

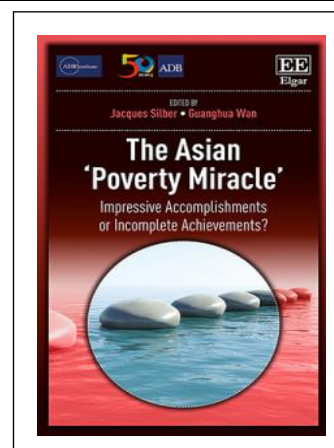
## Book Review

# Review of Lessons Learned from the ‘Asian Poverty Elimination Efforts’

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**Abstract** This paper reviews the extent of poverty elimination efforts achieved by the Asian countries. The idea is to take a focused pause of the successes and failures of the Asian experience in dealing with poverty. Then, reflect on the lessons learned to the late-developing African continent specifically. The work of Silber and Wan (2016) by Elgar is used as the main referenced book for this critical review. First, we study the uniformity of poverty in Asia and what lessons we learn from Asia’s successes and failures in protecting the poor people vulnerabilities. Then, the accuracy of poverty-line fitness and way of calculation are synthesised. The researcher raises a flag of warning about how the multidimensional deprivations might be increasing despite the overall increase of urban poverty. Finally, the critical review shows that countries and communities need to overcome the inequality challenge after poverty. Recommendations are drawn for better approaches for poverty elimination for 2020 and beyond.

**Keywords** Poverty Elimination, Poverty in Asia, Extreme Poverty, Poor People Vulnerabilities, Poverty-line, Multidimensional Deprivations, Sustainable Development Goals (SDGs)

## 1. Introduction

Asia has achieved remarkable economic progress in recent decades. As a consequence of this rapid economic growth, Asia experienced an impressive reduction of extreme poverty, which was measured at \$1.25 per day. The Asians managed to reduce poverty from 1.59 billion (i.e. 69.8 per cent of the total population) in 1981, to only 20.7 per cent in 2010. Despite having two-third of Asia’s population moved to beyond the poverty line, it is still home to nearly half of the world’s poorest population. According to the World Bank’s report in 2018, targeting the actual ‘standard of living’ which is above the poverty line to be of US\$1.90 a day. The report shows till 2018 and as per Table (1) that more than two-thirds of the world’s extremely poor (which are 783 million) found to be still living in Asia.

**Table (1).** Show the Poverty at the International Poverty Line of \$1.90/day (in 2011 PPP)

Region	Headcount Ratio (%)		No. Poor (millions)	
	2013	2015	2013	2015
<b>East Asia and Pacific</b>	<b>3.6</b>	<b>2.3</b>	<b>73.1</b>	<b>47.2</b>
Europe and Central Asia	1.6	1.5	7.7	7.1
Latin America and the Caribbean	4.6	4.1	28.0	25.9
The Middle East and North Africa	2.6	5.0	9.5	18.6
<b>South Asia</b>	<b>16.2</b>	<b>12.4</b>	<b>274.5</b>	<b>216.4</b>
Sub-Saharan Africa	42.5	41.1	405.1	413.3
World Total	11.2	10.0	804.2	735.9

Source – World Bank (2019) Decline of Global Extreme Poverty Continues but Has Slowed, Press Release, September 19.  
<https://www.worldbank.org/en/news/press-release/2018/09/19/decline-of-global-extreme-poverty-continues-but-has-slowed-world-bank>

As the whole world is trying to address the most complex part of the Sustainable Development Goals (SDGs) where the elimination of global poverty is much of focus, we need to keep learning from the front runner, the Asians before focusing on the late-comer, the Africans. Thus, history tells us that we need to improve the base of the front runner in order to develop the late-comer, so that to avoid repeating the same mistakes and excel faster.

Although the 1990 and 2010 studies show that the number of extremely poor declined by 745 million in Asia, compared to only 693 million in the rest of the world, this number would be much lower if a more 'moderate' poverty line of \$2 per day is adopted. Silber and Wan (2016) work show that with the speed of population growth, the number of moderately poor is expected to increase unless other mitigation plans are deployed.

The following critical review synthesis the great achievements of poverty elimination efforts in Asia and critique its reality, so that we can extract opportunities for improvement for the rest of the world.

