

Poverty: Its Causes and Solutions

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Abstract—Poverty is a multi-facet phenomenon in today's globalised world. It is rooted in various causes and there are also multiple ways to do away with it. This paper begins with a review on the definitions and measurement of poverty and followed by discussing the various causes of poverty. This paper specifically identifies corruption, education, political instability, geographical characteristics, ineffective local governance and government policies as the causes of poverty. It then suggests possible solutions or recommendations to eradicate poverty based on the causes discussed earlier. Some of the suggestions include strengthening democratic transparency and government budget transparency, public awareness, creation of a framework for economic growth and transformation, and ways to increase the ability of the poor to raise their income.

Keywords—Economic Policy, Government Policy, Poverty Eradication, Sustainable Development.

I. INTRODUCTION

ACCORDING to the 2008 World Bank Indicators which is based on the 2005 survey, 5% of global income comes from 40% of the world's poorest population [1]. On the other hand, 75% of global income is derived from 20% of the world's rich. The World Bank Indicators continue to show that at least 80% of the world's population lives on less than US\$10 a day and over three (3) billion people of the world live on less than US\$2.50 a day. The United Nations' (UN) in their 2011, The Millennium Development Goal Report, states that in 2005 there were 1.4 billion people living in extreme poverty on less than US\$1.25 a day. It has been projected by UN that by 2015 there will be less than 900 million people living on a wage less than US\$1.25 a day. Statistics shows that the area with a high number of people living in extreme poverty is Sub-Saharan African and followed by Southern Asia. In the Democratic Republic of Congo, eight in ten residents live on less than US\$2 per day [2]. Seventy six percent (76%) of residents in India live below US\$2 a day, which accounts for more than 900 million people [2]. This situation indicates that countries with high population growth and with limited economic resources, will

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find it more difficult to reduce poverty.

In the year 2000, 189 nations made a pledge to reduce extreme or absolute poverty and also to lessen the various deprivations that poor people face every day [3]. The Millennium Development Goals (MDGs) was set up by the UN based on this pledge. The goal is to free people from extreme poverty situations by 2015. In 2010, UN once again reaffirmed itself to make fast progress towards the goals. The first MDG goal is to eradicate extreme poverty and hunger [4]. The three main targets of MDG1 refer to the population between the years 1990 to 2015. Its targets are to halve the proportion of people whose income is less than \$1 a day, to achieve full and productive employment and decent work for all, inclusive of women and young people and to halve the proportion of people who suffer from hunger [4], [5].

This paper aims to identify causes of poverty and suggest possible solutions or recommendations to reduce if not to eradicate extreme poverty. Firstly, the paper reviews on the definitions and measurements of poverty and followed by the discussion on various causes of poverty. Lastly, the paper concludes with few recommendations and discussion.

II. DEFINING AND MEASURING POVERTY

A. Definition of Poverty

The word 'poverty' in English has been derived from an old French word *poverté* or in Latin *paupertas*. According to the Oxford dictionary, poverty means "the state of being extremely poor and the state of being inferior in quality or insufficient in amount" [6].

However, in this paper, the UN and World Bank's definition of poverty is used. In 1998, UN described poverty in a statement as a violation of human dignity whereby humans are denied from having choices and opportunities [7]. The World Bank [8] delineates poverty as a pronounced deprivation in well-being and it encompasses various factors. People living in poverty might have low incomes and therefore unable to purchase basic goods and services necessary for survival with dignity. Poverty brings the poor to low levels of health and education, lack of clean water and sanitation, inadequate physical security, lack of voice, and insufficient capacity and opportunity to better one's life.

Another definition of poverty provided by the World Bank's Participatory Poverty Assessment (PPA), includes the perspective of the poor people themselves [9]. The poor have given five (5) perspectives on poverty:

- i. Poverty is complex and it consists of multiple components of facts.
- ii. Poverty is the deficiency in the basic need of human for

example food or shelter.

