POVERTY

christian aid

POVERTY IS AN OUTRAGE AGAINST HUMANITY. IT ROBS PEOPLE OF DIGNITY, FREEDOM AND HOPE, OF POWER OVER THEIR OWN LIVES.

CHRISTIAN AID HAS A VISION – AN END TO POVERTY – AND WE BELIEVE THAT VISION CAN BECOME A REALITY. WE URGE YOU TO JOIN US.

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INTRODUCTION

Christian Aid's one goal is for poverty to be over. Who does not wish for that? We believe poverty can be over – and soon. This report explains the basis for our thinking, and invites you to join us in making it happen.

The economic meltdown that has hit countries both rich and poor presents the world with a unique opportunity. The financial orthodoxies that led to mayhem in the marketplace have been firmly discredited. Once again, the pursuit of wealth with scant regard for the social costs involved stands revealed as a corrosive and corrupting passion.

As governments search for ways to end the crisis, there is now a real chance to confront, and even finally overcome, the challenge that has dogged humankind since time immemorial – the scandal of poverty.

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Poverty is political. Rather than being merely an unhappy fact of life, it is the result of human structures and systems, and of people being effectively excluded from decision-making. As such, the solutions must be political too.

Ultimately, only people can change politics, and only people can challenge poverty. Only by building a global movement of people who care can we change politics radically enough for poverty to be over.

Mobilising the public against poverty has been done before. But the Make Poverty History campaign was limited, set up to focus attention on poverty for just one year.

Christian Aid is now starting an ongoing dialogue with partners, supporters, businesses and leading development thinkers to identify the new models and ways of thinking that can take us from global crisis to global solutions.[1]

We must start to build the global compact necessary to turn these into reality, and end poverty. We urge you to join us.

United Nations secretary-general – Ban Ki-moon recently stated that there was 'no question' but that poverty could be ended. It would, he said, require 'an unswerving, collective, long-term effort'.[2]

WE MUST SET OUR SIGHTS MUCH HIGHER. THE GOAL MUST BE NOTHING LESS THAN THE COMPLETE ERADICATION OF POVERTY

The scale of our ambition must match the scale of global poverty. The financial crisis has pushed more people into poverty. But long before this, it was clear that poverty could never be over without unprecedented changes.

Lip service has often been paid to the need to tackle poverty. It has generally taken the form of poverty reduction, which really means 'business as usual' – a little more money here, a little more decision-making power there.

Despite the wealth of good intentions, the result is that poverty, with all its attendant hardships and humiliations, remains firmly entrenched.

We must set our sights much higher. The goal must be nothing less than the complete eradication of poverty. Nothing else will suffice.

Christian Aid's 1987 statement 'To Strengthen The Poor' committed us to a 'strategy for justice required by our Christian faith'. It also said: 'We cannot be content to alleviate [. . .] suffering. It must be brought to an end. . . if we are to put an end to poverty a great many changes must be made.'

The economic crisis provides an opportunity to make these changes – the kind of opportunity that has not been seen for generations. Old truths, old ways of thinking and old economic models have been exposed as fundamentally unsuited to promoting human development.

At the 2009 G20 in London, UK prime minister Gordon Brown led the attack on economic policies, known collectively as the Washington Consensus, that poorer countries have for decades been strong-armed into adopting.

Far from a recipe for success, the formula, which includes deregulation, privatisation, wholesale liberalisation of trade and financial markets, and lower corporate taxes, can now be seen to have precipitated the global economic crisis.

In Ireland, these policies encouraged irresponsible economic practices exacerbating the effects of the global economic downturn.

THE COMFORTABLE MYTH THAT GROWTH WILL EVENTUALLY BENEFIT ALL HAS BEEN SHATTERED

THE QUESTION IS NO LONGER WHETHER CHANGE IS NEEDED, BUT WHAT FORM THAT CHANGE MUST TAKE

'The Washington Consensus is over… the old world has gone,' said Brown. 'We have got to build a new consensus on economic development for the future, and we have got to send the message to every country that doing nothing is not an option.'[3]

The election of Barack Obama as US president means that the most important and active proponents of the Washington Consensus have seen their power diminished, or removed altogether. Now there is room, as never before, for new thinking, new policies, new alternatives.

