



FACT FILE: POVERTY

In the mid 1990s, the UN estimated the number of people living in poverty worldwide to be more than 1.3 billion, which would mean 1 in 5 of the world's population.

Background/History

Poverty = deprivation.

What are poor people deprived of?

- food
- safe drinking water
- sanitation
- health
- shelter
- education
- information

Poverty = a person is living on less than \$2 a day. Extreme poverty = a person living on less than \$1 a day.

Poverty Classifications

PLAN classifies poverty as: A lack of money or material possessions such that a person is unable to meet the basic needs necessary for survival. The fact that poverty still exists in the West is more a question of distribution, social justice and lack of political will than of available wealth.

The UN has 3 criteria for classifying a country as 'less developed'.

3 Criteria:

- ❖ Annual gross domestic product (GDP) is below \$900 per person, per year in the country
- ❖ Quality of life, based on life expectancy at birth, calorie intake per person, primary and secondary school enrolment rates, and adult literacy
- ❖ Economic vulnerability, based on instability of agricultural productions and exports, and economic smallness

Is all of Africa poor?

The richest areas are the far north and south of the continent.

Arab North Africa has long been closely linked to the economies of Europe and the Middle East.

In the south, South Africa is by far the continent's wealthiest state, both in GDP per capita and in total GDP, and its neighbours to the north have shared in this wealth.

Gabon and Equatorial Guinea are small and oil-rich states.

Island states like the Seychelles, Cape Verde and Mauritius are also fairly wealthy.

West Africa, with a long history of trade and a high level of development in the pre-colonial era, has tended to be wealthier and more stable than others.

The poorest states are those that are engaged in or have just emerged from civil wars.

Democratic Republic of the Congo, Sierra Leone, Burundi, and Somalia

In recent times the poorest region has been the Horn of Africa, although it has historically been one of the wealthiest regions of sub-Saharan Africa; Ethiopia especially had a long and successful history.

The Facts

What causes poverty?

- Civil War,
- Famine,
- Diseases such as HIV/AIDS, TB and Malaria,
- Education
- National Debt

Terrible droughts, floods and poverty often cause a crisis in African countries and people don't have enough to eat. It's estimated that around 30 million Africans are facing famine in 2003.

Millions of children live on one meal a day, and many of them are forced to eat grass seeds and roots. The countries hit by the worst famines are Malawi, Zimbabwe, Zambia, Angola and Ethiopia.

Civil War

The poorest states are those that are engaged in or have just emerged from civil wars.

Many of the poorest countries (in Africa) are locked in a vicious circle people have too few resources and start to fight; civil war destroys lives and property, making people poor. Even with rapid progress after peace, it can take a generation or more just to return to pre-war living standards.

In the past 15 years, 80 percent of the world's 20 poorest countries have suffered a major civil war.

Famine

Famine: A prolonged shortage of food which causes widespread and persistent hunger, starvation, ill health and a substantial increase in the death rate.

Natural causes are when crops and food supplies are destroyed by:

- droughts
- floods
- torrential rains
- cold
- hurricanes
- vermin
- plant disease
- insect infestations

Drought is the most common cause of famine in arid and semi-arid areas.

- Man made famine
- armies have destroyed enemy crops
- food supply blocked by opposing armies

The World Bank has acknowledged the link between agricultural growth and poverty reduction.

Indeed a one per cent increase in agricultural growth leads to an increase in the incomes of the poorest by twice as much as the same investment in the service sector.

Famines due to natural causes continue to occur. But famines often have more to do with human actions than nature. Over the centuries, warfare has been the most common cause.

Diseases

HIV/AIDS, Tuberculosis and Malaria are among the worst culprits

HIV/AIDS is seriously debilitating the rural labour force in countries with the highest infection rates, further undermining agricultural production and productivity.

Just as HIV/AIDS weakens a person's immune system, a developing country's infrastructure is weakened by epidemics.

Chances are its health care system is already overburdened, so providing expensive treatment to a growing number of the population infected by HIV is nearly impossible.

Resources for educating the public about risky behaviour are equally limited. Under these circumstances, the disease can become an epidemic.

Which causes a reduced labour force and increased demands on the already overwhelmed government, economic and health care systems.

In addition, a growing number of children are orphaned by AIDS. In Africa alone, there are already 11 million AIDS orphans and the number could rise to 20 million by 2010 according to the United Nations.

These orphans are less likely to attend school, receive good nourishment or proper health care.

