

Decadal Review of Poverty in India¹

Pallavi Mody², Nirja Mattoo³ and Chinmay Joshi⁴

Abstract

This paper reviews the state of poverty in India over the past seven decades. Though the definition of poverty shifted from a monetary to a multidimensional measure, estimates of the number of people living in poverty declined. The paper acknowledges the limitations of measurement of poverty and the challenges from conceptual clarity to the data gathering and interpretation in different time periods and different regions. The study attempts to look at several policy initiatives that tried to correct the imbalance. Finally, the paper compares international experiences of uplifting millions from the curse of poverty.

Keywords: Poverty Alleviation, Income Inequality, Multidimensional Poverty Index (MPI), Public Distribution System (PDS), Direct Benefit Transfer (DBT), Technology and Innovation

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² Professor, Economics and Policy, Bhavan's SPJIMR, Mumbai (pallavimody@spjimr.org).

³ Professor, Economics and Policy, Bhavan's SPJIMR, Mumbai (nirja@spjimr.org).

⁴ Research Associate, Economics and Policy, Bhavan's SPJIMR, Mumbai (chinmay.ioshi@spjimr.org) and Research Scholar at Gokhale Institute of Politics and Economics (GIPE), Pune.

1. Introduction

Despite steady economic growth, particularly since liberalisation in the 1990s, poverty alleviation remained a pressing issue for policymakers in India. Poverty is not confined solely to rural areas of India; it is also evident in urban areas where people have easy access to resources. It is worth noting that India has been spearheading several concrete initiatives to eradicate the curse of poverty, resulting in substantial progress in alleviating poverty and improving the standard of living of millions of people across the country over recent years.

The World Bank announced in 2025 that by 2023, India had achieved a remarkable milestone in poverty reduction. Extreme poverty, at \$2.15/day at PPP, declined to 2.3% in 2022-23 from 16.2% in 2011-12, lifting 171 million out of poverty. If the threshold of income was raised to \$3/day at PPP, the decline in poverty was more dramatic, to 5.3% from 27.1%, lifting 269 million out of poverty (World Bank).

How did a nation of 1.4 billion, with a massive rural population, serious unemployment and underemployment, manage to lift over 270 million people out of absolute poverty within a decade? Given that about 50% of the population lived in poverty in the 1970s, is India on the way to solving the issue of absolute poverty?

A decadal study of poverty from 1951 to 2025, encompassing definitions of poverty, the extent of poverty, government policy interventions, and the roles of other stakeholders, would provide important insights in this regard. External shocks of the 1960s, the effects of the Green Revolution and the targeted approach of Garibi Hatao in the 1970s, the watershed Economic Reforms of 1991, and several other policy interventions, such as MGNREGA, were instrumental in correcting the poverty imbalance.

The study also includes a review of the literature, focusing on seminal works that have addressed the causes of poverty in India, recommended policy initiatives, and examined the outcomes of such actions. Furthermore, the study makes an international comparison to analyse how nations such as China, Taiwan, Vietnam and Bangladesh have tackled poverty reduction. The study concludes by acknowledging the limitations of measuring poverty and highlighting the difficulties arising from conceptual ambiguity, data-collection restrictions, and the interpretation of data in geographical locations and historical periods.

2. Literature review

Poverty is essentially perceived as a condition in which people or households are deprived of basic necessities such as food, shelter, healthcare, and education. Early definitions of poverty revolved around calorie-based consumption arising from inability to afford sufficient

nutritious food intake (Dandekar and Rath 1971). Several studies have highlighted this relationship between consumption and economic growth. (Palmer-Jones and Sen, 2001; Gangopadhyay and Singh, 2013; Patnaik, 2013).

Further, it has been discovered a close association between poverty and economic disparity that coexist. Existence of wide Income inequality has been identified as a major cause of poverty (Sen and Himanshu, 2004; Dev and Ravi, 2007; Roy and Weide, 2022; Deaton and Dreze, 2002).

