POVERTY: CONCEPTS, DATA, POLICY AND ANALYSIS

Poverty is deprivation of basic needs that determine the quality of life- food, clothing, shelter, safe drinking water etc. It also includes the deprivation of opportunities to health, education, skills, employment etc. Agricultural wage earners, small and marginal farmers and casual workers engaged in non-agricultural activities, constitute the bulk of the rural poor. Small land holdings and their low productivity are the cause of poverty among households dependent on land-based activities for their livelihood. Poor educational base and lack of other vocational skills also perpetuate poverty. Due to the poor physical and social capital base, a large proportion of the people are forced to seek employment in vocations with extremely low levels of productivity and wages.

There are many reasons for poverty which include:
- Colonial destruction of economy
- Uncontrolled population
- Growth is not rapid to eradicate poverty
- Models of growth may be unsuitable for poverty alleviation. For example, capital-intense growth in a labour surplus country like India
- Poverty is a vicious circle preventing investment and development.
- Geographic factors, for example lack of fertile land and access to natural resources.
- Anti-poverty schemes not being effective due to institutional and other inadequacies
- Insurgencies as in the north east of India and naxalism as in the eastern corridor
- Lack of education and skills.
- gender discrimination

Poverty Is A Cognitive Tax

Scientists have demonstrated what we observe around us: Chronic poverty causes health difficulties, educational failure, mental health challenges, and impoverished aspirations. Finances for appropriate provision are not available, and overexposure to stress has negative consequences on physical and emotional development. Poverty causes cognitive depletion and thus is a "cognitive tax" on the poor. Researchers suggest that people who find themselves poor spend an enormous amount of mental energy managing the state of poverty. The constant preoccupation with the difficulty generated as a result of not having appropriate resources narrows down thinking, focusing attention on the concern at hand. This intense and concentrated use of energy reduces a person's "mental bandwidth", preventing them from managing effectively other areas of their lives, because worry is consuming them.

A variety of studies point to a correlation between poverty and counterproductive behavior. The poor use less preventive health care, fail to adhere to drug regimens ,are less likely to keep appointments , are less productive workers , less attentive parents , and worse managers of their finances. These behaviors are troubling in their own right, but they are particularly troubling because they can further deepen poverty. Some explanations of this correlation focus on the environmental conditions of poverty. Predatory lenders in poor areas, for example, may create

high-interest-rate borrowing, and unreliable transportation can cause absenteeism. Lower levels of formal education, for example, shows as financial illiteracy.

The condition of poverty imposed, as one study showed, a mental burden similar to losing 13 IQ points, or comparable to the cognitive difference that's been observed between chronic alcoholics and normal adults.

The finding further weakens the theory that poor people, through inherent weakness, are responsible for their own poverty – or that they ought to be able to lift themselves out of it with enough effort. This research suggests that the reality of poverty actually makes it harder to execute fundamental life skills. Being poor means coping with not just a shortfall of money, but also with a concurrent shortfall of cognitive resources. Poverty being the villain, it strengthens the case for welfare state and inclusive growth.

Poverty Concepts

Types of Poverty:

Human Poverty is the lack of essential human capabilities- literacy and nutrition.

Income Poverty is the lack of sufficient income to meet minimum consumption needs.

Extreme Poverty The World Bank defines extreme poverty as living on less than $1.90 a day (2016).

Relative Poverty is the condition in which people lack the minimum amount of income needed in order to maintain the average standard of living in the society in which they live. It is defined in terms of the society in which an individual lives and therefore differs between countries and over time. That is, poverty is relative to the country and its standard of living.

World Bank and relative poverty metrices
WB defined the extreme poverty line first in 1990 at $1 a day which became $1.9 a day presently. In an attempt to be more precise with its classifications, the WB in 2017 November added new standards of poverty for people living in middle- and high-income countries.The new standards are set at $3.20 a day for people in "lower-middle-income" countries, such as Egypt or India; $5.50 a day for "upper-middle-income" countries, such as Jamaica or South Africa; a third standard for high-income countries, like the US, at $21.70 a day.

