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A STUDY ON POVERTY ERADICATION IN DEVELOPING COUNTRIES

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ABSTRACT

Income inequality has led to a number of negative outcomes, with poverty being unquestionably the most serious one in practically all poor nations with extremely low per capita incomes. It has a negative impact on people's productivity, efficiency, and health, all of which have an impact on their income. A portion of society is deprived of the most basic essentials, including food, clothing, housing, education, and health. Instead of a lack of sufficient income to meet essential necessities, poverty is more often characterised by social marginalisation of an individual, household, or group within the community or society. Undoubtedly, a lack of income is one of the causes of marginalisation, though it is not the only one. The objective of this paper to eradicate poverty should be to include marginalised people in the nation's development process rather than just boosting income levels for individuals, households, or groups. When certain groups of individuals are relegated to society's margins, the nation cannot assert that its economy is growing. For everyone, especially the most marginalised individuals, access to services like education and health care should be accelerated by the process of rapid economic expansion. Despite all the progress made over the last five and a half decades, 34.3% of Indians still live on less than $1 (PPP) each day. On a global scale, this population's share was seen as poor. World Development Report's suggested standard. So, this paper aims to investigate governmental policies, plans, and programmes for eradicating poverty.

Keywords: Poverty, Income, Marginalisation, Poverty Eradication.

I. INTRODUCTION

A large portion of the world's population suffers from poverty, a serious economic and social issue that takes many different forms. These include chronic hunger and malnutrition, homelessness, a lack of durable goods, disease, a lack of access to clean water, a lack of education, a short life expectancy, social exclusion and discrimination, high unemployment rates, and a high rate of infant and maternal mortality. As poverty negatively affects people's wellbeing, eliminating it has been deemed a moral, social, political, and economic duty of humanity. Despite the fact that poverty exists in every nation, it is more prevalent in Sub-Saharan Africa and South Asia.

Even though there has been significant success in reducing poverty over the past 20 years, more needs to be done to both lower the rate of extreme poverty and the overall number of people living in poverty. Given that the rate of poverty might decrease while the number of the poor rises at the same time, this is a crucial component of the fight against poverty. This paper is based on the idea that success in reducing poverty can be attained by identifying the poor, evaluating the degree of poverty in various developing country regions, identifying the causes of poverty and the opportunities for lowering poverty rates and raising living standards, and removing the various barriers to poverty reduction.

POVERTY ERADIICATION STRATEGIES:

Developing nations can overcome poverty by, among other things, implementing sound economic and social policies, using resources creatively and efficiently, investing in technological advancement, practising good governance, and having visionary leaders who have the political will to put the needs of the poor first.

STIMULATING INCLUSIVE ECONOMIC GROWTH:

Economic growth is essential for helping underdeveloped communities to make better use of their resources, raise their output and incomes, escape the cycle of poverty, and meet their fundamental requirements . But in order to reduce poverty, economic growth must be inclusive and occur at a rate that is faster than the rate of population expansion. Since that agriculture makes up the majority of the economy in poor communities, efforts to eliminate extreme poverty should be focused on boosting agricultural productivity and production.

Among the specific strategies for achieving this overarching objective are encouraging the use of high yielding crop varieties and complementary inputs like fertilisers and pesticides; intensifying the use of land through technological advancements like increased irrigation use where water is a constraint to agricultural production; and implementing post-harvesting strategies that minimise agricultural produce loss.

ECONOMIC INSTITUTIONAL:

The execution of economic and institutional reforms to create conditions that draw investment, boost competitiveness, assure increased efficiency in the use of resources, promote economic growth, and create jobs is a crucial step in eliminating poverty in developing nations. These reforms, if well planned and carried out, can play a significant role in improving governance, lowering endemic corruption, and improving accountability—all of which have contributed to the subpar economic performance of some developing nations. Among the reforms that are required are the following: improving governance to ensure greater inclusivity, transparency, and accountability; reducing the misuse of public resources and unproductive expenditures; ensuring a greater focus on the needs and priorities of the poor; maintaining macroeconomic stability; and addressing structural barriers to accelerating growth. The poor can gain from these reforms by having better access to land and other economic resources, as well as by having their needs and priorities properly taken into account when creating policy. To improve their effectiveness and support the poor, tax systems in developing nations must also be changed.

PROMOTING MICRO FINANCE INSTUTATION AND PROGRAMS:

The formation of small companies and other income-generating ventures in underdeveloped communities in various developing nations is severely hampered by a lack of funding . This restriction can be lifted and the much-needed credit given to small businesses—many of whom are frequently unable to receive loans from formal banking institutions—through microfinance firms. As a result, micro-credit can play a crucial role in boosting economic growth, establishing jobs in the unorganised sector, raising household incomes, and eradicating poverty. In rural areas where traditional financial institutions have struggled to have a substantial influence, Vatta has remarked that microfinance organisations have a fair chance of reaching the poor and addressing the fundamental concerns of rural development.

