

chronicpoverty

Why do people stay poor?

Major International Conference

Staying Poor: Chronic Poverty and Development Policy.



Hundreds of millions of people will live poor and die poor. They will pass on their poverty to the next generation. Their numbers are uncounted and their needs unattended to.

300 policy makers, researchers and NGOs will meet in Manchester from 7 - 9 April for a major international conference: **Staying Poor: Chronic Poverty and Development Policy** hosted by the Chronic Poverty Research Centre.

The meeting will bring high level representatives of government such as **Gerald Ssendaula, Minister of Finance in Uganda** and **Pronab Sen, head of India's**

powerful Planning Commission, together with NGOs and researchers working with chronically poor people at grass roots level.

It is individuals who experience the deprivations of poverty - not countries or regions. David Hulme, Director of the Chronic Poverty Research Centre, has worked with a chronically poor household in Bangladesh. In the early 1990s, Maymana and her husband Hafeez had three children, three rickshaws and an acre of paddy land - in other words a secure income and some assets to fall back on. The girls married, but Maymana and her son were driven into chronic poverty when her husband Hafeez became ill and died.

" While Hafeez was ill the family had to pay for medical expenses and better food. When he died, they not only lost the breadwinner but their land was seized by Maymana's father in law. Maymana sees this as an act of God. At the Chronic Poverty Research Centre we see it as a failure of healthcare provision, a lack of social safety nets, a weak labour market and institutions that fail to protect the rights of the most vulnerable - in other words, something can be done about it"

People affected by Chronic Poverty live in many situations: in remote rural areas or urban ghettos. Many are older or disabled or marginalised through caste, ethnicity or social status. Such people are, literally, the uncounted - left out of censuses and surveys and invisible to policy makers.

The Millennium Development Goals, endorsed by most nations in 2000, made global commitments to halve the proportion of people in poverty by 2015. Most policies designed to achieve the goals rely on poor people taking up the opportunities of a global market. But many people face so many barriers that opportunity based policies alone will never enable them to escape from chronic poverty. The chronic poor need different policies. As Hulme says

"While earlier ages sought to help the 'deserving poor' the contemporary focus is on the 'easy to assist poor'. Of course it makes sense to target those who are 'easy to assist', but we can't wait until 2015 before planning to meet the needs of families entrenched in poverty from one generation to the next."

For more information, to attend the conference or to arrange interviews contact:

- Judith Randel or Tony German on + 44 (0) 1749 831141 or Mobile +44 (0) 794 776 2236 cprc@devinit.org
- Maymana and Mofizul's Story is available in full by emailing cprc@devinit.org
- Visit the Chronic Poverty Website at www.chronicpoverty.org for direct links to all partners and access to reports

Additional Notes for editors:

Speakers at the Chronic Poverty and Development Conference include:

➤ **Gerald Ssendaula, Minister of Finance, Uganda**

Ssendaula will argue that governments must prioritise improving the conditions of chronically poor people through effective social safety nets, free education and pro-poor growth.

➤ **Pronab Sen, Chief, Planning Commission India**

Sen will examine how successful India has been in improving the condition of its chronic poor. While progress has been made in reducing the poverty of the scheduled castes, the scheduled tribes still languish in extreme poverty.

➤ **Ravi Kanbur T. H. Lee Professor of World Affairs and Professor of Economics at Cornell University; formerly Principal Adviser to the Chief Economist of the World Bank.**

Kanbur will speak on poverty and death. The way that poverty is measured is by taking those who are currently alive. When a poor person dies, that, according to our current measurement systems, reduces poverty. Kanbur will argue that "It would be a monstrous assault on our fundamental intuitions if these deaths were not recorded on the negative side the ledger in any sort of social assessment".

➤ **Martin Ravallion, Head of Research at the World Bank.**

Ravallion will address the conventional wisdom that sees income transfers to the poor and safety net policies more generally as, at best, a short term palliative and at worst a waste of money. He will point to a number of success stories in safety net policies and areas where publicly provided social protection can be good for pro-poor growth.

Other speakers on this theme are Dr Guy Standing, Director of the Socio-Economic Security programme of the International Labour Organisation (ILO) who will speak on basic income security as a right and Professor Francie Lund from Natal University who will talk about the development impact of the basic pension in South Africa.

➤ **Janice Perlman, Trinity College, Hartford Connecticut**

Perlman has followed the livelihoods and experience of 750 individuals and households in fishing villages and squatter settlements in Rio de Janeiro from 1969 to 2002. She reports on the realities of their experiences against prevailing

myths, described as "empirically false, analytically misleading and insidious in their policy implications"

➤ **Binayak Sen, Bangladesh Institute of Development Studies**

Sen will address the situation of the chronic poor in Bangladesh. Whereas the country as a whole has seen dramatic improvements in levels of poverty over the past ten years, this has resulted in little benefit for the 20 - 25% of the population who remain in chronic poverty.

➤ **Cobus de Swardt, CPRC Western Cape University**

De Swardt will report on research by CPRC in South Africa in an area of Cape Town with over three quarters of a million inhabitants highlighting the long term impoverishment of large communities where half the households suffer from food shortages and a third have seen the major breadwinner lose their job in the last year. De Swardt looks at the impact of the Universal Basic Income Grant proposed in South Africa. This would reduce the percentage of households below the poverty line by 17% and has the potential to triple the income of the poorest households.

➤ **Selim Jahan, United Nations Development Programme (UNDP)**

Jahan will talk about the issues and prospects for financing for the Millennium Development Goals and beyond.

➤ **Lloyd Sachikonwe Institute of Development Studies, University of Zimbabwe**

Sachikonwe will speak on the impact of Zimbabwe's land reforms on farm workers. The mixed outcome of the reforms has been that farmworkers face prolonged and severe poverty. They have lost jobs, access to housing, social services, health care and schools. At the same time small farmers and black commercial farmers have acquired land. The marginalisation of the farmworkers has profound social consequences

What is the Chronic Poverty Research Centre

The Chronic Poverty Research Centre is an international partnership of universities, research institutes and NGOs. It is one of a new breed of DFID (Department for International Development) supported research centres that focus on policy-relevant research.

CPRC aims to:

- Provide research, analysis and policy guidance
- To stimulate national and international debate
- So that people in chronic poverty will have a greater say in the formulation of policy and a greater share in the benefits of progress.

CPRC's Director is Professor David Hulme, Institute for Development Policy and Management (IDPM) University of Manchester

CPRC partners include:

Bangladesh: The Bangladesh Institute of Development Studies

India: The Indian Institute of Public Administration and the Gujarat
Institute of Development Research

Lesotho: Sechaba Consultants

South Africa: University of the Western Cape

Sri Lanka: Institute of Policy Studies

Uganda: Development Research and Training, and The Economic Policy
and Research Centre, Makerere University

UK: Action on Disability and Development
Centre for Research and Policy on Childhood Poverty, Save the
Children Alliance
Development Initiatives
HelpAge International
Institute for Development Policy and Management, Manchester
University
International Development Department, University of Birmingham
Overseas Development Institute

Who are the Chronic Poor?

We are talking about people who remain poor for much if not all of their lives, and who may 'pass on' their poverty to subsequent generations.

People who stay poor for five years or more have a high probability of remaining poor for the rest of their lives.

By that measure, 18 - 24% of people in South Africa, 25% in Ethiopia and between a quarter and a third of people in India are chronically poor.

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