



**From the SelectedWorks of Mubashshir  
Sarshar**

---

January 2010

## Amartya Sen's Theory of Poverty

Contact  
Author

Start Your Own  
SelectedWorks

Notify Me  
of New Work

---

Available at: <http://works.bepress.com/mubashshir/16>

# AMARTYA SEN'S THEORY OF POVERTY<sup>1</sup>

National Law University, Delhi

---

<sup>1</sup> Mubashshir Sarshar, Student at National Law University, Delhi

## Table of Contents

CHAPTER – I	INTRODUCTION	1
CHAPTER – II	SEN’S CONCEPT OF POVERTY	4
CHAPTER – III	RELATING SEN’S APPROACH WITH THE ABSOLUTE AND RELATIVE POVERTY APPROACH	
CHAPTER – IV	MEASUREMENT OF POVERTY BY OTHER ORGANISATIONS IN RELATION WITH SEN’S THEORY	
CHAPTER – V	CONCLUSION	10

BIBLIOGRAPHY

## CHAPTER-I

### INTRODUCTION

The story of ‘*Shambhu*’ the main character in Bimal Roy’s ‘*DO BIGHA ZAMEEN*’ of 1953, still continues. The urban middle-class viewers shed tears while seeing ‘Shambhu’ played by the late veteran artist Balraj Sahani on the screen. But nobody bothers to ponder over the reason why such extreme inequality exists once they leave the cinema-hall.

There is a lot of high talk about India’s economic progress in the last couple of decades, and we do not contest it either. But the bare fact is that nearly 27.5 per cent of India’s population still lives below the poverty line, and 75 per cent of this, lives in rural areas. Unequal and unjust distribution of wealth has widened the gap between the rich and the poor. Barely 10 per cent of India’s total population holds whopping 33 per cent of India’s total income. India tops the list of ill-fed kids of the world. If we consider the kids below 3 years of age, nearly 46 per cent of them are ill-nourished. A recent report<sup>2</sup> laments that 77 per cent of Indians live on a daily income of Rs.20 only. Unemployment is rising and the number of small-farmers is also continuously rising. Landless people pose a fresh problem. Illicit transactions related to land are also on rise.

International organizations are cautioning us about the danger of this new breed of ‘Land mafias’. The condition of children and the women-folk in the economically backward section is simply precarious. India lags much behind in human development; and the United Nations Organization has expressed a deep concern about this.

Despite the growth and development of the Indian economy during the last couple of decades, poverty is parallel increasing in absolute terms. Poverty has been a highly sensitive subject not only for the economists, but for politicians the world over. About one crore persons around the world live in dismal poverty; their lives are simply miserable. One in every five persons lives below the poverty line and the entire national and even international policies have failed to deliver results. It should be remembered that fight against poverty has ceased to be a mere socio-economy responsibility but has developed into a moral responsibility too. If some

---

<sup>2</sup> India: Urban Poverty Report, 2009, at [www.data.undp.org.in/poverty\\_reduction/IUPR\\_Summary.pdf](http://www.data.undp.org.in/poverty_reduction/IUPR_Summary.pdf).

new, novel ideas and programmes are rightly drafted and honestly executed, poverty-eradication, which is now on the top of economic agenda of many countries, will be possible.

According to Human Rights Commission's Report<sup>3</sup>, the concept of poverty can be stated in three different ways. The first and most effective definition of poverty is that Poverty is a situation in which there is dearth of essential facilities, resulting from inadequate income'. There is a socially accepted minimum level of living in every society. Those who live below this minimum level are said to live in poverty.

The second definition of poverty is based on basic or fundamental needs, i.e. a failure to meet the basic human needs; or to remain deprived from such needs is a state of poverty. The basic human needs include not only food, clothing and dwelling, but also health and education.

