

## **THEORETICAL PERSPECTIVES ON POVERTY: A CRITICAL REVIEW**

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### **ABSTRACT**

It is significant to understand that theoretical elements permeate process of the conceptualization, measurement and explanation of a social problem including the application of a remedial policy to confront the issue. Thus all anti-poverty programmes are formulated within a distinct frame of reference which guide the policy framers to systematize and thus actualize their approach. Theoretical dimensions of poverty thus comes to the rescue of the policy planners and makers. The present article as such includes the various approaches to poverty along with the various prominent theories linked to the study of poverty. The biological approach defines the minimum needs in terms of minimum calorie intake. The inequality approach considers poverty in terms of inequality. Poverty as low levels of per-capita income is also another approach. Similarly, the poverty line approach is the quantitative assessment of the extent of poverty adopted in our country. The vicious circle of poverty and its modified version put forth by Gunnar Myrdal have also been discussed along with the Classical Marxist and the Neo Marxist theory to the study of poverty. The latter are basically an attempt to discuss and analyze poverty in the background of a capitalist productive arrangement. Nevertheless, these approaches and theories would help us to understand and take into consideration the various dimensions of poverty.

### **KEYWORDS**

Poverty, inequality approach, per-capita income, cultural beliefs, poverty line, 'growth plus' strategy, relative deprivation, modernization theory, dependence theory, institutional theory.

### **INTRODUCTION:**

The most pronounced social predicament inflicting both the developed and the developing countries to a larger extent is that of poverty. Poverty is a condition of living which deprives an individual of the basic opportunities of material well being and finds manifestation in malnutrition, disease, starvation and illiteracy. It is the product of the failure of a collective human responsibility and is an insurmountable barrier to economic and cultural advancement of the society, the damaging effect of which spills over the entire nation. As poverty impacts the overall progress and development of a nation it becomes indispensable especially for the social scientists and the policy makers to identify the problem and provide explanation about the 'how' and 'what' of the problem so that a plan could be comprehended as a means to alter the situation. A theoretical study of the issue in

hand is thus the starting point for understanding and hence solving the problem in a more efficacious manner.

### **AIM OF STUDY:**

The objective of the present article is to depict that poverty is a very complicated phenomenon which has impaired the developmental process of countries since ages. It is multidimensional in nature having its impact in the political and social life of individuals as well. When a person is not in a position to enjoy a minimum standard of living which is upheld as being acceptable to the society he is stated to be in a condition of poverty. To go into the inner dynamics of the concept of poverty various streams of poverty approaches and theories have been offered across the globe. These theories and understandings aim at clarifying the broader implications of this age old phenomenon of poverty and thus it is instructive to examine them with a view to also understand how this problem continue to effect the policy and methodological choices of countries.

### **REVIEW OF LITERATURE:**

1. Harrington Michael, "The Vast Majority – A Journey to the World's Poor" (Simon and Schuster, New York 1977).  
This book essentially examines the reason as why developed countries like the United States under-estimates the problem of poverty and hunger and discusses the impact of the American policies on the third world or the developing countries. It infact deals with the global perspectives of poverty.
2. Haq Mahbub, "The Poverty Curtain", (Columbia University Press, New York, 1976)  
This book written by the noted economist of Pakistan Dr. M. Haq goes beyond the financial interpretation of economic growth and significantly puts forth the view that besides the financial yardstick there are other constraints as well which determine the future of an individual. In other words this book involves a broad understanding of poverty in the entire social context.
3. Holman Robert, "Poverty – Explanation of Social Deprivation, " (Martin Robertson, London, 1978).  
Robert Holman in his book on poverty discusses the issue of poverty from a social perspective. This makes the author take into consideration the various social and cultural factors that intricately is linked up with economic issues. Poverty is understood as the product of the failure of a collective human responsibility.
4. Radhakrishna R. Ray Shovan (Ed.), "Handbook of Poverty," (OUP India Publication, India, 2006).  
Broadly speaking the above book on poverty jointly edited by the above scholars discusses the policy concerns in our country which sought to change the living conditions of the poor primarily through the public interventionist schemes and employment generation policies. The prime focus of this book is an analysis of those determinants of poverty which impact the formulation of pro-poor public policies in our country.
5. Townsend J. (Ed), "The Concept of Poverty", (London, Heinemann, 1971).  
This book on the concept of poverty places the definition and calculation of poverty with an international scientific context. Poverty is understood as a condition where the resources

of the concerned population is much below that of the average person or family to which they belong. This means understanding poverty in relative terms which is the chief focus of the book.