## 2. Research Framework and Methodology

This paper is built based on the analysis of the critical review of the current literature on Asia's poverty with a focus on the main work of Silber and Wan (2016). Each point of the review has a reflection on the lessons learned and what actions need to be done for Asia's future poverty elimination developments and the late-comers as the African countries.

Based on the critical review, analysis and discussions are conducted to exploit a conclusion on the future implications Asia's experience in the future poverty elimination efforts that would help to reach the SDGs goal number 1 effectively. The contribution of this framework is that it creates a benchmarking reference for the poverty elimination experts and practitioners about the possible roads in the future.

## 3. Critical Review

### 3.1. Uniformity of Poverty in Asia

If we carefully study the drop in extreme poverty across Asia, even when taken at US\$ 1.25, it was never uniform. For example, thanks to China, we would notice that at East Asia it fell from about 60.2 per cent in 1990 to 11.6 per cent only in 2010, i.e. more than (48 per cent); compared to Central and West Asia which reduced poverty by (39 per cent) in the same period. Silber and Wan (2016).

From this great achievement, we need to extract and exploit what and how to calculate poverty today and in the coming future. For example, as mentioned earlier, taking the minimal standard of living to be at US\$1.25 a day is totally not fit for today's life and especially in light of the high inflation in Asia. Even the cost of US\$2 needs to be carefully evaluated as it might underestimate the costs for the poor in the urban areas in main global cities, Buheji and Ahmed (2019).

### 3.2. Lesson from Asia's Poor People Vulnerability

Poverty has always been linked to vulnerability. Vulnerability in Asia is no exception. i.e. Poverty can occur or can be induced by the vulnerability to natural disasters as earthquakes, or to the increasing impact of climate change that leads to extreme weather events, or to economic crises that lead to job losses or unexpected physical shocks such as illnesses. Therefore, countries and communities need to be resilient to avoid reaching such vulnerability without the ability to bounce back. Buheji (2018).

In recent years, a vulnerability in Asia has increased in both frequency and severity. In 2015, almost half of the world's recorded natural disasters (i.e. floods, extreme temperatures, drought, earthquakes and storms occurred in Asia. Therefore, today two-thirds of the world's most vulnerable countries are still in Asia. Many of the Asian low-income households who live above the poverty line can easily fall back into poverty following an unexpected shock. Silber and Wan (2016).

Besides, natural disasters have been increasing in both frequency and severity in Asia in recent years because of climate change. Disasters not only lead to fatalities and injuries, but also damage to farming and livestock production, housing and infrastructure, causing various kinds of economic losses.

According to UNHCR's report Global Trends 2018, the number of forced displacement due to conflict and persecution has hit a record high. In 2018, forced displacement reached 70.8 million, or one person in 108.

Hence, the lesson learned here: poverty elimination efforts should take into account the different type of vulnerabilities of the poverty community targeted, before declaring it is totally out poverty. This means the poor should be developed in be tolerant to sudden shocks and how to avoid being 'vulnerable' to such changes.

### 3.3. Accuracy of Poverty-Line Calculation

Setting the poverty line in Asia to be at US\$1.25 was initially derived from studying the poverty-line in the world's 15 poorest countries, which only two of them are Asian countries. Despite the consumption data differed from the year in the

period 1988–2005, the \$1.25 poverty line stayed stagnant. Asia also has a vast non-uniformity when it comes to consumption patterns and even across the same regions and this of course, influence the uniformity of the poverty line.

Traditional money-metric based poverty-line does not found not being capable of representing the extent of real poverty, be when we take into account poverty is about deterioration and failure in addressing the multifaceted well-being.

Money-metric measures usually fail in creating a clear picture of the well-being of the poor or their households. In Asia, as in any other country, money might be useless if there is a market failure. (Hulme and McKay, 2007). The latest study of Günther and Klasen (2009) shows that monetary income and human well-being is not directly related. Non- monetary poverty is generally more persistent than monetary poverty, Buheji (2019f). For example, the stunted growth of a child would cause irreversible malnutrition, regardless of the family situation. With respect to education, Buheji (2019e) mentioned about NEET and school dropouts and this influence vulnerability of their human capital, regardless of their income.

Hence, the lesson learned here: all poverty elimination efforts need to take care about the post-, current- and future-poverty-line calculations, including the changes relevant to the poor education and the coming vulnerable group as the NEET youth.

