

Complete transcript

of

“The End of Poverty?”

*Written and Directed by Philippe Diaz
Narrated by Martin Sheen*

Narrator

In the world where there is so much wealth, with modern cities and plentiful resources, how can we still have so much poverty? Where so many people must live on less than one dollar per day. Where entire families live in one small room in squalid informal housing settlements, far away from skyscrapers and city centers, where they do not have the means to take care of themselves.

Amartya Sen *author/Nobel Prize, economics UK*

Hobbes's statement of life being nasty, brutish, and short is a characterization of poverty. There is no reason for us to take any different view than that. It is a question of understanding what it means in today's context, given the fact there are means of enhancing wealth, means of curing illnesses and postponing death, means of making our life comfortable. Given all that, if people still suffer from deprivation, well then in the present context, we have to regard that as poverty.

Luciana Vanderlei and Husband *Recife, Brazil*

Luciana: My husband has been unemployed for 5 years. Now to survive, he is selling bottles of mineral water in the streets for 1 *Real* each [\$0.50].

Husband: I used to have a job delivering gas, but they started to cut the personnel and staff. Now, I am here making a living any way I can.

Luciana: In the past we did not live here. We lived by the beach. But because of an accident, my little girl passed away at only 9 months; we had to beg for money to bury her body. Since he has been unemployed life has been very hard. We look forward to the time when we are not struggling to bring food home. If you have children, you have to fight to feed them. When they are hungry, they have to eat.

*Luciana and family live in a one-room basement without sanitation,
and they sleep on the floor.*

WHY GLOBAL POVERTY?

John Perkins *author/economist, USA*

At least 24,000 people die every single day from hunger and hunger related diseases, and that does not need to happen. We have plenty of resources so that should not happen. It happens because of the system we have created. We can say, without a doubt, that this system is an absolute failure. From the most rational, objective, economic standpoint, it is a failure. Less than 5% of the world's population live in United States. We are consuming over 25% of world's resources and creating roughly 30% of its major pollution. That is a failure

Narrator

Where do we have to look to understand how it all started? Where some started to become rich and others poor?

Eric Toussaint *author/President CADTM, Belgium*

I think there is a key date: 1492. This was the start of an extremely brutal intervention by the Europeans, on what is now known as the people, of the Americas. From that point on we can talk of globalization, because during the 16th century, almost all of the continents are connected together by brutal European domination, which spread progressively to Asia and Africa.

Edgardo Lander *professor/historian, Venezuela*

The construction of this global colonial system took 500 years. The capitalist system and modern times started at the moment of the Conquest, the colonization and the submission of the people of the Americas by the Spanish and the Portuguese. At that moment, a very systematic and permanent process started, which took 500 years, one of expropriation of resources and at the same time, colonization of the land and people.

Narrator

The men who would be known as the conquistadors and the colonizers came from Spain and Portugal and later from the United Kingdom and Holland. They stole all the riches of the Incas and the Mayas—all the gold and silver, religious artifacts and jewels—and then started to confiscate the land, which destroyed the natural economy of the people. Such a practice had started long before in Europe, where the upper classes seized communal land from the poor families, thus depriving them of their livelihood.

H. W. O. Okoth-Ogendo *author/law professor, Kenya*

When the British came, towards the end of the 19th century, their

concern was to justify expropriation of land which did not belong to them. The way they did it was to use their own legal system. They did this, precisely, through an advice that was given to the colonial government on the 13th of December, 1897, that said that, in countries where there is no settled form of government, the land belongs to the Queen of England. Having declared that there was no settled form of government, they appropriated ultimate title to the land. They passed laws that said so, and then they were able to give settlers freehold interests, 999 year leases and other forms of leasehold.

Miriam Campos *Ministry of Indigenous People, Bolivia*

A few families own large quantities of land which do not produce anything, and in the meantime the indigenous people cannot use their own land. The reason is that by law, each head of cattle is allowed between 5 and 50 hectares of land. For one head they can justify 50 hectares of land. These are unproductive lands that have been "engrossed." It is a case where someone can profit from the land without producing anything. These are *latifundios* [large land tenures]. Major *latifundios* come from colonial times and have been perpetuated by the system

Narrator

Land was confiscated and appropriated by the conquistadors and the colonizers throughout South America, Asia, and Africa, either by force or by imposing taxes on heads and huts that the people could not pay. Today, more than 500 years later and dozens of years after the independence of their countries, people still do not have their lands back, which are still in the hands of large landowners and transnational corporations.

Joseph Ole Kishan *Maasai Tribesman*

We are Maasai people and our livelihood depends on raising animals. Livestock like cows, goats, sheep. We do not know any other way of living. Even before the colonial power came and ruled Kenya, we were living on this land. The Maasai were forced out of the Kinango Valley, to the Rift Valley where we now live. But we came back because this land belongs to us. Upon independence, our land was given to powerful people in the government. Two kinds of British came to Kenya—the ones with guns to kill and steal the land, and the ones with a Bible to deceive.

In Kenya, at the end of colonial times, the white 1% owned about 50% of the arable land.¹

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Mashengu wa Mwachofi *former parliamentarian, Kenya*

By becoming a British colony, you actually became a property, both the country and the people. And, if you look at history, the natives were not recognized as human beings. So, all of you are total property of the Empire. In the particular district I come from, the natives refused to work on those plantations. And if they did come to work, they would come on their own time. Sometimes, they would not come. So, that is why you introduce labor laws through the “*kipande* system.” The *kipande* system is a system of registration, where every male, the moment you turn 16 you have to have a labor record, and that is the one that is used for ensuring that all male laborers would work, and that is why the colonial labor laws really were slave laws.

Miriam Campos *Ministry of Indigenous People, Bolivia*

In fact, now in the 21st century, we still have families that are captive. We call them “captive” or “retained” but in fact they are slaves. This is the real world. They are slaves, because they do not receive any pay for their work. They have debts that they transfer from generation to generation. They cannot even leave the farms because they are indebted to their bosses. And it is not only individuals but whole families. The children work. They do not go to school because they have to work. Work in exchange for what? Nothing, only food.

Narrator

Having had their natural economy destroyed forced the people to work for their new masters. It is estimated that today 60 to 80 million people still live in slave-like conditions all over the world. They work sometimes with their families in rural areas on plantations and in mines, as well as in cities in exchange for food and shelter.

Maria Luisa Mendonça *Rede Social President, Brazil*

Sao Paulo is the largest state that produces ethanol in Brazil and at the same time it is the richest state. And, just to give you an example, last year 17 workers died in the space where they work—they died of exhaustion. Another 419 workers have died in consequence of their work, in addition to several cases of slave labor in the sugar cane workers that the Ministry of Labor has registered.

Jaime de Amorim *Coordinator, Landless People Movement, Brazil*

The grower sees the worker as a slave. They have not rebelled, so today

growers have a much easier way to accumulate wealth than during slavery. Back then, the boss was the slave's owner. He had to take care of the slave's health and food; he had to take care of shelter even if it was the slave's quarters. Today the boss has no such concerns. He just has to drive the truck to the outskirts of the city; the truck loads up, he takes them back. No more worries. Once the cutting is done, the worker, who lives on the outskirts, has to find another way of surviving, selling popsicles or popcorn. Kids go into prostitution, into drugs; they go find other alternatives in the world of crime.

