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
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 emphasizing prevention of poverty. As nations turnover, modify or substitute new ways of “developing” or “growing,” the impact on poverty should become increasingly important in decision-making.

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NEW PUBLICATION


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Vol. 6. No. 2, May 1999
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 cooperation 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 Economicos y Sociales y Las Condiciones Materiales para su Efectividad by Hector Gros-Espiell, Universidad Catolica del Uruguay, Uruguay; Democracy and Social (In)Justice in Latin America by Attilio 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 Autonoma de Mexico (UNAM), Mexico/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 Sao Paulo by Gian Matteo Apuzzo, Gregorian University, Rome, Italy; Politics of Development and Poverty in Mexico and Latin America: A Contemporary Overview by Ifigenia Martinez, UNAM, Mexico; 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 Boltvnik, El Colegio de Mexico, Mexico; Pobrezay 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, Mexico; Social Development and Exclusion in Brazil: Deadlocks and Dilemmas in the 1980s and 1990s by Carlos Henrique Aguiar Serra, Universidad de Caxias do Sul, Brazil and Mauricio Aguiar Serra, Universidad Federal do Paraná, Brazil; Poverty, Democracy, and Human Rights: Case studies from Mexico and Colombia by Camilo Perez-Bustillo, ITESM, Mexico; Patterns of Indigenous Poverty and Social Mobilization in Mexico by Luis Hernandez Navarro, La Jornada, Mexico; Economic Polarization and Governability in Mexico by Rodolfo de la Torre, UIA, Mexico; Needs and Life Quality of the Elderly. A Window on Poverty and Social Justice in Mexico by José Azoh, Universidad Autónoma de Nuevo León, Mexico; Poverty and Discrimination in Mexico: An Empirical Analysis of the Indigenous Population by Alejandro Ramirez, Human Development Center, Guanajuato, Mexico; 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, Mexico.

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 Boltvnik, Prof. Enrique Dussel, Prof. Willem van Genugten, Dr. Ifigenia Martinez, 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 (NISI) 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:

November 1999:

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 Egiil 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