

General Overview on Poverty: The Sample of OECD Countries

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Abstract

Poverty, as a significant threat to humans all over the world, has been enhancing because of the fact that there has been a strong inequality of the income rates. In this economic system, the poor becomes poorer and the rich becomes richer and the difference between these two groups has become absolute. On the other hand, the international organizations are not effective enough to solve the problem of poverty. In this context, the main aim of the study is to have a look at the general overview of poverty by means of OECD countries and to come to a certain as well as concrete resolutions on its prevention.

Keywords: Poverty, Poverty Rates, Household Income, OECD

JEL Classification Codes: J00, I3, J1, J48

Yoksulluk Kavramı Üzerine Genel Bir Değerlendirme: OECD Ülkeleri Örneği

Öz

Dünya genelinde önemli bir tehdit unsuru olan yoksulluk, gelir dağılımında meydana gelen eşitsizlik nedeniyle her geçen gün artmaya devam etmektedir. Bu ekonomik sistemde fakir daha fakirleşirken zengin ise daha da zenginleşmekte ve her iki grup arasındaki farklılık giderek derinleşmektedir. Diğer taraftan uluslararası örgütlerde bu problemin çözümünde yeterince aktif rol üstlenememektedirler. Bu bağlamda çalışmanın ana amacı yoksulluk kavramı etrafında OECD ülkelerinde yoksulluk düzeylerini etraflıca değerlendirmek ve bu sorunun çözümü konusunda somut önerilerde bulunmaktır.

Anahtar Kelimeler: Yoksulluk, Yoksulluk Oranları, Hanehalkı Geliri, OECD

JEL Sınıflandırma Kodları: J00, I3, J1, J48

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1. Introduction

The world, including the conditions, time, people, the states, and even the things that we do not consider is always changing. Particularly following globalization and the digital revolution, the world is getting smaller. There is not an isolation of one country's people, their problems, and solutions and so forth. The problems, solutions are not specific to one particular region, contrarily; it affects the world as a whole which can be regarded that everything in the world is so integrated with one another that it is impossible to imagine them different from one another. That is also the case for the concept of poverty. Of course poverty has some national dynamics but it has international conductors as well.

Poverty that can be defined as a sort of inadequacy when the people finds it too tough to meet their basic need is the common problem for all is a significant threat for the world peace (Brooks, 2009, 6). According to the data gathered from the United Nations, nearly 21,000 people die every day because of hunger or some illnesses related to hunger. This is mostly the children and that happens every four seconds (<http://www.poverty.com>). This shows that there is a strong gap between developed and undeveloped nations concerning the issue of poverty that is not distributed randomly and some factors like gender, race, structure of the family, parental education have a considerable effect on its formation and this can also be interpreted that wage distribution is not fair (Seccomber, 2000, 1095). In the study, the poverty as a factor that makes the people wages low will be analyzed on the basis of OECD countries and some certain solutions will be given.

2. Literature Review

2.1. The Concept and Dimensions of Poverty

Actually, the definition of poverty is critical to academic, political, and social groups owing to the fact that it depends on the explanations and some certain implications concerning solutions. Therefore, the actual definition of the concept affects the policy as well as the academia. There is no single definition of poverty, (Lister, 2004: 12) but it can be comprehended 'absolute and relative terms.' (Barusch, 2009: 140). However, regardless of its types, it is clear that poverty occurs when the people do not even meet their basic needs or when their wages are too low to meet their basic needs and it is a kind of inadequacy (Brooks, 2009, 6). Some vital statistics have been put forward to lay an emphasis on poverty as stated in the following (Poverty, available at www.un.org/cyberschoolbus/briefing/poverty/poverty.pdf):

- Half of the world, approximately 2.8 billion people, live less than \$ 2 per day. At the same time, nearly 20 percent of the world population, that is 1.2 billion people live less than \$ 1 per day.

- Regionally, South Asia and the Sub Saharan Africa is the most affected countries. For example, for South Asian countries, it can be argued that they have the largest number of poor people, about 522 million people live \$ 1 dollar a day. As for the Sub Saharan African countries, they have the highest proportion of people who are so poor and it affects the 46.3 percent of the whole population which so near to the half of the population in the region.
- In the world, about 1 billion people illiterate because they do not have access to education, and more than 1 million people have shortages of safe water, 840 million people have food insecurity, and about one third of children encounter malnutrition.
- Providing access to basic social services cost \$ 80 billion which is equal to the less than 0.5 percent of the global income.
- The 20 percent living in the world who have also the highest income in the world possess the 86 percent of the global domestic product (GDP). This means that the minority of the people who are rich control the fiscal policies and the world. This is drastically significant for the inequality of the incomes.
- The assets of the three richest men in the world are more than the Gross Domestic Products of the world's 48 poorest countries.