6. Victor George, "Wealth, Poverty and Starvation Perspective," (A World, St. Martins Press, New York, 1988)

This is an interesting book on how inspite of the availability of adequate resources or wealth poverty still continue to persist in the global arena. The author also tries to meaningfully relate poverty to the issue of hunger and how it leads to health related problems and effects the quality of life in turn.

### **MAIN TEXT:**

Approaches to the problem of poverty are many. The Inequality approach to poverty finds it plausible to consider the concept of poverty as essentially one of inequality. The high magnitude of inequality is reflected in the low national level of per capita income which in turn demonstrates the actuality of massive poverty. This approach does not provide a definite cause for the emergence of poverty. Poverty as its proponent's claim may either be the outcome of shortage of resources or of the biased distribution of ownership of resources which directly cater to the demands of the opulent classes. An individual may be deemed to be poor when his earnings are comparatively less than the average earnings of the population. A relative approach to poverty is thus called for Miller and Roby observe that "instead of measuring poverty lines with pseudo-scientific accuracy, one has to look at the nature and size of the differences between the bottom 20 to 10 percent and the rest of the society".<sup>1</sup> With an upswing in the average national income the relative poverty line also moves upwards providing scope for amelioration in living standards. The poverty line used for detecting the poor is drawn with respect to the concurrent yardstick of the concerned community. This is done to detect the poorest group from the rest of the community. Critics of this approach opine that inequality is a different issue from poverty. As such it would be unjustified to analyze poverty as an issue of inequality or vice-versa. Poverty and inequality are related to each other, but one cannot be substituted for the other. A shift of income from the top income group to the lower income range would depreciate inequality but it may leave the concept of poverty un-touched. Thus, poverty and inequality are not related in terms of parity though inequality may prominently figure in the analysis of poverty. According to the subsistence or the biological approach as income is not disbursed equitably it is important to specify a level of income that characterize the poor. Minimum needs are defined in terms of the minimum calorie intake indispensable for human survival. Poverty is gauged in the context of the purchasing power required to procure the necessary goods and services. These are then priced, their sums added to ascertain the total amount of finance required. This aggregate when given in term of income for a definite base year is our measurement of poverty. Prices are never static. The poverty line has thus to make room for necessary adjustments. Poverty being ascertained in terms of money income; this approach makes room for a value free determination of the same. As such an absolute measurement of poverty is possible. Further this approach is particularly suited for India where some absolute minimum is still the major concern of the

majority. However, this approach of specifying a norm for levels of living has been subjected to intense criticism. It does not permit inter/individual variations with regard to requirements which a healthy active life demand. Sukhatme opines that when average requirement is utilized as minimum requirement for calculating the extent of poverty the level of malnutrition and poverty are exaggerated. There are also significant variations in calorie intake or nutritional requirements of individuals irrespective of their physical or environmental similarities. It has been also pointed out that nutritional norms only provide the minimum food component of the poverty level. The minimum basic needs in isolation do not constitute the definition of poverty. Needs which enhance the income earning potential of the poor households and their conventional demands are also to be incorporated into the definition of poverty.