- iii. Poverty leads to the poor being exploited as they do not have a voice, are powerless and independence. This leads to being humiliated and sometimes inhuman treatment by others with power and status when they seek help.
- iv. The poor are deprived of essential infrastructure such as clean water, health facilities and education. In terms of education, it is highly valued but it is irrelevant in the lives of poor as they are more concerned about the deprivation of their basic needs.
- v. Poor people are more concerned of what they own than employment, and because they lack assets, they are therefore vulnerable.

B. Measurement of Poverty

According to Booth and Lucas [10] measuring poverty is important as the indicator will help to designate who is poor, how many people are poor [11] and identify the different types of poor people. So that different approaches can be used to help them. Likewise, Haughton and Khandker [12] also stated that the reasons for measuring poverty are to keep the poor people on the agenda of authorities, to identify the poor and implement, monitor, maintain and evaluate programs that are suitable for the targeted poor.

Generally, there are various ways to measure poverty. Summer [11] differentiates the poor by looking at their economic and non-economic well-being whereas, some look at whether the poor falls into the basket of extreme poverty or relative poverty. The measure of economic well-being takes into account the income of the people [11]. The advantage of this measure is that the data is quick to retrieve, easier to measure, and generally updated regularly [13]. The measure of non-economic well-being takes into account the indicators of education, health and nutrition, environment and, empowerment and participation in society [11]. These indicators are used to evaluate the well-being of the people on a longer term trend.

To be specific, poverty can be further defined in both extreme and relative terms. Absolute poverty means lack of the ability to meet fundamental human needs, for example food and shelter. Its indicator is in terms of a monetary threshold for example a poverty line of USD1 a day [14]. Extreme poverty may also be called as absolute poverty. Gordon and Spicker [14] continue to define relative poverty as poverty in terms of its relations to the standards that exist elsewhere in society. It merely says that one may be considered as poor if they earn much less than other people in their area of residence, but if compared to others in another society, they may not be considered as poor. Hence, it is not easy to quantify relative poverty.

III. CAUSES OF POVERTY

A. Corruption

The World Bank recognizes the harmful effects of corruption. It argues that the practice

“Weakens public service delivery, misdirects public resources, and holds back the growth that is necessary to pull people out of poverty . . . [Corruption] undermines the driving forces behind reform. . . Vital resources are siphoned off shore. Foreign investors turn away in frustration . . . [It] reduces public revenue, undermines public trust, and weakens the credibility of the state [15], p. xiv)”.

Renowned scholar Rebert Klitgaard [16] hypothesized that corruption is more likely to occur in an environment where officials have monopolistic control over state resources such as who can gain access to the resource. While the mechanisms for holding these officials responsibility for their actions are weak and this reduces private investment in that society. It is widely recognized today as a symptom of poor governance and a major obstacle to poverty reduction efforts which causes reduction in quality of goods and services available to the public [17]. While in the past, some scholars argued that corruption could increase economic efficiency in countries with burdensome regulations and dominant government role in the economy [18]. Corruption can have adverse consequences, both directly and indirectly, especially for the poor countries in South Asia, Indo China, Central American, Brazil and Africa [19].

Although, higher economic growth rate is associated with a higher rate of poverty reduction [20], but in reality the attitude of corruption slows the rate of poverty reduction, undermines economic growth, and the general welfare of the community [19] of that particular country. It can thus be expected that corrupt government are interested in private gains rather than in supporting the development of their own people and countries [21].

Public sector corruption is defined as the abuse of public power for private benefit [22]. Corruption refers to preferential access to public goods and services, gratuitous insuring of public procurement and contracts, illegal hiring in the public sector, bribery or grafting, abuse of official information, inconsistent application of rules etc [23]. The phenomenon leads to forfeiture of public trust. In many countries, money collected from corruption is used to finance political parties [22]. By undermining the purpose of government intervention into the economy, corruption is the main cause of government failure due to misallocated resources as caused by denigrating the country developmental objective [24] that leads to country poverty.

