Miscellaneous

Alleviating Poverty

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Introduction

This essay is focused on an important subject discussed all over the country and the world, especially in political circles and among policymakers. There is a need established that to be able to pull individuals and communities out of poverty, we need that, meaningful employment is generated for a very large number of people. World over, certain approaches have been used by the policy makers which seem to increase the divide between the haves and have-nots. The policy of industrialization is leading nations into widening the gap between rich and the poor. It is also creating undesirable side effects by way of 'pollution' and depletion of resources at an ever increasing pace. This situation leads to the author's belief that something is not right. Such policies will not lead to sustainable livelihoods for masses. Hence this attempt to explore alternative policies, which could provide a viable approach to alleviating poverty.

Poverty alleviation is indeed a noble goal. All of us must also be seriously concerned about the difference in the standard of living between the rich and the poor. Moreover, our objective must be to see how the masses can live well and peacefully.

Around the world and within our country, being unemployed is not the best state to be in. Employment in this context is gainful occupation. The impact of such unemployment has been disastrous. This has led to militancy on one hand and ongoing unrest in many a city on the other. The way forward, as proposed since many decades and being followed incessantly, is "consumerism" to help us get out of this mess. Industrial mode of employment generation has been linked to production and productivity.

But all aspects of Industrial production are linked to

use of natural resources to produce intermediate goods. This means any additional employment generated would dip further into the natural resource reserves. Can one think of a very different model of generating employment? Employment which does not dip into the reserves? Employment that can restore biological resources? There seems to be an opportunity for more thinking at the policy level to understand the root causes of unemployment and how we can tackle these for creating employment that can sustain, resulting in sustainable elimination of poverty.

The state of affairs

Could we find a holistic way to tackle the challenges that we ourselves have created? We seem to be hoping to fight fire by pouring even more oil through the consumerist route. However, there certainly is a way out. To understand this possibility, let us first look at the current state of affairs. While I have primarily restricted myself to Indian context, many of the reasons identified are more likely to be universal.

Let us understand what current policies are doing to the social and economic situation :

1. Public money is being used most in-effectively. Public money is expected to create much needed services required for everybody in the society. In India, the poor are a large percentage and need inclusion. A very small percentage of public money is being used for creating any public services and even less so to create anything useful to the poorer section of the public. A very large portion of public money actually serves the small percentage of 'the haves' rather than the poor. So called public facilities, sometimes inadvertently focus on the richer community rather than a much needed focus on the poorer community. A good example is building flyovers and widening roads

in an Indian context, instead of spending money in good public transport system. Most benefits of the wider roads and flyovers go to the car owners, who probably are responsible for just around 5% passenger road trips.

2. Education imparted to everybody is far too uniform and lacks the required context. There are a few inspiring programs being promoted by the likes of "Vigyanashram" (a vocational school based in Pabal, near Pune in Maharashtra) – but that is an exception than the rule. Education today does not focus on developing knowledge about local natural resources and how you can use these for developing sustainable local livelihoods. Resurrection of traditional knowledge is required to be presented and provided with modern methods and delivery to the next generation. Today's education continues to use the Macaulay system to create youth that is unable to think on their own. It is important to seriously upgrade the education system, if we are serious about enabling current and the next generations to live better.
3. There is no understanding provided and imparted to students of business, technology and economics that all of their endeavors directly or indirectly depend on the natural resource availability, health of ecosystems and ability of nature to provide ecological services. There is virtually no understanding created in the course of our education of the limiting factors and how one can sustainably use available natural resources. Considering the fact that material well-being is one crucial part of getting communities out of poverty, there seems to be a gap between availability of resources and how could these be best used in a sustainable manner, to address the large scale issue of equitable access.
4. The education is far too compartmentalized and specialized and connections between various disciplines such as natural sciences, social sciences, economics, technology and business are not visible to students of any of these individual disciplines. As a result, the multi-dimensional nature of our challenges is not drawn out in education. Does this also have a link to limiting opportunities for the poor or the rich failing to understand the problems they create?
5. It is very surprising that the educated from the rural centers have to always run to cities to find jobs - if at all - and are unable to relate with their local environment and resources. It might be argued that they do not see local opportunities as

lucrative as they believe the opportunities in urban centers could be.

