

Chapter 8

Cycle of Poverty in Developing Countries

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ABSTRACT

Poverty is no longer fashionable even in the less developed countries of the world. The world has deemed poverty-ridden regions of the world as ‘anathema’, forbidden, and ignoble. At the same time ways to get out of the menace are regularly strategised over a period of time. The developed countries of the world had been able to nip poverty to the bud significantly, but the developing countries still have a lot to do so as to overcome the menace. Poverty in the developing countries operates in a cycle of repetitions. This makes it difficult to curtail. How can poverty be reduced in the developing countries? This study reveals the reason while poverty has become a domestic phenomenon in developing countries and the way forward. The theory on poverty is evaluated alongside the present economic situation in Africa. The cycle of poverty, which includes the social cycle of poverty (SCP), political cycle of poverty (PCP), and the economic cycle of poverty (ECP), are examined. This study analyses the strategies to break the cycle of poverty in Africa and other developing countries.

INTRODUCTION

Poverty inhibits development in all its forms, be it; mentally, socially, economically or politically. Every poor country or individual will not have access to some basic amenities essential to his development. In fact, people living in poverty lines are making real efforts to come out of the menace. There are some zones of the world that had been tracked over a period of time to be in poverty base on the measurement of livelihood, which is below one dollar per day. Such zones are regarded as undeveloped, less developed, underdeveloped or developing countries of the world (Fields, 2019; Kim, 2019).

However, poverty is no longer fashionable even in the less developed countries of the world because of the stigma accompanying such classification. Even though the developed countries and some concerned world organization such as World Bank International Monetary Fund among others do vote some consensus fund for the poverty-ridden countries of the world to relieve their pain and alleviate their poverty

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but all of such are with prices to be paid. Such largesse might be grievous in the long run but palliative in the short-run (Aluko, 2015; Gnangnon, 2019; Desai and Rudra, 2019). The prices to be paid include high-interest rate, devaluation of the currency, and increase in tax system mostly in favour of the rich against the poor, privatisation and commercialisation of public services which are not convenient to the citizens of such country as such. Others are restriction in international visibility, the brain drain from the less developed countries to the developed countries, external control of the political policy processes, and external control of the economic resources, among others.

In such regards, developing countries spread across the Global South of the world are pressing forward to mitigate the effects of poverty and the largesse of the Global West. Both political and economic measures are employed to curtail the effects. A prominent means is the international economic cooperation among the developing countries such as the Economic Community of West Africa States (ECOWAS), Africa Union (AU) in Africa, among others. The major quest of such organizations is to alleviate poverty and promote peaceful coexistence among its member.

Aluko, (2018); Attwood et al. (2019); Masron and Subramaniam, (2019) and Mazumdar, (2020) opined that the world as well as clone poverty-ridden regions of the world as 'anathema', forbidden and ignoble. Some of such places are placed on the travel ban, stringent travel policy to the developed countries and economic partnership restrictions. Citizens of such countries are seen as living in the third world. This implies that they are so much poor to be able to afford a convenient livelihood. The developed countries opined that for the developing countries to be able to overcome the third world poverty and mentality, they will require some drastic measures which include a strong attachment to the first world countries political economy and a century of intensive investment which is nearly impossible. Therefore, the cycle of poverty in developing countries seems to be an unending paradigm (Aluko and Mawere, 2017).

The United Nation, which is a global body that comprises of both the developed and the developing countries but under the security control of few countries majorly in the developed countries such as the United States of America (USA), Britain, Russia and Germany, among others is an oligarchy structure. At the same time, over a period of time, it strategizes ways to get out of the menace of poverty. This is done by the principles of bridging the gap of development by sponsoring and supporting developmental programmes such as Millennium Development Goals (MDGs) and Sustainable Development Goals (SDGs). These goals in practice have put the developed countries than the developing countries more on their toes not to decline in their rate of development (Datt, Ravallion and Murgai, 2020; Osabohien, et al, 2020; Osabuohien, 2020).

No doubt, the developed countries of the world had been able to nip poverty to the bud significantly. The reason is that they have the economic capability and the political grips of world politics. The developing countries are seen as the market place and merchant for the developed countries. This is because the currency of the global market is controlled by developed countries. The leadership structure in the developing countries is also a melting point to their developmental crises (Aguilar and Sumner, 2020). Therefore, the developing countries still have a lot to do so as to overcome the menace.

To this end, poverty in the developing countries operates in a cycle of repetitions. This implies that a type of poverty has its cycle and operates in a cycle. This makes it difficult to curtail. Their spheres of occurrence are usually difficult to overcome because of the hydra-headed nature (Aluko and Mawere, 2017). If a cycle of poverty is curtailed, poverty has the potential of erupting from another cycle and gets integrated into the economic and political system. If the cycles of poverty are not curtailed effectively, it breeds another variant or dimension of poverty but of the same root cause in relations to the initial

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