Cane Cutters *Pernambuco State, Brazil (15:00*)*

Antonio: We were given a lot of promises before we came here. We would be given everything we need: bottles, boots—a complete set. But when we got here we did not find anything. We have to wake up at 1 a.m. without even a fire. There are only four fire burners for 80 people to cook with. We need to wake up at 1 a.m. to fix breakfast; if not, we do not have breakfast.

Edinaldo: The water we use has rust in it. We take a bath today, tomorrow we are sick.

Antonio: The equipment came bit by bit. The hat first, then came the boots and even now, some work barefoot because they did not get the equipment.

Edinaldo: I have been working here for four months. They took my work permit and did not return it to me. I talked to a lot of managers who kept lying to me, without returning my permit.

Antonio: By the time we get here it is 3:30 a.m.; some get here at 4:00 but usually we arrive from our sheds at 2:30 or 3.

Edinaldo: To get a daily wage, we need to cut 40 bundles, or 32 when the cane is as hard as this. If we do not do it, we do not get paid.

Antonio: We make 12 *Reais* and 34 cents per day [\$6.50].

Edinaldo: They do not pay us well here. They pay us but rob us of half.

Antonio: What we eat is cornmeal, the meal of the poor; sometimes a cookie, when we bring one, buy one, and beans.

Edinaldo: I have 6 children. What I make here, if I eat it all, I go home with nothing.

Antonio: The problem is as follows: whoever gets land, gets a home.

* This time code has been inserted in the transcript every fifteen minutes (approximately) to allow readers to find segments on the DVD.

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Because these days, the poor who do not have a place to live, are the poor that beg. Got it? These days the poor who have a place to live—a room to sleep in, without rent to pay—can be considered rich.

Edinaldo: Working like this is no way to make a living. That is why this world is infested with thieves. That is why we have killing unemployment.

*Edinaldo has been a cutter for 17 years making an average of
\$27.50 per month.*

William Easterly *author/professor, USA*

Colonialism had very negative consequences—lasting consequences—that we still see today in countries that are poor. And colonialism is one of the big reasons that poor countries are still poor. It left a legacy of violence, the most obvious example of which is the slave trade. Millions of Africans were captured, kidnapped, and taken across the ocean under horrific conditions to be slaves for the colonial powers

Michael Watts *author/professor, USA*

I think we have to start from what the prerequisites of capitalism are. Capitalism cannot operate without free labor. Labor is a key cost of production. So, to the extent that what we are talking about here is an expansionary capitalism, it will always be looking for those circumstances.

The gap between the richest and the poorest country was:²

3 to 1 in 1820

35 to 1 in 1950

74 to 1 in 1997

Narrator

The European empires were built on riches stolen from the colonies and on cheap or free labor provided by the slaves. The gold mines of Brazil and the silver mines of Bolivia, like Potosí, provided the European empires with the initial capital needed to start and finance their industrial revolutions. The fortunes created were so huge, that the hill of Potosí was soon represented as the Virgin Mary in religious art. The Pope himself gave Africa to the Portuguese crown and South America to the Spanish. But the Spanish empire was so indebted because of its holy war against Islam that these riches benefited its creditors in northern Europe instead.

Edgardo Lander *professor/historian, Venezuela*

The transfer of resources that happened at that time was mainly of gold and silver, but also of the so-called “precious vegetables.” Above all

sugar cane was the main reason for the accumulation of wealth that took place in the Netherlands and the United Kingdom. Such extraordinary wealth became the starting point for the English colonial project.

Eric Toussaint *author/President CADTM, Belgium*

Holland was a country of one million people, in a very unfavorable area with no natural resources. The theory of the neoclassicists and of the neoliberals is that if an elected people, driven by Protestantism, in very adverse conditions, can become one of the planet's richest, it means that they have adopted an economic system superior to others. What we are not told is that the Dutch were barbaric in the way they exploited their Asian colonies, and that they took from Asia everything they could. It is on the trade of products they were importing from Asia that they accumulated fabulous wealth. That is why at some point Amsterdam became the world's financial center, before that status was transferred to London.

Narrator

In Bolivia, in the bowels of the richest mine in South America, the miners of Potosí have built a museum to honor the memory of their ancestors and their loss.

Pedro Montes Coria *Miner, Bolivia*

There was a law that was imposed back then which was terrible for us which was called *La Mita*. *La Mita* forced people to work inside the mine for 6 months, without going outside. Which means for 6 months they had to sleep and eat inside the mine without going outside. It is why so many people died working in the mines. There is a writer, Eduardo Galeano, who said that, with all the silver that was taken out of Potosí, that was taken out of this hill, it would have been possible to build a bridge from Potosí to Spain. So imagine how much silver came out of this mountain. He also said that another bridge could have been built from Potosí to Spain with the bones of the people who died in the mines. According to history it is more than 8 million people—more than 8 million died here. Since they did not have dynamite back then or much technology, manual labor was very important. That is why the Spaniards started to bring black slaves from Africa, to work in the mines. They had huge problems with the altitude, the cold, hard work, and malnutrition. So the Spaniards decided to move these black slaves to the plantations around La Paz, where they produced coca leaves and fruits like bananas and oranges, as well as rice and coffee.

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From 1503 to 1660, Spain took enough silver from the New World to multiply European reserves by 4.³

Eric Toussaint *author/President CADTM, Belgium*

The Europeans, joined early by the North Americans—and later, during the 2nd half of the 19th century, by the Japanese, who themselves became an important colonial power that was very destructive in Asia during the 20th Century—together became during the 2nd part of the 19th century what we call the “Triad,” meaning Occidental Europe, Japan and North America. They start to dictate to the rest of the planet the rules of the game and impose an economic model that is capitalism.

Alvaro Garcia Linera *Vice-President, Bolivia*

First we inserted ourselves in the world market and the expansion of capitalism across the entire planet, as countries that export their financial gain. Because of colonialism, the riches generated either by human effort or from natural resources are not retained in the country, but are exported, sent to the outside. Sadly, colonialism is always part of the expansion of capitalism.

Narrator

To maintain this level of wealth extraction, the conquerors needed to keep their colonies in a state of dependency. They assigned a function to each country or region as the producer of certain minerals or a certain crop like tea, coffee, cacao or sugar cane that could be exported back to the mother country. This imposed monoculture plunged these countries into a locked economy and into a state of total dependency. The survival of their people now depended on the good will of the motherland from which they had to import food. The consequences of that practice can still be seen 500 years later.

Nora Castañeda *Women's Bank President, Venezuela*

Independence did not bring economic liberation. We stopped being a Spanish colony to become a British one, and then a colony of the United States. During the entire 19th century, Venezuela continued to be an exporter of coffee and cacao. At the end of the 19th century, the second worldwide industrial revolution took place. It was known that oil existed in Venezuela because when the conquistadors arrived they saw the natives using oil as medicine and to repair their boats. Venezuela became much more important. We stopped being an agricultural country and became an oil-mining one.

