



Re-defining Our Approaches to Extreme Poverty: An Attempt to Disrupting Contemporary Poverty Alleviation Approaches through Inspiration Economy Project- A Case Study

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ABSTRACT

The paper provides a comparative review and analysis between the approaches of poverty and extreme-poverty solutions, emerging in literature and from Inspiration Economy Project Poverty Labs; carried over 3 years. The paper focuses on the differentiation that current “extreme poverty” elimination requires. Notably, the models were evaluated about the changes from different perspectives that influence directly or indirectly the quality of life of the poor, or proactively keep him away from the poverty line. More diagnosis of the challenges on how to deal with poverty mechanisms and constructs were reflected in different proposed approaches, as part of the paper discussion. The implications of the paper emphasis on future structural factors and especially with the emerging work of behavioural economics and inspiration labs. The recommendations are drawn based on the new different approaches shown to be of influence on the “extreme poverty” policies and their ways of empowerment.

Keywords: Extreme-Poverty, Models for Poverty Elimination, Poverty Alleviation

JEL Classification: D6

1. INTRODUCTION

Poverty is a very complicated socio-economic problem that has been existing as long as one can remember, in human history. Poverty complex nature comes partly from the way solutions are proposed to the problem without realising a practical outcome (Buheji, 2018; Newell and Simon, 1972).

More than one-third of the world’s population still lives below the poverty level at an average of \$1 a day. Poverty has increased with the changes taking place in the world, especially the Arab world (under the slogan of economic globalisation). There is an apparent collapse in the standard of living, especially in developing countries (World Bank, 2019).

World Bank (2018) has set a clear plan to end “extreme poverty” by 2030 through targeting to reduce those living on <\$1.90

a day. However, to achieve this goal the world needs at least double its speed in eliminating and alleviating extreme-poverty situations. This requires differentiating and disrupting the current contemporary ones. Boosting the shared prosperity, i.e., by increasing the incomes of the poorest up to 40% does not happen by coincidence, it needs a holistic approach to the “constructs of quality of life” that engulf the poor.

The literature reviewed in this paper starts with a definition of poverty and how its theories evolved. The current capital economy approaches with issues of poverty are reviewed along with causes and factors of the phenomenon of poverty. Newly seen factors for the poverty phenomenon were mentioned for reference.

We shed light as part of the constructs of this study with more in-depth on the mindset of the poor and how it functions are reviewed. Then, capital-based economy approaches to the issues

of poverty are compared in relevance to both the latest new socio-economic models that the inspiration/behavioural economics approach brings. The literature shows the influence of the different poverty approaches on the decision-making process. Synthesis of this literature review would be done later to understand what are the gaps in the current approaches and how the lessons learned from the Inspiration Economy Project – Poverty Labs (IEP-PLs).

2. LITERATURE REVIEW

The literature review target to explore the ways poverty is managed. Therefore, it starts with poverty and extreme poverty as a definition, a phenomenon, a model, and an approach. Studies of the models and the approaches are reviewed in relevance to the principal operations and related interactions.

Reviewing the existing literature helps to segment the different viewpoints of the latest research, in comparison to the IEP-PLs carried out to handle the issues of poverty from different perspectives and to see how they could contribute to speeding up the elimination of extreme-poverty.

2.1. Definition of Poverty and Extreme-Poverty

The definition of poverty by the United Nations (UN) “is a state of deprivation reflected in the low consumption of food and low health conditions and educational level and lack of access to it and low housing conditions.” While extreme-poverty or absolute-poverty was originally defined by the (UN, 1995) as “a condition characterised by “severe deprivation” of basic human needs, including food, safe drinking water, sanitation facilities, health, shelter, education and information.

What differentiates the poverty versus extreme-poverty conditions is that they depend not only on income but also on access to services. In World Bank (2018) extreme poverty is considered to be those who have income below the international poverty line of \$2/day. About 96% of those in extreme-poverty reside in South Asia, Sub-Saharan Africa, the West Indies, East Asia, and the Pacific. However still, nearly half of those in poverty live in India and China. However, as of 2018, it is estimated that the country with the most people living in extreme poverty in Nigeria, at 86 million, then followed by the African Sub-Saharan. According to the UN till 2015 roughly 734 million people remained under the condition of extreme-poverty.

Poverty is seen as a disability of the individual or the family. It is a condition that leads to deprivation of many things and limitations of many necessities of life. This deficiency leads to deprivation due to insufficient income, or lack of income. Extreme-poverty can do even worse.

While poverty is a relative concept that changes from time to place, we might be faced with the perpetuation of poverty over time. Therefore, sometimes, the poor are considered merely as the one who cannot find the strength of his day and night (Schilbach et al., 2016).

World Bank (2019) describe extreme-poverty as something that creeps up, due to wars, conflict, population growth, migration

and fragility. Therefore, the world needs many approaches that help to equalise opportunities and improve selective investment in human capital.

2.2. Evolution of Poverty Handling

There is a growing interest in understanding the psychology and socio-economic status of the poor and the models that are dealt with them so far. The critical challenge for poverty is that it is rarely approached from a multi-diversity and multi-disciplinary approach (World Bank, 2015).