At the G20, Obama followed Brown's attack on the Consensus. What we've learnt, he said, 'is that the market […] goes off the rail sometimes; that if it's completely unregulated, that if there are no thoughtful frameworks to channel the creative energy of the market, that it can end up in a very bad place.'[4]

At the UN conference on the world financial and economic crisis in June 2009, minister of state for overseas development Peter Power spoke of the need for 'a more urgent, concerted and effective response by the international community. to ensure that the poorest and most vulnerable are protected through this economic storm.'[5]

Even before the present downturn, it was clear that the economic growth of recent years was not to everyone's benefit. The income of average households did not rise significantly, even in many rich economies, while poverty was barely dented in much of the developing world.

The comfortable myth that growth will eventually benefit all, even if inequality rises at the same time, has been shattered. And, as we now know, the growth itself was unsustainable.

It is not just the economic meltdown that provides an opportunity for change.

A climate crisis looms, with some of the poorest nations on earth already feeling its impact through droughts, flooding and other extreme weather events.

CHANGE CAN BRING WITH IT THE OPPORTUNITY TO SHAPE WHAT IS TO COME, GIVING BIRTH TO HOPE AND A SENSE OF PURPOSE

This in turn is triggering a natural-resources crisis as millions of people face severe water and arable land shortages, millions of acres of forests are threatened and biodiversity is diminished, putting livelihoods in peril.

The vast majority of scientists now agree it is the greenhouse gases for which wealthy, industrialised countries are largely responsible that are to blame for the changes in climate globally.

The difficulties of reconciling the need to reduce carbon emissions with the continuation of our consumption growth are becoming increasingly clear. The planet simply cannot support our relentless quest for 'more'.

The question is no longer whether change is needed, but what form that change must take. Increasing weather extremes, and the growing number of climate-change refugees, make the debate ever more vital.

These are not the only crises that make change imperative. The effects of the energy crisis and the food crisis that preceded the global downturn, sending prices soaring, are still being felt in many poorer communities. Although some prices have fallen, the structural vulnerabilities that were exposed, including lack of support for small-scale farmers, remain untreated.

Finally, the climbing levels of inequality in income and consumption, within and between so many countries, mark a social crisis, as huge and widening gaps between rich and poor weaken social relations and undermine democratic politics.

Taken together, these crises form a 'systems crisis'. One may appear to modify another. For example, the economic crisis has reduced some prices, while other crises merely exacerbate each other. But each reflects structural failings rather than transient problems, and all have major consequences for marginalised people living in poverty.[6]

A GLOBAL MOVEMENT HUNGRY FOR CHANGE IS NEEDED TO CREATE THE POLITICAL WILL ESSENTIAL FOR REAL PROGRESS

Historically, crises have prompted massive social change. The fear, chaos and upheaval that accompany them can have a galvanising effect. Change can bring with it the opportunity to shape what is to come, giving birth to hope and a sense of purpose.

The determined manner in which governments have recently pumped many billions into shoring up their economies shows clearly that when the scale of emergency is understood, politicians can find the will to act.

There are many who, in the face of the world's lack of progress on poverty, will scorn the idea that its eradication is possible. They would regard the idea that poverty could be ended within a reasonable time-frame as preposterous.

It is true that even if the rate of progress of countries that have been most successful in poverty reduction could be replicated across the whole developing world, the level of progress needed would still elude us.

The reason for this is that the structural causes of poverty have first to be uprooted. A radical redrawing of the rules of the game is necessary.

We are not calling for marginal improvements on what has gone before. Instead, if real progress is to be made possible, fundamental changes in the global, national and local structures that create and embed poverty are needed.

The problem is not a lack of technical know-how or resources. The main obstacle to the eradication of poverty is political. A global movement hungry for change is needed to create the political will essential for real progress.

Come with us. The opportunity for change may never be more real. We must seize the moment to end poverty once and for all.

WHAT IS POVERTY?

