

# “Politics and Poverty”



BY PROF. VINCE SININING

In 1949, Winston Churchill, in a televised address said, “if, with all the resources of modern science, we find ourselves unable to avert world famine, we could all be to blame. But a peculiar responsibility rest upon the scientists.” Fast forward to 2017, almost 70 years later, poverty and famine are still lingering around in many countries.

**M**artin Luther King Jr. once said in 1960, “if a man didn’t have a job or an income, he has neither life nor liberty, and the possibility to pursue happiness.” He continued to say, “we now have the techniques and the resources to get rid of poverty. And the real question is whether we have the will.” This statement reminded me of what President Paul Kagame said during his re-election campaign this year, “to make poverty history.” Many are critical, but in my view, if there is a political will, with today’s better technologies compared to that in 1960 when Mr. Churchill believed that the technology and resources then can get rid of poverty, in today’s rapidly advancing technologies there is no question that poverty can be a thing of the past.

In 1944, delegates from forty four (44) countries arrived at Bretton Woods, New Hampshire, USA for the United Nations Monetary and Financial Conference. The IMF and the World Bank were set up

during this conference. The bedrock of the founding of these institutions is to promote peace and international cooperation, the purpose of which was to finance the reconstruction of Europe then to develop the poor countries. One striking note, if you read the articles of the charter, one requirement the delegates were signing at that time was “to promote private investment” by means of guarantees or loans made by private investors.

Fast forward to today’s reality, few billionaires control the big chunk of the world’s riches. Ninety per cent of the world’s

private financial wealth is owned by 0.14%. Most of these wealth have avoided the proper taxes from the countries where it came from, mostly the developing and least-developed nations. These incomes came from the rich natural resources extracted from their lands. Research showed that over \$32 Trillion of the world’s wealth are in offshore tax havens in order to avoid taxation --- tax payments that could well support the economies of the countries that made them rich. Economists said that to end poverty, it requires \$3 Trillion. This represents

**Fast forward to 2017, almost 70 years later, poverty and famine are still lingering around in many countries**



about 9.4% of the \$32 Trillion in untaxed wealth. Common sense dictates that to make poverty a history --- can be done.

The entire political theory governments have operated in the recent past is predicated in the practices that inherently results in wealth gaps, as the super rich have influence over governing parties thereby creating policies that are designed to increase profits further. The sad reality is, rather than the profits made going back to the economy to help the country through taxation, investment in small business, higher wages for workers that will help alleviate poverty, the super rich held on to their wealth. In many High Level meetings at the UN, IMF and World Bank, leaders and businessmen from rich countries have assured leaders of poor countries that they will help. They promised to help build mining infrastructure, dams, factories, power stations that will help poor

countries become rich. International institutions are lending poor countries billions of dollars to help build these infrastructures and their economies --- loans that needed to be paid back with huge interests. A comparative analysis showed that for every dollar the poor countries receive in aid, they pay back \$25 in loan payments.

Dr. Susan George, author of "The Debt Bomerang" said, "the environment is probably the next major victim next to human being of the debt crisis. Countries are obliged to cash in their resources. They must cut down their forests, dig up their mineral resources and ruin their lands in order to produce cash to pay off their debts." In many poor countries, resources are extracted and incentives are given, but most of the incentives went to the pockets of the few. It is not surprising therefore that some leaders in poorest nations started to gather net incomes

of half a billion dollars or more per year. Take time to sit in your computers, do your own research, you will be surprised the many documentaries out there about leaders cashing in from their own political career, making millions of dollars, if not billions, during their term of office.

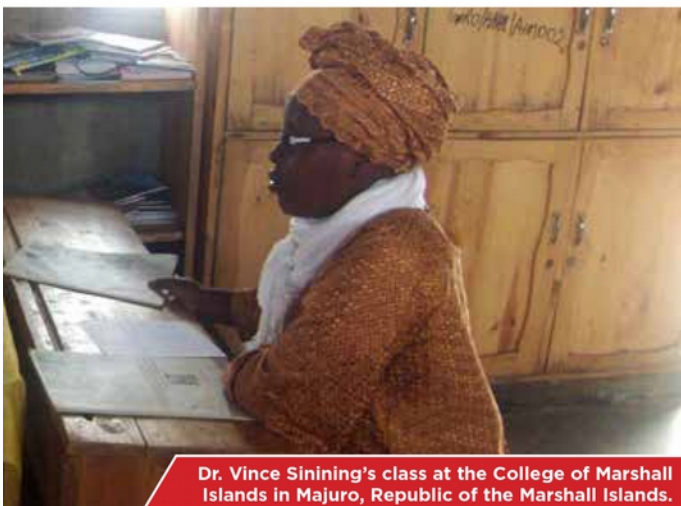
UNICEF reported that about 20% of children die everyday due to poverty. One third of children in the developing country are underweight. Nearly a billion people have lived in the 21st century that cannot even write or read. In health, Africa has over a million deaths annually due to malaria alone, most of them are children. Of the over two billion children, more than half live in extreme poverty. In a 1998 statistical report, nearly one trillion dollars are spent on military services around the world, \$11 billion were spent on pet foods in the US and UK, while \$6 billion dollars were spent on "basic education for all." We all know education fuels the development of human capital of each country. In my current endeavors, I am dedicating my time and energy in the workforce development of my new home country, Malawi. Known to be one of the poorest countries in the world, it is also one of the most peaceful, earning the honor as the "warm heart of Africa."

In October 28, 2017, I had the honor to be the guest speaker of an event that promotes youth empowerment. Instead of delivering a 30-minute

lecture, I reminded the participants about the remarkable story of Singapore --- one of the smallest countries in the world. The country is about 719 square kilometers in size with no natural resources. Malawi is 118,000 square kilometers in size endowed with natural resources. Both countries are 52 years old since its founding as a Republic. But one may wonder why Malawi has a minimal per capita income of \$331 per year while Singapore has a staggering \$55,000 a year. The most important resource Singapore has is its workforce. Their teachers are "nation builders" and Singapore produced the smartest youth and the highly skilled workforce. When we founded AIM Foundation in Malawi recently, our vision is to be a leader in the curation of skills and knowledge for workforce development. I strongly believe in two important elements to end poverty: (a) Political will of our leaders and lawmakers, and (b) Building the human capital of the nation through education, skills and capacity-development.

---

Dr. Vince Sinining is Professor of Sustainable Development and founder of VCS Research ([www.vcsresearch.org](http://www.vcsresearch.org)). He co-founded AIM Foundation in October 2017 with Mr. Irfan Karim [Tony] in Lilongwe, Malawi and the upcoming AIM College – a private professional institute and a center for training and capacity-development. ([www.vcsresearch.info](http://www.vcsresearch.info))



**Dr. Vince Sinining's class at the College of Marshall Islands in Majuro, Republic of the Marshall Islands.**



# THE LIGHT

ISSUE N°9

OCTOBER 2017

MAGAZINE

Price: Rwf 1,500 . BIF 3,500 . KES 200 . UGX 6,500 . TZS 4,500 . US\$ 2

## HEALTHCARE OUTLOOK IN

- Karongi
- Ngororero
- Nyamasheke
- Rusizi
- Rutsiro



## Nations recommit to ending hunger

Implementing the  
international seed treaty

**OPINION:**  
Politics and Poverty"

**FEATURE:**  
Banking on African  
Infrastructure