

Some Ideas for Escape from Absolute Poverty in Underdeveloped Countries

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Abstract— *The past aid method of supporting absolute poverty in underdeveloped countries has not been fundamentally resolved because political instability in underdeveloped countries continues and the establishment of democracy is still far away. Developed countries should introduce cutting-edge science and technology such as wireless Wi-Fi, small-scale charging facilities, and 5G technology as new means of escaping from absolute poverty in underdeveloped countries. The way to achieve social justice in developed countries is to help the underdeveloped countries because the sacrifice of the underdeveloped countries guarantees an affluent daily life.*

Keywords— *Underdeveloped Countries, Absolute Poverty Social Justice, Digital Technology.*

I. INTRODUCTION

Developed countries announce their annual economic growth rates. At the global level, financial wealth is increasing every year. But, ironically, economic growth in underdeveloped countries is stagnant. The economic gap between developed and underdeveloped countries is widening as time goes by. A robust question arises about whether it is possible for residents of developed countries to remain silent and ignorant of absolute poverty in underdeveloped countries like a fire across a river. From a macro perspective, Now is the time for advanced countries to pay attention to the gap between the rich and the poor in developed and underdeveloped countries (Robeyns, I. 2017). The term social justice is also perceived differently in developed and undeveloped countries. Developed countries classify justice society according to how much freedom they have in pursuing happiness. In underdeveloped countries, it is perceived as a justice society by how many people are guaranteed freedom from poverty. In the past, developed countries used a strategy of bridging the gap by dividing them into a few rich people and a lot of poor people in underdeveloped countries. However, the gap has widened, and the number of the absolute poor has not decreased. Developed countries must abandon the old approach of bridging the income gap between the rich and the poor (Zimmermann, B. 2006). They have to explore strategies to reduce the number of poor people in underdeveloped countries. For example, in undeveloped country X, suppose that A has a monthly income of \$250, B has a monthly income of \$2,500, and the absolute poverty standard is \$500 a month. In the case of a 100% increase, A still has a monthly payment of \$500 and cannot escape from absolute poverty. B has a monthly income of \$5,000, and the income gap between A has increased from \$2,000 to \$4,500 per month. The degree of income inequality between A and B, the income ratio is still 1:10. However, the gap has widened. As such, inequality and disparity mean

different dimensions. Developed countries need a new approach to raising A's monthly income by \$1,000(Nel, P. 2003).

Absolute poverty in underdeveloped countries from the perspective of justice.

Developed countries should focus on increasing the income of the poor rather than the gap between developing countries to help them escape from absolute poverty. Some people question why residents in developed countries help the poor in underdeveloped countries. Those who live in developed countries enjoy a prosperous daily life. When they see public service advertisements from poor relief organizations that they occasionally see on TV, they want their lives to be better. Still, few feel they are obligated to help them. However, if we approach the problem of poverty in underdeveloped countries as a concept of justice, it comes to us with a different meaning (Robeyns, I. 2017). The Greek philosopher Aristotle argued that distributive justice is to treat people with equal abilities the same and different abilities differently. When children are born in developed countries, they fully develop their potential according to the systematic education system, go out into society and enjoy employment opportunities according to their abilities.

(2) However, it is not their fault that children of underdeveloped countries are not educated to develop their potential and are abandoned by adults simply because they were born in poor countries. It is enough to say that this is an inconvenient truth and inequality on a global level. The philosopher John Rawls calls justice that, in the context of fair income distribution, all individuals should have an equal opportunity to develop their abilities (Rawls, J. 2009). This should cross borders and apply to children in underdeveloped countries. Developed countries do not have to help undeveloped countries merely out of a sense of moral obligation. The affluent life in developed countries is thanks to the cheap labor of workers in underdeveloped countries. People in developed countries can drink \$5 coffee because coffee farmers in undeveloped countries are not being paid justly at the level of workers in developed countries (Martins, N. 2007). Now is the time not to turn away from the poverty of underdeveloped countries but to find various ways to help them with a heart for justice. With the recent advent of digital money, you can build an online platform to send dollars directly to them. Now is the time to find a specific solution on how to help.

