# 'ERADICATING POVERTY FROM OUR KHOJA SHIA ITHNA ASHERI COMMUNITY': SUGGESTONS FOR THE 5<sup>TH</sup> EXEUCTIVE COUNCIL MEETING, WESSEX, UK

## **Background**

The second main theme of the term 2011-2014 is 'Eradicating Poverty within our Community.' This idea has been strongly advocated by the Executive Council because of the increasing divide in our community and because even though much progress has occurred by our community institutions, extreme (and indeed relative) poverty continues to exist in our community.

One may argue, that Extreme Poverty exists solely in India/Pakistan/Africa and thus the attention of The World Federation must be placed there, the Secretariat suggests that the Executive Council endorse a view of addressing both absolute poverty in the Khoja Community as well as improving the condition of those affected by relative poverty (across the world).

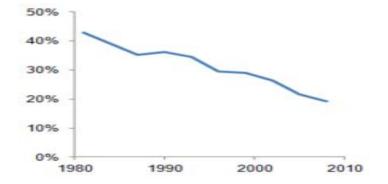
# **Definition of Absolute Poverty**

A number of definitions have been given in the academic world. The Secretariat humbly suggests the following:

'Absolute Poverty' as defined by the Copenhagen Declaration 1995 is a condition characterised by severe deprivation of basic human needs, including food, safe drinking water, sanitation facilities, health, shelter, education and information.'

The international measurement used is for those who earn less than USD 1.25 a day. Currently 22.8% of the world's population falls within absolute poverty. This is shown by the data generated by The World Bank:

Region	\$1 per day			\$1.25 per day <sup>[31]</sup>	
Region	1990	2002	2004	1981	2008
East Asia and Pacific	15.40%	12.33%	9.07%	77.2%	14.3%
Europe and Central Asia	3.60%	1.28%	0.95%	1.9%	0.5%
Latin America and the Caribbean	9.62%	9.08%	8.64%	11.9%	6.5%
Middle East and North Africa	2.08%	1.69%	1.47%	9.6%	2.7%
South Asia	35.04%	33.44%	30.84%	61.1%	36%
Sub-Saharan Africa	46.07%	42.63%	41.09%	51.5%	47.5%
World				52.2%	22.4



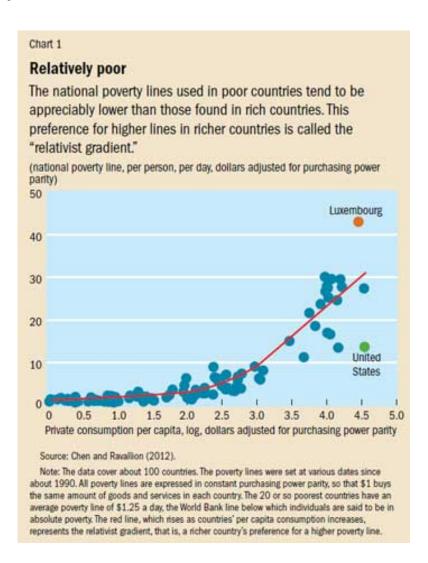
22.4% is a huge percentage of the world's population and although no data is available on the % within the Khoja Community there will be a large % here. The Executive Council must direct The World Federation and the Regional Federations to eradicate absolute poverty from our community and adopt deliverables to ensure this.

## **Definition of Relative Poverty**

Relative poverty views poverty as defined within that society's context – and so means income inequality. By norm, relative poverty is measured as the percentage of population within income less than some fixed proportion of median income.

There are a number if income inequality metrics e.g. the Gini co-efficient or the Theil index. Simply put the measurements are based on a person's yearly income and against the mean income of the society within which he or she lives. The main poverty line used by the OECD and the European Union is based on 'economic distance' a level of income set at 60% of the median household income.

According to the International Monetary Fund (2008), 47% of the world's population is in relative poverty.



# Forum at the 4<sup>th</sup> Executive Council Meeting

A forum was facilitated at the 4<sup>th</sup> Executive Council Meeting to discuss the matter of eradicating poverty in KSI community. Appendix 1 has the PowerPoint slides with the feedback from this Forum.

A draft Vision Statement was suggested: 'Community of Self Sufficient Family Units'.

## How to create a Community of Self Sufficient Family Units - Reflection Points

So far, The World Federation, Regional Federations and Jamaats around the world have worked hard on 'addressing poverty' in their community and within the wider community. However, the following areas for reflection are put forward to the 5<sup>th</sup> Executive Council meeting:

- The draft vision statement should be put forward for adoption at the 5<sup>th</sup> Executive Council meeting.
- 1<sup>st</sup> focus should be on absolute poverty but relative poverty should not be ignored.
- There is simply no data on a local, regional (and less importantly global) level on the extent of absolute or relative poverty in our community.
- The long term method used by the community of investing in secular education (is according to most institutions) the very best way of tackling poverty. Excellent work is undertaken by our institutions on this.
- Very little is done on vocational training. This is an important area and The World Federation and Regional Federation need to invest this in this. For example, in Europe plumbers are often paid higher than skilled workers such as pharmacists/opticians.
- Microfinance is one form of creating economic independence and needs to be encouraged.
- Economic migration policy needs to be set at a global and regional level to help move families that face hardship in certain localities. For example families in upcountry Tanzania may find greater economic opportunities in faster growing neighbouring countries such as Congo/Rwanda/Zambia.