The third way of defining poverty is in respect of lack of opportunities. Shifting from the traditional base of fundamental needs & income, the modern definition of poverty is based on the lack of opportunities. According to the modern connotation, poverty does not merely mean lack of adequate income or inability to meet basic human needs. Some people do have a potential to cross the borders of poverty. They have good health and can live a productive life however still they are deprived of suitable opportunities. The tacit denial of opportunities pushes them into unemployment resulting in loss of income and finally inability to meet the basic human needs. Here, the emphasis is shifted from the individual to the surroundings. The lack of opportunity forbids an individual to insulate him from insecurity and it is the absence of opportunities which is the culprit. To be deprived of opportunities and unavailability of security is to remain in poverty. Mere inadequate income does not adequately describe poverty. A lack of opportunity in economic and political life is the root cause of poverty and therefore should not be neglected while defining poverty.

Poverty is not confined to the rural regions only; it envelops the urban areas too. It is a boundless concept and is omnipresent however its gravity may differ. The pace of socio-economic growth is comparatively high in the urban regions, leading to a wider gap between the standards of living of the elite with respect to their neighbours. The hutment dwellers in urban areas are unable to meet even the basic human needs. It would also be equally unwise to speak of

---

<sup>3</sup> [www.humanrightsinitiative.org/.../millenium\\_report\\_review.htm](http://www.humanrightsinitiative.org/.../millenium_report_review.htm)

poverty from either local or national level. Hence, it cannot be confined to any particular area or region of a country

### **1.1 Research scheme**

The research scheme undertaken by the researcher would comprise of doing a doctrinal study of the books available at the library of the Indian Law Institute, New Delhi and the National Law University, Delhi. Besides that the researcher would take the help of the internet and legal-economic databases to look into some of the articles relating to the concept of Poverty and the theory enshrined by Prof Amartya Sen..

### **1.2 Research Techniques for Data Collection**

Research technique of analysis, critique, and review of the theories would be intended to be employed.

### **1.3 Research Methodology**

The researcher has followed the doctrinal method of research throughout the project and the MLA system of formatting has been adopted by him.

### **1.4 Scheme of Chapterisation**

The researcher in the course of his presentation would be introducing the theory of poverty in general in the first chapter. In chapter two, the researcher would delve into the theoretical aspect of Professor Sen's theory in relation to the various approaches highlighted by him. In chapter three, the researcher would contrast Sen's theory with the absolute and relative theory of poverty. In chapter four, the measurement of poverty by other organizations is contrasted with Sen's approach. Lastly, in the fifth chapter, the researcher would conclude the project.

### **1.5 Footnoting Style to be adopted**

National Law University standard style of footnoting will be followed throughout the project.

## CHAPTER – II

### SEN'S CONCEPT OF POVERTY<sup>4</sup>

Amartya Sen in his book, 'Poverty and Famines' highlights the various concepts of Poverty which has to be taken under consideration for the effective understanding of the Theory of Poverty promulgated by him.

He lays down that, the initial requirement for the understanding of the concept of poverty is the determination as to who all should comprise the focus of the concern. Secondly, an important step which has to be determined is what should be the determining factor of the estimation of poverty. As there are basically two standards for the determination for the same, i.e. 'consumption norms' and the 'poverty line' so the point of contradiction which has to be resolved is whether a person should be considered poor who falls short of the norms of prescribed standards of consumption or whose income lie below the poverty line.

Further, it is followed by an upheaval task of the aggregation of this Poverty. In the traditional setup, though this is done by simply counting the number of poor and then expressing it as the ratio of the number of the poor to the total population of the particular community. However as Prof. Sen reiterates that this measure has two serious drawbacks. Firstly, it does not take into account the extent of the short fall of income of the poor from the poverty line, i.e. if there is a reduction of the incomes of all the poor without affecting the without affecting the incomes of the rich, it will leave the head-count measure completely unchanged. Secondly, the measure does not take into consideration the distribution of the income among the poor, in other words the transfer of the income from a relatively poor person to a relatively rich would not affect this head-count measure. Thus both this defects make this measure inherently unacceptable as a true indicator of poverty and questions the inherent concept of poverty itself.

Prof. Sen emphasizes that some discussions lead to the opinion that that the prevalence of poverty in the country is not only a form of the suffering of the poor but a relative luxuriousness of the nation as a whole.

---

<sup>4</sup> Amartya Sen, POVERTY AND FAMINES, (1981).

