

CROP newsletter

Comparative Research Programme On Poverty

Vol. 6, No. 2, May 1999

contents

Page 1

Prevention of Poverty
by S. M. Miller

Page 2

Editorial

New CROP Publication

Page 3

**Report from the
"Poverty and Social
Justice in Latin America"
workshop**

**The CROP/MOST
"Best Practices"
competition**

Page 4

Notices

frontiers of poverty research

PREVENTION OF POVERTY

Most poverty concerns are about its alleviation Today, preventing poverty should be the focus.

In high-income nations, social programs, the "welfare state," to relieve poverty play a prominent role. In the apogee of these programs, many prevented poverty and some still do. Old-age pensions on an almost-universal basis kept the aged above a poverty line; child benefits aided all families, helping to keep some out of poverty, universal public services improved the level of living of all and helped people from falling into poverty (especially if poverty is defined in broader terms than income). The current direction in many high-income nations is to curtail the level of benefits, restrict access to them and require means-testing (which means first show the need and then the state may act to relieve want.) The result is that "welfare states" operate increasingly after-the-fact of poverty or near-poverty.

In lower-income or "emerging market" economies where social programs have been non-existent, marginal or decimated, the unfortunate direction is to cope haltingly and inadequately with emergencies, disasters, devastation, depletion. Only then are temporary measures undertaken to deal with the presumably unexpected. Even where long-term poverty and deep deprivation characterize a region, little is done until an acute, destabilizing event strikes and starvation or homelessness are politically publicized. Late in the day, stop-gap measures may be intro-

duced that provide little chance of bringing about the possibility of a secure, better-than-poverty condition.

A very different perspective is needed for both sets of economies if people are to be maintained at an above poverty level and if persistent, chronic poverty is to be at least reduced. Positive actions to prevent poverty from occurring are needed. In the current economic structures and policy framework of nations, prevention of poverty becomes more and more the primary need.

How can this goal be accomplished? "Economic growth" and "development" are inadequate concepts for what is needed. For some growth or development paths may increase rather than decrease poverty. High growth or development can be achieved by lowering exchange rates and thereby increasing the costs of imported goods, depressing inflation by increasing unemployment and lowering wage rates, reducing government subsidies for consumers, etc.

What is produced, how it is produced and where it is produced have important effects on the production or elimination of poverty. Knowing only rates of growth in gross domestic product does not tell us how many and who are employed at what income levels in what locales. These are essential questions in the quest to prevent poverty.

How, then, to move toward economic development paths that are more poverty preventive? Macro policies involve interest rates and money supply, exchange rates, and governmental budget deficits or surpluses which affect both the level of employment

CROP Secretariat, Fosswinkelsgate 7, N-5007 Bergen, Norway

A

Post

CROP Secretariat

Ph: +47 55 58 97 39
Fax: +47 55 58 97 45
e-mail: crop@uib.no

<http://www.crop.org>

and the characteristics of the employed. If, for example, interest rates are low and loan funds are available, smaller enterprises employing less skilled and less well-paid labour are likely to be employed. High interest rates may not only increase unemployment levels but concentrate employment in firms and areas that are more solvent, worsening conditions in chronic poverty areas.

Selective economic policies can have strong effects on poverty. A good example is the United States which spends a sizeable part of discretionary federal governmental expenditures on military research and space projects. The result is high employment among specialised, technical, high-paid professionals and technicians. Recent efforts to improve the decaying quality of basic infra-structure of roads and bridges have not met with parliamentary approval despite the increased employment, better wages and more secure employment that would occur if lower-paying construction industries expanded. Military research and space activities benefit one sector of industry and one group of workers rather than other sectors or groups. If economic policies build, say, manufacturing and discourage the returns to agricultural industries which involve many low-income workers, then poverty is likely to continue or swell in agricultural regions.

The general point is that what government

does, whether deliberately or not, in taxation, spending subsidies and the like affect how many and who are poor. Implicit in this outlook is that there is no one way to «growth» and «development.» The need, then, is to construct policies which prevent rather than maintain or worsen poverty.

The major objection to this mode of thinking is that economies would function much better in the long run if governments play a smaller and smaller role and markets flourish with minimal interference. That is a debatable proposition but even if true with the prominence of government in many nations as taxers, spenders and regulators, the impact today of what is done as macro or selective economic policies shapes poverty conditions.

With the great changes shaking many countries, poverty experts should turn to emphasising prevention of poverty. As nations overturn, modify or substitute new ways of “developing” or “growing,” the impact on poverty should become increasingly important in decision-making.

