Human Rights and Extreme Poverty

ARJUN SENGUPTA

This paper provides a rationale for defining extreme poverty as a combination of income poverty, human development poverty and social exclusion. It briefly discusses the implication of treating this combination as union or intersection of the three sets of people, suffering from these three types of poverty. It also brings out the significance of looking at extreme poverty in a human rights perspective, and what is its value addition to programmes of poverty eradication in different countries. Besides, it elaborates on the formulation of such programmes, in terms of human rights obligation through national actions, extending them to programmes of international actions. By spelling out the characteristics of these actions that make them conform to a human rights approach, it discusses some of the anti-poverty programmes that have been used in different countries like the United States, European Union, Africa and Asia and how they differ from a rights-based approach that has been developed in this paper.

Since 1989, the United Nations Commission on Human Rights has been discussing extreme poverty as a major source of deprivation, affecting all human rights, which constitute a violation of human dignity and has therefore called for urgent national and international action to eliminate them. In 1998, the commission decided to establish the mandate of the independent expert on the question of human rights and extreme poverty. A M Lizin served as the independent expert from 1998 to 2004, and I succeeded her in 2004. In its resolutions 1998/25, 2004/23 and 2005/16, the commission invited the independent expert to focus on the relationship between the enjoyment of human rights and extreme poverty; the obstacles encountered and progress made by women living in extreme poverty; and the impact of discrimination on extreme poverty.

This paper builds upon the four reports on the subject submitted to the Human Rights Commission in 2005, 2006, 2007 and 2008 as well as on my mission report on extreme poverty conditions in the United States (US), considered by the commission in 2006. Besides, findings from my experiences in some of the African, Asian and European Union (EU) countries reflect how looking at extreme poverty from the perspective of human rights makes a distinct value addition to the discourse on poverty and its eradication.

The Definition of Extreme Poverty

Extreme poverty is a combination of income poverty, human development poverty and social exclusion which highlights the extreme vulnerability of a section of the poor, so that the society could be expected to accept the responsibility of mitigating at least that poverty. It is an extreme form of deprivation, in terms of some consensual definition of severity of deprivation, especially when all these elements of deprivation coexist.

The first dimension of poverty, of course, is income poverty. Conventionally, poverty has been viewed as the lack of income or purchasing power to secure basic needs. This income poverty can be considered in absolute or relative terms, depending upon the understanding of the notion of basic needs. A simple absolutist interpretation would be to fix a minimum daily amount of calorie intake from food necessary for survival in a reasonably healthy condition, supplemented by some minimum amount of non-food items regarded as essential for a decent social existence. A simple absolutist interpretation would be to fix a minimum daily amount of calorie intake from food necessary for survival in a reasonably healthy condition, supplemented by some minimum amount of non-food items regarded as essential for a decent social existence. An alternative form of this absolutist interpretation of income poverty would be to agree, by consensus, to a per capita level of expenditure as a poverty line, such as $1 a day or $2 a day, in terms of a comparable level of purchasing power. This approach would avoid the difficult exercise of determining the minimum calorie requirement of
food and the essential nature of the minimum amount of non-food item consumption.

Income poverty can also be seen in a relativist way. Basic needs may be made dependent upon the sociocultural norms of a country so that even while a person’s income covers the requirements of subsistence and essential consumption, she may be regarded as poor if her income does not allow access to goods and services required to satisfy sociocultural norms. Alternatively, relative poverty can be looked at in terms of income distribution. For example, people belonging to the lowest 10% in the scale of income distribution can be regarded, by a social consensus, as relatively poor.

The distinction between poverty and extreme poverty in this framework of income poverty would essentially be a question of degree or extent of the phenomenon. Since poverty is defined in terms of access to and availability of goods and services, extreme poverty would mean the command over a much smaller basket of goods and services and/or the prevalence of a longer duration of poverty. Or, if a group of people remains poor for generations, they can be described as suffering from chronic poverty and can be considered as extremely poor. In a relativist framework, people affected by chronic poverty over generations may suffer from a rigidity of social standing because they are expected by society to behave in a particular manner or play a particular role, from which it is difficult for them to deviate – and which is different from the behaviour or roles of people with higher income who constitute the social mainstream. People affected with chronic poverty would thus tend to become socially excluded.

The second dimension of poverty is human development poverty, where extreme poverty may be regarded as extreme or severe deprivation of human development. The international community has affirmed, in virtually all international forums, that poverty is not only confined to economic deprivation, but extended to social, cultural and political deprivation as well. Growth in gross national product (GNP) was the goal of development in the 1950s and 1960s. However, in the last two decades, the poverty discourse has moved much beyond just the income criterion. A policy of maximising income growth alone will not be the policy to maximise the well-being of the people.