The United Nations aims to eradicate extreme poverty by 2030 as part of its Sustainable Development Goals. Much of the success is owed to organizations like the World Bank, UNICEF, and the Gates Foundation, which has spent billions over the past decade to alleviate poverty around the world. One of the hallmarks of this success has been the reduction in a group of side effects related to poverty, such as hunger, child mortality, maternal mortality, and widespread declines in the world's deadliest diseases, such as HIV/AIDS and malaria.

Absolute Poverty is defined as "a condition characterized by severe deprivation of basic human needs, including food, safe drinking water, sanitation facilities, health, shelter, education and information. It depends not only on income but also on access to services

Poverty Line

It is the level of income below which one cannot afford to purchase all the resources one requires to live.

Poverty lines are defined as the per capita monetary requirements an individual needs, to afford the purchase of a basic set of goods- food and other goods.

Some definitions include only certain calories of intake and convert it into monetary value. In India monetary requirement to consume 2100 calories in urban areas and 2400 calories in rural areas per day per person was the absolute poverty line but was changed later till the Tendulkar line was adopted in 2010. Other definitions include more goods and services in the basket. The monetary value is determined and indexed to inflation and the line is drawn dynamically.

Headcount Ratio

The incidence of poverty is revealed by this ratio. It shows the percentage of the population whose per capita incomes are below the poverty line, that is, the population that cannot afford to buy a specified basic basket of items.

Poverty Gap (PG)

PG is a measure of the intensity of poverty among the poor: the difference between the mean income among the poor and the poverty line. This indicator measures the magnitude of poverty as well as its intensity- number of poor and how poor they are. The Poverty Gap Index is the combined measurement of incidence of poverty and depth of poverty. PG is also called the Foster-Greer-Thorbecke (FGT) index. It is the gap between the average poverty among the poor and the poverty line.

Misery Index

The misery index was initiated by Chicago Economist Robert Barro in the 1970's. It is the unemployment rate added to the inflation rate. It is assumed that both a higher rate of unemployment and a worsening of inflation cause and intensify the misery. A combination of rising inflation and more people of out of work ("stagflation") implies a deterioration in economic performance and a rise in the misery index.

Planning Commission and Poverty

The Planning Commission as the nodal agency in the Government of India for estimation of poverty has been estimating the number and percentage of poor at national and state levels. Estimates of poverty are made from the large sample survey data on household consumer expenditure conducted by the National Sample Survey Organization (NSSO) of the Ministry of Statistics and Programme Implementation.

NSSO and Poverty Estimates

National Sample Survey Organisation (NSSO) collects household consumer expenditure data every five years on a large sample. Household consumer expenditure surveys are also conducted annually but the sample size is much smaller. Every five years full surveys on 1,20,000 households are carried out. In the intervening period, "thin" samples of around 20,000 households are surveyed. The "thin" samples do not indicate trends fully.

Planning commission initially gave poverty numbers and related data ratios since 1979 based on the Alagh Committee Report of that year. This procedure was subsequently modified by the Lakdawala Committee (1993).The commission appointed an expert group led by Suresh

Tendulkar to suggest a new poverty line for rural areas. It submitted its report in 2009. It used the latest data to construct a new poverty line basket. It moved away from the calorie intake as anchor for poverty estimation and included health and education. Tendulkar committee did not deal with the urban poverty as the line was not controversial at that time. Arjun Sengupta Commission on unorganised enteprises estimated 77% of the population can be categorised poor and vulnerable. The Tendulkar poverty line in 2009-10 was 4,298 per month for a family in urban and 3,364 per month for a family in rural areas.

Rangarajan Committee

A new expert committee under C Rangarajan went into revisiting the methodology for estimation of poverty and identification of the poor after the Tendulkar poverty line was found unsatisfactory in its methodology. The panel looked into the issue of linking poverty estimates with providing benefits under the Centre's social welfare schemes. That is, are entitlements to be given only to the poor? In other words, the committee went into setting standards for poverty definition so that we can face the human challenge of poverty eradication and also assess how far we have done so, so far since Independence. The panel assessed whether poverty can be determined on any criteria other than the consumption basket.