According to Datt (1997), during the period 1951 to 1994, poverty reduction was marginal until the middle of the 1970s; thereafter, it declined significantly. Besides, the decrease in national poverty was the result of both redistribution and higher mean consumption. Similarly, the study by Kakwani and Subbarao (1990) on rural poverty alleviation in India found that the positive impact of economic growth on reducing poverty can be offset by unfavourable increases in consumption inequality. Sahasranaman (2021) studied poverty in India between 1952 and 2006 and found that movements in and out of poverty occurred frequently over time. A sizable percentage of people still enter it each year, underscoring the economic vulnerability of those living close to the poverty line. They further argued that the trends of transitory and permanent poverty are two distinct phenomena that call for different policy approaches.

Furthermore, studies in India have highlighted the multidimensional nature of poverty by examining its various facets. Mehta and Shah (2003) used two approaches, an area-based approach and a historically marginalised groups-based approach. They found that the scheduled castes, scheduled tribes, and casual agricultural workers were disproportionately affected by chronic poverty.

Radhakrishna (2015) did an extensive investigation of the post-reform efforts undertaken by Indian states in terms of growth, income poverty reduction, and the elimination of multiple deprivations. The study also examined strategies by other Asian nations and explored alternatives for India to accelerate poverty reduction.

Cali and Menon (2013) studied the impact of urbanisation on rural poverty by analysing Indian districts during the 1983-1999 period and found that urbanisation significantly and consistently reduces poverty in nearby rural areas. Abraham and Kumar (2008) demonstrated that vulnerability and multidimensional poverty offer further understanding for policy recommendations by ranking 15 major states of India on multidimensional poverty and their vulnerability to it at two points in time during the 1990s.

Mishra (2024) highlights the information loss that arises when computing a multidimensional index, due to cut-offs both across and within dimensions. To eliminate this information loss, the study further indicates that the multidimensional indices of deprivation (poverty) and attainment (empowerment) should be calculated using new methodologies

and techniques. Though the literature is replete with analytical studies on poverty in India, several studies have highlighted that the concept of multidimensional poverty has faced challenges in India. Against this backdrop, our study provides a decadal review of poverty in India since its independence.

3. Defining Poverty

Defining poverty is a crucial starting point. Two major approaches are commonly used, Monetary Measure and Multidimensional Measure. Both aims to capture the extent and nature of poverty and the extent of deprivation. However, they differ in their conceptual frameworks, indicators, and implications for policy intervention.

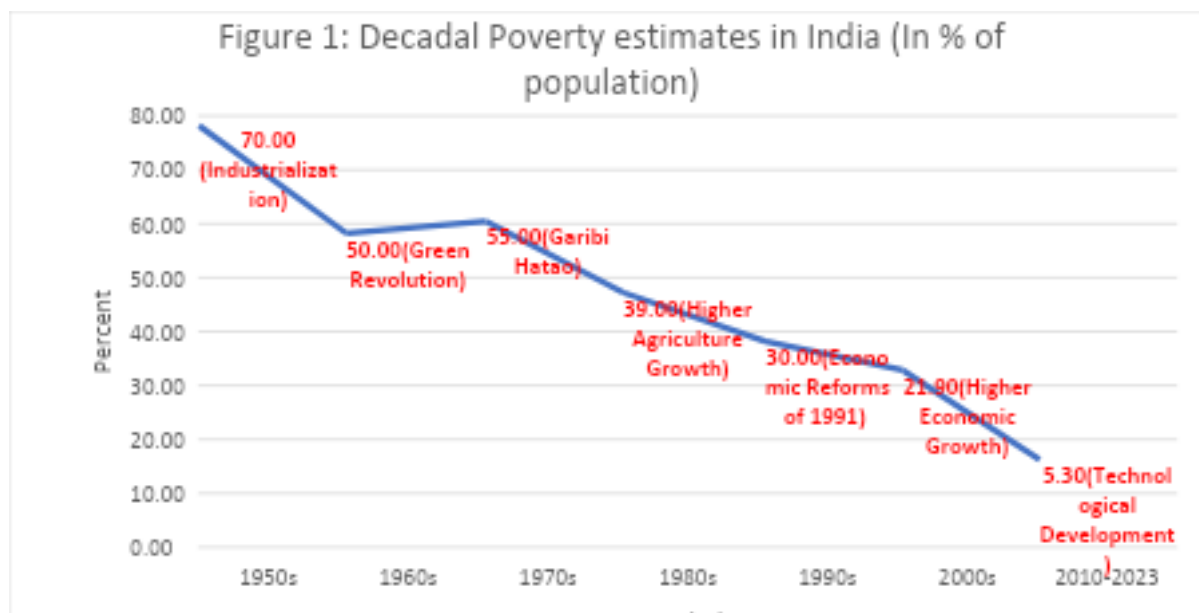
The Monetary Measure of Poverty uses household surveys of income per capita, or consumption expenditure per capita as a threshold to determine a poverty line. For example, The World Bank defines poverty lines with two levels of incomes. One, income per person/day at \$2.15 at 2017 PPP and second, income per person/day at \$3 at 2021 PPP. Those whose income is below the poverty lines, are defined as poor. Though this approach is narrow as it considers only income or consumption expenditure, it is a useful guide to measure poverty. It helps governments to frame policies for income support, cash transfers or employment schemes. There is universal applicability of this method as a result, it is widely used in inter-period and inter-country comparison.