A point which Sen makes is the coupling of disadvantages between the income deprivation of a person and his ability to convert that income into functioning. An example of such is a person whose is disabled and his ability to income is reduced and in addition he would need more income to achieve the same functioning as an able bodied person. Thus he concluded the real poverty lies in terms of capability deprivation rather the reduction of income.

After this initial concern about the standard for the determination of poverty and aggregation of poverty, Prof. Sen concentrates his focus on the general ideas of the conception of poverty. He starts off by delving into the Biological Approach. Here, he quotes Rowntree, who in his study<sup>5</sup> had defined 'primary poverty' in respect of families whose total earnings were insufficient to obtain the minimum necessities for the maintenance of merely physical efficiency. It is an unsaid truth of life that starvation is the most telling aspect of poverty. However as highlighted by Prof. Sen, this approach of poverty has several lacunae in its implementation inherently because there are significant variations related to the physical features, climatic conditions and work habits in different parts of the world. Taking for example, the Americans and Europeans have been growing in stature as their diets have continued to improve over time hence there is a difficulty in drawing a line somewhere as there is a bit of difficulty in determining the 'minimum nutritional requirement' as there is an inherent arbitrariness between various groups and regions.

Secondly he carves out the problem of the translation of minimum nutritional requirements into minimum food requirements because it to a wide extent depends on the choice of commodities by the consumers. Though it is easy to solve the problem of 'minimum nutritional requirement' which is not a very high cost basket of essential food requirements, however the difficulty lies in the people's food habits.

The third essential component emphasized by Prof. Sen is that the minimum requirements of non food items are not easy to determine. Now, this is problem can generally be tackled by assuming that a specified proportion of the total income will be spent on food and consequently with this assumption the minimum food cost can be used to derive the minimum

---

<sup>5</sup> [www.blacksacademy.net/content/3262.html](http://www.blacksacademy.net/content/3262.html).



income requirements, but here again the proportion spent on food varies with the variation in the relative prices and availability of goods and services.

In conclusion to this approach, Prof. Sen has explicitly emphasized that as stated malnutrition captures only one of the aspect of the idea of poverty, however it is a very important aspect and it must have a central place in the determination of the conception of poverty.

Further, Prof. Sen. In his book, 'Development as Freedom'<sup>6</sup> has emphasized on Poverty as Capability Deprivation in underlining the theory of poverty.

He contemplates that Poverty must be seen as the deprivation of basic capabilities rather than merely taking into consideration the income aspect which forms a standard measurement as to whether the person is poor or not.

There forerunners of this approach of the determination of poverty argue that the deprivation of capabilities is a more intrinsically important approach in the determination of poverty rather than the poverty line approach which is subservient. Further, it is also argued that the capability approach ensures the measurement of real poverty rather than the lowness of income which is not the only variable in the determination of poverty.

However, both the approaches cannot be said to be entirely distinct from each other as there exists a relation between low incomes and low capabilities however variable it may be in respect to different communities, families or individuals. Also the relationship between income and capabilities would be strongly affected by the age of the person, gender and social roles, by the locality where he resides, etc.

Further, there is also conjugation of disadvantages between income deprivation and the important aspect of converting the income into functionings, i.e. a person who is suffering from disability is adversely affected from competing with the able bodied person in respect of earning as much income as him.

Further, the disproportionate division of income within the family cannot be adequately dealt with by the income approach to poverty. There is an inherent gender bias in the resource allocation which results in the neglecting of the female members. This deprivation can be

---

<sup>6</sup> Amartya Sen, DEVELOPMENT AS FREEDOM, (2000).

checked by looking at the capability deprivation aspect, i.e. mortality rates, morbidity, under-nourishment, medical-neglect, etc which would not be found on the basis of income analysis.

In respect of relative deprivation in terms of income, it leads to an absolute deprivation in respect of capabilities. For example a person who is relatively poor in a rich surrounding suffers from a great capability handicap even though his income is high with regards to the general world standards.