For several years, especially in the 1960s and 1970s, this concern with elements of well-being, which could not be secured only by increased GNP growth, was accommodated by targeted expenditure of resources and provision of goods and services in an attempt to adjust the structure of economic activities of aggregate demand and supply to supplement the policy for maximising economic growth. It was only with the emergence of the human development literature that income growth was displaced from its role as an objective characterising development and was relegated to its role as an instrument of promoting development. This also highlights and emphasises the role of economic policies and the concomitant role of policymaking institutions, such as the State and other corporate and non-corporate authorities.

To operationalise this notion, the UNDP report introduced a Human Development Index (HDI), based on the availability of data in different countries, which captured three essential components of human well-being, namely, longevity, knowledge and basic income for a decent living standard. Poverty could then be regarded as deprivation and extreme poverty as severe deprivation of human development.

Amartya Sen has provided the rationale for considering human development indicators as components of well-being by giving a multidimensional definition of poverty as capability deprivation, where capability is defined as the freedom or ability to lead a life of value in terms of what a person chooses to be or to do. Accordingly, extreme poverty can be reckoned as extreme deprivation of such capability. The role of such freedom is both constitutive and instrumental. For instance, the freedom to lead a healthy life is a constitutive element of a person’s well-being, but it is also instrumental in allowing the person to enjoy other freedoms, including freedom of work or freedom of movement. Capability poverty then means deprivation of basic capabilities and is a composite of income poverty and human development poverty in both their constitutive and instrumental sense. The level of indicators to be identified with poverty and extreme poverty has to be decided by some form of consensus about what is meant by “basic”, which would differ across countries.

The third dimension of poverty is social exclusion, which can be seen both in its constitutive role with intrinsic value and in its instrumental role. Social exclusion is an extension of the relativist concept of income poverty, except that it goes beyond the simple purchasing power for goods and services to cover other elements that are not captured by the concept of income. Social exclusion affects the level of different human development indicators and often the level of income itself, just as income and human development would influence social exclusion. It is this relational aspect of social exclusion that adds a distinct value in identifying problems associated with poverty.

In his report, Joseph Wresinski observed that the poor are pushed into areas where others rarely penetrate: inner city slums, the outskirts of towns and isolated rural dwellings. When they appear in the public eye, it is often because they have been made homeless in their own neighbourhoods. Geographically segregated and socially isolated, they are cut off from the cultural, political and civic life of the country.

Wresinski (1987) suggested that it is this exclusion that traps poor families and that any effort to reduce poverty cannot be successful unless it addresses the effects of exclusion.

Social inclusion is seen as a key characteristic in many approaches to eradicating poverty adopted in the EU. These programmes include: eradicating child poverty by breaking the vicious circle of intergenerational inheritance, making labour markets more inclusive, ensuring decent housing for everyone that promotes social inclusion related to homelessness, tackling financial exclusion, overcoming discrimination and increasing the integration of people with disabilities, ethnic minorities and immigrants by adopting a three-pronged approach: increasing inclusion of vulnerable and marginalised groups; increasing access to mainstream services and opportunities; and enforcing legislation to overcome discrimination and developing targeted approaches to respond to the specific needs of each group, particularly immigrants and ethnic minorities. The Open Method of Coordination (OMC) was also established at the Lisbon
European Council in March 2000 as a framework of political coordination without legal constraints between member-states for the identification and promotion of policies with regard to social protection and social inclusion.4

Clearly, incorporating the notion of social exclusion in the definition of extreme poverty introduces a distinct value addition to the problem because deprivation resulting from social exclusion may be quite different from deprivation of income and of human development. Measuring social exclusion may be difficult because it will have to focus on specific failures and social relations, which may be both context-specific and inter-temporal in nature. However, the difficulties in measuring social exclusion should not lead to its omission from the notion of poverty. Several attempts have been made in different countries of the EU, notably Belgium and the United Kingdom, to estimate social exclusion, and to establish a relationship between social exclusion and other aspects of poverty which lead to the denial of basic freedoms or of security of different people. In many developing countries, statistics do exist on the number of people who are socially marginalised, excluded or ostracised as well as of their living conditions. In India, a substantial debate is taking place on the living conditions of people belonging to the lower castes and tribes who are socially excluded, and whether affirmative action by the government should be extended to all such people or be confined only to those who are also income poor. In that sense, accepting the view that people who are socially excluded are suffering from extreme poverty would add substantial value to the discourse in both developed and developing countries.

Thus, poverty has been viewed as a composite of income poverty (i.e., income below a minimum level barely sufficient to meet the basic needs), human development poverty (i.e., deprivation of food, health, education, housing and social security needed for any human development), and social exclusion (i.e., being marginalised, discriminated and left out in social relations). Extreme poverty would be regarded as an extreme deprivation and chronic poverty applied to people suffering from income poverty and human development poverty as well as social exclusion for such a long time that it ossifies social relationships as the affected group is expected by others to remain deprived and socially excluded forever.

