

# Individual Assignment UHMS1172 MALAYSIAN DYNAMICS SEMESTER I, SESSION 2019/2020

Title: Current issues related to political, economic, social and global issues - Poverty

Lecturer / Instructor: Dr Muhammad Abd Hadi Bin Bunyamin

Name: SEE WEN XIANG Matric No.: A19EC0206

Programme: SECJ- Bachelor of Computer Science (Software Engineering)

Section: 21

# Table of Contents

1.0	Introduction	1
2.0	Causes of Poverty	3
2.1	Globalisation	3
2.2	Inflation	5
2.3	Unemployment	6
3.0	Effects of Poverty	7
3.1	Crime	7
3.2	Disease	8
3.3	Welfare Dependence	9
4.0	Solutions	11
5.0	Conclusion	13
6.0 Re	eferences	15

# 1.0 Introduction

Poverty as an urgent issue has been brought to the attention of the public of high-profile individuals. The world's population lives on less than \$ 2 a day has statistic approximately 40 per cent which is according to The World Bank Data of 2004 (World Bank Annual Report 2004, 2004). About one in seven people — just under one billion — live on less than \$ 1. These numbers only reflect human suffering. More than one-third of children under 14 work in Albania such as picking crops, cleaning shoes, doing drugs, but especially begging. Workers sell their kidneys to a transfer clinic to pay off their debts in Pakistan. One of the poorest countries in Africa which is Niger, aid workers report that desperate parents feed hungry children and leave the leaves in the summer of 2005 after drought and grasshoppers destroyed food crops. Despite years of starvation, about a quarter of Niger children died before the age of five.

Poverty has subsided, but it has not been solved completely. The poor people number in Africa has increased nearly doubled since 1820. Although poverty is in all places, it is not equal. Poverty can be defined as under \$1 a day in less developed countries, especially in Sub-Saharan Africa and South Asia and especially in rural areas in some country. While economists consider distinctions in purchasing ability, the average American boasts income 20 times larger than the sub-Saharan African average. As prosperity has increased, so has it not only worldwide but also within the country. The gap between rich and poor is growing in China, for example. In Bolivia, less than 100 families own five times more property than 2 million families. Poverty is affecting women and children and certain minorities; Bolivia's poor includes 88 per cent of the indigenous population. In many countries, poverty has simply disappeared, concentrated in poor neighbourhoods or neighbourhoods or homes. Concerned with the growing gap between the "rich" and the "ignorant," the United Nations reduced the starvation and extreme poverty between 1990 and 2015 from the first eight Millennium Development Goals (MDGs).

Experts often distinguish between absolute poverty — a struggle for survival — and relative poverty — less than others, or a lack of it, in certain regions. Absolute poverty is rare in industrialized nations. For instance, Japan and the United States, where the poor rarely die from starvation, for example. Being poor may mean choosing between medicine and retail or owning a car that works as a bedroom because housing is too expensive. However, in the United States abroad, poverty harms people not only from their physical needs but often their hopes, self-respect, and human rights. The United States which is the richest country in the world has one of the highest poverty rates among industrialized nations. Poverty continues in pockets and bands focused on Southeast, Southwest, Appalachia, and Native American. According to the US Census Bureau, 36.5 million Americans lived in poverty in 2006, and many scholars consider them to be conservative.

The contemporary definition of absolute and relative poverty acknowledges that people have more than physical needs. For example, Nobel Prize-winning economist Amartya Sen has described four dimensions of poverty that disrupt community functioning: lack of opportunity, capability, security, and empowerment. All kinds of barriers, from unreliable transportation to cronyism, can hinder access to good jobs, and women often carry the extra burden of childcare and household responsibilities. Poor education and healthcare erode human potential. Simply put, the poor rarely have the financial means to carry them through floods or stops, and little to protect them from domestic or civil violence. To call the poor "oppressed" is to acknowledge that homeowners, cities, and countries are ignoring or muting their voices.

