

## **POVERTY IS A POLITICAL CHOICE: A UN RAPPOREUR HAS DELIVERED A WITHERING CRITIQUE OF THE INTERNATIONAL SYSTEM**

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**Abstract:** Philip Alston, the outgoing United Nations Rapporteur on Extreme Poverty and Human Rights, has published his final report, a scathing critique of international efforts to eradicate poverty and inequality. The report critiques the World Bank's International Poverty Line as sitting at too low a level to support a life of dignity consistent with basic human rights. Sleight of hand in the use of the IPL combined with China's 'outsized performance' have masked the full extent of poverty in the global South. The Rapporteur is extremely critical of the Sustainable Development Goals, which five years into delivery are 'failing in relation to key goals such as poverty eradication, economic inequality, gender equality and climate change' (Alston, 2020: 1). 'Poverty is a political choice', argues the Rapporteur, who calls on governments to embrace redistribution and tax justice to rebalance economies and address inequality. The article reflects on the key findings in the Rapporteur's report, particularly in the context of the COVID-19 pandemic. The article concludes by reflecting on how the international development and development education sectors should respond to the report.

**Key words:** Extreme Poverty; Human Rights; International Poverty Line; Sustainable Development Goals; COVID-19; International Development; Development Education.

### **Introduction**

The United Nations Rapporteur on Extreme Poverty and Human Rights, Philip Alston, has published his final report, a withering critique of international failings to eliminate poverty which he describes as the result of 'longstanding

neglect’ by ‘many governments, economists, and human rights advocates’ (Alston, 2020: 1). This article reflects on the main findings of the Rapporteur’s report which include the ‘flawed international poverty line’ used by the World Bank, which he judges to be at too low a level to support a life of dignity consistent with a rights-based approach to development (Ibid.). The report is also extremely critical of the Sustainable Development Goals (SDGs) (UN, 2015), the main global policy framework for international development which the Rapporteur suggests are ‘failing in relation to key goals such as poverty eradication, economic equality and climate change’ (Alston, 2020: 1). In identifying the factors that are impeding delivery of the SDGs, the Rapporteur highlights the fact that ‘economic growth is at the core of the SDGs, the engine relied upon to lift people out of poverty’ (Ibid.: 14). This economic orthodoxy premised upon the perpetual drive toward growth and increased Gross Domestic Product (GDP) has been attended by extreme inequality. As the Rapporteur puts it: ‘the global economy has doubled since the end of the Cold War, yet half the world lives under \$5.50 a day’ (Ibid: 15).

‘Inequality’, as Oxfam suggests, ‘is out of control. In 2019, the world’s billionaires, only 2,153 people, had more wealth than 4.6 billion people’ (Oxfam, 2020: 7). The accumulation of extreme amounts of wealth in so few hands is an indication of a global economy that is broken and needs to be re-balanced to support a more equitable distribution of resources. This was starkly illustrated in July 2020, when Jeff Bezos, the world’s richest person, earned \$13 billion in just one day owing to a surge in the share price of his company Amazon (Neate, 2020). Just a few months earlier, a record of a different kind was set when 20 million Americans became unemployed in the highest total since the Great Depression (Rushe and Holpuch, 2020). Of course, the wider context to these statistics is the COVID-19 pandemic which threatens to plunge 70 million people into extreme poverty and ‘hundreds of millions more into unemployment and poverty’ (Alston, 2020: 3).

‘Structural responses’ to the pandemic, argues the Rapporteur, ‘have been sorely lacking’ (Alston, 2020: 9). The article concludes by suggesting some of the ways in which the development education and international development sectors could respond to Alston’s report.

### **International poverty line**

Central to the Rapporteur’s critique of the international system is the question of how we measure poverty. He is particularly critical of the institutional failings of the World Bank in getting to grips with the scale of global poverty, which it persistently underplays using the flawed measurement tool of an international poverty line, or IPL. The IPL, argues Alston, sets the poverty benchmark at way too low a level to support a life of dignity consistent with basic human rights. Based on an average of national poverty lines adopted by some of the world’s poorest countries and calculated using ‘purchasing power parity’ (or PPP), the poverty line is ridiculously low, amounting, for example, to just \$1.90 a day in the United States and €1.41 in Portugal (Ibid.: 4). But even using this ‘staggeringly low standard of living’ as a barometer of poverty, the report identifies 700 million people living under \$1.90 a day (Ibid.: 8).