Maria Luisa Mendonça *Rede Social President, Brazil*

Our government needs to stop thinking of Brazil as a colony. You know, the policies we have right now are the same as we had in the period of colonization. You know, over and over in history, the function of Brazil in the international economy was to produce cheap goods for the North. Before, at the beginning was sugar, now we are back to the sugar cane production, then it was coffee, then it was gold. You know, we are always producing cheap basic materials for the North.

Joao Pedro Stedile *Landless Movement Leader, Brazil*

It means that the natural resources from Brazil and in fact from every country—should be used to solve the problems of nutrition of their own people, given that in Brazil we have 50 million people starving every day. And we continue to import milk from Europe, rice from Thailand, and other staple food from Argentina, Uruguay and Chile. It is a shame for the poor people of Brazil.

Venezuelan Farmer *Vargas State, Venezuela*

I am the head of a family of 8, my wife, 5 children and 3 grandchildren. The girl needs medical attention very often. She needs a special school, and where we used to live, it became impossible, because my whole life I worked and lived in agriculture. We were able to get this little piece of land over here, and little by little, I struggled to build this little house, and we started to plant fruit trees around. I have been working in agriculture for 47 years. Of these 47 years, I have been persecuted for 40 of them, because, indeed, we were persecuted by the same people in the government who would send the guards and other groups from the government. I have a lot of neighbors and colleagues who work in agriculture and who were thrown in jail like criminals for up to 48 days, for just working the land. I am telling you, we used to have 600 families here, and now only 6 remain. [The government] wanted to get rid of everything that we grew here and replace it with imports.

In Latin America, the richest 1% of the population receives over 400 times as much income as the poorest 1%.⁴

Narrator (30:00)

Having obtained natural resources and free labor, the Europeans now needed to create new markets for their own production. They separated agriculture from industry, thus preventing the farmers from making their own tools, clothes, and other utensils and transforming them into commodity

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buyers. All existing industries were destroyed and the colonies were forced to buy manufactured goods and equipment from their colonial masters.

Eric Toussaint *author/President CADTM, Belgium*

The Dutch destroyed the Indonesian textile industry and built a textile industry in Holland. Same for ceramics. The textiles and ceramics that we are told are Dutch are in fact made with techniques they took from Indonesia, specifically from Java. They brought them back to Holland and built a wealthy industry.

Serge Latouche *author/professor, France*

Destruction of political structures, destruction of social structures and of know-how, as well. I am thinking of the destruction of Indian craftsmanship, and Marx's famous statement describing the Ganges Plains, "whitened by the Indian weavers' bones."

Eric Toussaint *author/President CADTM, Belgium*

It is very precise that in the 18th century the Indian textiles were of a much better quality than those of the British. The British destroyed the Indian textile industry and prevented merchants within the British Empire from importing fabrics and other manufactured products from the colonies. Therefore, everything was produced in London using Indian techniques and such textiles were imported from London and forced upon India. It is a case of exploitation, a case of plundering and of destruction of what existed there.

Serge Latouche *author/professor, France*

We destroyed the social structures and we also destroyed livelihoods. I spoke earlier of Indian weavers; it is clear that in India, if one looks at the appearance of famine, it corresponds with the destruction of craftsmanship structures, of peasants' land tenure and with land reforms imposed by the British.

Kipruto Arap Kirwa *Agriculture Minister, Kenya*

Those challenges are still there. Some of the [British] settlers, when they moved from this country in 1964-65, up to 1970, now, they benchmarked [reestablished] the operations in Europe, and, therefore, we became the producers of raw materials, and they were now the agents for marketing and processing. Therefore, all the value-addition of our crops was done away from Africa. Because, like roasting of coffee, just to pick that particular

crop, is done away from Kenya. In fact, you are aware that Germany, which does not have a single bush of coffee, is the largest exporter of coffee. Tea is the same. The tea that you consume in Sudan, you take it first to Europe, then, Lipton brings it back to Sudan and a number of other countries in northern Africa, and a number of other countries.

Clifford Cobb *author/historian, USA*

One of the legacies of colonialism is that the poor countries of the Third World are continuing to export raw materials and the countries of Europe and North America produce and export finished products. This stems from a practice that was developed long ago, and the intention was to make sure that the countries of the Third World remain backward and remain dependent and are never able to develop. So to this day they are continuing to survive on the export of raw materials. That has always been to the disadvantage of the country exporting the raw materials, and it gets worse each year.

Since 1960, Third World countries have suffered a 70% drop in the price of agricultural exports compared to manufactured imports.⁵

Narrator

The main legacy of the colonizers was the change in mentality, religion and culture. They came with a Bible in one hand and a rifle in the other, preaching the exclusivity of salvation and imposing Christianity by force upon all, destroying every indigenous religious item they could find.

Eduardo Yssa *Cochabamba community leader, Bolivia*

Talking about colonialism, to remember this still hurts. From that point on, we forgot our culture, and our language, verbal and written. The Aymaras existed way before the Incas; we had a very different culture and even our own writing we called *Kipus*. And now, all has been lost. We do not have it anymore. It was stolen from us. And for what? For what purpose were we robbed? To make us submit to their whims and be their servants.

Serge Latouche *author/professor, France*

The most important consequence, going back to one of the forms of colonization which was the religious conversion, the work of missionaries, was mental colonization, the colonization of the mind: the imposition of a culture, a cultural imperialism, which led to the destruction of psychological frameworks, like the concept of time and space, which, in these societies, resulted in a loss of the sense of self.

WHY GLOBAL POVERTY?

Narrator

The conquistadors and the colonizers introduced the concept of superiority in terms of race and culture, in which the indigenous people were considered objects destined by God to slave for the white man. This created millions of marginalized people who still today have not recovered their place in society. During colonial times, no equality would be tolerated between the white man and the colored one, either in church or in state. Even today, while a mass is celebrated in the Cathedral of Sucre, the former Bolivian capital, the old indigenous people who dare to enter will sit on the ground. At the same time, in the next-door chapel built for the indigenous people, a local band tries to recapture their lost culture and traditions. The belief in a collective form of social organization was the indigenous people's best protection against a commodity economy, something for which they had no desire. They believed in communal property and public utility where the assets of the group were shared by all. This is precisely what the Europeans had to replace with the concept of individualistic interest, which drove the expansion of Europe.

Clifford Cobb *author/historian, USA*

A part of the purpose of Europeans in the early age of exploration was to take Christianity to people around the world. At the same time this was developing, a new form of Christianity was emerging that was very individualistic, and this was closely associated with an individualistic view of property. There had always been some element of private use, of individual families using property, but it was always tied to some communal affiliation. With the modern idea of private property, it meant that someone could use property without any obligation or any reciprocal relationship to community. You owned it, you could use it any way you wanted and you did not owe anyone anything. In a sense, this was a system of everyone for himself and you could say this is the beginning of capitalism. So during this period we have a marriage of a religious idea of individualism with the idea of individualism in owning private property.

Amartya Sen *author/Nobel Prize, Economics UK*

You may not be able abolish poverty and usher in the golden age by just saying, "Just eradicate private property, and everything will be all right." That will not work, and you have to recognize that it will not work. The temptation to go in that direction may have to be restrained by realism, but at the same time it is important to understand that those who are asking for

that were not asking out of a fad. They had a real issue in mind, that inequality of property and ownership is a cause of inequality of divided fortunes in our lives.