Thus, it implies that capability deprivation in a significant sense is more intense than the poverty line criterion as it primarily shifts the attention from the means to the ends that the people have a reason to pursue and correspondingly to the freedoms to be able to satisfy those ends.

### **Income Poverty and Capability Poverty**

One of the essential and important point of focus of Sen's work jointly done with Jean Dreze<sup>7</sup> highlights the relation between Income Poverty and Capability Poverty.

Though there is a distinguishing factor separating both the perspectives; however they have to be related at some point since income and capabilities go hand in hand. The income of a person improves his capabilities in general and vice versa. It is not only the case that basic essentials like education and health improves the quality of life and capabilities directly, but they also increase a person's ability to earn more income and be free of income poverty.

In respect of India, though the economic reforms have opened up the economy yet the opportunities to make use of the new openings are not independent of the social backwardness. If the social setup would have supported the economic opportunities of the Indian economy it could have done remarkably well in spreading the economic opportunities through the adequate support structure of high levels of literacy, basic education, good general health care, etc.<sup>8</sup>

However it is interesting to note that there is one state in India, namely Kerala, which has despite the rather moderate record on the economic front seems to have a faster reduction to the income poverty. In comparison, though States like Punjab has have relied on economic growth

---

<sup>7</sup> [www.gprg.org/pubs/workingpapers/pdfs/gprg-wps-032.pdf](http://www.gprg.org/pubs/workingpapers/pdfs/gprg-wps-032.pdf).

<sup>8</sup> Supra at n. 5.

for the reduction of income poverty, however Kerala relied on the expansion of basic education, its health care levels and equitable land distribution for the reduction of income poverty.<sup>9</sup>

Here again, it is important not to forget that the reduction of income poverty alone cannot be the focus of our antipoverty policy. The enhancement of human capabilities should also go in hand with the expansion of productivities and earning power. It is established that there is an important indirect linkage through which the capability improvement helps both directly and indirectly in ameliorating human lives.

Further, the contrast between the two concepts has a direct bearing in the way inequality and efficiency is to be examined. For example, a person with high income but no opportunity of political participation is not poor in terms of income poverty, however in terms of capabilities approach he will definitely fall into the category of 'poor'.

### **Unemployment and Capability Approach**

The loss of income caused by unemployment can to a great extent be compensated by income support if income loss was the all that was involved when a person is unemployed; however unemployment has a more excruciating effect on a person's life rather than a mere loss of income, which includes psychological harm, loss of work motivation and self confidence, increase in ailments and morbidity, etc. The capability approach manages to undertake a more closer study taking these important considerations into the picture.

### **Poverty and Deprivation with respect to India**

India, alone accounts for more than half of the combined population of the 52 deprived countries. Though India may be going a little better in average when compared to the worst performers in terms of life expectancy and other variables, but it has to be taken into consideration that there are large areas within India where the prevailing conditions are even the worse than the worst performing countries.

The major part of the population in India falls among the lowest levels of per capita income but that perspective does not give us a crystal clear picture of the nature and the content of their respective deprivation. Instead, if we measure poverty in terms of the deprivation of

---

<sup>9</sup> Ibid.

basic capabilities then a much brighter picture is obtained with regard to aspect of life faced by the major chunk of the population.

There are three basic essential features in respect of basic capabilities deprivation which has been the focus of Prof. Sen in distinguishing India and its counterparts of the sub-Saharan Africa as to the nature of deprivation. They include premature mortality, undernourishment and illiteracy. However as Sen himself puts it they fail to provide a comprehensive picture of capability poverty in the areas.

## **CHAPTER – III**

### **RELATING SEN'S APPROACH WITH THE ABSOLUTE AND RELATIVE POVERTY APPROACH**

Absolute poverty, which is also known as subsistence poverty since it is based on assessments of minimum subsistence requirements, is usually measured by pricing the basic necessities of life, drawing a poverty line in terms of this price, and defining as poor those whose income falls below that level.

Concept of Absolute poverty as defined by Drewnowski and Scott in their 'Level of Living Index' is in terms of basic physical needs, i.e. nutrition measured by factors such as intake of calories and proteins, shelter measured by the quality of dwelling, health measured by the rate of infant mortality and the quality of medical facilities available, basic cultural needs measured by the level of education, security, leisure, and recreation.

