POOR PEOPLE: Proportions, Perspectives, Problematics

By Reginald Herbold Green

Time past and time future
Are both, perhaps,
Contained in time present.

If all time is eternally present,
All time is irredeemable...

Redeem the time.

- T. S. Eliot

Who? Where?

On a narrow definition of poverty on the order of 1,000 to 1,100 million human beings are poor. This figure is based on the "absolute poverty" concept which attempts to estimate the minimum expenditure/use of own production needed for existence at levels which are severely constrained but not in themselves life threatening (as opposed to life shortening). Shorthand formulations have been, e.g. the bottom 40% of India's households, 60% or more of total income/own use production necessary to provide diet averting severe malnutrition. A still tighter definition on the basis of consumption levels so low that any further decline would be immediately life threatening would probably cover 300 to 450 million. Respectively absolute and abject poverty are 32% to 34% and 9% to 13%.

The austerity of these definitions is demonstrated by the fact that by them 0% to 1% of Northern European or Northern American populations are poor vs 20% to 30% by definition which turn on minimum socially accepted/acceptable standards. This division of poor and absolutely poor is analytically and operationally necessary partly because socially accepted standards rise with typical consumption and service access levels and partly because poor in the broader sense would include 90% of the people of some South Asian (e.g. Bangladesh) and African (e.g. Mozambique) countries becoming rather
unhelpful for causal or programmatic analysis or for policy focusing; especially as absolute poverty exceeds 50% and abject is 10% to 15%.

About one person in three in the South exists in poverty. However, the proportions vary: South/SE Asia and Sub-Saharan Africa have ratios exceeding 40% with Mahgreb/Mashrak (North Africa/Middle East) and East Asia around 20%, Latin America significantly lower and Middle (Eastern) Europe under 10%.

Of poor people about 60% are under 15, 25% adult women and 15% adult men. Part of this relates to gender discrimination and to higher numbers of children in poor than in less poor households in some countries. But the basic cause appears to be dependency ratios/labour power shortages. With the same income, more children mean lower per capita income while female-headed households have low ratios of labour per household member quite apart from factors negatively affecting women's income.

Over the past decade the number of people existing in absolute poverty has risen but the proportion has fallen. However this is the result of falls in proportions and perhaps numbers in Asia and the Middle East and rises in numbers and proportions in SSA and Latin America. Even regional breakdowns conceal substantial national diversities. In Asia China, India, Pakistan's and Indonesia's progress has been dominant because they are so large. Bangladesh and the Philippines did much worse. The SSA scatter is wide but in few cases did proportions (and in still less numbers) fall. Not incidentally the three largest countries in population terms (Nigeria, Ethiopia, Sudan) had worse than average results and trends.

The outlook for the 1990s is very much "through a glass dimly". Proportions are likely to fall - dominated by Asia, with SSA the exception at no change even on a moderately optimistic macroeconomic scenario. If Indian and Chinese progress continues at late 1980s rates total poor persons could fall to 950 million but if it falters total numbers will change little. But that static result would conceal large absolute increases in SSA and Bangladesh (say 75 million and 10 million).

Running this type of scenario to 2025 would suggest Asian poor persons numbering perhaps 100 million (largely in Bangladesh) and Latin America plus the Middle East (Mashrak) and Central Europe very low, but with SSA and North Africa passing the 500 million mark. This contrasts with the
present figure of 600 million poor people in Asia, 250 million in SSA, 100 million plus in Mashrak/Mahgreb and somewhat over 50 million in Latin America and Central (Eastern) Europe.

These trends and perspectives suggest:

a. very low per capita output growth is a fatal condition (negative pre-condition) for reducing proportion, let alone numbers, trapped in poverty;

b. the absolute poverty trap will increasingly be centred in Africa with a limited number of parallels in Asia (e.g. Bangladesh, Nepal, Afghanistan, perhaps Philippines, Myanmar, Indo-Chinese states) and Latin America (e.g. Haiti, Bolivia);

c. a renewed global recession or radical worsening of trends (overall economic and distributional) in China and India could virtually halt decline in numbers though probably not proportions.