S. M. Miller is research professor of sociology, Boston College and director, Poverty and Inequality Project, Commonwealth Institute, 186 Hampshire Street, Cambridge, MA, USA. E-mail: fivegood@aol.com

editorial

Poverty understanding is complex and many different approaches are needed to catch the intricate realities. Such a diversification of science has not only a virtue of its own. It can be considered also a political necessity. Different actors promote different approaches, but so far none of them have been able to provide a good theory which covers a major part of the realities of poverty. Still, all the different approaches are needed if we are to advance further, just as they all need to be subjected to scientific analysis to judge their value for new understanding.

This diversification of approaches and the search for new understanding is hampered when some actors are more powerful than others, and they promote their theories and solutions with a vigour which dominates the field and the poverty understanding of other actors far beyond the validity of their theories and solutions.

It is within this perspective it becomes worrisome when a vice-president of the World Bank is to become the new Administrator of UNDP. So far UNDP and the Bank have promoted different understandings of poverty and the poor, and they have promoted different strategies for meeting the needs of the poor. The World Bank has been the major actor of the two, in so far as it commands the largest resources, staff and research capacity and that its basically economic messages have had more penetrating power both in academic and political circles. The UNDP has slowly entered the field with a much broader concept of poverty understanding and a will to fight poverty on all levels of society, in spite of limited resources and a difficult organisational structure.

In a first press release the new head -to-be of UNDP said “there had been striking progress in the coordination of the activities of the Bank and UNDP in recent years”, while UN Secretary General Kofi Annan said the appointment “was a sign of the increasingly close ties between the UNDP and the Washington-based World Bank”.

What is the actual coordination of activities likely to be? What kind of activities will be coordinated? Whose concept of poverty is likely to win out? Whose theories will form the basis for future poverty reducing strategies? Where will the vital research for new poverty understanding take place? What will the regional coordination mean

NEW PUBLICATION

"Poverty and the Environment," edited by **Arild Angelsen** and **Matti Vainio**, **CROP Publications: Bergen, 1998.** This book is a collection of empirical studies exploring the linkages and interrelations between poverty and environmental degradation. Most of the papers emerge from a CROP workshop held in Sabah, Malaysia. They give fresh insights into the ongoing debate on poverty-environment linkages while questioning popular and simplistic views on the links. Price: Norway: NOK 125 (p&p incl.), Europe, USA and Japan: USD 15 (p&p incl.), all other countries: USD 12 (p&p incl.).

ORDER FORM (send to CROP Secretariat, Fosswinckels gt. 7, N-5007 Bergen, Norway, fax: +47 55 5897 45) PLEASE USE CAPITAL LETTERS

No. ___ Poverty and the Environment

Price: _____

SUM: _____

Name: _____

Please charge my credit card the

Address: _____

total sum of _____

• Visa • Eurocard/Mastercard

• Diners • American Express

Card No.: _____

Valid thru: _____

Signature: _____

for the contents of the national Human Development Reports? Shall we actually see an amalgamation of the UNDP Human Development Report and the Bank's World Development Report, and if so which direction will it take? The outcome of the coordination may be an indicator of where the future of the world's poor is likely to lie for a long time to come.

On the one hand we can worry about the future of an important UN member and its future role in the landscape of poverty reduction when coordinated with the major actor in the politics of poverty. On the other hand we can worry about the decrease in scientific diversification when two of the major players coordinate their efforts. In any case, it will be another interesting development to study for those who are engaged in poverty research.

Else Øyen, Chair of CROP

THE CROP/MOST "BEST PRACTICES" COMPETITION

The 1st Prize was shared between Anuradha Joshi, Department of Urban Studies and Planning, Massachusetts Institute of Technology, USA, and Mick Moore, Institute of Development Studies, University of Sussex, Britain, for their paper "Enabling Environments, Social Capital, and Effective Anti-poverty Programmes", and Mohammed Shafi, Department of Geography, Aligarh Muslim University, India, for his paper "Best Practices in Poverty Reduction and Management of Social Transformation." Each paper will be honoured with USD 750 and a travel grant to the workshop in Amman.

The 1st prize was shared between 2 very different approaches. One is a theoretical approach where the predictability of the bureaucracy plays an important role in the success of an anti-poverty intervention, applied to cases in Nepal and India. The other approach outlines a set of identifiable anti-poverty strategies, setting out the target for the anti-poverty intervention and discussing its potential for replication.

Although there were several interesting papers no 3rd prize was awarded. The major reason for this was the lack of a more theoretical analysis of "best practices" as a phenomenon beyond the concrete cases presented.