It redefined the poverty line in 2014. According to the the committee, the new poverty line should be Rs 32 in rural areas and Rs 47 in urban areas at 2011-12 prices. The earlier poverty line figure was Rs 27 for rural India and Rs 33 for Urban India. The Rangarajan report added 93.7 million more to the list of the poor assessed as per the Suresh Tendulkar committee formula. The total number of poor has reached 363 million from 269 million in 2011-12. For Rangarajan committee household is poor if it is unable to save. The methods also include certain normative levels of adequate nourishment, clothing, house rent, conveyance, education etc. It also considered average requirements of calories, protein and fats based on ICMR norms differentiated by age and gender. Based on this methodology, Rangarajan committee estimated the number of poor were 19 per cent higher in rural areas and 41 per cent more in urban areas than what was estimated using Tendulkar committee formula.

NC Saxena Committee

The Ministry of Rural Development in 2008 appointed a committee headed by NC Saxena to calculate the rural BPL figures in the states.

Officially, there are two sets of BPL estimates in India, one made by the Planning Commission using NSSO data on household consumption expenditure and the other by the rural development ministry through a state-level BPL house-to-house census. The mismatch between the two, with Planning Commission progressively lowering poverty estimates while the states push higher numbers, has been a source of controversy. The Centre allocates resources for BPL schemes based on the figures of the Planning Commission. The committee chaired by NC Saxena recommended that 50% of India's population be given below-poverty-line cards. Thus, it suggests expansion of the social security net involving fiscal and administrative challenges.

While advocating exclusion of large number of families from the BPL lists, the committee recommended that those families having double the land of the district average of the agricultural land or two wheeler or one running bore well or income tax payers would be deleted from the BPL lists. The panel recommended that some disadvantaged communities be given BPL cards automatically. These include chronically vulnerable groups, such as households with members having tuberculosis, leprosy, disability, mental illnesses or HIV/AIDS and others, designated 'primitive tribe', designated dalit groups, homeless household etc.

The Centre notified 13 new parameters for defining Below Poverty Line (BPL) category of people in the country. It has done away with the earlier definition based on food calories or annual earnings. The revised definition is based on landholding, type of dwelling, clothing, food security, hygiene, capacity for buying commodities, literacy, minimum wages earned by the household, means of livelihood, education of children, debt, migration and priority for assistance. The matter had been stayed by the Supreme Court and has only now been vacated.

Urban Poverty

The Planning Commission had constituted an expert group under S. R. Hashim in 2010 to recommend detailed methodology for identification of BPL families in urban areas in the context of the 12th Five Year Plan. The expert group submitted an interim report recommending that poverty in urban areas be identified through identification of specific vulnerabilities in residential, occupational and social categories.

It said that those who are houseless, live in temporary houses where usage of dwelling space is susceptible to insecurity of tenure and is affected by lack of access to basic services should be considered residentially vulnerable.

Houses with people unemployed for a significant proportion of time or with irregular employment or whose work is subject to unsanitary or hazardous conditions or have no stability of payment for services should be regarded occupationally vulnerable.
Households headed by women or minors or where the elderly are dependent on the head of household or where the level of literacy is low or members are disabled or chronically ill should be considered socially vulnerable, it said.

Pronab Sen Committee

The Ministry of Housing and Urban Poverty Alleviation set up a committee to look into various aspects of Slum statistics /Census and issues regarding conduct of slum census 2011. The committee submitted its report to the Ministry of Housing and Urban Poverty Alleviation in 2010.

The salient finding / recommendations of the committee are: -
- The committee estimated Slum population in the country in 2001 as 75.26 million and the projected slum population in the country for the year 2011 at 93.06 million.

- The committee suggested a different definition for slum than the definition adopted by the census of India 2001 and the states. The committee recommended a normative definition of slum as: "A compact settlement of at least 20 households with a collection of poorly built tenements, mostly of temporary nature, crowed together usually with inadequate sanitary and drinking water facilities in unhygienic conditions."

