

# INTRODUCTION

## Eliminating, Not Alleviating Poverty

**IS POVERTY PERMANENT?** The Hebrew leader Moses offered a sanguine assessment in his final discourse to his people: “There will never cease to be needy ones in your land” (*Tanakh*, Deut. 15:11). His successor Jesus Christ would say, fourteen centuries later, “Ye have the poor always with you” (Matt. 26:11). Twenty one centuries later the world’s political leaders joined arms to promise, “[We] will spare no effort to free our fellow men, women and children from the abject and dehumanizing conditions of extreme poverty.”<sup>1</sup> The fine print clarifies that grand goal as cutting by half the number of people living on \$1 per day. It seems that Jesus spoke truth; the poor will always be with us.

Moses and Jesus may have based their bleak forecasts on the reality that poverty, as a macrosocial problem, persists because its causes are deeply entrenched in social life. The four ancient horsemen—war, pestilence, famine, and death—ride alongside generational population dynamics, recent decades of failed efforts at education and literacy, and the ongoing evolution of global trade to subject billions to surviving at what scholars term the base of the pyramid.<sup>2</sup> We can think of this poverty as “Big P” poverty: large groups trapped in lives of destitution created and perpetuated by sweeping social forces beyond their control.

Moses instructed his followers to “open your hand to the poor and needy kinsman in your land” (*Tanakh*, Deut 15:11). Jesus enjoined his followers that “inasmuch as ye have done it unto the least of these”—the hungry, naked, estranged, or imprisoned—“ye have done it unto me” (Matt. 25:40). The Koran teaches a similar doctrine: “Whatever wealth you spend, it is for the parents and the near of kin and the orphans and the needy and the wayfarer, and whatever good you do, Allah surely knows it” (*Koran*, 2:215); and Tiruk-

kural admonishes Hindus to “find and follow the good path and be ruled by compassion . . . compassion will prove the means to liberation” (Kural, 242). In the face of Big P poverty the world’s spiritual traditions admonish us to provide relief and compassion to individuals and families, or work on “little p” poverty.

Jesus’ injunction in particular raises a troubling implication for his followers: is it enough to merely succor the poor in their poverty or must they try to lift them out of it? Could one leave the Lord sated but in squalor, or does the injunction to do it “unto me” invite, perhaps require, an attempt to eliminate, as opposed to merely alleviate or palliate, little p poverty? For me, Jesus’ insertion of “unto me” implies an obligation not to merely relieve suffering but to remove squalor.

The title of this book claims we can *eliminate*—not just *alleviate*—little p poverty. That bold claim builds on my experience, observations, and research over the past eight years. In 2004 my dean, Ned Hill, asked me to become involved with a new research center at Brigham Young University’s Marriott School of Management that focused on fighting poverty through an emerging set of market-based approaches. The goals of what would become the Melvin J. Ballard Center for Economic Self-Reliance seemed like a natural extension of the work I was doing around philanthropy and corporate social responsibility; after all, business plays a huge role in society and leveraging its capabilities in the fight against poverty could potentially yield powerful results.

I dived in and began reading about development economics, the branch of economics focusing on Big P poverty; I attended conferences to understand current approaches and refine my own thinking. I climbed on airplanes to see poverty firsthand; traveling to Ghana, the Navajo Nation (an impoverished sovereign nation located within the continental United States), and to Paraguay on a regular basis to learn more about both Big P and little p poverty. Personal interviews, extended observations, and the stories of those mired in and moving out of deep poverty began to reveal a consistent pattern among those who escape little p poverty, even in societies mired in Big P poverty.

This book builds on three key lessons about the process and promise of eliminating poverty. First, *we* don’t eliminate poverty; *individuals and families* work themselves out of poverty and into prosperity. Our efforts can be quite effective when they help people eradicate poverty in their own lives. Unfortunately our efforts can hurt as well; we can create conditions and incen-

tives that perpetuate the poverty we loathe. The lesson is more nuanced than merely empowering people; we must create a context where people's natural tendencies toward self-reliance flourish. That's why the title claims that we eliminate poverty through self-reliance.

Second, eliminating poverty requires more than money, as the title of the book suggests. Money thrown toward the poor often ends up in alleviating the symptoms of poverty but usually fails to create lasting solutions. Poverty abates when people become self-reliant and leverage five different types of capital—institutional, social, human, organizational, and physical. This book considers each type of capital and how they interact with self-reliance to lift people out of poverty. A holistic and sophisticated focus on the five types of capital helps us end little p—and maybe Big P—poverty.

Third, our work, when it is most effective, involves organization. An effective organization has the capability to look past the thick branches of poverty and attack the roots. These organizations have a clear vision, a set of partners, and accountability systems that sustain their efforts over the decades it takes to move a generation from poverty to prosperity. This book outlines how to build enduring organizations that can bring the lessons of the five capital accounts to bear on the long-term fight against little p poverty.

In my travels and tutoring experiences, I've rubbed shoulders with a number of social entrepreneurs, NGO leaders, foundation directors, government officials, and business men and women. A common pattern emerges among those who seem to succeed. They begin their work full of passion and commitment and have some early successes in their efforts. After about three to five years, however, they look over what they've built and ask, "What have we really accomplished?" They've relieved some suffering among the poor but have a nagging feeling they've failed to find lasting solutions to poverty. They recognize the gap between alleviation and elimination.

If questions about the effectiveness of your, and your organization's, efforts nag you, or if you are just beginning to organize and work, *and you want to be more effective in your efforts*, then this book is for you. As you understand the five types of capital and their relationship to poverty and the poor you'll see mistakes you can avoid and design principles you can employ to improve your efforts. You'll also learn some simple, yet powerful, lessons to help you build an organization that can succeed. I'll offer strategic suggestions and lasting principles to create substantive and sustainable organizations rather than

tactical steps or temporary patches; temporary tactics can't go the distance in the fight against poverty.

One final note. In the interest of readability and literary ease I'll sometimes refer to those living in poverty as "poor people." The adjective *poor* carries objective, but no normative, meaning. *Poor* represents a factual statement of deprivation—of the necessities of life or of opportunities for self-fulfillment. I do not intend, nor should you infer, any normative or evaluative, either condemning or extolling, assessment of those living in these conditions.

The fight to eliminate poverty, at least its little p version, is winnable, but to win we need to be deliberate in the design and doing of our work. This book hopes to help you do that. So, turn the page and begin to see why it takes more than money to eliminate poverty.