The richest 1% of the world's population owns 32% of the wealth.⁶

Narrator

The accumulation of resources in the northern hemisphere created this huge imbalance, making the North extremely wealthy, allowing Europe to develop its industries and to create consumer societies, while people living in the South became destitute, only able to watch their natural economy being destroyed and replaced by a commodity economy.

Michael Watts *author/professor, USA*

The preconditions for capitalism, the labor and market and strategic resources, are all about the process of "primitive accumulation." You have to dispossess in differing ways to do all of those things. You can only get someone to work in a factory if they do not have access to land. That is a dispossession. Something can only become a market if it is taken out of a non-market context. Something has to be bought and sold. It can only be a strategic resource precisely if in fact you explore that resource. Primitive accumulation is not something that happens once. It happened in this way, under specific circumstances, in Brazil in the 16th century. But, primitive accumulation is recursive, it happens time and time again under different sorts of conditions. Of course, there is an enormous amount of hype about this, but the reality is of course, we are no less dependent on key strategic resources now than we were in 1890, and it is not just about oil, it is about a whole raft of key minerals and resources that are absolutely indispensable.

H.W.O. Okoth-Ogendo *author/law professor, Kenya*

The resources of the South are fundamental to development in the North and, therefore, the manner in which access and control of those resources are determined becomes crucial for the North. That is where the battle has always been. It has been there for over a century; it continues to be there, and particularly when it comes to subterranean resources. Just look around you. Why did the Angolan war take that long? Or the Congo? Why are not we interested in what is going on in Somalia? Because there is nothing to expropriate there—but there is something to expropriate in Sudan and the Congo, in Angola and in other places. So, the resource war will continue.

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Brazilian Women *Coelho Favela, Recife, Brazil (45:00)*

Josepha: I live in this shed, and I need 2000 *Reais* [\$1,100] to pay it off. I am crippled in one leg. No lies. I am a hard-working lady. Nowadays, I live here, like this. God, wherever you are, help me. I need 2,000 to pay for this shed. Before I was sleeping in the street with my children. I am a hard worker, a fighter, and I cannot pay.

Leticia: For my husband to be able to buy her [the baby] milk, he has to work the whole day in the hot sun. Some days he goes without food. We spend 25 *Reais* a week [\$14] to buy milk, diapers, medication and things for the house. Milk costs 5 *Reais* [\$2.70], 5 for milk and 5 for dough.

Maria: There are a lot of people that do not get their daily bread at home. I am a tapioca maker; I do not look like one, but I am. When it is slow I sell as little as 10 or 7, or even 2. Sometimes I come back home without having sold anything. I sell the one with coconut for 1 *Real* [\$0.55].

Vera: Our lives are always like this. We do not have real work, earn very little. And it will continue like this, God willing, and those in power, too,

Today more than one billion people live in the slums of the South.⁷

Eric Toussaint *author/President CADTM, Belgium*

From the end of WWII, we began to abolish empires. The US, which had very few colonies, looked with envy at those of the British, French and Japanese and supported their independence, thinking that afterward, they would be controlled in other ways. That is effectively what is going on today. These countries are politically independent; they have their own government; but they are within an institutional system which introduces a form of neocolonialism. Many policies which are forced upon indebted countries of the South are dictated from Washington by the World Bank and the International Monetary Fund.

David Ellerman *author/ former Economic Advisor, World Bank, USA*

This sort of world order that the West, and the United States and to some extent Western Europe, have tried to maintain, it is very postcolonial in the sense of you do not try to directly politically control these countries. But we want to integrate them into an international economic and political order, and so even the very definitions of development, the very definitions of local industry and so forth is all geared in a very natural way to the needs of the North and extracting resources, extracting cheap labor, not creating genuine foreign competition. So, if you are going to have cars produced in Africa, we

will come do it for you there, and we will use your workers and so forth. And so, in that sense, it is very much a subtle form of an empire, but not an old style empire. Anybody with a broad historical perspective is not surprised.

Narrator

When the countries of the South won their independence, the accumulated debts of the colonial powers used to open new markets were transferred to the newly formed governments in total violation of international laws. The only solution offered by the North was more debt with extremely high interest in order to repay the initial one. These newly formed states immediately lost their sovereignty, and became even more dependent upon the northern countries, which could then dictate policies on agriculture, trade, and customs, and give special privileges to foreign corporations, such as monopolies over mineral extraction or monoculture exploitation.

Eric Toussaint *author/President CADTM, Belgium*

From the beginning the independent states were born with a debt which allowed the World Bank to tell them: "You owe us, so you will have to follow our advice, and we will tell you how to develop." Now we are in the 1960's and the World Bank tells them: "Take more loans, to build large infrastructures to export your natural resources." McNamara, who became President of the World Bank in 1968, pushed the concept of fighting poverty. But at the same time enormous projects had to be supported, like the Inga Dam on Lower Congo—gigantic energy projects which increased the Third World debt.

John Perkins *author/economist, USA*

We will identify a country, usually a developing country that has resources we covet—our corporations covet—like oil. And then, we arrange a huge loan to that country from the World Bank or one of its sister organizations. Now, almost everybody in our country believes that that loan is going to help poor people. It is not. Most of the money never goes to the country, in fact, it goes to our own corporations, it goes to the Bechtels and the Halliburtons, and the ones we all hear about, usually led by engineering firms, but a lot of other companies are brought in and they make fortunes off building big infrastructure projects in that country. Power plants, industrial parks, ports, those types of things. The country is left holding this huge debt that it cannot possibly repay. So, at some point, we economic hitmen go back in and we say, "You know, you cannot pay your debts. You owe us a

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pound of flesh. You owe us a big favor. So, sell your oil real cheap to our oil companies, or vote with us on the next critical United Nations vote, or send troops in support of ours someplace in the world.”

Susan George *author/Transnational Institute Chair, France*

Let me give you just one statistic (which I worked out in minutes) because otherwise it is incomprehensible. Sub-Saharan Africa, which is the poorest part of the world, is paying \$25,000 every minute to northern creditors. Well, you could build a lot of schools, a lot of hospitals, a lot of jobs—you could make a lot of job creation if you were using \$25,000 a minute differently from debt repayment. So there is this drain, and I think people do not understand that it is actually the South that is financing the North. If you look at the flows of money from North to South, and then from South to North, what you find is that the South is financing the North to the tune of about \$200 billion every year.

Raul Monjon Ramirez *Planning Ministry Director, Bolivia*

The only entity that can receive a loan from international organizations is the Bolivian state: the state. But when the state takes a loan, which will be well or badly utilized, it is not the government who has to pay it back, but the Bolivian people, the taxpayers. At a certain point, every child being born is already carrying a big part of the debt. Imagine for a country like ours with an accumulated debt of 7 billion dollars and with a population of 8 million. Make the calculation. It almost coincides with the gross domestic product.

Clifford Cobb *author/historian, USA*

By analyzing poverty into those three elements [trade, debt, and monopoly power over resources], I think we can also begin to understand why poverty is so much more extreme in Third World countries in the South than it is in First World countries in the North. In the North, poverty exists largely because the resources are owned by a small elite of individuals and corporations. In the South, the same is true: the resource division is equally skewed towards a small elite, but the South also faces the continuing problem of unbalanced trade and the problem of debt. Poverty exists in every country in the world, there is no denying that, but the poverty is much more extreme in the countries that are dealing with this triple problem of trade, debt, and monopoly power over resources.