6. It looks like we have given in to the concept of inevitable urbanization and we are not willing to look at this as a problem and find solutions to contain this phenomenon. Most of the efforts are going in planning for this unviable growth of cities rather than focusing on finding a viable distributed approach to development (once development is defined in the right way!). This mode of unfretted urbanization is leading to urban poverty. As opportunities in urban areas increase, additional jobs in the organized sector are created. This opens up new opportunities for service job such as maids. These jobs are not secure and are not good enough in most cases to afford a decent living. Another example is construction workers, who move to the city and live in very harsh conditions.
7. We seem to be obsessed with the concept of growth (which is inherently unsustainable) rather than a concept of well-being and sustainability. Today's cities are an excellent example of this paradigm. Cities in the first place are a substantial drain on resources. Compared to typical rural areas, cities have orders of magnitude more ecological footprint on a per capita basis. If all of us lived in the cities today, we would be living in a "decidedly unsustainable world". Moreover, this phenomenon seems to be a root cause of deteriorating condition of the villages and people continuing to be poor in rural India in addition to becoming further burden on urban areas by migration and experiencing poor living conditions.
8. There is a serious confusion between essential and not so essential goods and services. Essential ones include food and optimum housing. Most innovations seem to be focusing on not so essential aspects leading to total imbalance in the way new businesses and products are created. A direct impact is seen through nominal rates of increase in prices of not so essential goods and services at the expense of skyrocketing prices of food items, and essential goods and services. Considering that masses consume these essential goods and services, poorer communities bear the brunt of these increased prices much more (as a large percentage of their income goes directly in procuring essential goods) than their richer counterparts who have a very small percentage of income used for purchasing essential goods.

9. Current economic model, the way it functions, further increases the gap between rich and the poor. The simple reason is the way any new investments are made by the private sector. These are typically made for 'consumer' who has capacity to buy more. This means that the resultant products of such investments favor those with better purchasing power even further, leading to further increasing poverty – or the perceived distance between the poor and the well off. These products are typically intermediate goods with price tags affordable only to the richer community.

These are some of the symptoms of the present state. Once we start questioning the current direction rather than assuming it is inevitable, we will find the alternate direction which is sustainable. Poverty alleviation and keeping people out of poverty does not seem to be a likely outcome of the current course of "consumerism and increasing natural resource exploitation" led policies. We need to find different ways to deal with the situation. The aspiration (to be rich and live highly consumptive lifestyle) driven policies are inherently asymmetric and would favor those with good disposable income. While this creates a feeling of merit driven progression, there is not enough carbon space, or resource space to help the poor to reach their level of aspiration. The hope is that as the rich get richer, poor will also move up the ladder and will reach their aspirations. Today, this hope is severely constrained by scarcity of critical resources and impacts of climate change.

Let us use our observations further to understand the approach to poverty alleviation. One of the most important observations is – cities are net consumers! This means that if only cities exist - there will be fewer producers and protectors of natural resources and many more consumers – an unsustainable situation in itself. This means we need to "develop" the producer centers well just to ensure that the current cities survive, if they need to survive at all. The "producers" are the villages and towns where one creates food and sustains other natural resources for the city factories and people to use. Moreover, cities in India are not planned and could not have been planned in many cases. Unbridled growth of such cities inevitably causes serious pressure on primary resources like clean water and clean air.

Whether for cities or rural areas, availability of primary resources is a key to sustaining livable conditions. Regenerating water resources seems to be a key development area that is tackled. Stream

restoration, coupled with River Bank regeneration is an excellent way to march towards improved management of water resources. Once water resources are established, next steps are possible. A desirable side effect of such a policy is generation of employment opportunities in rural areas. The government in such cases can employ youth closer to the source regions of rivers and streams.

