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Eradicating Poverty

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CONCERN FOR POVERTY IS UNIVERSAL. COPENHAGEN took it to the summit. The World Bank intends to wipe it off the face of this planet. The Asian Development Bank just recently refocused its mission around it. And if that's not enough, you have the IMF adding on poverty to its mandate.

Everybody loves the poor, it seems. Everybody wants to see them gone the soonest. But as always most lofty intentions stumble on the how. This paper hopes to share a thought on this one.

Poverty in Asia

If poverty can be eradicated in Asia it can be eliminated anywhere. Then we shall see a world free of this moral aberration.

About 900 million of the world's poor live in this region. More than half a billion are concentrated in South Asia alone. China has 150 million of them. The rest are scattered all around, from Indonesia, Thailand, Myanmar, Vietnam, Laos, Kampuchea, the Philippines to the small island-nations of the Pacific. East Asian and ASEAN countries are luckier than most Asian subregions for having a proportionately smaller share of this durable and stubborn spot in humanity's conscience.

Performance in our backyard

We need not look outside our region for clues and lessons. A quick scan of the state of poverty in Asia tells us some countries in our region have caused absolute poverty to disappear. It was eradicated in Japan, a resource-poor country. It was eradicated in South Korea, Taiwan, and Singapore—countries no more naturally-endowed than Japan. Malaysia did it too, partly due to a windfall of nature's bounty but perhaps mainly because of a very deliberate policy.

Indonesia—a resource-rich country—has not done as well, though convincingly it has brought down poverty to a dramatic low. What was once resource-rich Philippines is painfully struggling, though not lacking in potentials to lick the problem.

What can we make out of these varied cases? Natural capital is important but not the critical factor in the past. Otherwise poverty would have been history long ago in my country. Or Indonesia would have done much better than others.

What is known about how

The dominant mantra used to be, and in many ways still is, a combination of economic growth and catch-and-provision. Meaning, get the economic pie growing so that there will be enough to share and then find the fall-outs and provide them with basic services.

This proven strategy also suggests a neat division of labor between economists and industrializers on one side and politicians and social workers on the other.

Mounting evidence, though, says this is not working as well as intended. The economy grows but poverty and the equality gap also grow as fast, if not faster. Too many poor to catch and share the benefits of growth with, but never enough money to do provisioning effectively.



We also realized soon enough that growth is not necessarily an incentive for the rich to share: the bigger they grow the bigger they want to be. They had to be compelled to share. We found out poverty is much easier to reproduce than to reduce.

With the coming of the 'Asian miracle' the tune changed somewhat. Now it's broad-based growth. Broad as a precondition of growth—e.g. land and asset reform. And broad as outcome of growth—e.g. full employment, rising income and spending, higher education, more and better services and so on.

But this formula came about with a major trade-off—bread for freedom cum ecological disaster—or in HDR metaphor, 'voiceless and futureless growth'. This is especially so in the most successful countries. Needless to say, the model could not be justified on human rights grounds. Yet it continued to be held up as the superior model for the rest of the developing world to follow if they want poverty to go away.

Adjustment had to be made to address the unpalatable trade-off whose accumulated downsides were building up to breaking point. So came democratization of the 1980s. This process seemed well underway, particularly in South Korea, when the 1997 crisis hit, subjecting the model to its most severe test yet.

Many thought the crisis would write finis to this modified East Asian formula. But surprising quick recovery from the crisis all the more convinced the proponents that this is the way to go.

Broad-based growth is it. You can hype or spin it any which way you want—growth with equity, equity with growth, growth through equity, as we do it in the Philippines. However you do and mean it, current official discourse suggests that if you're not US or Europe there is no superior alternative to the East Asian model. That alternative model is yet to be.

Asking the poor

The poor may not be the expert on poverty they sometimes are romantically pictured to be but they know better than anyone else what it means to be poor. They need no help to tell poverty from prosperity. They recognize the many faces of poverty as they meet and live these in their everyday. They are experts in coping and survival strategies.



