

The needs of the poor come first Interview with Devaki Jain

by Monte Leach

An interview with development economist and activist, Devaki Jain, about the politics of poverty and inequality, illustrated by Mahatma Gandhi's "crucible test".

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Mahatma Gandhi's philosophy and life's work have strongly influenced Devaki Jain. As a development economist and activist, Jain's research and advocacy have focused on issues of equity, democratic decentralization, people-centered development and women's issues.

Jain has participated in the founding of a wide range of institutions dealing with development and women's issues, including the Institute of Social Studies Trust, a research center in Delhi where she was director for nearly 20 years. In addition, she was a member of the South Commission headed by Julius Nyerere, as well as the UN Committee on the Impact of Armed Conflict on Children, headed by Graca Machel. Jain is the author of several books, and is currently a member of the Advisory Panel for the UN Development Programme's Human Development Report.

Share International: *You have been involved in human development efforts for quite a long time. What have been some of the lessons you've learned about what works and what doesn't work to alleviate poverty and make people's lives better around the world?*

Devaki Jain: My own experience tells me that issues such as the existence of poverty and the inequality between men and women are very clearly political issues. One of the errors we've been making is to see them as issues which can be dealt with solely by human development efforts. By not seeing them as political issues, we are not allowing citizens to see that it's a political choice that people make on economic growth paths.

Let us take as an illustration the 'crucible test' that Mahatma Gandhi gave to all of us Indians.

He said: "I will give you a talisman. Whenever you are in doubt or when the self becomes too much with you, apply the following test: Recall the face of the poorest and weakest man you have seen and ask yourself if the step you contemplate is going to be of any use to him. Will he gain anything by it? Will it restore him to a control over his own life and destiny? In other words, will it lead to *Swaraj* for the hungry and spiritually starving millions? Then you will find your doubts and your self melting away."

Just imagine where we would be if, 50 years ago, India had followed this crucible test. Firstly, we would have ensured that everything we did first contributed to the removal of poverty. The whole notion of transformation would have been put on its head. We would have produced goods that are needed by the poor. We would have grown food that is needed by the poor. We would have first transformed the nature of our economic development to deal with this "poorest and weakest" man. We could not have escaped it.

It is also good economics to do that. Suppose we had put incomes in the hands of the poor, as Gandhi wanted to do with his village industries. Those incomes create what in economics is called "effective demand", which would have spurred the economy. Therefore, it is sound economics to put incomes in the hands of the masses of the poor, because these incomes generate the growth impulse. I call it the 'bubbling up' theory of growth, as a different concept from the 'trickle down' approach. The growth engine will bubble up from the production and consumption of the poor. Imagine the entire growth path coming that way. This whole issue of poverty would have been dealt with as a genuine priority.

We have to make the choice that the needs of the poor come first. Then we can transform the economy.

SI: When you say poverty is largely a political issue, do you mean politics in the sense of decisions made by governments around the world?

DJ: Yes. Decisions made by governments and leaders of opinion who influence government. After all, democratic politics is a market place for different lobbies. It is those lobbies that influence political decisions. It is a political decision when you decide that you will make poverty an issue, but not your primary issue.

SI: There are many economists and politicians who believe that market forces are the way out of poverty. They want to help the poor, they say, but they want to do it through the market. What do you say to that?

DJ: I have no problem with the market. In fact, in most developing countries, the majority of the poor are living in the private sector. Even Gandhi was a pure private entrepreneur. He didn't at all want the state to do much of what the state then began to do. The market is not the problem. The question is, who is benefiting from which kind of market? Is it the market into which livelihood strategies and opportunities for the poor are included, or other types of production and trade?

SI: How do you develop this "poor come first" attitude in politics?

DJ: One simplistic way is to deepen the representation in all decision-making processes, and make sure that lobbies of the poor are included -- unions, grassroots organizations who are working with the poor, societies representing the deprived. Also giving women representation in those circles of power would encourage a more equitable, basic-amenities, conservation-oriented development. The cure is representation. In fact, an Indian economist put it very well. He said: "At the negotiations that the Finance Minister has with the IMF and World Bank, if he could not only have the corporate sector and politicians next to him, but also representatives of workers and the poor, the whole nature of the negotiations would be transformed."

Another way is to develop this kind of moral imperative that Gandhi talked about. That would be difficult. But I think it probably wouldn't be so difficult to do now, because so many people are concerned about the perpetuation of inequality and the persistence of poverty. Don't you think that there's a certain concern globally that poverty is not 'walking away'?

SI: I definitely think so, especially with 1.3 billion people now living in absolute poverty. Our magazine's philosophy is that if we can somehow begin to see the food and resources of the world as belonging to humanity as a whole, and distribute the resources according to need rather than based on who can pay for them, that would be a major step forward. Is the re-distribution of resources a topic that is being discussed today in economic circles?

DJ: There are many lobbies, those who speak for the poor, who would be comfortable with the notion of distribution. There are also some of us who think that the production system has to be geared towards the needs of the majority -- not a socialist pattern of development like the Soviets had, producing mass goods, but in a more Gandhian way. Allow the production system to come into private enterprise, but with the imperative that it would be to provide livelihood and food initially to the poor, and then allow the rest to follow.

One would want to influence production and trade, because the currently accepted ideology is that if you grow fast enough, you will somehow have enough to be able then to distribute. But the last 5 or 10 years of analysis shows that it is not happening. Recent Human Development Reports illustrate vividly that poverty doesn't get removed, inequality does not lessen, even at the fastest growth rate. That challenges the theory that distribution will take care of the inequality.

Another aspect that Gandhi emphasized a great deal is consumption. He said if you could put some kind of ethical control on your consumption needs, if you could see consumption as a critical component in the distortion of the world's resource use and inequality, you can have quite a profound transformation in production. Of course Gandhi went to the extreme and said you only consume what your neighbor, the poor, can consume, and then we'll have more for everyone. Imagine if we all had a deeper view of consumption -- some kind of austerity, some kind of anxiety about over-consumption and waste -- it could change the model of growth.

SI: Do you see us moving in that direction of our own accord?

DJ: You do find a lot of people now joining communities and limiting their consumption. The younger generation is full of idealism about waste and overconsumption. So one hopes there could develop a social movement which would include consumption restraint, and alternative indices for measuring progress other than the GDP (Gross Domestic Product) in order to create a new ideological value.

I think we should also work together toward a new political economy of growth. The theoretical underpinnings of today's model have to be challenged in that language. I have been suggesting to the MacArthur Foundation and others to call together a group of economists. Let us sit with World Bank economists. We are all concerned about what is happening. Why don't we identify the propositions in economics that allow us to get growth and justice? Let's bring the discussion into the mainstream, instead of just sitting outside and critiquing it.

SI: What can we do to move in this direction?

DJ: One way is serious theory-building by those of us like myself. It can't be that only some of us economists are thinking of alternative paradigms. The discussion should enter the arena of political legitimacy.

Another idea, which I've often mentioned in the US, is that American citizens have to be more political. They are so politically lethargic. In India, for example, politics is taken very seriously. People really debate issues.

NGOs (non-governmental organizations) and other public opinion agencies in the US must really take notice of how much American economic leadership is creating havoc for America itself, and generating so much anxiety and inequality in other countries. The lever for this change should be American public opinion and the public's understanding of this crisis, which is soon going to knock on their doors.