Christian Aid believes that at poverty's core lies the misuse of power; by unequal power relations within and among countries, and within and among groups and individuals. Poverty is disempowerment, and the injustices that result.

If we are to determine how to end poverty, we need to understand the nature of the problem in the world today. Traditionally, poverty has simply been presented as a shortage of income.

Defining poverty in such a fashion, however, while making it easier to measure and count, fails to represent its nature and may obscure its root causes.

Having said that, increasing income is undoubtedly an important way of tackling poverty. It gives poor people the freedom to choose, and the ability to meet their own immediate needs. It enables them to invest in strengthening the ways they make a living, produce food and create other goods and services. And it provides a buffer of savings that they can draw on in a crisis.

However, in assessing poverty, income has too frequently been regarded as the full picture, rather than as just one indicator. The most well-known example of this is the US$1 a day poverty line created by the World Bank in 1990, largely to show that their policies were helping to reduce poverty.[7]

Subsequently US$1 a day became a determinant in the Millennium Development Goals (MDGs), the eight targets for halving various aspects of poverty by 2015 agreed by the United Nations in 2000.

However, using the US$1 a day poverty line to define poverty is flawed methodologically, morally and conceptually.[8] Subsisting on US$1 a day cannot be a morally acceptable standard of living. More importantly, measuring poverty simply on the basis of whether one's income falls above or below the arbitrary line effectively conceals what gives rise to the situation in the first place.

The true nature of poverty is more complex and multidimensional, varying widely from country to country, from community to community, and from one period of time to another.

Christian Aid believes that at poverty's core lies the misuse of power; by unequal power relations within and among countries, and within and among groups and individuals. Poverty is disempowerment, and the injustices that result.[9]

Ending poverty means enhancing the power of the individual to make fundamental, although not unlimited, choices about economic, social, personal and political aspects of his or her life.

Personal power: health, education, mental wellbeing, dignified work and living conditions.

Economic power: income (as a basic aspect of material wellbeing), freedom from extreme inequality, economic security (that is freedom from extreme economic fluctuations and protection of productive assets/savings).

Political power: a voice in the political decision-making process, political freedom, political security (that is freedom from political violence or instability).

Social power: being a valued member of the community, having equal rights and an equal voice to others, irrespective of one's social identity; being included in collective coping mechanisms (such as emergency grain banks or disaster relief plans) to deal with environmental risks and fluctuations (that is droughts or floods).

Conceptualising poverty as a lack of power emphasises its political nature. As a condition rooted in power relations, it is best addressed through transforming and harnessing power to the good of poor people and humanity at large.

It is in this context that Christian Aid believes that the task of ending poverty is essentially a political one. While defining poverty more broadly than simply an absence of income makes the task of ending it more daunting, and measuring it more difficult, the difficulties are not insurmountable.

Most development thinking now includes a broadly similar list of components that make up empowerment, whether they are characterised as powers, rights or capabilities.

The Universal Declaration of Human Rights, which came into force in 1948, and the associated conventions that all countries signed underpin a good deal of the current international development agenda.

Had governments taken the provisions of the declaration seriously when it was first promulgated, poverty would by now be over.

THE UPHOLDING OF HUMAN DIGNITY, THE BASIS OF HUMAN RIGHTS, MEANS THAT PEOPLE SHOULD HAVE POWER OVER THEIR OWN LIVES

The upholding of human dignity, the basis of human rights, means that people should have power over their own lives, and be able to live free from poverty. States and individuals should respect, protect and fulfil human rights to contribute to this empowerment.

Any concept of poverty with such a range of components inevitably has to capture factors that are less predictable, less tangible, more contextual and more difficult to quantify than traditional analysis of per capita income or consumption.

Existing measurements of income, health and education provide important information about the success of policies that have been implemented, but current data that shapes poverty analysis is limited.

The Human Development Index of the United Nations Development Program, for instance, is a valuable measure of three basic aspects of human development: health, knowledge and income. However, it does not reflect participation in political and public decision-making, relationships of power, inequality, discrimination, rights or sustainable development.

