Poverty in the Developing World Michael Matheson Miller Acton University 2019

Introduction

- Concern the poor is at the heart of Christianity.
- James: Pure Religion is this, to care for the widow and orphan in their distress and keep oneself unstained from the world
- St. John Chrysostom and St.Augustine on Lazarus: Indifference
- Care for poor not simply charity, but justice
- Charity and Justice must be ordered by reason and oriented to truth
- Charity without truth becomes sentimentality
- Charity must be prudent
 - o Imprudent charity can increase injustice
- Logos: We need a heart and mind for the poor

Part I: The Dominant Framework of Social Justice and the Response to Poverty

End of WWII, break-up of colonialism: Social Engineering was dominant model We planned the war, now let us plan the peace

A Global Poverty Industry

Aid

- Delay development of Business
- Crony Capitalism
- Subsidize Corruption
- Agriculture
- "Gendercide"







NGO's (Non Governmental Organizations)

- Non-governmental or Para-State?
 - o Government financed private organizations?
- NGOs can crowd out local business: Enersa
- Haiti: "Republic of NGOs"

Charity

- Eggs
- Haiti and Orphans

Social Entrepreneurship

- New approach with possibilities
- Entrepreneurship is social
- TOMS Shoes

Key Question: How do <u>people</u> in the developing world, in poverty, create prosperity for their families and communities?

Person at the Center

- Aristotle: "A little mistake in the beginning leads to a big one in the end"
- Begin with the End in Mind

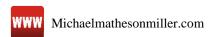
Part II: Underlying Philosophical and Theological Problems

Charity v. Humanitarianism

- Charity—Caritas, Agape
- Seeking the good of the other.
- Keeping eternal destiny in focus

Subjects vs. Objects

- Human Persons are not "objects" of our charity
- Persons are "subjects," the protagonists of their own development







When we understand human beings as created in the image of God it changes everything about the way we understand poverty, missions, and development.

Social Engineering

Limited, Reductionist way of looking at the world Industrialist model of planning

PART III: Re-Thinking Justice for the Poor: Poverty and the Institutions of Justice

Pope Francis has stressed is that we must say "no to an economy of exclusion and inequality"

Institutions of Justice

- Clear Property Title
- Iustice in the Courts and Rule of Law
- Freedom of Association
- Open Exchange

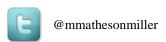
When economies become heavily regulated they become dominated by big business, powerful interest groups, and entrenched bureaucracy, the poor get locked out because they lack the political, economic, and social contacts to navigate a bureaucracy dominated by powerful players

Moral Ecology

- Institutions of Justice do not arise in Vacuum
- Acemoglu and Robinson recognize the importance of institutions but limit and neglect culture
- Christianity has large role to play in helping to build the moral ecology of justice

Challenges to Justice







- 1. The current system of Extractive Institutions Benefits Wealthy and Powerful so Economic incentives.
- 2. The Myth of Unfettered Capitalism
- 3. Populist Rhetoric and Policies
- 4. The idea that Charity is the solution to poverty.

Conclusions

There will always be poverty and suffering that will require human love.

We will always have the need for almsgiving— Economic development alone will not solve all our problems. There will always be poor people who cannot help themselves and need our care. We must care for the widow and the orphan in their distress.

Yet, for majority of the world's poor—the problem is not one of charity or lack of goods, the problem is the poor lack the institutions of justice that enable them to create prosperity for their families and their communities.