The total universe of the poor in a country should then be regarded as the aggregate or union of all three groups, i.e., those who are income poor, deprived of human development and socially excluded. Extreme poverty in such a case would be a portion of each of these categories selected in terms of the severity of the conditions of deprivation.

Since this number can be very large in many developing countries, a society may choose a set of criteria limiting the number of people suffering from extreme poverty to a smaller subset, i.e., an overlap or inter-section of the three sets of people who are income poor, human-development poor and socially excluded, or those suffering from all three categories of poverty, giving a smaller number of people than implied in the union approach.

The advantage of this approach, concentrating on the overlap, is that the severity of the conditions of poverty would be apparent to every member of society. Following the Rawlsian principle of justice, which emphasises the need to concentrate on the most vulnerable sections of society, it should therefore be possible to appeal to people’s sense of justice and persuade them to accept the obligations associated with the elimination of extreme poverty, which makes a small section of the population extremely vulnerable, suffering from the loss of all liberties or freedom of action. If extreme poverty is to be regarded as denial of human rights, the obligations for removing extreme poverty must be recognised and accepted by society, and the “overlap” definition increases the chance of that acceptance. Also, because of a smaller set of people involved, it becomes possible to develop indicators for these forms of poverty from the existing data, which not only captures the outcomes but also the process aspects of activities, and not only the availability of goods and services but also the access to them. The eradication of poverty becomes more manageable, with limited sacrifice of resources and privileges of other sections of the people, which any redistributive policy needed for this purpose would entail.

**Poverty from a Human Rights Perspective**

The significance of recognising a desirable objective as a human right is essentially the corresponding enforcement of obligations. Human rights are recognised as highly valuable objectives that all individuals in a society are inherently entitled to as human beings. Agents of society – individuals, institutions, corporations and governments – representing the State have obligations to enable individuals to enjoy their rights. The State is regarded as the primary duty bearer and is obliged to frame laws and mechanisms to influence the behaviour of other agents, with the obligation to protect, respect and promote and fulfil human rights.

When an objective of social arrangement is accepted as a human right, it implies that all agents of society would regard the fulfilment of that objective as a “binding” obligation, which supersedes all other policy objectives. All social objectives cannot be regarded as human rights and for that, we must apply what may be described as Amartya Sen’s “legitimacy” and “coherence” tests (Sen 2000). The social objective must be of sufficient importance to form the constitutional norms of a society as standards of achievement, the realisation of which would provide legitimacy to the behaviour of all agents and authorities, especially the State. The objective should also be “coherent” so that the obligations or duties that have to be carried out, and the agents who have to do so, can both be specified.

There may be several different social objectives, but the obligation to realise human rights “trumps” all others. Obligations would be binding on the agents in the sense that if an agent does not carry out the specified obligations, there would be a mechanism of reprimand and sanctions, inducing appropriate corrective or compensatory actions. If the obligations are incorporated into the domestic legal system, this mechanism would be “legal”, settled in the courts of law. If the rights are recognised in international human rights law, then states parties to international human rights treaties would be bound by this obligation.

The state authorities would be the primary duty bearers. It would be up to the state authorities to take appropriate steps for implementing the rights through direct action, or through
implementing rules and procedures and adopting specific laws to induce other agents to adopt appropriate action. In addition to state authorities, all other states and members of the international community which recognise human rights would have the obligation to cooperate among themselves and take whatever action is necessary to realise the rights in all countries belonging to that community. Normally, other states and international institutions would provide assistance and take complementary action to help the national state authorities to realise the rights of their citizens. In certain situations, and by following appropriate procedures, other state members of the international community can supersede the national state authority and directly help citizens realise their rights when these national states fail to fulfil their obligations or act against their citizens. States also would be subject to monitoring and continuous review by civil society and human rights institutions.

The human rights language is obviously appealing, for if poverty is considered as a violation of human rights, it could mobilise public action which itself may contribute significantly to the adoption of appropriate policies, especially by governments in democratic countries. Also, the international community, donor-states, international institutions, multilateral institutions and multinational corporations would have to cooperate to enable nation states to implement anti-poverty programmes. The poverty reduction programme would then not be a matter of charity, but of duty, including the possibility to claim rights through the legal system and courts. It would make a government’s intervention “justiciable”, in that “violation” of this right would have a potential cost for the government, as cases could be taken to courts.

Another value addition of the human rights approach, is that when the interventions involved in the application of instruments to reduce poverty are opposed by the rich, the adoption of extreme poverty as a denial or violation of human rights would help to overcome their resistance (a) by increasing the cost to the rich of opposing those interventions, thereby implying a change in their opportunity sets; (b) by convincing the rich of the desirability of reduction in the incidence of poverty, implying a change in the preference of the rich; and (c) by limiting the sacrifices of wealth and privileges to a small set of people without very much affecting the position of others. Countries may adopt policies to resolve internal conflicts and to reduce extreme poverty, as would be required by an international convention, even without becoming parties to it. However, the peer group effect may be a very relevant consideration for many countries joining the convention, as they would not wish to be isolated as the only country not following the obligations after having ratified to such a convention. In fact, the value added to poverty reduction of an international convention increases as a function of the importance of peer group pressures, and of the strength of its monitoring and “naming and shaming” provisions upon parties.