Poverty as low levels of Per Capita Income is another approach to the study of poverty when per capita income becomes the medium by which poverty is measured and expressed. This conceptualization of poverty calls for mechanical and physical strategies to solve it. To a large extent low level of per capita income is accounted for by households with heads whose jobs are so low paying that they are unable to support their large families and cater to other needs of a decent livelihood. This theory has its own inbuilt limitations. Though among the economists it is almost axiomatic that an increase in national income eradicates poverty, when scrutinized from an economic point of view it proves otherwise. From such a point of view, national income is the value of goods and services produced during a period of time. National income therefore can be expressed in numbers, as valuation then becomes a social process. Under all circumstance a variation in physical output does not necessarily affect the national income as it is determined by the underlying social forces that value goods and services. One should take note of such a limitation while playing the game of numbers. Another problem with this approach is that the per capita income does not acknowledge the income distribution pattern among the population as it just puts forth a simple average. Per capita income is a poor indicator of poverty because when low it simply depicts that a few are very rich, and the vast majority are poor. However, it may be noted that though an increase in national income is not a sufficient condition to neutralize poverty, it is very important that the national income increases so that a beginning can be made in the forward march to eradicate poverty.

The Dandekar-Rath Study of Poverty in India-a 'Growth Plus's Strategy is one of the most detailed and valuable exercises quantifying the extent of poverty in India is the study concluded in 1971 by V.M. Dandekar and N. Rath. They conducted a nation-wide estimate of consumption expenditure by various consumer groups and defined the poverty line in the context of a nutritional norm. For them undernutrition is just one of the multiple dimensions of poverty and it is conceptually erroneous to relate poverty measurement to calorie intake. Dandekar makes a fundamental distinction when he says "Want of adequate income howsoever defined is poverty, deficiency of energy appropriately defined is under-nutrition."<sup>2</sup> Under-nutrition is normally the consequence of low-income, though the latter is an indispensable condition for undernutrition.

Dandekar and Rath are unequivocal on the relationship between growth and the distribution of the means of production. Economic development will merit no attention unless accompanied by a positive and efficacious policy to guarantee an equitable distribution of the fruits of development. A skewed pattern of distribution will inevitably benefit the opulent classes much more than the deprived ones. But they are convinced that a solution to poverty can be and must be found without resorting to any major changes in that distribution. The Dandekar and Rath study provides many insights into the policy prescriptions that are to be adopted for solving the poverty problem. Theirs is a growth plus strategy. They begin the strategy with the notion that the prevailing inequality in income is the result of the inequitable distribution of the means of production. As such the best solution most suited for India is to bring about an equitable distribution of the means of production. However, an effective development strategy is one which would not only increase economic growth but would also ensure that the access of the poor to productive business is also enhanced. In the context of the Indian situation where land is a scarce commodity because of excessive reliance on it and where the problem of unemployment is all pervasive the only possible solution to the problem of unemployment (which exists due to the lack of the means of production), would be to espouse a labor-intensive technology which will make use of the available amount of resources and provide employment opportunities to all.

The Poverty-Line Approach was the product of attempts made by an Expert Committee set up by the Indian government in 1962 to have a specific identification of the poor. The committee on the basis of 1960-61 prices put the nationally desirable minimum level of consumer expenditure at Rs.20/- per capita per month. This figure then became the basis of the 'poverty line'. This line then delineates the poor from the non-poor. When an individual lives in poverty it indicates that his standard of living is much below the acceptable minimum standard. It thus enabled a quantitative assessment of the extent of poverty in the country. By taking the consumption expenditure of Rs.20/- per month per capita as the basis of study, it was found that more than half of our population lived in abject poverty. Hence it was necessary to urgently provide an assured minimum income to every citizen of the country within a justified span of time given the limited size of the total product. The income redistributed would materially ameliorate the conditions of the poorest classes but there would be no improvement in the average standard of living. As such this approach based its anti-poverty programme entirely on growth. A significant finding of the committee consisted in the belief that irrespective of the divergent levels of development and varying socio-political environment, the distribution of income particularly among the lowest section of the population follows a similar pattern. It was thus hypothesized that spontaneous economic development would enhance the income of the poorest segments in more or less the same proportion as the aggregate income in any country. It then becomes the responsibility of the state to undertake deliberate redistributive measures so that the poor acquire a specified level of minimum income within a fixed period. The central point in this approach was the growth of the economy through additional investment. Calculations were then made regarding the quantum and rate of investment required to obtain the objective of poverty eradication. A fourfold hike in national income in fifteen years or an annual rate of growth of nearly 10% over the