As seen in the items above, poverty that includes chronically poor people “who are beyond the reach of state administered social provision, outside protective mutual or advocacy organization and unable to participate in market exchange” (Curtis, 2006, 152) is a global problem and the great majority of the people live in low income countries and the people suffer poverty harshly. In other countries the people discuss the meals, their quality, having a bath, its frequency, clothing and its brand while in the low income countries the people do not have any/difficult access to these kinds of needs which is actually a paradoxical situation. On the other hand, there are also some people, a minority, who live in the developed countries, but they are also poor (Sadeq, 2002, 135). Poverty which can not only be found a solution by means of employment and some health care services, but also depends upon the adjustment of the wealth distribution among the countries in the world (Adjaye, 2004, 196) should not be regarded as a kind of phenomenon that is solely related to low income. More comprehensive perspective is to be developed for a close analysis as it is multi-dimensional problem. For example, as low income, poor health, the inadequacy of infrastructure, poor education, and the characteristics of poverty can be categorized into four groups as shown in Figure 1 (Sadeq, 2002, 136).

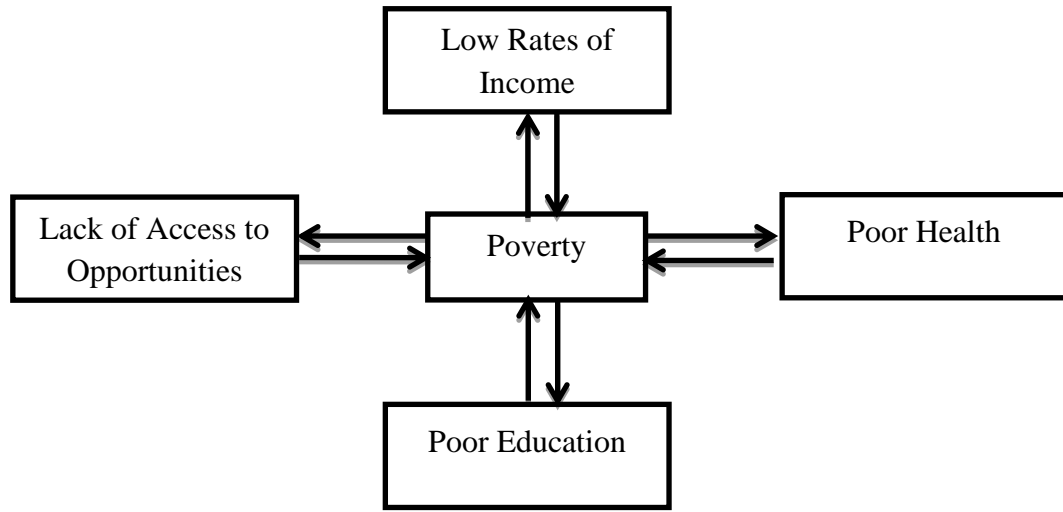


Figure 1: Poverty and Its Dynamics

Source: Sadeq (2002, 136).

These variables mentioned above are related to poverty due to the fact that it brings about illiteracy because of low levels of education. Additionally, it fosters poverty too. It is a kind of vicious circle. Poverty as it enhances the inadequacy of food, medical care, and some other supplies and which results in health problems and vice versa. In the same way, the low rates of income prevent the people access to some other basic needs let alone facilities. People who are poor are deprived of social activities, holidays, and so forth. This situation also strengthens the poorness. Therefore, all these variables mentioned above leave an impact on the formation of the poverty and the poorness and the poverty and the poorness stem in low rates of income, malnutrition, poor education, health, and the poor are deprived of some other facilities (Sadeq, 2002, 137; Poverty, available at www.un.org/cyberschoolbus/briefing/poverty/poverty.pdf). That is, it is necessary not to be forgotten that the objective of global economic development relies upon to the health and educational improvements for these areas are so critical for the developmental processes. These instruments are of great significance in themselves and they are important for their contribution to the people's qualifications and their productivity level. So, this economic development centered cycle both increase the productivity and income and so decreases poverty (Dao, 2008, 294).

According to the United Nations Programme (UNDP) in 1990, the poverty as multidimensional problem and which brings the concepts of 'human development' and 'human poverty' to the fore and as an oppositional correlation between poorness reduction and income increase (Domfeh & Bawole, 2009, 492;

Lenagala & Ram, 2010, 924) is a common concern that the economic growth is not distributed fairly and also the economic crisis widens the gap between rich and the poor in terms of income equality which can be seen in the Gini Coefficient of Income Inequality below (<http://www.oecd.org/social/inequality.htm>).