The Multi-dimensional Measure of Poverty also uses household surveys and makes a composite index of deprivation. The index tries to examine the extent of deprivation in terms of health, education and sanitation in the standard of living of the people. The idea that poverty is more than just lack of income goes back to Amartya Sen's "Capability Approach" (Sen, 1985), which argued that poverty is about deprivation in health, education, and living standards—not just money.

The formal concept of Multidimensional Poverty was developed in the late 1990s–2000s. In 2010, the Oxford Poverty & Human Development Initiative (OPHI) and the United Nations Development Programme (UNDP) introduced the Multidimensional Poverty Index (MPI) in the Human Development Report. This was the first global measure to track poverty across several dimensions, not just income. The MPI gives a holistic view of poverty and shows the root cause of poverty. Lack of availability of health, education and sanitation forms a vicious circle of poverty and keeps the community trapped, 'they remain poor because they are poor'. The MPI helps design special programs for the deprivation in schooling, healthcare, housing and sanitation. The MPI also paves the way for NGOs and private sector participation in enhancing facilities for education and healthcare.

4. Decadal Review of Poverty in India

India could succeed in lowering the absolute poverty from about 70% in 1950s to about 5.30% of population in 2023 (Figure 1). There has been difference in methods of measurement over the period of time and so the data may not be strictly comparable but it is important to note that the absolute poverty has declined over the period of about 75 years.



Source: Various poverty estimates and authors' calculations

We look at each decade in detail with reference to extent of poverty, the causes and the policy response in the period.

4. a. Poverty in India: 1950s

Just after independence in 1947, poverty in India was both widespread and severe. There were no official poverty estimates or the concept of poverty line, The National Sample Survey (NSS), started in early 1950s, provided data on consumption expenditure which revealed that majority of the population lived below subsistence level.

Social Sector Indicators: The official data on Indicators of health, education and housing revealed the existence of deprivation and the poor standard of living. The Life Expectancy was only about 32 years in 1951 and Infant Mortality Rate (IMR) exceeded 150 per 1,000 live births indicating inadequate access to healthcare. Access to education was so inadequate that literacy was only 18% in 1951. Most rural households lived in kutcha houses, without electricity, sanitation, or clean water.

Extent of Poverty: In the early 1950s the Planning Commission and academic estimates have put that about 70–75% of India's population lived in poverty (Planning Commission, 1979).

Majority, again 70% lived in rural areas, dependent on agriculture with low productivity, frequent droughts, and limited access to irrigation. Urban poverty also existed, particularly in slums of rapidly growing cities like Bombay, Calcutta, and Madras.

