

## The Public Sector's Role in Poverty Reduction

*“If we’re willing to apply the critical lessons we’ve learned in fighting poverty—beginning with the need to discard ideology in favor of innovation and experimentation—then I believe we can build on the progress we’ve made over the past ten years and drop poverty to historic lows over the next ten years.”*

—Michael R. Bloomberg

New York City Mayor

Speech to the Brookings Institution, August 28, 2007

In every country, the poverty problem is a national problem as well as a local problem. The resources needed to reduce poverty are in the hands of the public sector (government agencies), the non-profit sector (NGOs and other civil organizations), and the private (business) sector. The institutions in each sector have to define their respective roles as potential poverty-fighting agencies. The three sectors must partner and integrate their separate efforts to get more synergy in the outcomes. It is in the partnership work of these sectors where the true key to poverty reduction is to be found.

In the 1960s, countries relied mainly on governments to reduce poverty. In most countries, this did little to help. In the 1970s to mid-1990s, nonprofit organizations began to engage in the task. This too

did not lead to significant poverty reduction. Then, in the '90s and into the first decade of the 21st century, the private sector—especially multinational corporations—came to occupy a prominent center of power in the economic, financial, and political world. Some businesses became engaged in poverty reduction and saw some encouraging results. But the contributions of the three sectors working independently did not greatly reduce poverty.

In this chapter, we take a closer look at the role that government can play in addressing the poverty problem. We examine the role played by three different governments—the United States, China, and Bangladesh—and discuss their successes and challenges. We begin with this chapter's case story, featuring poverty reduction in New York City. Note as you read the application of marketing principles and techniques discussed in earlier chapters, especially those of segmentation and prioritization of target populations, and the development of strategies addressing their unique barriers and motivators.

### New York City: Center for Economic Opportunity

In 2006, over 350,000 *working New Yorkers* were living in poverty. Over 25% of *young adults* (ages 16 to 24) were living below the federal poverty line. And over 185,000 *young children* (ages 0 to 5) in New York City were poor, representing one out of three young children.<sup>1</sup>

In December 2006, Mayor Michael Bloomberg created the Center for Economic Opportunity (CEO), whose mission it is to reduce these numbers through the implementation of results-driven and innovative initiatives. Earlier that year, the mayor appointed 32 civic leaders to The New York City Commission for Economic Opportunity, charging them with devising strategies to pinpoint concrete ways in which the city could act to ensure that poor New Yorkers have the resources they need to help themselves move up and out of poverty.

By September, the commission had undertaken extensive research and presented 31 recommendations. These then inspired the development of 41 initiatives that would turn recommendations into policy and practice, coordinated by the newly formed center. The commission believed that by rewarding personal initiative and building hope for the poor, they would create a future benefiting every New Yorker.

### **Programs and Services**

The selection process for the 41 initiatives was guided by the need for strategies that could achieve quick results and bring long-term gains. They needed to be based on best practices, new ideas, and/or expansions of existing model programs that would build human capital and improve access to and utilization of public services. This section describes a sample of initiatives that were implemented for each of the major targeted populations. As marketers, we think of these as the product offerings we want our target audiences to “buy.”

### **For the Working Poor**

The 350,000 working New Yorkers living in poverty in 2006 represented approximately 46% of poor households in New York City. Due to a lack of job skills and, for many, English-speaking skills, many working poor were not securing adequate paid jobs with growth potential. Several programs are helping to reduce these barriers:

- The *Earn More* program is available to city residents who have worked consistently for the past six months in full-time or part-time jobs paying \$14 or less an hour. The program provides free personalized services to help working individuals obtain and retain higher-paying jobs and

then advance in their careers (see Figure 10.1). The program provides services including a career advancement coach, English as a Second Language (ESL) classes, tutoring and assistance with obtaining a GED and associate's degree, financial counseling, and assistance with child care. There are even financial incentives for completing a qualifying training program and reaching career advancement milestones.<sup>2</sup>



**FIGURE 10.1** A city resident, on the job, benefits through the Earn More program.

- The *NYC Training Guide* enables customers to access job training options. It lists nearly 400 training providers and

4,000 vocational training offerings, as well as prior students' course completion and job placement rates for courses that already received vouchers. In March 2009, the Training Guide will feature an innovative ratings system that provides more funding for training for jobs that require less education but offer the greatest employment prospects and wage increases. You can see the guide at [www.nyc.gov/trainingguide](http://www.nyc.gov/trainingguide).