concerned period was called for. But considering the limitations of our economy to mobilize domestic resources and earn foreign exchange of sufficient magnitude, such a rate of expansion proved difficult to achieve. This shortcoming of the approach could be solved by defining the level of minimum income to be achieved in more modest terms. Another serious drawback of this approach consisted in its acceptance of the limitations of the economy and the preservation of the state of things as they are. In spite of its commitment to eradicate poverty it does not suggest any concrete steps which could be taken to bring about the necessary changes in the economy. Irrespective of its limitations this approach is still widely recognized because of its statement of the problem in precise quantitative terms.

According to poverty as relative deprivation approach the notion of relative deprivation has a considerable bearing on the social analysis of poverty. The clarification of the concept involves some distinct and differing notions. A fundamental distinction relates to the contrast between the feeling of being deprived and the condition of deprivation. The state or conditions of deprivation does not exist in isolation of the feelings of deprivation. Material items are incapable of being evaluated in the context of deprivation without reference to how people view them. Feelings either explicitly or tacitly play an important role in the selection of objects. This approach also emphasizes the need to define the approved style of living of each society so that it becomes simple to determine the level of the distribution of resources in a society, beyond which it becomes difficult to maintain the approved style of living. Thus, the conditions of deprivation and the 'feelings of deprivation' do not exist independent of the other and an objective diagnosis of the former calls for an objective understanding of the latter. Another contrast involves the selection of groups with which the concerned people compare themselves. This determination is one of the most burdensome aspects of the analysis of poverty based on relative deprivation. The task of comparison is influenced by the political activity of the community in question because, deprivation is closely linked to one's expectation and what one thinks one has the right to enjoy. Thus, the concept of 'relative deprivation' has been meaningfully used in the diagnosis of poverty, particularly in the sociological literature. But this approach with all its distinctive variants does not stand the test of utility as the only basis for the concept of poverty. In case of any calamity say famine, a case of acute poverty would indeed be accepted without having to ascertain first the relative picture. This shows an element of absolute deprivation in poverty. Thus, this approach cannot be a substitute, but it can rather supplement the analysis of poverty in terms of utter or acute dispossession.

Poverty as the absence of growth-based strategy is based on the assumption that a nation rolling in natural resources may remain poor in the absence of pre-conditions for rapid growth. Schumacher was not wrong when he said that development does not start with goods, it stands with the population and their attributes. Hence, he attributes poverty to the absence of growth strategies in the developing countries which would cater to their specific needs. Economic problems like poverty, unemployment, inequalities of income and wealth etc. are product of very low rate of growth achieved by these countries. Hence the developing countries, particularly the ones which are densely populated should take urgent steps for achieving a higher rate of growth. The reliance on growth is equivalent to depending on income because it is income or the outflow of goods that is supposed to grow.

In the context of poverty eradication, commodity specific growth is a minimum necessity, but the growth should be in terms of the quality of goods that are to be planned for. Thus, a disaggregated analysis of the economy is called for or else the incidence of poverty would continue. The planners while adopting strategies to step up growth to fight poverty, are required to scrutinize the functioning of the system so that the loopholes of the existing economic structure could be done away with. Growth cannot take place in an abstract environment. Solution to the poverty problem could be found only when the infrastructural roots of the economy are strengthened, and a 'commodity-based growth' strategy is adopted. Unless these concrete steps are taken some kind of abstract growth per annum can only lead to an increase in the incidence of poverty rather than to its eradication.