Structural Causes: Colonial legacy

Dadabhai Naoroji started the discussion on Poverty in India in the pre-independence period. His was the first political-economic statement linking colonial rule to poverty. He formulated 'The Drain of Wealth Theory' in his book "Poverty and Un-British Rule" (Naoroji, 1901) and concluded that the British Rule impoverished India. Agricultural low productivity on one hand and the burden of Zamindari and feudal land relations on the other kept large number of farmers poor, landless and indebted. The pressure on land increased as deindustrialization forced people to remain in agriculture. Lack of investment in irrigation and farming kept agricultural productivity low and farmers poor. Dadabhai defined subsistence minimum income ₹16-35 per person per year starting the concept of poverty line.

Policy Response

The First two Five-Year Plans (1951–56 and 1956-61) focused on nation building and achieving a rapid economic growth through industrialization. The plans invested in infrastructure like irrigation and community development to address rural poverty. The government emphasized food security, land reforms, and employment programs, but results were limited in the short run.

To sum up, India was amongst the poorest countries in the world where majority of the people lived below subsistence level.

4. b. Poverty in India: 1960s

Poverty incidence remained high despite the planned economic development for first two five-year plans. The focus of the plans remained investment in basic and key industries, infrastructure and creating industrial base for the self-sufficient economy.

First scientific estimate of poverty in India for 1960-61 was published by V. M. Dandekar and Nilkantha Rath in a paper "Poverty in India" (1971). They defined poverty line in terms of minimum calorie intake. 2250 calories per person per day was regarded as the base line for food requirement. A person who cannot afford to buy the food that gives 2250 calories was termed poor. This approach recognized malnutrition and undernourishment that was widespread due to poverty.

Extent of Poverty: Using Dandekar and Rath methodology

In 1960-61, about 50-55% of population, about 240 million lived below poverty line.

Rural poverty was 55% and urban poverty 45%.

Social Sector Indicators: Some improvements, as literacy rate improved from 18% to 28%, Life expectancy improved from 32 to 41 years and IMR dropped to 145 per 1000 live births.

Structural Causes

Hazari Commission's findings in 1960s gave another dimension to the issue of poverty. The findings pointed out that the concentration of income and wealth increased as a result of Industrial Licensing Policy. The rich were getting rich and the fruits of economic growth were unequally distributed leaving poor trapped in poverty.

According to Dandekar and Rath (1971), the poverty was widespread and structural, not just temporary and famine induced. Agricultural stagnation and unequal distribution of income were the main causes of this persistent poverty.

Besides, the external shocks in form of two wars (1962, 1965), two successive severe droughts (1965-66 and 1966-67) led to food crises that severely impacted the living standard of the people at the bottom of pyramid. The food shortage was so severe that the government had to import food grains under PL- 480 from US and India was in "ship-to-mouth" condition during that time. Malnutrition and hunger were widespread.

Policy Response

Launch of the Green Revolution to enhance food production and a plan holiday (1966-69) was declared to rebalance the economy in favour of agriculture. The Green Revolution paved the way for self-sufficiency for food. However, the benefits of green revolution were uneven as initially it was restricted to Punjab, Haryana and western UP leading to regional inequality in income and wealth.

Monopolies and Restrictive Trade Practices Act 1969 was passed to restrict the size of large enterprises and in turn not allow the rich to get further rich.

4. c. Poverty in India: 1970s

1970s were turning point in India's awareness in the issue of poverty. Poverty was still widespread but the decade saw first systematic measurement of poverty and the launch of poverty alleviation programs like "Garibi Hatao" at national level.

Extent of Poverty: Overall poverty in the early 1970s was 55%, 320 million persons were poor. The percentage of population below poverty remains stubborn at 55%.

The population remaining below poverty line at 55% was also because population explosion was underway, 361 million (1951) to 439 million (1961) to 548 million in (1971).

Social Sector Indicators improved Literacy at 34%, Life expectancy at 50 years, IMR at 125 per 1000 live births.

GDP growth remained 3-4% per year, population growth 2% per year, green revolution reduced the risk of food shortage due to famine. The first oil shock 1973 and 1979 worsened the inflation that was hurting the poor most.

Policy Response

The government's focus in 1970s shifted from growth to redistribution of income and wealth. It was realized after two decades of development that economic growth per se did not solve the problem of poverty. The 'Garibi Hatao' (Remove Poverty) emerged as a new slogan or theme of the government in 1970s.