### **For Young Adults (16 to 24 Years of Age)**

Many of the young adults in New York City living below the federal poverty line are disconnected from school or work and face an uncertain future. The center supports initiatives to reduce teen pregnancy rates, engage young people in school, provide alternative education models, and increase the number of internship and job placement opportunities for these young adults:

- The *Young Adult Internship Program (YAIP)* offers participants the chance to develop essential skills for today's workforce through a combination of educational workshops, counseling, and short-term paid internships. Participants range in age from 16 to 24 and are provided an opportunity to develop important social and professional skills. YAIP operates three 14-week cycles each year and serves approximately 1,360 young adults annually who are out of school and not working. The goal of the program is to reconnect youth to one or more of three outcomes: work, advanced training, or education.
- The *Office of Multiple Pathways to Graduation* initiative targets the approximately half (48%) of all incoming

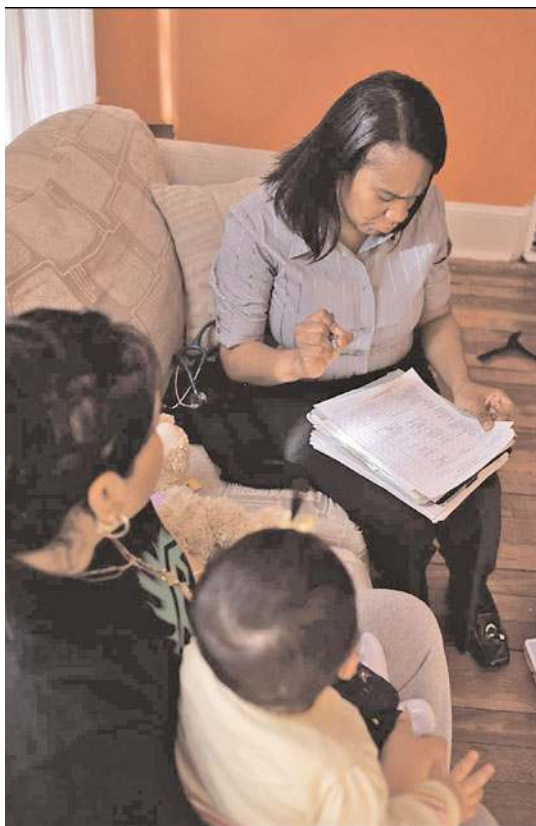
freshmen who are likely to become overage and undercredited during high school. These students fall behind early, and once they get off track, they leave the system rapidly. This initiative has four main components:

- Learning to Work engages students in intensive employability skills development workshops.
- Transfer High Schools are small schools for overage and undercredited 16- and 17-year-olds working toward a high school diploma.
- Access GED Programs include age and culturally appropriate curricula and pathways to postsecondary training and employment.
- Young Adults Borough Centers are full-time evening academic programs that operate in existing schools.<sup>3</sup>

### **For Young Children (0 to 5 Years of Age)**

Children born into poverty are more likely to have had late or inadequate prenatal care, and they face a higher risk of low birth weight and infant mortality. Such risk factors are strongly correlated with poverty. They make children susceptible to a host of problems that, if not addressed early on, will have negative consequences in later years. Two programs coordinated by the center address this:

- The *Nurse-Family Partnership* seeks to improve the health, well-being, and self-sufficiency of low-income first-time parents and their children through regular home visits. The objective is to have 60% of clients enrolled by the sixteenth week of pregnancy and the remainder enrolled by the twenty-eighth week. Registered nurses make an average of two visits per month during the pregnancy, and until the infant's second birthday<sup>4</sup> (see Figure 10.2).