There is considerable debate as to whether extreme poverty can be described as a violation of human rights, or whether it is a condition that is caused by human rights violations. If extreme poverty can be identified in itself as a violation of human rights, it becomes an obligation for both the concerned states and the international community to make the best efforts directly to remove it. The discussion would then effectively centre around what policies could have the maximum impact for poverty eradication and, if such policies are not adopted, which agencies are responsible and accountable, and what steps can be taken to compensate for less than “best efforts” made by the respective duty bearers. If, however, extreme poverty was associated with conditions created by the non-fulfilment of the various human rights, the obligations would turn on the realisation of those rights. That may or may not be sufficient to eradicate extreme poverty. In the latter proposition, human rights are taken in their instrumental role in creating a condition of well-being for the right holder, leading to the eradication of extreme poverty. In the former proposition, human rights are constituent elements of well-being, identified with the eradication of extreme poverty.

It can be demonstrated, both empirically and logically, that a denial of some human rights would cause and be instrumental to creating a state of extreme poverty. It also should be possible to demonstrate that the fulfilment of all human rights would facilitate the removal of basic insecurity, i.e., Wresinski’s concept of poverty and thereby the eradication of extreme poverty. However, it is plausible that people can enjoy basic security without enjoying all human rights, so the lack of basic security need not be equivalent to lack or denial of human rights as such.

The case is similar with respect to capability deprivation. Unless the freedom that is lacking when there is a deprivation of capabilities which are identified with and claimed as human rights, equivalence between capability deprivation and human rights deprivation cannot be established. The international human rights law currently recognises only a limited number of such freedoms as human rights, such as civil, political, economic, social and cultural rights. The space of capability is much broader, consisting of all kinds of freedoms that are necessary to let an individual lead a life of value. There are a number of steps before all such “freedoms” can be elevated to “rights”. As Sen puts it, “rights involve claims (specifically claims on others who are in a position to make a difference)” and “freedoms are primarily descriptive characteristics of conditions of persons”. Society has to recognise certain freedoms to be enjoyed by its members as a fundamental value or norm, binding them in the society and claimed by them as “rights”. These freedoms have to be universal, enjoyed by all equally and without discrimination. They must fulfil the criteria of “legitimacy” and “coherence”, and they must be claimed following “due” procedures, through an accepted “norm-creating” process. Basic capabilities that correspond to the notion of extreme poverty would cover only a subset of the total space of capabilities. If that subset is taken as consisting of freedoms currently recognised as rights, extreme poverty, or basic capability deprivation, can be identified with the lack of human rights (Sen 2004).

Incidentally, the condition of extreme poverty can be considered as the violation of the right to development (adopted through the Declaration of the Right to Development of 1986 and reiterated by international consensus in the Vienna Declaration and Programme of Action of 1993) for a group of people identified as poor by society. But still there is no consensus about the
content of this right and the nature of corresponding obligation, so we have not pursued the approach of equating extreme poverty with the denial of human rights to development (Sengupta 2002).

Thus, it may not always be possible to go beyond the instrumental role of human rights to asserting that poverty is equivalent to a violation of human rights. The absence of those rights may be the result of existing social arrangements for which no individual party can be blamed or held accountable. It depends upon the state parties accepting their obligations as legally and morally binding. Several states have not yet fully ratified the international human rights conventions, and even those which have ratified have failed to incorporate them into the domestic legal system or submitted themselves to respond to international criticisms. Such states do not really deny the importance of human rights, or the value of these norms, but object to accepting the legality of these rights. In that case, claiming poverty as violation of human rights will make little contribution to the actual alleviation of poverty.

It so happens that the fulfilment of most of the human rights that have been recognised in international human rights laws through the covenants on economic, social and cultural rights and on civil and political rights can be described as the basis of conditions of life without poverty. If these rights, such as the right to food, health, education and an adequate standard of living are fulfilled, it is difficult to imagine that society will still have conditions of poverty. This does not mean that poverty is to be defined as the violation of human rights, as these two concepts are not equivalent. If rights are realised, there may not be any poverty, but even if there is no poverty in a society there could be violation or denial of some human rights.

In spite of being signatory to the international covenants, countries have shown no political will to adopt poverty reduction programmes or have not accepted their “obligations” that would follow from their legal recognition of the relevant human rights. And hence, in view of this, the notion of extreme poverty, as has been defined, is best proposed as a concept that would appeal to the international community of States for accepting the obligations which can effectively remove those conditions creating extreme poverty and which are regarded as consistent with human rights norms.

