



Australian Bahá'í Community

Prosperity: More than an End to Poverty

This statement was released in 1996 for the International Year for the Eradication of Poverty

The International Year for the Eradication of Poverty (and the International Decade it launches) challenges our assumptions of what is possible and our conception of the kind of future we wish for our society and our world. More than an end to poverty, it calls on us to re-examine our approach to social and economic development to enable the achievement of prosperity for all. It is a call which requires a restoration of fundamental values at the very heart of our economic and cultural life.

The challenge of poverty

Some 1.3 billion people, who mostly live in the less wealthy countries, are desperately poor. They lack adequate nutrition, shelter, clean water, safe sanitation, basic health care and education. The poor in all countries include disproportionate numbers of women, children, minorities and the aged. The World Health Organization estimates that annually 13-18 million people die from poverty related causes - thus making poverty the world's greatest killer.

The realities of poverty are experienced by 1.8 million Australians, including half a million children, who live below the accepted poverty line. The top 10 percent of our population holds 50 percent of the wealth while the poorest 50 percent holds only 3 percent. The gap between the rich and poor is increasing. Many indigenous Australians still live in third world conditions. Unemployment has risen to 8 percent, increasingly becoming an aspect of Australian life to which we are resigned. The working poor are an expanding sector of our society.

The eradication of poverty is a challenge that cannot be evaded if for no other reason than simple self-interest. Whilst such poverty exists there will be social instability and a threat to the physical security of all. Widespread poverty is a breeding ground for war, terrorism, drugs, crime, communicable disease, and damage to the environment. More profoundly we are challenged by the moral imperative which arises from our common humanity with the millions throughout the world who are in desperate straits because of lack of food, shelter and health care.

To the imperatives of self-interest and morality may be added our vision of the society and world we wish for ourselves and our children. A future of increasing social stratification and exclusion, within Australia, let alone the world, is a future against which the Australian psyche rebels. Although some will argue that poverty will always be with us there is no doubt that its worst manifestations can be addressed and

eradicated. We urge government, business, our leaders of thought, the agents of civil society and representatives of the poor to jointly establish or re-vitalise mechanisms which can provide a national focus for consultation, thought and action towards achieving the goal of eradication of poverty in Australia and contributing to its eradication in the world. Unity and a common purpose among all those actors who influence the achievement of prosperity, we believe, is a pre-requisite to achieving lasting social gains.

Business organisations, large and small, as the generators of wealth in society, have a fundamental role, and a special responsibility, in this undertaking.

The philosophical question

There have been two broad schools of thought in modern times on how to eradicate poverty. The first is to give maximum “freedom” to all to create wealth. It is argued that private enterprise working in a free global market is most efficient in creating wealth because it rewards individual initiative and innovation, it encourages improvement in the quality of products and services through competition, and it benefits from economies of scale. The poor benefit because the system produces cheaply the quality goods and services that people want, and because their low wages are a competitive advantage which will attract jobs. Thus advocates of the system point to the remarkable success in recent decades of formerly poor countries in East Asia.

The second school points to the failures of the market economy and argues that to eradicate poverty there is a need for “egalitarian” intervention by the community or state. In practice the market economy tends to greater extremes of wealth and poverty. The wealthy get wealthier, with “star” performers receiving astronomical rewards, whilst ordinary workers are laid off or have their wages reduced in the name of efficiency. International corporations have the ability to avoid national regulation, and the existence of monopolies often leads to harmful exploitation of individuals and natural resources. The market pricing system fails to attribute the full cost of consumption of natural capital assets (the environment) and the true value of the work of women in the informal economy. A significant part of the market produces goods and services that actually make poverty worse: for example, it is estimated that income from the illegal drug trade is greater than that from the oil trade, which is the key to the modern industrial economy.

Thirty years ago, before the recent surge of interest in market economics, the richest fifth of the world’s people received 30 times more income than the poorest fifth; today that figure has increased to 60 times. Similar changes are evident within many individual nations: for example, in Australia the figure has increased in the last fifteen years by some 50 percent.

To correct these failures and eradicate poverty, the “egalitarian” school promotes state social safety-nets or welfare programs to protect the poor, financed by taxes weighted on the wealthy; programs to transfer wealth and technology from the wealthy to the less wealthy nations, preferably through public international organisations; and public regulation of the economy at both the national and international levels. Less emphasis

is now put on two other elements often previously included in the egalitarian program: state planning of the economy and state ownership of the “commanding heights” of the economy.

