the wake of high incidence of poverty levels, as reported by NSSO in the mid-1970s, three important food intervention programmes were introduced.

- (i) Public Distribution System for Foodgrains (in existence earlier but strengthened thereafter).
- (ii) Integrated Child Development Services (ICDS) introduced in 1975 on an experimental basis.
- (iii) Food-for-work programme introduced in 1977-78.

- (iv) At present, there are several Poverty Alleviation Programmes (PAPs), mostly in rural areas, which have an explicit food component also. While some of the programmes such as PDS, mid-day meals etc. are exclusively food security Programmers, most of the PAPs also enhance food security.

Current states of Public Distribution System:

- (i) In 1992, Revamped Public Distribution System (RPDS) was introduced in 1,700 blocks in the country . the target was to provide the benefits of PDS to remote and backward areas.
- (ii) Targeted Public Distribution System (TPDS) was introduced to adopt the principle of targeting the 'poor in all areas' . it was for the first time that a differential price was adopted for poor and non-poor.
- (iii) Two special schemes were launched in 2000. (a) Antyodaya Anna Yojana (AAY) (b) Annapurna Scheme (APS) with special target groups of 'poorest of the poor' and 'indigent senior citizens'.

National food for work programme:

This scheme was launched on November 14, 2004 in 150 most backward districts of the country with the objective of intensifying the generation of supplementary wage employment. The programme is open to all rural poor who are in need of wage employment and desire to do manual unskilled work. It is implemented as a 100 per cent centrally sponsored scheme and the foodgrains are provided to States free of cost. The Collector is the nodal officer at the district level and has the overall responsibility of planning, implementation, coordination, monitoring and supervision. For 2004-05, Rs 2,020 crore have been allocated for the programme in addition to 20 lakh tones of foodgrains.

Antyodaya Anna Yojana (AAY):

This scheme was launched in December 2000. Under this scheme one crore of the poorest among the BPL families covered under the targeted public distribution system were identified. Poor families were identified by the respective state rural development departments through a Below Poverty Line (BPL) survey. Twenty five kilogram of foodgrains were made available family at a highly subsidized rate of Rs 2 per kg for wheat and Rs 3 per for rice . This quantity has been enhanced from 25 to 35 kgs with effect from April 2002. the scheme has been further expended twice by additional 50 lack BPL families in June 2003 and in August 2004. With this increase, 2 crore families have been covered under the AAY.

Achievement of Public Distribution System:

- (i) The PDS has proved to be the most effective instrument of government policy over the years in stabilising prices and making food available to consumers at affordable prices.
- (ii) The system, including the minimum support price and procurement has contributed to an increase in food grain production and provided income security to farmers in certain regions.

Problem Associated with Public Distribution System:

- (i) There is a general consensus that high level of buffer stocks of foodgrains is very undesirable and can be wasteful. the storage of massive food stocks has been responsible for high carrying costs, in addition to wastage and deterioration in grain quality.
- (ii) The increase food grain procurement at enhanced MSP is the result of the pressure exerted by leading foodgrain producing states, such as Punjab, Haryana and Andhra Pradesh.
- (iii) PDS dealers are sometimes found resorting to malpractices like diverting the grains to open market to get better margin, selling poor quality grains at ration shops, irregular opening of the shops , etc.

ROLE OF COOPERATIVES IN FOOD SECURITY

- (i) The cooperative are also playing an important role in food security in India especially in the southern and western parts of the country.
- (ii) The cooperative societies set up shops to sell low priced goods to poor people.
- (iii) In Delhi, Mother Dairy is making strides in provision of milk and vegetables to the consumers at controlled rate decided by Government of Delhi. Amul is another success story of cooperatives in milk and milk products from Gujarat.
- (iv) In Maharashtra, Academy of Development Science (ADS) has facilitated a network of NGOs for setting up grain banks in different regions.

(v) ADS organises training and capacity building programmes on food security for NGOs.

- (vi) Grain Banks are now slowly taking shape in different parts of Maharashtra. Ads efforts to set up Grain Banks, to facility replication through other NGOs and to influence the Government's policy on food security are thus paying rich dividends.