The developing world spends \$13 on debt repayment for every \$1 it receives in grants.⁹

Narrator

By the beginning of the 20th century, the entire Third World had been split up among the powers of the North. The two world wars forced the North to create new tools to stabilize the new global economy. The IMF and the World Bank were created with such an agenda but rapidly they turned their focus toward the Third World where new leaders, trying to bring economic independence to their countries, had emerged. The reaction was swift and used all the tools available to bring these countries back to their previous role, like the loans of the World Bank and the structural adjustment programs of the IMF. These would later lead to the crisis in Latin America, Asia and Russia and plunge millions below the poverty line. This new US-born economic model became known as neo-liberalism and the set of policies used to enforce it became the Washington Consensus, which forced all economies to let the market govern everything

Edgardo Lander *professor/historian, Venezuela*

Neo-liberalism is a project which aims to profoundly transform these societies. Neo-liberalism in Latin America means a restructuring of the manufacturing sector; means a reduction in goods on the national market; means a profound process of deindustrialization. It reintegrates Latin American economies and returns Latin America to basic production. This form of reintegration is characteristic of classical imperialism in need of natural resources.

Joseph Stiglitz *Former World Bank Vice-President/Nobel Prize, Economics, USA*

The Washington Consensus was a set of policies that was a consensus between Fifteenth Street in Washington and Nineteenth Street. Fifteenth Street is where US Treasury is, Eighteenth is where the World Bank is. Nineteenth is where the IMF is. It was not a consensus among the developing countries. It was a consensus among a relatively small group of people who had a particular mindset, and a particular mindset during the period, you have to remember, that Reagan was President of the United States, Thatcher was leader in the UK, a very conservative mindset that did not reflect good economic policy, economic theory, as I would understand good economic theory. It had a particular political view of economics.

John Christensen *Director, Tax Justice Network, UK*

The Washington Consensus had four key strands. First of all, capital account liberalization, secondly, trade liberalization, thirdly, reduce your

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taxes, stimulate growth, follow the Laffer curve, a bit like following the yellow brick road—it led nowhere at all but tax revenues went south for most developing countries, particularly in Africa. The fourth strand of the Washington Consensus was sell off your state's assets, and in most cases they were sold off so badly and the fees that were paid to World Bank consultants and all of the Western consultants involved were so astronomical that the end prices that many developing countries got for themselves were minimal.

Susan George *author/Transnational Institute Chair, France*

All of the public companies, whether they had to do with investing in agriculture, or whether they were public telephone companies, or public whatever, roads companies, or all of that, or nearly all, has had to be privatized. So there again you get an opportunity for private companies to extract wealth. The World Bank used to publish, maybe it still does, but all through the 1980s and the early 1990s, every year it published, in microscopic print, long lists of companies that had been privatized in its member countries, under structural adjustment programs. And, every year I counted them approximately, it was sort of 1,300 to 1,500 companies a year. They were sometimes bought by local elites. They were often, particularly the larger ones, bought by our own transnational corporations.

Jim Shultz *President, The Democracy Center, Cochabamba, Bolivia*

Bolivia became the lab rat. Bolivia was absolutely the chief test lab in South America for these policies of privatization, market fundamentalism, the things that led to the water revolt, that led to all of these issues here in Bolivia. And, that is really the trajectory of how Bolivia got here historically.

Abel Mamani *Water Minister, Bolivia*

In the case of railroads they have practically disappeared since they were privatized. In the east we do not have trains anymore. They have been entirely dismantled. Last month, if I am not mistaken, workers went seven months, seven months without wages. The country has been destroyed, and that is the consequence of privatization.

Oscar Olivera *former worker/Water Defense Coordinator, Bolivia*

The Bolivian government, following a decision and an order from the World Bank, decided to privatize the water and to do so, started the following. First: they passed a law concerning drinkable water, and gave a 40-year concession to the international corporation, Bechtel.

Marcela Olivera *April foundation/Water Defense Coordinator, Bolivia (1:00:00)*

It was not the last thing to privatize here because the government before already privatized everything—railroads, airlines, telecommunications—so water was the last frontier to cross.

Pablo Fernandez *Bolivian Farmer*

Currently, I earn 35.50 per day [\$4.50]. We are paid daily, each day that we work. So if I have to pay 60 *Bolivianos* [\$7.50] for water only, I cannot make it. That leaves nothing to buy food or clothes for my family.

Marcela Olivera *April foundation/Water Defense Coordinator, Bolivia*

Some parts of the law said that all the water sources suddenly will not belong to the communities, or to the people, or neighborhoods. They will belong to the water company now. Suddenly, these things that were common, were not common anymore.

Jim Shultz *President, The Democracy Center, Cochabamba, Bolivia*

They came here and within a month of taking over, they raised people's water rates by an average of 50%, and in some cases double and more. People took to the streets, and said they would not take it, and faced down bullets, faced down a state of martial law.

Pablo Fernandez *Bolivian Farmer*

It did not affect only the water cooperatives and water-wells, but rain-water was included in that as well. It is why we called all the people to join. We called them through speakers and megaphones that we were able to get and also with these *potutus** that we have. *Potutus* always draw the most attention, because the majority of people are farmers, and in the country we only use *potutus*, no speakers and so on.

Oscar Olivera *former worker/Water Defense Coordinator, Bolivia*

The water war started within the rural population. It came as a result of the aggression of international capital and of the World Bank and of our neo-liberal governments toward the collective heritage of the people. It also came from the fact that this privatization is an aberration from our conception and specifically from the conception of the indigenous and farming communities that water is the blood of *Pachamama* [Mother Earth].

* A trumpet made of conch shell or clay.

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Pablo Fernandez *Bolivian Farmer*

This war has left many memories for us because in reality there were deaths and injuries in those moments. The people were furious—it was live or die. One or the other. For me, it was not leaving my children like this, and their children as well, because we all live from water.

Almost a third of the world's population has no access to affordable clean water.⁹

Joseph Stiglitz *Former World Bank Vice-President/Nobel Prize, Economics, USA*

Now, what was particularly flawed about a lot of these “theories” was they did not lead to economic growth, and that suggests, both to some extent flawed economics, but also an important role for interest. Take the most dramatic example of this, capital market liberalization—opening up capital markets, the free flow of short-term capital. You cannot build a factory on the basis of money that can come in and out of a country overnight. The IMF tried to change its charter in September of 1997 to force countries to liberalize, to open up their capital markets. At the time they did it, they had no evidence that it would promote economic growth and there was ample evidence, both in the World Bank and elsewhere, that it led to more instability. Any yet, they pursued it. In my interpretation, it is because Wall Street wanted it.

John Christensen *Director, Tax Justice Network, UK*

The IMF and the World Bank, by liberalizing capital flows, opened up a wholly new criminal environment where capital could be shifted into tax havens around the world and evade tax. And this has happened on a truly astonishing scale. To give an idea of the size of this movement, the most recent estimate of the volume of capital now held offshore by rich individuals is 11.5 trillion US dollars, a stunningly large figure. And for those people who want to tackle poverty, this raises intriguing questions because if we were able to tax that capital at even a very modest rate, at 30% on the income, we would be able to raise at least \$255 billion a year of extra tax revenue around the world, which could be used for all sorts of brilliant purposes but would more than pay for the Millennium Development Goal program of tackling poverty.