The committee suggested adoption of the following as slum-like characteristics for the purpose of identification of the slum areas: -
- Predominant roof material: any material other than concrete
- Availability of drinking water source: not with premises of the census house
- Drainage facility: no drainage or open drainage

The committee recommended that a contiguous area with 20-25 house holds having slum like characteristics be counted as slum.

SECC

The Socio Economic and Caste Census 2011 (SECC) was conducted for the 2011 Census of India.GOI approved the Socio Economic and Caste Census 2011 and was conducted in all states and union terriotories of India and the first findings were revealed in 2015. SECC 2011 is also the first paperless census in India conducted on hand-held electronic devices by the government in 640 districts. Therural development ministry, union government has taken a decision to use the SECC data in all its programmes such as MGNREGA, National Food Security Act, and the Deen Dayal Upadhyaya Grameen Kaushalya Yojana. SECC 2011 was the first-ever caste-based census since 1931 Census of India

SECC 2011 has three census components which were conducted by three separate authorities, but under the overall coordination of Ministry of Rural Development in the Government of India:

- Census in Rural Area has been conducted by the Ministry of Rural Development.

- Census in Urban areas is under the administrative jurisdiction of the Ministry of Housing and Urban Poverty Alleviation.

- Caste Census is under the administrative control of Ministry of Home Affairs: Registrar General and Census Commissioner of India.

SECC 2011 data was criticised that caste related data is deliberately withheldTamil Nadu leaders demanded to release the caste-based census data that will help to provide the key to justify the existing 69 per cent quota for backward communities inTamil Nadu. However, the census was welcomed as it reveals how many castes enjoy the benefits and how many don't and to what extent has the welfare spread. Also, it helps better targeting the welfare schemes.

Justice G Rohini Commission

President Ram Nath Kovind appointed a five-member Commission headed by Delhi High Court's former Chief Justice G Rohini to examine the sub-categorisation of Other Backward Classes (OBCs) under Article 340 of the Constitution in October 2017.

This decision has been taken to ensure more backward among the OBC communities to avail the benefits of reservation

It will examine the extent of inequitable distribution of benefits of reservation among the castes or communities included in the broad category of OBCs with reference to such classes included in the Central List.

It will also work out the mechanism, criteria, norms, and parameters in a scientific approach for sub-categorisation within such OBCs and will take up the exercise of identifying the respective castes or communities or sub-castes or synonyms in the Central List of OBCs and classifying them into their respective sub-categories.

The Commission has been asked to submit its report to the President within a period of twelve weeks. On receipt of the report, the Central government will consider ways and means for equitable distribution of the benefits of the reservation in Central government jobs and admission in Central government institutions amongst all strata of OBCs. SECC data will be useful in this context.

Eradication of Poverty

The strategy of the Government includes the following elements
- Socio economic planning
- welfare state. For example, food security Act 2013. Energy security through through schemes like Saubhagya, Ujjwala etc.
- Progressive taxation to garner fiscal resources for spending on poor
- Social safety net like the National Social Assistance Programme (NSAP)
- Open society in which poverty is recognized as a national challenge and earnest efforts are made to tackle it (Amartya Sen)
- Anti-poverty programmes – Pradhan Mantri Awas Yojana, **Deendayal** Antyodaya Yojana (DAY) etc.
- Massive social sector expenditure for skill building
- Decentralization through PRIs and Nagarapalikas for better delivery models

Niti Aayog Task Force on Poverty Elimination

Constituted in 2015 under the Chairmanship of Dr. Arvind Panagariya, Vice Chairman, NITI Aayog, the report of the Task Force primarily focusses on issues of measurement of poverty and strategies to combat poverty. Regarding estimation of poverty, the report could not reach a consensus. With respect to strategies to combat poverty, the Task Force has made recommendations on faster poverty reduction through employment intensive sustained rapid growth and effective implementation of anti-poverty programs.