Criticising a ‘self-congratulatory message’ among world leaders in which they ‘proclaimed progress against poverty’ (Ibid.: 3), the Rapporteur argues that: ‘Even before Covid-19, we squandered a decade in the fight against poverty, with misplaced triumphalism blocking the very reforms that could have prevented the worst impacts of the pandemic’ (Beaumont, 2020). The report accepts that ‘huge progress has been made in improving the lives of billions over the past two centuries’ (Ibid.), but questions the World Bank’s banner headline that extreme poverty dropped from 1.895 billion people in 1990 to 736 million in 2015 (Ibid.: 4). These figures mask the exceptional performance of China which lifted more than 750 million above the Bank’s poverty line in that period (Ibid.). What distinguishes China from most other countries in the global South, argues the economist Jason Hickel (2017), is

that it was not subjected to the ‘shock therapy’ of the World Bank and International Monetary Fund’s (IMF) structural adjustment programmes (SAPs). SAPs were neoliberal ‘reforms’ often attached as conditions to IMF loans to poor countries, including: removing tariffs on imports; prioritising production for export; privatising services and utilities; and removing price controls. ‘Instead of being forced to adopt a one-size-fits-all blueprint for free market capitalism’, suggests Hickel, ‘China relied on state-led development policies and gradually liberalised its economy on its own terms’ (Ibid.: 53).

This is not to suggest that China is a development panacea. The sustainability of China’s impressive economic performance has been questioned because it is been driven by a low wage economy and a resource-intensive manufacturing sector which has made it the world’s largest emitter of greenhouse gases (World Bank, 2020). China’s income inequality remains relatively high with 373 million Chinese living below the upper-middle-income poverty line of US \$5.50 a day (Ibid.). This is not a rights-based alternative to the IMF’s SAPs, but nonetheless China’s approach has lifted hundreds of millions of people out of poverty. Without China’s ‘outsized contribution’, argues Alston, the global poverty headcount would ‘barely have changed’, thereby questioning all of the ‘celebratory accounts’ of the achievements of the World Bank’s IPL (Alston, 2020: 7). Hickel, too, suggests that ‘it is disingenuous ... to build an inequality-reduction narrative that rests on gains from China and chalk it up as a win for Washington’s approach to free-market globalisation’ (2017: 53). He argues that SAPs were designed to stimulate growth and facilitate debt repayments but, instead, have weakened the hand of the state in terms of economic oversight and deepened the debt burden of poor countries (Hickel, 2012). Today, 64 countries in the global South spend more on debt repayments than on healthcare, something which has weakened their capacity to fight the coronavirus pandemic (Jubilee Debt Campaign, 2020). This problem is compounded by the fact that the

Sustainable Development Goals (SDGs) - a UN initiative launched with great fanfare in 2015 to 'end poverty in all its forms everywhere' (UN, 2015) - are also sending out signals of distress.

### **The SDGs: 'colourful posters and bland reports'**

The Special Rapporteur's report says of the SDGs that 'The UN and its member states are sleepwalking towards failure... Five years after their adoption, it is time to acknowledge that the SDGs are simply not going to be met' (Euronews, 2020). The criticisms levelled at the SDGs by the Rapporteur include the following:

- *Eradicating poverty*: the SDGs, like the Millennium Development Goals before them, use the International Poverty Line as a barometer of poverty. This means that even if their targets are met, billions of people will still face serious deprivation as the IPL represents at best 'a bare subsistence' (Alston, 2020: 10).
- *Human rights*: the SDGs fails to frame their targets in the context of human rights with the Rapporteur suggesting that 'there is not a single reference to any specific civil and political right, and human rights in general remain marginal and often invisible in the overall SDG context' (Ibid.: 11).
- *Finance*: Because of 'backsliding in substantial key areas' among supporters of the Goals there has been a heavy dependence on private sector funding which calls into question their sustainability as a public good.
- *Inequality*: SDG 10 focuses on inequality but the Rapporteur finds evidence of low levels of attention by governments with this issue, particularly in regard to gender. At the current rate of growth,

he argues, ‘closing the gender pay gap in economic opportunity is projected to take 257 years’ (Ibid.: 11).

