ECONOMIC ASPECTS REGARDING THE GLOBAL DIMENSION OF POVERTY IN THE XXI CENTURY

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Abstract:

In this paper we proposed to investigate the spread of poverty phenomenon on the global scale. Also we examined the causes and the effects of unequal distribution of global wealth, emphasizing the impact of economic globalization on the deepening of poverty at the international community level. In the contemporary context of economic globalization the poverty is a scourge of the international community, that marks a dangerous gap between the many poor and the few rich. On the other hand, the poverty can be rightly considered the deprivation of population or certain population groups of welfare. Also, the poverty is an economical-legal phenomenon. The economic component of poverty consist in the deficiency of resources to ensure a decent standard of living and the access to basic services (health, education etc.), while the legal dimension is reflected in the reduced possibility of a person or population groups to benefit from the civil rights and other fundamental rights, as well as the right to lead way of life which he desires or values.

Key words: poverty, globalization, economic inequalities, threshold poverty, developing countries, developed countries, third world.

JEL Classification: F60; F62; F63; F64

1. Introduction

Although the poverty has appeared at the same time with the world, however its first scientific approaches have emerged only in the second half of last century. [3] Still they have not had too long life in the world of ideas science for lack of cohesion and rigor. Even if the recent researches bring substantial contributions to conceptual classification of poverty and implicitly to defining the methodology to quantify it, these clarifications are not uncontroversial or simple differentiations. In front of the poverty phenomenon, it is natural that the scientific world does not think in the same way. At least so far it is not a single criterion can lead to a universal acceptance of the term "poor man" and "poverty." For the common man, the poverty means hunger, misery and disease. But when it comes to establishing of some programs to combat of poverty and to attenuate the economic inequalities, and millions dollars investment, there is no need a general appreciation even if it is natural, but one with normative character, to know: what to combat in practice, how many people under of its incidence and must protect how poors are territorially divided and how serious is this condition for them. Poverty is the antinomy couple of wealth.

Therefore, it can be identified and evaluated only by comparison, with the welfare.[1] Its evaluation "involves a certain level of living predetermined and well defined, seen as / verge of poverty. They are considered poor the persons whose standard of living is below this preset threshold. Also, the poverty is considered the lack of long-term of resources which are necessary to provide a decent living considered acceptable at community level. specialists in this field instrumented two overall poverty lines:

- the minimum verge of subsistence that it would bring with absolute poverty, previously discussed;
- the minimum threshold of decent living closer to relative poverty.

In the first case, the poverty is severe because it put the question of the minimum necessary for survival, situation in which these resources represent only 55% of the minimum necessary to ensure the decent living threshold.

In 1984 was elaborated a definition used officially within the European Union by the Statistical Office of the European Communities – EUROSTAT. According to this official definition, it is considered that "the poor are the persons and groups of persons whose resources (material, cultural and social) are so limited so that exclude them from the minimum acceptable of living standard in the countries where they live."
Finally, we consider that although there is a unity in diversity of opinions expressed in the literature on the conceptual delimitation of the poverty phenomenon in the contemporary context of economic globalization, however we emphasize the idea of a minimum acceptable threshold of life, not in general, but particularized in all countries participating in the global economic circuit.

2. The spread of economic inequalities through the unequal distribution of global wealth

Throughout the twentieth century the global income average per capita grew significantly, but with very important differences at level of countries. It is obvious that the income gap between the rich and poor countries has widened more and more on long periods. In a recent study elaborated by World Economic Outlook on 42 countries (representing 90% of world population) it was concluded that production per capita has appreciably increased, but the income distribution became more and more unequal compared to the situation at the beginning of century. [7] Besides all these aspects we consider that it should be added in terms of social conditions improving, some poorer countries have made considerable progress. The mentioned study emphasizes the contrast that occurs between the gap income and the indicator of human development.

