

Is the State always responsible for the poor?

In recent times, issues such as income inequality and poverty seem to have been exacerbated by rapid inflation and cost of living. Conflicts such as the Ukraine-Russian War, and the Gaza conflict have created economic uncertainty. Countries such as Singapore have recently provided a slew of government financial aid such as the “CDC” vouchers to assist in daily expenses. While it is undeniable that every state has the responsibility to take care of the needs of its less fortunate citizens, it is also imperative that this does not come at the expense of the poor becoming over-dependent on state assistance. As such, the state has a significant role to play in alleviating the plight of the poor, as long as this does not result in them seeing state assistance as a “crutch”.

While the inexplicable responsibility the government has towards its people is undeniable, it is vital that state provision does not come at the expense of the poor losing the motivation to become more self-sufficient. This is especially so for welfare states such as the United Kingdom, which continue to provide its citizens with unemployment benefits. To be eligible for such benefits, citizens would have to prove that they are unemployed. For some, the prospect of remaining unemployed while still receiving an allowance for living expenses might seem to be more appealing than pounding the pavement to look for odd jobs. Given the current economic turmoil of the economy, critics will argue that the nation cannot afford for this to happen as a considerable portion of the state budget is already being channelled to these benefits programmes. As such, the scarce resources being used to support able persons who would eventually not attain financial independence would be better utilised in other state development programmes.

However, by virtue of the fact that the government is voted into power by its electorate based on the trust its people place in statesmen to be able to look after the welfare of their citizens, the state cannot shirk the heavy responsibility placed on it to fulfil the people’s social and economic needs. It is undeniable that most upright governments have come to recognise this as a topmost priority, and as a result have implemented some form of social assistance schemes not necessarily targeted at the poor, but accessible to a vast majority of the population. For instance, Britain’s National Health Service provides universal healthcare to everyone residing within its borders, regardless of their income and even nationality. This provision of affordable healthcare benefits the poor greatly, as a higher percentage of their income might have had to be spent on drugs and treatment as compared to higher-earning families. Similarly, Singapore has highly subsidized healthcare for its citizen through schemes such as Medishield and Medifund which provides universal coverage for all citizens. As such, the state must make provisions for its impoverished population, as the welfare of their citizens is an ethical and political obligation to the citizens who have elected them.

Moreover, in view of the social problems associated with a growing impoverished population, the state should assist the poor in order to maintain some level of social stability. High levels of poverty within a country have the potential to bring with them issues such as increased crime and violence, which could destabilise society. For instance, the slums in Rio de Janeiro have become breeding grounds for drug traffickers, and there have even been multiple instances of gang fights breaking out due to warring drug lords. Desperate to make a living and escape from poverty, many slum dwellers have turned to the risky yet lucrative drug trade. Such a phenomenon is certainly detrimental to a country’s development and would ideally be curtailed with assistance targeted at the root causes of poverty, such as a lack of educational and employment opportunities.

On the flip side, the protests which erupt in Indonesia whenever the government attempts to cut back on subsidies for the poor are testament to the fact that state assistance, if wrongly administered, could ironically compound social instability. Hefty subsidies on items such as fuel and flour are extremely taxing on Indonesia’s government, especially since a considerable portion

of its population lives below the poverty line. Continuing with such schemes is economically unsustainable, and also fosters over-dependence on state provision. As such, while it is a fine line to tread between meaningful assistance and excessive provision, the state should attempt to strike a balance that is sustainable and will serve it well in the future.

Finally, given that governments also have to pursue the state goal of national development, they simply cannot stand idly by while citizens who are lagging behind are struggling to make ends meet. A country's ability to attract foreign direct investment no longer solely depends on its reserves of natural resources or political willpower to ensure that firms receive all the funding and support they need. Rather, the paradigm shift from a manufacturing-based economy to a knowledge-based one calls for an educated workforce as well as good social infrastructure. Bearing in mind that the poor often have little access to higher and even basic education due to issues of affordability, it is crucial for governments to provide appropriate programmes to boost literacy rates among the poor. Economic development cannot be achieved satisfactorily in the presence of a large population of impoverished citizens. While national assets may have increased in monetary terms, the people may not have become better off. This is indeed the case for India, where in certain provinces, the dismal state of public education means that only well-to-do families can afford to send their children to expensive private institutions to learn English in order to guarantee their ability to get respectable jobs in future. Those who cannot afford this privilege remain marginalised and trapped in the vicious cycle of poverty. While globalisation has enabled India to create many better-paying jobs, the truth is that only citizens who are already well-off are in a position to fill these jobs.

To conclude, the rapid pace at which economic globalisation is occurring throughout the world means that people who are well-suited to meeting the demands of the global economy quickly see their salaries rising as corporations clamour to hire such individuals. On the other hand, this phenomenon also means that those who are unprepared could fall further and further behind. Unfortunately, this tends to apply to those living in poverty and they are often disadvantaged when it comes to access to education as well as other social programmes which could aid them in boosting their employability. Ultimately, the state has the duty to ensure that the poor receive the help they need to survive in today's competitive economy. This should ideally be done by tackling the root cause of poverty rather than its symptoms, while always being mindful of controlling assistance rendered so that it provides the poor with the motivation to help themselves improve their own lives, rather than being completely reliant on subsidies and benefits.