



ECONOMICS DEVELOPMENT
- Part 1

Cultivated Area over the Years

Year	Cultivated Area (Million Hectare)
1950	120
1960	130
1970	140
1980	140
1990	140
2000	140
2010	155
2012	155

Agriculture in India

- India ranks second worldwide in farm outputs. As per 2018, Agriculture employed 50% of the Indian work force and contributed 17-18% to country's GDP.
- In 2016 Agriculture and allied sectors like animal husbandry, forestry and fisheries accounted for 15.4% of the GDP (Gross Domestic Product) with about 31% of the workforce in 2014.
- India ranks first globally with highest net cropped area followed by US and China.
- The economic contribution of agriculture to India's GDP is steadily declining with the country's broad-based economic growth.

Agriculture in India

- India exported \$38 billion worth of agricultural products in 2013, making it the seventh largest agricultural exporter worldwide and the sixth largest net exporter.
- Most of its agriculture exports serve developing and least developed nations.
- Indian agricultural/horticultural and processed foods are exported to more than 120 countries, primarily in the Middle East, Southeast Asia, SAARC countries, the European Union and the United States

Green Revolution

- The Green Revolution in the late 1960s introduced the Indian farmer to cultivation of wheat and rice using high yielding varieties. The yield per hectare increased. It required plenty of water and also chemical fertilizers. The pesticides usage also went up. The yield went up from 1300kg to 3200kg per hectare.
- Green Revolution was associated with the loss of soil fertility due to increased use of chemical fertilizers. Water table also lowered because of excess withdrawal of water from wells.
- Fertilizers were also responsible of polluting the nearby water bodies.

Small and Marginal Farmers

- The farmers having land less than 2 hectare are called Small & Marginal farmers.
- They account for 86.2% of all farmers in India.
- But they own just 47.3% of the crop area
- The number of small and marginal agricultural land holdings in the country has registered a marginal increase in 2015-16 compared to 2010-11, according to the tenth agricultural census. This means that there are more people who now own smaller parcels of agricultural land.
- In a positive development, the percentage of land holders who are women has increased from 12.79% in 2010-11 to 13.87% in 2015-16, with a corresponding increase of 1.2 percentage points in the operated area.

Human as national resource

- Human being is a positive asset and precious national resource
- The quality of population depends upon the literacy rate, health of a person indicated by life expectancy and skill acquired by training and learning. The quality of the population ultimately decides the growth rate of the country.

Life Expectancy

- The life expectancy rose to 68.56 years in 2016
- Life Expectancy at Birth denotes as the name suggests, average expected length of life of a person at the time of birth.
- According to the latest WHO data published in 2018 life expectancy in India is: Male 67.4, female 70.3 and total life expectancy is 68.8 which gives India a World Life Expectancy ranking of 125.
- In States:
 1. Kerala-75.1 years
 2. J&K- 73.5 years
 3. Punjab- 72.5 Years
 4. Himachal Pradesh-72.3 years
 5. Maharashtra-72.2 years

Infant Mortality Rate

- Infant mortality rate has come down from 147 in 1951 to 40 in 2013 34 in 2016
- Indicates the number of children that die before the age of one year as a proportion of 1000 live children born in that particular year.
- Goa & Kerala have a low infant Mortality Rate because it has adequate provision of basic health and educational facilities.
- Goa-8, Kerala-10

Unemployment

- Unemployment is said to exist when people who are willing to work at the going wages can not find jobs.
- The workforce population includes people from 15 years to 59 years.
- In rural areas there is seasonal and disguised unemployment.
- Urban areas have mostly educated unemployment.
- Seasonal unemployment happens when people are not able to find jobs during some months of the year. People dependent upon agricultural usually face such kind of problem. Sowing, harvesting, weeding and threshing days form the busy seasons.

The Plan Outlay on Education

- The plan outlay on education has increased from `151 Cr. To `3766 Cr over the years. The expenditure on education as a percentage of GDP rose from 0.64% to 3% in 2015,
- Education outlay in Budget 2018 set at `85,010 crore and pegged at 93,847 crore for 2019-20

Poverty

- 27 crore people in India were living in poverty in 2011.
- Poverty means hunger and lack of shelter.
- Children are denied school. Sick can not afford treatment.
- Poverty also means lack of clean water and sanitation facilities. It also means no jobs.
- Poor is having Social exclusion and more vulnerable to adversities like natural calamities.