**FIGURE 10.2** An NFP Nurse Home Visitor completes her visit checklist with her client.

- The *Child Care Tax Credit*, signed into law in 2007, assists low-income families (earning \$30,000 annually or less) with the cost of child care for children under the age of 4. Campaign posters in both Spanish and English appear in bus shelters and phone kiosks in low-income communities. The approach is evidence-based, showing that former welfare recipients with young children are 60% more likely to remain employed after two years if they receive help paying for child care.<sup>5</sup>

**Evaluation: Holding Programs Accountable**

As of December 2007, approximately 100,000 New Yorkers were benefiting from the Center's programs, with 31 of the 41 initiatives implemented. As recommended by the Commission, the Center and partner agencies have identified target outcomes and performance measurement strategies. Agencies and their contractors are required to document robust client outcomes to maintain funding. Successful programs are then positioned to receive ongoing or increased public funding to serve additional participants.<sup>6</sup>

## What Distinct and Critical Role Do Government Agencies Play in Reducing Poverty?

Governments, for the most part, are in the lead position to provide essential services that not only help people move out of poverty, but keep them from this condition in the first place. Governments at all levels—national, regional, and local—need to be counted on to contribute to vital functions:

- *Build a robust economy.* You'll read in this chapter about China's economic growth success, cutting in half the proportion of people living on less than \$1 a day, down from 33% in 1990 to 16% in 2000. Policies contributing to this decrease included privatizing agriculture, locating new industries in rural areas, and inviting foreign companies to come to the country for joint ventures.
- *Protect and enhance public health and safety.* You read in Chapter 4, "Segmenting the Poverty Marketplace," that in 2005, New York City had 18% of the HIV/AIDS cases, but only 3% of the country's population. Certainly their efforts in 2007 to go from



distributing 2.5 million free “Get Some” condoms per year to 39 million will help reduce the spread of this disease.

- *Provide basic infrastructures.* You’ve read in several chapters about how transportation-related factors can be “deal breakers” when trying to influence poverty-reduction and prevention behaviors, including taking tuberculosis medicine; getting a mosquito net; talking with someone about contraceptives at a family planning clinic; and getting new, improved seed to rural farmers in remote villages.
- *Educate children and youth.* We will certainly be counting on governments in all countries around the world if we are to reach the Millennium Development Goals presented in Chapter 2, “Examining a Barrel of Current Solutions.” Recall Goal 2, achieving universal primary education, ensuring that by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling. Goal 3 is to eliminate gender disparity at all levels of education by 2015.
- *Provide public assistance to those in need.* You learned in Chapter 8, “Developing a Desired Positioning and Strategic Marketing Mix,” about NetMark’s success story in malaria prevention. Discounted or free mosquito nets made possible by government subsidies for those who could not afford nets were an essential part of a strategy to protect nearly 15 million more people from malaria. Impressively, among the 350,000 pregnant women and children younger than 5 who received discount vouchers for insecticide-treated bed nets, more than 243,000 were redeemed.
- *Protect the environment.* Perhaps the fishermen in the Philippines you read about in Chapter 5, “Evaluating and Choosing Target Market Priorities,” who are among the poorest in their society, would be thriving if the government had done more to regulate overfishing, destructive fishing, and pollution caused by commercial manufacturing establishments.
- *Offer grants and subsidies.* It is doubtful that Malawi would be the “shining needle within a haystack of gloom” you read about in Chapter 7, “Understanding Barriers, Benefits, and the Competition for Change,” without the government-led fertilizer

subsidies program that produced record-breaking corn harvests and an 80% drop in child malnutrition. Malawi's success, most believe, was the result of helping the poorest of the poor grow more food, not relying on food supplies provided by other countries.

## **The U.S. Government's Role in Poverty Reduction**

When the Founding Fathers of the United States signed the Declaration of Independence, the document said that all men are created equal and endowed with rights, and that to secure these rights, the government is created. So it is the citizens who created the government. They created the government to serve them, to serve the common good.<sup>7</sup> They want government to be effective as well as efficient in serving the public. Government employees are to be viewed as "public servants." They are to fulfill the wishes and will of the people. They are to be customer- (that is, citizen-) oriented. It is expected that the servants will place the common good above self-interest.<sup>8</sup>

The U.S. federal government operates on a model of checks and balances between three groups: the executive branch, the legislature, and the judiciary. Each substructure exercises power and authority but is checked by and in balance with the others. Each substructure also functions in several layers, from a national level down to regional offices, to states, and then down to city offices, towns, and villages.

In practice, government officials and citizens typically act more out of self-interest than public interest. Government officials respond to all kinds of pressures to serve special-interest groups. Citizen groups and businesses groups continually influence government bureaucrats and officials to gain special favors. Because the poor are not organized, their needs are largely neglected until some major figure or president takes up their cause.