C.T. Kurian's explanatory framework of Poverty offers a penetrating insight into the essence of rural poverty and the mechanisms and processes by which the immiseration in of the rural poor are carried out. Kurian has concentrated on rural poverty as it forms the core of poverty condition in India. He views poverty as the inevitable product of the dominant tendency of the present emerging system. He begins his study with an analysis of property relationship and the distribution of economic power. The pattern of land ownership in rural India reflects the basis of mass poverty. In spite of radical legislative measures the concentration of land ownership still continues to persist. A large proportion of the rural population thus has little or no claim on the main resource of their livelihood i.e., land. Their standard of living then depends on how the owners of essential resources make use of them. The key economic resource i.e., land is utilized to guarantee prosperity for a handful, the majority thus being denied their due share. Thus, the deficient agrarian structure not only perpetuates the inequitable distribution of economic resources but also permit the inefficient utilization of the same. For Kurian, "the key to poverty lies not only in how wealth that is produced is distributed, but in the way in which the resources are utilized under the production system to produce wealth".<sup>3</sup> Poverty must be analyzed in the context of certain economic and social processes which are at work. Lastly, poverty is the result of a situation where the owners of resources do not make the best use of them. Secondly, the poor being denied ownership of the means of production, they lack the power to dictate the choice of products and of techniques. It is the privileged few who dictate the terms of growth. Under such conditions, the natural proclivity of the system is to fulfil the growing wants of those who control the use of resources. The elementary needs of the majority are thus not taken care of, rendering them poor and helpless. The above description of rural poverty reflects the essence of the problem of poverty. Accordingly, the basis of mass poverty lies in the emerging mode of production, that perpetuates inequality in the distribution of land ownership. Radical land reforms and commercialization of agriculture have not substantially improved the position in favour of the rural poor. Growing rationalization of the productive system has given rise to business tenancy and self-cultivation by erstwhile landlords based on paid labour. These changes have generated landlessness or near-landlessness, resulting in the immiseration of the small and marginal peasants.

C T Kurien's pioneering work on poverty provides us with deep insights into the roots of the poverty problem. It gives an integrated and explanatory framework for the

accumulation of wealth in the hands of a few and the generation of poverty for the masses. All the above approaches go a long way in explaining the phenomena of poverty and its various dimensions. As poverty is a complex socio-economic condition it is likely to be interpreted time and again and thus cannot be linked to any particular approach.

### **THEORIES EXPLAINING THE ORIGIN AND GROWTH OF POVERTY**

‘The Modernization Theory’ sees poverty as the outcome of individual inadequacies, be they the values or proficiency of individuals or those of the nation as a whole. The proponents of the theory considered development as an evolutionary process; more precisely, as a cumulative improvement process. It passes through various stages, each successive stage being superior and different to that of its predecessor. In the process the traditional or pre-modern society gets transformed into a modern one acquiring features that characterize the economically prosperous and relatively politically stable western nations. Universalization, achievement orientation and functional specificity are the chief features of the modern society. The essence of the modernization theory can be found in the writings of Mc-Clelland and Rostow. The former highlighted changes in values and attitudes as the most important prerequisite for the economic development of the developing nations. These nations should be socialized with ‘the need for ‘achievement value’ if rapid progress is to take place. Rostow on the other hand propagated both a political and an economic model of development. He considers entrepreneurship to be the most important factor for development. Prosperous industrial nations can assist in the process of third world development by not only providing capital for investment but also by making available some personnel for the introduction of new techniques and ideas in social as well as in political fields. Thus, the modernization theorists considered development as the outcome of indigenous factors which are amenable to improvement with the help of prosperous nations and external international agencies. Westernization of the third world countries thus lie at the root of the modernization theory. In spite of its academic dominance for over a decade the modernization theories lost its prominence because of many weaknesses and was even finally replaced by the dependency thesis in the late 1960s. It grossly overestimated the internal factors and ignored the external factors of development. It oversimplified the forms of social behaviour between the advanced and the developing nations as being exactly opposites. Its claim that there is a functional compatibility between the various subsystems of society is far from correct. It downgrades the cultural identity of developing societies and exemplifies the Western European culture in all its aspects. Finally, its adherence to the principle of congruence of interests both internally and between different nations do not stand the test of time. Despite such criticism, the essentials of this theory continue to influence the functioning of the international bodies of development. Internal factors are still considered to be mainly responsible for the poverty of developing nations.