Why?

Action against poverty and to empower poor people requires knowing why they are poor. One way is to categorise poor people by location/economic activity position. Here three broad groups with two or three sub-groups each stand out:

A. Rural

1. Landless
2. Inadequate Land
3. Inadequate Techniques

- especially important in Asia
- significant in each region
- particularly important in Africa and, perhaps, parts of Latin America

B. Urban

1. 'Informal' - i.e. small self employed, casual labour
2. Low Formal Wage - i.e. wage does not cover household costs

The problem of the division is that - especially, but not only, in SSA - most poor households (and even many individuals) have incomes from both sources.
C. Disaster

1. Refugees - transborder
2. Internal Refugees - in home country
3. Natural Disaster - pre rehabilitation of livelihood
4. Economic Disaster - in practice hard to separate from A, B and may benefit from same measures

These groups are different because in at least the first three cases rehabilitation of livelihood (on return to old homes or in new areas/countries) is the *sine qua non* to enable them to rebuild out of absolute poverty. The economic disaster victims may be more able to benefit from broad front measures and "enabling climates".

A somewhat different "Why?" categorisation would seek to check-list causal catalysts or dynamics. Main ones include:

1. **general economic debilitation** - zero or negative *per capita* growth weighs particularly heavily on the poor because their margins above survival are less and their ability to win in "what we have we hold" struggles is usually low;

2. **ecological deterioration** - poor rural households usually are on the poorest and most rapidly deteriorating land and urban poor live under the most polluted conditions. Poverty forces ecological degradation and pollution in a mutually reinforcing malign circle. In most areas desperate need destroys more tree/bush cover, degrades more land and pollutes more living space than greed - a reality which needs to be faced squarely because "let the polluter pay" approaches are neither practicable nor equitable in the cases of need driven downward spirals;

3. **population growth** - another spiral case because poverty causes high population growth which in turn makes enabling poor households to produce/earn more (per household and per household member) harder, limits fiscal ability to move rapidly to universal access basic services (including extension) and increases ecological damage by altering person/land ratios and average quality of land in use and increasing the overload on urban services; (Extremely high population absolutely - e.g. in Bangladesh, Rwanda, Burundi - or relative to accessible output capacity - e.g. much of Sahel and Latin American
Alteplano, Central Kunene area of Namibia, Bihar - has the same impact but is less general.)

4. war - the human and the economic toll are far broader than defence bills, physical damage, direct loss of life. The loss of ability to live and to produce, the damage to service provision, the diversion of resources from increasing (or sustaining) infrastructure and production are substantially greater, e.g. in independent Southern Africa 1980-88 the cumulative war bill exceeded $60,000 million (twice 1988 regional GDP) and lives lost 1.5 million (only about 10% direct war deaths). The refugee and internally displaced poor are almost all war victims. The most massive war/poverty dynamics are in Southern Africa, the Horn plus Uganda, Mashrak (Middle East), Indo-China, and (especially if one estimates lost output growth) the Indian Subcontinent (including Afghanistan, Burma, Sri Lanka as well as Pakistan, India, Bangladesh);

5. natural disaster - the main component is drought and the second flood/storm (notably in Gangetic Delta) with earthquakes sometimes as damaging for those affected but far more geographically limited. As with war, it is the disruption and loss of production until livelihood rehabilitation is achieved which is the greatest 'contribution' to poverty - not the immediate human and property damage;

6. inadequate access to land/knowledge - lack of access to enough land of adequate quality to earn/grow a living and/or to knowledge of how to use it (in SSA, but also in parts of arid or mountain Asia and Latin America, often because the knowledge does not yet exist) is probably the largest single cause of poverty. It is sometimes natural, sometimes the result of rigidities limiting migration, sometimes inequity (or iniquity) in access - usually a mix. As cited above this factor interacts with population growth and ecology to create malign downward spirals:

7. lack of access to basic services - basic health care, education, drinking water/sanitation, extension services (productive and human/social) are absent from the lives of most poor people. This absence reduces present productivity (illness, illiteracy, malnutrition, hours caring for ill and fetching water do not create an "enabling climate" for long hard work) as well as its future growth. Again the causes are mixed - real lack of resources (universal access
to basic services in Mozambique would cost perhaps 35% to 40% of GDP), lack of efficiency (in access broadening) in use (e.g. clinic - preventative medicine - hospital mix) for technical and inertial as well as political economic reasons and inequity, and often elements of all three;

8. absence of safety nets - immediate survival food supply after catastrophes is the only area in which safety nets for poor people even approaches being general. Rehabilitation of livelihood support is usually absent so that the nominal end of the disaster (and food aid) may intensify poverty. For the 10% on the margins of survival (including - perhaps especially - for households hit temporarily or permanently by a loss of labour power) focused survival, income rehabilitation programmes are the exception - e.g. some Indian labour intensive public works, Botswana's food supplement plus work rural support programme - not the rule.

Poverty - Pervasiveness

Absolute poverty is rarely a condition characterised only by low personal/household incomes. Most poor people do not have access to any basic services - e.g. if a country has 45% access to pure water (high in SSA) and 35% absolute poverty it is not unreasonable to presume that perhaps 75% of the not absolutely poor and 15% of the absolutely poor have access and if female primary enrollment is - in the same case - 60% of the age group that it is 80% to 90% for not absolutely poor and 20% to 25% for absolutely poor girls. Infant mortality probably usually exceeds 150 (say up to twice the national average) and life expectancy at birth rarely exceeds 40 (say 10 to 15 years below national average). There are exceptions to such generalisations but usually in cases in which systematic service provision is part of a strategy which is also reducing the % in absolute poverty on income tests, e.g.. Kerala, Botswana.

The degree to which absolutely poor people are excluded from or limited in participating in civil society varies but is rarely negligible. On the one hand they lack time (they need to use it to survive) and money and on the other, at best, absolute poverty limits the perceived ability and worth of a person. (The case of discriminated against minorities is somewhat
different — they may have well organised structures in their own communities despite exclusion from broader civil society and they usually do have higher absolute poverty rates but their leaders are rarely absolutely poor.) To argue that severe poverty does not limit all aspects of life is either romantic, condescending or usually both. Certainly a person who chooses not to be rich and has adequate food, clothing, shelter plus meaningful work may be both humanly outstanding and a leader but that "voluntary poverty" is materially (and humanly) very different from the absolute, immiserising poverty which oppresses over 1,000 million human beings.

The links between low incomes and lack of access to services are not coincidental. Both are likely to flow from peripherality. This may be — at least in part — geographic. Most of the Sahel and Alteplano are far from economic centres and ecologically difficult. It may be economic — no valuable production has been (whether by inadvertence, non-feasibility or design) located there. It may be socio-political, i.e. 'wrongness' in caste, religion, ethnic group, sub-class, sex, age. But in a basic sense peripherality reduces power — the power to influence both market and state resource allocations. Since it is precisely those allocations (whether to employment creation, production by poor people, simple infrastructure, basic services) which create potentials for escaping poverty and an enabling climate allowing poor persons to do so the peripherality/power nexus is in the true sense a basic poverty trap. "Eradication of absolute poverty" (the World Bank's 1970s motif) cannot be achieved overnight but more sustained and general progress could be made toward it in most countries if the only constraints were technical and fiscal/financial.

Enabling, Serving, Supporting

In a poor country any viable strategy for struggling against — and overcoming — absolute poverty needs three foci:

1. an economic environment which enables poor people to produce more (e.g. via agricultural infrastructure and extension) and encourages labour intensive production (whether public or private, large or small scale) leading to rapid employment growth at wages near to or at the household
absolute poverty line (with secondary household incomes or additional wage corners bringing the household total to safety);

2. provision of basic services (basic education and health, pure water, extension) to all persons. (In this sector universality should be the goal - targeting the poor before the not so poor are served is rarely politically feasible.) The provision of basic infrastructure in transport and commerce can be grouped here or in the previous section but - unlike basic services - may be largely private sector provided at least for commerce, road and water transport;

3. making available safety nets to those who cannot or will not support them. In the case of those who are unlikely ever to produce - e.g. mentally or physically handicapped, aged - these are the socially necessary costs for survival in decency. For those who are producing against handicaps - e.g. female-headed households - or whose needs are temporary - e.g. orphans, displaced persons/drought victims - the survival requirement links to services or other inputs to enable them to build or rehabilitate their livelihoods.