Among the factors found to increase corruption are low levels of law enforcements, lack of clarity of rules, transparency and accountability in public actions, too many controls that give too much discretion to the public officials, too much centralization and monopoly give to the public officials, low relative wages of public officials, as well as the large size of the public sector [25]. However, not all these factors would affect corruption all the time, but agreed that the larger the government sector, the lower the relative wage of the public sector and the lower the quality of the bureaucracy, the more widespread corruption is likely to be [25]. Country like Bangladesh and India face this public sector corruption especially in the police department, customs, taxation and the

national secretariat [26]. In Bangladesh and India, bribery is the most damaging form of corruption in the public sector. It has become a standard practice in most departments to bribe the concerned officials [27]. The set back of this bribery cause the department delaying decisions until payment is made which means it is the quantity of bribe and not the merit of the country development.

Due to the administrative excesses and arbitrary behavior, it would add to the suffering of the people. Hence, the people have developed fear and wariness about the officers because of the excesses they perpetrate on them and the way they abuse power [27]. Thus the overall quality of administration has deteriorated due to the abuse of power or double standard of rules imposed in each department. Not surprisingly, public officials are increasingly seen as unresponsive to public needs and lack of any moral and ethical values [25].

Besides, the price that society pays for all unethical practices like corruption in the public sector is considerable in terms of cost and inconvenience to the society. The impact of corruption is clearly visible in social, political and economic spheres. Thus billions of dollars have been injected by major international aid agencies as development and growth assistance over the years and nearly half a dozen five-year plans have been 'implemented', but countries like Bangladesh, India, and Central America has remained one of the poorest countries measured by most socioeconomic indicators [28]. Apart from public inconvenience and hassle, bureaucratic corruption and inefficiency are taking a heavy toll on the country's economy causing hundreds of millions of dollars worth of loss in terms of unrealized investment and income [28]. Especially in Bangladesh, an estimate shows that during the first six months of 2000 alone, a total of Tk 115.3 billion has gone missing in the public sector due to 1,345 corruption incidents in various agencies [28]. According to the estimation of the per-capita income in corruption-free Bangladesh would have been double of the current figure [29]. It is obvious, that corruption lead to the slowing down of the country economy and hindering the process of growth and development of the country. Corruption has social costs that tend to hit the basics of society destroying moral and ethical values.

Secondly, corruption in income inequality can be harmful to a country's growth [30], [31] by adversely affecting the economic growth, limiting poverty reduction and deterring investment into the country [20]. In other words, as inequality increases, so does the poverty level of the country. As income inequality increases, the rich have more to lose at fair political, administrative, and judicial processes but the rich also have greater resources that can be used to buy influence, both legally and illegally law making process [32]. The rich, as a class or as interest groups, can use legal lobbying and political contributions or bribery (grand political corruption) to influence law making processes. The rich, as interest groups, as firms, or as individuals, may use bribery or connections to influence law-implementing processes (bureaucratic corruption) and to buy favorable interpretations of the law (judicial corruption) [32].

Johnston, Gupta, Hendriks and Li [28], [33]-[35] argue that corruption increases income inequality through several channels. First, to the extent that corruption decreases economic growth and development, which is more likely to increase the income share of the poor than the rich, it increases income inequality and poverty level of the country. Second, as inequality increases there will be likely demand more extensive redistribution through higher level of progressive taxation [34], [36]. This leads to a bias of the tax system which is in favor of the rich. As the redistributive pressures increase, the rich correspondingly will have greater motivation to use political corruption to lower the tax rates and the bureaucratic corruption to further circumvent the collection of taxes. Thus, making the not effective tax system regressive [34], it places additional burden of the tax system and the pressure eventually falls disproportionately on the poor which lead to increase in the poverty level of the country.