MDGs and SDGs

MDG 2000

The Millennium Development Goals (MDGs) were the eight international development goals for the year 2015 that had been established following the Millennium Summit of the United Nations in 2000, following the adoption of the United Nations Millennium Declaration. Following are the MDGs:
- To eradicate extreme poverty and hunger
- To achieve universal primary education
- To promote gender equality and empower women
- To reduce child mortality
- To improve maternal health
- To combat HIV/AIDS, malaria, and other diseases
- To ensure environmental sustainability
- To develop a global partnership for development

SDG 2015

The Sustainable Development Goals (SDGs), officially known as Transforming our world: the 2030 Agenda for Sustainable Development is a set of seventeen aspirational "Global Goals" with 169 targets between them. Spearheaded by the United Nations, through a deliberative process involving its 193 Member States, as well as global civil society, the goals inspired by United Nations Secretary-General Ban Ki-moon that "there can be no Plan B, because there is no Planet B" They were adopted at the UN Sustainable Development Summit September 25–27, 2015

Goal 1. End poverty in all its forms everywhere

Goal 2. End hunger, achieve food security and improved nutrition, and promote sustainable agriculture

Goal 3. Ensure healthy lives and promote well-being for all at all ages

Goal 4. Ensure inclusive and equitable quality education and promote life-long learning opportunities for all

Goal 5. Achieve gender equality and empower all women and girls

Goal 6. Ensure availability and sustainable management of water and sanitation for all

Goal 7. Ensure access to affordable, reliable, sustainable, and modern energy for all

Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Goal 10. Reduce inequality within and among countries

Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable

Goal 12. Ensure sustainable consumption and production patterns

Goal 13. Take urgent action to combat climate change and its impacts*

Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development

Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Goal 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development.

Similarities and Differences

Outline of the similarities and differences between the Millennium Development Goals (MDGs) launched in 2000, and the Sustainable Development Goals (SDGs) in 2015 when the MDGs expired

- **Zero Goals:** The MDG targets for 2015 were set to get us "half way" to the goal of ending hunger and poverty, with similar proportional goals in other fields. The SDGs are designed to finish the job – to get to a statistical "zero" on hunger, poverty, preventable child deaths and other targets. This approach will call for very different strategies: getting "halfway there" encouraged countries to "do the easiest parts first." Getting to zero requires a real focus on the empowering the poorest and hardest to reach.

- **More Comprehensive Goals:** There were 8 MDGs. There are 17 SDGs

- **Inclusive Goal Setting:** The MDGs were created through a top-down process. The SDGs are being created in one of the most inclusive participatory processes the world has ever seen

- **Distinguishing Hunger and Poverty:** In the MDGs, Hunger and Poverty were joined together in MDG1 – as if solving one would solve the other. So much has been learned about nutrition since that time, and the SDGs treat the issue of poverty separately from Food and Nutrition Security.

- **Funding:** The MDGs were largely envisioned to be funded by aid flows – which did not materialize. The SDGs put sustainable, inclusive economic development at the core of the strategy, and address the ability of countries to address social challenges largely through improving their own revenue generating capabilities.

- **Peace Building:** The inclusion of peace-building in SDGs is critical to the success of ending hunger and poverty — yet was totally ignored in the MDGs.

- **Data Revolution:** The MDGs said nothing about monitoring, evaluation and accountability – the SDGs target by 2020 to "increase significantly the availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts."

- **Quality Education:** The MDGs focused on quantity (eg, high enrollment rates) only to see the quality of education decline in many societies. The SDGs represent the first attempt by the world community to focus on the quality of education – of learning – and the role of education in achieving a more humane world: "education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship, and appreciation of cultural diversity and of culture's contribution to sustainable development."

Role of Niti Aayog in SDGs

NITI Aayog has been entrusted with the role to co-ordinate 'Transforming our world: the 2030 Agenda for Sustainable Development' (called as SDGs). The task at hand for NITI Aayog is not merely to periodically collect data on SDGs but to act proactively pursue the goals and targets not only quantitatively but also maintaining high standards of quality. Ministry of Statistics and Programme Implementation (MoSPI) has already undertaken a parallel exercise of interaction with the ministries to evolve indicators reflecting the SDG goals and targets.

