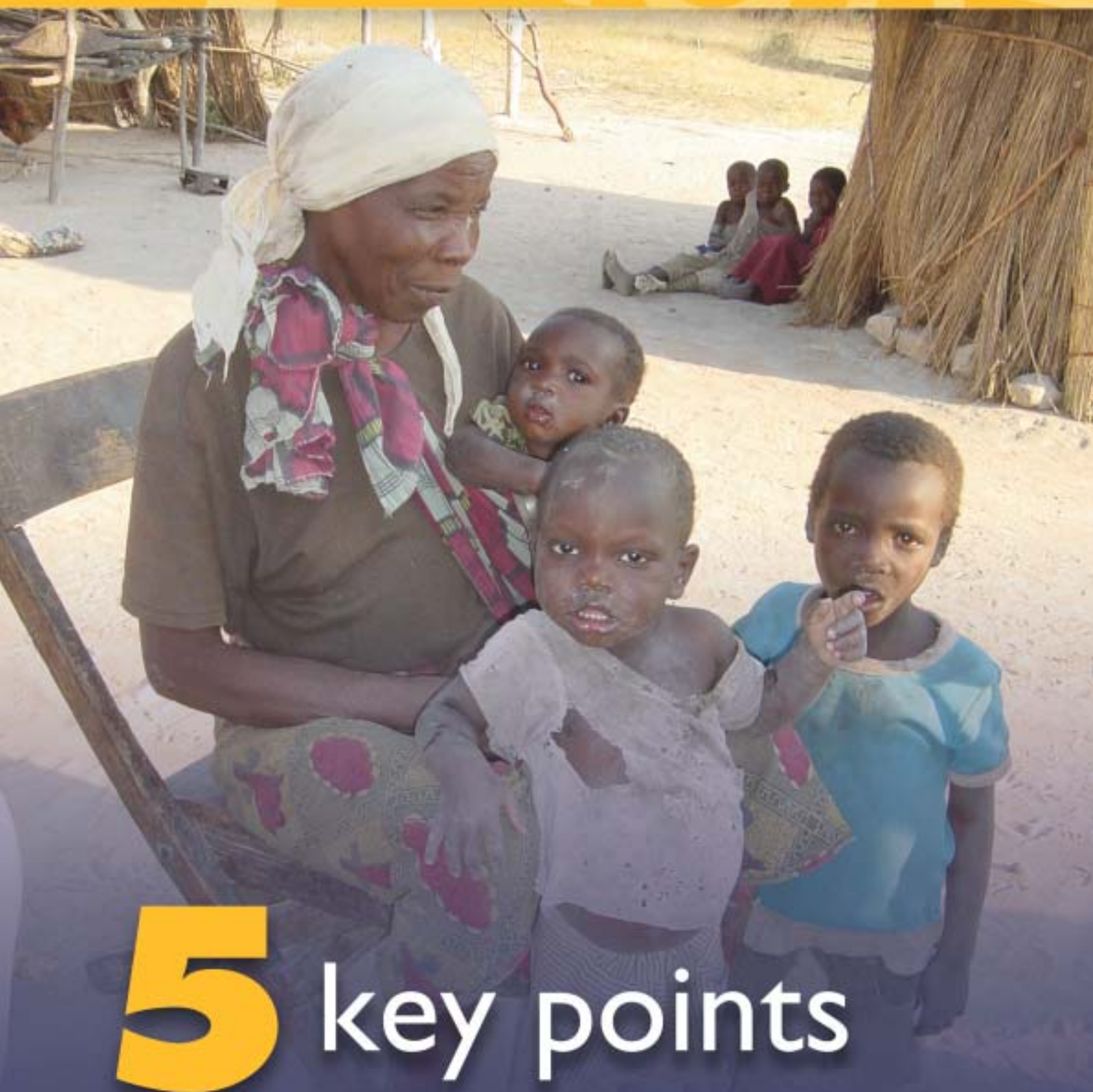


chronic poverty



5 key points
for the **2005** Summit

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A briefing note from the Chronic Poverty Research Centre

The Millennium Declaration in 2000 committed 189 governments to “making the right to development a reality for everyone and to freeing the entire human race from want”.