Social indices, cultural studies of human values, and participatory poverty assessments reveal inconsistent and patchy data. A technical but important part of taking forward a common approach to ending poverty will therefore be to support the development of new data series (for example on inequality between groups) capturing broader aspects of the experience of poverty.

Millennium development goals

Eight MDGs to tackle global poverty were agreed in 2000 during a UN Millennium Summit.

The first seven include halving by 2015 the number of people living on less than US$1 a day, and the number suffering from hunger; promoting gender equality; achieving 'full and productive' employment for all; making primary education universal; and obtaining dramatic cuts in child and maternal mortality rates.

An eighth MDG called for 'a global partnership for development' that would address the needs of the least-developed countries and include an 'open, rule-based, and predictable non-discriminatory trading and financial system'.

Christian Aid says that short-sighted trade liberalisation imposed on poor countries, and the use of offshore havens by companies trading internationally to reduce their tax liabilities in the developing world, are evidence of a fundamental lack of will to address the eighth MDG.

While rich countries discuss how much aid they can afford to give to help poorer countries, they miss a fundamental point. What they give with one hand, they take away with the other.

The first seven MDGs are targets that can be met by spending, but to spend, countries have to generate revenue, partly through economic growth and partly through effective tax systems. MDG8 provides a mandate for the kind of changes internationally that are necessary to enable poorer countries to generate income, but it is a mandate the international community has so far ignored.

As a result, the UN has said that while significant progress has been made in the fight against poverty, 'urgent and increased efforts' are needed, particularly in sub-Saharan Africa.

WHAT DOES ‘POVERTY OVER’ MEAN?

How quickly we can end poverty is at heart a political question. There is enough in the world today to meet everyone's need, if greed and indifference don't stand in the way.

If we ask the question, how soon should poverty be eradicated, the answer is simple: it should be accomplished here and now. It is obscene that poverty as hunger, illness, indignity and premature death still exist in a world with the ability to prevent such suffering.

However, if we ask the question, how soon can poverty feasibly be ended, the answer is more equivocal. It all depends on the sense of urgency with which it is tackled. The slower the pace, the more hesitant the drive, the longer it will take.

How quickly we can end poverty is at heart a political question. There is enough in the world today to meet everyone's need, if greed and indifference don't stand in the way. It's not that we don't know how to treat or cure many diseases, enable the hungry to be fed, educate children, or create jobs. It is simply that all too often we look away from what needs to be done.

Human history is made up of instances where massive social change has occurred because of a determination to act. The ending of slavery, the collapse of apartheid and the eradication of smallpox within a decade are all examples.

The MDGs are one example of what concerted effort can accomplish, albeit that progress towards them is painfully slow (see box page 8). Since the signing of the MDGs, primary-school enrolment has more than doubled and the gender gap in primary education has significantly narrowed, and even been reversed in some places. Where the political will exists, even the HIV pandemic has, in some places, been contained. At issue is the willingness of those with political power to act, and the ability of societies to force those with the responsibility to act to do so.

To eradicate poverty, we must set ourselves three objectives.

- **The eradication of the structural causes of poverty** – from the partial globalisation that fails to deliver economic opportunity to those in poverty, while stripping their states of natural resources and massive tax revenues, to the need for a just international climate-change deal that ensures rich countries face up to their historic responsibility for carbon emissions, and help poorer countries deal with the impacts of global warming.

- **The eradication of the symptoms of poverty** such as inadequate incomes, inadequate access to health services, education, clean water, sanitation services etc.

- **The reduction of vulnerability to poverty** – ensuring that people are less likely to fall into poverty as a result of natural disasters, including extreme weather caused by climate change, and ensuring that any such shocks do not cause lasting poverty.

Combining an ambitious and absolute end-goal with a set of interim targets allows the possibility of obtaining the necessary scale of ambition while retaining immediate and verifiable priorities. That is, we must ensure that progress towards the long-term goal is measured in, and supported by, the achievement of shorter-term objectives along the way.