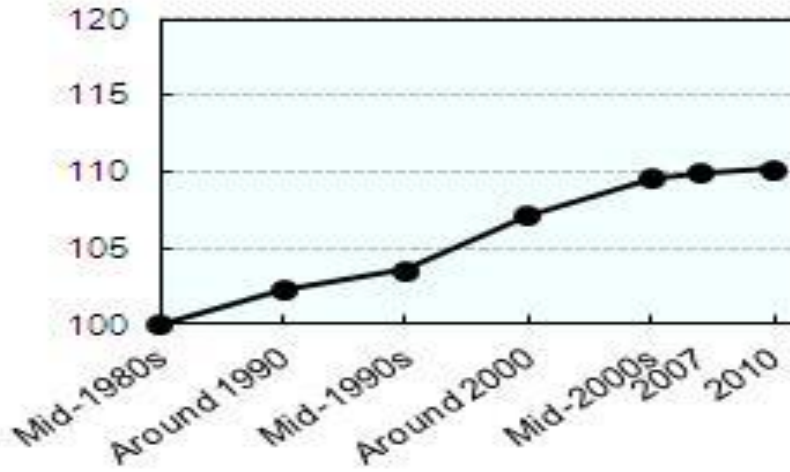


Figure 2: Increase in Gini Coefficient of Income Inequality, OECD Average, Mid 1980s

Source: <http://www.oecd.org/social/inequality.htm>.

It is known that the Gini coefficient is between 0-1. Within the years mentioned above, it has been increasing which gives the idea that the income inequality is going up which will also results in the poverty increase as well. The possible reasons for the gap is the tendency of globalization in which everything including information, education, trade, technology, and ext. is accessible (Abeles, 2001, 2-3) and which includes 1)international financial markets, 2) the revolution of telecommunication, 3) transnational corporations, 4) transition from Fordist mass production to flexible working, 5) the integration of the Third World countries to trade, 6) global economy (Styker, 1998, 3), and also talent based employment policies in parallel to the transition to the knowledge economy in which the techno economic paradigms are on the center for the learning and teaching procedures (O'Donoghe & Maguire, 2005, 436).

2.1.1. Poverty and Its Connotations

A person is taken into account as a poor people if his income declines below the poverty line which is the minimum account of money one can support his life. Because of the fact that the definition of the poverty line alters depending upon the different societies, so does the poverty line. Similarly, the household income, the household members and their needs also affect the poverty line (Lusted, 2010, 8). As seen that the poverty as a multidimensional and multifunctional concept, is

not the problem of developing or underdeveloped countries; that is also the case for developed countries. As an example, today, about 12.5 of the Americans live in poverty (Apergis et al., 2011, 132). So it is very important to focus on the values and the believes, in other words, the connotations, to take some certain measures for its prevention. These connotations can be grouped as “religious dynamics”, “punishment based ideas”, “human capital approaches” and “culture” (Barusch, 2009, 143-148).

2.1.1.1. Poverty As An Idea of Charity

Charity which is donation is valid in all religions. For example, in the Islamic tradition, there are many Hadiths and verses in the Quran like *“It is not for you to make people follow the right guidance. It is Allah who guides whom He wills. Whatever good you may spend in charity shall be for your own good. You should only spend out of pure dedication to Allah. And whatever good you give in charity will be repaid to you in full and you shall not be wronged. [2: 272], [Alms are] for the needy who, being wholly preoccupied with Allah's cause, are unable to go about earning their livelihood. The unthinking [ones] takes them for men of wealth on account of their restrained behavior. You may recognize them by their special mark; they do not importune people for alms. Whatever good you spend is certainly known to Allah. [2: 273]. Those who spend their wealth by night and by day, in private and in public, shall have their reward with their Lord. They have nothing to fear and they shall not grieve. [2: 274] [The Cow — “Al-Baqarah” 2: 272 - 274]”*, and as Hadith *“Abu Hurairah narrated from the Prophet, peace be upon him, that Allah said: “O son of Adam, spend and I shall spend on you!” The Prophet, peace be upon him, said: Allah’s Hand is full; spending does not diminish it. He bestows as generously as a rain cloud, both day and night.”* <http://www.ourdialogue.com/answers/articles.php?action=show&showarticle=4018>, 5074; Barusch, 2009, 143). For Christianity and the Bible *“2 Corinthians 9:7 - Every man according as he purposeth in his heart, [so let him give]; not grudgingly, or of necessity: for God loveth a cheerful giver, Deuteronomy 15:7-11 - If there be among you a poor man of one of thy brethren within any of thy gates in thy land which the LORD thy God giveth thee, thou shalt not harden thine heart, nor shut thine hand from thy poor brother: 1 Timothy 6:10 - For the love of money is the root of all evil: which while some coveted after, they have erred from the faith, and pierced themselves through with many sorrows.”* <http://www.kingjamesbibleonline.org/Bible-Verses-About-Charity/>. To the Christian teachings, the care of the poor is the matter of justice and the charity since it reorganizes the wage again and it serves for the redistribution of the income (Barusch, 2009, 143). In Islam, it is a kind of order. In Islam the *nisab* amount is so important to determine the level of the poverty and to alleviate it. The Islamic system about the alleviation of the poverty includes these kinds of charities like *zakah and fitrah* (compulsory charity), *sadaqah* (optional charity), *waqf* (perpetual charity) to enhance the income those who need it, to improve

educational, and health cares, to spread the access to the facilities like employment (Sadeq, 2002, 137). Hence the religion oriented approaches do not concern with the reasons of poverty but poverty is regarded as a type of human condition that paves the way to the charities (Barusch, 2009, 144).

