

The Third International Chronic Poverty Report: Observations on Inequalities

The third Chronic Poverty Report proposes a new framing for a post-2015 goal to eradicate extreme poverty, focused on improving poverty dynamics – bring poor people up to and across the poverty line, including the hardest to reach; help them stay non-poor and improve their standard of living further, and prevent non-poor people from slipping into poverty. If anti-poverty policies neglect to tackle all three poverty dynamics in appropriate ways in different contexts, there is a real risk that up to a billion people will still be extremely poor in 2030.

Framing the poverty eradication goal in this way will help decrease inequality between and within countries. There is a strong relationship between improving poverty dynamics and reducing inequality.

The universally valid policies needed to improve poverty dynamics are massive investment in education, social assistance and pro-poorest growth. These need to be accompanied by more context-specific policies including those which improve the ways in which poorest are included in agricultural and non-agricultural value chains and in the labour market. These interventions will make economic development a fairer and more inclusive process.

Tackling chronic poverty also involves eliminating the intersecting inequalities (or multiple disadvantages) faced by the poor as a result of social norms and power relations. Intersecting inequalities can lead to exclusion of certain groups from the opportunities offered by the economy and from the benefits of citizenship and state support, or to their adverse inclusion in the labour market (for instance through lower pay and debt bondage), or in the forced expropriation of their land. This means passing and implementing legislation to outlaw discrimination because of ethnicity, religion, age, disability and gender.

The post 2015 framework can incentivise such changes by including a target on anti-discrimination legislation, and indicators on the implementation of the same.

The measures to achieve this are context-specific, but can include group quotas in elected bodies, employment and education; minority language recognition; anti-discrimination legislation, freedom of religious observance and political devolution. Addressing intersecting inequalities requires a combination of political change, constitutional reform, increased political participation, affirmative action policies and social mobilisation. Tax reforms and political commitment are also needed to support the additional investment in education, social assistance, infrastructure and agriculture. In order to achieve this, new political agreements and alliances among elites and poor citizens will be needed in many developing countries.

Progressive social change is needed to tackle intersecting inequalities, starting with the empowerment of poor and excluded women. Key actions include widespread education and literacy campaigns; elimination of discriminatory practices involving dowry, early marriage and inheritance; improved access to justice; economic empowerment and rights awareness for adolescent girls and young women, to break the inter-generational transmission of poverty.

The post-2015 framework can support this by including a goal on gender equality which specifies how poor women and men will be included in steps to achieve greater equality.

Including poverty dynamics targets in the post-2015 agenda is a necessary condition to get to zero chronic poverty by 2030 and also to decrease inequalities, by improving the situation at the bottom of the distribution. The poverty dynamics targets identified by the third Chronic Poverty Report are accompanied by specific policy recommendations. Overall, the targets and policies discussed in the report together give countries a clear menu from which to develop strategies of their own.