### 3.4. Multidimensional Deprivation & Multidimensional Poverty

The Asian poverty elimination model found to be late in addressing the multidimensional deprivations that lead to poverty and causes further poverty, or deteriorate the capacity of the poor from their ability to contribute, Gravel (2010).

Global Multidimensional Poverty Index (MPI) data published lately by the UNDP (2019) in collaboration with the University of Oxford, shows there is a high increase in people experiencing inequalities and poverty. Multidimensional Poverty Index (MPI) is calculated by the percentage of the population that is multidimensionally poor adjusted by the intensity of the deprivations. The MPI offers an in-depth status of global poverty, in all dimensions and forms of poverty, for 101 countries, covering 76 percent and track the progress of the bottom 40 percent of the population.

UNDP (2019) MPI warns that South Asia still carry a high rate of child poverty where more than 10 percent represented by girls being out of school and live in a multidimensionally poor household. Beside MPI states that more than 22 percent of the children in South Asia, under the age of five, experience intra-household inequality, i.e. deprivation in nutrition (where at least one child in the household is malnourished and at least one child in the household is not).

However, MPI carries also good news from Asia, from specifically countries as India where they managed rapidly to reduce the MPI values while bringing along the poorest groups in ladder too.

Asia still carries also inequality among the poor which is calculated as the variance of individual deprivation scores of poor people. This inequality is calculated by subtracting the deprivation score of each multidimensionally poor person from the average intensity. UNDP (2019).

Table (2) carries a comparison between Asia type of MPI and other regions. The 2019 data shows that the intensity of deprivation in South Asia still 45.6 percent. The population of severe multidimensional poverty is 11.3 percent in South Asian, yet reach the best performance globally when in the East Asia and the Pacific. However, the performance of both South and East Asia is considered totally the highest in relevance to population vulnerable to multidimensional poverty.

**Table (2).** Comparative Indicators of MPI between Asia and World Regions

Region	Intensity of deprivation	Population in severe multidimensional poverty	Population vulnerable to multidimensional poverty
South Asia	45.6	11.3	18.8
East Asia and the Pacific	42.3	1.0	14.9
Sub-Saharan Africa	54.0	35.1	17.2
Arab States	48.4	6.9	9.4
Latin America and the Caribbean	43.1	2.0	7.7
Europe and Central Asia	37.9	0.1	3.6

Source: UNDP (2019) Global Multidimensional Poverty Index, Illuminating Inequalities. Oxford Poverty and Human Development Initiative, United Nations Development Programme.  
[http://hdr.undp.org/sites/default/files/mpi\\_2019\\_publication.pdf](http://hdr.undp.org/sites/default/files/mpi_2019_publication.pdf)

UNESCO (2015) sees that one of the primary multidimensional deprivation is having up to 30% of Asian adults that cannot read or write. The statistics also show that more than 25% of the Asia population is deprived of the access to clean water, or proper sanitation which led to having more than 60% of the community members practice open defecation.

Hence, the lesson learned here: is that one need to ensure that poverty is measured from the angle of multidimensional deprivation and beyond the monetary income. Changing the attitudes and the practices of the poverty community through focused cultural change project should go hand in hand with the development of jobs opportunities and educational services.

### 3.5. Increase in Urban Poverty

There are eight megacities in Asia that are considered to be the most densely populated cities in the world today. This is due to the continuous high migration of the rural community and especially youth towards urban areas, seeking new jobs opportunities or better quality of life. Asian countries host more than 60% of the world's total slum population. These people living slums are the most vulnerable to high unemployment, poor-quality housing, limited access to water and sanitation, electricity, transport services, education and healthcare. Shepherd (2007).

Studies show that poor people are more vulnerable to evictions and exploitation by landlords or diseases due to poor water supply system and sewage management. Poor children in Asian urban cities represent more than half of the world's child labourers. Asian families trapped in the cycle of poverty often send their children to work for a living, especially when education is unaffordable and decent work for adults are rare. Such children do not enjoy their childhood and are engaged in hazardous work. Silber and Wan (2016).

Hence, the lesson learned here is that there is a need to apply the Multidimensional Poverty Index (MPI) of the United Nations Development Programme (UNDP) to create a more accurate type of comparable poverty measures.

### 3.6. Equality after Poverty

To ensure the effective elimination of the causes of poverty in Asia, we need to investigate the realised equal economic and socio-economic opportunities due to differences in gender, race or ethnicity.