2.1.1.2. Poverty as Punishment

This idea thinks that some people deserve being poor because of their laziness which is called as punitive approach to poverty (Barusch, 2009, 144). The issue of poverty which has been exposed to radical evolution from the commencement of the Industrial Revolution in which the classical economists who focused on the dramatic changes following this process and who were concerned with the system of capitalism as well as the growth of the national income in 18th century and optimal allocation of income in 19th century (Ohiorhenuan, 2011, 8) has a negative effect on the fiscal cases of the cities due to the fact that a great amount of money is spent to compensate the poverty and the general services given by the state like police and protection (Marcelli et al., 2005, 336). Therefore, some approaches concerning poverty regards that some people deserves poorness because as stated they are as a kind of burden on the state just for their laziness.

2.1.1.3. Poverty as a Close Relationship with Human Capital

As the great threat to the world welfare states, poverty can be taken into account as the eradication of the human capital as well on account of the fact that it brings about some health problems like depressive disorders, schizophrenia, and some addictions to alcohol or cigarette. For instance, in middle income countries “unipolar depressive disorders are the biggest contributor to the disease burden, accounting for twice the burden of HIV/AIDS”. This can be interpreted that the poverty is not only a threat for the welfare of the states but also the biggest barrier on the improvement of the social capital. More than this, it brings about health problems that the people have to tackle with. Additionally, all these kinds of illnesses reduce the peoples’ individual ability for the contribution of the productivity (Funk et al., 2012, 167; Barusch, 2009, 145). Shortly, the approach to the poverty as an eradication to the human capital takes the idea that the human resources, their capabilities, their capacities, and abilities are negatively affected by the poverty that means “deprivation” (Ataguba et al., 2013, 349).

Human capital approach does not only focus on the eradication but also takes poverty into account as skills, education, and experience that human capital bring to the workforce to be used. This view points out the fact that the poor do not have enough access to education as well as experience because of the lack of opportunities. Neither individual nor the system is responsible for the poverty, but it is regarded as the indispensable result of the dynamic economic system (Barusch, 2009, 145).

2.1.1.3. Poverty as Gender Based Approach

Statistics are quite useful to measure poverty in regards to numbers despite the fact that it is not so exactly. However, the statistical numbers help us to come to a certain resolution about the extent of the problems. In spite of all these, it can be stated that measuring poverty is not so easy as expected particularly on the gender based approach. The difficulty lies behind the fact that poverty is measured on a household basis rather than an individual level. If the household does not consist of one person in terms of sex, it is too tough to categorize them based upon their genders. The solution to this problem is to group the household according to their “household head” which can be defined as a term that “obscures the large number of women who are living in male headed households, and implicitly assumes that we should only be interested in the heads.” (Budlender, 2005, 30-31).

2.1.1.4. Poverty as Culture

The concept of poverty taken into account as illness to be treated that brings a decent life for people economically (Dieterlen, 2005, 11-15) is not an easy phenomenon to study, in the stark contrast it is complex and comprehensive as it includes a close analysis of human social behavior. So, just one theory concerning the issue of poverty is not adequate enough to explain it as a whole. In all sorts of analysis of poverty, if there is not an interdisciplinary approach, the analysis will not be adequate (Spicker, 2007, 2). Therefore, the approach to poverty as a kind of cultural phenomena is of great significance. To this idea, poverty is something like the heritage coming from former generations and the peoples’ poor environment in which he/she live. The people who live in poor environment becomes lazy or improvident in their later lives because of the fact that being poor and living in poverty becomes some part of their lives, or in other words, poverty and poorness turns into a their culture. The victims of this culture cannot assess the opportunities in their lives later and they are damaged from their former culture, the culture of poverty and poorness (Barusch, 2009, 146-147).

2.2. The Types of Poverty

As the approaches to poverty change, the considerations on to what extent it affects all the countries also change. For example, it is said that the poverty is so harsh in the developing and underdeveloped nations, but that is also the case for the developed countries. Norway, a developed country, especially the natives, maybe is not affected from the poverty directly, but as for the immigrants, it is quite different (Galloway & Aeberge, 2005, 692). Like the changes in the attributes to poverty, the poverty can be analyzed under two categories. As a matter of fact there are two types of poverty namely absolute and relative poverties. “Absolute poverty” is the absolute level of poverty in which the people do not even support their basic needs and in which the resources of the people are even below the level of threshold experiences. However, on the other hand,

relative poverty is depended on a comparison, the comparison of one's situation with the others, or with the past. This means that in this type of poverty, the poverty is relative and it is changeable from person to person, from country to country, and so on. Relative poverty is much more informative than the absolute poverty because the poverty experiences of the poor people are more affected from by the affluence in a more culturally broader context than their real level of deprivations (Barusch, 2009, 140).