Today more focus on the psychological influence and on the way the poor see chances in life and even the way they deal with their available assets.

Much focus also on how to increase the incomes of the poor, in relevance to their capacity to develop their resources (Schilbach et al., 2016).

Hence, we need to find more pragmatic business-models that goes beyond pumping resources to the poor and the services of immediate assistance, or direct cash. It is not enough anymore to have pro-poor productive resources. The models also need to go beyond encouraging savings and investments. Part of the new evolution for the models should target to address the needs of discovering opportunities in rural development and in the promotion of poverty elimination clusters that start with the poverty causalities, or in areas where most of the poverty resides.

2.3. Types of Poverty and Extreme Poverty

Many types of poverty situations make the mindset gradually adapt to living such a deprived condition. All the types of poverty and extreme poverty, in reality, participate in creating failure in the capacity of the poor to manage their assets or autonomously develop their condition. First, there is the “financial poverty,” where the poor might have the asset, but not the cash flow. Second to this type of poverty is physical poverty, where people would look like poor, or have a health condition that carries the symptoms of poverty as malnutrition.

The worst type of poverty is absolute poverty. It is the same as the “extreme poverty” that the poor reach to be in chronic lack of basic food, clean water, health and housing throughout his life cycle. People in absolute (extreme) poverty tend to struggle to experience lots of child deaths from preventable diseases like malaria, cholera and water-contamination related diseases. Extreme poverty can be specifically found if generation after generation hand over same poverty status to the next generation. This kind of poverty is usually not common in the developed world.

“Relative poverty” is another type of poverty where the family can be considered poor if it cannot afford vacations, or send its children to higher education. Such people are considered relatively poor since they have no access to government support for food, water, medicine and free housing, they are considered poor because the rest of the community have access to superior services and amenities.

Then we come to “situational poverty” which is about the adverse conditions that occur when natural disasters or man-made wars occur and people can’t help themselves to be out of the adversity of such situations.

The most complicated type of poverty is “chronic poverty” which is a situation occurs when there are no seen escape routes out of poverty and people would feel they are trapped with no access tools to get out of such situation.

There is also the “intangible poverty” which is the opposite of the “absolute poverty.” There are also in certain countries and communities what is called the relative poverty where poor is not really poor as per developing countries standard, but they are poor in relevance to the living standards of the country or the community they are living (World Bank, 2015, 2018a, 2018b).

Today, we can also trace what is called “temporary poverty,” which happens due to wars, or natural disasters. Then we’ll have the “sustainable poverty” where the family members inherit poverty. Finally, there is the human poverty. The “human poverty” is about the inability of meeting the standard of living in the country or the community of the living. The UN represented by the UNDP developed to complement the Human Development Index since (1997). Recently, the “human poverty” started to reflect the extent of deprivation in the developed countries as in relevance to the longevity, the knowledge and the decent standard of living (UNDP, 2010).

2.4. Classical and New Causes and factors of the Phenomenon of Extreme Poverty

Almost half of the world till today live on <\$2.50 a day while 80% of all humans live on <\$10 a day.

There are many causes and factors of extreme poverty that have been published in the literature, however, one has to add that these poverty factors are based mainly on the capital-based economy. The repeated factor of poverty that has been with human history is the internal and external human-made conflicts Newell and Simon (1972).

Capital-based economy thinkers have been always referring to the family size as a factor of poverty, which not necessarily true. Inflation and economical re-structuring programs which led to a different distribution of income or wealth, besides the spread of corruption, crime and bureaucracy are considered other causes. The other type of common poverty factor is the illiteracy and low education (Ahmed and Buheji, 2018).

With the development of neuroscience, now researchers are going deeper in understanding the role of cognitive-load on the poor judgments and decisions. Studies show now there are many unexploited opportunities to induce the poor cognitive-load by improving their bandwidth of thinking. The good of this approach is that it brings-in a unified approach to studying the psychology of poverty (Mani et al., 2013).

Researchers are now focusing on factors in the lives of the poor that are affecting their bandwidth; such as malnutrition, alcohol

consumption, or sleep deprivation. Understanding the bandwidth of the poor thinking makes also now appreciate and realise why they act, or take decisions in specific ways.

The functional magnetic resonance imaging now helps to capture the brain’s bandwidth and thus to perform or under-perform certain basic functions that underlie higher-order behaviour and decision-making. The main constructs of this bandwidth are the cognitive-capacity which controls the poor capacity to solve problems, or retain information, or get engaged in any logical reasoning. The second construct is the self-control, which underlies the poor ability to manage their cognitive activities, Buheji (2017). The availability of this second construct helps the poor to effectively plan, have proper attention to the available resources and thus the maintenance of their capacity to take initiatives, or be even alert to external positive, or negative impulses (Mani et al., 2013; D’Zurilla and Goldfried, 1971). Thus, both cognitive-capacity and self-control constructs determine the poor ability to focus, to shift attention, to work with information and memory, and to self-monitor Marsh and Hicks (1998).

The imbalance of both cognitive-capacity and self-control in those with extreme poverty, influence their capacity to capture opportunities or in creating a change in their poverty situations. For example, one could find that their impaired cognitive function influences their performance in competing in the labor market, especially if the work relies heavily on cognitive capacities such as attention, perseverance, or memory. i.e., this malfunction cognition even influences the performance of a waste picker trying to find valuable items among mountains of garbage World Bank (2015).