POVERTY AND SOCIAL JUSTICE IN LATIN AMERICA

From 18th to 20th of March 1999, CROP organised a workshop on *Poverty and Social Justice in Latin America* in Mexico City, in co-operation with Centro de Servicio Social at Universidad Iberoamericana (UIA) and Instituto Tecnológico y de Estudios Superiores de Monterrey (ITESM). The main sponsor of the event was the Norwegian Agency for Development Cooperation (NORAD), with additional funding from UIA, ITESM and CROP.

20 papers were presented and discussed. 34 persons were registered as regular participants in the workshop, and in addition some thirty students and professors from Mexico attended as observers. CEPAL (United Nations Economic Commission for Latin America and the Caribbean) was represented with an observer during the workshop. Consejo Latinoamericano de Ciencias Sociales (CLACSO) was represented with the Secretary General. 26 of the participants came from Latin America, 4 from USA, and 4 from Europe.

The following papers were presented: *Equalizing Opportunities for Human Development* by **John E. Roemer**, University of California, Davis, USA; *Pobreza y Justicia Social en America Latina – Los Derechos Económicos y Sociales y Las Condiciones Materiales para su Efectividad* by **Hector Gros-Espiell**, Universidad Católica del Uruguay, Uruguay; *Democracy and Social (In)Justice in Latin America* by **Atilio A. Boron**, CLACSO, Argentina; *Poverty and Childrens Schooling in Latin America* by **Leif Jensen, David Post, and David G. Abler**, The Pennsylvania State University, USA; *Ethics, Poverty and Social Science*, by **Enrique Dussel**, Universidad Nacional Autónoma de México (UNAM), México/Argentina; *Ethical Tensions in the Human Development Report 1998* by **Asuncion St. Clair**, University of South Florida, USA; *Urban Poverty and the Need for a New Urban Ethics: The Case of São Paulo* by Gian Matteo Apuzzo, Gregorian University, Rome, Italy; *Politics of Development and Poverty in Mexico and Latin America: A Contemporary Overview* by **Ifigenia Martínez**, UNAM, México; *The Role of the World Trade Organisation in the Realization of Social Justice, with Special Emphasis on Latin-America* by **Willem van Genugten**, Tilburg University, The Netherlands; *The Evolution of Poverty in Mexico*

by **Julio Boltvinik**, El Colegio de México, México; *Pobreza y Desigualdad en el Contexto Colonial: Puerto Rico a 100 Años de la Invasión* by **Margarita Mergal**, Universidad de Puerto Rico, Puerto Rico; *Poverty, Ethics and Social Justice* by **Luis Villoro**, UNAM, México; *Social Development and Exclusion in Brazil: Deadlocks and Dilemmas in the 1980s and 1990s* by **Carlos Henrique Aguiar Serra**, Universidade de Caxias do Sul, Brazil and **Mauricio Aguiar Serra**, Universidade Federal do Paraná, Brazil; *Poverty, Democracy, and Human Rights: Case studies from Mexico and Colombia* by **Camilo Perez-Bustillo**, ITESM, México; *Patterns of Indigenous Poverty and Social Mobilization in Mexico* by **Luis Hernandez Navarro**, La Jornada, México; *Economic Polarization and Governability in Mexico* by **Rodolfo de la Torre**, UIA, México; *Needs and Life Quality of the Elderly. A Window on Poverty and Social Justice in Mexico* by **José Azoh**, Universidad Autónoma de Nuevo León, México; *Poverty and Discrimination in Mexico: An Empirical Analysis of the Indigenous Population* by **Alejandro Ramirez**, Human Development Center, Guanajuato, México; *Mayor Igualdad Mediante Democratización? Pobreza Urbana y el Rol de la Sociedad Civil en Chile y Brasil* by **Jaime Sperberg F. and Norbert Kersting**, University of Marburg, Germany/Chile and *La Perspectiva Global Capitalista y la Pobreza* by **Alejandro Castillo Macías**, ITESM, México

Some of the papers from the workshop will be included in the forthcoming book from the CROP workshop "Human Rights as an Instrument for the Eradication of Extreme Poverty" held in Santiago, Chile, September 1997. The editors of the book are Prof. Camilo Perez-Bustillo and Prof. Willem van Genugten.

The workshop also included a public meeting, held at UIA, where media, policy makers and members of civil society met with an interdisciplinary panel of poverty experts. The panel consisted of: Prof. Julio Boltvinik, Prof. Enrique Dussel, Prof. Willem van Genugten, Dr. Ifigenia Martínez, Prof. Else Øyen, CROP, Norway; Prof. John E. Roemer, and Dr. Earl Shorris, Bard College, USA. The meeting focused on issues from the workshop and included a dialogue between the public and the experts. More than 120 people participated in the meeting.

