



[Glossary]

A. K. Sen's concepts of Absolute and Relative poverty

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Glossary

Absolute Poverty: The measure of poverty which calculates the number of people living below the income level identified as necessary to buy bare essentials of life is called the measure of absolute poverty.

Entitlements: Entitlements are rights to benefits granted by law or contract. According to Sen, entitlements are ownership relations which connote the legitimate right over things, which entitles a person to use those to buy necessities for one's own self.

Exchange Worth: The desirability and value of a good in the market is called the exchange worth. It is determined by utility, usefulness and scarcity in relation to demand.

Human Development Index: UNDP states that the Human Development Index (HDI) is a summary measure of average achievement in key dimensions of human development: a long and healthy life, being knowledgeable and have a decent standard of living. The HDI is the geometric mean of normalized indices for each of the three dimensions.

Ownership Relation: It is the legitimate right over things, which entitles a person to use those to buy necessities for one's own self.

Relative Poverty: *Relative poverty* refers to a standard which is defined in terms of the society in which an individual lives and which therefore differs between people, regions and over time. It measures income inequality; usually a percentage of people living below a fixed proportion of median income. Concept of relative poverty is used to formulate policies and methods for social inclusion.