The idea is to identify a group as extremely poor whose number is limited so that society does not find it unmanageable to deal with their problems. Once such a group is identified, the removal of their conditions of extreme poverty must be taken as an obligation corresponding to the fulfilment of human rights norms. Even if the countries concerned may not be able to ensure the realisation of all human rights, those rights, the denial of which have directly caused extreme poverty, should be subject to immediate fulfilment. The international community and all member states should voluntarily take up the obligations for removing extreme poverty as a core element of their human rights obligations.

The following sections discuss the national and international actions that would be required to implement poverty eradication programmes in a human rights perspective.

National Actions
Besides aiming directly at fulfilling civil, political, economic, social and cultural rights to remove income and human development poverty as well as social exclusion, an important requirement to conduct human rights policy is for all states that have ratified international human rights treaties to incorporate them in their domestic legal system and establish their own national human rights commission that can adjudicate, review and recommend appropriate remedial actions when human rights are denied, for individuals and groups who seek such actions. There should be a universal campaign to set up such institutions all over the world, as well as a universal campaign to spread human rights education.

Measures have to be taken in a planned and coordinated manner to promote a development programme that facilitates the realisation of human rights. Human rights are supposed to be progressively realised; some more immediately than others, and the speed of progression would depend upon the flexibility of social, legal and economic institutions, and the availability of resources. For the removal of extreme poverty, such programmes must be targeted at the most vulnerable, those lacking essentially in income and human development. Dependence on the markets alone can seldom achieve these specific targets and may often accentuate the deprivation of vulnerable groups even further. This highlights the importance of reforms in the system of governance for implementing any effective programme for rights-based development.

Generation of sustainable employment opportunities, especially for the poorer sections residing in both rural and urban areas and mostly in the unorganised sectors, can have a substantial impact on eradicating extreme poverty. Such a programme should rely on establishing connectivity with markets, skills and finance. To make the programme sustainable, it should be allowed to expand to include eventually the unemployed labour force of the country as a whole. Employment provides income and allows access to all human development facilities, which, in turn, increases labour productivity, contributing to employment sustainability.

Employment generation programmes in the informal sector have to be based on three essential measures. First, the targeted people must have access to training, which means that facilities have to be set up throughout the country to meet the requirements of specific, but low-grade and simple skills. The programme must be driven by market demand for skills, with public support to increase supply by training and vocational education. Second, the products of these semi- and low-skilled workers must have access to markets. Connectivity with markets depends on information, transport facilities and telecommunications. Connectivity with product markets has to be supplemented by access to input markets and essential services for engaging in production, such as access to power, water, shelter and sanitation, and then to finance. Expanding microfinance facilities, as have been instituted in many developing countries, together with reorienting the existing financial intermediary institutions of a country with adequate refinancing and appropriate risk-sharing, must be taken up in these countries supported by central banks and often by national and international financing institutions.
A plan for employment generation consistent with human rights standards, respecting international labour rights and removing the constraints induced by income poverty, human development poverty and social exclusion, will be universally relevant both in developed and developing countries.

**International Actions**

International obligations for the realisation of human rights take the form of international cooperation to which all states of the world pledged themselves under Articles 55 and 56 of the Charter of the United Nations and of obligations specified in various international conventions.

Agencies of the international community may be galvanised to adopt policies specifically aimed at removing income and human development poverty as well as social exclusion by following policies based on human rights standards of participation, accountability, transparency, equity and non-discrimination. The reorientation of their methods of operation is imperative for all agencies, such as the UNDP, the World Trade Organisation (WTO), the World Health Organisation (WHO), the Food and Agriculture Organisation of the United Nations (FAO), the United Nations Children’s Fund (UNICEF) and the United Nations Industrial Development Organisation (UNIDO). But most important would be the role of the World Bank and the International Monetary Fund (IMF). There is a need to coordinate official development assistance (ODA) with policies of international cooperation, besides the need to increase it.

Within the existing mechanisms, it would be useful to concentrate on the operations of the World Bank and the IMF and their implementation of poverty reduction strategies explicitly in the form of human rights fulfilment. To this end, a first requirement may be the amendment of the Articles of Agreement of the World Bank and the IMF.

It may be necessary to make the funding of poverty reduction strategies open-ended, by allowing the international financial institutions to recommend the effective expansion of cooperation in the fields of trade, debt and technology transfer, and additional funding, when countries successfully conduct their strategies in a rights-based manner. In addition, it may be useful to set up a financing facility of callable funds created on the basis of commitments by all countries to contribute 0.7% of their GDP. The funds would only be available once the World Bank and the IMF had determined that the poverty reduction strategy had been implemented in accordance with human rights standards.

In addition, for each implementing country, an independent body could be set up, consisting of independent experts, to monitor the programmes and to adjudicate on appeals by all the concerned parties, focusing on the responsibilities and recommending remedial actions. Even if those recommendations are not binding, the exercise would facilitate the implementation of the programme.