In the case of the federal government, power shifts take place over time between the executive, legislative, and judicial branches. A strong president such as Franklin D. Roosevelt, Lyndon B. Johnson, or Ronald Reagan can assert and push new ideas into public thinking and acceptance. Congress and the Supreme Court largely go along with this leadership. At other times, Congress dominates, either in pushing new legislation or preventing any new legislation from occurring. At still other times, the Supreme Court takes a stand on a landmark issue such as discrimination or abortion and changes the temper of the times.

With regard to the poverty issue, President Johnson took the strongest stand of all recent presidents. He declared a “War on Poverty” in his first State of the Union address on January 8, 1964 as part of his Great Society program. The U.S. national poverty rate was around 19%. The U.S. Congress obliged by passing the Economic Opportunity Act, which established the Office of Economic Opportunity (OEO) to administer federal funds locally to targeted poverty areas. The following organizations were started:

- VISTA (Volunteers in Service to America) provided employment opportunities for conscientious persons who felt they could contribute to reducing poverty. Volunteers focused on enriching educational and vocational programs for the underprivileged classes.
- Job Corps served low-income U.S. citizens between the ages of 16 and 24. They received academic, vocational, and social skills training so that they could find quality jobs and career paths and attain a degree of independence.
- Head Start was designed to reduce poverty by providing pre-school children from low-income families with ways to meet their social, emotional, health, nutritional, and psychological needs.
- Legal Services set up 269 local legal-services programs to secure equal access to justice by providing civil legal assistance to those who might not be able to afford it.

- Community Action Programs were established in different communities to provide a variety of services to help low-income people.

The poverty rate, which was 19% when the War on Poverty was launched in 1964, fell to around 11% in the following decade. Yet poverty fell out of favor as a concern in subsequent administrations. In the last few years it has hovered at 12 to 13% and is now trending clearly upward.

The fact is that the poverty rate varies considerably between urban and rural areas, between different regions of the country, and between different age, racial, ethnic, and gender groups. For example, 30% of African-American minors are living below the poverty threshold. The United States in 2006 had the highest child poverty rate (22%) of any country in the developed world. The United States ranks 16th on the Human Poverty Index, surpassed only by Ireland and Italy. Clearly, the richest nation in the world is not serving all its people.

Each state and city in the United States has set up its own poverty-reduction programs. Wide experimentation has gone on, with different approaches and solutions resulting, as illustrated in the case story about New York City's efforts to determine priority poverty segments. Each U.S. community should consider doing this and choose where its poverty-fighting resources will do the most good.

## **The Chinese Government's Role**

Consider the case of China, whose government The World Bank has acknowledged as the world's most successful poverty-reducing institution. In contrast to the United States, whose government has waged a War on Poverty on only a few occasions, China's government has made the War on Poverty a priority. Within just a decade, it cut in half the proportion of its people living on less than \$1 a day: 33% in

1990, and down to 16% in 2000.<sup>9</sup> In population size, that is equal to about 150 million people brought out of extreme poverty.

China's success becomes even more impressive when contrasted with Russia's failure. One such contrast compared China's average economic growth rate of over 10% during the 1990s with Russia's average annual rate of decline of 5.6%.<sup>10</sup> At the end of the 1990s, the two opposing slopes made the real income of the Chinese equal to that of the Russians.

The Chinese government believed that its record-breaking economic growth was mainly responsible for its historic poverty-reduction accomplishment. The World Bank says that it was Russia's continuous economic decline that led to just as historic a poverty increase, said to be the largest in the history of world poverty during normal times.

In analyzing China's economic miracle, it is instructive to look at its segmentation of the sources of its economic development. There were four significant segments. The first was the *agricultural* segment. The reform that the government central authority introduced in this segment was the movement away from its "commune or collective system" of agricultural production and into what it called the "individual responsibility system" of production. This was effectively a privatization strategy, although only partially, because land ownership by an individual farmer was still not allowed. The government did eliminate the agricultural land tax. The economic gains from increased production went to individual farmers. Hundreds of millions of farmers and their families enjoyed the bonanza, and the new system gained immediate widespread support.

The second significant segment was *industrial enterprises*. The Chinese government opted to locate new industries more in rural areas and less in urban locations. This was done partly to discourage the vast migration of rural people to the urban areas. This was also done to locate industry closer to many of the natural resources, such as iron ore, coal, and bauxite. The central leadership believed that

this strategy would help “reduce the social upheaval that inevitably accompanies industrialization.”<sup>11</sup> Today, China is moving some of its urban-based industries back to rural areas to take advantage of lower labor costs.