Is absolute poverty in underdeveloped countries an inherent problem?

Indian economist Armatia Sen analyzed the case of Ethiopia, where 200,000 people died during the 1973-74 famine, which is very interesting (Sen, A. 1985). During that period, Ethiopia's total food supply remained unchanged. The southern region had a good harvest, and the northern part had a poor crop, but the yield was at the average level. Sen argued that the cause of the famine was not a poor crop but a breakdown in the market order (Sen, A. 1993). In particular, The lack of external food supply in the northern regions, where the crop was poor, triggered the temporary food shortage. The sudden increase in grain prices was not allowed poor households to get enough food.

The government system did not work in the northern regions, leaving them exposed to great famine. If it is a developed country, the government measures to increase food supply to areas with poor crops and even control prices to ensure that the poor have food. In an undeveloped country like Ethiopia, democracy was still immature, so it was impossible to expect the government system to function normally. However, in underdeveloped countries, political instability has been maintained for a long time due to frequent regime changes and civil wars (Nel, P. 2003). Underdeveloped nations have structural problems, such as the daily life of corruption, high taxation that suppresses the income of the poor, and the waste of aid funds from advanced countries. That said, developed countries cannot give up the absolute poverty of underdeveloped countries. The political backwardness of developing countries cannot be solved immediately by the efforts of developing countries. On the condition that the political instability of the underdeveloped countries is acknowledged as it is, We have to find a novel way to help the underdeveloped countries escape absolute poverty.

Some Causes and Nature of absolute poverty in underdeveloped countries

We call countries in South America, Southeast Asia, Central Asia, and Africa underdeveloped countries. As of 1999, the World Bank classifies countries with per capita GNP of less than \$755 as low-income countries (World Bank, 2003). The underdeveloped countries are, without exception, low-income countries. Not all populations of underdeveloped countries are in absolute poverty. Few people have as much money as the rich in developed countries. CNN News frequently reports corruption scandals in underdeveloped countries. On July 10, 2022, CNN reported that the incumbent president of Sri Lanka in Central Asia is resigning. The current president of the country is the younger brother and the former president is the older brother. The brothers ruled Sri Lanka for about 20 years. The brothers took control of the parliament, the executive, and the judiciary.

In underdeveloped countries, like Sri Lanka, a minority has legislative, administrative, and judicial powers all over the country. In the United States, Congress monitors the president's policies and checks the exercise of his powers. At the same time, the judiciary controls Parliament and the Executive from an independent position. Most people distinguish between developed and underdeveloped countries based on GNP. However, it is easier and clearer to determine developed and

underdeveloped countries based on the monopoly of political power. As a mathematical formula, countries, where a minority has monopolized political power, are as poor as Sri Lanka. A minority that monopolizes political power is prone to bribery and corruption. During the two brothers' long reign lasted 20 years in Sri Lanka, a series of incidents of corruption occurred. People in underdeveloped countries are not poor because they are lazy. This is because a minority with political power obtained all the wealth through expedient and illegal means. Only key politicians, civil servants who take bribes, and family businesses who pay bribes become wealthy. This is the typical chain of corruption in underdeveloped countries. Aristotle's system of distributive justice in which wealth is distributed according to ability does not work. No matter how talented an individual is or how hard he tries, he cannot escape poverty. In particular, poor young people have no hope that tomorrow will be different from today.

