

»» Eradication of global poverty requires systematic focus on ultra-poor

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The eradication of “poverty in all its forms and dimensions” within the next 15 years is the central and overriding goal of the 2030 Agenda for Sustainable Development (SDG 1).

Linear continuation of success in combating poverty barely realistic

Between 1990 and 2015 the proportion of the extremely poor in the global population was successfully reduced by more than half (MDG 1), seemingly indicating that this goal is within reach. Yet this global success (driven in particular by the very positive development in highly populous China) glosses over the fact there are also many countries, which have made little progress in poverty reduction since 1990. Accordingly, many experts argue we cannot simply continue the positive MDG trend; instead, extreme poverty will increasingly be found most in individual, especially poor and fragile countries, and will persist there in the long term.

Particular challenge: ultra-poverty in Sub-Saharan Africa

The proportion of the “ultra-poor”, i.e. people whose income or consumption is less than 50% of the international poverty line, is particularly high in Sub-Saharan Africa: 70% of all the ultra-poor live there. Due to the depth of poverty, ultra-poverty is the most difficult form to combat. The World Bank also refers to the depth of poverty as one of the key challenges in implementing SDG 1 and concludes that activities need to focus more on the needs of the ultra-poor.

Structural characteristics of the ultra-poor and causes of ultra-poverty

The characteristics and circumstances of the ultra-poor have not been sufficiently investigated so far. Yet available studies consistently show that ultra-poor households – in addition to their very low income – are often distinguished by the following structural characteristics.

Ultra-poor people often

- live in remote rural areas
- belong to an ethnic minority
- have very low levels of education
- have barely access to markets
- have a low self-help capacity
- are particularly risk-averse (because every failure is life-threatening).

These characteristics contribute to the fact that the ultra-poor are not only particularly vulnerable to external shocks, such as the illness of a family member or a natural disaster, but at the same time have very few compensation options at their disposal (resilience).

The Chronic Poverty Advisory Network refers to three central complex causes of ultra-poverty:

- lack of assets and correspondingly low returns
- highly unequal distribution of power and social exclusion of the ultra-poor
- a political climate and macroeconomic policies as well as social norms that run counter to the interests of the poorest.

Policies and programmes to reach the ultra-poor

The eradication of extreme poverty (SDG 1) naturally means the general causes and symptoms of poverty must be combated, especially by

- promoting inclusive economic growth and employment,
- strengthening access to education and health services, as well as
- establishing social security systems, in particular for basic security and protection against diseases.

To ensure that the ultra-poor participate in these activities and benefit adequately from them, it is necessary to take their particular characteristics and circumstances into systematic account when designing measures, in particular

- the regional distribution of ultra-poverty
- the unused productivity potential of the ultra-poor
- limited ability to raise financial contributions/fees
- individual obstacles which make it more difficult for them to participate and be involved more (for example, lack of education and time).

Since a selective targeting of ultra-poor households is often difficult and expensive, and can even deepen social exclusion in some cases, more wide-ranging measures often focus on regions where ultra-poverty is particularly widespread, or address groups disproportionately affected by ultra-poverty (e.g. minorities, people with disabilities). Programmes that combine basic security with enabling accompanying measures such as the provision of productive resources and training have proven useful in combating ultra-poverty directly.

Conclusion: ultra-poverty needs more attention

The eradication of extreme poverty (SDG1) cannot be achieved without a stronger focus on ultra-poverty. Experience shows that reaching out to the ultra-poor through general development policy measures does not guarantee success, it requires specific consideration. The long-term success of these measures will only be seen when they are embedded in an environment that allows for the overcoming of access barriers and social/political exclusion. ■