Finally, a special window could be created within the Bank and the Fund for financing plans by developing countries to expand employment opportunities for the poor, the marginal and vulnerable in the unorganised sector. This would be the international counterpart of the national action described above.

**International Obligation for Cooperation**

Though most experts argue that there is no legally binding international obligation on the part of developed countries to provide international aid and development assistance to developing countries, the existing international legal framework on international cooperation makes a strong case for rich developed countries to assume a moral and political obligation to reach out to developing countries in the spirit of international cooperation.

For that purpose, the eradication of extreme poverty may be regarded as the primary objective of development policies, and can only be ensured by a rights-based approach to development. Those policies must internalise the basic principles of international human rights norms: equity, non-discrimination, participation, accountability and transparency as proposed in the Development Compacts Model of international cooperation. For implementing a rights-based poverty reduction programme, the issue of donor conditionalities requires to be resolved in a manner whereby developing countries, while receiving international aid and assistance to fulfil their development objectives, do not have to sacrifice ownership in the design and implementation of their policies and programmes. This approach calls for developing countries to accept obligations to fulfil and protect human rights. The international community, including donor countries and international agencies, must ensure that developing countries carrying out their obligations must have free access to trade and finance. It must be ensured that the conditions or obligations undertaken by the developing countries are in their best interest and closely monitored by themselves in a manner consistent with the rights-based approach.

As such, a framework of international cooperation to achieve poverty reduction targets has been adopted by the international community, under the aegis of developed donor countries and international financial institutions such as the World Bank and the IMF. The poverty reduction strategy papers, initiated by IMF and the World Bank in 1999, are prepared by low-income countries, detailing their strategies for poverty reduction, linking national action, donor support and development outcomes, involving domestic stakeholders and development partners, including IMF and the World Bank. While most countries have recognised the primacy of poverty reduction in their policy framework and their broad objectives are in conformity with international human rights standards and international cooperation principles, it would be important to review the implementation of the papers from the perspective of a rights-based approach to poverty reduction, i.e., equity, non-discrimination, participation, accountability and transparency.

**Equity and Non-Discrimination**

Equity is to be construed as equity with respect to growth, structure and distribution of resources in the economy, as well as equitable distribution of income and benefits accruing from the exercise of rights. Non-discrimination entails abstention from discriminating on the grounds of sex, race, language, political affiliation or socio-economic status in the design and implementation of policies and practices and in the practice of democracy and the...
rule of law, while particular attention is paid to the well-being of vulnerable groups.

Social safety nets, including cash transfers, food and price subsidies, public works and so on are targeted at the poor or those at risk of poverty to protect them against the insecurity of unequal distribution of income and to help them overcome vulnerability to shocks and adversities that can drive them to complete destitution. However, in most developing countries, especially in Africa, the right to social security has not been achieved as the fruits of economic growth have failed to trickle down to the poorest and most vulnerable. Gender inequality is also a major obstacle to rights-based economic growth.

Participation
All members of a community that adopts a rights-based approach to development should be able to participate, either individually or collectively in (a) decision-making about policy priorities; (b) formulation of programmes to implement policies; (c) monitoring the process of implementation; and (d) evaluating the outcomes, and then taking corrective actions.

The interim poverty reduction strategy papers, which were the basic documents for framing the final papers, were usually prepared by technocrats in collaboration with officials of IMF and the World Bank, without any participatory process. That needs to be changed to make such strategy papers integral to the rights-based programme of poverty reduction.

Accountability and Transparency
Accountability focuses on how to transform right-holders from passive recipients of aid into empowered claimants. Since duty-bearers are accountable for the failure in the fulfilment of their duties, there should be appropriate legal procedures to cover the process of implementation, indicators to assess the process, reforms of the judiciary and other institutions that can provide evaluation and assistance in overcoming corruption, as well as effective governance.

States and the international community at large have the responsibility of realising universal human rights. Thus, monitoring and accountability procedures should not only involve States but also extend to global actors such as the donor community, intergovernmental organisations, international non-governmental organisations (NGOs) and transnational corporations, whose actions have a bearing on the enjoyment of human rights.

Due to the grossly inadequate national monitoring and evaluation system, the approach of poverty reduction strategy paper faces a serious challenge in ensuring transparency and accountability. The monitoring and evaluation system should examine the input, process and outcome of the poverty reduction strategy papers, and should also be participatory in nature, including the voices of civil society, academia, the private sector, the media and other stakeholders.

Programmes for Eradicating Extreme Poverty
The following sections present the findings of the studies conducted on policy experiences of some of the African, Asian and EU to identify the implementation of poverty reduction policies in a human rights framework in a context specific environment. While in economically advanced regions of EU where social protection systems are well developed, poverty reduction programmes have been devised to focus on those “at risk of poverty”, in developing and underdeveloped regions of Africa and Asia, poverty reduction programmes are also a reflection of their socio-political and economic development. Hence the focus is more on programmes that provide for welfare services and access to basic services in the form of health, education and safe drinking water. In Africa, the added burden is of a lack of participation by democratic institutions in such programmes and even a lack of governance in many countries. In addition I had conducted a fact-finding mission in US in 2005 which revealed that even with its high per capita income, poverty rate remained high compared to other rich nations and there was no evidence that the incidence of poverty, and especially extreme poverty, was on the decrease (Sengupta 2007).