The illiteracy rate of the poor in underdeveloped countries is very high. The high illiteracy rate is a crucial reason for not finding a job with a guaranteed income (Chambers, R. 2004). Most of the poor in undeveloped countries are engaged in agriculture. Agriculture is affected by the climate, and when heavy rain or sweltering occurs, poor crops are produced and immediately exposed to starvation (Alkire, S. 2007). Except for cities, underdeveloped countries are living in isolation because there are few communication methods to connect with neighbors, such as landline telephones and public transportation. Even if they have surplus produce, there is no market for them to trade. In establishing a strategy for resolving absolute poverty in underdeveloped countries, it is necessary to start by objectively grasping the current conditions of underdeveloped countries. Advanced civilizations are based on electricity infrastructure.

Developed countries are taking risks and building nuclear power plants because their electricity consumption is increasing yearly. The European Union classifies nuclear energy as carbon-neutral energy contributing to climate change. Building power plants in underdeveloped countries are practically impossible because it requires enormous money. Instead, it is a realistic alternative to build wind or solar power plants that meet the climatic conditions of undeveloped countries (Chandhoke, S. K. 1998). The most unfortunate factor for underdeveloped countries is the absence of leaders. Political instability or civil war in underdeveloped countries is closely related to the lack of a leader. In particular, in underdeveloped countries in Africa, tribal culture still exists, rejecting the democratic system and maintaining community order by relying on the charisma of the tribal leader. The chiefs representing each region cooperate and do not make any effort to grow the community, only the struggle for power between them is repeated. The harsh reality they face is that aid supplies from advanced countries are not being delivered to the poor but are being turned into war supplies for civil war. We need to find strategies to escape poverty in response to the elements of the crisis facing developing countries. Rather than focusing on the most challenging and time-consuming chronic problems, establishing democracy, etc., it is the best scenario to help a

developing country escape poverty by listing the possible issues and solving them individually.

School Infra

In underdeveloped countries, more than 90% of the population is in absolute poverty. Absolute poverty is when a family's monthly income is so low that it cannot even cover their living expenses. Is there such a thing as a dream for a family who cannot solve three meals a day?. The fundamental reason that advanced countries and the UN are taking the lead in resolving absolute poverty in underdeveloped countries is to give them dreams. Today's life without dreams is despair; they can't even think of tomorrow because they worry about their meals. To provide them with goals, the first thing they must do is primary education. Primary education is an essential activity (Francesco B. 2006). A study reports that Primary education for women is the surest way to lower the illiteracy rate of children (Nussbaum, M. 2006).

Primary education is a shortcut that guarantees income beyond absolute poverty. When the family's livelihood is settled, The parents want their children to have a better life than themselves. The mother pays attention to her child's education. Since 1960, developed countries have been providing aid to underdeveloped countries in the form of aid. Even if the aid method can solve the quick meal, if the aid is stopped or the aid is reduced, there will be a day without meals again. More than 80% of people in underdeveloped countries are illiterate. It isn't easy to earn money if they do not know how to read and write. Children born in underdeveloped countries should receive primary education to free them from illiteracy (Glewwe, P. 1997). Developed countries should provide school infrastructure to underdeveloped countries and support local teacher training programs. Due to the corruption of governments in underdeveloped countries, there is no possibility that aid funds will be used to install school infrastructure. It is most efficient for developed countries to directly build elementary schools in underdeveloped countries and provide instructional materials and programs.

The starting point for school infrastructure is the supply of electricity (Hvinden, B. and Halvorsen, R. 2018). The underdeveloped countries suffer from chronic electricity shortages. They have neither the funds nor the human resources to build the power plant. Developed countries such as the United States are manufacturing charging facilities that can store large-capacity electricity. For example, The Powerwall lithium battery system from Tesla Energy has made a big impact in the solar world and pushed home energy storage into the mainstream. Tesla took the energy storage world by surprise with the release of the first generation Powerwall in 2017. If large-capacity electric charging facilities such as Powerwall are installed in schools in underdeveloped countries, the electricity necessary for school operation can be continuously supplied. When electricity is given to the school, meals can be provided to the children, and video teaching materials can be fully utilized. Digital teaching materials can be delivered to children through a CD video player connected to a large monitor. A child who can operate a computer has an absolute advantage in finding a job after graduation (Francesco B. 2006). Above all,

if developed countries provide schools with desktop computers, children will be able to learn their native language faster and have the ability to speak English. All of these things are possible only with electricity infrastructure.