Although this approach calls for intense focus on the structural causes of poverty, addressing the symptoms of poverty today cannot be overlooked. On the contrary, building a movement to eradicate the structural causes of poverty means work on the symptoms is much more valuable, since the benefits are more likely to be sustained.

The multidimensional nature of poverty and the fact that it varies from community to community and country to country means that we need a method of capturing the variations in a way that enables us to monitor progress.

This will entail formulating appropriate indicators for measuring all dimensions of poverty, and organising and presenting the information in a manner that we can monitor geographically (at community, national and global levels) and thematically (according to the different components of poverty we examine).

GOOD NEWS TO THE POOR

'The spirit of the Lord is upon me, because he has anointed me to bring good news to the poor.' (Luke 4:18)

Christian Aid's determination to end poverty is driven by the Christian belief that the work of building the Kingdom of God proclaimed by Jesus is championed and continued by his followers today.

This is not simply about dealing with the effects of poverty, critical though that is to millions. It is about challenging the unjust structures that cause poverty and keep people poor.

Poverty is not just about money. It is a lack of dignity, a lack of opportunity, the inability to grow as full human beings created in the image of God. Our analysis that poverty is an abuse of power is rooted in the Isaiah prophecy to proclaim release to the captives, to let the oppressed go free.

For Christian Aid poverty is a failure of relationships. If our work is to be good news for the poor, we need to expose the relationships that have gone wrong: our relationship with the environment that we, the rich, have damaged, to the detriment of the world's poorest people; flawed relationships between people that have led to the spread of HIV, causing most suffering to women living in poverty; the flawed relationship between people and states that has resulted in the loss of tax revenue to the tune of an estimated US$160bn annually in the developing world, and so on.

All these unjust relationships and many more are the focus of our drive to see poverty over. Our work in exposing them and in collaborating with other agencies to correct and monitor them is underpinned by a relational theology. This relationship with God and humanity is articulated in the Old Testament covenant and developed in the relationship between Jesus, his father and humanity as described in John 17.

As we are all part of this intimate and privileged relationship, it follows that our relationships with one another should show the same characteristics of love and justice that God shows to us. It is a model of a trinitarian God of justice.

If our central relationship with God is not to become flawed, we must work to restore those relationships between ourselves that become damaged or broken, including relationships of power.

This means that there is hope for the future, because relationships, even complex ones such as those between multinational companies and foreign states, can be repaired. Once they are repaired, the task of those committed to ending poverty will be to keep them in good order.

When our relationships with one another are damaged, it is very often because we have failed to recognise the 'rights' of the other; that is, the other person's right to food, freedom from discrimination and so on, all of which the image of God in the other compels us to respect.

What about 'the poor are always with you'?

This is one of those verses from the Bible that many people can quote, but few know the context. And the context is vital to understanding its meaning.

Three of the Gospels tell the story of Jesus being anointed with expensive ointment, possibly by Mary of Bethany. When her actions are criticised on the grounds that the money would have been better spent on the poor, Jesus replies: 'You always have the poor with you, but you will not always have me.' (Matthew 26:11).

The contextual meaning is clear: with Jesus's imminent death nothing else matters. There will be plenty of opportunities to care for the poor later.

Not in this world?

Some will claim that poverty will not be ended until the end of time. We don't think so; the work of building the Kingdom of God in this world began with the coming of Jesus, and is continued by his followers. Challenging the structures that are the causes of poverty is part of that ongoing work, as are the mending of relationships and the monitoring of them once they are restored.

A message of hope

Our theology then underpins our ambition to end poverty and encapsulates a message of hope.

Relationships can be repaired, structural failure can be exposed and fought, and rights and dignity restored. This is where the 'good news to the poor' of Luke 4 lies, and where the promise of 'a new earth' in Revelation 21 is in the process of being realised. Poverty over – its effects and its causes.

WHAT MUST BE DONE?

Ending poverty will require economies and markets to function in ways that enable women and men to make a dignified and secure living.

There are two immediate priorities: the forging of a global compact to end poverty, reflecting a powerful social movement and genuine political will; and new thinking on approaches to challenge the structural causes of poverty.