# 2.0 Causes of Poverty

# 2.1 Globalisation

In general, the word globalisation implies the combination of the economy and society through the flow of technology, information, ideas, goods, capital, services, people and finance across countries (Roudometof, 2001). Globalisation's essence is in the state of being connected. The Cross-border combination can have several views — economic, social, cultural and political (Williamson & O'Rourke, 1999). The globalisation is a term used in the sense of more restricted economic combination, which can occur through three channels: services, capital movements, goods' trade, and financial flows. There are also channels through the action of people or migration.

Globalisation is explained as a better level of internationalization. Globalisation can be regarded as dominating the international market in investment, trade and other transactions; special integration and market institutions; and the emergency situation of global problems, such as population growth, management and environmental degradation that require global cooperation.

At the first line of the globalisation process are information flows and worldwide monetary capital, where national law has limited or no authority in the period of liberalisation. Comprehending the distinct conflicts and opportunities that are considered as the result of globalisation, one can look for the logical breakdown of the progress into trans nationalization, universalization, and internationalization, which is more suitable and experimental than the concept's usage of globalisation as an entire rational stitch.

The classical character of globalisation in the internationalization progress; from a national perspective, internationalization has grown in two major routes. First is to expand of services external sources of information, technologies, goods and in internal devouring from any particular country; the direction of this process is dominating the world market-oriented nations and the growth of business in global investment and trade.

Internationalization, in nature, builds up the economic process. It enhances the intellectual values and material exchange have benefited the relationships among the people.

By comparing, there is a long-time history of strong antagonism to the negative impacts of international trade, including inequalities, secular declines in trade, and new protections. High fluctuations are region of globalisation, which make the consequence of increasing sharply in short-term amount of cash and the private funds' usage to finance foreign debt.

The progress of globalisation may be irreversible and unstoppable. All worldwide institutions and banks have pro-globalisation programs and policies. There will be farther combination of financial assets, commodity markets and services. Even regional breakdowns can be the building blocks for the creation of new global architectures. Previously, there was a reliance on the US dollar as a universal currency, now the euro has appeared, and tomorrow the yuan zone or yen may also appear. No nation can manage to remain unique.

Accordingly, the essential for responsible and effective world government is becoming clearer. The dictum that "poverty everywhere is a threat to prosperity everywhere" has become more relationship among the global poverty regime. There is a requirement to change the situation from "winner and loser" to "win-win". Common issues' global awareness such as drug smuggling, ozone reduction, climate change, biodiversity loss, infectious diseases, environmental pollution and other public issues that have an impact on cross-border crossings, are also in need of global collaboration.

# 2.2 Inflation

Inflation is a situation of economic where the level of average of price of all wages and / or goods increases sharply, which has the worst impact on relatively not responsive income, such as pensions (Gipson, 1994). Inflation of lowering national savings rates and consumer purchasing power. At the time of payment at the creditor's expense, since the paying back will be made in the devaluate amount. Real savings and real wage cuts have worsened many political and economic conflicts. If inflation causes prices to rise by a few points of per centage each time, then it is only socially irritating (Köves, 1991).

Inflation of German at the beginning of 1920s had a significant effect on the country's poverty rate, as price inflation reached several hundred per cents a year. Price levels often increase double a day or even an hour. In 1923, a US dollar equals to 4.2 billion Germany money. In the United States, inflation is discovered in all durations of the cycle of business expansion. After each war, the country suffered inflation: The Revolutionary War, the War of 1812, , the Civil War, the Vietnam War, World War I and II, and the Korean War.

The new disorders in the world economy start to increase inflation in the industrial nations in early 1979. In 1979's first four months, all-inclusive values in the main industrial countries increased at an annual rate of 11 to 13 per cent, compared with five per cent in 1978. Prices in the United States were the consequence of an extreme decline in the US dollar from late 1977 to 1978 end. The oil critical situation was to some level brought on by this resumed inflation and the amortization of the U.S. dollar. In 1975 the official U.S. government statistics show that 25.9 million Americans were living below the government-defined poverty level (\$5,500 annual income) (Odekon, 2006).

The history of the past 30 years has taught us that every time inflation hits, the unemployment average rate increases. Higher inflation, followed by higher poverty.

