

The Psychology of Poverty

Name

Institution

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Poverty, Inc. is a short documentary on why poverty has continued to be widespread in many parts in Africa despite the concerted effort to contain it. The documentary begins by quoting Machiavelli who states that “The reason there will be no change is because the people who stand to lose from change have all the power. And the people who stand to gain from change have none of the power.”

Ideally, Poverty Inc. states what most donors know, but do not want to admit that poverty only benefits those who are giving it and not those to whom it is intended. By continuing to give aid, the donors reinforce the false narrative that the developing nations are barren and that their citizens are dependent. The author of the movie Theodore Dalrymple however rejects this form of thinking and insists that the developing nations have potential, but what they lack is the opportunity. In order to break from the cycle of poverty, the people therefore have to be given opportunities and not just aid.

The views that are presented in Poverty Inc. clearly outline what is presented by researchers about the psychology of poverty. One of the narratives on why poverty is almost a vicious cycle is because there is perennial scarcity in most places that make most of the poor unable to access basic things that would help them in fighting the poverty. With the absence of these resources, the poor people are left with no option other than to rely on foreign aid and this prevents them from progressing. As presented in the documentary, it is quite hard for any person to work for something when they are assured of getting the same thing for free.

In order to help in breaking the cycle of poverty, it is important to ensure that people in the developing nations are given the infrastructure that can make them come out of the begging box and instead become self-reliant. However, this is something that the donors do not want to do since they benefit the greatest from the aid. In most cases, there are willing people who want to make donations to the poor and a large section of this aid ends up in the pockets of those giving the aid. Since as Machiavelli states the large sections of those who can bring the change are the same people who hold the power, they ensure that the process goes on and any attempt to introduce any meaningful change is thwarted. There is often a tendency where children from poor families end up being poor themselves (Shiv, & Fedorikhin, 2009).

According to the producer of this documentary, the aid donations have led to the death of industries that once run the economies of developing nations. Instead, people from those nations rely on cheap imports which have found their way into those nations. If the donors really want to help the developing nations, they should stop focusing on aid and instead work towards the realization of encouraging innovation.

Reference

Shiv, B., & Fedorikhin, A. (2009). Heart and Mind in Conflict: The Interplay of Affect and Cognition in Consumer Decision Making. *Journal of Consumer Research* 26, 278–292.