As this thinking develops, clear priorities will emerge about which structural causes of poverty must be addressed first. Similarly, priorities will emerge in tackling symptoms of poverty and aspects of vulnerability to poverty.

1. A renewed global compact to end poverty

To bring about the scale of effort required to end poverty, world leaders and the public need to be mobilised to the urgency of the task and to a common commitment to act on a scale far exceeding the effort directed towards fulfilling the MDGs.

There are opportunities to establish the consensus to do so. As 2015, the target date of the MDGs, draws closer, there will soon be a raft of activities to review their progress.

The frustration that will arise when it becomes apparent that most of the targets will be missed must be channelled into the determination to achieve an even more ambitious agenda – to end, rather than 'halve', poverty.

The climate-change negotiations offer a similar opportunity to pursue the interests of the poor, as does the greenhouse development rights (GDR)[10] framework that Christian Aid has helped develop, which apportions the responsibility for paying for climate change nationally on the basis of historic responsibility and wealth.

Such a global compact must commit to bridging the gap between the rich and the poor in all areas – from incomes to political voices and participation. This is the compact for a world free from poverty.

2. New thinking

This report has already set out some of the existing challenges to development, but further thinking is needed from a whole range of actors: civil-society organisations in developed and developing countries, the private sector, academics, activists, campaigners, supporters and policymakers. No one development organisation can be expert in every aspect of poverty, and for this reason widespread consultation is required with non-governmental organisations, businesses, governments and others.

Ending poverty will require economies and markets to function in ways that enable women and men to make a dignified and secure living. It will also require governments to put the needs of people living in poverty at the heart of decision-making, ensuring their security and their access to justice. Governments must ensure access to basic services such as healthcare, education, water and sanitation, and energy, as well as protecting the environment.

A comprehensive list of the structural barriers that must be lifted to end poverty will only emerge from wide engagement and consultation, but must include:

- taking urgent action to combat **climate change** and equip poor countries to deal with its impacts
- addressing the international obstacles to effective **taxation** in developing countries that cost them more than they receive in aid
- making the system of **finance** more transparent and supportive to real economic activity, rather than financial markets, and to people living in poverty
- making international and national **markets** and economies more just and inclusive, so that people living in poverty are better rewarded for their economic activity
- enabling people living in poverty to realise **entitlements** to health, education, water and reproductive-health services
- promoting participatory, transparent, responsive and accountable **governance** – states that work for people
- providing **security** from violence and access to justice
- ending extremes of **inequality** and discrimination.

FAILURE TO ACT NOW ON CLIMATE CHANGE WILL NOT ONLY DELAY THE ERADICATION OF POVERTY, IT WILL MAKE POVERTY DRAMATICALLY WORSE, AND IT WILL MAKE IT PERMANENT.

The first two of the structural themes listed are currently Christian Aid's top priorities, but we also work in each other area.

The impacts of **climate change** are already being experienced by poor people and poor countries. Unless measures are taken to keep global temperature rises to below 2°C at the UN climate-change summit in Copenhagen in December 2009, development will face an unprecedented threat.

The Copenhagen summit must agree a new global carbon-capping climate deal, to come into effect when the first phase of the Kyoto Protocol ends in 2012. Global, national and local action is needed to avert future catastrophe, in a manner that is just and equitable, and provides adequate support to poor people and poor countries to adapt.

It should be clear that failure to act now on climate change will not only delay the eradication of poverty, it will make poverty dramatically worse, and it will make it permanent. **We are at a crossroads – either we take determined action for a better world, or we face one that is a great deal worse.**

A lack of transparency in the global financial system facilitates both **tax dodging** and illicit capital flight at the expense of poor countries. Christian Aid believes that developing countries lose tax revenues of at least US$160bn a year through tax evasion by businesses trading internationally.[11] Much of the money ends up in tax havens. Not only is this much more than the total of aid received, but this tax abuse also has pernicious effects on wider relationships between states and their citizens.

Tax provides the revenues that allow states to be independent of donors, and to provide their citizens in turn with basic services, as well as investing for the future. Tax is also a fundamental part of the relationship between states and citizens, with study after study demonstrating that fair political representation and better governance – less corruption – is systematically associated with a functioning tax system.