Since then, in terms of poverty reduction strategies, the US has come up with the American Recovery and Reinvestment Act of 2009. Analysis reveals that the Act has succeeded in keeping more than 6 million Americans out of poverty and reducing the severity of poverty for 33 million more. The main provision of the Act includes a new tax credit called the Making Work Pay Tax Credit, an expanded Child Tax Credit for lower-income working families with children; an expanded Earned Income Tax Credit, additional weeks of emergency unemployment benefits (paid after a worker’s 26 weeks of regular state unemployment benefits expire); an additional $25 per week for all jobless workers receiving unemployment benefits; a $250 one-time payment to certain retirees and veterans and people with disabilities and lastly, an increase in food stamp benefit levels.6

Poverty Reduction in the European Union
Despite the overall image that prosperity and well-being prevail in the EU, nearly 16% of the EU population is living at risk-of-poverty.7 The “at-risk-of-poverty rate” is defined as the “share of persons with an equivalised disposable income, before social transfers below the risk-of-poverty threshold, which is set at 60% of the national median equivalised disposable income (after social transfers)” Nineteen per cent of children (under 16 years) in the EU are at risk of poverty.8

Poverty reduction is one of the top priorities on the EU agenda. The Lisbon Strategy that emerged from the Lisbon Summit in 2000 addressed the key issue of social exclusion, and set the goal for poverty eradication within the region by 2010, to be achieved through the OMC. These objectives, if met, would help achieve the larger EU goal of a “socially cohesive Europe”. The objectives were to be fulfilled through the development of appropriate National Action Plans against Poverty and Social Exclusion (NAPS) subject to periodic reporting and monitoring of progress. Further improvements of the indicators for social inclusion were made at the Laeken Economic Council in December 2001.

Social protection systems are fairly well developed in the EU and they attempt to provide adequate coverage at-risk-of-poverty populations affected by unemployment, old age, ill health, inadequate income and parental responsibility.
The EU has also been actively involved in the modernisation of social protection systems in member countries. The Social Protection Committee established by the European Council after the Lisbon Summit in 2000, is mandated to work on policy challenges related to secure income, safe and sustainable pension systems, social inclusion and high quality healthcare. In 2005, the European Commission adopted the new Social Agenda 2005-10, which focuses on two priority areas of action, employment and equal opportunities for all. Progress, the EU’s integrated programme for employment and social solidarity supports, since January 2007 till 2013, further contributes to the EU’s wider strategy for jobs and growth. In July 2008, the European Commission proposed to reinforce the OMC in the social field to allow the EU to achieve better results for the 2008-10 period and pave the way for the introduction of a sound framework post-2010. The year 2010 is the final year of the 2008-10 OMC cycle, but also the first year of a new policy strategy for the EU and the European Year for Combating Poverty and Social Exclusion. The European Year 2010 aims to recognise the rights and capacity of excluded people to play an active part in society, promote social cohesion, underline the responsibility of everyone in the society to tackle poverty and to reinforce the commitment of all major political players to take more effective actions.

As of early 2008, 9.2% of the EU-25 (EU of 25 member states) (2004 to 2006) working-age adults were living in jobless households (i.e., where no member of the family was working). The existence of working poverty in the EU raises serious questions about the quality of work and the commitment of the EU to poverty reduction.

As with increasing life expectancy, the share of old and very old persons in the population has increased. Ageing also increases the pressures to provide better curative and rehabilitative healthcare, and most of the EU member countries are presently ill-equipped to provide such long-term care. No EU country has a specific legislation on long-term care; France and the Czech Republic are among the only countries to have incorporated long-term care into their social assistance programmes. The EU also recognises the healthcare sector as a potential generator of employment opportunities for skilled workers. With a greater number of older persons in need of care, the demand for healthcare professionals is on the rise, but interestingly, with more professionals reaching the retirement age, the supply in this sector is shrinking. The shrinking supply of healthcare professionals, in turn, raises healthcare expenditure, thereby adversely affecting the financial sustainability of healthcare. This problem can be tackled by devising better human resource strategies.

