

Session 7, 3/1/07

- Further Reading and Discussion – Muhammad Yunus: Banker to the Poor
- What is the meaning of “poor”? What is the definition?
 - This relates to the Human Development Index (HDI)
 - Comparing it to GNP, we can see that some countries that seem developed might still have very high infant mortality rates or very low health care standards
 - Nations like the US still come out towards the top, but the HDI still allows us to take more factors into account when we compare national wealth and prosperity numerically
 - Going around the room: each person gives a definition of “poor”
 - Poor seems like too general a definition
 - World bank definitions:
 - Absolute poverty means that you’re the poorest of the poor, you can’t make ends meet, you’re barely able to get by, to the extent that your life is threatened on a day- to-day basis by your poverty
 - Relative poverty means that you’re not moving anywhere, can’t get ahead in life. Not threatened or in danger, but not comfortable at all, and without the resources necessary to improve on your status in life.
 - Considering the group that Muhammad Yunus is trying to help, I’m wondering whether those people should really be categorized as poor, or only exploited. Because those people are very hard working and intelligent. What about people without those mental resources? What about orphans, addicts, people with mental illness? Those people are living in a different situation, a different kind of poverty.
 - It shouldn’t be called “Micro-lending and the battle against poverty” It should be called “the battle against exploitation.”
 - Poor means without resources. Disabled people, old people, children, ostracized people. Whether it’s structural, physical, or otherwise, they’re handicapped in our economic and social system.
 - Homelessness is a very important grouping of the poor. You really don’t know what might happen to the homeless from day to day. The moment they fall sick, they cannot work, and they cannot find healthcare.

- The problem has to do with the way that the system works. Because there are opportunities for the poor to work, but they can't make enough money, or they can't get shelter, food, etc.
- Absolute poverty means that there is nothing you can strip down, no costs that you can cut out of your budget. You can't make ends meet, and you can't get by.
- Poor people are without opportunity
- Poor means having no choice. No choice to get into it, and no way to get out if it.
 - Amartya Sen: *Development as Freedom*. Alleviating poverty means giving people choices.
 - Poverty as the bottom of the class structure or caste, poverty as a family situation, a situation inherent in your entire history as a person
 - The untouchables in India, and the people who do manual scavenging. There are people who spend their life, from birth until death, removing human waste from toilets.
 - They are ostracized from society
 - 95% of these people are women
 - Remember, slavery still exists in parts of the world
- Poverty means having no assets, no land, no capital
- Poverty means having no independence, financially or otherwise.
 - One of the things that Muhammad Yunus was trying to do was give these people a sense of independence, self-sufficiency, self-reliance, freedom
 - Charity might give you food or gifts, but you would still be poor until you gain the resources and skills necessary to feed yourself
 - “You can give a man a fish and feed him for a day, or you can teach a man to fish, and feed him for a lifetime.”
 - “You can tell someone how to build a ship, or you can inspire them to dream of the sea.”
- Poor means without money.
 - Money matters, because if you're schizophrenic or horribly disabled, but you have a lot of money, then you're not poor.
- Children feel less poor than old people. They're more resilient, and also more naive.
- Poor means having no one to depend on.
 - This has to do with why the poor often want to have a lot of children
- I'd prefer a more concrete and demand-based definition of poverty
 - It's about not having access to water, not having access to food, not having access to warmth
- Poverty has to do with lacking basic capabilities. You have certain human emotional and bodily needs.
- Discussion: What else does poverty entail?

- Poverty is relative. How do you compare the American poor to the Argentine, Chinese, or Indian poor?
 - Which items are necessities? What people feel the need to spend money on in one country or society might be culturally unnecessary in another
 - Poverty means living without safety. You can't protect your assets, your work, or your property. You don't feel protected, you're exposed to violence.
 - There are those who live on a barter system, in the informal economy. Are these people poor?
 - The relationships implied by money are fundamentally different from those implied by barter
 - There are some economists and world leaders who want to move people from the barter system over into the cash system
 - But we don't really know what might happen if we did this
 - Muhammad Yunus's definition. Who is poor? (page 40-41 in *Banker to the Poor*)
 - The jobless
 - The illiterate
 - The landless
 - The homeless
 - Those with malnutrition
 - Those without access to education
 - Yunus is successful partly because he has such a vivid and concrete vision of who he's serving. You can't get things done if you're being dreamy about this.
- Class Discussion: What are the projects that you've planned?
 - Biofuel in Guatemala
 - Tuberculosis treatment in the US
 - Water purification in Zambia