This retreat is just one aspect of the world wide shift away from the “egalitarian” solution in recent years. Experience too often has been that state intervention policies tend to lead to inefficiencies because they discourage initiative and hard work, poor pricing systems lead to inefficient use of resources, and welfare programs are perceived to create a dependency culture. In addition, concentration of economic power in the hands of public servants has led to massive corruption in many countries. Key indicators of this shift are moves, worldwide, to roll back the welfare state and progressive taxes, and to reduce international aid from the wealthy to the less wealthy countries.

The Bahá’í approach

The Bahá’í view, derived from the teachings of Bahá’u’lláh (1817 -1892), the prophet-founder of the Bahá’í Faith, acknowledges the positive points in both the “freedom” and “egalitarian” approaches to the eradication of poverty. Either approach, however, carried to an extreme, has dangers which need to be avoided. Furthermore the reality that more than a century of the application of either school has failed to provide a prosperous and enlightened global or national society inclusive of all its members, must give us pause to question whether it is not some fundamental common underpinnings of these schools which has failed us.

For instance, the philosophy of materialism which informs both schools, ignores the complex reality of human nature, which finds its highest expression, not in the consumption of material goods, but in the fulfilment of the human spirit. The social priorities which emerge from a purely materialistic approach to human existence have not relieved problems such as poverty because the economic responses it creates are only indirectly related to the real interests of the community. A new set of values and priorities need to be sought which begin from the foundation that development must foster both human spirit and human body.

A key area is the fostering of moral development, such as the promotion of civic virtues in our society. The raising of children conscious of the needs of the society around them and who are willing to behave altruistically within the limits of their capacities is likely to be one of the most effective long-term remedies to a range of social problems, including that of poverty.

In addition, there are a multitude of mutually supporting principles that have bearing on the task of eradicating poverty: principles that relate to self-respect, self-help and personal initiative including honesty, truthfulness, the full implementation of the equality of women and men in society, family unity, priority for education, and detachment from material possessions; principles which discourage behaviour that leads to poverty and is demeaning for the human spirit (eg, the use of drugs and alcohol, gambling or begging); principles related to the achievement of justice, particularly, in this context, the realisation of universally accepted economic, social

and cultural rights; and the encouragement of individual and societal generosity and philanthropy to those in need.

Most significant among these principles is that of the oneness of humankind, a principle taught by Bahá'u'lláh. Its implications are manifold but among them are the nobility and equality of the human being and the indissoluble moral bond joining all human beings together. It is a spiritual principle “which implies more than a willingness to cooperate; it speaks to the longing of people everywhere for a world infused with such a spirit of community, fellowship and compassion that human misery and degradation, violence and oppression will become intolerable and unthinkable”. We believe that acceptance of the oneness of mankind will in the end prove the most powerful force for the eradication of poverty and the solution of other problems facing our global society.

A case study

Principles such as these, which we regard as the foundations of sustainable development, are put into effect in over 1500 social and economic development projects sponsored by Bahá'í communities around the world; and indeed in the activities of many other organisations of civil society concerned with development. The Grameen Bank for instance is well known for its focus on the grass roots and on fundamental principles. The activities of FUNDAEC, a respected Latin American development NGO inspired by the Grameen Bank, are another illustration of the application of these principles.

Established to address the effects of industrialisation and modernisation on the rural populations of Colombia, FUNDAEC was designed by its founders to create new methods and tools for rural development, addressing problems such as lack of economic development, low participation of youth in education, lack of employment opportunities and the migration of populations to urban centres. One relatively new project initiated by FUNDAEC, which involves setting-up an alternative rural education system in the Jamundi region of western Colombia, emphasises participation of local people, the imparting of scientific and technical knowledge relevant to rural development, and the fostering of ethical values and commitment to moral leadership and solidarity in local communities. The application of these principles has resulted in the creation of a new system of rural education, which unlike traditional education, is designed from the ground up with the realities of rural life and rural development in mind. The system has been highly successful, imparting a comprehensive knowledge of agriculture, animal husbandry, soil chemistry and business skills, retaining the interest of students and enabling them to establish their own micro-enterprises or serve in public offices that previously could only be filled with difficulty from outside the rural communities. The program, which is being extended to other regions, is currently being used in 13 of the 30 administrative regions of Colombia, reaching more than 15,000 students. Its significance, as observed by one government official, has been its ability to create a consciousness among participants of their role within the communities in which they live. This and projects like it being conducted by other NGOs illustrate the outcomes that can be achieved when there is a re-thinking of accepted paradigms, utilising consultation with intended beneficiaries and coupling moral training and material education.