As a second key measure, understanding and documenting local biodiversity and resources which could be useful to human beings for sustainable consumption need to be established. These are the resources for developing local economic activity. Local economic activity is in a position to be largely sustainable over a long period of time at least in cluster of villages and towns and is a key to eliminating rural poverty and reducing migration to the cities. Local needs and wants satisfied using local resources, through local entrepreneurship could be an excellent way to generate wealth in a distributed fashion for the benefit of a large community base in poverty. Should such opportunities develop, many a migrant community will be very happy to return to their homes.

If we can look at this problem as a problem of balancing producers and consumers, we will easily see that it is very important to support and stabilize the producer community in the villages. At the same time we need to contain the consumption appetite in the cities. This is considering the fact that only certain amount of surplus food and resources created by the villages can sustain for a long time with minimal degradation of soil and surrounding resources. There could be models developed to get a city and a set of villages almost self-sustaining, to fulfill the minimum primary requirement of people with a focus on long term sustainability of supply and demand. If we can assure food security through this route, we might have found a model for scaling across more cities and villages.

Another critical challenge is energy. Urbanization inevitably leads to increasing use of energy. Either individual consumers ask for more energy for household use or industries demand more energy to sustain production of secondary goods and services. Let us remember that every act of energy consumption – where energy comes from fossil energy sources directly or indirectly, leads to pollution and to further deterioration of ecological support systems, and thus deterioration in the quality of human life. Access to energy is another serious issue faced by the poorer communities in India. On one hand, urban populations demand more energy and create more

pollution, while on the other, poorer members of the community, especially in rural areas do not have access to energy. The fuel wood that they normally use also creates pressure on forests, which are an important sink of carbon.

Designing ways to reduce aggregate energy consumption in cities is a plausible way out. While this seems very tough to execute, it is probably the only way to ensure long term sustainability of cities. Such reduction in energy consumption in cities will allow better access to energy for the poor. This step will take us closer to our objective of alleviating poverty.

Conclusion and recommendations

To summarize, it seems that we need to assess and accept the current state of affairs realistically and take steps which would be in the right direction and can help in the nations' biggest social problem – that of poverty alleviation. Specifically, following recommendations could be considered.

1. Spend public money to create infrastructure and opportunity for masses; this means there is complete access and availability to such services for the poor. These services make poor live better in spite of relatively lower levels of income.
2. Education must be context sensitive. Education must focus on understanding local resources, local needs and local services at the highest priority. Education needs for people in different circumstances and environment are different and an attempt has to be made to meet these diverse needs. Students need to get the tools to learn most of the things on their own. Such learning tools will empower the poor to create better living for themselves in the villages.
3. Ecosystems preservation and judicious use of

natural resources needs to be principles of a modern policy maker. This will ensure that livelihoods generated are sustainable and distributive justice is preserved, a key tenet in poverty alleviation. For that matter, new jobs must be directed towards restoring nature. The potential scale at which these jobs can be created without overburdening the resources is excellent. This will also help us gain much needed natural resilience.

4. A focus needs to be on developing 'real' producer areas, areas which provide for the entire primary requirement for us in villages and cities alike. Strong focus on distributed development will go a long way. This will enable the rural poor to taste the fruits of progress and at the same time ensure that such fruits of progress are available to the community in the longer run as well.
5. It is important to drive policies for sustainable well-being and not growth at all costs. If this principle is used to derive all the policies, we will be on a right path of 'development' that is required and essential. This path will also ensure distributive justice.

This essay attempts to link poverty, job creation, current state of education and the direction of current economic progress.

More detailed study must be undertaken to evolve policies which are based on this holistic understanding of the connections between tenets of ecology, economics, resource use, education, entrepreneurship, employment and poverty. The author believes that such policies could then help towards developing better livelihoods and drive towards reducing widespread poverty and its social implications.