2.3.The Reasons of Poverty

Poverty has some certain reasons. Jordan (2004) argues that the poverty stems from cultural, political, economic, and structural reasons. Cultural reasons lay an emphasis on learned helplessness, that means, the perception of the people concerning poverty is negative because of the fact that they were born and bred in a poor environment, and it is impossible for them to change this destiny which can be interpreted that the cultural backgrounds of the people is something like a handicap for them to overcome the difficulty of poverty (Jordan, 2004, 18-34; Barusch, 2009, 146-147). The term 'culture of poverty' was initially used by Oscar Lewis who worked on the poor families especially those living in the suburban areas in Mexico as well as Puerto Rico, and he argues that the lives full of poorness and poverty is a heritage coming from the stereotyped living conditions and styles of people and communities. And he describes the people who live in poverty in this way: *"People in a culture of poverty produce little wealth and receive little in return. Chronic unemployment and underemployment, low wages, lack of property, lack of savings, absence of food reserves in the home and chronic shortage of cash imprison the family and the individual in a vicious circle. Thus for lack of cash, the slum house holder makes frequent purchases of small quantities of food at higher prices. The slum economy turns inward: it shows a high incidence of pawning of personal goods, borrowing at usurious rates of interest, informal credit arrangement among neighbors, use of secondhand clothing and furniture."* (Lewis, 1966, 21-23) These statements give the message that the poverty of some groups or people is chronic, and it is not feasible to change it in compatible with the term of culture as a mode of 'externalization' referred by Hannerz (1992) which I am against (Hannerz, 1992, 7; Vermeulen, 2001, 4). The reason is that the people can, of course, change their destinies depending upon their hard and meticulous works. But the theory is important in the literature concerning that it brings an approach to the emergence of poverty.

As for political and economic background, the reasons of poverty are evaluated within the context of government policies. As an example, the transition from the Keynesian economic regulations that supports to the government interference to economic policies to the neoliberal policies, based upon the principles of individualisms, limited level of government interference, and *Laizzez Faire*

economies. To put in another way, the Keynesian economic policies was valid until the Great Depression and then liberal policies were put into effect. But they also encountered problems in the marketplace and finished with the crisis of 1971. And after that the neoliberal policies came to the agenda. As seen that the political approaches to the poverty is related to the government policies about the eradication of the poverty problem which are always to be updated considering the local and global economic inclinations (Jordan, 2004, 24-25).

The structural causes of poverty considered as the ‘inevitable’ and ‘unavoidable’ result of the current economic system (Trained, 2002, 65) are concerned with the economic and several interrelated fields like gender and race based discrimination. Among different institutional environments that constitute economic barriers to humans, the most well-known of all these is the gender and race basis. Fundamentally for women as a gender, the increasing rates of female labour force participation are accepted as a “poverty induced phenomena”. The high rate of poverty among the women can be regarded as the fact that the reflections of the patriarchal society are still going on which forms a resistance to the women in their struggles to be a part of the society. From this perspective, the rising poverty among the women is a very important tool to be considered as a structural itinerary for poverty (Jordan, 2004, 22; Abravomitz, 1996; Sadaquat & Sheikh, 2011, 98).

3. The Methodology of the Research

In the study, concerning poverty, the data from OECD was obtained and the analysis was made depending upon these statistics. Throughout the study, range of topics such as the income equality, the relative poverty rates, household poverty was covered thoroughly.

3.1. OECD Data

The OECD data will be directive for the general outline of poverty rates and it will give concrete information about the problem as a whole which justifies the fact that the issue of poverty is not just valid in underdeveloped countries but that is also the case for developing as well as developed countries. Maybe, for all of these countries, the framework will change yet the poverty will remain the same.