The basic criticisms of this approach was that it is based on the assumption that there a minimum basic level of needs for all the people in all societies. This approach is heavily criticized because people in different strata of society may not be expected to have the same level of basic minimum requirements. For example a regular office manager would definitely have a different basic minimum requirement than a labourer on a building site.

Seebom Rowntree was one of the most famous economists to have tried to conduct a study on poverty. By using the concept of subsistence poverty he tried measuring poverty by determining a poverty line based in terms of minimum weekly sum of money which was needed to secure the optimal necessities including fuel and light, rent, food, clothing, household and personal sundries. This minimum nutritional intake approach taken by Rowntree for determining poverty was heavily criticized by later economists who argued that the approach taken by Rowntree was based on 'unrealistic assumption of no-waste budget and an expert knowledge in marketing and cooking. Further, Rowntree's optimal necessities were based on his sole opinion and the experts he consulted. Hence, his measurement of poverty fell short of the determination of relative poverty

Thus, this idea of absolute poverty gave in to the idea of relative poverty after the mass of criticisms leveled against it. The concept of relative poverty comprised of measurement of minimum requirements taking into consideration reasonable and acceptable standard of living according to the conventions of that society. Thus a person is considered to be relatively poor if his resources are seriously below the average individual or family of that society where he belongs and is thus excluded from ordinary living patterns, customs and activities of that society.

However, even this concept of relative poverty was not free from criticisms either. For example, it cannot be assumed that there are similar standard of reasonableness and accepted lifestyles throughout the society. The acceptable standard of a lower wage earner will differ significantly from those comprising the middle-class. Hence, the concept of relative poverty also poses problems for the comparison of the poor in the same society and time.

An estimation of poverty was conducted by Brian Abel Smith and Peter Townsend who used the Relative theory of Poverty for their determination of poverty. In their book entitled 'The poor and the poorest' they defined poverty in terms of low levels of living. They estimated that people having less than 140 percent of the basic national assistance scale plus rent and/or other housing cost are to be considered poor. Families with no means of support received allowance from the National Assistance Board and this allowance depended on the conditions of the family. This estimation of poverty was less stringent than Rowntree's subsistence level poverty line and it was more related to the reasonable living standards, hence it closer to the concept of relative poverty.

### **CONTRASTING THE CAPABILITY DEPRIVATION APPROACH FOLLOWED BY SEN WITH THESE TWO APPROACHES**

In analysing the theories highlighted in this chapter it is essential to contrast them in the light to the capability deprivation theory promulgated by Sen. Firstly, Rowntree uses the Absolute Poverty theory for his determination of poverty where he only focuses on the individualistic pattern of estimation. He does not involve any public participation where poverty would just be the be all and end all of a person's individual income. His poverty would not be determined in relation to the other aspects of his livelihood, i.e. his age, the type of society where he resides, his physical and mental conditions, etc.

Secondly, Townsend on the other hand uses the relative poverty concept for his determination of poverty. However, he too focuses on only the resource based approach where the person's resources were compared to the general average resources of the society where he would reside and if his resources fell from that level he would be considered to be suffering from poverty. Hence, we see that the basic approach for both Rowntree and Townsend were almost similar, i.e. resources being the only consideration for the determining whether a person was poor or not. The only difference which was prevalent in Townsend's approach was that he involved public participation of the society where the person resided while he determined the average resource level for the society.

However, Amartya Sen came out of this instrumentalist view adopted by both Rowntree and Townsend and looked at poverty from a more intrinsic view. His approach was very different from both the absolute poverty and the relative poverty approach. He considered that a person's resources cannot be considered to be the be all and end all determining factor for him to be poor. His essence was to focus on the capabilities of the person rather than the income because the income of a person was only a means to his ends and that very end was capability itself. Thus he shed the resource based approach of his predecessors and came up with the capabilities deprivation approach which he also termed as substantive freedom. Hence, the approach followed by Sen involved factors which had never been considered before for the estimation of poverty. He involved the age, the various infirmities which he was suffering from, and the society where a person resided to be some of the few essential determinants of a person's poverty. Hence his focused lied on the real income of the person and not the virtual face value income adopted by his predecessors. Hence, in this way Sen's theory of capability deprivation approach was a step ahead than the approaches followed by Rowntree and Townsend in the determination of poverty.