Government had a two-pronged strategy. One, where the government tried to curb the growth of the rich by highly progressive tax regime. By 1973-74, the highest marginal income tax reached 97.5% for redistributive justice. Second, the government launched anti-poverty schemes like Integrated Rural Development Program (IRDP), Food for Work Program (FWP) and Public Distribution System (PDS) was strengthened. These schemes directly helped the poor to access food and livelihood.

Land Reforms were introduced for redistributive justice in agriculture. Abolition of Zamindari System, Ceilings of Land Ownership and Tenancy Reforms were introduced.

The spread of the Green Revolution to a number of states improved food production and India began to move towards food self-sufficiency.

The decade of 1970s remained a period of higher governmental control that hampered the economic growth. At hindsight it is clear that higher economic growth is precondition to tackle the issue of poverty. The government policies of 'not allowing rich to get richer' did not benefit the poor. 'Garibi Hatao' remained a slogan without making dent on the issue of poverty.

4. d. Poverty in India: 1980s

The 1980s were an important turning point in India's poverty history. Significant reduction in incidence of poverty has been recorded during the decade.

Extent of Poverty: Using Dandekar & Rath's calorie-based poverty line, Estimates from the Planning Commission and NSS data show that

In the 38th NSS round, Rural poverty was about 45–46% and Urban poverty was about 40%, making the All-India poverty ratio about 44–45%.

During the 43rd NSS round, Rural poverty was estimated at 39% and urban poverty at 38%, bringing the All-India poverty ratio to about 38–39%.

The Social Sector Indicators: Life expectancy improved from 32 to 56, IMR improved from 146 to 114 indicating insufficient healthcare facilities. Literacy improved from 18.3% to 43.6%.

Despite a larger population of 683 million in 1981, a reduction of 6% of population below poverty line from 45% to 39% indicates more absolute number people lifted above poverty line. However, one third of the population still remained poor in 1980s.

Structural Causes

Higher GDP growth at 5.5% and higher agricultural growth due to spread of Green Revolution to more states increased foodgrain output that reduced rural distress. Strengthening of Public Distribution System (PDS) made foodgrains available and kept food inflation under check.

The scope and intensity of government's direct action to help poor increased. The Integrated Rural Development Programme (IRDP) was expanded. National Rural Employment Programme (NREP) was extended to create employment on the one hand and asset creation like rural roads, irrigation projects on the other.

In the 1980s, India began breaking out of stagnant poverty trends — the proportion of poor fell significantly for the first time (from 45% to 39%), thanks to higher growth, wider spread of the Green Revolution, and rural employment schemes. The absolute number of poor still significant.

4. e. Poverty in India: 1990s

Economic Reforms of 1991 of Liberalization, Globalization and Privatization took the centre stage in political and economic discussion. The Economic Reforms of 1991 were hailed as 'Economic Freedom' juxtaposing 'Political Freedom' of 1947 from the British Rule. The economy responded to the business environment that was supportive by growing at about 6% in 1990s compared to 3.5% growth in 1951-1980.

Extent of Poverty: Using Dandekar & Rath's (1971) calorie-based poverty line, Planning Commission and NSS data (50th Round), In 1993-94, All India poverty was at 36%, where rural poverty was 37% and urban was 32%. In 1999-2000 (55th NSS round), All India poverty fell to 26%, where rural poverty fell to 27% and urban to 24%, a 10% drop in poverty estimate. About 260 million people were still poor.

Structural Causes

Rural poverty declined as farm and non-farm employment expanded. Many rural households shifted to non-farm jobs (construction, services, small enterprises). Urban jobs expanded in trade, services, and industry.

Targeted anti-poverty government schemes like IRDP, Employment Assurance Scheme and reforms in PDS helped in reducing poverty. The focus of government policies shifted from asset distribution to wage employment and supporting the self-help groups.