#### Suggestions for the Executive Council

- Poverty is essentially a local problem and the solutions generally arrive locally.
- There are areas of work for The World Federation but clear areas of work for Regional Federations too. The Secretariat suggests to the Executive Council that the following work is undertaken during the duration of this term ending mid-2014.
- The Executive Council must be made aware that this is a stop-gap measure between now and the end of the term. A full re-think could be undertaken but a team of the WF and Regional Federation needs to be created and the Secretariat suggests the below is done before 2014 as a foundation, due to lack of capacity throughout.

	Aim / Objective	Who will undertake it	Timelines	Comments
1.	Undertake a Regional Needs Analysis of Absolute and Relative Poverty in each Region.	The World Federation has written to COEJ on this matter in March 2013 to liaise with Jamaat Welfare Committees. A full needs assessment has to be drawn up.  A study of whether absolute and relative poverty exists needs to be carried out in North America too.	Regional Federations to report back at the Executive Council Meetings should they wish to undertake this work with some data of the extent of poverty.	presented by The World Federation at the 5 <sup>th</sup> Executive Council meeting in Wessex. It's just something that the Secretariat has done in this area to give
2.	Re-investment into the Khoja Shia Ithna-Asheri Community	The World Federation + Regional Federations	Ongoing	The WF and Regional Federation budgets include majority funding spend on the wider community — Shia Community and to a smaller extent humanity at large.  The WF Secretariat should aim to re-invest into the welfare needs and economic development of our community with greater assistance on those within our community in the absolute or low end relative poverty trap throughout the world.  This will mean that more inward investment projects and greater focus.
3.	Assess Vocational Training Opportunities	Regional Federations could work on identifying Vocational Training Opportunities in their region / countries.	To be agreed if taken up. Suggestion of 12 months.	Vocational Training opportunities are found on a local basis. E.g. the opportunities in the UK will markedly differ to opportunities in Pakistan.

	Aim / Objective	Who will undertake it	Timelines	Comments
4.	Provide Welfare Information for all Community Members	Certain Regional Federations such as COEJ and NASIMCO exist in developed countries state welfare is provided.	To be agreed if taken up.	Although this may already be undertaken by Regional Federations the suggestion is that Regional Federations create a point of referral or information point to help community members understand complicated state welfare rules. E.g. in the UK complicated rules exist for elderly who want to live in care homes supported by the state. Access to such information could potentially help community members.
5.	Microfinance Initiatives	The World Federation + Regional Federations	Ongoing	The World Federation and Regional Federations should support microfinance initiatives throughout the world. Support has been pledged by The World Federation on a 1/3:1/3:1/3 bases with WF/Regional Federations and Jamaats.  No proposals have been received by The WF yet (especially from Africa where this has been pledged) and more work is needed to highlight this.  This must be extended to all regions even developed countries.

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6.	Housing	The World Federation + Regional Federations	Ongoing	A great deal of work is needed to ensure low cost housing.  The Africa Federation has conducted a lot of work here.  The WF has receiving a project in India on this but has not made a decision yet.
7.	Welfare to Economic Independence	The World Federation + Regional Federations	Ongoing	Whilst welfare shouldn't be eradicated certain programmes of our institutions create a culture of dependency. Examples including ZCSS, Ramadhan Relief. Furthermore, Regional Federations spend a great deal of funds on Welfare. This needs to be carefully analysed so the culture of dependency is removed and replaced with a culture of economic independence.  The welfare budget grant from the WF to NASIMCO and COEJ will need to be looked at again and extended if need be.
8.	Business Mentoring	The World Federation	Ongoing	A method of helping to instil the culture of entrepreneurship could be created through a local, national or international mentoring programme. This needs to be looked into.

#### Conclusion

This paper scratches the surface of the aim of eradicating poverty in our KSI community in the next 15 years. It seems more wishful thinking that reality at this stage. However, the paper does give some focus for discussion and some key landmarks that are needed to help create a more holistic approach.

The Secretariat suggests that this paper's suggestions be implemented together with the suggestion of full research to take place for a holistic policy paper to be presented to the 2014 Triennial Conference. In order to conduct that research, the Secretariat will need to:

- a) Gain data from Regional Federations on the extent of absolute and relative poverty in their regions.
- b) Gain from Regions suggested short, medium and long term solutions to these problems.
- c) Ascertain from other similar ethnic organisations of solutions that they have come up, including but not limited to: the Nizari Ismaili Community, the Bohora Community and others too.
- d) Suggest any new approaches from academic research of practical implementation.