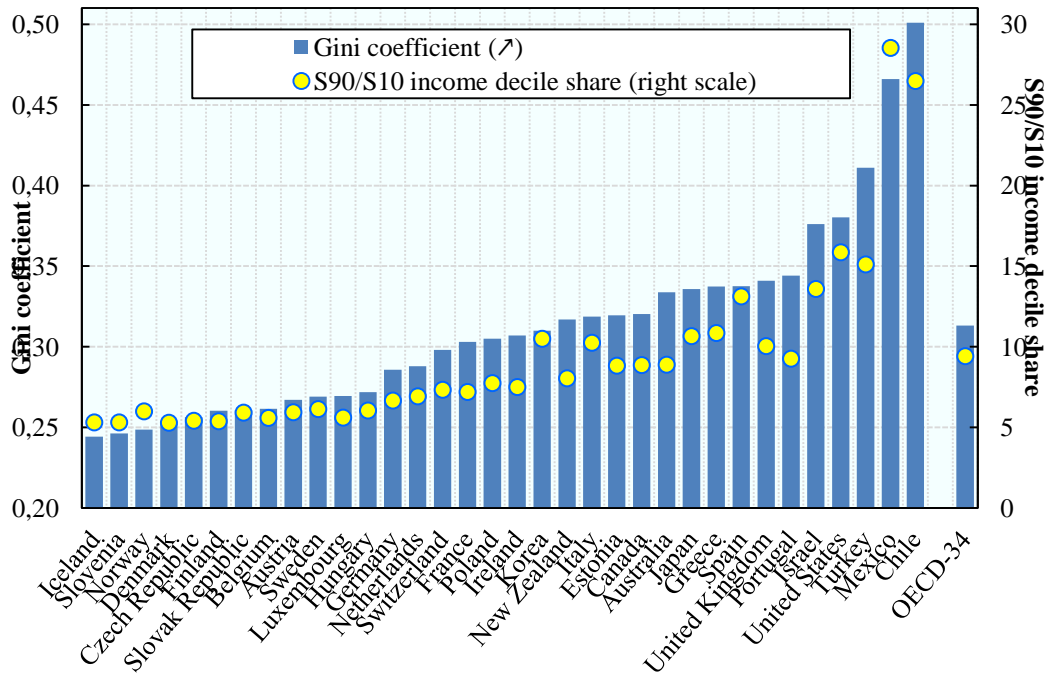


Figure 3: Income Inequality across OECD Countries
Gini Coefficient of Household Disposable Income and Gap between
Richest and Poorest 10%, 2010

Notes: Information on data for Israel: <http://dx.doi.org/10.1787/888932315602>

Source: OECD Income Distribution Database (www.oecd.org/social/income-distribution-database.htm)

The Gini coefficient which is one of the indicator of the poverty line is seen in Figure 1. According to Figure 1, in most of the OECD countries, the Gini coefficient is higher. Particularly, Chile, Mexico and Turkey, and USA that is the case which means that for these countries, the inequality of the incomes is so harsh. However, for Iceland, Slovenia, and Norway, the gap between the poor and the rich is the lowest in terms of inequality of the incomes. Also, the figure is of great significance owing to its illustration that the poverty phenomenon is not only the problem for developing or underdeveloped countries, yet it is the chronic problem for the developed countries as well which can be taken into account that the poverty in parallel with the income distribution cannot be eradicated entirely. The inequality of the income can also be seen with the Figure 2 stated below that reveals the relative poverty rates.

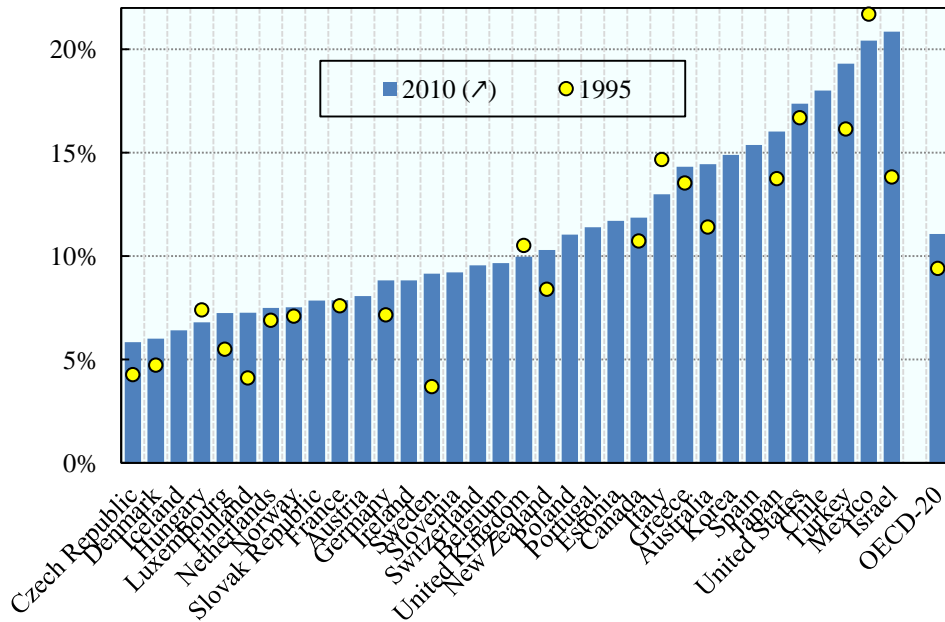


Figure 4: The Effect of Relative Poverty on The 11% Population, on Average, the Relative Income Poverty Rates in 1995 and 2010

Notes: Information on data for Israel: <http://dx.doi.org/10.1787/888932315602>. Income Poverty is defined as the share of people living in equivalised households with less than 50% of median equivalised household disposable income in their country.

Source: OECD Income Distribution Database (www.oecd.org/social/income-distribution-database.htm)

Relative poverty that changes depending upon the country, conditions, and perceptions is one of the types of the poverty. As it gives much clear results for the determination of the poverty, it is of great importance for drawing the general outline of the poverty issue (Barusch, 2009, 140). In Figure 4, the relative poverty rates are seen in two different years like 2010 and 1995. The relative poverty rates is highest in 1995 in Mexico but lowest in Sweden. As for 2010, the relative poverty rates are highest in Israel but it has the lowest rate in Czech Republic. Nevertheless, the OECD average is more than 10% which is actually high.

