

Forum: Economic and Financial Committee

Issue: Poverty eradication in South and Southeast Asia by 2030

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Introduction

Affecting millions and restricting economic and social progress, poverty eradication in South and Southeast Asia remains a major problem. Though the area has made tremendous progress reducing poverty, issues still exist; 185 million people were living in extreme poverty as of 2019. The COVID-19 epidemic worsened problems in Southeast Asia by pushing an additional 4.7 million people into poverty by 2021.

Governments have been acting significantly to solve this problem, like Indonesia's \$28 billion meal program meant to combat poverty and economic crisis. Long-term solutions, however, demand constant effort, worldwide cooperation, and reasonable financial policies.

This topic is intimately associated with the goal of the Economic and Financial Committee to promote inclusive economic policies and sustainable development. It also relates to the issue of this year's RCIMUN, "Enhancing Cooperation: Mending the Cracks in the Rules-Based International Order." Promoting international collaboration and offering fair economic opportunity will help to build a stable, just global system.

As the 2030 target for eradicating world poverty approaches, coherent global action becomes even more crucial.



"Rise in Poverty: Another Deadly Symptom of Covid-19 in Southeast Asia"

Definition of Key Terms

Poverty: *The state of being extremely poor, lacking the financial resources and essentials for a minimum standard of living. (Oxford English Dictionary)*

Extreme Poverty: *A condition characterized by severe deprivation of basic human needs, including food, safe drinking water, sanitation, health, shelter, education, and information. It is typically defined by the World Bank as living on less than \$2.15 per day (as of 2022). (World Bank)*

Economic Inequality: *The unequal distribution of income and opportunity between different groups in society. (Cambridge Dictionary)*

Sustainable Development: *Economic development that is conducted without depletion of natural resources, ensuring that the needs of the present are met without compromising the ability of future generations to meet their own needs. (Oxford English Dictionary)*

Human Development Index (HDI): *A composite statistic used to rank countries based on human development factors such as life expectancy, education, and per capita income. (United Nations Development Programme - UNDP)*

Gross Domestic Product (GDP): *The total value of goods produced and services provided in a country during one year. (Oxford English Dictionary)*

Microfinance: *Financial services, including small loans, savings accounts, and insurance, provided to low-income individuals or groups who do not have access to traditional banking services. (Cambridge Dictionary)*

Social Safety Nets: *Government programs that provide financial or food assistance to individuals or families in need, such as unemployment benefits, food subsidies, and housing support. (Merriam-Webster Dictionary)*

Informal Economy: *Economic activities and jobs that are not regulated by the government, often lacking legal protections, worker rights, or social benefits. (International Labour Organization - ILO)*

Rural-Urban Migration: *The movement of people from the countryside to cities in search of better employment, education, and living conditions. (Oxford English Dictionary)*

Food Security: *The state in which all people, at all times, have physical, social, and economic access to sufficient, safe, and nutritious food to meet their dietary needs for an active and healthy life. (Food and Agriculture Organization - FAO)*

Malnutrition: *A condition resulting from an unbalanced diet where a person does not get enough or*

gets too much of certain nutrients, leading to health problems. (World Health Organization - WHO)

Foreign Direct Investment (FDI): *Investment made by a company or individual in one country into business interests in another country, typically by acquiring assets or establishing operations. (Cambridge Dictionary)*

International Aid: *Assistance given by one country or international organization to another, typically in the form of financial support, food, medical supplies, or technical expertise. (Oxford English Dictionary)*

United Nations Sustainable Development Goals (UN SDGs): *A collection of 17 global goals set by the UN to address global challenges, including poverty, inequality, climate change, environmental degradation, peace, and justice, aiming for achievement by 2030. (United Nations - UN)*

General Overview

South and Southeast Asia's fight against poverty has changed enormously throughout the past few decades. The area still has challenges which render poverty unable to be fully eliminated in spite of outstanding progress. While institutional challenges and inequalities persist, foreign aid, government policies, and economic growth have all been significantly substantial.

The poverty rate of Asia decreased from 73.6% to under 10% between 1965 and 2014 based on the \$3.20 poverty line. The major determinants of this remarkable drop were rapid growth, industrialization, and poverty alleviation schemes. Economic reforms on a huge scale along with social welfare schemes enabled countries like Vietnam, China, and India to considerably decrease their poverty rates. In spite of these developments, millions remain in absolute poverty; thus, there are enormous differences between rural and urban populations.

The COVID-19 pandemic reversed many of the hard-won gains of the previous decades. Nowhere was this more evident than in South Asia, where global extreme poverty rose in 2020 for the first time in nearly twenty years. By the following year, the pandemic's knock-on effects were powerfully felt: job markets were harmed, disparity grew, and an additional 4.7 million Southeast Asians were pushed into extreme poverty. For those that were affected, recovery has been a steep hill to climb for many. With less access to health care, education, and safe employment, the bounce back has been particularly difficult. On top of that, environmental degradation, rising inflation, and external economic shocks have stalled or reversed poverty reduction gains in numerous countries.