# 2.3 Unemployment

Unemployment is a situation where more people are willing to work for a current wage than for a job offer (Mayer, Moorti, & McCallum, 2018). Thus, unemployment can be described economically as an excess in the labour market. The unemployment rate is measured by the unemployment rate, which is the ratio of the unemployment rate to the labour force, which is the unemployment and unemployment rate. We typically count individuals who are 16 years of age or older, are not appointed (in school, in military service, retired), are not employed for a specified period of national law (for example, one week), and are looking for new jobs as unemployed.

The labour surplus exists because, for existing supply and demand, wages are too high. The biggest problem is that some firms simply cannot afford to pay such high wages and therefore do not require new employees. If wages decline, new jobs will be more profitable for the firm and unemployment will disappear. Therefore, the most obvious recipe for unemployment elimination is the reduction in wages.

In today's reality, the solution may be difficult (labour unions and minimum wage are often cited as examples of these barriers), and thus the most obvious and historically most widely used solution to unemployment is not used today. However, in the past, wages have steadily declined during high unemployment and the economic crisis, which has allowed firms to cut costs, overcome economic problems, and create new jobs.

The Great Depression was the first major crisis in which wages in real inflation rose as the intentional policy goals that saw a new situation in the old labour-market became obsolete.

# 3.0 Effects of Poverty

#### 3.1 Crime

The 19<sup>th</sup> and 20<sup>th</sup> centuries end have been distinguished by the trend to study crime as well as its impacts and causes (Hinton, 2016). At distinct times, the works' series has aimed at crime, although not often with the same tools of analytic and purposes. For example, psychiatry and psychology target more on the individual deviants' attributes or criminals and analyse the ultimately ambiguous connection among the society and the criminal, while criminology and sociology target more on the social crime's views and on politics of crime.

At the level of social, this trend reflects the social control's transformation to self-handle. The fortification of the concept that the people are potentiality victims if they are unable to protect themselves or if they do not evolve into customers of new security market products serves the country's primary function, without the direct to the state's involvement.

In this structure, a huge level of worry of crime is essential; worry of crime is an assumption and the result of these techniques is control's individualization at the same time.

The architecture of the urban and social environment is also subject to a new class. The denationalisation of security does not apply on behalf of all community but on the part of the economically and socially disadvantaged sections. A new-class society appears when society people who can and cannot afford to pay for new ideas of salvation or new security itself.

These new polarizing societies can also be seen in urban construction and urban environments. Luxury places, shopping centres and banks, are well shielded from poor, dangerous or alienated social groups, those who cannot able to do the security and who is at weakness. Poverty is politically, socially and architecturally.

#### 3.2 Disease

There is direct conjunction between disease and poverty. Poverty triggers a cycle of illness and disease for exposed countries and groups as it causes nations and people to become irresponsible and futile, which change builds situations for disease to be spread and destroyed (Adams & Butterly, 2015). Therefore, from the perspective of human behaviour, many diseases that cause so much struggling in our today world can be obviated if governments and individuals are responsible for their behaviour.

While this will come as a strong accusation, the study of the reasons and some of the most serious diseases spreading maybe show that they can consist of individuals and governments act in ways that will underrate their spread and outbreaks. However, people and governments in poor nations do not act to restrict disease as they do not have enough resources to take action in the first place. Here come the plight and despair of disease confine in poor nations.

This is the most serious disease is found in the poorest parts of the world. Southeast Asia and Sub-Saharan Africa are the two regions of the Earth where living costs are the highest and the poverty rate is highest. In fact, Sub-Saharan Africa is the only area in the world today where levels of poverty are increasing sharply and more human are dying of suicide every year.

The size of poverty in Africa can be appreciated from the Live 8 Concerts that Bob Geldof, in organization with other lobbyist musicians, systematized in different towns across the planet to grip the awareness of G-8 leaders meeting in Scotland in July 2005 to poverty in Africa. Geldof organized a related concert in 1985 to boost fund money to fight African poverty in Ethiopia, the situation comes out to have worsened in twenty years later. The connection among poverty and disease are the HIV/AIDS universal which is one of the clearest expressions.