For example in African countries, the notional tax system is not regressive [37]. However, corruption allows the rich and powerful to escape their tax obligations, hence the tax burden falls almost exclusively on the poor [37]. Corruption leads to the concentration of assets among a few wealthy elite that can influence public policy and increase income inequality. Because earning power depends, to some extent, on resource endowment (including inherited wealth), the rich are able to use their wealth to further consolidate their economic and political power such as trade policies, including exchange rate, spending programs and preferential tax treatment of their assets [34]. These policies will result in higher returns to the assets owned by the wealthy and lower returns to the assets owned by the less well-to-do, thereby increasing income inequality. Furthermore, the rich can use their assets as collateral to borrow and invest in business which will therefore lead to inequality in ownership of assets that will limit the ability of the poor to borrow to increase their lifetime income and will perpetuate poverty in income inequality [33], [38].

Fields [39] argues that the choice of development strategy influences income inequality as labor intensive development strategy leads to equitable distribution of income while the opposite is true for a capital intensive development strategy [38]. Large subsidies on capital result in a capital intensive development strategy, which increases income inequality [34]. In African countries, production decisions are highly influenced by an elaborate system of taxes and subsidies [37]. While capital is heavily subsidized, labor is taxed at a high rate with the result that businesses choose capital intensive technologies over labor intensive ones [37]. This policy of subsidizing capital is exacerbated by high level of corruption in most African countries. This strategy leads to low demand for labor, low wages; a strategy that effectively redistributes income from the poor to the rich since the subsidies are paid with taxes paid by the poor.

B. Education

Poverty is not only a problem of low incomes but it is a multidimensional problem that includes low access to

opportunities for developing human capital and education [40]. Due to the multidimensional problem, more attention needs to be focused on investment in human capital, particular in education as a means to increase earnings, quality of jobs and improving the quality of life [41] such as better utilization of health facilities, shelter, water and sanitation [42]. Statistically, the effect of schooling exists with rates of return as high 16 percent per year [43].

However, poor countries increase their poverty level due to lack of training skills, productive knowledge and transforms human beings into more valuable human capital [44] and education. Without proper training for the respective skills and knowledge in the work force such as read, write, communicate and be able to choose different alternative choices in more informed way would lead to low earnings and therefore increase poverty level [45]. For example in the United States 22.9 percent or 6.4 million people are without a high school diploma whereas only 3.6 percent or 2 million people have a college degree or higher [46]. Education yields attractive returns, comparable with alternative rates of return, both to the individual and to the society at large [45]. Without education it would not broaden the base understanding among people which would deter the democratic process which in turn could not pave the way to the promotion of sustainable development, through a better understanding of the intimate relation between environment, ecology and sustainable development. Thus, by strengthening democratic forces, education would help in promoting sustainable human development, making rapid social progress, including abolition of containment of the elite's discretionary power [47] and wider social equity.

Education can be a life empowering experience for all and what the poor needs most is empowerment. Thus, education serves at the same time both the constitutive and instrumental roles of development. While recognizing that the economic importance of education it would increasing incomes, reducing poverty level, increase development of the country and increase unemployment rates [48]. Education has a direct relevance of the well-being and freedom of the people, while its indirect role is through its influence on social change and economic production [49].

The features of education poverty include non-participation or low rates of participation of children in schooling, high rates of drop out and failures, low rates of continuation in schooling, low rates of achievement and finally exclusion of the poor from education. All these aspects of education poverty are closely related with income poverty [50]. Individuals without a high school degree in average experience unemployment rates that are around 3 to 5 times greater than with individual with college degree [51]. In other words, poverty is predominant among illiterates and it is almost a non-existent phenomenon among educated households.

Several studies on educational deprivation have also shown how income poverty causes education poverty [52]. Poverty and economic constraints keep many children from economically poor families away from school. Income poverty may force children to be out of school for various reasons and

thus they are denied the opportunity of participating in schooling [53]. A larger proportion of children from the poor families participate in low-wage employment yielding economic activities. Low-wage employment has limited benefits, poor working environment and shrinking wages which further lead to families in poverty level [52]. Over 29 million workers or one fourth (24.5%) of the workforce in the United States earns poverty level wages [52]. The poverty level wages at the market are US\$7.36 as compared to US\$18.07 for the total workforce [52]. In non-wage related economic activities like household chores and in activities that may relieve their parents or adult member of the household so that they can participate in wage-related activities. Therefore due to income poverty, very few achieve level of learning or proper education. In other words, employment alone does not prevent entry into poverty if the wages are too low [52].