The influence of self-control also found to affect their nutritional status and thus affect their physical productivity and mental function. Literacy has a great impact on the poor access to the world economy and which helps the poor to deal with loads of information, or instructions more rationally. The absence of self-control leads to many types of addiction, be it alcohol or drugs. These two specifically have long been associated with poverty.

Lack of cognitive-capacity makes the extremely poor spend much efforts on juggling expenses, and compromise in relevance to what they could poorly consume, thus distracting their efforts in making money.

2.5. How the Mindset of the “Extremely Poor” Function?

The brain of the extremely poor is usually constrained. Hence, it can’t establish a causal relationship between poverty and mental function, Mani et al. (2013).

The limited functionality of the extremely poor makes him think every day about financial demands. This creates depression such as sleep deprivation and becomes hopeless World Bank (2015).

The work by Mullainathan and Shafir (2013) about the psychology of scarcity of those being extremely poor showed that feelings of

scarcity create more consistent feelings of needs and where the poor would count every small decision as trade-offs. Hence, living this scarcity mindset make the poor focus on relatively simple tasks. In the same time, the poor waste their real scarce resources as their cognitive capacities invested in unnecessary functionality World Bank (2015).

Mullainathan and Shafir (2013) emphasised that the scarcity mindset makes life less navigable, as people act in a computationally more complex world. The cognitive-overload imposed by scarcity mindset increases the probability of costly errors. Errors increase the lack of self-control, thus the poor would fall into repetitive temptations and would enter into “tunnelling.” This tunnelling causes short-sightedness, making it more difficult for the poor to evaluate the alternatives available to them when dealing with difficulties.

Studies now confirm that the mindset of the poor is not a personal trait, but it is the result of environmental choices produced by scarcity itself. A conservative diagnosis of the mindset of the extremely poor found that it leads them to living with more vulnerable situations. This mindset would make them lack interest in initiatives that could improve their condition.

Thus, as mentioned by Mullainathan and Shafir (2013), the poor would keep delaying paying small utility bills till they need to immediate payment is needed for all the overdue bills, then they would seek help for charity or personal loans, and this feeds the continuity of the scarcity mindset. Another example was given for how the poor would prevent their children from going to school to seek them bringing in some income for the family, instead of trying to compromise between school and work and thus mitigate the risks of negatively influencing the child’s life forever Bull et al. (1988).

The communication in the model needs to be engineered in a way that it would raise the choices of the poor in dealing with social programmes. This means we need to create different criteria’s to assist the categories of the potential beneficiaries. Again the small adjustments in the communication design and implementation of social programmes can lead to very positive changes in their outcomes.

The poor feeding and housing support models should target to give the poor mindset with the minimum of security, so that they would build gradually their temporal horizon, pointing towards possibilities beyond immediate needs. This would improve their decision-making capacity World Bank (2015).

2.6. “Capital Economy” Approaches (CA) to the Issues of Extreme Poverty

Capital economy has brought many solutions to the issues of poverty. Many solutions came with improving the continuous services (depending on the nature of the situation). In the last one century, more seasonal services have been developed. However, most of the capitalism efforts gone for emergency services and the enhancement of tools that ensures continuous services for the poor, driven by sympathetic thinking (Figure 1).

2.7. “Socio-Economic” Approaches (SA) to the Issues of Extreme Poverty

The total use of production capacities of the poor need to be revived. We need to avoid causes of migration and ensure effective human development in this class.

Currently, the solutions poverty reduction in capital economy focus on developing the labour market for the poor employment and then providing them housing services. Other approaches focus on regional development. Also, equality in socio-economic fields is leading to more sustainable development to reduce poverty and improve the standard of living. With the development of endowment projects, more small micro-financing projects started. Figure 2 illustrate approaches to poverty issues from socio-economic perspective.

2.8. “Inspiration and Behavioural Economics” Approaches (IBA) to the Issues of Extreme Poverty

Instead of discussing the “big issues” around “poverty traps,” Banerjee and Duflo (2011) recommended that we should approach the concrete situations faced by the poor families and communities in poverty, identifying the main obstacles to the improvement of their lives and the alternatives that could be adopted to remove them.

The fight against poverty could be differentiated by the concrete model solutions that change how the poor people, being evaluated, assessed and exploited to great life opportunities.

Poor people can be a source for real productive economy, if we change their life focus from focusing on invaluable resources as food for the day, to focusing on assets and wealth of their life (Ahmed and Buheji, 2018).

With the development of behavioral economics and lately inspiration economy more projects became focused on creating realized behavioral change in the communities of the poor, D’Zurilla and Goldfried (1971). As illustrated in Figure 3, the poor conditions were more assessed and evaluated towards change. Now the projects are more focused on changing the models that deal with poverty. One of the most experienced radical change was carried to the humanitarian NGOs, where their role is changed from capturing opportunities of poverty and driven by empathetic thinking. Banerjee and Duflo (2011).