# 3.3 Welfare Dependence

Welfare Payments are transfers made by government agencies to eligible persons, either as part of a universal provision or through a proven scheme (Melkerson & Saarela, 2004). When welfare payments work to prevent recipients from looking for work or to reduce the need for payment, this is a welfare dependency - individuals either like or don't feel they have a choice but to rely on welfare payments when other options are possible. This is a subject that has caused much controversy, as many, on the grounds of political ideology or suitability in reducing government payments, claim that welfare dependence is a very important issue and that payments should be stopped or cancelled altogether.

As an American presidential candidate, for example, Ronald Reagan launched a campaign against "welfare queens" who allegedly cheated the system to receive various income streams and, consequently, were rich enough to drive in high-performance cars and avoid all forms of work. The unbelievable evidence has been produced to support Reagan's claim that such people exist. While accurate statistics and understanding of problems are difficult to obtain due to political controversy, the available data suggests a complex relationship between welfare, dependency, and willingness to work.

Moreover, for example, those who receive welfare payments only temporarily and in response to their relatively short-term needs. The widely held idea that young women intentionally have children out of wedlock so that they can obtain welfare payments, government housing, and similar benefits is also not supported by concrete evidence. In these cases, it is often the ideological belief that drives many to believe that others are out to cheat the system out of deep dissatisfaction and, in fact, to deceive them from paying their taxes. It is women, especially unmarried mothers, and foreigners who are most often accused of behaving in this way and, again, the evidence to support the claim of mass disputes is difficult to find.

There are examples of welfare benefits that are set at a very high level, more than easily matched by income. However, these benefits are usually associated with conditions such as serious illnesses or disabilities that require high levels of spending and which, anecdotal evidence, however, is very difficult to establish in the long run. In some Western countries, women are barred from entering or re-entering the active workforce due to the high cost of childcare and providing only low-cost government alternatives. Similarly, asylum seekers and foreign workers have to rely on welfare payments in some countries because laws prohibit them from working. In recent years, more sophisticated approaches to welfare payments have allowed governments to more effectively bring people back to work, through tax credits, child support programs, and promoting labour market flexibility in terms of job-sharing, work-at-home, and telecommunications

# 4.0 Solutions

When families and individuals experience crises such as disability, illness, divorce or job loss they may face losing health insurance coverage and the foreground of falling into poverty (or becoming poorer). Many government support programs are planned to reduce this issue. These programs also provide support when people reach retirement age and when family members are working but have low incomes.

There are two main classifications of public benefit programs - those that income benefit regardless and who restrict aid to low-income people or medium-income people. The first classification of programs includes primary insurance of social programs. For example, Social Security, Medicare and unemployment insurance and. Programs in the second classification are often mentioned as "how-to" programs [programs that are restricted to families or individuals with below-average income].

Programs that are being tested by playing a major role in reducing poverty and suppling healthcare to low-income Americans. More than 55 million receive health insurance through the tested medical program, Medicaid and the State Children's Health Insurance Program (SCHIP) and as many as 11 million low-income Americans are raised more than the poverty line through inspected benefits. Most of these people will not be insured.

This study provides an overview of the income support programs is the main role to reduce poverty and provide access to health insurance programs to needed healthcare. It also analyses the impact of these programs on distinct demographic groups and how the impact of these programs compares to the impact of comparable programs in other countries. The programs studied here are compelling, as evidenced by the poverty of significant in the United States and the number of low-income individuals as well as the fact that other rich industrialized countries which are lower rates of poverty country provide powerful aid (especially for low-income families with children). However, the strength of the public benefits plan in the United States is impressive.

The worldwide harassment with eradicating poverty is a major threat to freedom of economic in developing countries. Through central programme, aid agencies and governments are busy blocking the way of the poor to achieve boom. The United Nations Millennium Development Goals (MDGs) that miraculously reduce poverty worldwide in the first half of 2015 are the most popular and worst plans. The MDG Secretariat urges developed countries to increase doubled their foreign aid, which will be used to promote UN programs on extreme hunger; primary school; maternal health; the death of a child; gender equality; global partnerships for development, HIV / AIDS, environmental sustainability, malaria, and other diseases; The UN asserts that poverty will be history if the problem is addressed. However, that's not it! Worse, since poor countries are stimulated to spend more on these programs. This would broaden the fraudulence channel and raise budget imbalance, both of which have paralyzed the Third World economy for decades.