C. Political Instability, Wars, Civil Wars

It is arguable that countries which are rich in natural resources maybe prone to civil wars due to "loot-seeking" activities. References [54] and [55] found that countries with both dependence upon primary commodity exports and a large diaspora significantly increase the risk of conflict. This has been a widespread phenomenon in Africa [56].

Although Sudan was officially split into Sudan and the Republic of South Sudan in 2011, the recent conflict in between the split countries occurred mainly due to ongoing disagreements over how to split lucrative oil revenues [57]. Oil, was once thought to bind the two nations together and prevent conflict because of oil fields in the South and the refineries in the North. But today, the same oil has become the reason of fuse between the split territories. Ironically, during civil wars, large amounts of resources are spent on weapons which could have been better used to alleviate poverty. Apparently, both the civil wars and poverty exist in an inextricable manner [58].

Elbadawi [58] suggested that by their detrimental nature, civil wars lead to poverty mainly due to destruction of capital, displacement of people and increased insecurity. Civil wars can be disruptive to capital or transactions-intensive activities such as roads, production of manufactures, or financial services [56], [59]-[61]. They can divert expenditure and the nation's resources from economic services to the war efforts and they can divert portfolios from domestic investment into capital flight.

The civil war and genocide that happened in the 1990-2000 period in Rwanda also caused economic impacts on the country's provinces. The wars resulted in more than 60% of its 8 million people living below poverty level.

A report by an international group of human rights experts documented the disruption in agricultural production and in the lives of northern villagers. Before the war, relative to other regions in Rwanda, these Northern provinces were areas of surplus production providing potatoes to the rest of the country [62].

Consequentially, Justino and Verwimp [63] discovered that these previously richer provinces had then experienced lower,

even negative economic growth compared to the poorer western and southern provinces. Also, they found that households whose house was destroyed or who lost land encountered a greater risk of falling into poverty.

D. Natural and Geographical Characteristics

Many countries are inherently poor due to their geographic characteristics that predispose them to weak economic growth. For example, most Africans live much inwards from the sea coast or navigable rivers than in other regions and hence face higher transportation costs for exports. Furthermore, much of the population lives in countries which are landlocked. Also, these problems of distance are compounded by political barriers.

Mainly, the landlocked countries are surrounded by national borders on all sides. This may constitute an irreducible barrier to trade even if they have good relations with their neighbors. Nevertheless, African nations appear to have more ethnic diversity than other poor nations of the world, which may make it harder to develop an interconnected economy. Typically, growth regressions find that being landlocked reduces a nation's annual growth rate by around half of 1 % [61], [64].

Besides, much of the Africa continent is tropical and the slow economy growth of this continent is due to "the curse of the tropics" [65]. Notably, Africa's adverse climate causes poor health. The life expectancy has historically been low. Even with the population in a high-fertility, it is equally offset by high infant-mortality [66]. This is partly caused by tropical diseases such as malaria.

The adverse climate also leads to leached soils and unreliable rainfall. Five million to 12 million hectares of land are lost annually to severe degradation and that soil degradation affects 65 percent of African croplands and 40 percent of Asian croplands, in part because of nitrogen and phosphorus losses [13]. Much of the Africa continent is semi-arid, with rainfall subject to long cycles and unpredictable failure. Soils derive disproportionately from a very old type of rock, which is low in micronutrients and varies considerably between localities. Since the 1960s, the semi-arid areas of Africa have been in a phase of declining rainfall [68]. While there are no estimates of the output consequences of this decline, it may be significant, since agriculture is typically about one-quarter of GDP in this region. Given the lack of irrigation, the unpredictability of rainfall implies high risks in agriculture [64]. This has created a hostile condition that restricts agricultural activities.