To achieve these tasks, the draft mapping of the goals and targets as an initial step on proposed Nodal and other Ministries has been carried out in consultation with MoSPI. Further, as an illustration, the Centrally Sponsored Schemes (CSSs), including the 'core of the core', 'core' and 'optional' Schemes being implemented by the States have been mapped alongwith some of the recent initiatives undertaken by the Central Government. In addition, Ministries are implementing Central Sector Schemes and States are also implementing various State Schemes aligned with one or more SDGs.

Voluntary National Review of Implementation of SDGs in India

As a signatory to the 2030 Agenda for Sustainable Development, India is committed to participate in the international review of progress of Sustainable development Goals (SDGs) on a regular basis. The central platform for international follow-up and review of the 2030 Agenda is the High-Level Political Forum (HLPF), which has started meeting annually since 2016 under the auspices

of the UN Economic and Social Council (ECOSOC). In the HLPF, UN member countries are expected to present their Voluntary National Review (VNR) on implementation of SDGs. The VNRs thus serve as a basis for international review of progress of SDGs.

The 2017 HLPF was held in July 2017 at the United Nations, New York. It focused on the theme: 'Eradicating poverty and promoting prosperity in a changing world' and on the SDGs 1 (No Poverty); 2 (Zero Hunger); 3 (Good Health and Well-Being); 5 (Gender Equality); 9 (Industry, Innovation and Infrastructure), 14 (Life Below Water) and 17 (Partnerships for the Goals).

As a part of its role, NITI Aayog has presented the 1 st Voluntary National Review on implementation of SDGs in the country to the 2017 HLPF in July 2017

The report details various measures and programmes being implemented across India towards achieving the core objectives of the 17 ambitious global goals, including poverty eradication, economic growth, ending hunger and achieving food security, gender equality, promoting inclusive and sustainable industrialisation and climate action. The programmes highlighted in the report are the 'Mahatma Gandhi National Rural Employment Guarantee Act', 'Beti Bachao Beti Padhao', 'Sagarmala', 'Clean India' campaign and the Aadhaar Act.

The report said that externally, the country has played a key role in shaping the SDGs and ensuring the balance among its three pillars - economic, social and environmental. Internally, it has launched many programmes to make progress towards these goals. India said it will continue to pursue the implementation of the SDG agenda through close collaboration between the national and sub-national governments as well as active participation of all other relevant stakeholders. It also said that apart from integrating the SDGs into its on-going national and sub-national policies and programmes, India will continue to focus on nurturing partnerships at the regional and global levels," the country's review report said.

It will work towards ensuring a greater flow of finances and technology from developed countries - in alignment with their explicit commitment in the context of the 2030 Agenda - to developing and least developed nations

India's VNR

Government sees SDG 1 on the most important goal, which needs continued economic growth to be achieved. The key programmes were: PM Jan Dhan Yojana (world's largest financial inclusion programme), National Rural Drinking Water Programme, Swaachh Bharat Mission (Clean India Mission), Housing for All by 2020, and PM's rural roads programme.

SDG 2 on ending hunger, improving nutrition programmes: doubling farmers income by 2022, Integrated Child Development Services, Public Distribution System, and the mid-day meal programme.

SDG 3 on health and wellbeing programmes: National Health Mission, National Vector Borne Disease Programme, and National Programme for Prevention of Non-communicable Diseases.

SDG 5 on gender equality ("the most important SDG as well, in addition to the eradication of poverty"): Save the Girl Child, Educate the Girl Child, Maternity Benefit Programme, Women Transforming India, and Stand Up India.

SDG 9 on Infrastructure and Innovation: Rural Electrification scheme (reached 99% of Indian homes already), Make in India, (building roads and infrastructure, FDI), Attal Innovation Mission.

SDG 14 on life under the water: Mangroves for the Future, National Oil Spill Contingency Plan 2015, National Policy on Marine Fisheries 2017, and Sagarmala (port-led development).