In response, city governments have tried diverse approaches founded on different economic theories. Indonesia, for instance, recently initiated a \$28 billion program aimed at stimulating local economies and improving health outcomes. The program seeks to provide free, nutritious meals to children and

pregnant women, recognizing that long-term success starts with basic needs. Similarly, the Philippines has made advancements, cutting its poverty rate from 18.1% in 2021 to 15.5% in 2023—despite disruption wrought by food price hikes. These are only some instances of a growing commitment on the part of nations to tackle poverty directly through a mix of social welfare policies, financial support, and targeted economic policies. However, structural barriers in the form of income inequality and denial of access to quality education continue to hamper long-term progress.

International agencies have also played a key role in helping to alleviate poverty. The Asian Development Bank (ADB) has made it a priority to lead sustainable economic growth with an emphasis on job creation and the provision of greater opportunities to vulnerable groups. Meanwhile, the United Nations Development Programme (UNDP) has made a case for developing cohesive societies alongside competitive economies. These institutions, through financing, technical advice, and research, have allowed governments to make and implement policies that have improved millions of lives.

Going forward, if South and Southeast Asian nations are committed to reducing poverty by 2030, they will have to focus on not only economic growth, but inclusive and sustainable development. That implies ensuring growth is for all segments of society, particularly the marginalized. Enhancing social safety nets, expanding access to healthcare and education, and encouraging environmentally friendly practices will be crucial in developing resilience to future economic shocks. By addressing these interconnected challenges, the region has a real chance to build on its success and come even closer to eliminating poverty for good.

Major Parties Involved and Their Views

United Nations & UNDP (United Nations Development Programme): The UN, primarily through the UNDP, plays a central role in fighting poverty. By promoting social protection programs, advocating for sound economic policies, and supporting rural development, it helps lay the groundwork for lasting improvements. Working hand in hand with national governments, the UNDP focuses on building strong local institutions and implementing long-term initiatives that aim to lift people out of poverty sustainably.

World Bank: The World Bank is a major force behind economic growth, infrastructure expansion, and advancements in healthcare and education across developing countries. Through its provision of low-interest loans and grants, it enables governments to invest in key sectors. Beyond infrastructure, the World Bank supports programs focused on job creation, cash flow management, and agricultural development—giving countries the tools to develop long-term strategies to combat poverty.

Asian Development Bank (ADB): ADB's contributions center around funding projects that promote infrastructure development and encourage regional economic integration. It focuses heavily on improving access to basic services such as energy, clean water, and transportation—essentials often

lacking in poorer nations. Recognizing the close link between environmental sustainability and poverty reduction, ADB also backs projects designed to strengthen climate resilience.

National Governments: In South and Southeast Asia, national governments are at the forefront of poverty eradication efforts. In India, for example, large-scale welfare programs like MGNREGA (Mahatma Gandhi National Rural Employment Guarantee Act, 2005) and PMJDY (Pradhan Mantri Jan Dhan Yojana) focus on boosting employment and promoting financial inclusion. Similarly, China's industrialization drive and financial reforms have lifted millions out of poverty over recent decades. Meanwhile, countries like Indonesia and Vietnam continue to prioritize economic growth, education access, and comprehensive social assistance programs as they advance their poverty reduction goals.

Oxfam: Oxfam tackles poverty by focusing on social justice issues such as fair wages, gender equality, and equal access to resources. Beyond these efforts, the organization provides disaster relief and humanitarian support in crisis-affected areas. Oxfam also consistently advocates for policy changes aimed at improving access to basic services in underprivileged communities.

BRAC (Bangladesh Rehabilitation Assistance Committee): BRAC is one of the world's largest development organizations, with a strong emphasis on microfinance, education, and healthcare. Its microfinance programs, in particular, empower low-income individuals—especially women—to start their own businesses and achieve financial independence. Additionally, BRAC operates hospitals and schools, helping to improve long-term economic stability and quality of life in underserved regions.

Save the Children: Save the Children improves children's welfare by means of programs in nutrition, education, and healthcare. It aims to ensure children from low-income backgrounds get a quality education and are free from child work. The nonprofit also provides emergency help in areas affected by wars and natural catastrophes.

ASEAN (Association of Southeast Asian Nations): ASEAN promotes regional economic integration to help to lower poverty and provide employment. Infrastructure development, trade agreements, and cross-border investment simplify matters of infrastructure development, therefore fostering economic progress. ASEAN's greater cooperation among its members helps low-income areas to have better access to healthcare, education, and financial resources.