National Debt

Another big problem for these poor countries is that they owe massive debts to other countries, which have lent them money in the past.

A lot of these loans come with interest rates and therefore many countries are paying back much more than they initially borrowed.

By the mid-1990s, the global GDP was around \$26 trillion, with the industrialised countries accounting for \$20 trillion of the total. Luxembourg, Switzerland and Japan have the highest GDP per capita (\$34,000) while Sudan, Somalia and Mozambique have the lowest (\$80).

Debt Background

In the 1960s and early 1970s, oil-exporting countries were overflowing with money which they placed on deposit with Western banks.

The banks then put the money into large prestige projects in the Third World. At the same time global interest rates soared as the US borrowed money to finance its huge budget deficit. A global recession coupled with weak commodity prices caused Third World debt to balloon.

The global debt crisis emerged following the oil shocks of 1973 and 1979 when several developing countries were unable to repay or service their debts.

At least 15 countries fell behind in debt-service payments, including Argentina, Bolivia, Brazil, Costa Rica, Democratic Republic of Congo (formerly Zaire), Dominican Republic, Ecuador, Honduras, Ivory Coast, Liberia, Nigeria, Panama, Peru, Tanzania and Zambia.

In the case of Zambia, the nation's debt was three times as large as its GNP.

How much debt?

At the start of the 1980s, 109 developing countries owed a collective debt of \$579 billion.

By 1986, the total has risen to \$1.02 trillion, climbing to \$1.9 trillion by the end of 1994.

The World Bank says the rate of increase is slowing down though it forecasts a further \$30 billion rise in total debt by the year 2000.

Of the total \$1.24 trillion (87%) is held by countries belonging to the Organisation for Economic Co-operation and Development (OECD), either directly or through international organisations.

Developing country debts remain at the mercy of fluctuating interest rates and export earnings.

Every 1% rise in US interest rates adds about \$4 billion to the debt bill.



Education

Education is a major factor affecting poverty in Africa.

In many African nations primary schooling is not free; this means that many children do not go to school because their parents cannot afford it.

Children who come from a low income family are more likely to be involved in money making activities rather than going to school. This is the only way their family can survive.

You have to pay for:
books
uniform
registration
writing equipment etc

Red Nose Day 2005 started the Send my Friend to School campaign. Check out the link here!
<http://www.rednoseday.com/schools/speakup.shtml>

Current Events

One of the campaigns trying to combat poverty is "Make Poverty History" which is a collaboration between charities, campaigns, trade unions, faith groups and celebrities campaigning for trade justice, dropping debt and more and better aid. Link <http://www.makepovertyhistory.org/>

Nelson Mandela is one of the celebrities who supports this campaign. In his speech given at Trafalgar square on February 3, 2005 he urged world leaders to act on their promises to eradicate poverty through trade justice, an end to the debt crisis and by providing more and better aid.

Jubilee 2000 - Debt Cancellation. A charity set up to raise awareness about 3rd World poverty caused by debt to the richest nations. Their campaign focussed on getting the G8 and others to cancel 3rd world debt, as they believed that the debt had already been paid off, but that poor nations had been crippled by interest payments. The website has video links and plenty of information on poverty. Link to <http://www.jubilee2000uk.org/>

Every time you give \$1 in aid for a project in a developing country, at least \$1 is taken from that country in interest on long term debts to banks, other governments or UN bodies. In some cases the ratio is as high as \$1 donated to \$3 extracted



1st Millennium Development Goal

Eradicate extreme hunger and poverty

Target 1: Halve, between 1990 and 2015, the population of people whose income is less than one dollar a day.

The Millennium Development Goals call for reducing the proportion of people living on less than \$1 a day to half the 1990 level by 2015 - from 27.9 percent of all people in low and middle income economies to 14.0 percent. The Goals also call for halving the proportion of people who suffer from hunger between 1990 and 2015.

In contrast to the rapid progress since 1990 in East Asia, the number of extremely poor people in Sub-Saharan Africa has almost doubled since 1981 to 313 million people in 2001. In some countries poverty rates exceed 70 percent. Only a handful of countries such as Senegal are on track to reach the target. Reversing the trend will require higher rates of economic growth and benefits reaching the poor—a daunting task on top of the burdens of disease, famine, and armed conflict.

Target 2: Halve, between 1990 and 2015, the proportion of people who suffer from hunger.

