# **Overview**

## The Backdrop

hile the poor stand out in their poverty and deprivation, they are not able to stand up against the maladies of the systems from which they draw their sustenance. The power equations at their level are simply not empowering. They need to break many a vicious circle to get into the virtuous circle of development.

## The Challenge of Poverty

Poverty is a combination of income, non-income, and expenditure-related factors encompassing *income* and its regularity; non-income factors bearing on opportunities and capability; and complex factors impacting on *expenditure*.

The *static* pool of poor consists of those who carry the highest burden of deprivation and exclusion from the processes of development. The *dynamic* pool consists of the "transient poor" who fall into poverty seasonally or due to passing life cycle situations, natural, social, and sporadic factors.

# **Identifying the Poor**

The participatory poverty assessments (PPAs) reveal a number of categories of poor who are economically, socially, politically, and historically marginalized from development. These are discussed in great detail. The impediments toward inclusion of the poor in development are also highlighted.

# The Strengths of the Poor

The experience of PPAs clearly brings out the fact that the poor are well aware of their problems, needs, and priorities. They understand the reasons for their plight. They are hardworking, courageous, and resilient.

Their capacity to work hard and ability to adjust to hostile environs are tremendous! The poor have a great potential which needs to be harnessed.

## **Coping with Poverty**

Poor communities mentioned several ways of coping with difficult periods. There have been both positive and negative coping strategies.

The hardship inducing coping strategies include: skipping meals, eating wild grass and tubers, encroaching upon common property resources, forced out-migration, seeking credit on exploitative terms, working for low wages, engaging in forced labor arrangements, undertaking labor-intensive and hazardous livelihoods, selling sex for livelihood, begging, mortgaging land, brewing and selling alcohol, working as child-laborers, and involuntary conversion into different ethnic identities. These need to be addressed.

#### **Present Directions**

An array of development strategies, policy initiatives, and interventions has aimed at reducing poverty and bringing an improvement in the living conditions of the poor. This has included economic, legal, social, and many other aspects, including income enhancing measures, social development interventions, basic minimum services provision, enhanced governance, and social security provision. These have been highlighted.

### What Do the Poor Need?

A continuation of policies and approaches that have worked and a reprioritization to get greater focus in some areas of poverty reduction are clear needs. The later chapters draw out insights from the poor on policy and approaches as they impact on the poor and reflect their insights on the way ahead. Identifying priorities in the development agenda for poverty reduction, identifying the poor, tapping the potential of the poor and weaving policy around this, and providing opportunities for inclusive development of the poor have been discussed.

Credit is an overriding need and the lack of viable access to it is the root of a large number of negative coping strategies. Enhancing productivity and stability in agriculture and the nonfarm sectors is an important need. Skill formation of the poor in emerging sectors that are drivers of growth is extremely essential for sustainable and inclusive growth. In this context, the travails of the poor in dying and socially determined trades have been

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highlighted. Objective identification of the poor is of paramount importance for inclusive development. Social security will help address dynamic poverty situations. The social security needs of the poor, provision of first- and second-generation infrastructure, and basic services including water and sanitation for which demand among poor women was high—all of which address the needs of the urban poor—are among important priorities that local level planning and good governance can bring to the fore.

### Where Do We Go From Here?

Drawing the poor into the development circle is the challenge of policy. PPAs show that fresh opportunities have been created and the poor have often availed themselves of these. They also show that more can clearly be done by keeping the poor at the center stage of the development process, by harnessing their potential and facilitating and supporting their development through governmental and nongovernmental, public and private initiatives to close existing gaps and create a proper enabling environment to eliminate poverty and deprivation. This book attempts one more angle to understanding and addressing the poverty challenge—firsthand "learning from the poor."