SAARC (South Asian Association for Regional Cooperation): SAARC is mostly interested in lowering poverty by means of regional collaboration. It supports programs aiming at raising food security, healthcare, and economic possibilities for South Asia. SAARC also promotes cooperation among its members to build long-term goals for reducing inequality and improving sustainable development.

Timeline of Events

December 1978	<p>China begins implementing economic changes under Deng Xiaoping, therefore shifting from a planned economy to a system emphasizing the market. Thanks to these developments, millions of people are pulled out of poverty and also inspire very significant economic growth.</p>
January 1990	<p>The fact that 57% of people in Southeast Asia and 83.2% of people in South Asia live on less than \$1.25 daily shows the great poverty these nations experience.</p>
July 1993	<p>Vietnam's Doi Moi economic reforms help to foster rapid growth. From around 60% to 14% from 1993 to 2014, Vietnam's poverty rate drops, therefore eliminating 40 million individuals from poverty.</p>
July 1997	<p>Starting in Thailand and extending over Southeast Asia, the Asian financial crisis produces economic recessions and a rise in poverty. Governments reply with social safety nets and measures for economic stabilization.</p>
November 1999	<p>Officially, the Asian Development Bank (ADB) as its main objective has the eradication of poverty; so, its financial aid programs follow this direction.</p>
October 2005	<p>Indonesia starts a direct cash transfer program to assist low-income families and reduce the financial load of growing fuel prices.</p>
June 2007	<p>Introduced by Indonesia is PKH, a conditional cash transfer program meant to support underprivileged homes with health, education, and mother care.</p>
September 2015	<p>This date represents the global MDGs aim, which calls for halving extreme poverty. South and Southeast Asia has witnessed substantial progress largely from economic growth and targeted programs to fight poverty.</p>
July 2018	<p>Aiming to build a rich, strong, inclusive, and sustainable Asia by 2030, the Asian Development Bank provides Strategy 2030, a framework with a major focus on reducing poverty.</p>

February 2024	Launching a \$28 billion initiative to provide over 90 million children and expecting women free, healthy meals, Indonesia aims to help battle poverty and combat hunger.
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UN Involvement

1. United Nations Development Programme (UNDP)

The UNDP has been greatly helping to reduce poverty in Asia and the Pacific. The area has seen amazing development in just two generations, drawing 1.5 billion people out of appalling poverty. Still, issues arise and millions of people remain underprivileged. UNDP continues to advocate inclusive growth and sustainable development to help to address these issues.

2. United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)

ESCAP, the UN's regional arm, encourages worldwide cooperation to reach fair and sustainable development. ESCAP passed a resolution in April 2024 boosting analytical support and capacity-building initiatives to forward sustainable development in least developed countries, landlocked developing nations, and small island developing states.

3. International Fund for Agricultural Development (IFAD)

IFAD works to eliminate rural poverty by supporting small-scale farmers and underprivileged areas. IFAD's projects have helped thousands of rural Vietnamese households by increasing access to microcredit, enhancing infrastructure, and thereby strengthening food security.

4. United Nations Department of Economic and Social Affairs (UNDESA)

The theme of the interagency expert group conference UNDESA organized is "Accelerating global actions for a world without poverty." The forum looked at how the COVID-19 epidemic has hampered attempts to reach the Sustainable Development Goals—more especially, the eradication of poverty and the lowering of inequality.

Relevant UN Documents

1. [Resolution 72/233: Third United Nations Decade for the Eradication of Poverty \(2018–2027\) \(20 December 2017\)](#)
2. [Resolution 70/1: Transforming our world: the 2030 Agenda for Sustainable Development \(25 September 2015\)](#)
3. [Resolution 47/196: International Day for the Eradication of Poverty \(22 December 1992\) and Resolution 47/197 International cooperation for the eradication of poverty in developing countries](#)
4. [Resolution 62/205: Second United Nations Decade for the Eradication of Poverty \(2008–2017\) \(19 December 2007\)](#)
5. [Resolution 55/2: United Nations Millennium Declaration \(18 September 2000\)](#)
6. [Resolution 78/231: Follow-up to and implementation of the outcomes of the International Conferences on Financing for Development \(28 December 2023\)](#)

Treaties and Events

1. [ASEAN Human Rights Declaration \(19 November 2012\)](#)

By adopting this declaration, which includes commitments to economic, social, and cultural rights, the Association of Southeast Asian Nations (ASEAN) set out to improve living standards and tackle poverty across the region.

2. [18th SAARC Summit Declaration \(28 November 2014\)](#)

Demonstrating their strong commitment to fighting poverty, the leaders of the South Asian Association for Regional Cooperation (SAARC) took the lead in ensuring the effective implementation of the SAARC Plan of Action on Poverty Alleviation.