The current income levels of the poor countries are still lower than those of the richest countries in the 1870s and this gap has been further expanded. But evaluated according to the human development indicators recommended by the UN, poor countries are currently well above the richest countries in the 1870s. This situation is largely due to increasing life expectancy as a result of the medical development and the improvement of living standards. However, even if the gap at the level of UN indicator was significantly reduced on the long term are registered the important labor flows. In these circumstances, we note that while the life expectancy has increased, however the quality of life has not improved for many habitants of the planet. Even if health is considered as being the greatest happiness of man and a fundamental subsystem of life quality, however we can not forget that the population health of our planet is really somber and express the great inequalities that exist in the face of life and death. In this context, we believe that the main cause of this situation can be explained by the lack of health services, public services and the elementary living conditions and nutrition. The fundamental problem of health population is especially related to poverty and the population incomes. In these circumstances we mention that there is now in the world poorest nations with an average monthly income of 38$ per capita that hold ¼ of the world's population and in which 40% of the number of children born are supraponderals 161. Also in a number of countries with a large population, are missing the elementary public services. On the edge of the overpopulated big cities, tens thousands people which have left the countryside, are living in misery, without water, electricity, plumbing or other public services. In many states of the world the health services are missing or are inefficient, if we consider that in countries like Yemen, Nepal, Indonesia, Tanzania, the number of people per doctor is between 40000-60000 inhabitants, compared to less than 1,000 in developed countries. The spread of AIDS in Africa during the last decade significantly reduce life expectancy. Thus, Mohammed Sid Ahmed year well knouhn egyptian writer said: "It's all over" Because "North-South dialogue is as dead as the East-West conflict. The idea of development is dead. There is not even the common language, or a dictionary for these problems: South, North, Third World, liberation, progress, all these words have no meaning. [2] Also we can notice that the gaps between North and South are major and in the first part of XXI century, it cannot achieve than a limited reduction of their for two groups of countries: developed and developing.

The contemporary socio-economic conjuncture worries us in terms of obtaining some notable improvements in matter. At present in the U.S., about 48 million people live below the poverty line, while the current and future trends show us that the gap between riches and poors is more increasingly deepening. In this context it is important to note that less than one fifth of the global population uses three quarters of world's wealth and the natural resources. This division is generally made on geographical lines, traditionally called the world of industrialized countries and "Third World" or North and South. This polarization is an instability source, which is eloquent seen in the mass migration phenomenon from Europe and North America in last years, and, especially, at the border between the U.S. and Mexico and southern Europe. This rich-poor polarization is permanently acuted because the rich regions have already gone through the demographic transition phenomenon, while the population from South will further increase in the next 60 years. Thus, only 1/7 of the world population will control at least three-quarters of global wealth. Therefore, the pressure on those “islands of richness” will become larger. The development is not only delayed by the difficult historical conditions and the constant trade disadvantages, the continuous debt crisis, economic exploitation and political instability. Lately it affirms the concept of dual planetary society, considered by some researchers as a model of unique and constraining development, as reproducible, but not generalizable: hence resulting the disadvantages of “mimetic development”, on the one hand the "new Olympians", on the other hand, billions of human beings thrown into poverty, as it is defined by the World Bank. The "new global poverty" is structural and represents part of the system. Thus, more and more standardized and trivialized, the city is par excellence the place where the
Poverty is allegedly appreciated as a multidimensional global phenomenon: economic, social, cultural and political. Thus, on the one hand, the economic determining factor of poverty synthesizes itself insufficiency necessary resources for exceeding of poverty threshold. Expressed as income per capita, this insufficiency is translated in practice by known triad: hunger, misery and disease. On the other hand, the social dimension, referred to the social and political determinants, refers to the rights of the individual (human rights, protection against terrorism, etc.), the values prop. by the Occident (freedom, equality, democracy), etc. It is also worth mentioning the cultural dimension, referring to the culture of the people, the values, the traditions, etc.