A new alternative has emerged that can provide the wireless Wi-Fi communication service, which is unrestrictedly used in developed countries, to developing countries. That's Starlink. In the recent Russo-Ukraine War, when Russian forces attacked Ukrainian communications facilities, SpaceX provided Starlink service to the Ukraine region, quickly restoring Ukrainian military contacts. Starlink is the name of a satellite network developed by the private spaceflight company SpaceX (opens in new tab) to provide low-cost internet to remote locations. Starlink is ideally suited for areas where connectivity has been unreliable or completely unavailable, People across the globe are using Starlink to gain access to education, health services and even communications support during natural disasters (Baulch, B. and John, H. 2000). When Starlink is provided in rural Africa, rural African schools, which lack textbooks, can access Google open source in real time to obtain instructional materials. In particular, free online video lectures will give them new hope.

Physical Market Infra

There is no public transport system in rural areas of underdeveloped countries. This creates their isolation and acts as an obstacle to market formation. Public transport provides the basis for the formation of markets for buying and selling goods (Potokar T. and Bendell R. et, al.2022). We need to provide them with a public transport system. One way is to provide old used buses from developed countries. If you provide them with a one-day, round-trip bus service from and back to town, they too can participate in the market selling surplus agricultural products and buying essential necessities. Providing used pickup trucks to towns that don't have large buses will allow them to market very intelligently. We could not expect the political system of an underdeveloped country to behave like a developed country. Even if we look at the example of South Korea, which started as an underdeveloped country and became a developed country, it took at least 30 years for democracy to be established. Even 30 years from now, the politics of underdeveloped countries can remain. Now, advanced countries must reduce aid to solve the absolute poverty of underdeveloped countries and strive to build market economy infrastructure.

A thriving market economy experiment in Bangladesh has led to a rapid decline in the number of absolute poverty (Baulch, B. and John, H. 2000). A Bangladeshi entrepreneur named Iqbal Kwadir started a wireless communication business in 1998, providing one mobile phone to each village in rural Bangladesh. He offered mobile phones the people in rural areas who could not afford to buy or use them.

(2) After all, the invisible hand of Adam Smith, author of *The Wealth of Nations* and father of the classical economist was Iqbal Qadir's cell phone. He argued that prices are determined in the market, and that changes in supply and demand occur according to the determined prices. (Drèze, J. and Sen, A. 2002).

When the price of a product rises due to an increase in the quantity purchased by the consumer, the supplier will produce more to increase the quantity supplied. Then, while the quantity supplied increases in the market, the quantity demanded decreases due to the high price, and the price goes down again. This is what we call the market principle in which prices are determined, There are primary conditions under which the market principle of Adam Smith works. Market participants need to know pricing information for all products. Consumers need to know who is selling which product and for what price, while suppliers need to know who wants to buy which product. So, that's why Adam Smith referred to the market as the invisible hand.

Developed countries have developed markets for buying and selling goods. Even the online market is actively running. On the other hand, underdeveloped countries have inferior market formation. In an underdeveloped country full of dictatorship and corruption, the gap between the rich and the poor is severe. A few influential people own most of the wealth, the ordinary people are constantly suffering from poverty and famine. It is the market that can liberate them from poverty. If there is a market where they can sell agricultural products, they will work harder to make more agricultural products to raise their income. A market all them to escape from absolute poverty. The success of the Grameen phone in Bangladesh is proof of this.