Other than that, country such as Ethiopia suffers from famine as a consequence of continuous drought throughout the year. According to the World Food Programme, there are at least 14 million at risk because drought decreases food production in that country. Besides, about one third of the Bangladesh gets flooded during Monsoon season each year which has seriously hindered the agricultural activities. The country also suffers from natural disaster such as drought and hurricanes which cause to properties and life losses. Given their geographically unfavorable situations, these countries are in fact standing on a disadvantage route to escape from poverty trap.

E. Ineffective Governance & Government Policies

Most African governments have been undemocratic for much of the post-colonial period. The median African government during the 1970s and 1980s was close to autocracy. The ineffective local governance and government policies seem to prevent the chronically poor from escaping the poverty trap [67]. A typical pattern is that governments are controlled by the ruling elites, educated, urban resident population who are resistant or indifferent to pro-poor policies [69]. These political elites use their poor as hostages to personally benefit from aid resources and debt relief [70].

Besides, most of these governments tend to expand the public sector, while imposing wide-ranging controls on private activity [64]. These decisions have been economically costly. For example, in Ghana by the late 1970s the public sector accounted for three-quarters of formal wage employment [71] and even in a more market-oriented economy like Kenya, the figure was 50 percent as of 1990 [72]. Essentially, due to the lack of democracy, neither were they accountable to the broader public. As a result, this has lowered the quality of public services despite relatively high public expenditure [73]. Poor service delivery handicapped firms through unreliable transport and power, inadequate telecommunications networks, and unreliable courts.

For example, manufacturing firms in Zimbabwe need to hold high levels of inventories, despite high interest rates, due to unreliable delivery of inputs tied to poor transportation infrastructure [74]. A survey of Ugandan firms found that shortage of electricity was identified as the single most important constraint upon firm growth; indeed, the provision of electricity by firms for their own use was almost as large as the public supply of electricity [75]. The poor state of African telecommunications was estimated to reduce African growth rates by 1 percentage point [76].

African commercial courts are more corrupt than those in other regions [77]. As a result, firms face greater problems of contract enforcement. The problem of contract enforcement thus makes markets less competitive and reduces the potential gains from trade.

African governments built various economic control regimes. A few nations, such as Ethiopia, Angola and Tanzania, had wide-ranging price controls under which private agents have an incentive to reduce production—at least officially marketed production. More commonly, firms were subject to considerable regulation. For example, for many years manufacturing firms wishing to set up in Kenya had to acquire letters of no objection from existing producers, which resulted in a predictably low level of competition [64].

In recent decades, African governments adopted exchange rate and trade policies which were atypically anti-export and accumulated large foreign debts. On a range of indicators, Africa has had much higher trade barriers and more misaligned exchange rates than other regions [78], [79]. Tariffs and export taxes were higher in Africa than in other regions of the world, partly because of the lack of other sources of tax revenue to finance the expansion of the public sector. Exports were

sharply reduced as a result of export crop taxation. For example, Tanzanian cotton exports would have been 50 percent higher in the absence of taxation [80].

IV. ERADICATING POVERTY

The possible solutions for poverty depend on what is causing it, and this can vary with time and place. Poverty is not easy to be solved and the long history of anti-poverty measures has often been of failure, but successful action on poverty reduction is possible to cut the large numbers of people who are still living in poverty.

A. Preventing Corruption

1. Strengthen Democracy's Transparency Pillar

One of the important elements of democracy is transparency. Hanlon and Pettifor [81] have suggested few methods to tackle corruption to promote democratic and transparent procedures between donor nations and their creditors as follows:

- i. Restore justice in which international creditors play the role of plaintiff, judge and jury, in their own court of international finance.
- ii. Introduce discipline in sovereign lending and borrowing activities to prevent future crises.
- iii. Introduce accountability to counter corruption in borrowing and lending activities for both creditor and debtor nations.
- iv. Strengthen local democratic institutions and empowering them to decide and influence inappropriate policy/rules.
- v. Encourage greater understanding and economic literacy among citizens to challenge and express dissatisfaction those responsible of wrongdoings.