In conclusion, we must not forget that in the current global world, 200 of existing transnational companies develop a turnover which exceeds GDP produce of most developed countries of the OECD, and despite what J.J. Rousseau tell: Nobody should be so rich to buy another person, and no one should be so poor in order to sell himself. The essential improvement of living standards "for all underdeveloped countries," through the industrial production growth, as the American President Harry Truman promised in 1949 for world's poor will not happen. The richest fifth of the existing states, decide on the 84.7% of global gross national product and their citizens out 84.2% of world trade and they hold 85.5% of the domestic savings balance. Since 1960, the distance between the richest and the poorest countries it has doubled. [4]
reflects the phenomenon of poor marginalization in society, which often reach a pariah of the community, both with other people and the public institutions.

Also, the cultural dimension is concentrated on the deprivation of poor from the access to education, professional training and cultural information. Relative to political dimension, we appreciate that it contains the deprivations message which consists in the exclusion of poor from the access to power and political decision, that means democracy. Thus it seems paradoxical that although "de jure" all citizens are equal, however "de facto" they live exclusively in a democracy of privileged owners. [5]

In the contemporary economic context, we find that became deeper the crisis phenomena, global problems, grow the pressures on the material and spiritual people living conditions, it emphasizes the physical insecurity, the severe shortage of houses, hunger for energy, lack of schools for public education, the deficiency of health care and social assistance.

To all these aspects we can add with priority the job insecurity, chronic unemployment, low incomes of population, the poverty proliferation and also social inequalities on large areas of the planet.

Finally, we emphasize that at the international level community strongly marked by the deepening of globalization process of contemporary economic reality, we note that there are over one billion illiterate on the planet, from which 2/3 is the female contingents. [6]

Therefore it results that more than 1/3 of the global adult population from which most women do not have access to the cultural diffusion process, career assimilation and social integration. Almost 130 million children are not enrolled in primary school, of which 70% are girls. The need for attendance of primary and secondary schools globally increased from 250 million children in 1960 at over one billion in 2011 and it expects that their number to reach over 1.5 billion people in 2025. [8] On this background it is important to mention that the poverty as a global multidimensional phenomenon means hunger (of food, shelter, energy, labor, knowledge, culture, health, happiness, etc.), which we consider a real shame of XXI century. In these conditions becomes significant to mention that in the current period over one billion people suffer from absolute hunger. Therefore, the hunger ends annual over 40 million lives. At the same time FAO estimates that more than 2 billion people suffer from malnutrition, of whom 20-25% are under the age of 5 years. 156. The task to ensure hunger ends annual over 40 million lives. At the same time FAO estimates that more than 2 billion people suffer from malnutrition, of whom 20-25% are under the age of 5 years.