Millions of new enterprises were allowed to start business in rural townships and villages. Because townships and villages were small markets, it was relatively easy to stimulate competition. Within a short period, strong competition for success prevailed. Accountability and transparency, two governance criteria, were also easier to obtain. In the townships and villages, practically everyone knew one another and knew what was going on. People knew if jobs were being created and if incomes were increasing. They also knew about and were ready to correct wrongdoings.

The third critical segment was *joint-venture businesses*. This required attracting foreign investors. The Chinese government wasted no time in inviting foreign companies to come to the country for joint ventures. It set up the necessary credible financial and legal infrastructures to get foreign investors interested. China put into place an effective securities and exchange commission, bank regulations, investment incentive laws, and other safety nets.

The central government continues to aggressively promote the country to foreign investors by progressively liberalizing and even scrapping restrictions. For example, in December 2004, China opened its retail doors to foreign retailers without the need for them to first look around for a joint-venture partner.<sup>12</sup> As a consequence, a record number of foreign companies came. Among the emerging economies, China quickly became the recipient of the largest foreign direct investments in the world.<sup>13</sup>

Fourth, China segmented its poverty marketplace by *geographic* areas to tackle the poverty problem. The coastal areas showed the fastest economic growth. The highest poverty reduction took place in this area of China. At the other extreme were the poor in northwestern regions. The poverty problem here was twofold. This area had the

highest human and income poverty index, and it also had the provinces where the highest inequality existed. China's model of poverty reduction via economic growth had not worked as well here. This led to the "out migration" from the poor regions into the coastal areas, especially into China's three richest urban centers: Shanghai, Beijing, and Tianjin. To discourage this flight to the coastal cities, China is laying plans to build at least four new cities.

In addition to these four segmentation approaches, another strategy is noteworthy. The central government also removed the Communist-based system of social security. Data from the Ministry of Labor and Social Security indicated that today health insurance covers only 14% of the population, only 8% has unemployment insurance, and only 16% gets pensions.<sup>14</sup> A *Wall Street Journal* article reported that in the cities, a beggar can earn 10 times the amount that a northwestern rural farmer earns.<sup>15</sup> Clearly China still has a long way to go in building in safety nets for its still large-in-numbers poor population.

## The Bangladesh Government's Role

Bangladesh, an evolved democracy of 133 million people, achieved an impressive record of moving its poor population out of extreme poverty after its independence in 1971 and over the next two decades.

Near the start of the new millennium, the Bangladesh government decided to get actively involved with its poverty problem.<sup>16</sup> It requested the assistance of the World Bank to craft its poverty reduction program. The government antipoverty program decided to give special focus to four "vulnerable" segments:

- Rural poor women, especially those who are victims of different kinds of oppression, including rape and other sexual abuse, acid throwing, dowry, and illegal trafficking.

- Children of impoverished families, especially street children, and children in high-risk work. Examples are male children working as bus helpers, porters, rickshaw-van pullers, tannery workers, construction workers, lathe machine workers, and battery factory workers, and female children working as maid-servants, brickfield laborers, bangle factory workers, and child sex workers.
- Poor people with disabilities and physical handicaps.
- Impoverished ethnic, indigenous and cultural minority, and religious groups.

Aside from the vulnerable segments, the government's poverty-reduction program specified the rest of the poverty market in spatial terms. There were seven of these: the rural poor, the urban poor, the poor in wetland areas, the poor in areas surrounded by water, the poor in hilly areas, the poor in coastal areas and islands, and boat and "floating" migrant poor.

The segments were "naturally occurring." There is a distinct practical advantage to segmenting the poverty marketplace in this way. First, the segments are readily identifiable and physically accessible. It is relatively easy to locate them in the country's map. Second, it takes no great effort to communicate with them. Their communication media habits are known or not difficult to understand.

The Bangladesh government's antipoverty program remains a work in progress. The country at times is hit by major floods and other disasters, requiring emergency aid from other countries. But it is trying to lift as many people out of poverty as its meager resources permit.