- *Evaluation*: The Rapporteur finds the annual High-Level Political Forum as a mechanism for monitoring SDG progress as weak and characterised by its ‘voluntary nature’. He suggests that ‘instead of promoting empowerment ... the energy surrounding the SDG process has gone into generating portals, dashboards, stakeholder engagement plans, bland reports and colourful posters’ (Ibid: 13).
- *Growth*: The Rapporteur questions the sustainability of the SDGs’ commitment to achieving 7 per cent GDP growth in least developed countries as ‘likely unattainable’ and ‘at odds with emerging challenges to the traditional growth paradigm’ (Ibid.). The Goals appear to be complicit with the same neoliberal growth agenda which has precipitated the existential crisis of climate change and undermines achievement of the IPCC target of limiting global warming to 1.5°C of the pre-industrial average (IPCC, 2018).

As if to endorse the Special Rapporteur’s findings, UN Secretary-General António Guterres has admitted that progress toward the Sustainable Development Goals is ‘seriously off-track’ just five years into their delivery (UN News, 2019). Alston (2020) stops short of calling for the Goals to be abandoned, but believes they need to be recalibrated and revitalised, with more stringent mechanisms introduced for monitoring and evaluation. The question for supporters of the Goals is whether the SDGs have the agility, flexibility and resolve to change their methodology mid-stream, especially when so many of their multilateral partners and sponsors are wedded to the high-growth imperative that underpins mainstream conceptions of ‘development’? Even more challenging, can they do it in the midst of a health pandemic and a climate emergency?

## **COVID-19**

The Rapporteur argues that despite enormous economic challenges presented by COVID-19, which is estimated to push 176 million people into poverty at the higher \$3.20 poverty baseline, ‘many governments have seen COVID-19 as a passing challenge to be endured’ (Ibid.: 9). With the IMF predicting the worst economic recession since the Great Depression as a result of COVID-19 and the cumulative loss to global GDP in 2020-21 at \$9tn, there is an understandable concern among workers in low-paid occupations that their livelihoods are under threat (Gopinath, 2020). The International Labour Organisation concurs with this assessment suggesting that more than two billion people working in the informal economy are particularly vulnerable to the economic contraction which almost certainly lies ahead (ILO, 2020).

For those on the frontlines of the pandemic - essential workers, many of whom are poorly remunerated and in precarious occupations - the concern is that governments will double-down on neoliberal responses to COVID-19 as they did to great criticism in the decade following the 2008 financial crisis - by implementing further austerity measures, wage freezes, public service cuts and redundancies (Coppola, 2017). As the Rapporteur suggests: ‘COVID-19 is a pandemic of poverty exposing the parlous state of social safety nets for those in lower incomes or in poverty around the world’ (Alston, 2020: 9). Subjecting workers on low incomes to more economic pain is likely to deepen the racial, gender and class divisions already created by the lost decade of austerity that followed the 2008 global financial crisis (Toynbee and Walker, 2020).

Alston argues that any poverty elimination strategy needs to bring equitable taxation and redistribution front and centre as a ‘symbol of solidarity and burden-sharing’ (Alston, 2020: 16) and the proposals in his report would make for a progressive development manifesto. They include the closure of tax havens and forcing transnational corporations to pay their

way; dropping the International Poverty Line and adopting a rights-based measurement of poverty in its place; removing the crippling debt burden from poor countries; reducing dependence on private resources for financing public development goals; and acknowledging the ‘deep deficit of political motivation’ underlying the malaise attached to the SDGs (Ibid.: 19). ‘Poverty is a political choice’, he says, and eliminating it requires that social justice and human rights are central to the ways in which we implement and measure human development. His report is both a damning indictment of current development policy and practice and an appeal for cogent and urgent action. The question is how should the international development and development education sectors respond to the report?

### **Development education and the parlous state of poverty eradication**

One of the weaknesses of the SDGs not listed in Alston’s report but of a great deal of significance to development educators is the absence of any analysis of the historical origins of current inequalities between the global North and South. As the Irish Development Education Association (IDEA, 2020) suggests: development education ‘works to tackle the root causes of injustice and inequality, globally and locally, to create a more just and sustainable future for everyone’. The ‘root causes’ of contemporary inequities between North and South include centuries of colonisation, indentured slavery, the extraction of commodities and precious metals, and the eradication of indigenous peoples and their cultures, values and lifestyles (Hickel, 2017; Galeano, 1973). As Hickel suggests, ‘the colonies developed Europe’ (2017: 93) rather than the current development narrative propagated by the IMF and World Bank of the global North supporting the ‘development’ of the global South.