Eric Toussaint *author/President CADTM, Belgium*

The World Bank and the IMF demand an increase in taxes, paid mainly by the poor; demand that the poor pay to receive an education, to receive health care. The result is a privatization of the health and education system; the result is that in many African countries, someone arrives at a hospital in

need of urgent care, and he stays in a waiting room until the family raises enough money for proper treatment. One out of three people dies without having been treated.

Eric Mgende *Communications Coordinator, Action Aid, Kenya*

The health system, where people used to get drugs free of charge, now they have to go and pay. Even where I come from, myself, I see people who are not able to go to hospital. They die of simple things like malaria, because they cannot afford to pay the small fee that is required to run the hospitals. This used to be run by the government, but the World Bank insisted that the wait bill is too high, and that the government has to reduce its expenditure, and reducing expenditure meant ignoring a majority of the people. And that is what happened that many people in Kenya do not have access to health facilities and do not have access to education.

Joseph Odhiambo *Kibera, Nairobi, Kenya*

We are three children. I am Joseph. This is my sister, she is Helen, but she is disabled, and my other brother, he is called Jos, and he is also disabled. So, among the three of us, I am the only person who, at least, can do something. I am not at school because I am supposed to pay 4,000 [\$64] for the exam fees, and 10,000 [\$160] for the school fees, and my mom is earning 3,000 [\$48], so I am still at home, I cannot get the money. I can say life in the slum is very hard. OK, sometimes, we do go without even eating supper, now. The small bit that we have, we do share among ourselves. Some people are eating 3 meals per day, and you can just have 1 meal a day. And, also, when you go to school you have different types of people, and also, there is some discrimination there because you are not the same class as the other students. I do feel discriminated because you can find the things which they have, compared to what you have, they just laugh at you, because you are just a slum dweller. Let us say, when someone is sick, even going to the hospital, it is very hard, then, to buy the medicine. So, maybe, just stay at home and take some tablets from the shop for 100 shillings [\$1.50] and you cannot afford to go to the hospital.

Joseph and his family live in a 15 square foot shack that costs one third of his mother's wages.

Clifford Cobb *author/historian, USA*

There is a great irony today that the developed countries of the world are talking about free trade as if that is the solution to the problem of pov-

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erty in the world. Much of the history of the last couple of centuries has been an effort of countries to become economically independent through tariffs, to be able to develop manufactured goods. The economies of East Asia most recently developed, in large part because of the ability to—or East Asia I should say—developed in large part because they developed behind tariffs and then, once they developed to a point where they were able to enter the world economy on the same footing as everyone else, then they removed the tariffs. Now, the United States and European powers prevented Third World countries from doing that, and in fact are imposing tariffs to prevent the import of the finished goods from Third World countries, and in fact are not practicing free trade. It is all a way of keeping the Third World countries in their place and preventing them from ever developing.

In 1970, 434 million people were suffering from malnutrition. Today, there are 854 million.¹⁰

Joseph Stiglitz *Former World Bank Vice-President/Nobel Prize, Economics, USA*

In some countries rapid liberalization of trade has meant that corn farmers have to compete with heavily subsidized corn. Their income goes down, up to 50%, as a result of that competition. Sugar, each of the commodities we can talk about, the liberalization of the market, opening the markets to highly subsidized agriculture drives down the price and forces these farmers out of business. Or, if they stay in business, leads them to have much lower income. Another example is intellectual property. The intellectual property regime has made access to lifesaving drugs much more difficult for the poor countries. It was essentially signing a death warrant on thousands of people.

Kenyan Farmers *Kisumu Region, Kenya*

John Ayila: These people you see over here, they are pastoralists and agriculturalists. It is livestock farming that they depend on. They cultivate maize. Now, all this is gone. Now, come the year 2003, they told us that government is coming to invest here. Instead of seeing government, we saw a very unique company. This is a company from USA, Edmond, Oklahoma, USA. The company is called Dominion Group of Companies. This company is investing here. It is in collaboration with Kenya government to invest here.

Jennifer Akeiyo Chieng: When Dominion arrived here, they did not ask us anything. Their workers came onto our homesteads, making surveys, even clearing our land. Dominion started to build a dam. It overflowed and flooded all of our homes, and also our prime lands, the ones we use for agriculture.

Lilian Atieno: I was thrown out of my land by Dominion when they blocked the Yala River's flow which flooded everything. My home was submerged and I had to leave and go build another one.

Dalmas Ogoma: We had maize here and other crops; the water took everything away. Normally, we have beautiful crops. But now everything is rotten.

John Ayila: This company is doing aerial spraying. Now, the airplane makes a u-turn, right across our homes. And this aerial spraying is done especially when people are working; it is done twice a week. That has affected us very much. And when you go to nearby public health centers, quite a number of children have been reported dead.

Lilian Atieno: I feel very bad because I got a malaria attack because of all the mosquitoes we have now. We even have cases of typhoid and many of diarrhea. Even all my livestock died because of the flooding. I have lost all hope now.

John Ayila: And it is quite unfortunate that what he [Dominion] produces there, the legumes that he produces there, are not sold to us. They are ferried to America. They are taken back to America. So, we, the local people, the land is ours, we gain nothing from that land. It is the American government gaining, and maybe some corrupt government officials. So, we are now subjected to a life of servitude in our own ancestral land. We do not feel like moving away from this land. This is our ancestral land, and, whatsoever, we will not move out of this land.

Narrator (1:15:00)

Neo-liberalism managed to bankrupt many of the economies of the South, which allowed international capital to take over. This was achieved by imposing a new form of structural violence that was used for decades to maintain these countries in a state of under-development. Such violence was implemented by the dictators of the South and their repressive apparatus, which finally brought social unrest that was unkind to the free market economies. The special agents and economic hit men were born and became the new less-visible means to maintain such control over the globe's resources.

John Perkins *author/economist, USA*

If we do not like what a democratically elected leader of another country is doing—for example, opposing the exploitation of oil in his country, someone who looks like me will walk into that President's office—I had the job at one time—walks into the office and says, “And now, I just want to

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remind you that I can make you and your family very rich if you play my game, our game. Or, I can see to it that you are thrown out of office or assassinated if you decide to fulfill your campaign promises." Usually it is said a little more subtly than that because there may be a tape recorder listening, but they get the message, because every one of those presidents knows what happened to Arbenz of Guatemala, and Allende of Chile, and Roldos of Ecuador, and Lumumba of the Congo, and Torrijos, and on and on. The list is very long of presidents that we have had thrown out or assassinated. There is no question about that. And they all know this. So, we perpetuate the system that way. Here, you offer from this hand, from this pocket, you offer a few hundred million dollars of corruption, or from this pocket you offer subversives, jackals, to go in and overthrow the government or assassinate the president. And this has happened time, and time, and time again. Usually, the economic hit men are successful, so we do not need to send in the jackals, but on those occasions when we are not successful, as for me I was, I failed with Omar Torrijos in Panama and Jaime Roldos in Ecuador, and so the jackals were sent in and assassinated these men.