Ideas for Direct Sponsorship Using Digital Technology

Citizens of developed countries are helping the poor people of underdeveloped countries by donating to NGO-type relief organizations. However, as the citizens who issued the donation thought, 100% of the amount is not delivered to them of underdeveloped countries. It covers the operating expenses of the relief organization, and only the remaining amount is delivered to them in underdeveloped countries. There is a way for citizens of developed countries to transfer money to their bank accounts. A fee must be paid for bank transfers. Cross-border international fees are charged at least \$5 or more, regardless of the remittance amount. If someone sponsors \$6 by bank transfer, only \$1 is given to them. Even worse, people living in rural areas in underdeveloped countries do not have bank accounts. we can't send money to them.

Then, it is enough to supply one used cell phone from a developed country to each village in an undeveloped country. They can download an application that can receive digital money on a mobile phone due to the amazing technology of wireless internet by Starlink. Citizens of developed countries transmit \$1 per month to a designated cell phone without fee.

Some Ideas to Motivate Citizens of Developed Countries to Sponsor

Existing NGO sponsorship advertisements maintain a way of receiving \$10 a month in sponsorship, exposing the reality of poverty in underdeveloped countries and inducing sympathy for viewers. However, a tiny percentage of viewers participated in the support. First, the sponsorship method is complicated and cumbersome. You must make a phone call to the NGO organization to tell your intention of sponsorship and apply for

a self-service transfer of \$10 per month to your bank account in the name of the NGO organization. The NGO organization first discloses the country and region it will sponsor. Then, specify the purpose to be achieved through sponsorship. For example, we provide an elementary school in the southern part of country X with 20 used desktops. We disclose the total cost, including the purchase, transportation, and installation cost of 20 used desktops. Set a limit on the amount raised by limiting the total cost. Citizens see these sponsorship advertisements and do not send donations to NGOs but directly send digital money to the cell phone of the current primary school principal in Africa. The minimum remittance unit is \$1.

(2) The NGO group asks the principal of A Elementary School to take a video of the second-hand desktop installation and the scenes used by the students and upload it to YouTube. An NGO organization sends a URL address where they can view it to all those who participate in sponsoring the purchase of a used computer.

As another example, an NGO group discloses a sponsorship project to supply one used the cell phone to 50 villages in the northern part of country Y. Promote the donation of used mobile phones to sponsors who only have second-hand mobile phones by replacing them with newer devices. When 50 mobile phones are donated, they are sent to the local representative of NGO group Y by international delivery. The representative delivers one used cell phone to each village and teaches them how to use it. NGOs receive voluntary support from citizens by disclosing the total mobile phone communication charges they use for a year. Citizens also send digital money directly to mobile phones provided to each village in Y country. If such a project is operated normally, the 50 villages in the northern region of country Y will have a means of direct communication with neighboring areas and can participate in the market to sell surplus agricultural products.

TABLE 1. Options available to underdeveloped countries (O: Available, X: Not available)

Nation	Cell Phone	Desk-Top	Bus	Powerwall	Starlink
A	O	X	X	O	O
B	X	O	O	O	O
C	O	X	O	O	O
D	O	O	X	O	O

II. IN PLACE OF THE CONCLUSION

(Correlation between Sponsorship Priority and Reduction of Absolute Poverty)

The World Bank's statistics on the poor in underdeveloped countries in Africa prove that sponsorship through the existing aid method is not a fundamental solution to absolute poverty in underdeveloped countries. (World Bank, 2003). Changing the sponsorship method to a direct transfer of digital money to underdeveloped countries on the condition that it receives the help of Powerwall and Starlink's telecommunication infrastructure will produce different results. As shown in Table 1, if only one of the three infrastructures is provided, or two or more are provided, and a cohort study of the reduction rate of absolute poverty by region for at least 20 years, how much new

sponsorship will be developed in underdeveloped countries You will find out if it is effective in reducing absolute poverty. If these new ways of giving are proven to help reduce absolute poverty, members of the United Nations will have to give up their old way of helping and reinvent the protocol to support the new method.

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