

By **Ashish Sinha** in New Delhi

RATTLED by the fiasco of the Planning Commission putting out embarrassing cut-offs to define the poor, rural development minister Jairam Ramesh has taken on the behemoth, headed by Prime Minister Manmohan Singh.

The plan panel had told the Supreme Court on Tuesday that a villager earning ₹26 or more a day — it is ₹32 per day for his urban counterpart — wouldn't be counted as poor and would not be able to benefit from the government's welfare schemes.

Ramesh has written to Planning Commission deputy chairman Montek Singh Ahluwalia, questioning the methodology of identifying the poor, especially when his ministry is already conducting a BPL census under a formula approved by the Cabinet.

Sources said the government was desperate to lessen the impact of the outrage generated by the plan panel's affidavit that mentioned the poverty thresholds.

There are confusions that need to be resolved, if we are to communicate the methodology to the people who will be directly affected by it. The current methodology, I think, precisely fails to do this

— Rural development minister Jairam Ramesh to Montek Singh Ahluwalia

"This is not the first time that the Planning Commission has put out its criteria for defining the poor. It has been doing that for years on the basis of various studies and inputs. It is true that the entire exercise is mired in confusion. Yet, it is a legitimate endeavour approved by the government of the day," a Planning Commission source said in defence of the affidavit.

But Ramesh has questioned the commission's methodology. "There are confusions that need to be resolved, if we are to communicate the methodology to the people who will be directly affected by it. The current methodology, I think, precisely fails to do this," he wrote, adding that the confusion has resulted from the establishment's failure to "take certain hard political decisions".

The minister is also likely to meet Montek on his return from the US. "It is very easy for the Planning Commission to set the caps, but even those who have been associated with the Tendulkar Committee know that getting exact matches of the kind that they have ordered is nearly

impossible," the letter said.

The ministry's BPL census hinges on a system of rating rural households on the basis of pre-determined criteria of "exclusion" and "inclusion" and ranking them on a scale of 1 to 7.

A household that meets all seven "deprivation" criteria would be the first to be included in the poverty headcount. The cut-off for this system is based on the Planning Commission's poverty estimates.

Ramesh suggested two more alternatives, but said this plan is the best option available and also best ensures that no poor household is excluded.

Although approved by the

Cabinet, the inclusion and exclusion indicators have not found the necessary acceptability. The government rests its case in the long-term goal of universalising the basic services. But that seems distant.

Suggests alternative plan to decide cut-off

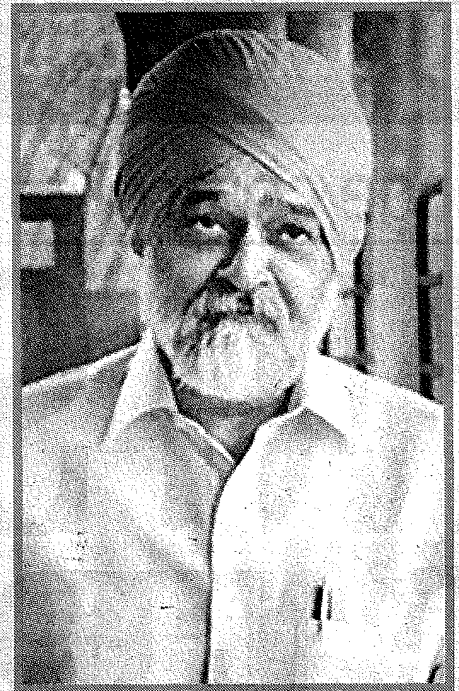
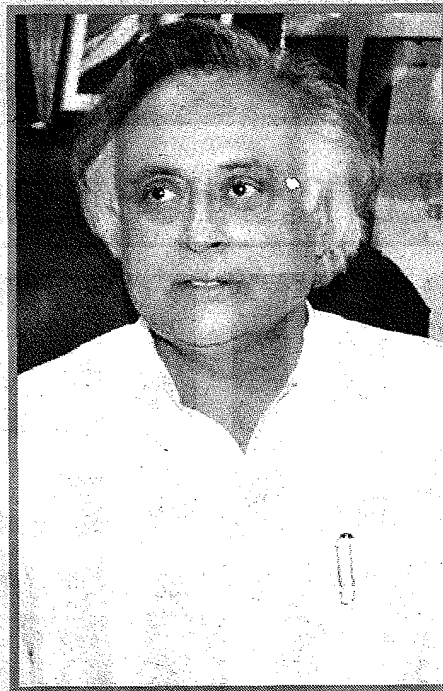
Even the proposed food security Bill — which the UPA government is keen to present as a major achievement — has been opposed by certain ministries. The Bill makes it mandatory for the government to provide a

fixed quantity of cheap foodgrains to all qualifying households every month.

Montek, meanwhile, is said to have informed Ramesh that there was no necessary connection between a fixed poverty line and the eligibility for subsidised foodgrains and that the food security Bill will, anyway, discuss the priority category.

The Planning Commission's poverty cut-offs have drawn stringent criticism from several quarters, including most of the political parties. "It is a joke upon the poor and totally unacceptable. It is shocking that this is a revised cutoff," senior BJP MP Muri Manohar Joshi said.

Jairam takes on plan panel over BPL cap



Jairam Ramesh (left) has questioned the methodology of identifying the poor in his letter to Planning Commission deputy chairman Montek Singh Ahluwalia.