3. [ASEAN Issue No. 36: Reducing Poverty, Uplifting Lives \(March 2024\)](#)

Reflecting the collective commitment of its member states, this ASEAN publication showcases the ongoing initiatives and policies aimed at reducing poverty in the region. While not an official document, the book serves as a thoughtful and creative effort to capture both the personal impact of poverty and the underlying factors that contribute to it.

Evaluation of Previous Attempts to Resolve the Issue

BRAC in Bangladesh: Microfinance

Since its founding in 1974, BRAC has grown to become one of the largest non-governmental organizations in the world, playing a key role in advancing microfinance projects across Bangladesh. These programs specifically target impoverished, rural, landless women, offering them collateral-free loans to help them generate income and improve their quality of life. While BRAC's microfinance initiatives have reached millions, critics argue that such programs might unintentionally reinforce existing social structures. For example, some suggest that by providing financial support, BRAC may lead local elites to believe that women no longer need broader assistance, potentially redirecting charitable resources towards other avenues, such as religious institutions.

IFAD in Vietnam: Rural Development

Through initiatives like the Rural Income Diversification Program (RIDP), implemented between 2002 and 2010, the International Fund for Agricultural Development (IFAD) has played a significant role in reducing rural poverty in Vietnam. The program focused particularly on women and marginalized upland ethnic minority communities, achieving notable successes such as improved food security and greater access to microcredit. However, ensuring the long-term viability of infrastructure projects while keeping communities actively engaged has proven challenging. For instance, while 85–90% of beneficiary households now enjoy road access to local markets, ongoing maintenance and sustained community participation are crucial to make sure these benefits last.

India's Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY): Food Security

Launched in response to the COVID-19 pandemic, India's PMGKAY (Pradhan Mantri Garib Kalyan Anna Yojana) aimed to provide free food grains to approximately 800 million people. The program has been widely credited with helping to prevent a sharp rise in extreme poverty during the crisis. However, given the substantial financial burden it carries, questions have been raised about its long-term sustainability. Ensuring the program's continued success will depend on careful budgeting and efficient resource allocation moving forward.

Indonesia's Free Nutritious Meal Program

Indonesia launched the Free Nutritious Meal campaign with the goal of tackling child malnutrition by providing meals to around 90 million children and pregnant women. While the initiative aims to address critical issues like stunted growth and development, it has also sparked concerns regarding its financial sustainability and potential impact on the national economy. Critics have pointed to Indonesia's current budget constraints and the risk of increasing national debt, emphasizing the importance of careful planning and responsible resource management to ensure the program's

long-term success.

Possible Solutions

Expanding Social Safety Measures

Programs such as cash transfers, unemployment benefits, and food assistance play a crucial role in shielding vulnerable groups from economic shocks. To maximize their impact, governments must ensure these initiatives are adequately funded, easily accessible, and protected from corruption. Expanding conditional cash transfer programs, like Indonesia's Program Keluarga Harapan (PKH), could pave the way for more comprehensive and effective support systems.

Enhancing Access to Quality Education

Investing in free, high-quality primary and secondary education can be a powerful tool in breaking the cycle of poverty, particularly in underserved communities. In addition, governments should place strong emphasis on offering digital literacy programs and vocational training to equip individuals with the skills needed to thrive in today's evolving job markets.

Increasing Financial Inclusion

Microfinance institutions like Grameen Bank have demonstrated that small loans can empower individuals to start businesses and lift themselves out of poverty. However, to prevent exploitation, governments need to regulate against predatory lending practices. Expanding access to low-interest loans and mobile banking services could further broaden financial opportunities for those who need them most.

Notes from the Chair

Here are some useful links that you may refer to:

Poverty Index Websites:

1. [World Bank: Poverty and Equity Data Portal](#)
Offers thorough information on national poverty and inequality statistics including those of South and Southeast Asia.
2. [United Nations Development Programme \(UNDP\): Human Development Reports](#)
Provides comprehensive Human Development Index (HDI) statistics reflecting globally health, education, and income measures.

Recent News Articles on Poverty in the Region:

1. ["World Food Programme halves food rations for Rohingya in Bangladesh"](#)
The Guardian, March 6, 2025.
Addresses budget problems causing food supplies for more than a million Rohingya refugees in Bangladesh to diminish.
2. ["Thailand pushing to repatriate foreigners rescued from Myanmar scam centres"](#)
Reuters, March 6, 2025.
Highlights Thailand's efforts to repatriate approximately 7,000 individuals rescued from scam centers in Myanmar, many of whom face poor living conditions.
3. ["More than 1 billion people live in acute poverty. Half are children and many in conflict zones"](#) – *Associated Press*, October 17, 2024.
Studies on the worldwide level of extreme poverty, with a focus on South Asia, show that more than half of the afflicted are children.

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