Reduced transaction costs, flexibility in loan repayment, and an overall improvement in loan repayment are some benefits of obtaining credit from microfinance institutions. Other benefits include less stringent requirements for providing collateral, which eases access to credit; the possibility for the poor to obtain smaller loans more frequently, enabling the credit needs for various purposes and at shorter time intervals to be met. Small, unorganised self-help groups, which frequently serve as the basis for microcredit lending, are beneficial for promoting social empowerment as well as education, skill development, entrepreneurship, the sharing of ideas and experiences, and increased accountability among group members.

CASH /INCOME TRANSFER PROGRAMS:

In emerging nations, where structural adjustments brought on by globalisation have increased social and economic hazards, cash transfer programmes are a critical component of the social safety that is much required. According to Sneyd, Monchuk , Barrientos et al., and Barrientos and Dejong , globalisation has made developing economies more open and exposed them to changes in global markets, which has increased the concentration of social risk among vulnerable populations. As examples of nations where cash transfer systems have dramatically reduced poverty and vulnerability among poor households, they cite South Africa, Bangladesh, Brazil, Mexico, and Chile. Additionally, they emphasise that cash transfer systems help households because they are adaptable and improve household welfare because households are free to spend the extra money on whatever priorities are important to them. Yet, the necessary funds can be made available for investment in cash transfer programmes by cutting back on wasteful spending and implementing tax reforms. Bangladesh and several other central Asian nations that have been successful in funding cash transfers from their national budgets serve as examples of the effectiveness of this strategy. The possibility of obtaining medium-term assistance from international organisations should be investigated by nations who are unable to fund cash transfer programmes with their own resources. Cash transfer programmes' short-term concentration on reducing only current poverty and inability to provide a sustainable decline in poverty independent of the transfer itself have been a key source of concern for many scholars. Cash transfers are also criticised for being a waste of scarce public resources and a very inefficient method of reducing poverty.

SCHEMES:

National family Benefit scheme (NFBS):

This scheme was started in August 1995 by GOI. It was transferred the state sector scheme after 2002-03. This scheme provides a sum of 10000RS to a person of a family who become the head of the family after the death of primary breadwinner. A breadwinner is a person who is above 18 who earns the most of the family and the family survives on his/her earnings. It is for families below the poverty line

Annapurna

This scheme was started by the government in 1999-2000 to provide food to senior citizens who cannot take care of themselves and are not under the targeted public distribution system (TPDS), and who have no one to take care of them in their village. This scheme would provide 10kg of free food grains a month for the eligible senior citizens. The allocation for this scheme as off 2000-01 was RS 100 crore.

Rural Housing-Indira Awaas Yojana (IAY)

This scheme aimed at creating housing for everyone. It aimed at creating 20 lakh housing unit out of which 13lakhs were in rural area. This schemes in 1999-2000. In 1999-2000 1438.39 crore RS was used for this schemes and about 7.98 lakh units were built. In 2000-01 an central outlay of 1710.00 crores RS was

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)

Started in 2005, this scheme guarantee 100 days of paid work to people in the rural areas. The schemes has proved to be a major boost in Indian rural population's.

II. CONCLUSION

In order to significantly reduce it, end the cycle of poverty, and raise living standards, developing countries must take concentrated and long-term action to address poverty. Poverty is multifaceted and involves other aspects of well-being, including food, water, sanitation, health, shelter, education, access to services, and human rights, even though money is the yardstick that is most frequently used to measure and analyse it. According to a number of reports, youth make up the majority of the population in these nations, making it possible to reduce poverty by focusing on them. The implementation of policies aiming at reducing poverty and vulnerability as well as raising living standards is now taking place in various stages in developing countries. Fostering inclusive economic growth is essential for ensuring that the rewards of economic growth are widely distributed as well as for growing output and incomes. By making their economies more efficient and competitive, developing nations may help combat the problem of poverty. This can be done through implementing institutional and economic changes that lower business costs, improve connections between different economic sectors, safeguard property rights, lower corruption, and promote greater responsibility in public management. Developing nations may contribute to the fight against poverty by improving the competitiveness and efficiency of their economy. This can be accomplished by enacting institutional and economic changes that cut business costs, strengthen ties between various economic sectors, protect property rights, eradicate corruption, and encourage greater accountability in public administration.

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