While the post-World War Two period was characterised by decolonisation and an end to direct rule in former colonies, most countries in the global South are now locked into the neoliberal economic model as a result of national debt burdens and the application by the IMF and World



Bank of structural adjustment programmes as part of their lending criteria. As Hickel puts it: ‘Only two decades after global South countries gained their independence from colonialism, structural adjustment brought about the end of meaningful economic sovereignty’ (2017: 156). The SDGs are, therefore, applying policy prescriptions in an historical vacuum that fail to address injustices of the past that continue to manifest themselves in the present. The killing of African American George Floyd in Minneapolis by a white police officer in May 2020 (Evelyn, 2020) has sparked world-wide anti-racist protests and actions by supporters of Black Lives Matter (2020) and other human rights groups which have brought historical injustices back into public consciousness and discourse. This is an important example of how understanding historical injustices must inform contemporary policy.

The Rapporteur’s report has so far produced a muted response from the international development and DE sectors despite its far-reaching implications for our practice and advocacy work. It is contingent on all of us working in the sector to address the outstanding questions raised by the report. These include the following:

- How can we assess the performance of the SDGs beyond the High Level Political Forum which the Rapporteur finds to be a weak form of monitoring and evaluation?
- Is the development template at the centre of the SDGs complicit with the same pro-growth model of production and consumption which has precipitated the climate crisis and global inequality?
- Do the SDGs comply with the IPCC recommendations to limit global warming to 1.5°C of the pre-industrial average?

- What are the UN reports published to date telling us about the financing of the Goals and their level of dependence on the private sector?
- To what extent are the Goals equipping development educators with the capacity and resources to understand the root causes of poverty and inequality in the global South?
- Are the Goals framing poverty, income inequality, gender discrimination, and climate change in the context of human rights?
- What impact will COVID-19 have on the successful delivery of the SDGs?
- Are there alternative approaches to development that we need to consider in addressing the questions of poverty and inequality such as de-growth and a Green New Deal?

Debating these questions appears to be a minimum requirement in response to the Rapporteur’s report which casts serious doubt on our current trajectory toward development and poverty eradication.

## **Conclusion**

Hickel argues that ‘our present economic model of exponential GDP growth is no longer realistic, and we have to face up to this fact’ (2017: 291). This message is echoed in the Alston report which argues that:

“Traditional pro-growth policies, such as lower corporate tax rates, labor ‘reform’, deregulation, austerity-driven cuts to services and privatization can have devastating effects on the well-being of poor people and the state’s capacity to reduce poverty’ (Alston, 2020: 15).

What this suggests is that the traditional means of ‘doing development’ are no longer an option. The current neoliberal model of development is not sustainable as we are ‘bumping up against our ecological limits’ (Hickel, 2017: 291). Our planet cannot support the infinite extraction of carbon and natural resources demanded by a rapacious economic model which we know, in any event, is creating extreme levels of inequality (Oxfam, 2020). As a sector, international development has tended to limit its advocacy work to protecting the overseas development assistance budget and promoting the SDGs. But this is not enough if we want to avert a climate catastrophe and narrow the extreme levels of inequality that have attended the era of neoliberalism. In 2019, the OECD (organisation for economic co-operation and development) countries provided \$152.8 billion in ODA to the global South but, in the same year, low and middle-income countries paid \$756 billion in debt repayments and an additional \$213 billion in interest payments on original loans to donors and banks in the global North (Alston, 2020: 16). Aid is not the answer to the complex array of problems confronted by global South countries and our policy work needs to reflect that fact.

The Rapporteur has highlighted the critical areas that need our attention: closing tax havens that facilitate illicit transfers from the global South to the North; tax justice that increases the tax burden on the broadest shoulders; eradicating the debt burden; ending the growth imperative and restoring powers of economic sovereignty to the state; decarbonising our economy to mitigate global warming and address the climate emergency; and framing development objectives in the context of human rights. We seem stuck at base camp in regard to these critical issues in the international development sector and need to urgently ramp up our ambition for change and capacity for action to meet the challenges ahead.

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### **Note:**

An earlier version of this article was published by *openDemocracy* on 9 July 2020 at <https://www.opendemocracy.net/en/transformation/poverty-political-choice/>.

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