NEW SOCIAL WATCH REPORT

According to the global NGO-coalition Social Watch 1999 report, the spreading economic crisis in Southeast Asia and Latin America has severely set back plans to eradicate poverty. "While the goals targeted are feasible many countries have failed to make a sufficient effort. The assistance has yet to materialize, the participation of citizens is paltry and globalisation is not benefiting those who need it most", states the report.

Social Watch is an NGO watchdog system aimed at monitoring the commitments made by governments at the Copenhagen Social Summit and the Beijing World Conference on Women. More information about Social Watch is available at <http://www.socwatch.org.uy/> on Internet.

RESEARCH PAPERS DATABASE

RePEc, Research Papers in Economics, is an online database of working papers and articles, including papers on poverty. Over 13.000 items are available free in full text by visiting "<http://uqam.ca>" on Internet.

LIBRARY ON POVERTY

Harvard University and the National Institute for Social Science Information (NISSI) have developed an online digital library on urban poverty. The library can be accessed at "<http://www.societyonline.org/partners/harvard>" on Internet. Use of the library is free.

NEW BOOK ON POVERTY

"Time and Poverty in Western Welfare States", by Lutz Leisering and Stephan Leibfried, is the first monograph in Europe on poverty and social assistance based on longitudinal data. The book explores ways into, through and out of social assistance, based on quantitative and qualitative data. "Time" is shown to be a key aspect of poverty and social policy. The book will be available from Cambridge University Press in August.

**The
International
Glossary On
Poverty**
A major instrument in
poverty research

LIST OF CROP EVENTS 1999 - 2000

May 1999:

19-21: "Law and Poverty III: Law as a Tool for Combating Poverty", CROP/IISL workshop, Oñati, Spain.

November 1999:

7-10: "The Role of the State in Poverty Alleviation III" and "Best Practices", a joint CROP/UNESCO/MOST workshop, Amman, Jordan.

March 2000:

29-31: "The Demography of Poverty", a joint CROP/CLACSO workshop, Buenos Aires, Argentina

WORKSHOPS UNDER PREPARATION

June 2000:

"UN Social Summit + 5", symposium during the summit to be organised jointly with UNESCO and ISSC, Geneva, Switzerland

September 2000:

"The Role of the State in Poverty Alleviation IV, with Particular Emphasis on West Africa", workshop organised jointly with ISSER, University of Ghana, Accra, Ghana.

CHAIRS OF CROP MEET THE POPE

On March 3-6 the Chair and Vice-Chair of CROP, professor Else Øyen and professor Francis Wilson, were invited to the Pontifical Academy of the Social Sciences to present a paper on the connection between the formal and informal sectors and its relationships to poverty and unemployment. Their paper was titled "Only Connect: Unemployment and Poverty; Formal and Informal Economic Activity in a Divided World", and it will form part of a Jubilee volume of the Vatican celebration of the new millennium. The two professors were received by his Holiness in the Vatican and presented the Pope with a set of the latest CROP publications.

CROP IN BRIEF

CROP is a world-wide network of researchers and experts on poverty. The aim of CROP is to establish an arena for interdisciplinary and comparative research on poverty in developed and developing countries. CROP organises regional workshops, symposia and international conferences, promotes joint research projects and publications, links poverty researchers and disseminates information about poverty research, on a non-profit basis. CROP has developed a database on poverty researchers, and documentation of ongoing research. CROP is chaired by professor Else Øyen, University of Bergen, Norway.

If you wish to have your name listed in CROPnet, you are welcome to write the CROP Secretariat and request a copy of the CROP Database Survey. For further information please contact the CROP Secretariat

WEBPAGE FOR CROP

Those who have an Internet connection and a WWW browser programme installed, find the CROP web page at <http://www.crop.org> The pages hold general information about CROP, news about past and ongoing activities, as well as the latest CROP newsletter.

Please note: We can no longer answer the increased demand for copies of single papers presented at CROP conferences and workshops. However, if you have the patience, most of the papers become available through the publications that follow the conferences and will be duly announced. We still supply the authors addresses, phone & fax numbers.

AT THE CROP SECRETARIAT

you will meet:

Else Øyen, Chair of CROP

Hans Egil Offerdal, CROP Co-ordinator

Einar Braathen, CROP Programme Officer

Inge Erling Tesdal, CROP Executive Officer

THE QUOTE

"For a state, to have riches, is not prosperity; to have justice is prosperity"

Hilde Frafjord Johnson
Norwegian Minister of Human Rights
and Development,
citing *Confucius*