

Poverty Performance of Modi Government

By
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85.8% of India's labor force works in the informal or unorganized sector characterized by low skills and low productivity. The biggest part of the informal sector is agriculture. There are three ways to make an impact on poverty: (1) Improve agricultural productivity, (2) Improve the quality of human capital (education and health), and (3) Move labor out of low productivity activities into high productivity activities. I will discuss what sort of policies would be required to make this happen and whether Modi Government's actions over the last two years have been appropriate on this basis. I will also ask if there is a discernible difference between the policies followed by UPA and those by NDA and whether they are likely to lead to different outcomes.