Higher investment in Indian economy and businesses led to higher employment opportunity. Large amount of rural population responded to it by migrating to urban areas and to the centres where jobs were available. Rising migration to cities and remittances supplemented income in rural households. Poverty declined rapidly in Southern and Western states of (Kerala, Tamil Nadu, Andhra, Maharashtra, Gujarat). Poverty reduction remained slower in BIMARU states (Bihar, Madhya Pradesh, Rajasthan, Uttar Pradesh, Orissa).

4. f. Poverty in India: 2000s

A decade when poverty definition underwent a change. The definition changed from unidimensional food and calorie consumption to multi-dimensional deprivation that included health, education, clothing and shelter.

The Tendulkar Committee (2009) addressed the criticisms of the older poverty lines, which were considered outdated and underestimated poverty. The Tendulkar Method, included health, education, and other essential non-food expenses. The new method used uniform Poverty Line Basket (PLB) for urban and rural areas, making rural-urban comparisons easier. The poverty line also accounted for regional price differences. The poverty line was higher because of the inclusions.

The new Poverty Line (2004-05, at 2009 prices) were drawn at ₹27.20 per person per day for Rural areas and ₹33.40 per person per day for urban areas. This was based on monthly per capita expenditure: of about ₹816 in rural and ₹1,000 in urban areas.

The poverty estimates for all India according to Tendulkar method were as follows:

- 2004-05: 37.2% (407 million poor)
- 2009-10: 29.8% (355 million poor)
- 2011-12: 21.9% (269 million poor)

Though the data is not comparable with earlier poverty estimates due to change in method but within the decade, even with the new method, one notices a clear drop in poverty from 37.2% to 21.9%.

Even though Tendulkar raised the poverty line, critics argued it was still too low (₹27/day rural, ₹33/day urban). This led to the Rangarajan Committee (2014), which suggested a higher poverty line (₹32/day rural, ₹47/day urban in 2011-12 prices).

Reduction in poverty was attributed to higher economic growth. GDP growth averaged 7–8% annually in the 2000s, driven by services (IT, telecom, finance), manufacturing, and

construction. Faster growth created more jobs and raised incomes, especially outside agriculture. Though agricultural growth was uneven, rural poverty fell due to diversification into non-farm jobs (construction, transport, services).

Policy initiative in form of National Rural Health Mission (NRHM 2005), expansion of Mid-day Meals in Schools, Sarva Shiksha Abhiyan (universal education) supported to address deprivation in health and education.

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) Enacted in 2005, came into effect in 2006 is hailed as World's largest public works program for poverty reduction and social security. The scheme provided Employment Guarantee, at least 100 days of wage employment per year to every rural household willing to do unskilled manual work at ₹100 per day when it started in 2006. Later, as it is linked to statutory minimum wages, the payment rises. Payments to workers are made through bank/post office accounts. The Direct Benefit Transfer (DBT) to the account of the recipient makes the government accounts transparent on the one hand and solves the problem of leakages through administrative inefficiency on the other.

The decision and planning of the public work to be undertaken vests in Gram Sabha (local government) so that depending upon the need of the place, projects are chosen. They may be water conservation, afforestation, rural connectivity (roads), land development, flood control, etc. In order to be inclusive, the scheme laid down conditions that at least one-third workers must be women and preference should be given to marginalized groups; Scheduled Castes, Scheduled Tribes and landless.

The MGNREGA provided employment to 50-60 million households that improved bargaining power of the rural workers. The scheme helped reduce distress migration from rural to urban areas. The scheme supplemented incomes and helped to uplift people from poverty. The scheme increased female labour participation and helped to reduce the gender inequality. The scheme became the safety net during crises of Global Financial Crisis-2008 and COVID-19.

4. g. Poverty in India: 2010-2023

The decade of 2010s saw its biggest absolute and relative reduction in poverty. This was the decade when the poverty estimates converged whether it was using Tendulkar poverty line (Tendulkar et al., 2009) or the World Bank poverty line.