The challenges facing Australia

As is clear from the foregoing we view the eradication of poverty as a multifaceted and complex task challenging basic assumptions. In the Australian context, it requires responses from our society at a number of levels and across a range of issues. The following are some of the key issues which we believe require special attention by Australians.

Indigenous Australians

Despite the investment of considerable material resources in raising the living standards of indigenous Australians, our society has failed to make the gains that this investment promised. On virtually every index indigenous Australians remain the most underprivileged group in Australian society, whether in terms of housing, health, education, employment or rates of imprisonment. A failure to properly address spiritual as well as material issues is a contributing factor to this reality. A change in attitude which recognises and develops a mutual regard between indigenous and non-indigenous people, and which is founded on acceptance of the spiritual kinship between them, is fundamental to progress. Racism remains a baneful force in our society. The solution to the problem requires the achievement of a unity between indigenous and non-indigenous Australians which values our diversity and establishes a partnership of commitment at individual and community levels for the healing of our relationships and the achievement of a better future for all.

Unemployment

The problem of unemployment, which is particularly acute among our youth, is another area in which regard to the full complexity of human nature would evoke a different response in our society. As necessary as temporary unemployment benefits are where employment is not available, it can never satisfy the yearning of those denied employment to have a valued and useful role in society. This yearning is essentially a spiritual one. Too often it is ignored because it cannot be measured in material terms - and because satisfying the human spirit requires a far more complex response than merely feeding the body. The recognition of the denial of human dignity that unemployment involves suggests that the eradication of unemployment should be a key social and economic priority of our society. We urge the adoption of such a priority. Progress in achieving full employment not only would reduce material poverty - it would reduce the spiritual deprivation associated with denial of the opportunity to work and the many social problems that arise from it.

Foreign aid

Aid contributions by Australia and other developed countries should be maintained, and the UN goal of 0.7 percent of GDP gradually achieved. As far as possible the expenditure of aid should be focussed on the alleviation of poverty as the essential objective for which the citizens of donor countries forego the expenditure of those funds within their national boundaries. Among developed countries there has been some tendency for aid flows to be directed towards trade promotion. We welcome the refocussing of Australian aid on poverty alleviation. Australia, we believe, also has a role to play in encouraging other donor countries to pursue a similar path - to ensure

that the world's precious and limited aid resources produce the greatest possible level of poverty alleviation.

Regional integration and an emerging global society

The process of regional integration, which is occurring in every part of the world, is helping societies in their efforts to promote prosperity and eradicate poverty. In our own region of the Asia-Pacific one of the most promising economic and social developments is the increasing coherence and unity of our region. We welcome the lead role that Australia has played in this regard. Nonetheless such developments are accompanied by rapid change which can have destabilising influences on society and can produce losers as well as winners. Again spiritual principles are relevant. Each human being, we believe, is born into society as the trust of the whole. This concept places the individual at the centre of the community. It can be expressed in the objective that society should work to ensure that processes of change do not harm or marginalise parts of society.

The 1994 Jakarta Declaration for a Human Resource Development Framework for APEC, although expressed in the language of economics, recognises as basic principles the attainment of "such fundamental values as the alleviation of poverty, full employment, universal access to primary, secondary and vocational education, and the full participation of all groups in the process of economic growth and development." We believe the promise of a just, as well as efficient, regional economic system that this declaration envisages should be pursued by Australia as one of the main elements of the Asia-Pacific vision. Regional integration, furthermore, is occurring in the context of an emerging global society and an increasingly globally-integrated economic system. As with regionalisation, globalisation needs to be managed to ensure the fulfilment of fundamental human values. The United Nations is the principal global forum in which these values find expression. Its reform, to enable it to fulfil the vision of its creators, is fundamental to the task of eradicating poverty. Australia, as one of the principal architects of the UN system, and as an independent voice in global policy forums, has an important role to play.

The Australian Bahá'í community

The Bahá'í community in Australia was established in 1920. In the intervening years a microcosm of Australian society has developed which, although unique in its striving to practice the teachings of Baha'u'llah, is in other ways a reflection of the society of which it is a part. We share the yearnings of our fellow Australians for a society which is better able to fulfil the aspirations of all its people, and contribute to the development of peace, prosperity and justice in the world.

Poverty can be eradicated. The first step is summoning the will and vision to do so.

"The poor in your midst are My trust; guard ye My trust, and be not intent only on your own ease." - Bahá'u'lláh