

# **Eradication of Extreme Poverty - The Kerala Model**

**Mains:** *GS II - Issues relating to Poverty and Hunger.* 

## Why in News?

Recently, The Chief Minister of kerala, Pinarayi Vijayan declared that Kerala has eradicated extreme poverty, making it the first Indian state to achieve this milestone.

### What is extreme poverty?

- **Definition** As per the World Bank's (June 2025) revision, anyone living on less than \$3 per day (2021 PPP) is considered to be in extreme poverty.
- Earlier, the benchmark was \$2.15/day (2017 PPP).
- The poverty line determination:
  - Lower-middle-income countries \$4.20/day
  - Upper-middle-income countries \$8.30/day
- Poverty and extreme poverty:
  - Those earning below \$4.20 but above \$3 are poor, not extremely poor.
  - Extreme poverty captures the most deprived segment in terms of basic human needs like food, shelter, health, and education.

#### What is India's position in the global context?

- World Bank estimates (2025) In India 838 million people globally lived in extreme poverty in 2022 (using \$3/day standard).
- **Reduction of Extreme poverty** It declined from 16.2% (2011–12) to 2.3% (2022–23).
- About 171 million people were lifted out of extreme poverty.
- **Drivers of progress** The rising employment and urbanization has been the main drivers of extreme poverty reduction.
  - For example, urban unemployment reduced to 6.6% (Q1 FY24/25) lowest since 2017–18.
- Challenges The poverty reduction efforts of India suffers from following challenges
  - **Unemployment** It remains as the persistent challenge.
  - Youth unemployment which stands at 13.3% (29% among graduates).
  - **Disparity** Female employment rate stands only at 31%.
  - **Informal work nature** 77% of non-farm jobs and most farm jobs remain informal.
- Critics argue that official poverty reduction estimates may not fully capture multidimensional deprivations.

- Multidimensional Poverty Index (MPI) It is based on Alkire-Foster methodology (Global MPI), and uses 12 indicators across 3 dimensions
  - **Health** Nutrition, child mortality, maternal health.
  - **Education** Years of schooling, school attendance.
  - Standard of living Housing, sanitation, assets, and cooking fuel.

## What is the journey of Kerala in Eradicating poverty?

- MPI 2021 Kerala's poverty rate was 0.7% which was the lowest in India.
- **Decline of Poverty** It declined from 59.8% in the 1970s to near zero due to successive governments' welfare policies in education, health, and social security.
- However, Kerala's extreme poverty identification method differed from the NITI Aayog's MPI framework.
- 4 year effort The achievement follows a targeted four-year effort under the Extreme Poverty Eradication Programme (EPEP) led by the Left Democratic Front (LDF) government.
- This marks a significant development in India's poverty alleviation journey, offering insights into localized, data-driven, participatory governance models, and aligning with UN Sustainable Development Goal.

#### What is the extreme poverty eradication programme (epep) of kerala?

- Launched in Announced in 2021.
- **Nodal agency** The Local Self-Government Department was the nodal agency.
- **Skilled man power** Around 4 lakh, officials, elected representatives, and volunteers were trained.
- **Identification process** -1.18 lakh families were initially identified.
- Criteria Income, health, housing, and food insecurity.
- **Key interventions** Housing: 4,677 homeless families identified, and 4,005 were provided homes under Life Mission Scheme.
- **Food security** 20,648 families lacking stable food access were given meals by local bodies.
- **Essential services** Under Avakasam Athivegam (Rights Fast) campaign, families were ensured access to Aadhaar, voter ID, bank accounts, MGNREGS job cards, social pensions, electricity, and LPG connections.
- **Institutional collaboration** Local governance, community participation, and data verification ensured inclusivity.
- **Political backing and support** Opposition parties also extended support for the programme.

# What are the remaining challenges for Kerala?

- **Tribal representation concerns** Adivasi Gothra Mahasabha alleged that only 5% of identified families were Scheduled Tribes.
- There is a high deprivation among Paniya, Adiya, and Kattunaikkar communities in Wayanad and Attappady.
- Criticism of survey methodology for not ensuring tribal-specific inclusion parameters.
- Labour and welfare gaps ASHA workers criticized the government's poverty

claims, demanding better payment (rupees 223/day).

- The government responded by increasing their pay by Rupees 1,000/month.
- **Sustainability challenge** LSGD is now planning Phase II to ensure beneficiaries do not revert into poverty, focusing on long-term livelihood stability.

#### What lies ahead?

- Kerala's EPEP marks a milestone in India's fight against extreme poverty showcasing how decentralised governance, human-centric micro-planning, and participatory implementation can transform lives.
- While political criticism and inclusivity gaps persist, the model provides a replicable framework for sustainable and equitable poverty eradication in India.
- By blending welfare delivery with dignity and empowerment, Kerala reaffirms its place as a social development pioneer.

#### References

The Indian Express | Kerala's Eradication of Extreme Poverty

The Hindu | Kerala Free from Extreme Poverty