2.9. Understanding How the Different Approaches of Extreme Poverty Influence the Related Decision-Making Process?

Understanding the decision making processes that create poverty is very important for empowering people living in poverty. For example, understanding how governments help productive family programs or the effectiveness of micro-start for small family businesses are essential of the value of these social programs in creating a change to people below middle class. Understanding also how these social programs play a role in creating an excessive cognitive and emotional overload help us to see how such decision making influence the community. Such understanding of poverty approaches helps the country to manage the weaknesses of the exposed poor, especially those who are under great pressure

Figure 1: Approaches to poverty issues in capital based economy

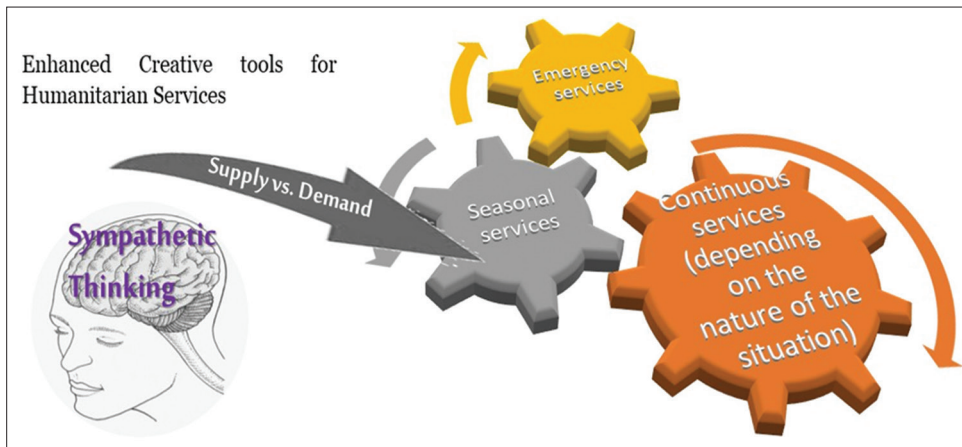


Figure 2: Approaches to extreme poverty issues from socio-economic perspectives

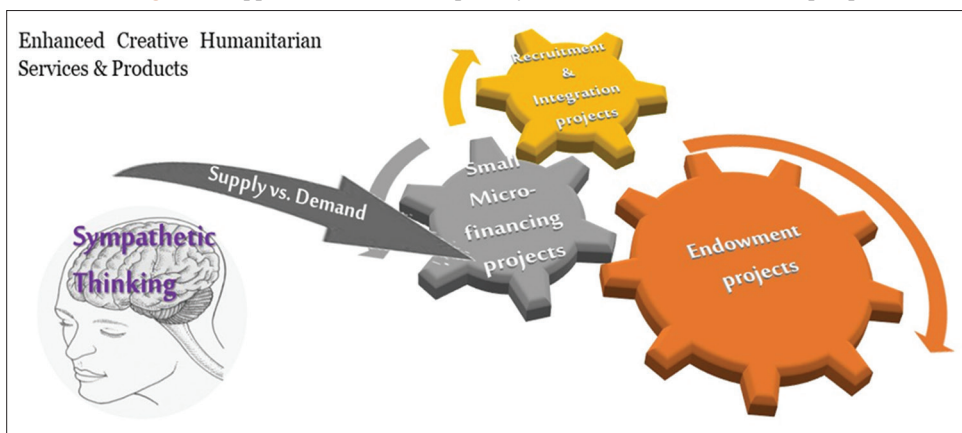
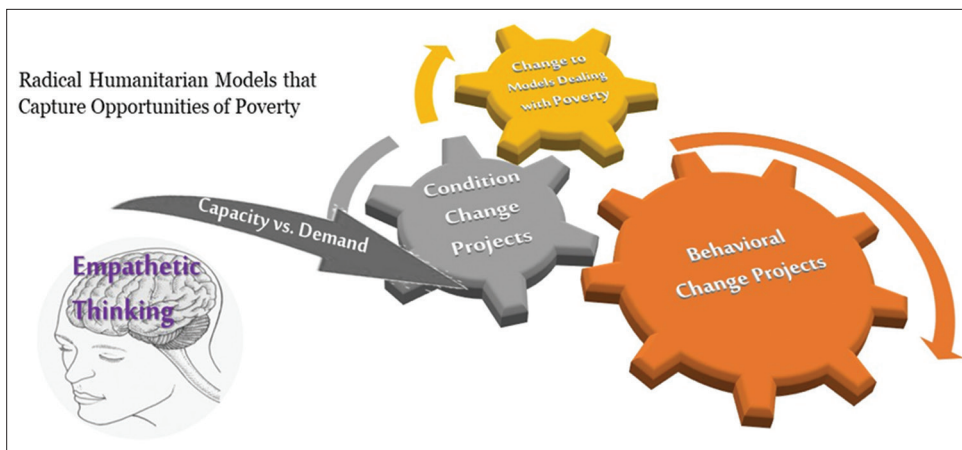


Figure 3: Approaches to extreme poverty issues in behavioural and inspiration based economy



and with many uncertainties. Thus, the more decision making process deal with these uncertainties, the more we can help the poor to reach alternatives that can raise their capacity to deal with challenges Datta and Mullainathan (2012).