## **Overall View of the Government's Role in Poverty Reduction**

Clearly governments play a different role in different countries with respect to active involvement in trying to reduce poverty. Most



governments pin their ultimate hope on building a *growing economy*. China well illustrates how economic growth helps decrease the number of people living in poverty. But economic growth does not deliver its benefits equally to all inhabitants of a country. The rich tend to get richer, and the middle class grows a little, and the working poor and the very poor get less benefit from the growth. Government must compensate for the failure of economic growth to distribute the benefits in the best possible way. Governments use taxes and regulations to force the flow of some benefits to the poor.

In addition to economic growth, less-developed countries depend on *foreign aid*, *public and private charity*, and *emergency relief* to help their poor. Their governments must play an active role in courting foreign aid from international agencies such as the World Bank and the International Monetary Fund (IMF), as well as from individual countries such as the United States, China, and Russia.

The United Nations has developed a Human Poverty Index for measuring poverty in developing countries. This index uses three measures:

- Probability at birth of not surviving to age 40
- Adult illiteracy rate
- Unweighted average of the population who lack sustainable access to an improved water source and children who are underweight for their age

Among the developing countries, the ones with the most poverty on these measures included Chad, Zimbabwe, and Ethiopia.

Governments in developed countries have largely introduced safety net systems and “welfare state” legislation to make sure that the poor are supported in some way. They also have offered training and financial assistance to increase the poor’s chances of escaping from poverty. The United Nations recently started publishing the Human Poverty Index for industrial countries. It focuses on economic deprivation in four dimensions:

- The percentage of people likely to die before age 60
- The percentage of people whose ability to read and write is far from adequate
- The proportion of the population with a disposable income of less than 50% of the median
- The proportion of long-term unemployed (12 months or more)

Sweden has the lowest overall incidence of *human poverty*, followed by Norway, the Netherlands, Finland, and Denmark, with a 6 to 8% index. Of the top 19 developed countries, the United States ranks 17th, Ireland ranks 18th, and Italy ranks 19th.<sup>17</sup>

## Social Marketing in the Public Sector

### *How Does the Social Marketing Approach Differ from Current Traditional Approaches?*

The premise of this book is that the social marketing approach to reducing the number of people living in poverty has been missing from the mix of traditional solutions—and that this is true in all three sectors. Table 10.1 describes typical solutions for the public sector and contrasts them with potential social marketing solutions. In some cases, the social marketing solution should be added to the mix of current strategies. In others, program administrators should consider replacing the current strategy to create a greater impact.

**TABLE 10.1 Adding the Social Marketing Solution to the Mix for Public-Sector Agencies**

Poverty-Related Issue	Traditional Solution	Social Marketing Solution
Hunger	Provide food stamp programs that subsidize food for low- and no-income people, with benefits distributed by individual states.	Offer food stamp recipients menus, recipes, and classes on cooking with fruits and vegetables from the local farmers' market.

<b>Poverty-Related</b>	<b>Traditional Solution</b>	<b>Social Marketing Solution</b>
HIV/AIDS	Provide testing for HIV/AIDS at community health centers, during regular business hours, five days a week, with clients required to return for results in two weeks.	Offer free rapid HIV/AIDS testing in gay bathhouses Friday and Saturday nights, where public health staff provide results in 30 minutes. Also provide counseling.
Agricultural productivity	Provide cash subsidies to farmers who can't produce enough crops to make ends meet.	Provide new and improved seeds and hold workshops on ways to increase agricultural productivity.
Tuberculosis	Provide tuberculosis testing and drug treatments only at special clinics, often not located in the same village as the patient.	Integrate tuberculosis testing and drug dispensing into existing, conveniently located primary healthcare networks. Offer house calls to those who can't travel.

### ***What Does It Take to Adopt a Social Marketing Approach?***

Several attitudes and commitments are essential to adopting a social marketing approach. Thankfully, most are more a matter of will than ability:

- *A willingness to prioritize market segments.* People working in public-service agencies often find it difficult, if not painful, to target resources to one or only a few market segments. They feel responsible for serving all citizens equally. But different market segments need different interventions. Developing and successfully disseminating a variety of unique programs is necessary and possible.
- *A willingness to focus on single, simple, doable behaviors.* It is also difficult for program managers to pick only a few behaviors to promote at a time. The inclination and desire is to present “all the helpful” behaviors that the target market should do. The problem is that costs are associated with adopting these

behaviors, and the more behaviors you sell, the higher the adoption price.