Everyone must include the millions of people living in chronic poverty. But all too often the development policies of governments north and south bypass those in greatest need.

At present CPRC estimate that up to 420 million people experience poverty for most or all of their lives. Frequently this means people dying easily preventable deaths and passing poverty on to their children. People in chronic poverty include smallholders, the landless and casual workers whose daily labour means bare survival. In remote rural areas and urban slums, in female-headed households, among disabled people and those excluded or discriminated against because of their caste or religion and for older people, chronic poverty means a denial of basic rights – to education, water and sanitation, health services.

Genuine freedom and security for all means not just reaching the MDGs – but eliminating chronic poverty – the overriding challenge for the present generation.

CPRC believes that success at the September 2005 Summit depends on world leaders focusing on five key points:

1 You can't reach the MDGs without reaching the poorest

The global community cannot leave out the poorest or hardest to reach and still deliver on the goals – because several key goals are meant to ensure access for all.

Millennium Goal 2 involves a commitment to universal access to primary education. This means every child having the chance to go to school – including those children who suffer from multiple disadvantages or who are difficult to reach.

International obligations to eradicate poverty cannot be selectively applied. Making sure that the poorest benefit from efforts to achieve the MDGs, must be a key priority for aid agencies and governments in the decade to 2015.

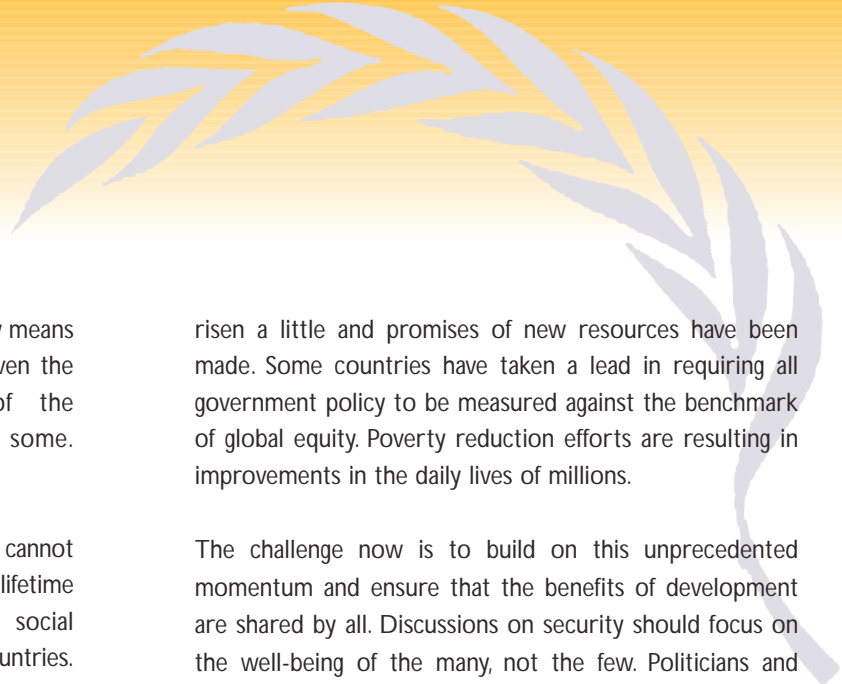
2 Tackling chronic poverty will help achieve the MDGs

Without a focus on the poorest, even the target of reducing poverty by half may not be achieved in many countries.

MDG 1 aims to halve the proportion of people who suffer from hunger. But progress on child malnutrition has been very slow. Chronically poor households are significantly more likely to include malnourished and underweight children, so addressing chronic poverty should accelerate progress. Growth needs to be pro-poorest, not just pro-poor.

3 Opportunity is not enough: social investment means real freedom and security for all

Chronic poverty is not simply about low income. It routinely involves multi-dimensional deprivation – hunger, lack of clean water and sanitation, social isolation and exploitation. People have no real freedom without literacy. They have no security without basic health care or the chance to earn enough to save a little and build modest assets.



Reaching the MDGs and eliminating chronic poverty means going beyond policies based on the notion that even the most disadvantaged can take advantage of the opportunities that globalisation provides for some. Additional approaches are needed.