The Dependency Theory takes a global view of wealth and poverty and considers it to be the result of a long chain of exploitative trade relationships. Such a tie-up begins at the financial centers of the advanced world and terminates with the impoverished town dweller and destitute labourers of the countryside. As profit shifts upwards wealth gets



accumulated in the industrialized world and fails to trickle down to the third world resulting in poverty. The latter having no prospects of any improvements at the national level await a world socialist revolution to bring about greater equality between and within nations. Frank, Wallerstein, and Cardoso epitomize the three main strands of thought within the dependency school. According to Frank under-development is a condition which the developed/ industrialized countries impose on the developing world to promote their own growth. Both under development and development are reflections of internal contradictions in the world capitalist system. There are three basic implications of Frank's dependency theory. Firstly, independent economic development is not feasible within the world capitalist system. Secondly, the more intimate are the links between the industrialized and the third world nations, the greater is the extent of domination and exploitation. Thirdly, the third world countries can free themselves from the shackles of underdevelopment only by encouraging revolt among the masses. The focus of Wallerstein in his dependency theory is the 'world system'. All happenings in any particular country is the result of developments in the world capitalist system. In other words, Wallerstein opines that in every country external factors play a more significant role than the internal forces in bringing about changes within it. This shows that he has undermined the role of nationalist movements or revolutions in any country and has held that such movements would provide no benefits to the third world countries. It is thus only through world socialist revolution that these countries would be able to prosper and adopt a self-reliant strategy. Cardoso in his contribution to the dependency theory upholds the importance of internal political forces as an important factor in bringing about changes in a country. As opposed to the views of Wallerstein, he concludes that the state is not a passive body to be dictated by the terms of some external forces. External forces do play an important part in a country's development but there are times when the internal forces overshadow the external ones and plays a dominant role in ordaining the terms of development. The dependency theory thus provided the much-required modifications to the modernization theory of development which is a western oriented one. Its basic premise that both development and underdevelopment are the result of the exploitation of the developing /the third world is justified and hence correct. But the main shortcoming of this theory lies in its pessimistic attitude concerning the future development projects of the third world countries. It thereby marginalizes the importance of internal political factors.

Vicious circle of Poverty which rose in the early 1950's attributes poverty to the low level of production which in turn is a product of the low incomes, hence low savings and investment and the overall deficiency of the capital stock. But this theory falls short of explaining the causes for the persistence of poverty in several developing countries which have followed the prescribed path. Modifications of the theory have been put forth by J K Galbraith and G Myrdal. The former asserts that even if the equilibrium of mass poverty in the poor nations is broken it would restore itself. As he says that into the structure of poverty there are certain inherent adverse social and biological elements that obstructs improvements resulting in poverty. The pessimistic poor instead of breaking off the circle tend to co-exist and accommodate with it, thus reinforcing conditions of poverty. Myrdal while taking note of the anomalies of the vicious circle thesis includes the pattern and structure of international inequalities in the process of circular causation of poverty.

According to W.W Rostow who propounded the stages of growth theory theory in the 1960's, every society passes through four successive stages of economic development-the traditional society, the preconditions for take off, the drive to maturity and the final stage of mass consumption. He takes resort to a low-level, self-perpetuating equilibrium as the starting point in the process of economic evolution. He then demonstrates as to how the chain of circular causation could be torn apart and a process of overall growth could be triggered off. In spite of its general appeal Rostow's theory fails to recognize the significant historical fact which conditioned the poverty and economic backwardness of the South on the one hand and increased economic development of the North on the other.

Institutional theory of Gunnar Myrdal, an attempt to diagnose the poverty mainly of South and Southeast Asian societies seeks to highlight the factors like capital and skill formation, technological progress, monetary and other reforms which are responsible for the economic development of the capitalist world. In his institutional theory he asserts that it is the pre-modern and unchanged institutions and attitudes of the nations under study that goes a long way in explaining their poverty. A glaring omission of his thesis lies in his neglect of the class structure as a factor in the economic stagnation of the poor thereby confusing the fundamental causes and symptoms of mass poverty.

