

## Poverty and Development Policy\*

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It is an honour to be invited to deliver the Rao Bahadur Kale Memorial lecture and I would like to express my sincere thanks to the Gokhale Institute of Politics and Economics and the Servants of India Society for giving me the privilege of delivering the lecture this year. Gokhale Institute was founded on the basis of the generous donation from Rao Bahadur Kale. This lecture series is a fitting way to honour his memory. Under Professor D. R. Gadgil's leadership the Institute grew into one of our finest research institutions. The range and depth of its scholarly output has gained widespread recognition in academia. I have been privileged to have long and close friendships with V. M. Dandekar, Nilakanth Rath and Vikas Chitre and others from the Institute.

Unfortunately I did not have the opportunity to know Professor Gadgil personally. But his scholarly work, his pioneering role in fostering the cooperative movement and his active involvement in public affairs have been a source of inspiration for me like many others of my generation. This year happens to be his birth centenary and I would like to take this opportunity to express my tribute to him for his rich and varied contributions as a scholar and a respected public figure. The subject of my lecture, namely "Poverty and Development Policy", is one in which Professor Gadgil was deeply concerned.

### I Background

The idea that eradication of abject poverty must be a central concern of public policy has gained wide currency in current academic and public discourse on development. Time was when the focus used to be on the rate and pattern of growth, and on inequalities in distribution of income and wealth. Even as these continue to be important concerns, increasing attention is being given to the extent to which people in individual countries and the world at large are deprived of the minimum requirements for a long, healthy and fulfilling life.

The idea is not new. In India it dates well back into pre independence era - recall Naoroji's book "Poverty and Un British Rule" - and was prominent in the deliberations of the Congress party. The National Planning Committee report in fact spelt out in concrete terms the concept and content of minimum living standard. The 15<sup>th</sup> Indian Labour Conference which deliberated on the basis for fixing fair wages also spelt out the constituents of a living wage. A committee on economic policy (headed by Nehru) appointed by the AICC suggested that assurance of a national minimum standard in respect of "all the essentials of physical and social well being" to every family within a reasonable period of time" should be the practical goal of all schemes of development. The Constitutional provisions on the Directive Principles of State Policy specifically enjoined the government to ensure adequate livelihood and employment, health and nutrition, education and security to the citizens.

However it took a long time for government to define its developmental objectives and policies with reference to these principles. The first three five year plan documents saw

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