Social protection – People living at the margins cannot afford risk when illness or crop failure can lead to a lifetime of destitution. Increasing evidence shows that social protection is affordable even in the poorest countries. Strategies that work such as cash transfers and social insurance can help the poorest manage risk, take opportunity, escape poverty, contribute to aggregate growth.

Social investment – As well as being a denial of basic rights, chronic poverty impoverishes us all as human capital is wasted, human potential left untapped. Social spending should not be seen as a cost or as a means of mitigating the social impact of market imperfections and structural inequalities. Rather, social spending should be seen as an investment in the economic potential, social well-being and ultimately security of all.

Aid works as an investment in freedom and security
Market mechanisms are drawn to where the potential for profit is greatest, so the market is weak when it comes to responding to the needs of the very poor – who have little spending power. So government spending and aid play a vital role – in directly providing the services that poor people need, in aggregating demand in a way that can attract private providers, and in making the medium term social investments that in the long term unlock the potential of poor people as both producers and consumers.

Expectant mothers and newborns vulnerable to neo-natal tetanus and 5 year olds denied schooling cannot wait for growth to generate the funds for teachers and midwives. Their freedom and security demands immediate and substantial aid to fight the war against poverty.

4 Don't lose the gains that have been made during 2005

The global public response to the Tsunami and this year's Make Poverty History campaign has forced the issue of poverty onto the political agenda as never before. Aid has

risen a little and promises of new resources have been made. Some countries have taken a lead in requiring all government policy to be measured against the benchmark of global equity. Poverty reduction efforts are resulting in improvements in the daily lives of millions.

The challenge now is to build on this unprecedented momentum and ensure that the benefits of development are shared by all. Discussions on security should focus on the well-being of the many, not the few. Politicians and governments must seek to ensure that all major decision making, national and international, north and south, is measured against the benchmark of impact on the poorest.

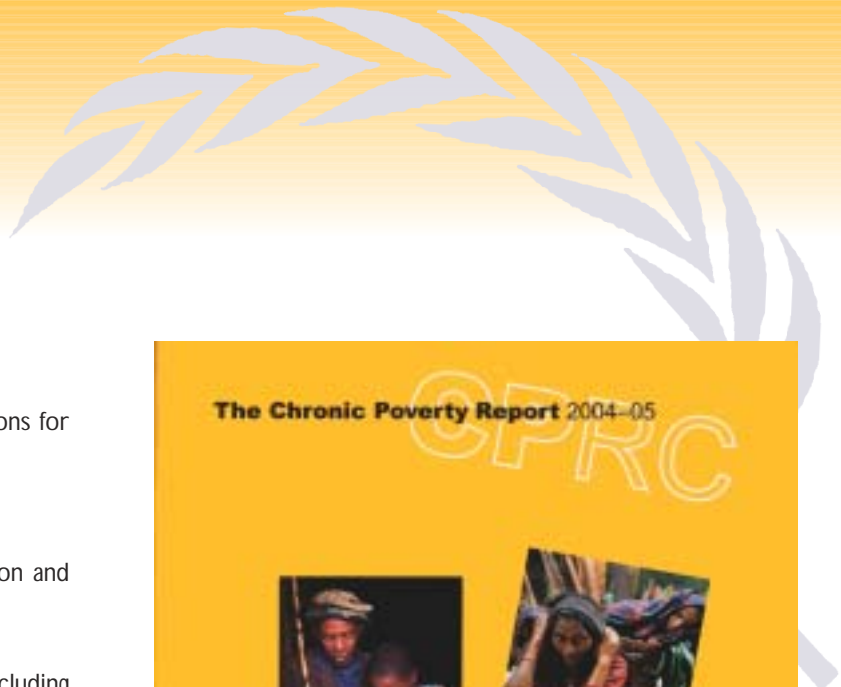
5 The MDGs: half way to poverty elimination

Even if the MDGs for 2015 are met in full – it is expected that around a billion people will be in poverty. So well before 2015, governments and civil society need to develop and adopt a plan for the elimination of absolute poverty – the ultimate goal accepted at the 1995 Social Summit.

