

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 (eep) 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](#)