## **CHAPTER – IV**

### **MEASUREMENT OF POVERTY BY OTHER ORGANISATIONS IN RELATION WITH SEN'S THEORY**

#### **POVERTY AS DEFINED IN INDIA**

Poverty Line is an economic benchmark and poverty threshold used by the government of India to indicate economic disadvantage and to identify individuals and households in need of government assistance and aid. It is determined using various parameters which vary from state to state and within states.

The Planning Commission estimates the proportion and number of poor separately for rural and urban India at the national and State levels based on the recommendations of the Task Force on 'Projections of Minimum Needs and Effective Consumption Demands' (1979). The Task Force had defined the poverty line (BPL) as the cost of an all India average consumption basket at which calorie norms were met. The norms were 2400 calories per capita per day for rural areas and 2100 calories for urban areas.

#### **POVERTY AS DEFINED BY WORLD BANK**

Poverty is usually measured as either absolute or relative poverty (the latter being actually an index of income inequality). Absolute poverty refers to a set standard which is consistent over time and between countries. The World Bank defines extreme poverty as living on less than US \$1.25 per day, and moderate poverty as less than \$2 a day.<sup>10</sup>

#### **POVERTY AS DEFINED BY UNITED NATION DEVELOPMENT PROGRAMME (UNDP)**

Poverty is defined under the UNDP is the total absence of opportunities, accompanied by high levels of undernourishment, hunger, illiteracy, lack of education, physical and mental ailments, emotional and social instability, unhappiness, sorrow and hopelessness for the future.

---

10



Poverty is also characterized by a chronic shortage of economic, social and political participation, relegating individuals to exclusion as social beings, preventing access to the benefits of economic and social development and thereby limiting their cultural development."<sup>11</sup>

### **PQLI AS AN INDICATOR OF POVERTY**

The Physical Quality of Life Index (PQLI) combines measurements of life expectancy, infant mortality, and literacy rates as an indicator to poverty.

### **CONTRASTING SEN'S APPROACH WITH THESE OTHER POPULAR DEFINITIONS OF POVERTY**

With regard to the popular definitions of poverty as comprehended in Indian perspective, the World Bank, the United Nation Development Programme (UNDP) and the Physical Quality of Life Index (PQLI) it is essential to contrast these approaches with the Capabilities Deprivation approach which was adopted by Sen in his definition of Poverty.

Now, firstly it has to be mentioned that the approach followed by the Indian approach for the estimation of poverty and approach followed by the World Bank is similar to the extent that both these approach concentrate on the general accepted norm of resource deprivation, while the approach followed by the United Nation Development Programme (UNDP) and the Physical Quality of Life Index (PQLI) does not take into account only the resources of a person to term him as poor. These two approaches focus more on the similar approach followed by Sen in his capabilities approach.

Thus, reiterating Sen, in his basic approach for the determination of Poverty did not only rely on the resources of a person and compared it to the resources of the general society where he belonged, but his focus of study was capabilities. These capabilities, he termed as the ends for the person and the resources only being a means to achieve the ends. For example, the age of a person, the infirmities he suffered from, the social responsibilities he was burdened with, etc determined his capabilities. Hence, he relied on this capabilities deprivation approach for determining whether a person was poor or not.

---

<sup>11</sup> <http://www.un.org/Pubs/chronicle/2002/issue4/0402p28.html>

This approach undertaken by Sen has been totally disregarded by the Indian approach to the estimation of poverty. It considers the resources of a person to be ultimate standard for the determination of his poverty. Its sole basis is the calorie intake of a person which it pegs at 2400 and 2100 for rural and urban population respectively. This is indirectly dependent on the resources available to the person. It nowhere mentions the inherent capabilities of a person to be a determining factor for a person to be considered poor. Thus it totally disregards Sen's approach for the determination of Poverty.