SDG 17 on global partnership for sustainable development: Direct tax reform, GST, public private partnerships, south-south cooperation, Aadhar, direct benefits transfer, and having 2% of company profits being spent on social programmes.

India expects developed countries to help developing ones to reach these goals, especially in the area of curbing illicit financial flows.

Universal Basic Income (UBI)

A universal basic income is a form of social security in which all citizens or residents of a country receive a regular, unconditional sum of money, from government, It is being debated across the world as automation threatens jobs; growth being low needs to be stimulated with basic income and as a form social security. There are advantages:

Transparency: Basic income is a much simpler and more transparent welfare system than the one existing in the welfare states around the world today. Instead of having numerous welfare programs, it would simply be one universal unconditional income. This strategy for introducing basic income is controversial because some basic income supporters argue that it should be added to the existing welfare system rather than a replacement for it. Also, money may not buy goods where people are in remote areas and markets have not developed. Further, there are questions about quality of goods and services and inflation.

Administrative efficiency: One of the benefits of a basic income is lower overall cost than that of the current one. For example, aadhaar linkage and direct transfer. However, if basic income does not deliver is reversed, it becomes problematic as because of it the welfare administration is dismantled like the PHCs, PDS shops etc.

Poverty reduction: Basic income is often argued for by its advocates because of its potential to reduce poverty, or even eradicate poverty. But the claims are contested as the fiscal space available in a country like India is limited and markets have not penetrated.

Basic income and growth: Basic income and growth allows for economic growth: there is assured demand because of the transfers. This is also debatable as the continuation is not guaranteed and so investors confidence may not be high to produce.

Freedom: Beneficiaries can use the income for whatever they want. The down side is that it will open up the faultlines like girls and women being sidelined; wasteful expenditure may be spent on etc. There is also a belief among critics that if people have free and unconditional money, they will not work (as much). Less work means less tax revenue and hence less money for the state and cities to fund public projects. There are also concerns that some people will spend their basic income on alcohol and drugs

Basic income in India started with the project organized by India's Self Employed Women's Association (SEWA) with support from UNICEF in 2011.

In total there are 20 villages in the project.According to pilot projects, positive results were found.Villages spent more on food and healthcare, children's school performance improved in 68% of families, time spent in school nearly tripled, personal savings tripled, and new business startups doubled.

In India the existing subsidies may be pruned by aadhaar linkage and the fiscal savings thus generated may be used for basic income whether it is for schemes like buying internet time or for health expenditure etc. But enormous care should be taken not to be overrun by the exuberance for UBI as that may lead to the existing structures for welfare being replaced by adhoc schemes. Economic Survey 2017 began the debate about the pros and cons of UBI.

Multidimensional Poverty Index (MPI)

Poverty is often defined by one-dimensional measures, such as income. But no one indicator alone can capture the multiple aspects that constitute poverty. Multidimensional poverty is made up of several factors that constitute poor people's experience of deprivation – such as poor health, lack of education, inadequate living standard, lack of income (as one of several factors considered), disempowerment, poor quality of work and threat from violence. A multidimensional measure can incorporate a range of indicators to capture the complexity of poverty and better inform policies to relieve it. Different indicators can be chosen appropriate to the society and situation.

The Multidimensional Poverty Index (MPI) was developed in 2010 by Oxford Poverty & Human Development Initiative and the United Nations Development Programme and uses different factors to determine poverty beyond income-based lists. It replaced the previous Human Poverty Index.

The index uses the same three dimensions as the Human Development Index: health, education, and standard of living. These are measured using ten indicators.

Dimension	Indicators
Health	• Child Mortality • Nutrition
Education	• Years of school • Children enrolled
Living Standards	• Cooking fuel • Toilet • Water • Electricity • Floor • Assets

Each dimension and each indicator within a dimension is equally weighted.

The MPI is an index of acute multidimensional poverty. It shows the number of people who are multi-dimensionally poor (suffering deprivations in 33% of weighted indicators) and the number of deprivations with which poor households typically contend.