EXERCISE

OBJECTIVE DPP- 4 .1

- If a nation can not ensure for all of its citizens availability of enough nutritious food, it will be a situation of:
(A) Food insecurity (B) Living insecurity
(C) Minimum living standard insecurity (D) None of the above
- Stock of food grains, namely wheat and rice procured by the government through Food Corporation of India (FCI):
(A) Food stock (B) Food grain stock (C) Buffer stock (D) All of the above
- a shop in which consumer goods are available at subsidized rate is called:
(A) Retail shop (B) Fair Price shop (C) Ration shop (D) Both (B) & (C)
- Availability, accessibility and affordability of food to all people at all times is termed as :
(A) Abundance of food (B) Food security (C) Meals security (D) Social Security
- The price at which the foodgrains are sold to the consumers by the fair price shops is known as:
(A) Purchase Price (B) Consumers Price (C) Issue Price (D) Selling Price
- The famine of Bengal occurred in the year:
(A) 1934 (B) 1943 (C) 1946 (D) 1933
- Rationing is termed as:
(A) A system of consumption (B) A system of production
(C) A system of exchange (D) A system of distribution
- Food security depends on the:
(A) Public Distribution system
(B) Government vigilance and action at times when this security is threatened
(C) Public Awareness
(D) Both (A) & (B)
- Availability of food means:
(A) Food production within the country (B) Food imports from other countries
(C) Previous years stock in government granaries (D) All the above
- Food within the reach of every person means:
(A) Availability (B) Affordability
(C) Accessibility (D) Quality of the food should be good
- Affordability implies that an individual has:
(A) Enough money to buy food
(B) Enough money to keep food safe
(C) Enough capability to keep food nutritious
(D) Enough money to buy sufficient, safe and nutritious food to meet his dietary need
- 'Seasonal' and 'Chronic' are the two types of:
(A) Poverty (B) Hunger (C) Insecurity (D) Food availability
- Which of the following crop's production increased rapidly in India after Green Revolution?
(A) Mustard & Groundnut (B) Sugarcane and Sunflower
(C) Wheat and Rice (D) Tea and Coffee
- Which of the following states achieved the highest rate of growth of foodgrain production during 1964-65 to 1995-96?
(A) Gujarat and Maharashtra (B) Rajasthan and Madhya Pradesh
(C) Andhra Pradesh and Tamil Nadu (D) Punjab and Haryana

15. Food grains such as rice and wheat are procured in India for buffer stock by :
- National Agricultural Cooperative Government of India
 - Food Corporation of India
 - ministry of Food and Agricultural Government of India
 - State Trading Corporation of India

SUBJECTIVE DPP - 4.2

Very Short Answer Type Questions:

- What is meant by food security?
- Name the two dimensions of hunger.
- Give any two main defects of the public distribution system.
- Which two states witnessed a high rate of growth in the production of food grains.
- Name any two Yozanas introduced with one objective of each for food security.
- Which type of people are more vulnerable to food insecurity?
- To whom the BPL card is issued?
- Mention the names of any four cooperative societies working in different states of India.

Short Answer Type Questions:

- What are three dimension of food security?
- Who is food security ensured in India?
- Which people are more prone to food security in India?
- Which states is more food insecure in India?
- Do you believe that green revolution has made India self-sufficient in food grains? How?
- Explain how a section of the people are still without food.
- What happens to the food supply in case of a disaster or a calamity?
- Differentiate between seasonal hunger and chronic hunger.
- Discuss any two important schemes launched by the government to provide food security to poor in India.

Long Answer Type Questions:

- Describe a buffer stock created by the government.
- What are the aims, achievements and problems of Public Distribution System in India?
- What is the role of cooperatives in providing food and related items in India.
- Write short notes on:
 - Minimum Support Price
 - Fair Price Shops
- Trace in brief the history of rationing in India.

ANSWER KEY

(Objective DPP 4.1)

Que.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Ans	A	C	D	B	C	B	D	D	D	C	D	B	C	D	B