God knows how many meetings on poverty have so far been organized and attended by the non-poor. This is not to make light of these exercises, these meetings might have resulted in some poverty reduction indirectly. The challenge to those concerned is to exert more than what they have done already to find out how the poor themselves can be helped to learn their way out through strategies they themselves design, run and evaluate.

The UNDP Poverty Report (1998) speaks of “a new way of looking at poverty eradication”. It asserts that “the poor are the real experts on their impoverishment and that human poverty can be eradicated by recognizing and mobilizing the assets of the poor”. The Report notes that “the poor have the strongest motivation and greatest stake in the outcome of national and international efforts to improve their situation. Hence, poverty assessments should incorporate the kind of participation that allows the poor to explain their condition, voice their needs and advocate solutions”. UNDP argues for a strategy combining social empowerment and economic empowerment.

Poor-based, community-based poverty eradication

Whenever asked the poor usually speak of poverty in terms of what they have, can do and can be. An honest-to-goodness poverty strategy or program claiming to be need-driven should start from these. It must confront all the frustrations of the poor about having, doing, and being. But what if the poor demand things only the rich can have, can do and can be? Which can be as impossible, for example, as owning a mansion or joining an exclusive golf club. Whatever, the poor have a right to ask for what they feel they need.

The point of asking is not so much to test one's tolerance for the ridiculous as to know exactly what the poor think and feel and to make space for their voices. As well, it is meant to help them see for themselves what can work and what cannot—and why. In other words, it is to ask them to participate in strategizing their way out of poverty.

Broad-based growth strategies are mainly oriented to economic growth. Poverty eradication is incidental. The poor are subordinate players in political and economic decision making. And yet they are made to bear the externalized social and environmental costs of wealth creation. This is basically the story of the ‘Asian miracle’ which was humbled by the 1997 crisis. Thanks to the crisis we now know better.



A truly broad-based and poverty-focused strategy puts the poor at the center of economic activity. But this can only happen if the poor are first enabled to be at the center of designing poverty strategies and programs. It does not make sense to expect the poor to participate in a big way if they know not how and are not given the space and opportunity to do so.

With such a strategy the nature of economic activity will also change accordingly. Just try, for example, asking a community of poor fishers if they need a 100 million-dollar loan. Chances are, they will say they need only a much smaller amount to finance small and medium-sized livelihood projects. A community wanting to manage a watershed and do agro-forestry likewise would not need that much money. But small loans are not the business of the World Bank and the ADB. These institutions were used to pushing mega loans for mega projects. Whether and how they can adapt their lending policies and operations to the needs of poor communities will certainly be a big test to their new poverty rhetoric.

Helping the poor to help themselves get out of poverty is not easy. That they can assume greater responsibility to build a sustainable society is even harder to imagine for many who are used to relying on the rich and powerful to lead their country to progress.

A liberating reality

A new world free from poverty is neither impossible nor too far out in the horizon. Commitment to that goal stands and is gaining more resonance as we review the progress made five years down the road from Copenhagen. Member countries of the UN continue to stand by their promise. The World Bank, the ADB, the other multilateral and bilateral aid institutions are all committed to shape up for the soonest realization of poverty eradication. Civil society organizations have been doing their share. An increasing number of private corporations are prepared to change from business as usual and lend a hand. Here's a rare moment to seize and make a big, if not final, push against world poverty.

It seems that the only thing wanting is a strategy. Not strategy as usual, but something different from what had already been tried. Would that it were a strategy where the poor themselves lead their way out of poverty. That would be a most liberating reality.





About the author

Isagani R. Serrano is Senior Vice President and Board Member of the Philippine Rural Reconstruction Movement (PRRM). He's written for CIVICUS the following: *Civil Society in the Asia-Pacific*, 1994; *Humanity In Trouble But Hopeful* in CITIZENS, 1995; *Profile: Philippines* for CIVIC INDEX, 1997; *Coming Apart, Coming Together* in Civil Society at the Turn of the Millennium, 1999; *A Global Citizens' Commitment*, 1999. A community organizer, educator, writer, guitarist, 'farmer', and political prisoner for seven years during martial law in the Philippines. Trained in education and literature, community organization and development management. Holds a Master of Science in Environment & Development Education (MSc in EE/DE) from the South Bank University-London.



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