Society & Social Justice · GS - II

Inequality in the ownership pattern of resources is one of the major causes of poverty. Discuss in the context of 'paradox of poverty'.

EXAM YEAR	PAPER	SUBJECT
2025	GS - II	Society & Social Justice

MARKS	WORD LIMIT
15	~250 words

Answer Hint

Resource inequality, poverty paradox, landlessness, unequal asset distribution, capability deprivation, social exclusion, intergenerational poverty, rural inequality, redistribution, inclusive growth

Model Answer

Introduction

The “paradox of poverty” highlights a situation where poverty persists despite the existence of substantial resources and economic growth because access to and ownership of productive assets remain highly unequal.

1. Resource inequality and poverty

Ownership of land, capital, forests, water, technology and productive infrastructure determines people's capacity to generate income. Concentration of these resources creates a structural divide between asset-owning and asset-poor households.

Landless agricultural labourers, informal workers and marginal farmers often possess labour but lack complementary productive assets. Consequently, their productivity and bargaining power remain low.

2. Poverty paradox

Economic growth can coexist with persistent poverty when its benefits are distributed unevenly. A resource-rich region may contain poor communities because local populations lack ownership, access or decision-making power over those resources.

For example, mineral-rich tribal areas may experience poverty when communities face displacement, inadequate rehabilitation and limited participation in resource governance.

This also creates intergenerational poverty. Poor households with limited assets invest less in education, nutrition and healthcare, thereby transmitting disadvantage to subsequent generations.

3. Addressing the paradox

The solution requires:

1. Secure land and forest rights.
2. Effective implementation of the Forest Rights Act.
3. Financial inclusion and affordable institutional credit.
4. Skill development and productive employment.
5. Universal access to education, health and nutrition.
6. Progressive taxation and effective social protection.
7. Community participation in natural-resource governance.

Conclusion

Poverty is therefore not merely an income deficit but also an unequal distribution of capabilities and productive assets. Inclusive growth must combine economic expansion with equitable access to resources and opportunities.

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