Extent of Poverty:

Using Tendulkar poverty line (Planning Commission, NSS 2011–12, 68th round): 2011-12: 21.9% (269 million poor)

Using World Bank \$1.90/day PPP line (2011 prices): 2011–12: 22% poor (270 million poor)

The World Bank announced in 2025 that by 2023, India had achieved a remarkable milestone in poverty reduction. Extreme poverty, at \$2.15/day at PPP, declined to 2.3% in 2022-23 from 16.2% in 2011-12, lifting 171 million out of poverty. If the threshold of income was raised to \$3/day at PPP, the decline in poverty was more dramatic to 5.3% from 27.1%, lifting 269 million out of poverty.

Challenges in Measurement of Poverty

The definition of poverty has moved from monetary measure in the earlier period which was dependent only on caloric consumption to multi-dimensional since 2000. Unfortunately, the data is not strictly comparable over the period of time. There is a lot of subjectivity in the measurement.

The data gets confusing as the world bank gives multiple thresholds of measuring poverty.

Using World Bank \$2.15/day PPP line (2017 prices)

2011-12: 16.22% poor (205.9 million poor)

2022-23: 2.3% poor (33.6 million poor, lifting 171 million out of poverty)

Using World Bank \$3/day PPP line (2021 prices)

2011-12: 27.1% (344. 4 million poor)

2022-23: 5.3% (75 million poor, lifting 269 million out of poverty)

Using India's Modified Mixed Recall Period (MMRP) instead of the Uniform Reference Period (URP) in its Household Consumption Expenditure Survey (HCES).

2011-12: India's poverty rate declines from 22.9% to 16.22%.

Despite the challenges in measurement of poverty, there is convergence and all estimates point to reduction in the poverty in India.

4.h Summary of Social Indicators

India's experience can be summed up in the following table that shows the change in Social Indicators viz. Life Expectancy, Infant Mortality Rates (IMR) per 1000 live births, Literacy Rate and Poverty Rate over the seven decades from 1950 to 2020.

	1950s	1960s	1970s	1980s	1990s	2000s	2010s	2020s
Life Expectancy at Birth (Years)	32	41	50	56	59	63	69	70
IMR per 1000 live Births	146	140	129	114	80	57	40	27
Literacy Rate (%)	18	28	34	43	52	65	74	77

Poverty Rate (%)	70	50	55	39	30	22	16	5
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Source: Various estimates and authors' calculations

5. Poverty Alleviation in Asia

When India was struggling with the issues of poverty, several Asian countries were also in the same boat. A closer look at the experiences of China, Taiwan, Vietnam and Bangladesh shows the struggle and conquest of Asian neighbours. The time period roughly coincides with Indian experience and provides interesting pointers. Each country adopted distinct model depending upon the political compulsions, economic potential and development strategies. The experience of each country shows that sustained poverty reduction requires higher economic growth with targeted measures to lower poverty.

5. a. Lessons from China

China's approach to poverty alleviation has been state-led and comprehensive. The incidence of poverty in 1970s was high but the communist government laid foundation of the social infrastructure in form of health and education. Economic Reforms of 1978 led to China shifting from a state controlled economy to a market-oriented economy. The reforms opened the economy to foreign investment by MNCs to set up manufacturing factories. China gained the title of 'factory of the world' and cheap labour in China found jobs. Agricultural reforms, particularly the Household Responsibility System, increased rural productivity and incomes. Finally, the targeted intervention (2013–2020) identified poor households and provided customized solutions, including relocation, skill development, and social welfare support. Massive investments in infrastructure—roads, electricity, and digital access—connected rural regions to urban markets. As a result, China successfully lifted over 800 million people out of poverty, achieving the UN's poverty reduction goal a decade ahead of schedule.

5. b. Lessons from Taiwan

Taiwan followed a different strategy of distributing resources equitably. The Land-to-the-Tiller Program in the 1950s transferred land ownership to farmers, significantly reducing rural inequality. This was followed by export-oriented industrialization driven by small and medium enterprises (SMEs). Investments in universal education and health created a skilled workforce and widened opportunities for upward mobility. Taiwan's welfare state gradually expanded through comprehensive health insurance and social assistance schemes, ensuring that growth was both inclusive and sustainable. Consequently, Taiwan became one of Asia's most equitable societies with low poverty rates.