Poverty

- There is substantial decline in poverty ratios in India from about 45% in 1993-94 to 37.2 % in 2004-05. In 2011-12 it was about 21.9%.
- Social groups which are most vulnerable to poverty are SC and ST households. Among the economic groups the most vulnerable groups are the rural agricultural labour households and the urban casual labour households.
- Bihar and Odisha are the two poorest states with poverty ratios of 33.7 and 32.6% respectively.

World Poverty Clock

- The World Poverty Clock is a tool to monitor progress against poverty globally. It provides real-time poverty data across countries. It was launched in 2017 in Britain by an NGO based in Vienna.
- The clock seeks to address a gap in development data around social progress indicators, starting with poverty number, and tries to align them with economic and demographic indicators like GDP and population clocks.
- In India poverty has been on a decline with close to 44 Indians escaping extreme poverty every minute as per the World Poverty Clock.
- Still 73 million people are living in extreme poverty which makes up 5.3 % of total population

Extreme Poverty

- **Extreme poverty, abject poverty, absolute poverty, destitution, or penury**, was originally defined by the (UN) in 1995 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. In 2018, extreme poverty widely refers to an income below the international poverty line of \$1.90 per day (in 2011 prices, equivalent to \$2.12 in 2018), set by the World Bank. This is the equivalent of \$1.00 a day in 1996 US prices, hence the widely used expression "living on less than a dollar a day.

Extreme Poverty

- The vast majority of those in extreme poverty – 96 percent – reside in South Asia, Sub Sahara Africa, the West Indies, East Asia
- Nearly half live in India and China alone.
- As of 2018, it is estimated that the country with the most people living in extreme poverty is Nigeria, at 86 million.

Poverty Line

- It is a method to measure poverty.
- Poverty line is the minimum level of resources needed for survival in terms of satisfaction of basic needs food, shelter, health and social life. While determining the poverty line in India, a minimum level of food requirement, clothing, footwear, fuel and light, educational and medical requirements.
- These physical quantities are converted into money value. The present formula for food requirement is converted into desired calorie requirement.

Poverty Line

- The accepted average calorie requirement in India is 2400 calories per person per day in rural area and 2100 calories per person per day in urban areas.
- On the basis of these calculation for the year 2011-12 the poverty line for a person was fixed at Rs. 816 per month for the rural areas and Rs. 1000 for the urban areas.
- The poverty line is estimated periodically by conducting sample surveys. These surveys are carried out by the National Sample Survey Organization.

Poverty Line

Year	Number of Poor in Millions
1993-94	404
2004-05	407
2009-10	355
2011-12	270
2005-6 to 2015-16	271 million people have moved out of poverty

Mahatma Gandhi National Rural Employment Guarantee Act, 2005

- Aims to provide 100 days of wage employment to every household to ensure livelihood security in rural areas. One-third of the jobs have been reserved for women. The scheme provided employment to 220 crores person days of employment to 4.78 crore households. The share of SC, ST Women person days in the scheme are 23%, 17% and 53% respectively.
- The average wage has increased from 65 in 2006-07 to 132 in 2013-14.

Prime Minister Rozgar Yojana (PMRY)

- It was started in 1993. The aim of the programme is to create self-employment opportunities for educated unemployed youth in rural areas and small towns. They are helped in setting up small business and industries.

Rural Employment Generation Programme (REGP)

- The scheme 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 10th five- year plan.

Swarnajayanti Gram Swarozgar Yojana (SGGY)

- 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)

- It was launched in 2000. 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)

- AAY was launched in December 2000. Under the scheme one crore of the poorest among the BPL families covered under the targeted public distribution system were identified. Twenty- five kilograms of food grains were made available to each eligible family at a highly subsidized rate of `2 per kg for wheat and `3 per kg for rice. This quantity has been enhanced from 25 to 35 kg with effect from April 2002. The scheme was further extended in 2003 and 2004. With this increase 2 crore families have been covered under the AAY

- Thank You