# 5.0 Conclusion

Poverty has developed into an important issue in today world. Although many institutions have been created to find solutions to this issue, no one can rescue our world totally from poverty. The most general truth we can learn when we think about poverty that is prevalent in developing nations.

What is the main cause of poverty? There are too many causes of poverty. Poverty is a critical significant lack of money. The exact definition of poverty is controversial; Based on one definition, poverty has little money and cannot settle basic needs. For example, shelter and food. Experts study the negative impacts of poverty as well as those living in poverty and why. Numerous investigations have been conducted to estimate the exact people number experiencing poverty. The world poorest are Niger, Congo, Dem. Rep, Liberia, Central African Republic, Burundi, Eritrea, Mozambique and Malawi which is according to Global Finance Magazine. There are many organizations like ONE, Hunger Project, Oxfam and CARE that work to end poverty. Part of them is a non-profit, strategical organization dedicated to global poverty and tenable starvation.

According to World Bank Data, absolute poverty for 2000 and beyond, by the way, researchers have been working to reconstruct information on past lifestyle principles (World Bank Annual Report 2004, 2004).

As a youth, I would like to recommend some solutions that will help in our excursion to decrease poverty. Fundamentally, we need to take the necessary actions to decrease the population in today world. The resources do not increase but the population grows at fast speed. During the time of considering people in poor countries, they have at smallest six or seven children. However, the children are not in good health or the parents are unable to give a suitable education for them. Besides, parents cannot supply food full of nutrition which is suitable for their children as lack of resources. As a result, their health is greatly reduced. Their brain development is inadequate and due to their ability to obtain education, they should be depleted.

Taking action to develop the education and health sector in particular nations is a great method to decrease poverty. Therefore, we must first develop aids for pregnant women from these nations and supply them with a nutritional diet to keep the baby in well condition. Hence, the children will be in well shape and their brains will be in a good position to have an appropriate education. Exploiting the learning sector of nations with the support of charities and the developed nations' government is also a better action towards developing an education system in those countries. When we look at the education country in African nations' number influenced by poverty we observe: military conflicts, language barriers and lack of suitable facilities.

Making the international organizations working in a bigger number to decrease poverty by educating developing nations to organize and action related to this is another advice. Stimulating spiritually the voluntary to provide facilities such as pure water, nutritious food, housing to the poor and welfare services to enrich their lives, by offering particular gifts and adorning them in different methods will be a great method to raise the volunteer workers' number. Therefore, I trust that my suggestions and opinions will help to solve poverty.

# **6.0 References**

- Adams, L. V., & Butterly, J. R. (2015). *Diseases of Poverty: Epidemiology, Infectious Diseases, and Modern Plagues*. Lebanon: Dartmouth College Press.
- Gipson, C. R. (1994). *The McGraw-Hill Dictionary of International Trade and Finance*. New York: McGraw-Hill.
- Hinton, E. (2016). From the War on Poverty to the War on Crime: The Making of Mass Incarceration in America. Cambridge: Harvard University Press.
- Köves, A. (1991). Foreign Economic Liberalization: Transformations in Socialist and Market Economies. Boulder, Colorado: Westview Press.
- Mayer, T., Moorti, S., & McCallum, J. K. (2018). *The Crisis of Global Youth Unemployment*. New York: Routledge.
- Melkerson, M., & Saarela, J. (2004). Journal of Population Economics. Welfare Participation and Welfare Dependence Among the Unemployed, 409-431.
- Odekon, M. (2006). *Encyclopedia of World Poverty*. California: Sage Publication.
- Roudometof, V. (2001). *Nationalism, Globalisation, and Orthodoxy: The Social Origins of Ethnic Conflict in the Balkans*. London: Greenwood Press.
- Williamson, J. G., & O'Rourke, K. (1999). *Globalisation and History: The Evolution of a Nineteenth-century Atlantic Economy*. London: MIT Press.
- (2004). World Bank Annual Report 2004. Washington: DC.