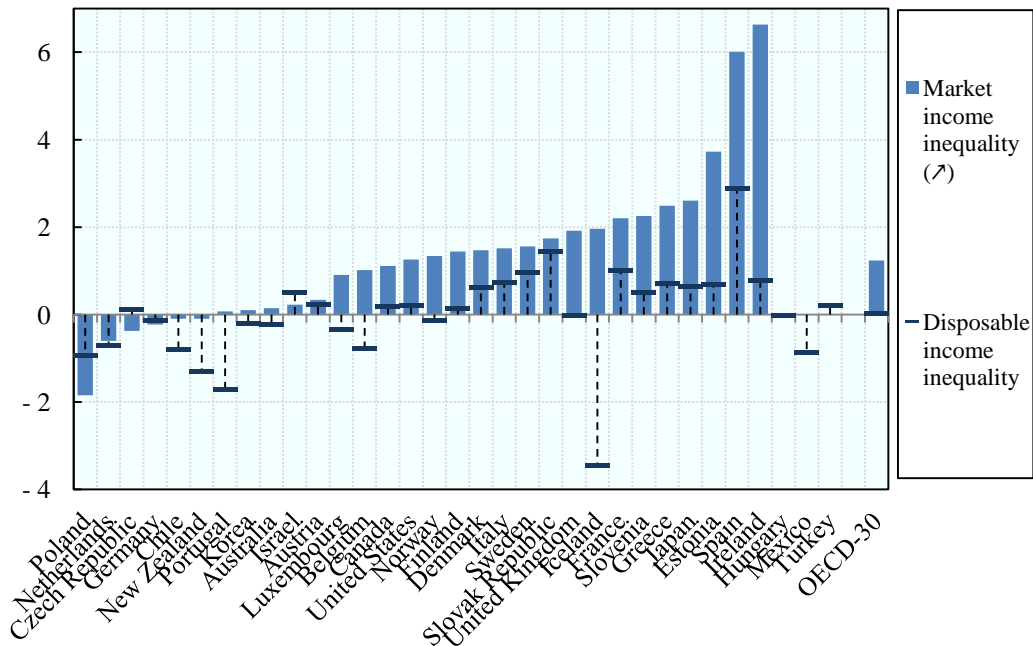


Figure 5: Market Income Inequality Increased Drastically the Change of Percentage Point in the Gini Coefficient of Household Market and Disposable Incomes between 2007 and 2010

Notes: Information on data for Israel: <http://dx.doi.org/10.1787/888932315602>. Market incomes are reported net of taxes in Hungary, Mexico and Turkey

Source: OECD Income Distribution Database (www.oecd.org/social/income-distribution-database.htm)

As seen in Figure 5, market income inequality has been increasing considerably, still there are some fluctuations for the disposable income inequality. Poland is the country which possesses the lowest market income inequality rate while Ireland and Spain has the highest rate. It is known that the employment rates have been going up for Spain in the last two or three years and economically it is regarded as one of the problematic countries of the EU after Greece. In addition to unemployment and inequality on the incomes triggered demonstrations and some protests in the country in Spain. For the disposable income inequality, Spain also comes first whereas Iceland has the lowest score. Generally, it can be argued that both market income and disposable income inequalities, in one way or another, are the problems of the OECD countries which bring about the poverty which can only be found a solution by means of coming up with a radical transformation concerning the its causes as Marx stated (Sinding, 2009, 3024). Perhaps the solution goes through closing *object gap* “characterized by a shortfall of resources, commodities, and support such as factories, roads, and raw materials” and the *idea gap* “whereby persons lack access to the burgeoning knowledge base upon which the information and service –focused advanced societies depend for strategic advantages” (Hill & Rapp, 2009, 40).

