

While the earth remaineth, poverty, crime and inequality, like “seedtime and harvest, and cold and heat, and summer and winter, and day and night shall not cease”.

Poverty, crime and inequality are an unholy trinity that entered into human affairs and relationships with the origination of human government. This unholy trinity has no ethnicity, nationality or regionality; it has universality and it encompasses all humanity. It will abide throughout all ages and in all places. Poverty, crime and inequality are not circumscribed by race, time or place.

Poverty is hunger. Poverty is lack of shelter. Poverty is being sick and not being able to see a doctor. Poverty is not having access to school and not knowing how to read. Poverty is not having a job, is fear for the future, living one day at a time. Poverty is losing a child to illness brought about by unclean water. Poverty is powerlessness, lack of representation and freedom.

In short, poverty is having less than the minimum necessary to satisfy basic needs. That minimum varies among countries and across time. We suggest further that there are two broad kinds of poverty, income poverty and consumption poverty. Income poverty exists when the level of income is below the minimum level required to pay for basic needs. Consumption poverty exists when the sum of the level of income and the level of support is below the minimum level necessary to satisfy basic needs. This condition is termed absolute deprivation.

Crime is violation of the law.

Inequality refers to a comparison between the material level of those who have the least in a society and the material level of other groups in

that society. Inequality is a descriptive measure of relative deprivation or who is worse off. Inequality breeds resentment, fragmentation, alienation and divisions that lead to crime.

Many scholars including sociologists, psychologists, criminologists, researchers, analysts, academics, and other experts have presented diverse views on the relationship between poverty, crime and inequality.

These personages have written voluminously and variously that: – Poverty is the root cause of crime. Poverty causes crime. The causes of crime lie in family circumstances, not in poverty. The idea that poverty is a major cause of crime is a myth. Poverty absolutely does not cause crime. Poverty is a crime. Poverty is not the sole cause of crime. Crime causes poverty. Crime is both cause and consequence of poverty.

The predominant focus is on the relationship between poverty and crime.

There are interactive and correlative links between poverty, crime and inequality. For example: A USA study found that when unemployment goes up 1%, there is a 4% increase in homicides, a 6% increase in robberies, a 2% increase in burglaries, and measurable effects on rape and other crimes. When unemployment goes down all categories of crime also decrease. It has also been observed that poverty-associated crime increases when wages stagnate and prices inflate. Another finding is that the poor react more violently to wage inadequacy than to wage inequality.

As economies grow and national wealth increases, the calibrated income distribution apparatus guarantees that the share taken by the rich from each successive increase is relatively, absolutely and disproportionately

more than the share given to the poor, thus assuring that the rich get richer and the poor get comparatively poorer with every distribution cycle.

It has been noted that growth with equity is good for the poor.

In 2004 about 0.13% of the world's population controlled 25% of the world's assets. In 2005 the wealthiest 10% of the world's population accounted for 59% of total private consumption, while the poorest 10% accounted for just 0.5%. In the USA the top 1% of the population takes more money than is given to the bottom 40%. Today the income gap in the USA is wider than it has been in 70 years. Furthermore, in the last 20 years while the share of income going to the top 1% of the population has increased the portion going to the poorest 40% has decreased.

In 1989 the USA had 66 billionaires and 31.5 million people living below the official poverty line. In 1999 the USA had 268 billionaires and 34.5 million people living below the poverty line – which was US\$13,000 for a family of three.

In the UK today the bottom 50% of the population owns only 1% of the wealth while in 1976 this group owned 12%.

In Latin America the richest 10% of the population earns 48% of the total income while the poorest 10% earns 1.6 %.

A former head of the IMF said that “the widening gaps between rich and poor within nations” is “morally outrageous, economically wasteful and potentially socially explosive.”

It is expected that relevant household income data will be available for all member countries of CARICOM so that similar comparisons between economic groups within member countries can be made.

In 2006 world population was 6.5 billion and world GDP was US\$48.2 trillion, thus world GDP per capita was US\$7,415.

In the Caribbean the six independent member countries of the Organisation of Eastern Caribbean States (OECS), which is a CARICOM sub-region, have GDP per capita above the World GDP per capita. Among the other eight independent member countries of CARICOM three have GDP per capita below the World GDP per capita.