Progress in reducing child malnutrition has been fastest in East Asia and Pacific, and South Asia. But many countries, especially in Sub-Saharan Africa, lag far behind. Raising incomes and reducing poverty is part of the answer. But even poor countries need not suffer high rates of child malnutrition. They can achieve faster progress through low-cost measures. Programs to encourage breastfeeding and to improve the diets of pregnant and lactating mothers help. So do appropriate care and feeding of sick children, oral dehydration therapy, control of parasitic diseases, and programs to treat vitamin A deficiency.

<http://ddp-ext.worldbank.org/ext/MDG/home.do>

Nelson Mandela speech on Make Poverty History

“Like slavery and apartheid, poverty is not natural. It is man-made and it can be overcome and eradicated by the actions of human beings.

The G8 leaders, when they meet in Scotland in July, have already promised to focus on the issue of poverty, especially in Africa. I say to all those leaders: do not look the other way; do not hesitate. Recognise that the world is hungry for action, not words. Act with courage and vision.

Overcoming poverty is not a gesture of charity. It is an act of justice. It is the protection of a fundamental human right, the right to dignity and a decent life. While poverty persists, there is no true freedom.

Sometimes it falls upon a generation to be great. You can be that great generation. Let your greatness blossom. Of course the task will not be easy. But not to do this would be a crime against humanity, against which I ask all humanity now to rise up.

Make Poverty History in 2005. Make History in 2005. Then we can all stand with our heads held high”.

Case Study: Ethiopia

Famine in Ethiopia: News flash 1984

“At least six million people are starving, and millions more face the threat of no food. This famine was caused by droughts. Ethiopia faces a terrible famine, more than one million people died.”

Ethiopia has a history reaching back to 1000BC, when the first kingdom was established by Menelik I, who was said to be the son of King Solomon and the Queen of Sheba. It was a major trading area and grew in wealth.

Michael Buerk's BBC documentary in October 1984 brought home the true horror of the situation to people in the UK, and shortly thereafter Bob Geldof brought about the recording of the Band Aid single.

20 years later, in 2004, Michael Buerk went back to find that civil wars and problems getting aid to people had not helped the plight of many, and he feared it had made things worse!
Link to BBC report: http://news.bbc.co.uk/2/hi/programmes/this_world/3324089.stm

Band Aid

Band Aid was the name of the group which recorded the original single "Do They Know It's Christmas? / Feed The World". Written by Bob Geldof and Midge Ure, the song was recorded on November 25th 1984 by a group consisting of almost 40 of the UK and Ireland's best-known pop stars of the time.

Originally Geldof hoped to raise £72,000 for charities from sales of the single, but that estimate was exceeded almost immediately the record went on sale; it went on to sell over three million copies in the UK, becoming the best-selling record ever, and to raise over £8 million worldwide.

Several other countries and organisations followed suit (the best-known being USA for Africa with "We Are The World"), until in early 1985 the idea of a concert to raise money for the cause was suggested.

Eventually the concert mushroomed into sixteen hours of music from around the world, featuring many of the biggest stars of the time. At the last estimate, it had raised over \$100 million.



Statistics

The CIA have kindly sorted out some statistics on the % of a population living under poverty line, here are some African states compared with industrialised States:

❖ Botswana	47%
❖ Cameroon	48%
❖ Ethiopia	50%
❖ France	6.5%
❖ Ghana	31.4%
❖ Ireland	10%
❖ Kenya	50%
❖ Liberia	80%
❖ Mozambique	70%
❖ Nigeria	60%
❖ Sierra Leone	68%
❖ South Africa	50%
❖ Uganda	35%
❖ United Kingdom	17%
❖ United States	1%

Statistics for Sub-Saharan Africa			
Country	Human Poverty Index, 1998	% of Members not expected to live beyond 40!	Adult illiteracy % 1998
Seychelles			16
Mauritius	11.5	4.8	16.2
South Africa	20.2	25.9	15.4
Swaziland	27.3	20.2	21.7
Namibia	28.6	33.5	19.2
Botswana	28.	37.1	24.4
Lesotho	23.3	26.0	17.6
Zimbabwe	30.0	41.0	12.8
DR Congo	-	31.7	41.1
Zambia	37.8	46.2	23.7
Tanzania	29.2	35.4	26.4
Angola	54.7	37.7	58.0
Malawi	41.9	47.5	41.8
Mozambique	50.7	41.9	57.7
Total for Sub-Saharan Africa	31.5	35.3	

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Country	Population without access to safe water %	Population without access to health services %	Underweight children under 5 years, % 1990-98
Seychelles		1	6
Mauritius	2	1	16
South Africa	13	25	9
Swaziland	50	45	10
Namibia	17	45	26
Botswana	10	14	17
Lesotho	38	20	16
Zimbabwe	21	29	15
DR Congo	32		
Zambia	62	25	24
Tanzania	34	7	27
Angola	69	76	42
Malawi	53	20	30
Mozambique	54	70	26
Total for Sub-Saharan Africa	35.4	31.3	22.0

From: <http://www.sarpn.org.za/RegionalViews/angola.php> Statistics on Poverty in Southern Africa.