Sometimes just realising small modifications in communication and design in the social programs would create positive changes in outcomes and would help to see successful models that lead to major transformations. Hence, in order to manage to bring people today to come out of poverty, they need services that are

more than reducing the cost of basic needs in all possible ways. i.e., they need inflation more than lowering the level of prices, or providing services in health and housing policies, or reducing the cost of education on their children.

3. METHODOLOGY

The research methodology employed in this paper is a qualitative case study. The case study was chosen as a method because it is

suitable for situations that include complex and multiple variables and processes (Yin, 2003). The case study is longitudinal as most of the examples in dealing with poverty communities, directly or indirectly, were carried for more than 6 months and operated in different business areas and different countries. The case study is meant to show the differentiated approaches of non-resource based empowerment for the poor and how it can be handled effectively.

The cases were divided into three types of approaches: CA, SA, IBA.

The different poverty communities' approaches help to visualise differentiated perspectives in dealing with poverty and extreme-poverty. All the data in the table were collected based on the field visits and observations and according to the type of the poverty communities' issues (Buheji, 2019).

4. THE CASE STUDY

The inspiration economy project target is a problem solving focused socio-economic methodology that targets tackle complex world and communities and solves it through using mostly the intrinsic powers of the community of focus. Amongst the most focused upon issues for Inspiration Labs, the field experiments of the Inspiration Economy Project are the issues of poverty and extreme-poverty. The four Tables 1-4 listed in this paper show the types of poverty, or extreme-poverty alleviation and elimination projects that targeted to re-define a new way of tackling poverty from a different angle or different perspective. The result of these projects is called models which try to show the re-defined approaches collectively, from the 29 sectors or perspectives.

These cases were carried in a period of 3 years starting from September 2019.

The poverty elimination projects the Inspiration Economy Labs focused on sources of poverty and not only resources for supporting poverty. This mindset which discussed in the literature review ensured that the poverty issue was tackled as one complex socio-economic problem that needed different approaches, Qin et al. (1995). These approaches, in this longitudinal study, are what differentiates the model of poverty issue diagnosis and way of handling challenges in different situations. All these projects were carried out in the following countries: Bahrain, Bosnia and Herzegovina, Slovenia, Morocco, Mauritania and recently in India; where extreme poverty is found mainly in the African countries Buheji (2018).

The projects of this case study were divided into four types which reflect the transformation and integration efforts carried out towards poverty and extreme-poverty elimination. The primary type of projects starts with the efforts of transformation from CA to IBA (CA and IBA). The second type of project work on integrating CA and SA. While the third type of project work on the integration of "socio-economic" approach along with inspiration/IBA (SA and IBA). The fourth type of projects works on the holistic integration of CA, SA and IBA (CA, SA, IBA). Tables 1-3 represent each of these types consequently.

5. FINDINGS

In order to understand how the case study projects models Table 1 works and came from, the following Figure 4 framework

Table 1: List of poverty elimination models projects that integrate CA and IBA

Type of sector targeted	Summary of poverty communities related inspiring projects/models
Education (CA and IBA)	1-Discovering Inspiring Students at the right time during their 12 years in education. (Early inspiration discovery program) 2-Establishing track of the inspired students after graduation (Inspiration Pathways) 3-Establishing early inspiration discovery program 4-Establishing boundary-less schools that reach the poor to their door-steps
High education (CA and IBA)	1-Improve the academic counselling for the poor 2-Enhance students' fitness or competence to meet labour market demand.
Psychiatric services (CA and IBA)	1-Inspiration of the capacity to manage the anxiety among the poor and avoid reaching the level of chronic anxiety 2-Reduce addiction and suicide ratio due to early treatment of main causalities among youth.

CA: "Capital economy" approaches, IBA: Inspiration/behavioural economies' approaches

Table 2: List of poverty elimination models projects that integrate CA and SA

Type of sector targeted	Summary of poverty communities related inspiring projects/models
Students socio-psychology awareness and counselling programs (CA, SA)	1-Sponsoring project on counselling the students' social workers and councillors 2-Simplify tools for measuring poor students' safety or positive psychology, or stress release, or life challenges against continuity in education, even during child labour conditions 3-Awareness campaign for schools and universities, rights for the poor students and reduction school bullying, harassment of the poor 4-Tackle issues of poor students' depression and see its influence on society.
Improve the return of university courses to the socio-economy (CA, SA)	1- Establish a model for Blanket as part of Fashion Design Course; in collaboration between the University and the underprivileged women
Anemia prevention program (CA, SA)	1-Screening girls in villages for Anemia and link to socio-economic situation and productivity 2-Set preventive measures for future cases in the community with proper family planning. 3-Reduce the impact of individuals deficiency by addressing the proper diet plans.