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The task to ensure housing for newcomers in the interval that separates us from the 2025 years, would mean over 700 million homes, the overwhelmingly being requested by the developing countries. To all these aspects should be added that currently at least 600 million people in the cities of Africa, Asia and Latin America, are in such living conditions which endanger their lives and health. Thus, tens of millions of people are homeless, they sleep in public spaces such as: sidewalks, train stations, subways, public gardens etc. Also we can note that in international development, the problem of jobs, the reconsideration of national and international division of labor, the use of time, and the intermediate technique of robotizing applied in production. In other terms, we consider that everywhere in the world the right to work of every citizen should be a priority leading to the restriction tolerable unemployment level, the growth of income population and the poverty reduction. In the current period there are more than 150 million people at world level which are officially considered unemployed, and if we added the number of unregistered or partial unemployment persons and the workers in agriculture, the number of unemployed rises at over a billion. The life has shown that the economic development have a powerful effect just as the social transformations and social results are especially reflected in economy on medium and long term. In support of this assertion can bring at least an argument is that the obtaining of high economic performances, the increase of economic efficiency, expressed by macro-level indicators such as GDP per capita, labor productivity, etc. constitutes the substance that maintains the people welfare and contributes to rising of the living standards of disadvantaged social categories thus improving the economic inequalities. However, the relationship between economic and social aspects of development it is not so simple as it seems. If in terms the major aggregates corresponding to the two components (GDP per capita and consumption of goods and services, respectively, public expenditures on education, health services, the provision of social security, etc., incumbent on average per inhabitant), this correlation is verify it is frequently contradicted when we must make depth analysis. Moreover it is interesting to observe that the developed countries have different beliefs and attitudes towards poverty. For example,
Germany has an obvious reticence to acknowledge the existence of poverty among its citizens, thus this country denies the existence of poverty as national phenomenon instead it recognizes this phenomenon only at local level, marginalized and limited to individual cases of citizens. From here we can better understand the specific therapy to combat it, namely by the municipal mayors of their funds, or through various private charitable foundations. Totally different is treated the problem of poverty in France. From an institutional perspective, the social status of poverty in the developed capitalist countries is based on the national solidarity mechanisms and combat it knows centuries of experience. In France, for example, the anti-poverty preoccupations have a strong ideological and traditional upward in the past centuries, but especially in the big ideas of equality and fraternity of 1789 Revolution Francaise. These generous ideas exert strong influences in the current structure representations of poverty and the means to combat it. On the other hand we consider that after more than two centuries of French Revolution the adoption law which establishes a minimum insertion to assist social the poor, confirms the idea of human solidarity on a national scale towards the disadvantaged and marginalized. French experts, considering that the degrading poverty corresponds most their society appreciate its size to 10% of the population, due to the labor market deterioration and rising unemployment. If in the past the concern for the poor has assumed by the religious establishments and local community, in the contemporary conditions this care is considered a national duty, being covered by significant financial resources to ensure that those in need, the minimum income required by law. The national experiences mentioned above, show that in the treatment of poverty phenomenon, regardless of whether officially is recognized or not its existence, there are many common elements but also many differences. By the causes which they determine and through all the implications they have, the different national poverty thresholds constitute the central axis around which gravitate these differences between countries. Such an approach raises a number of problems in the case of international comparisons. Thus, what it has been defined as the level of poverty in a country will not necessarily correspond to those defined in another. In a particular way the notion of subsistence, in the case of poverty estimated through income, it is a relative concept which varies over time and from one society to another. Certainly we consider that the use of a relative measures implies that the absolute value differs from one country to another. For example, the lowest level of relative income is much higher in the U.S. than in the countries where there is a strong natural economy of subsistence. Also, we note that in the statistics of economically underdeveloped countries these aspects are not completely contained, all the more since the income values of such country have a totally different significance than those obtained in the market economies. On this background we consider that it is not opportune to vehemently contest any significance of income gap. In this sense it is necessary to emphasize that for a indian peasant, for example, the output of underdevelopment state will not be achieved only when he will have the living standard living of the American farmer: one or two cars, home with air conditioning and possibly a tennis court, but when he can obtain the resources to ensure a decent standard of living.

Finally, we believe that in order to have a more realistic image of the phenomenon studied, all these methodological aspects, previously mentioned, should be taken into account in assessing of poverty through the contemporary process of economic globalization.

4. Conclusions

In the contemporary context of economic globalization we consider that the poverty is a very complex reality which must be serached and explained within the development concept. In these circumstances we believe that the poverty is the greatest threat against peace, security, democracy, human rights and natural environment.

For creating the subsistence conditions which allow people from developing countries to have a normal, decent life, to develop its creative abilities in their own socio-economic environment, there is no need to be increased ten times the quantity of goods and services because the subsistence minimum varies from country to country. Thus it becomes obvious that the economic operation inevitably creates numerous imbalances, injustices and inequalities in the different components of the social system, so any categories, groups of people or individuals are strongly disadvantaged compared to others. The problems of poverty, illiteracy, access to social services, are specific both poor and rich countries but obviously in other terms. The contemporary reality of global economic demonstrates once more that the poor fromania Romania or Bulgaria is different from that of Germany, France or Netherlands.

On the other hand, the possibility to obtain a sufficient quantity of three resources categories: material, cultural and social confers for the concept of poverty or poor a much larger sense than the severe poverty characterized by world hunger. Finally, we consider that the developed capitalist countries should make sustainable efforts for poverty alleviation, by establishing a common action plan of energetic coherent, consistent and effective measures in order to attenuate the current economic inequalities at global level.
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