Region	% of children under 5 years old suffering from being underweight	
	Moderate & severe	Severe
<u>Sub-Saharan Africa</u>	31	10
<u>Middle East & North Africa</u>	17	5
<u>South Asia</u>	49	21
<u>East Asia & Pacific</u>	19	-
<u>Latin America & Caribbean</u>	9	1
<u>CEE/CIS & Baltic States</u>	7	2
<u>Industrialised Countries</u>	-	-
<u>World</u>	28	11

Unicef statistics from http://www.therightssite.org.uk/html/issues_fan2.htm

Glossary

GDP: The total value in money, of goods and services produced within a country over a year. It may be used to determine the wealth of a country. The figure is given per Capita, which means per person. So for someone living in Switzerland, the total value of their goods and services produced is \$34000. Whereas for those in Mozambique it is just \$80, per person, per year!

MDG: The Millennium Development Goals commit the international community to an expanded vision of development, one that vigorously promotes human development as the key to sustaining social and economic progress in all countries, and recognizes the importance of creating a global partnership for development. The goals have been commonly accepted as a framework for measuring development progress.

In September 2000 the member states of the United Nations unanimously adopted the Millennium Declaration. Following consultations among international agencies, including the World Bank, the IMF, the OECD, and the specialized agencies of the United Nations, the General Assembly recognized the Millennium Development Goals as part of the road map for implementing the Millennium Declaration.

Useful Links

<http://www.odci.gov/cia/publications/factbook/fields/2046.html> This site provides the CIA statistics on the % of the population living under the poverty line.

<http://www.sarph.org.za/documents/d0000841/index.php> contains Child nutrition fact sheet on southern Africa

<http://www.globalpolicy.org/socecon/develop/afriCa/2005/0208smallstep.htm> Article on G7 debt relief focusing on Malawi – giving statistics on the amount of debt and the state of the country now.

http://news.bbc.co.uk/1/hi/world/newsid_2690000/2690661.stm CBBC profiles page: has interviews with a number of African children, on poverty, famine, education etc.

http://www.therightssite.org.uk/html/issues_fan2.htm Unicef report on Food and Nutrition
<http://www.bread.org/hungerbasics/international.html> Good for links on hunger

<http://news.bbc.co.uk/1/hi/world/afriCa/2027079.stm> Great site on Famine in Africa, Personal testimonies

<http://www.globalpolicy.org/socecon/develop/afriCa/2004/0416smallholder.htm> Article on increased agriculture as road to decreased poverty

<http://www.globalpolicy.org/socecon/develop/afriCa/2004/1024freeschool.htm> Article on Free schooling

<http://www.makepovertyhistory.org/mandela.html> Nelson Mandela's speech on poverty
<http://youthink.worldbank.org/> Interesting World Bank page for young people

http://en.wikipedia.org/wiki/Economy_of_Africa Good background information on poverty in Africa

The World Bank on poverty – looks at strategies and statistics.

<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPOVERTY/0,,menuPK:336998~pagePK:149018~piPK:149093~theSitePK:336992,00.html>

Poverty: Discussion Points

- What can you buy for \$2? How can a deprivation of information make you poor?
- How can families be encouraged to send their children to school rather than work to help the family? What could an English school do to help?
- What is most important, raising money or raising awareness?
- How important is it that celebrities speak out?
- Who would you make a Good Will Ambassador for fighting poverty?
- Are there any connections between trade links and poverty?
- If South Africa is the wealthiest state, are there any poor people there?
- How does poverty lead to civil war?
- Why are civil wars mainly in the poorest countries?
- Find out what is one of the most expensive things to buy - and then see how many you could buy of it for the same amount of debt that is owed by the developing countries!
- What can be done to punish those who cause man-made famines? What would happen if we refused to give aid to countries at war?