IBA: Inspiration/behavioural economies' approaches, SA: "Socio-Economic" Approaches

Table 3: List of poverty elimination models projects that integrate SA and IBA

Type of sector targeted	Summary of poverty communities related inspiring projects/models
Social insurance (SA and IBA)	Inspiring the social responsibility plans to ensure that particular type of lower pension jobs is more prepared for entrepreneurship after retirement.
Labour market (SA and IBA)	<ol style="list-style-type: none"> 1-Shifting Unemployment amongst the low-income families through building models in specific industries and effective counselling 2-Raising opportunities for employment through sourcing type for job opportunities, especially in less demanding jobs
Humanitarian services agency (NGO's) (SA and IBA)	<ol style="list-style-type: none"> 1-Reversing the model of poverty support, by making poverty as a temporary condition that we need to prepare the beneficiaries to beyond this stage 2-Diverting the type of services to be more for sustained income, instead of non-sustainable support 3-Mapping partnership collaboration services (Academic, youth, NGO's, Government, etc.) 4-Building Cost and Profit centres based on the type of services needed by the beneficiaries, i.e., the low-income families.
Woman village NGO (SA and IBA)	<ol style="list-style-type: none"> 1-Enhance the Return on Capital Employed for the villagers during the chain of making to delivery and distribution 2-Enhance young girls' involvement in Woman village activities to ensure the sustenance of knowledge transfer. 3-Enhancing the corps Return on Investment and profit margin. 4-Setting the type of transformation from distribution to start micro packaging of the high-end product. 5-Improving the quality of life of families in the Amazigh Villages through eco-tourism and small family businesses that support such cluster 6-Build youth independence program that counters poverty through raising the capacity of the farmers for competitive packaging and distribution. 7-Build youth trust in the village system as a source of income
Women entrepreneur-ship NGO (SA and IBA)	<ol style="list-style-type: none"> 1-Analysing the impact of programs on "woman development," not only "women-empower," and the "living standards" that comes with the "Quality of Life" in the NGO area and scope of delivery 2-Optimising the inter-disciplinary learning approach 3-Enhancing the "learning by doing" practices 4-Measure the differentiation of women on the economy.
Poverty communities transformation program (SA and IBA)	<ol style="list-style-type: none"> 1-Mitigation of Migration amongst Youth 2-Optimise the Youth Quality Life through Students Pull thinking targeted programs 3-Building a poverty blockage and prevention program 4-Addressing the Gambling (pitting) behaviour amongst youth and building prevention scheme through schools' model 5-Building Youth Entrepreneurship and Innovation programs 6-Enhancing Youth contribution in voluntary work 7-Bridging the gap between academic Social Work and Social Studies Schools and the realised community problems. (Building Life Long Learning Programs that shape the Community) 8-Improving disserted women shelters returns 9-Improving children without known parents' programs 10-Enhancing Red-Cross Programs Impact in the positive psychology of the community 11-Improving Pre-School influence programs on Children of Homeless and Beggars' families.
Camel wool carpet factory with a social capital and high community goodwill- Nouakchott-Mauritania (SA and IBA)	<ol style="list-style-type: none"> 1- Reverse-Design for Wool Factory- Re-designed the model to be from "Production from the Factory" to "Production to the Factory" by the productive families and women cells in the villages 2-Re-Distribute Manual Wool Carpet Machines "from the Factory" focused "to Villages and Production Families" Focused 3- Re-establish Organic Handmade Carpet Marketing Program.
Bringing low privileged community children to formal-education by focusing on sports (SA and IBA)	<ol style="list-style-type: none"> 1-Integrating youth with both formal sport and traditional games 2-Evaluate possibility for the continuation of formal and informal education 3-Use peer to peer education.
"Education on wheels" and "education at door steps" projects (SA and IBA)	<ol style="list-style-type: none"> 1-Target to deliver education to rural and isolated communities 2-Formal and Informal Education for children in slums areas.
Improve the quality of life of "waste pickers" (SA and IBA)	<ol style="list-style-type: none"> 1-Improve Quality of Life of "Waste Pickers" Families through differentiating their productivity from Municipalities coming to Waste Management 2-Segregating waste bins implantation in universities, schools and hotels, residential societies 3-Processing of the collected waste into high-end products (i.e., Metals, glass, papers, and organic wastes) processed to high-end products 4-Improve the Nursery project and ensure the proper distribution channel of Nursery plants.

CA: "Capital economy" approaches, IBA: Inspiration/behavioural economies' approaches, SA: "Socio-Economic" Approaches

Table 4: List of poverty elimination models projects that holistically integrate CA, SA and IBA