Chalmers Johnson *Author/former CIA analyst, USA*

It is fact. The CIA was the private army of the President, being used for highly dubious, virtually invariably disastrous interventions in other people's countries, starting with the overthrow of the Iranian government in 1953 for the sake of the British Petroleum Company. We declared that the elected Prime Minister of Iran, Mohammed Mosaddeq, was a communist—the Pope would have been a better candidate. That is to say, he was simply trying to regain some control over Iranian oil assets. The British wanted him out and talked Eisenhower into doing the dirty work.

John Perkins *author/economist, USA*

We did the same thing in Iraq under Qasim who was a very popular President of Iraq and decided that he wanted to get more of the profits from Iraqi oil to go to the Iraqi people, not to the foreign companies. So, we decided he had to go, he had to be assassinated. We send in an assassination team in the early 1960s, it was headed by a young man at the time who failed and got wounded in the process and had to flee the country. That was Saddam Hussein. He was our hired assassin; he failed. So, the CIA went in directly and had Qasim publicly executed on Iraqi television and put Saddam's family in power.

Cutting global poverty in half would cost \$20 billion, less than 4% of the U.S. military budget."

Chalmers Johnson *author/former CIA analyst, USA*

There is no question that over the years the government has used its imperial apparatus for economic purposes for the advantage of American firms. Perhaps the best examples are the United Fruit Company in Central America. After the overthrow of the government of Guatemala in 1954 by brutal, very brutal means against a small and defenseless country, over the years, leading to civil war and police repression, at least 200,000 Guatemalan civilians have lost their lives. All this was done because the United Fruit Company objected to some rather modest proposals for land reform. You can carry it on to the CIA's intervention against Allende in order to bring to power probably the most odious military dictator in the Cold War period, General Pinochet. Here the interests were primarily of IT&T Company, they participated closely—that is International Telephone and Telegraph—participated closely with the CIA, financing and funding and plotting the coup against Salvador Allende. Also, equally in Chile, the mining interests of the big copper firms. American imperial power has long been used in Latin America in order to protect the interests of extractive industries, in very poor countries such as Bolivia, and places of that sort.

John Perkins *author/economist, USA*

In a very few instances, when neither the economic hit men nor the jackals are successful, then and only then do we send in the military. And this is what happened in Iraq. We, the economic hit men, were unable to bring Saddam Hussein around, the jackals were unable to take him out—he had very loyal guards and he had look alike doubles—so it was difficult to take him out. So, we sent in the military.

Michael Watts *author/professor, USA*

Iraq represents an instance of what I have called military neo-liberalism. It represents an attempt now, to push forward the American neo-liberal project, previously attempted to be secured through hegemonic consensual means, militarily. It is as if the United States is using classic late 19th century gun-boat diplomacy to break down the doors of markets, to push forward its agenda. So, that is how I see it. Not that it is about oil at all, but this is not in any simple sense about getting that black stuff.

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Narrator

For decades, poverty reduction and development programs have failed to confront the different forms of power and the structural violence that hold more than two-thirds of the world in dire straits. Our chosen economic model has created a global situation in which today less than 25% of the world's population uses more than 80% of the planet's resources while creating 70% of its pollution.

Nimrod Arackha *Tanzanian Mine Workers Development Organization*

Before the big corporations amassed the huge chunk of lands that they have there, coming up with the minerals was not that hard, mining was not that difficult. The big corporations, they were given the most productive areas to mine on. So, had it not been for them coming there, then people would still be mining there and the situation, I believe, would have been different right now.

Godfrey Ngao and Aguano Nelson *Tanzanian Miners*

Godfrey Ngao: I started here in 1998. Then, I got sick, my wife got sick and died. At the beginning, I had 20 people working for me. Because I have no money to nourish them, to feed them, they went to other mines.

Aguano Nelson: The multinationals prevent us from surviving. They are hugely mechanized and have a capacity we do not have. They were given huge pieces of highly productive land by the government while we were left with only unproductive land. On top of that, here the veins interconnect underground, so when a small miner happens to work on the same vein as the big company, he'll be shot.

Nimrod Arackha *Tanzanian Mine Workers Development Organization*

When the World Bank and the IMF were really putting pressures on developing nations, they were coming with conditions: "You need to do this. You need to do this so that we can give you aid. You have to allow investors to come in and help you people to create jobs." And that is actually not giving jobs to the locals, so that is where the problem is.

Godfrey Ngao *Tanzanian Miner*

What they're trying to do is to demoralize us, to eradicate us totally from the mining sector.

Nimrod Arackha *Tanzanian Mine Workers Development Organization*

The mining fields that they are holding right now belong to the locals. So, once you take something from somebody, then you leave him with nothing.

People have been left. People are being impoverished here, severely, by the coming of the big companies here. A lot of money has been siphoned out of the country as a result of this trade. So, that money that would have been otherwise used for the locals here is being siphoned into some foreign countries.

In Africa, in the 1990s the number of people living on less than \$1 a day rose from 273 million to 328 million.¹²

Miloon Kothari *United Nations Rapporteur, India*

What I find very disturbing in all this is that there is an implicit assumption, although it is not always mentioned, that the kind of development that is taking place is going to lead to the sacrifice of some people. So, there is a very dangerous kind of an assumption and we see it actually happening on the ground that many people will have to suffer. Many people will have to be forced into homelessness, to landlessness, some will have to die, because we are following a particular economic model. We will get to those people when we will get to them. So I think the old concepts of “trickle down theory,” the old concepts of growth for the sake of growth, are all very much alive. This is very disturbing because we have evidence from around the world, whether you look at Latin America or Africa or Asia, that these policies have not worked.

Clifford Cobb *author/historian, USA*

How is it possible to explain the paradox of poverty? How is it that in countries in which there is growing wealth there are actually more poor people than there were before? In short, how is it that we can explain why “trickle down economics” does not work, why doesn’t wealth trickle down from the rich to the poor? There are a fixed amount of natural resources in the world and those who own the resources—land, air, water, and so on—are able to charge higher and higher prices for them as an economy develops. In order to understand that, I think it would be useful to consider a fictitious example of what would happen if we lived in a society in which there was only one oasis that had all the water, to which everyone had to come for their water supply. If a single person owned that water supply, that oasis, we would all be forced to pay as much money as we were able to for that water. Now, further imagine that if you lived in that society and you were having to pay huge amounts for some resource that could in fact be owned by all, because it came from nature, and there is no particular reason for one person to own it. After a while, or perhaps even in short order, you would begin to feel intense resentment and you would begin discussing among your fellows, “What should we do about this?” And you can imagine

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that there would, in fact, be an eruption of violence as people began to try to fix, to overthrow the people who owned that resource and take it.

John Perkins *author/economist, USA*

You take away their resources so you can have it, so what do they get left? And as time goes on and that resource no longer is valuable. Gold—nobody really cares that much about gold these days, which is what the conquistadors were after. But today, those same countries, a lot of them have oil. And so, we took away all their gold, we destroyed their cultures, and now we are saying, “and now oil is the big one, and we are going to take that, too.” Or gas, or whatever. Or water, whatever. You perpetuate this terrible system of poverty and this system of desperation and anger.