2. Improve Government Budget Transparency

A trusted government is likely to result in a positive political and economic development for the countries. The International Budget Partnership (IBP) is an organization that looks at public budgets by governments around the world. The reports are produced every 2 years. Transparency and accountability of the budgetary process for a number of countries around the world are evaluated and ranked accordingly. The importance of budget transparency is as follows

- Making budgets transparent with adequate checks and balances can enhance the credibility of policy decisions. This will avoid corruption and wasteful spending.
- Budget transparency is importance to many of the international development discourses such as climate change mitigation financing, Millennium Development Goals, accounting for the sale of natural resources and international aid given to developing countries.

3. Public Awareness

In India, few high profile corruption cases, such as the illegal award of contracts for the 2010 Commonwealth Games have flooded the mainstream press. This form of publicity/awareness has resulted in citizens being more critical of government actions. A strong growing anti-corruption movement has also

emerged, with people such as Anna Hazare capturing the imagination of many [82]. Hazare vowed to fast to death with the aim to tackle corruption [82]. His non-violent civil disobedience has created a mass of followers. Nepal has also seen mass demonstrations, inspired by Hazare's protests in India. The people from various backgrounds have held public fasts against corruption and pressed the new government on post-monarchy reforms. Various organizations from public in African countries have united to protest various African governments of setting up off-shore tax havens. Tax-havens are seen as a tool to hide corruption and undermine democracies. Inspired by the rise in protests in Spain following the 2008 global financial crisis, many movements in Brazil have seen the rise in action against corruption using social networks and technology to help organize as mainstream media avenues is not accessible for most citizens.

B. Education

Literacy programs are needed for the poor. The reducing of poverty can only be done through actions of education development assistance and financial contribution from wealthiest countries in education development. The fight against poverty and the promotion of an equal education must become a priority for all especially the governments. Development initiatives should be in the form of cooperation to transfer skills to targeted population.

Quality education is most critical solution so that they can help themselves to come out from poverty circle. Priority must be given to children aged 6 and below so that the habit to learn and develop study technique can be instilled, and thus have a greater chance to perform and excel in the elementary, high school, and college years. What children learn before the age of 6, have long lasting impact in their minds and hearts. This will help to shape their characters and personalities the most. In addition to quality basic education, secondary and higher education, vocational training, and skill acquisition throughout life are indispensable tools to eradicate poverty.

In Tanzania, the Tanzania Development Vision 2025, for example, has identified education as tool to transform a low productivity agricultural economy into a semi-industrialized. Agriculture needs to be modernized for increased productivity and profitability, innovation in agro-processing, technology innovation, and upgrading the use of technologies for value addition. Apparently, the promotion of education in science and technology in Tanzania has promoted growth and the reduction of poverty. Subsequently, with a critical mass of high-quality educated people at different levels, it can effectively respond to the sustainable development challenges of nations [83].

C. Political Instability, Wars, Civil Wars

Low national income per capita increases the risk of civil war [84]. Low income per capita also tends to prolong existing conflicts, and that a decline in per capita income can make more countries vulnerable to civil conflict. Because civil war impairs economic performance, exacerbating poverty, poor countries

that experience conflict are at risk of getting stuck in a conflict trap [84]. The overall and crucial policy recommendation to reduce conflict risk is needed to spur economic development and reduce poverty in developing countries, especially in the poor states. Policies that increase per capita income in the poorest countries will reduce their conflict risk. Ultimately this will reduce poverty level of the involving country.