5. c. Lessons from Vietnam

Vietnam's experience, while inspired by China's reform model, was more gradual and community-focused. The Đổi Mới reforms of 1986 marked Vietnam's transition from central planning to a socialist-oriented market economy. Agricultural efficiency increased as land-use rights to farmers were granted and industrial jobs were available due to integration into global trade networks. Investments in education, healthcare, and rural infrastructure were taken up by the government. This inclusive strategy reduced poverty from 58% in 1993 to less than 3% by 2022, positioning Vietnam as a global model for balanced growth.

5. d. Lessons from Bangladesh

Bangladesh offers yet another distinctive model centred on grassroots empowerment. The emergence of microfinance institutions such as the Grameen Bank revolutionized access to credit for poor women, fostering entrepreneurship and self-reliance. The rapid growth of the garment industry created millions of jobs, particularly for women, integrating them into the formal economy. Simultaneously, NGO-led programs in education, health, and sanitation complemented government safety nets such as food-for-work and conditional cash transfers. These combined strategies reduced poverty from 44% in 1991 to around 18% by 2023.

6. In Conclusion

The paper acknowledges the limitations of the measurement of poverty and the challenges from conceptual clarity to the data gathering and interpretation in different time periods and different regions. India's experience reiterates that sustained reduction in poverty needs higher economic growth with targeted measures to lower poverty and adoption of technology, especially Digital Technology. Some of the initiatives and schemes undertaken in the past proved to be significant in furthering the cause of poverty reduction in India

- a. Employment Guarantee: A special targeted scheme⁵ was passed in 2005 and operationalised in 2006 worked at grassroot level for India. The Act provided a minimum of 100 days of assured employment in rural India to perform manual labour. MGNREGA covered 741 districts in India, distributing 153.9 million of job cards to 264.8 million workers.
- b. Food security: A special targeted scheme⁶ was launched to ease the distress caused by economic uncertainty during the pandemic of COVID-19. Over and above the existing subsidised food schemes, the PMGKAY provided foodgrains free of cost. The scheme was extended for five years, effective from January 1, 2024. This scheme supported approximately 800 million individuals and contributed to the food security and helped lift people from poverty.
- c. Health: The National Health Authority (NHA) has been entrusted with implementing a special targeted scheme⁷ with the aim of developing a national digital health

⁵ Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)

⁶ The Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY)

⁷ Ayushman Bharat Pradhan Mantri Jan Arogya Yojana

ecosystem through technological infrastructure and effective execution. Digital Technology was used to improve access to healthcare, particularly in remote or underdeveloped areas, through telemedicine and health apps.

- d. Education: Digital Technology was used to provide online learning platforms to facilitate access to quality education in remote and underserved areas. EdTech support was sought in upskilling, vocational training, and personalised learning.
- e. Housing: A special targeted scheme⁸ is designed to help low- and moderate-income populations access affordable housing. The scheme operates under two main parts for Urban and Rural housing schemes. The government aims to construct affordable permanent houses equipped with continuous water supply, sanitation, and electricity.
- f. Digitisation in India has expanded access to digital financial platforms and e-governance. Digital financial service through JAM Trinity⁹ has expanded financial inclusion.
- g. E-governance platforms enable to efficiently deliver Direct Benefit Transfer (DBT), emergency aid, welfare payments and subsidies. These systems also help reduce corruption and leakages by minimising intermediaries and improving transparency.
- h. Digital platforms support the development of new applications for gig economy workers. Quick commerce platforms in grocery and food delivery have expanded employment. Similarly, tech entrepreneurship fosters opportunities for small-scale innovation and the growth of start-ups.
- i. Agriculture: use of technology to increase crop yields, reduce costs, and provide accurate weather forecasts and market price information—all of which contribute to higher agricultural and rural incomes.

It is to be noted that, the higher economic growth has significant implications for poverty (Marrero and Servén, 2022; Cerra, Lama, and Loayza, 2021). Going ahead, India must address the issue of poverty further through increased economic growth, targeted interventions, and the efficient use of technology.

⁸ Pradhan Mantri Awas Yojana

⁹ Jan Dhan Accounts, Aadhar and Mobile

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