Tax has been neglected for too long in development discussions, but must now be moved to the top of the agenda if we are serious about a future of independent, effective and politically responsive states, with the revenues and the desire to provide for their citizens.

The financial crisis has highlighted the fact that a range of additional changes are needed to make **finance** work for people. This involves not only seeking to avoid the massive damage done by episodes of crisis, but also to ensure that the benefits are widely shared during the good times.

Volatile and opaque at present, finance must become stable and transparent, and focus on providing resources to the real economy. When competition to attract financial business drives down regulatory standards, or when inappropriate liberalisation of the financial sector is promoted in poor countries, the pursuit of short-term, unsustainable profit can become paramount, making credit and savings services inaccessible to the productive sector and the poor in particular – as well as encouraging wild volatility.

Many people living in poverty depend on **markets** to supply their essential needs. This means that goods and services must be affordable, that prices must be stable, that market infrastructure must serve poor producers, that trade must facilitate higher productivity rather than undermining production, and that producers must have the support and the conditions they need to compete fairly.

Poor countries and poor people often cannot benefit from trade without preferential access to richer markets while retaining the space to protect their markets and infant industries. Similarly, stabilising commodity prices is essential for producers to have a regular income and be able to invest in diversification in the long term.

Instead, the trade policies of rich countries and international financial institutions (IFIs) have, over the years, forcefully penetrated poor-country markets in a damaging way, undermining both agriculture and nascent industries. Imposed as a condition for aid or loans, these policies have prised open poor-country markets inappropriately and with lasting and damaging effects.

Access to **essential services** such as health, family planning, education, water and sanitation is among people's entitlements, the absence of which constitutes poverty. At the same time, these services are crucial determinants of the ability to make use of the opportunities for a better life. Without good health and education, poor people cannot avail themselves of a labour market or increase their productivity.

STATES NEED TO DELIVER POLICIES AND ACTION THAT PROMOTE INCLUSIVE AND EQUITABLE DISTRIBUTION OF RESOURCES AND OPPORTUNITIES

Water, sanitation and family-planning services make an important contribution to the quality of health, and family-planning enables women in particular to make effective choices about their own lives. Poverty cannot be eradicated without containing or eradicating epidemic diseases, in particular such communicable diseases as HIV/AIDS, malaria and tuberculosis.

An important pre-condition for all the measures outlined above is a system of **governance** at the global, national and regional levels that is sensitive to the needs of the global poor, democratic, just and transparent.

The ambition needed here is huge: from decisive reform (or outright replacement) of the IFIs, to international measures such as the UN Convention Against Corruption requiring transparency and accountability at the national level.

Providing people with **security** from violence, and with access to justice, rests on those systems of governance. International action must include clearer, accountable mechanisms to respond to abuses in particular states, and credible, inclusive conflict-resolution mechanisms. States need to deliver policies and action that promote inclusive and equitable distribution of resources and opportunities, and resolution of conflicts, not least through an effective independent judiciary.

Addressing **inequality** will rely on similar actions, informed by a clear commitment to reduce discrimination against and marginalisation of particular groups – be that women in Afghanistan, dalits in India or indigenous people in Peru.

The structures that must be challenged and changed are many. Over the next year Christian Aid will engage widely to bring together a range of views on the themes outlined here, on others that may need discussion, and on the detail of what specific steps are required in relation to each one.

WHAT NEXT?

We must seize the historic opportunity presented by this moment of crisis. A global compact to end poverty is possible, and the necessary thinking is within reach – if we build a radical, progressive movement for social and political change.

Christian Aid's essential purpose is to expose the scandal of poverty, to help in practical ways to root it out from the world, and to challenge and change the systems that favour the rich and powerful over the poor and marginalised.

That poverty still exists in the world today is morally scandalous. It is firmly rooted, however, in the structures and systems that shape relationships of power. Its causes can therefore be traced directly back to factors such as human and institutional culpability in the form of indifference, or even policies intended to impoverish.