While most of the developing world poor live in rural areas, the proportion of the poor living in urban areas is increasing. In Asia, as an example, the number of urban poor has risen in several major countries. It is evident that urban poverty appears to be a growing challenge which Asia has to face in the foresighted future as the economy becomes more prosperous and urbanised.

In addition to monetary deprivation, the poor in Asia may suffer from lack of access to necessary infrastructure, education, and other critical services. Piecing together the poverty puzzle means widening how we define and measure poverty, acknowledging that poverty is not one-dimensional nor solely monetary in nature.

Poverty is very relevant to inequality, especially if we realise that poverty has many facets. Many poor people in Asian countries, are dependent, for example, on the production from agriculture, forestry, fishery and tourism, can suffer inequality due to specific regulations or sudden disasters. According to the UNDP, corruption enhances the inequality on the poor due to organisational malfunctioning; therefore, studies show that corruption, development and poverty are highly inter-related. Transparency International's Corruption Perceptions Index confirms that over 70% of Asia countries are below the expected level of transparency, which implies that such corruption would delay the efforts of poverty reduction in the region.

Hence, the lesson learned here: that we need to communicate in different Asian countries to carry out programmes on various aspects including health and nutrition, water and sanitation, education and economic development.

## 4. Analysis

From the literature reviewed, we learn that despite the continuous development of the Asians economy for more 20 years, poverty in general still persists. The rising in life demands shows that even the US\$2 seems to be still low for a poor living in the region. One cannot deny that the Asian rapid economic growth made an impressive reduction in extreme poverty, especially in countries as China and India, but studies also show that this achievement is not a uniform and different type of poverty is occurring.

The multidimensional nature of poverty, besides the vulnerability of the poor to different natural disasters and economic crises, are serious lesson that should all be taken into account for future poverty elimination programs. The poverty elimination labs in different communities should also address the non-uniformity of the level of poverty reduction among the different ethnic groups, genders and ages.

In general, the development of Asia's poverty line needs to be restudied deeply in order not to mislead the decision-makers and planners about the reality of poverty and its complications. For example, although Asia today reduced its severe multidimensional poverty with exceptional performance, the more profound analysis of Table (2) shows we still need to investigate the causality of the population vulnerable to multidimensional poverty in Asia reaching 33.7 percent of the global statistics. The only other region that is slowing the world is Sub-Saharan Africa followed the Arab World.

## 5. Discussion and Concluding Remarks

This paper shows the importance of Silber and Wan (2016) work which set a new standard for measuring poverty in the coming future. However, despite their comprehensive approach, Silber and Wan did not address clearly future types of poverty coming in Asia and all over the world the issue of NEET, i.e. mostly youth who are not in employment, education,

and not in training, as mentioned in Buheji (2019e).

The other point which is not clear in the Asian 'Poverty Miracle' is that it did not tackle the inequality faced by the poor when trying to enter entrepreneurship whether due to necessity or due to neighbourhood opportunities, Buheji (2019a). Another challenging issue not clearly covered in the chapters of the book is the quality of education in rural areas, as mentioned in Buheji (2019c).

As a reviewer for the 'Asian Poverty Miracle', it is totally agreed that many of the practices available today in Asia is more of poverty alleviation and does not fit the requirement of the SDG for poverty elimination, as Buheji (2019d). Integrating this conclusion with previous work for the author on foresight future poverty, one could conclude that the next level of poverty elimination in Asia is going to be more complex and need more field projects than regular government planning.

Latest studies of UNDP (2019) and Oxford University shows that entering the lower middle class is becoming more difficult due to the difficulty of getting jobs or finding new opportunities. This can be clearly shown in the in a sharp increase of the vulnerable people with multidimensional poverty in Asia, Buheji (2019g). This means more focused work needed in the future about making the poor more capable of exploiting opportunities. In the end, this paper calls for more in-depth investigation for the measurement of poverty and the elimination of this poverty through pausing the achievements of the failures of the best runners in the field, the Asians.

The African region, besides the Arab world, has lots of opportunities not to repeat causalities that lead to the poor vulnerabilities, or being on the edge of the poverty line, due to failure to eliminate the multidimensional deprivations, during the poverty elimination journey projects. The world yet to learn more; therefore, further research is recommended in the same line to expose the best possible practices for the coming poverty elimination labs and projects.

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