Accordingly Classical Marxist Theory Under development claims the Marxists is the result of insufficient colonial penetration. As envisaged by Marx, all countries irrespective of their state of industrialization would be transformed into capitalist and eventually into socialist societies. In every country's economic structure there is an element of conflict engendered in the mode of production. This provides the main driving force for social change in such an evolutionary development. Marx in his theory of the Asiatic Mode of Production had mainly concentrated on the poverty of the proletariat under industrial capitalism. Capitalist development on the one hand exploits the working class leading to the accumulation of profit in a few hands. On the other hand, it ironically politicizes the working class through class struggle which eventually overthrows the system that was the source of their exploitation. Under such a system the capitalist class appropriates the surplus value, thereby exploiting the proletariat that become the root cause of the poverty of the latter. The claims of the orthodox Marxist thesis are however unreal and unacceptable, for it distracts attention from some of the most disgraceful aspects of the present situation. There is no evidence to sustain their claim that all countries go through the same stages of economic and social development irrespective of their background. Further this theory also undermines the importance of internal political factors as a relevant factor to development in the third world countries. Equally unconvincing is their claim that the massive improvement of millions of people in the developing countries is but an intermediate stage on the long road to socialism. What is however acceptable is their belief that poverty was the result of the prevalent economic and social forces and not the result of individual failure.

Among the neo-Marxists, Laclau's contribution to development theory is outstanding. He insisted that capitalism did not exist from the beginning of civilization because capitalism as defined by Marx refers to a mode of production where the employers make use of the

labourers to produce profit. He also states that a capitalist mode of production does not exist in isolation, it could co-exist with feudal relations in any country. All these have apparent political implications, for no two third world countries are alike as far as internal political forces are concerned. Moreover, the bourgeoisie in these countries are made to share power with the land owning semi-feudal class. This implies the fragmentation of the dominant class as well as the oppositional class. Finally, the Neo Marxists are inclined to promote the peasantry as the revolutionary class and to belittle the industrial proletariat because of its semi-incorporation into the capitalist system.

Two main limitations of this theory are: Firstly, its superfluous emphasis on the notion of class and downgrading the relevance of other groupings like tribe, religion etc. cannot be backed by facts. Secondly, the neo-Marxist theory incorporates divergent stands of thought with disagreements on important theoretical concepts. But what provides boost to the Neo Marxist position is their depiction that the internal class dynamics of a country influences the nature of its development process.

Proponents of the Neo-Marxist Structuralist Theory regard historical factors to be crucial in our understanding of the development and underdevelopment of nations. The main features of this theory are as following: Firstly, political independence of the third world countries has not put an end to their economic exploitation by the advanced industrial societies. Trade relationship between them have only exacerbated inequalities. Secondly, unequal distribution of power within third world countries have resulted in power being handed over to the general mass of impoverished people. Thirdly, the structural theorists consider land reform to be given top priority in the developing countries because the root cause of majority of their economic problems lies in the system of unequal land ownership. This was also necessary to prevent the rural exodus to the towns and thus to curtail urban poverty. Fourthly, they considered 'structure' as the determinant factor in our understanding of poverty. The attitudes and values of the poor are important to development, but they are not the sole determining factor. Fifthly, they condemn the economic system for excluding the poor from the benefits of economic growth but couples this with an ambiguous optimism that the conditions of the poor would improve not in the immediate future but gradually and unevenly. Finally, the structural theorists hold that the interests of the poor nations and their people are best served by policies that encourage greater equality between the developing and the rich industrial societies and ensure faster economic growth particularly for the former. The structuralist perspective though criticized as being overcautious and uncertain nonetheless looks like the most accepted theory. This is because of their balanced approach with regard to the inter play between the world system, the temperament of the state and the equilibrium of political forces in particular third world countries. To conclude, the development theories provide us with a skeleton framework that would help us to examine the development prospects of some third world countries. For more generalized statements which can be predicted about them, the country case studies seem to be the best possible alternatives.

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