

Poverty

What is poverty?

"Not having the minimum income level to get the necessities of life."

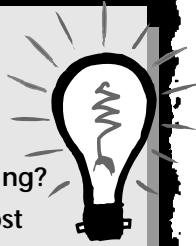
Concise Oxford Dictionary

"More than a lack of what is necessary for material well-being, poverty can also mean the denial of opportunities and choices most basic to human development – to lead a long, healthy, creative life; to have a decent standard of living."

The State of Human Development 1998

TRY THIS: Discuss

- What is the difference between the definitions above?
- What are the necessities of life? What is a decent standard of living?
- Work out how much it would cost to live on your own for a week.



"Everyone has the right to a standard of living adequate for the health and well-being of him/(her)self and his/(her) family, including food, clothing, housing and medical care and necessary social services... Everyone has the right to education."

Universal Declaration of Human Rights.

Measuring poverty

According to internationally accepted standards anyone earning less than 60p (US\$1) a day is living below the poverty line ie does not earn enough to live on.

Percentage of people living below the poverty line

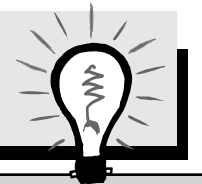
Europe and Central Asia	3.5%
Latin America and Caribbean	23.5%
Sub-Saharan Africa	38.5%
Middle East and North Africa	4.1%
South Asia	43.1%

World Development Indicators 1998

In total 1.3 billion people live on less than 60p per day

TRY THIS:

- Draw this information as a graph or pie chart



There are three major ways of measuring a country's wealth:

- Gross National Product (GNP) is the annual total value of all goods produced and services provided in a country
- Gross Domestic Product (GDP) is the same, excluding deals with other countries
- Human Poverty Index (HPI) does not use money as the only factor. It includes education, length of life and living standards

(For more information see *Human Development Reports* since 1997)

GNP per person 1997

United Kingdom	£12, 648
Uganda	£200
Ethiopia	£67

World Development Report 1999



4.4 billion people live in developing countries. Of these:

- Three-fifths lack basic sanitation
- Almost one third have no access to clean water
- A quarter do not have adequate housing
- A fifth have no access to modern health services
- A fifth of children do not attend to the end of primary school
- A fifth do not have adequate protein and energy from their food supplies

Human Development Report 1998

fact file

Mind the gap

- In 1997 the richest fifth of the world's population had 74 times the income of the poorest fifth.
- The top three billionaires have assets greater than the combined GNP of all least developed countries and their 600 million people.

Human Development Report 1999

Things can only get better

Over 80 countries have lower incomes per person today than they did ten years ago.

Human Development Report 1999

Causes of third world poverty

● Trade

Third world countries lose out through unfair trade agreements, lack of technology and investment, and rapidly changing prices for their goods.

● Work and globalisation

Better communications and transport have led to a "globalised" economy. Companies look for low-cost countries to invest in. This can mean that, though there are jobs, they are low-paid.

● Debt

Third world countries have to pay interest on their debts. This means they cannot afford to spend enough on basic services like health and education; nor on things like transport or communications that might attract investment.

● Land

If you have land you can grow your own food. But many people in the Third World have had their land taken over by large businesses, often to grow crops for export.

● War or conflict

When a country is at war (including civil war) basic services like education are disrupted. People leave their homes as refugees. Crops are destroyed.

● Health

Affordable or free health care is necessary for development. In poor countries the percentage of children who die under the age of five is much higher than in rich countries. HIV/AIDS is having a devastating effect on the Third World. "HIV is now the single greatest threat to future economic development in Africa. AIDS kills adults in the prime of their working and parenting lives, decimates the work force, fractures and impoverishes families, orphans millions..."

Callisto Madavo, vice-president of the World Bank, Africa region 1999.

● Food and education

Affordable, secure food supplies are vital. Malnutrition causes severe health problems, and can also affect education. Without education it is difficult to escape from poverty. This becomes a vicious circle – people who live in poverty cannot afford to send their children to school.

● Gender

When we measure poverty we find differences between the level experienced by men or boys, and women or girls. Women may be disadvantaged through lack of access to education; in some countries they are not allowed to own or inherit land; they are less well paid than men.

● Environment

A child born in an industrialised country will add more to pollution over his or her lifetime than 30-50 children born in the Third World. However, the third world child is likely to experience the consequences of pollution in a much more devastating way. For example, annual carbon dioxide emissions have quadrupled in the last 50 years. This contributes to global warming, leading to devastating changes in weather patterns. Bangladesh could lose up to 17% of its land area as water levels rise.

Human Development Report 1998

TRY THIS:

Find out more – see other CAFOD fact sheets and the website

Can you think of other causes of poverty?

If you could solve one of these problems, which one would you choose, why and how?



Libyan Calendar, Thin Black Lines

Tackling poverty

● 2015 poverty targets

Members of the Organisation for Co-operation and Development (OECD) agreed these after the 1995 Copenhagen summit. They aim to reduce poverty in third world countries by at least one half by 2015.

● 20/20 initiative

At the same summit some governments agreed that 20% of aid and 20% of the budget of the developing country receiving that aid would be spent on basic services.

● Aid

Access to basic services for everyone would cost approximately \$US40 billion more per year than is spent now. This is 0.1% of world income. World military spending is \$US780 billion per year. US\$50 billion is spent on cigarettes in Europe every year.

● Fair trade

Fair trade guarantees higher, more stable prices for third world producers. Look out for products with a Fairtrade Mark.

● Debt campaigning

Find out more about CAFOD's campaign on the website.

● Environment

Look out for local Agenda 21 activities. The next UN environment summit will take place in 2002.

Useful websites

http://www.eti.org.uk	Ethical Trading Initiative
http://www.wto.org/	World Trade Organisation
http://www.fairtrade.org.uk	Fairtrade Foundation
http://www.undp.org	United Nations Development Programme
http://www.oneworld.org	Non-governmental organisations links site
http://www.worldbank.org	World Bank, includes statistics and reports
http://www.oecd.org/dac	OECD information on aid and development
http://www.grid.unep.ch/geo	UN site on environment issues

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