D. Natural and Geographical Characteristics

Drought is one of the main contribution factors why millions of Africans are hungry [85]. As a result, almost 30% of the Malawi's citizens need donated food to fend off malnutrition. In Zimbabwe, at least four million need emergency food aid. Zambia's government has requested an urgent appeal for food, as 1.7 million are hungry; 850,000 need food in Mozambique, 500,000 in Lesotho and at least 300,000 in Swaziland [85].

In reducing the impact from natural and geographical factor, the World Food Program for example, plays an important role to feed most of the needy population. The World Food Program has asked the developed world for \$400 million as fund to feed the needy population. The United States as main contributor has bought corn from American farmers and supply to the World Food Program.

International or foreign aids, scientists and policymakers also need to help smallholder farmers increase their productivity, adapting and mitigate climate change. An innovative approach of water resource management in Syria, for example, has been introduced and expected to benefit 18,000 people hit by a long drought. Beginning in 2009, the Government of Syria, Spanish Development Agency and UNDP began rehabilitation of Roman and Arab built wells that were constructed some 2000 years ago. Ninety-five wells were surveyed and at least 35 have been upgraded. In addition to that, well rehabilitation involves cleaning and pumping out stagnant water, widening and deepening wells to increase water capacity and analyzing water quality also have been done to address the problems.

Innovation of agricultural system for adaptation such as farmer production practices, market approaches, technological and policy innovations is also important to adapt to the natural and geographical factor [85]. New crop varieties that can better withstand drought, water-logging, increased crop diseases and pests are also needed. Agricultural integrated value chain such as easy accessibility to finance, weather crop insurance, crop storage and accessibility to local and regional markets are also needed to improve or increase the income of the population.

Most of the farmer farms the land continuously, resulting in fertile farmlands are decreasing. The individual farmers have limited knowledge and accessibility to use fertilizer to sustain plant growth. Therefore, technical and financial assistance must be given such as, appropriate tools and support, skills and knowledge, so that productivity of the land could be increased and sustained [85].

E. Ineffective Governance & Government Policies

Responsible governance of developing countries is needed to

reduce or eliminate the poverty. Important policy introduction in the developing countries such as debt relief, increased market accessibility, improved incentives for private sector development, increased foreign direct investment, sustained support for civil society especially underprivileged, free press, women's rights etc., are needed to prevent and eventually will help towards eliminating the poverty.

1. Creating a Framework for Economic Growth and Transformation

The government must be committed to providing economic policy incentive for promoting private sector investment and increase foreign direct investment to reduce poverty such as, containing inflation rates to single digits, controlling public expenditure within available financial resources and maintaining a fair foreign exchange market. The government must also commit to public expenditure and ensure that money spent is targeted at improving the welfare of the poor [87].

2. Ensuring Good Governance and Security

The government must ensure that the issues of conflict resolution, human rights and security of life and property are protected [87]. Specific attention must also be given to accountability and democracy as necessary facets of good governance and security.

3. Increasing the Ability of the Poor to Raise Their Incomes

The government must also be committed to ensure that the public has easy access to market information, accessibility and infrastructure. The construction and maintenance of a good road network is required for market accessibility of agriculture from rural and remote areas.

The process of building the country's infrastructure also contributes to poverty reduction by creating employment in the rural areas. The government needs to promote secure access and rights to land, credit markets and promotion of improvements to land [87]. Subsequently this will increase productivity and transform the agriculture development.

V. CONCLUSION

Poverty has resulted in individuals not having choices and opportunities to get fundamental needs for survival including food, shelter and clothing. Subsequently, they are unable to participate effectively in society towards development of a strong community as they lack these basic capacities. It leads to insecurity, powerlessness and exclusion of individuals, households and communities. The main causes of poverty are corruption; education; political instability and wars; natural and geographical characteristics; and ineffective local governance and government policies. The fact that poverty is quite multi-dimensional and varies from place to place and from society to society, it is important to identify the causes of poverty. The most appropriate solving method perhaps is to examine the dimensions highlighted by the poor from respective location. The root causes of poverty faced by the community need to be identified, so that the efforts to eradicate

poverty will give sustainable progress.

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