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# FACT SHEET

## Definitions of Poverty

### 1. Introduction

1.1 The purpose of this fact sheet is to provide the Subcommittee to study the subject of combating poverty of the Legislative Council with the definitions of poverty and some related concepts adopted in the international community.

### 2. Definitions of poverty

2.1 At the World Summit for Social Development<sup>1</sup> held in March 1995 in Copenhagen, poverty was defined as the *"lack of income and productive resources sufficient to ensure sustainable livelihoods; hunger and malnutrition; ill health; limited or lack of access to education and other basic services; increased morbidity and mortality from illness; homelessness and inadequate housing; unsafe environments; and social discrimination and exclusion. It is also characterized by a lack of participation in decision-making and in civil, social and cultural life. .... poverty in its various forms represents a barrier to communication and access to services, as well as a major health risk, and people living in poverty are particularly vulnerable to the consequences of disasters and conflicts."*<sup>2</sup>

2.2 According to the statement adopted by the Committee on Economic, Social and Cultural Rights of the United Nations in 2001, poverty is defined as *"the lack of basic capabilities to live in dignity"*.<sup>3</sup> This definition encompasses a wide range of features relating to poverty, such as hunger, poor education, discrimination, vulnerability<sup>4</sup> and social exclusion.

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<sup>1</sup> The 1995 World Summit for Social Development was the largest gathering ever of world leaders at that time. It pledged to make the conquest of poverty, achieve the goal of full employment and foster social integration, prevailing over objectives of development.

<sup>2</sup> United Nations, Department of Economic and Social Affairs. (2000) *World Summit for Social Development, Programme of Action - Chapter 2*. Available from: <http://www.un.org/esa/socdev/wssd/agreements/poach2.htm> [Accessed 20 January 2005].

<sup>3</sup> United Nations, Economic and Social Council. (2001) *Poverty and the International Covenant on Economic, Social and Cultural Rights: 10/05/2001*. 10 May. Available from: [http://www.unhchr.ch/tbs/doc.nsf/\(Symbol\)/518e88bfb89822c9c1256a4e004df048?Opendocument](http://www.unhchr.ch/tbs/doc.nsf/(Symbol)/518e88bfb89822c9c1256a4e004df048?Opendocument) [Accessed 20 January 2005].

<sup>4</sup> Vulnerability is a state of high exposure to certain risks and uncertainties, in combination with a reduced ability to protect or defend oneself against those risks and uncertainties and cope with their negative consequences.

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2.3 According to the World Bank, "[p]overty 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." <sup>5</sup>

### 3. **World Development Report 2000/2001: Attacking Poverty**

3.1 In September 2000, the World Bank published the *World Development Report 2000/2001: Attacking Poverty* stipulating several dimensions of poverty, including:

- (a) low income and consumption;
- (b) low achievement in education, nutrition and human development;
- (c) vulnerability;
- (d) social exclusion; and
- (e) access to social capital<sup>6</sup>.

3.2 The report identifies indicators to measure the extent of poverty in a society, namely levels of income and consumption, the infant mortality rate, the primary school enrolment rate and indicators of vulnerability to risks as well as indicators of socio/political access. It also urges all countries to take actions in the following three areas:

- (a) promoting economic opportunities for poor people through equitable growth, better access to markets and expanded assets;
- (b) facilitating empowerment by making state institutions more responsive to poor people and removing social barriers that exclude women, ethnic and racial groups and the socially disadvantaged; and
- (c) enhancing security by preventing and managing economic shocks and providing mechanisms to reduce sources of vulnerability that poor people face.

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<sup>5</sup> *The World Bank Group*. (2004) Available from: <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPOVERTY/0,,contentMDK:20153855~menuPK:373757~pagePK:148956~piPK:216618~theSitePK:336992,00.html> [Accessed 17 January 2005].

<sup>6</sup> Social capital refers to kinship systems, local organizations and networks of the poor.

#### 4. *Report on the World Social Situation, 2003*

4.1 In 2003, the Division for Social Policy and Development of the Department of Economic and Social Affairs of the United Nations published the *Report on the World Social Situation, 2003* addressing issues of social vulnerability as well as putting forward recommendations for alleviating the situation.

4.2 The report states that poverty and vulnerability interact with each other, creating a vicious circle in which the two reinforce each other. Poor people are more vulnerable to economic shocks, material losses and losses of well-being. These events can easily destroy the ability of the poor to move out of poverty; both in the short and long run, by depleting their human and physical assets, which may be an irreversible process. Poverty may also increase vulnerability by fuelling social tension and undermining the social cohesion needed to pre-empt and respond to emerging dangers. On the other hand, an increase in vulnerability affects the poor more because they have greater exposure to and are less capable of coping with risks, such as illness, death, loss of employment and famine.

4.3 Social vulnerability is a complex phenomenon with its causes arising from social, economic and cultural practices and environments. Indicators for measuring vulnerability include levels of income, unemployment, pension contributions, youth illiteracy and malnutrition among children. As such, an understanding of the relationships among various dimensions of vulnerability helps facilitate the formulation of policies on reducing vulnerability.

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**References**

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