For a country with per capita output of under $500-600 per capita and population growth of over 2% to proceed rapidly with such a strategy it usually needs growth of output in excess of 6% a year or a large initial period of external inflows leading to such growth. The reason is not "trickle down" - quite the reverse. Without 6% (3 to 4% per capita) resource growth the additional incomes earned by the poor, the additional costs of universal access services and the better safety net systems can only be paid for by reducing the incomes-services-benefits of the not so poor. To do that substantially and sustainedly is rarely possible - vide Western Europe 1980-90 where making 60% to 75% better off at the expense of 20% or more becoming clearly worse off is the result of competitive politics not of absolute resource constraints if absolute redistribution away from the not poor were politically feasible. Unless the country has a structural export surplus a 4% rate of growth of food production (and a higher one by poor agricultural households) is also needed until at least moderate and severe malnutrition are reduced to negligible levels.

In parallel there is a necessity for decision takers to give priority to enabling poor people to escape from poverty. Occasionally this can result from a "platonic guardianship" approach by leaders not really accountable
to poor people - much of Central (Eastern) Europe did create a fairly effective low level employment-food-services system for at least a quarter of a century (1960-85). At other times it can come from leaders with marginal accountability to the poor and a good deal of leeway in policy making. Both Bismarck's Germany and the quite different Botswana and Tanzania (pre-1980s absolute resource constraints) leadership strategies appear to exemplify this. A competitive system may or may not produce the 'expected' results. If absolutely poor and less poor do organise together and form a majority it may - but the not poor find it easier to organise and to use clientele systems to limit direct "poor power". Sri Lanka until the mid-1970s and Kerala are positive examples - pre-military rule Benin and 2nd Republic Nigeria are examples of the inherent problematics.

Targeting and Opting Out

Targeting on the absolutely poor (a slightly perverse use of military terminology) makes perfect sense for survival safety nets and - usually - livelihood rehabilitation. It may not in respect to services, infrastructure, and employment/productivity expansion.

First, the borderline between the absolutely poor and not quite so poor is narrow and programmatically hard to determine;

Second, some inputs (e.g. roads) by their nature cannot be provided for poor people only;

Third, even Chairman Mao advised an "all boats float higher" approach, e.g. a rural commercial network is essential to enabling the absolutely poor to claw their way above the poverty line, states run such networks very badly, co-ops are not always and everywhere practicable (or oriented to poor people) if private merchants are to do the job they must gain by doing so;

Fourth, the surest way to reach the peripheries - of geography and gender and of poverty and power - with basic services is to make universal access to them first a top priority and increasingly a fact.

The argument against "targeting" in the artillery sense is not an argument for monolithicism. Because there is a gender division of labour, because most women (but rather less than most men - at least in SSA) have
overwhelming workloads, and because female-headed households have labour power scarcities, services to women and means to enable them to produce more cannot appropriately be identical to those for men. Because low cost housing and low cost urban services (or enabling communities to provide/purchase them) are the only way forward from the worst favelas, canisars and exurbs, different housing studies - artisan training-materials supply-water/sanitation provision, etc. are needed than for less poor centre city dwellers.

**Self organisation** by poor people may or may not be practicable. Successes in fact usually group absolutely poor and not so poor people and whether on locality, activity or gender lines usually are single cohesive, small groups or loose coalitions of such groups sometimes backed by a domestic national support group (or occasionally a state agency or a non-dominating external ngo). Their strength is in using space left open by stronger actors. Up to a point they can and do flourish but then tend to plateau, fail or be beaten down.