At the minimum the global community needs

- to **set a date** for agreement on a **2015 Plus strategy** that goes beyond halving poverty by 2015 and starts to deliver accountability for the Millennium commitment to “making the right to development a right for everyone”
- to lobby for the endorsement of such a strategy backed by practical steps by world leaders and national governments by 2010.





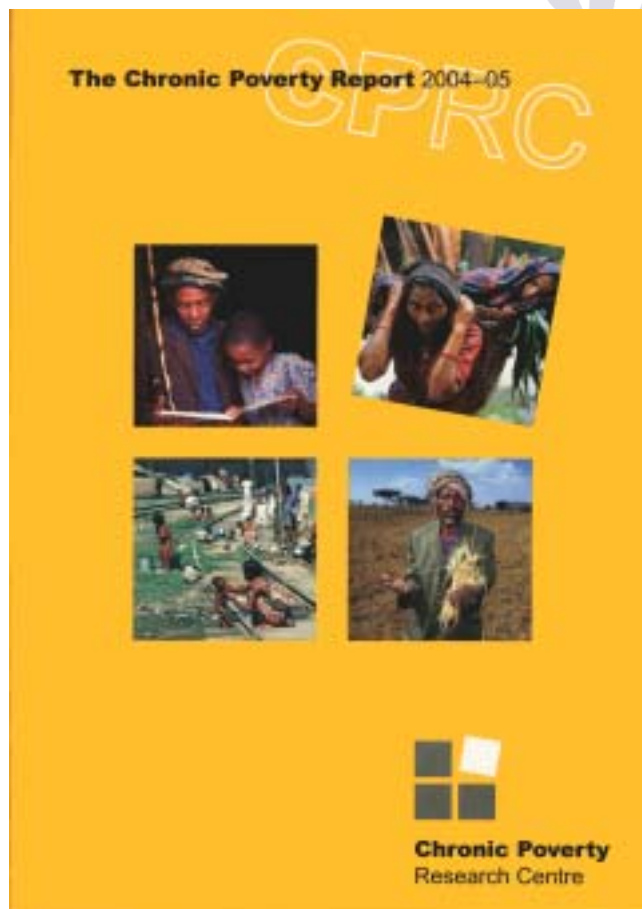
Strategies that work for the poorest

The Chronic Poverty Report highlights key interventions for breaking the cycle of poverty, including:

- prioritising livelihood security
- better infant, child and maternal nutrition
- ensuring access to, and take up of, primary education and adult literacy
- access to preventive and basic curative health care
- steps to tackle inequality and exploitation – including redistributive transfers and measures to raise poor peoples' awareness of their rights

CPRC's July 2005 Chronic Poverty Update briefing on Making Chronic Poverty History explains how cash transfer programmes can make a difference to people living in chronic poverty, in countries such as Brazil and Zambia. The pictures in this briefing are from the communities benefiting from the Kalomo Social Cash Transfer Scheme.

The July 2005 Update also provides 4 pages of analysis on how aid donors are responding to the challenge of finding the resources to combat poverty – particularly to support basic social services such as education, health, water and sanitation. Copies of the briefing can be downloaded from <http://www.chronicpoverty.org/pdfs/cpupdate3.pdf>



Information and contacts

For more information, background material or to discuss any aspect of this briefing please contact:

Tony German or Judith Randel on di@devinit.org Tel + 44 (0) 1749 831141

CPRC will be represented at discussions in New York around the Millennium Review Summit and will be pleased to provide briefings on chronic poverty issues.

This briefing was produced by Development Initiatives, a partner in the Chronic Poverty Research Centre.



The Chronic Poverty Report

This briefing note is based on evidence and analysis in the Chronic Poverty Report 2004-05 from the Chronic Poverty Research Centre.

The Report is available online at www.chronicpoverty.org

Copies can be obtained from CPRC
Tel + 44 (0) 161 275 2810
email info@chronicpoverty.org

The Chronic Poverty Report includes in depth analysis, statistics and case studies which explain why poverty persists, how individuals, families and communities are affected, and the measures that can be taken to overcome chronic poverty.