Secondly, the approach followed by the World Bank is even more instrumentalist in the view because it merely recognizes \$ 1.25 per day as the uniform level for determining whether a person is poor or not. This approach is totally futile in the way that this totally lacks any sense. The policies which the World Bank should have kept in mind are that the value of this \$ 1.25 varies from country to country and from time to time because of the change in the currency values and the exchange rates of the country. Thus this resource based approach followed by the World Bank is not at all in any way in consonance with Sen's theory of Poverty.

Thirdly, the approach followed by the UNDP however differs from the above two approaches and recognises variables like undernourishment, hunger, illiteracy, lack of education, physical and mental ailments, emotional and social instability as the determinants of effective poverty. Further, it also considers social exclusion as being an effective determinant of a person's poverty. Hence, this approach to poverty is more intrinsic than the earlier approaches as it delves into something more than the bare resources of a person. It values considerations which are more focusing towards the ends of the person rather than the mere means. Hence, this approach to some extent has taken into account Sen's approach to Poverty.

Lastly, the approach followed by the PQLI which was developed by David M. Morris considered a person to be poor who was, in the measurements of life expectancy, infant mortality, and literacy rates very low. This approach too to some extent focuses on more than the basic and general resource approach followed for the determination of Poverty. However the approach restricted itself to only three bare criteria of life expectancy, infant mortality and the literacy rates to be its determining capabilities. Thus, it can be said that this approach partially followed Sen's approach for the determination of poverty.

Hence, lastly concluding observation which is made is that the first two approaches of the Indian perspective and the World Bank only focuses on mere resources of a person for determining him to be poor or not and in no way consider Amartya Sen's approach to Capabilities deprivation. However, the approach followed by the UNDP and the PQLI does take into account Sen's approach to poverty because they focuses on the other aspects of determination too rather than just the resources of person, which is similar to the approach followed by Sen in his approach.

## CHAPTER – V

### CONCLUSION

In respect of providing a conclusion to the never ending debate which Sen has majorly highlighted in his theory of Poverty, it is put forth that though the focus of economists is mostly on efficiency but the blame for the neglect for the subject of inequality cannot be attributed to economists like Prof. Amartya Sen.

The more pertinent reason as to the relative unimportance of inequality can be attributed to the narrow domain of income inequality. This narrow domain has the effect of contributing to the neglect of other ways of seeing inequality and equity.

The policy considerations on the other hand has always been biased with regard to overemphasis on income poverty to the neglect of the capabilities deprivation such as ill health, unemployment, lack of education, social exclusion, etc.

Here, there is a need for the emphasis on the distinction on income inequality and economic inequality. For example, giving a larger share of income to a person with more needs due to his disability may be against the principle of equalizing incomes, but it is total consonance of the precepts of economic equality, since the persons greater need for economic resources due to his disability has to be taken into consideration in judging the requirement of economic equality.

The pivotal thought of Prof. Sen's theory of poverty basically can be summed up in very few words. Despite the crucial role of incomes in the advantages enjoyed by different persons, the relationship between income on one hand and the other individual freedoms on the other is neither constant nor in any sense automatic. The different type of contingencies at different points of time lead to the systematic variation in the conversion income into distinct functioning which we can achieve and which we can enjoy

The developments of Amartya Sen's work may be methodologically demanding to put into practice, but do at least warn against the reductionism of approach being universally followed. Theoretically informed investigations of deprivation at least raise our awareness of

what is in danger of being excluded from existing analyses of poverty, and their insights could offer much in the search for sensitive policy prescriptions for poverty relief.

## **BIBLIOGRAPHY**

- Sen Amartya, (2000) Development as Freedom, Oxford University Press, New Delhi.
- Dreze J, (1990) Poverty in India and the IRDP delusion Economic and Political Weekly 25 39 A95-104
- Sen Amartya, (1981), Poverty and famines: an essay on entitlement and deprivation Clarendon Press, Oxford
- M. Harlambos and R.M Heald, Sociology- Themes and Perspectives, Oxford University Press, New Delhi.