- *A willingness to spend time and resources on market research.* Often when an agency knows what citizens it wants to influence and what behaviors it wants them to adopt, the agency just wants to “get going.” Making the effort to find out what the adopters think about the behavior might seem like a luxury you can’t afford. However, we encourage you to consider the greater costs of implementing a program that will likely fail or have disappointing results if it does not offer the value the market wants in exchange for the price of adoption. Only the adopters can tell you if it will.
- *A willingness to develop products, enhance services, and improve distribution channels.* Social marketing is more than a communication strategy. We believe that if you develop a great product, price it fairly, and make it available at convenient locations, you will spend less time and money communicating about it. Free word of mouth and positive publicity will do some of the heavy lifting for you.
- *A willingness to establish quantifiable goals and measure performance.* One of the benefits of a social marketing approach is that you will be working to influence increases in a specified behavior—one that is measurable. The good news is that you should be able to determine levels of behavior change and then compare these with targeted goals. The bad news for some is that this increases performance accountability.

## Summary

Every government needs to craft an antipoverty program, fund it adequately, and revise it when new factors come into play. The program should be done in partnership with key civil organizations and with representatives from the business sector. Getting a commitment from all three parties is a necessary and desirable step if the poverty problem is to be actively addressed. We have seen how New York

City discerned three poverty groups and created and aligned different organizations to assist these groups. We also reviewed the impressive efforts of China and Bangladesh to help reduce poverty in their respective countries. We concluded by contrasting traditional poverty-reduction solutions in the public sector and social marketing solutions. We described solutions that should be included in the mix. These might even replace current solutions.

## Endnotes

- <sup>1</sup> Center for Economic Opportunity: Strategy and Implementation Report. Michael R. Bloomberg, Mayor. December 2007. Statistics for the young adults is based on 2000 census.
- <sup>2</sup> Center for Economic Opportunity, Earn More Program. Retrieved May 15, 2008 from <http://www.nyc.gov/html/ceo/html/programs/earnmore.shtml>.
- <sup>3</sup> Ibid.
- <sup>4</sup> Ibid.
- <sup>5</sup> Ibid.
- <sup>6</sup> Center for Economic Opportunity: Strategy and Implementation Report. Michael R. Bloomberg, Mayor. December 2007.
- <sup>7</sup> See, for example, Willa Marie Bruce, "Administrative Morality," in Jay Shafritz (editor), *Defining Public Administration* (Boulder, CO: Westview Press, 2000), pp. 407–415.
- <sup>8</sup> This philosophy is elaborated on in Philip Kotler and Nancy Lee, *Marketing in the Public Sector: A Roadmap for Improved Performance* (Upper Saddle River, NJ: Pearson, 2007).
- <sup>9</sup> United Nations Development Programme (UNDP), *Human Development Report 2003—Millennium Development Goals: A Compact Among Nations to End Human Poverty* (New York: Oxford University Press, 2003), p. 73.
- <sup>10</sup> Joseph Stiglitz, *Globalization and Its Discontents* (New York: W.W. Norton, 2002), Chapter 7.
- <sup>11</sup> Ibid., p. 185. This strategy came from the consulting work of Stiglitz and Kenneth Arrow, who were hired as advisers by the Chinese government during this period of the country's transition to a market economy.
- <sup>12</sup> *The Wall Street Journal Asia*, December 14, 2004, p. A8.
- <sup>13</sup> Stiglitz, op. cit. Stiglitz noted that in 1990, "China's net private capital inflows were \$80 billion. By 1999, its capital inflows had soared to \$41 billion, more than 10 times the amount of money attracted by Russia in that same year."

<sup>14</sup> The *Wall Street Journal Asia*, December 7, 2004, p. A1.

<sup>15</sup> Ibid.

<sup>16</sup> Government of the People's Republic of Bangladesh, *Poverty Reduction Strategy Paper: Status Report*. July 14, 2004. Sourced from [http://poverty.worldbank.org/files/Bangladesh\\_PRSP\\_Prog\\_Rep.pdf](http://poverty.worldbank.org/files/Bangladesh_PRSP_Prog_Rep.pdf). Viewed December 22, 2004.

<sup>17</sup> [http://en.wikipedia.org/wiki/Human\\_Poverty\\_Index](http://en.wikipedia.org/wiki/Human_Poverty_Index).