

Treatment of Poverty in the Sixth Plan

M. H. Suryanarayana

1. INTRODUCTION

Poverty, as an economic malaise afflicting the modern societies, has in recent years received considerable attention all the world over. In India too, the problem has been dissected and dealt with from different angles covering such various issues as the size of and trends in poverty, the causes for its existence and persistence, the policy prescriptions for its eradication etc. Such a widespread and pronounced concern for poverty is justifiable on both moral and economic grounds. That poverty is a moral anathema has gained almost universal recognition; while the proposition that poverty anywhere is a threat to plenty everywhere sums up its economic unworthiness.

There can be no gainsaying the fact that any measure directed towards the material upliftment of the poor would raise their efficiency and hence their productivity and also the domestic product of the concerned economy. Also there are the Marxian and Keynesian justifications for poverty eradication with their profound implications for market expansion and longterm growth of the economy. These are the thoughts that underlie any spirit of appreciation of measures directed towards poverty alleviation. However, one begins doubting the very intentions of a plan programme if the targets set and the measures conceived for their realization are found to transcend the limits of what one considers pragmatism judged by past experiences or by what one considers feasible within the existing institutional fabric. The *Sixth Plan* document (Perspective Planning Division, 1981) with its ambitious targets seems to contain a similar exercise.

The present note makes an attempt to examine the redistributional implications of the set goals of poverty reduction as conceived in the *Technical Note on the Sixth Five Year Plan*. In Section 2, we deal with the framework of analysis. In Section 3, we study the goals set in the *Sixth Plan*. In Section 4, we examine the distributional implications of the *Sixth Plan* objectives of poverty