Poverty Reduction in Africa
In Africa, poverty reduction strategies were based on the recognition that engineering economic growth through structural adjustment programmes may exacerbate inequality and poverty, and in the absence of conscious efforts to mitigate these side effects, social resentment and popular discontent may increase to the extent that it negatively impacts on the growth process. Poverty reduction strategies incorporated in Poverty Reduction Strategy Papers (PRSPs) are meant to counter this tendency. There are usually three main features of all PRSPs, namely, macroeconomic reforms and trade liberalisation in order to stimulate economic growth; the redirection of social policy towards the provision of welfare services to the poor and the vulnerable and the emphasis on ownership and popular participation. In terms of real social welfare impact, country statistics show that PRSPs are making a visible difference. However, apart from a few countries like Uganda and Ghana, civil society organisations, labour and trade unions and professional associations are sidelined in the consultation process, and democratic institutions such as the Parliament and political parties are also not involved. As a result, PRSPs often undermine the growth of democracy, rather than strengthen it (Adejumobi 2006). Despite these criticisms, it is generally recognised that the PRSPs have brought anti-poverty programmes to the forefront of national development policies and have highlighted the nature of political regimes and governance in Africa.

Poverty Reduction in Asia
Development policy now emphasises the identification of priority areas by national governments themselves to enable them to design their own national poverty reduction strategies within the context of social development. In line with this approach, many Asian countries have adopted PRSPs, with the broad participation of civil society, as the framework for their efforts at poverty reduction and as a basis for accessing loans and grants from international donors.

Most countries in the Asia-Pacific region focus their national poverty reduction strategies and programmes on the majority of the poor population. These programmes aim at reducing poverty, increasing access to basic services like education, health and safe drinking water as well as addressing the issues of equity, non-discrimination and participation through targeted safety net programmes. Although in many of these countries, the actual implementation process is still in its infancy, success in terms of overall poverty reduction is already becoming apparent. In Nepal, for example, the Central Bureau of Statistics (2005) reveals that the national poverty head count rate declined from 41.76% in 1995-96 to 30.85% in 2003-04. Vietnam also has been able to meet significant poverty reduction targets through the implementation of its Comprehensive Poverty Reduction and Growth Strategy (cPRGS) adopted in 2000. The incidence of poverty in Vietnam has declined from 17% in 2000 to 7% in 2005 (ADB 2006).

Most Asian countries also attach considerable importance to providing social safety nets for targeted vulnerable groups in order to fulfil the criteria of equity and non-discrimination. Bangladesh, in particular, has had significant success in its social safety net programmes (SNPs) of which 27 represent 4.4% of public expenditure. With regard to basic education, public schools account for the bulk of primary school enrolment in the region (89%), and their share of overall education expenditure is 79%. In contrast to education, however, the average share of the public sector in overall health expenditure is only about 52% for developing Asian countries, and is particularly low in south Asian countries, reflecting the predominance of private and other forms of healthcare provision in this subregion. The low quality
of many public health systems leads even the poor to opt for private services. This is in particular the case in rural areas where the health systems are often administered by traditional doctors and under-qualified practitioners. In some cases, impact evaluation studies assessing the effectiveness of public health systems and health service delivery by NGOs found that contracting to NGOs can be both effective in terms of attaining higher improvements in health indicators, but also more equitable in terms of reaching the poor.

Experience of participation in PRSPs has shown that there is a need to establish a clear framework for participation that defines guidelines and benchmarks for determining who is involved, at what stage and with what “level of participation”, and for the methodology to be used in the process. Most case studies demonstrate a general failure to directly involve poor people, and the absence of a clear and appropriate framework for participation. However, some success has been achieved in fostering community participation. Monitoring and accountability, however, still remain the weakest aspects of the implementation of a rights-based approach to development. The existence, in most countries of the region, of democratic political systems makes possible the setting up of the monitoring and accountability procedures that are an essential ingredient of the rights-based approach to development. However, electoral democracy on its own is seldom enough to guarantee accountability. An extensive institutional framework needs to be in place, including a well functioning Parliament and parliamentary committees, semi-judicial institutions such as a human rights commission and ombudsmen, and an effective system of decentralisation.

**Conclusions**

This paper attempted to deal with approaches to poverty-reduction comprehensively in a human rights framework. It tried to demonstrate that a rights-based approach adds a distinct value to a poverty-reduction strategy in all countries, developed or developing, which contain a significant proportion of the population suffering extreme form of poverty. The debates on all the issues are still not settled and it is hoped that more empirical studies and theoretical investigation would refine and improve the rights-based process of poverty reduction and its eventual eradication.

---

**NOTES**


3. Decent housing and homelessness at http://ec.europa.eu/employment_social/housing_housinlessness_en.htm


---

**REFERENCES**


---

**Economic & Political Weekly**

**REVIEW OF AGRICULTURE**

**December 26, 2009**

Economic Liberalisation and Indian Agriculture: A State-wise Analysis

Secret of Gujarat’s Agrarian Miracle after 2000

Biotechnology and Pro-Poor Agricultural Development

Sustainable Development of Biofuels: Prospects and Challenges

Pulses Production Technology: Status and Way Forward

For copies write to:
Circulation Manager,
Economic and Political Weekly,
320-321, A to Z Industrial Estate, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013.
email: circulation@epw.in