One of the OECS six independent member countries is classified high income, and the other five are classified upper middle income. Among the other eight independent member countries of CARICOM three are classified high income, three upper middle income, one lower middle income and one low income.

All of the member countries of CARICOM have populations living below their official poverty lines ranging from 9% up to 80%.

In 1960 the richest 20% of the world's people in the richest countries had 30 times the income of the poorest 20%, and in 1997, 37 years later, this group had 74 times as much.

At a UN Press Conference On World Distribution Of Household Wealth in June 2008, one speaker reported that the richest 2% of the world's adults owned more than half of the global household wealth, while the bottom half owned barely 1%. At the same conference another speaker reported that the richest 10% of adults accounted for 85% of global household wealth.

He further said that assets of \$2,200 per adult placed a household in the top half of world wealth distribution in the year 2000; that assets of US\$61,000 placed a household in the richest 10% range; and that assets of US\$ 500,000 placed a household in the richest 1% range. (Household wealth is defined as the sum of real property and financial assets minus debts. Wealth levels were based on monetary exchange rates rather than purchasing power parity.)

The World's wealthiest countries accounted for 76% of world GDP, middle income countries accounted for 3.3% and low income countries accounted for 20.7% in 2006. The world's 497 billionaires in 2006 were worth US\$3.5 trillion (over 7% of the world's GDP).

Today over three billion people – almost half of the world – live on less than US\$2.50 a day, and more than 385 million of them live on less than \$1 a day. Millions others live on even less.

The seven most pervasive influences that generate, escalate and perpetuate poverty, crime and inequality are askew distributions, deficient minds, indigent means, dysfunctional support systems, neglect, corruption and conflict.

A practical approach to counteract and combat poverty, crime and inequality and to build prosperity is for the three central parties which are the state, civil society and the poor, to unhesitatingly execute the mandate to continuously diminish the adverse effects of the seven causative influences. This undertaking requires the conjoined endeavours of the state, civil society and the poor to be successful.

Each party has a primary role. The role of the state is to provide leadership through legislation, education, inspiration, personal and environmental protection, justice and support structures. The role of civil society is to provide support through equitable compensation, favourable practices, beneficial packages and equal opportunities. The role of the poor is to take advantage of the leadership and support through preparation and dedication, and by working hard to achieve economic elevation and financial independence.

Each party must be appropriately equipped with the proverbial book of rules and bag of tools required to successfully perform its role. The parties must become keenly aware of, and must unreservedly accept, their collective and individual responsibilities. The parties must collaborate resolutely in a war on poverty, crime and inequality by executing undertakings with a series of short-term income generating tactics concurrently with a set of long-term wealth creation strategies. Income generating tactics will provide transitory income, while wealth creation strategies will provide permanent income. Transitory income does not change the economic poverty status. Permanent income can and does.

Workers with transitory income cannot leverage their income to negotiate transactions by gaining access to credit. Workers with permanent income can.

Wealth creation strategies generate new employment opportunities with concomitant increases in income, and income earners, and associated increases in prosperity, that provide a route out of poverty for those who prepare themselves to access the opportunities and resources that are made available.

Governments legislate poverty whenever they legislate a minimum wage below the minimum necessary to live above the poverty threshold.

Since 1981 the rate of poverty in China has fallen by an amazing 69.1%, from 85% to 15.9%, or by over 600 million people, while in the rest of the world poverty only fell by about 10%. Poverty reduction in the last couple of decades almost exclusively came from China.

China's remarkable success resulted from its aggressive and sustained implementation of wealth creation strategies. China's experience demonstrates that wealth creation strategies have positive long-term financial, social and wholesome effects on the lives and livelihoods of the people in the countries implementing such strategies. Some other countries try to reduce poverty without creating wealth. This is not the first sphere in which governments attempt to do what cannot be done and could not do it.

The execution of wealth creation strategies leads to ever-increasing cycles of output, employment and income. Increasing employment and income leads to accelerated increases in savings, investment and consumption.

As prosperity increases poverty-associated crime and inequality tend to decrease, while crime of affluence tends to increase.