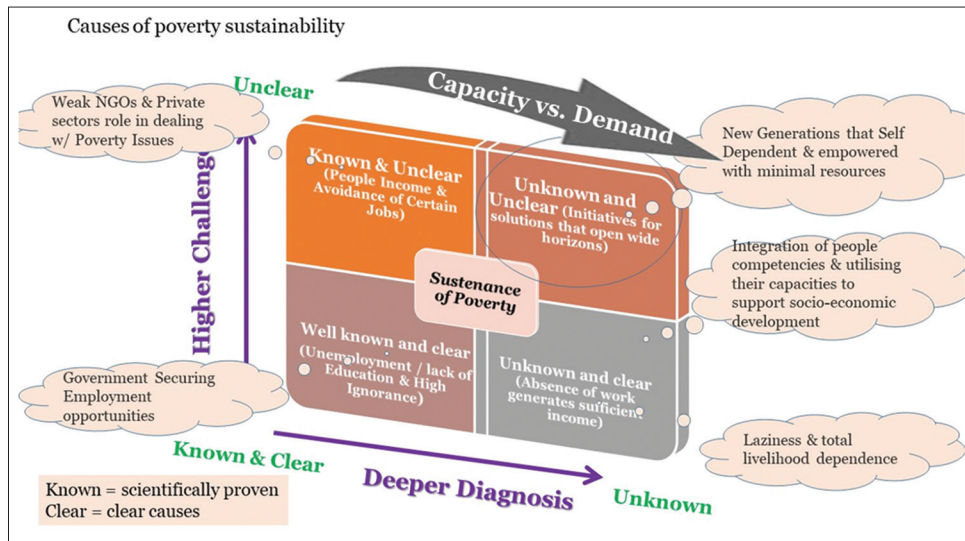
Type of sector targeted	Summary of poverty communities related inspiring projects/models
Social Development (CA, SA and IBA)	<ol style="list-style-type: none"> 1-Inspiring the capacity of the productive family program to be more self-independent and attractive for more family members to join as full-time employees/owners 2-Improving Quality of Life of Families in isolated communities and tribes (enhance the productivity factors for women and families working from home), with a target to reduce the impact of poverty through eco-tourism projects. 3-Building stronger family businesses that have higher Return on Capital Employed (ROCE). 4-Enhance the return from Elderly homecare production 5-Enhance the quality of life of the Disabled People and their Production 6- Easing the process of home care 7- Supporting “Working from Home” Program 8- Revaluating the Capability of Social Allowance Value and Entitlement – in relevance to Quality of Life with priorities. 9- Enhancing the products quality and competitiveness of the Retired and the Disabled 10- Improving the Quality of Micro Start Families with a focus on Women and People Vulnerability.
Labour fund (CA, SA and IBA)	Divert more mentorship on “Necessity Entrepreneurship” and improve the solutions they bring to the community.
Woman empowerment programs (CA, SA and IBA)	<ol style="list-style-type: none"> 1-Closing the gap and accelerating the transformation towards “Women Development” instead of “Women Empowerment” especially among poverty and middle-class women. 2-Ensure knowledge sharing between Business Women, Women Entrepreneurs and Women of Productive Families Programs and especially those of the same or relevant business and link it to gamification rating. (i.e., Rating of Entrepreneurs who contribute and share knowledge)
Tender board (CA, SA and IBA)	Diverting more tenders to the benefit of local small SMEs and families’ businesses
Housing services (CA, SA and IBA)	<ol style="list-style-type: none"> 1-Reduce the gap between citizens’ demands and their quality of life needs 2-Improving the choices and variety of options in non-villa packages (i.e., flats) 3-Reduce the contrary social inequality and improve social coexistence through post-housing services
Police services (CA, SA and IBA)	<ol style="list-style-type: none"> 1-Reduction of drugs trafficking through refinement and codification of smuggling through reclassification of information in poverty areas. 2-Enhance social harmony between neighbours for small issues among the poor neighbourhood
Ministry of labour (CA, SA and IBA)	<ol style="list-style-type: none"> 1Re-Engineering Counselling Services to start from High School and be Flexible towards Job Creators than just Job Seekers with particular focus on below middle-class families’ students. 3-Help start-up companies that collect below middle-class graduate of unique, yet unemployed jobs, that as Nursing, Social Workers, Hospitality Services. 4-Nationalising Jobs that represent the country heritage and support tourism with below middle-class families related to these jobs. 5-Exploring the possibility of creating Human Capital Bank that would transform 30% of the Job Seeker towards job creation; over a planned career path. 6-Closing the Gender Gap in Unemployment, by re-inventing new productivity jobs for below middle-class graduating women specifically.
Fisheries (CA, SA and IBA)	<ol style="list-style-type: none"> 1-Improve return on Investment (ROI) in fisheries and the resilience in the marines’ food industry 2-Bring in the local market of traditional fishers to sustain on the job with their families. 3-Establish National Fishermen Market.
Agriculture and Farming (CA, SA and IBA)	<ol style="list-style-type: none"> 1-Redesign Bahraini farmers’ production by establishing what is called “National Farmers’ Day.” 2-Improve the distribution chain of local salad by attracting consumers to purchase local vegetables and fruits, and arranging deals between hospitality suppliers and local farmers. 3-Improve the level of Gardening Competitions.
Improve the return of Endowments and trusts (CA, SA and IBA)	<ol style="list-style-type: none"> 1-They are re-evaluating the current assets returns of Endowments and how they are professionally managed to support the people in poverty (directly or indirectly). 2-Establishing “Sharing Economy” innovative practices and solutions to open more “Returns on Capital Employed”. 3-Giving an innovative solution for solving problems on disputed family lands 4-Innovating on a type of endowments or trust funds to manage the technical and quality of life developments and diversify the resources in supporting the poverty community.

CA: “Capital economy” approaches, IBA: Inspiration/behavioural economies’ approaches, SA: “Socio-Economic” Approaches

of diagnosis versus challenges is proposed to tackle any issue in relevance to poverty, or poverty communities. As shown in Figure 1 examples of the early observations from the first field visit shows the assets, or the barriers, or the resources, or the processes

that might influence the issue of poverty positively, or negatively, or make it more resource dependent or independent models. The idea of the framework is to motivate the observations of the “hidden opportunities” built in the poverty case or issue tackled,

Figure 4: Proposed the way we should diagnose and deal with the challenges of the poverty models



and from different perspectives. The proposed framework targets to help us to collect proper information on the problem and thus to generate potential solutions and outcomes.