The reasons seem to be that for most absolutely or not quite so poor people what can be achieved without winning priority support and space clearing from a big battalion (the state or a powerful civil society actor) is low. If there are real achievements plateauing results; if little can, in the end, be done disintegration follows; if a big battalion takes fright, beating down ensues. Thus at some stage grouping of base poor/not so poor units with each other and with civil society units with at least compatible goals is needed. Whether this should be as a political party or an interest group; educational or pressuring; coalitional or confrontational is a contextual question.

It may well be that local "open space" is the place to start and that domestic, local ngo's are the best initial partners even though the power balance is usually massively uneven in favour of the external ngo. But to seek to build a Utopia of a host of domestic poor people's unions and a host of external ngo's is a species of self-delusion and a dangerous one at that. (If it cannot be done in Birmingham's inner city why is it possible in the favelas of Rio, the canis of Maputo, the rural slums of Southeast Malawi, the embattled highlands of Luzon and Mindanao). How to find allies is both contextual and unclear. Often, but not always, some religious groups and trade unions are potential supporters as are some journalists.
Less uniformly some government bodies, a few substantial political parties and certain donors (usually with more enthusiasm than comprehension of the problem or competence in tackling) are alliance possibles. That of course poses a different question - keeping the absolutely poor heard and listened to and avoiding "smother love".

Population, Poverty, Policy

The present renewed enthusiasm for population policy is a slightly odd coalition in which, to date, the poor are rarely clearly heard and even more rarely represented. It includes middle class/high education do-gooders, raw "yellow peril" revisited addicts and mono-visioned macroeconomic balancers as well as (rather more than) more sensitive demographers, social scientists and activists.

Certainly extreme over-population - given available resources and technology - can be natural ecology and human environment destructive. Even more frequently rapid population growth has the same results plus eating into the resources needed to raise productivity and broaden services. Equally certainly family spacing and family planning by poor (or other) households are, at best, greatly constrained if relevant knowledge and technology are not made available and backed by explanation and education to the initially unconcerned or doubtful.

But absolute poverty also causes high birth rates. The profile of high birthrate countries and social groups is fairly standard: high infant mortality, low female literacy, limited access to basic preventative and curative health care, dependence on children for old age security, high moderate and severe malnutrition, often plus one or more special contextual factors. The implications should be clear: programmes to reduce infant and young child mortality and moderate/severe malnutrition, to increase adult education and to broaden access to basic health care and pure water as well as building at least some public sector survival safety nets are an important (usually a necessary) counterpart to direct family spacing/planning promotion and facility providing. A coherent population strategy must look at both of these sets of approaches at once or it is unlikely to be very effective, especially among absolutely poor people.
Envoi

The absolutely poor will be with us (if we choose to see them) in 2000. The question is whether they will be more or less numerous than today, i.e. whether there is a trend to eradicate poverty. That question is starkest in SSA.

Posed in these terms the issues are ones of resources allocated, efficiency of use, political priority. Beyond survival, absolute poverty is usually very much a minority concern among non-poor people, North and South alike. (This is not really altered by extended family systems - relatively few absolutely poor people seem to be in extended families with significant numbers of not poor or almost not poor members to show solidarity. That is not to say extended families do not affect absolute poverty but rather that successful ones have enough non-poor members to see that few, if any, reasonably close relatives do descend into absolute poverty.) This does place a duty on them to educate and to raise/influence the allocation of resources - in civil society, in political groups, in cause organisations (e.g. Christian Aid), in their working lives (e.g. as civil servants, trade unionists, politicians, business persons, educators). The task is not hopeless (Sysephian as it often seems) but it is not one for a day, a week, a month, a year or even a decade and it is one - as the UK and USA inner cities (and the new tent towns of Tel Aviv) demonstrate - in which apparently small shifts in priorities and policies can halt progress or cause regress.
Author Note

Reginald Herbold Green is a political economist and a Professorial Fellow at the Institute of Development Studies (Sussex). He has grappled with poverty analysis and programming for about a quarter century, largely with the governments of Tanzania and Mozambique, UNICEF, the ILO, the World Council of Churches, IDS and several NGOs. His detailed knowledge is limited to Africa, Sri Lanka, the Philippines, Western Europe and North America, albeit his WCC work and own interests mean he has a certain working knowledge of other areas.