Jerome Guillet *investment banker, energy sector, France*

Terrorism is directly linked to our policies with resources. In a number of these countries the governments are authoritarian or dictators and they are supported by the West because we think that this is the way to protect our access to their resources. For the population, they have associated “dictator” and “the West.”

Joshua Farley *Professor Ecological Economics, USA (1:30:00)*

It is very interesting that if you look at the societies with the least equal distribution of income, they tend to be the most violent. There is a very small correlation between absolute poverty and crime. There is a strong correlation between unequal income distribution and crime. So, you look at the poorer societies they are not at all the ones that are the most violent, it is the ones that have the biggest discrepancy in incomes that are the most violent.

Of the one billion living on less than \$1 a day, 162 million live on less than 50 cents a day.¹³

Rosa Angela Graterol *La Vega Barrio, Caracas, Venezuela*

Two of my sons were killed in this barrio. One was killed on Friday, eight days ago. I am really in pain now. That is just the start. I have been living in this barrio for so long, raising my children on my own, washing, ironing and cooking empanadas for others, everything I can do for my kids so they can go to school. The one they killed had just graduated from college. My son. They took him from me on Friday, this past Friday. That one was my hope for the future, to leave this place. He was going to take me out of here. Do you understand? He did not live with me, we lived apart, but he always helped me, he

would never fail me. I have always been sick and gone through life hungry, so that my kids would always be able to study. I always wanted my kids to study.

Clifford Cobb *author/historian, USA*

Poverty in the world cannot possibly be eliminated, unless the poor themselves say, "We insist on justice not charity." One example of that justice is forgiving international debt. The second element would be to change the tax system in every country of the world. Right now most taxes fall on the poor in the form of consumption taxes and taxes on wages. If justice is to be done, most of the taxes should fall on property ownership and not on wages, not on people. Third, the poor should demand agrarian reform, land reform, restoring land to the people who actually work on it, instead of a few landowners. A fourth thing is to end privatization of natural resources. We have seen in Bolivia what is possible, where the Bolivian people actually took back the water that had been given to Bechtel and they forced Bechtel out of the country. Now the Bolivian people once more own that water.

Edgardo Lander *professor/historian, Venezuela*

What is presented as a possible future for the southern countries is a fiction. And this fiction prevents people from accepting that the appropriation of resources by the part of the planet which utilizes these resources in excess of its share makes it impossible for the living conditions of the majority to reach a level of dignity.

Jerome Guillet *investment banker, energy sector, France*

As long as you can dump it, as long as you can kill Iraqis rather than increase the price of gas, and as long as you only get Bangladeshis or poor people in New Orleans to pay the price instead of you having to drive less and take the metro, or the bus or walk. Our society is geared toward this choice. The poor people and the helpless people and the unlucky to be in the places that it would be on the front line will pay that price first. Famines are effective market solutions. They reduce demand. So if we leave it to the markets, that is what we have. If there is not enough food, then some people die and that reduces demand and the market is balanced. It is an effective market solution. So if we want to avoid such radical solutions we need to find ways to redistribute and share what we have and get those that use a lot more to start using less so that there is still enough for everybody.

Clifford Cobb *author/historian, USA*

The resources of nature are given to all of us and yet a handful of people

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and corporations have control of them, oil companies being a prime example that everyone is familiar with. If we could enable everyone to benefit from those resources we could end poverty, and the way to do that is by restoring the idea of the commons. It means that the value that is currently gotten from those resources, that is currently being privatized, in the hands of the corporate share holders of oil companies or other mining companies or real estate syndicates, and so on—instead of it being privatized, it would be made available, be shared by all. That is basically what the commons means.

Kenyan Tea Pluckers *Great Rift Valley, Kenya*

Joseph Mugo: I am a father of 5, and in fact, we live in poverty, but we do not know how to get out of it.

Grace Wambi: I have got 6 children, 3 are boys and 3 are girls. I am working so hard, so that they do not go to bed without food.

Joseph Mugo: You can make between 3,000 [\$48] and 5,000 [\$80] for two weeks, depending on your energy.

Joseph Momanyi: Nowadays in Kenya when a person works a job plucking tea, he is only working a few months per year. Per year, he is getting 3 or 4 months of work at best.

Grace Wambi: When there is no rain, there is not enough food. So you must go to the shopkeeper and borrow there until the rain comes. That is why we are so behind, that when the rain comes, you must pay back that money fast, so that you can buy something to eat.

Joseph Mugo: Sometimes we do get hungry.

Grace Wambi: Our stomachs are very small, because we do not have food every day. So our stomachs are very small.

Joseph Mugo: It is now about 20 years that I have been suffering.

*Grace and her co-workers labor an average of five months per year,
for \$100 per month.*

Narrator

Our chosen economic system always was and still is financed by the poor. They did so first by giving up their land and their access to natural resources, then by financing its expansion through debt repayment, unfair trade, and unjust taxes on their labor and consumption. In addition, by forcing the poor to overpay for energy, food, and other basic necessities, the north ensures that poverty will deepen and inequalities will increase.

*Rising food prices could plunge an additional 100 million people
into extreme poverty.¹⁴*

Serge Latouche *author/professor, France*

It is about exiting growth as much as underdevelopment. Of course, our “de-growth” in the sense of the reduction of our lifestyle’s demands on ecosystems is a prerequisite for the underdeveloped to have an increased share. Currently, if everybody was living like the Americans we would need 6 planets. But if everybody was living like people in Burkina Faso, then one-tenth of the planet would be enough. For the Burkinabe to be able to legitimately consume a sustainable ecological share, we would have to consume less. On average, we are already consuming 30% more than what the biosphere can regenerate. Therefore, our “de-growth” is a prerequisite for them to resolve their own problems and give them a larger share of life.

Alvaro Garcia Linera *Vice-President, Bolivia*

Either we are all emancipated or none of us is. The ones who think things are fine because they have plenty of hot food and water in their house and think they have “made it” are wrong. It is only temporary and uncertain. When a lot of people do not have water to drink, one’s stability is fragile. The stability of each person in your country or mine can only guarantee their continued well-being if the others’ well-being is guaranteed also.

Serge Latouche *author/professor, France*

In fact, “de-growth” is mainly a reduction: reduction of ecological footprints; reduction of toxic-dependency; therefore reduction of work; re-discovery of other aspects of life; reduction of waste, reduction of trash. If we wanted to be rigorous, we should talk about “a-growth”, like we talk about “a-theism,” because that is what it is—exiting the religion of growth, of economy, and re-thinking a social organization. I say often “de-growth” is not one alternative, it is a matrix of alternatives. It is exiting economic totalitarianism to re-open the way to multiple histories in which each human group, each society, would define its own civilization, its own culture, its own values, reappropriating or reinventing them.

John Perkins *author/economist, USA (1:40:00)*

I know that my daughter, who is 24, and her children are not going to have a stable, sustainable, and sane world unless every child born in Ethiopia and Indonesia and Bolivia also has that expectation. This is a very small community.

16,000 children die each day from hunger or hunger-related diseases.¹⁵

Endnotes

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14. "Food costs endanger UN poverty efforts." *Los Angeles Times*. April 21, 2008: "World Bank President Robert Zoellick has warned that rising food prices could push at least 100 million people in low-income countries into poverty."
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