Re-defining small approaches in dealing with the poor would eliminate the need for concrete solutions faced in their real-life contexts. For example, redefining how we evaluate people income and their functionality can have a drastic effect on the type and level of the poor people empowerment. Also, this framework would help us to effectively evaluate how the poor could target, or accept certain jobs opportunities.

5.1. Proposed Framework that Guides the Approaches and Re-define the Models of Dealing with Poverty Issues

The framework has an approach which targets to re-define any poverty-based model. Part of the goals of re-defining the models of poverty approaches is to enhance the cognitive-capacity. These approaches target to excite the capacity of the poor to solve problems.

The different boundaries of the framework in Figure 4 should also address the weak role of the NGOs and the private sectors in dealing with poverty issues. To encourage the new generations of low-income families to become more self-dependent, the framework empowers them to see and exploiting opportunities with minimal resources.

The poverty models are shown in Figure 4 illustrates mostly how the current models focus only the “well-known” and “clear” reasons, like unemployment, or lack of education. However, the model needs to address other causalities and in different ways. Indeed, the model should not be dependent on having the government securing employment opportunities for the poor only.

Figure 4 also shows that the model should focus on the unknown and with clear causalities, as the absence of work which is the source for generating sufficient incomes. Therefore, the models

done in the projects address entire livelihood the people in poverty and extreme-poverty usually need to experience or be empowered. This means we need to integrate people competencies and utilise their capacities to support socio-economic development and this is what Tables 1-4 focus on.

5.2. Importance of Poverty Model Diagnosis

One of the primary sources of eliminating poverty is the way we diagnose the current poverty model and its causalities. Hence, for example, understanding the decision-making processes in relevance to people living in poverty is only one of the causalities of sustenance of a poverty condition. This diagnosis can lead to the improvement of the poor quality of life outcomes. Some of the main points to be diagnosed in poverty conditions studies are the cognitive and emotional setting which people in poverty usually subjected to. The analysis of the information should evaluate the accessibility to the limited alternatives that help the poor to deal with their challenges.

Recently, significant multi-disciplined research shown that rational agent models which focus on utility-maximising behaviour have significant limitations in dealing with a complex problem like poverty.

5.3. Type of Approaches to be Re-defined

Studying the examples of the case study, Tables 1-4, shows that small adjustments in the way we communicate with the poor can have a positive effect on how they perceive life. The case also shows that dealing with the poor in the early stages of their life can help mitigate their probability to inherit poverty. In general, Tables 1-4 illustrate the importance of designing social programmes with clear outcomes. These small transformations which integrate SA and IBA, or holistically integrates these two approaches with capital economy based approach illustrate the amount of gap between contemporary approaches and what inspiration labs are suggested to minimise the dependence on waiting for great transformations to happen for the poor from strong external parties as governments, or major fund foundations, or legislative authorities.

In order to re-define the models of dealing with poverty, we need to focus on all the relations and strengths that define the known approaches (i.e., the scientifically proven) and the clear approaches (i.e., the clear causalities) parts, as shown in proposed diagnosis versus challenges, in Figure 4.

6. DISCUSSION AND CONCLUSION

This paper aims to extend our understanding of the developments needed in current poverty handling business models and to realise which approaches could help re-define the way we tackle poverty. Taking into account the literature reviewed, the synthesis was done to both the literature and case study represented by Tables 1-4 which represent longitudinal work carried over 3.5 years through inspiration and behavioural economy labs that focused on poverty communities needs specifically.

The proposed framework opens up a range of preferences that maximise the probability of behavioural changes amongst the poor community while ensuring the minimum outcome. The case study shows the advantage of the multidisciplinary approaches for a complex issue as extreme poverty. The outcome of the framework proposed help us to focus on the implications of the models that emphasise the independence of the poor from resource-based empowerment models. The proposed framework helps to develop the socio-economic approaches, programs and public policies set for dealing with issues of poverty, depending on the country's or the community's situation.

The synthesis of both the latest existing models discussed in the literature reviewed and then the models presented as part of the case study realised show that there is a need to re-invent the way we tackle poverty and extreme-poverty. All the current models need to be re-evaluated on whether they are working to increase the capacity versus demand for the poor and help to develop their self-control. This means we need more projects that would work on the mindset of the poor.

The way poverty models are designed has a significant impact on how the future generations of the poor would be transformed out of their community towards the middle-class. As shown in the case study, this can be done as per the capacity of each community, with small changes, where significant influence would accumulate over time.

The significance of this research is that it would benefit the decision makers in how to tackle issues of poverty with minimal resources and according to the condition of the country or the community. Besides this paper is expected to help those engaged with the management of the mindset of the poor and those who need to tackle different poverty problems in preventive rather than reactive way. The paper is full of examples that open future academic discussions in relevance to the labs, the projects and the policies which trigger the cognitive-capacity of the poor and empower them to solve problems.

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