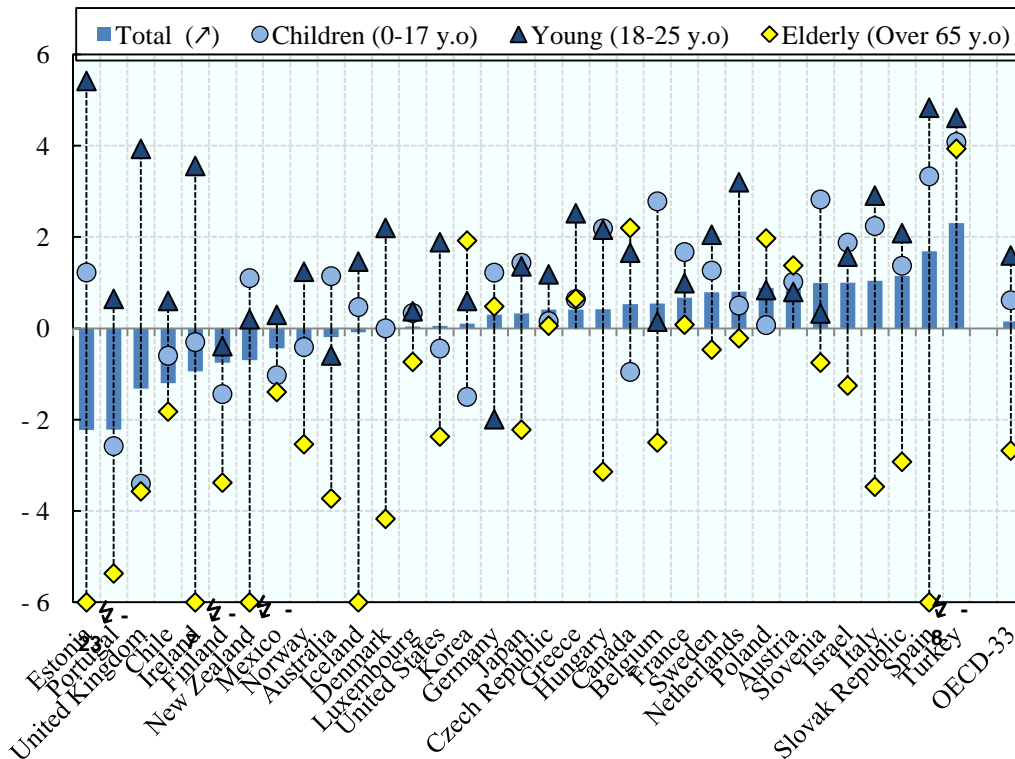


Figure 6: Percentage Point Changes in Relative Poverty Rates Between 2007 and 2010 by Age Groups

Notes: Information on data for Israel: <http://dx.doi.org/10.1787/888932315602>. Income Poverty measured using relative poverty rate based on 50% of current median equivalised household disposable income.

Source: OECD Income Distribution Database (www.oecd.org/social/income-distribution-database.htm)

Figure 6 reveals that of all the OECD countries generally, by age groups, the poverty has been increasing for children and youth, but it is falling for the elderly people. Turkey and Spain come first for children and young poverty. There is not a particular country which has the lowest rates for all these paradigms. But the elderly poverty rates are very low in Estonia, Ireland, New Zealand, Iceland, and Spain. As for children poverty rates, Portugal and UK come forefront. Lastly, Germany has the lowest young poverty rates. All these things pave the way that new regulations are to be done for the annihilation of the young and child poverty which is related to low family income and poor living conditions (Bastos et al., 2004, 1050).

4. Conclusion

Poverty defined as a “deprivation of the sources that are needed or the lack of the materials that are basic for the continuation of human life” is one of the most considerable issues to be discussed. The concept of poverty that covers the issue of ‘helplessness’ is not special to any particular region or groups, but it is the common problem of all in the world. Not only is it the problem of developing or underdeveloped nations but also it is the concern of the world as a whole.

The poverty leaves people poor which means that it can be associated with poorness. In a way, it is a sort of “inadequacy” that lasts forever or at least for a particular period of time. Poverty has some connotations. The first one is that poverty is regarded as a kind of tool that renders people make donations or charity. In all the regions including Islam, Christianity, and Judaism, charity is so sacred that it is an opportunity for the people to carry out some revisions in the positions or status of someone. Secondly, poverty is taken into account as a type of punitive approach in which the poorness of someone is considered as righteous because of the fact that he/she is lazy. The human capital approach thirdly which supports the idea that poverty is closely related to one’s experience, education, and so forth. Lastly, the gender based approach to poverty is on the view that the women are poorer than the men owing to their limited participation in workforce.

The objective of the study was to determine the level of poverty in OECD countries in terms of wage and income inequality, poverty rates among children, youth and the elder people, and so forth. As a result of the study conducted, it was put forward that the poverty is not a phenomenon of only developing or underdeveloped nations but it is the common problem of the developed countries, that is to say, OECD countries. For these countries, the household and market income inequality as well as youth and child poverty are so harsh. This means that just the developed nations on one hand is not adequate enough for the concrete solution to the problem of poverty. Then what is to be done? That is the big question. The answer is that

- New global perspectives including developed, developing, and underdeveloped nations are to be explained. The countries are to transfer their knowledge of struggle against the problem of poverty in parallel with their internal dynamics.
- The capitalist system is to be revised and new alternatives based upon equality of incomes and the welfare of all not just a small group is to be taken into account.
- The countries are to be opened to more economic, diplomatic, cultural, and political cooperation depending upon sincerity not on an “interest” or “exploitation” which can be only be achieved through wanting the

goodness of all not just oneself. So rather than “self”, the “common ideals” are to be put on the center.

- The international organizations are to work more active concerning the struggle against these sorts of problem.
- The paradigm of “competition or rivalry” is to be substituted with the new paradigms like “togetherness”.

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