Notwithstanding the above analysis, change will not endure unless the process of change has at its core the mobilisation and leadership of those whose rights to a life of dignity are undermined.

This is Christian Aid's challenge: to fulfil our essential purpose, we must facilitate and/or be active parties for a global movement for change in which poor and marginalised men and women are active, visible and preferably at the front.

This report has set out the outline of an aspiration. If you share the aspiration of poverty being over, then how can you contribute?

Over the next year, we plan to engage widely on this subject, and to begin to build both the technical detail of the approach and also the support necessary to make poverty eradication a reality.

We must seize the historic opportunity presented by this moment of crisis. A global compact to end poverty is possible, and the necessary thinking is within reach – if we build a radical, progressive movement for social and political change. Will you add your voice to ours? Will you help end poverty?

Endnotes

1 Those with whom Christian Aid will be working include GCAP – the Global Call to Action against Poverty – a growing alliance of trade unions, community groups, faith groups, women and youth organisations of which we are already a member.

2 UN secretary-general Ban Ki-moon in foreword to *Millennium Goals Report 2008*, www.un.org/millenniumgoals/2008highlevel/pdf/newsroom/mdg%20reports/MDG_Report_2008_ENGLISH.pdf

3 www.londonsummit.gov.uk/en/media-centre/latest-news/?view=Speech&id=15951842

4 www.cbsnews.com/stories/2009/04/02/politics/100days/worldaffairs/main4914735.shtml?source=RSSattr=Politics_4914735

5 www.irishaid.gov.ie/latest_news.asp?article=1458

6 This argument was advanced by Jan Pronk, as Moderator at the World Council of Churches Advisory Group on Economic Matters, Geneva, 14 May 2009.

7 James D Wolfensohn, the World Bank's former president, proclaimed in 2001 that: 'Over the past few years, [these] better policies have contributed to more rapid growth in developing countries' per capita incomes than at any point since the mid-1970s. And faster growth has meant poverty reduction: the proportion of people worldwide living in absolute poverty has dropped steadily in recent decades, from 29% in 1990 to a record low of 23% in 1998.'

8 The 1990 and 2000/01 global poverty line were constructed from a set of official domestic poverty lines for 33 countries surveyed during the mid-1980s, and chose US$31 a month on the basis that the official poverty lines of the poorest eight in the sample were close to this figure, giving US$1.02 purchasing power parity (PPP) a day. The revised estimate for 2000 was based on 1993 PPP$ to obtain a US$1.08 per day. The recent revisions (2005) included for the first time India and China, adjusted for 2005 PPP. This yielded a poverty line of US$1.25 a day. See S Reddy, T Pogge (2002), 'How Not to Count the Poor', www.socialanalysis.org; L Pritchet (2003), 'Who is Not Poor: Proposing a Higher International Standard for Poverty', Center for Global Development, www.cgdev.org/content/publications/detail/2758; Himanshu (2008), 'New Global Poverty Estimates: What do they Mean?', www.networkideas.org

9 'J2P: What Change? Doing Justice to Poverty: Christian Aid's Understanding of Poverty and its Implications', 2008, www.christianaid.org.uk/images/poverty-position-paper.pdf

10 www.sei.se/web-resources/greenhouse-development-rights-gdrs.html

11 *Death and Taxes: the True Toll of Tax Dodging*, Christian Aid, 2008, www.christianaid.org.uk/images/deathandtaxes.pdf

This report sets out Christian Aid's view of what constitutes poverty in today's world, and explores some of the measures that can and ought to be taken to help those living in poverty, who are both marginalised and vulnerable.

Christian Aid wants this report to inject new life and urgency into the global debate about poverty. Together we can drive forward the global compact to end poverty once and for all.

www.christianaid.ie
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Christian Aid is a Christian organisation that insists the world can and must be swiftly changed to one where everyone can live a full life, free from poverty.

We work globally for profound change that eradicates the causes of poverty, striving to achieve equality, dignity and freedom for all, regardless of faith or nationality. We are part of a wider movement for social justice.

We provide urgent, practical and effective assistance where need is great, tackling the effects of poverty as well as its root causes.

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