In the fight against poverty, crime and inequality, the working poor should practise two cardinal disciplines, budgeting and pooling. The working poor should be educated to apply the 5 – 5 – 90 rule. This rule stipulates that out of their wages the working poor should allocate 5% to savings to meet unexpected demands including emergencies, 5% to savings for investing and 90% to meet all of their physical needs and

contractual obligations. This means that the working poor must tithe 10% of their wages to themselves first and then use 90% to pay the suppliers of the products and services that they consume, and to help others in greater need.

The discovery of the Amazing Power of Pooling is a wonderful life-changing experience for the working poor.

On every continent and across time the working poor who had a will to save and to pool their savings to be invested in joint undertakings, found a way out of poverty to prosperity with the attendant benefits of reduced inequality and aspersions of crime. Many of them went on to amass fortunes.

This is how the first cooperative was started in Rochdale, England in 1844, when twenty-eight poor weavers pooled their scant resources and opened a small grocery shop. Within a few years the cooperative was no longer small, it was large and diversified, and the pioneers were no longer poor, they were rich.

What is urgently needed in our time and within our space is a sustained drive to motivate and inspire the poor by presenting more practical expositions and less theoretical propositions about tackling poverty, and recognizing achievements by celebrating success. These are two indispensable intangibles in the fight against poverty.

Today wealth creation is driven by “human capital” – trained minds – and “you earn what you learn”.

When tackling poverty it is better to teach the poor how to create wealth than to teach aid workers how to distribute aid, or to tell rich nations

how to allocate aid. The first helps the poor and the nearly poor to become independent, while the latter help to keep the poor and the nearly poor dependent.

The fruits of wealth creation are job creation, income creation, security creation, pride creation, wellness creation, independence creation.

Not enabling the poor to own the land on which they live means that they will be stuck in poverty and dependency.

Each poor person should ask himself or herself two questions: “What can I do for myself?” and “What can I do for others?” A poor person who is minded to ask himself or herself those two questions is on the cusp of a transformational experience that will inspire him or her to work hard to rise above the poverty line and to empower himself or herself financially and otherwise, and continually improve his or her standard of living while he or she serves and assists others in the process.

What we have witnessed recently in the global financial meltdown is widespread poverty creation instead of wealth creation.

The soaring rise in food and other commodity prices has pushed millions of poor people deeper into poverty, and millions more vulnerable people into poverty. The two groups account for more than 100 million people. As a result of this steep and sudden decline in the living standard of such a huge number of people, a surge in associated crime and inequality is expected to follow after a lag with distressing consequences.

On World Food Day 2008 Pope Benedict said the blame for hunger could be directed at “boundless speculation” in markets, partly blamed for

high food and fuel prices. He also pointed to “selfishness” by the world’s rich and a poor distribution of resources. Similar frustration and condemnation were voiced by the World Bank, the United Nations, Presidents, Prime Ministers, Economists, the Media and Charities among other crusaders against hunger.

Urgent sustained concrete action is needed to correct the causes of the financial crisis and the deeper economic disaster, and contain the predictable consequences, in an attempt to limit the extent and intensity of the distress to the poor and the associated cost of the consequences.

Researchers have noted that for each dollar spent on poverty causes, seven dollars were saved on poverty consequences.

Poverty eradication is an unattainable terrestrial Utopia. It belongs exclusively to the celestial empyrean.

Poverty prevention is as illusional as crime prevention. Poverty reduction is too imprecise as it connotes subtracting rather than adding, subtracting from a negative rather than adding to a positive.

Poverty minimisation pursued through wealth creation policies, practices and applications has the benefit of having only positivity and no negativity, and appears to be the approach that will be most efficacious in the war on poverty and its allies, crime and inequality.

We should counteract poverty by combating the causes of poverty, always remembering that we cannot eliminate the causes of poverty any more than we can eliminate poverty itself. The thrust must be to escalate the poor above the poverty line and enable them to maintain

an upward momentum, not to lower the poverty line in response to a downward slide in living standards.

When policymakers are developing policies that have poverty considerations they must always be mindful of the fact that household income per capita is a more relevant indicator than national income per capita. In this context income distribution is of paramount importance in the sense that a less inequitable initial distribution would tend to moderate the demand for a subsequent redistribution that may be confrontational and may inflict economic and social damage on the country and its people. This is very important as governments work to meet the Millennium Development Goals.

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