

# **Global Poor in Globalization: Positioning the poor in “Revolt of the Rich”**



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**Vishal Shrivastava**  
Team ProBono India  
B.A. LL.B(Hons.), LLM  
O.P. Jindal Global University  
Sonipat, Haryana

## *Global Poor in Globalization: Positioning the poor in “Revolt of the Rich”*<sup>1</sup>

### Abstract

Hegel’s master slave dialectic provides that there has to be an asymmetry of power between the master and slave and these inequalities of power prevent the people from equal sharing of opportunities. These unequal sharing opportunities create a gap between the rich and poor.

Globalization encourages the ‘masters’ through tools of economics and politics to exploit the market opportunities resulting in inequality between economies which affect directly to the ‘slaves’ as they become the ladder through which globalization reaches new heights. In recent times as the gap between rich and poor increases, new definitions of the poor has to be defined because statistical information based on income of a person cannot be the basis to determine a poor as it does not ensure that a person earning above that poverty line is living a just life in a society which is unequal and where the asymmetry of power generate a certain kind of brutality towards poor. Poverty is a multidimensional phenomenon and it has to be addressed in the same manner.

This paper analyses the evolution of the term ‘*poor*’ and the need to understand the new spaces in which poor delves for globalization to emerge using poverty as a tool to exploit poor. The revolt of the rich has been to exploit the poor and the revolt of the poor has always been undermined by citing economic benefits, the paper tries to understand that revolt. The paper will try to find the spaces in which these poor people reside and how those sites are used as a site of globalization.

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<sup>1</sup> *Revolt of Rich* is the term taken from the book by Robert A. Isaak (The Globalization Gap, 2007)

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### **Introduction**

*“Anyone who wishes to be considered humane has ample cause to consider what it means to be sick and poor in the era of globalization and scientific advancement”*

*-Paul Farmer<sup>2</sup>*

There is a considerable amount of pace in social and economic life of people which is caused by the revolutionary changes in finance, technological advancements, communication which has resulted in a radical drop in cost of information, all these factors we now term as globalization. Globalization encourages the well positioned to use tools of economics and politics to exploit market opportunities, boost technological productivity and maximize short term material interests in the extreme. This has resulted in rapid increase in inequality between the affluent and the poor.<sup>3</sup>

There has been an extreme rise in the gaps between the poor and the rich especially in the twenty first century because of the aggressive competitive policies of the wealthy capitalist class. Rich individuals and institutions created by them in the name of regulating international trade and economy have always dominated, exploited and “created the poor. The pharaohs of Egypt and the Taj Mahal in India was created by the feeble hands of the hugely dominated underclass poor people.<sup>4</sup> There is a sudden explosion of extremely rich individuals of people who were previously middle class citizens and this has led to creation of a huge divide as there is a “death of middle class” which means that the gap between the rich and poor is extremely high in present times. The common critique of globalization is that it has excluded a large number of people from the benefits of marketization. According the reports by UNICEF more than 1.3 billion people in the world live under extreme poverty and more than twenty-two thousand children die each day because of poverty.<sup>5</sup> The forces of globalization, commercialisation are particularly strong and intuitive which not only creates a gap between the rich and poor but has also taken away their power from the democracy. The asymmetry of

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<sup>2</sup> Paul Farmer, *Pathologies of Power* (University of California Press 2003).

<sup>3</sup> Robert A. Isaak, *The Globalization Gap* (2nd edn, Pearson India 2007).

<sup>4</sup> *ibid*

<sup>5</sup> Anup Shah, 'Poverty Facts And Stats — Global Issues' (*Globalissues.org*, 2016)

<<http://www.globalissues.org/article/26/poverty-facts-and-stats>> accessed 21 November 2016.

power generates a kind of quiet brutality as the inequalities created by globalization has prevented the sharing of different opportunities as they can devastate the lives of those who are far from the levels of control.

Globalization encourages the '*masters*' through power to exploit the market opportunities, resulting in inequality between economies, read as slaves in the present context, as they become the ladder through which globalization reaches new heights. In recent times, as the gap between rich and poor widened in a never-before manner, social theorizing demanded newer definitions of poor—beyond the statistical-information-based determination of poorness.

In the said milieu, this paper analyses the evolution of the term '*poor*' and the need to understand the new "spaces" in which poor lives. It argues that there is a madness of the rich, induced by globalization, which exploits the poor. Any resistance to such a madness receives the Hegelian master's scorn for the slave. The paper will try to find the spaces in which these poor people reside and how those sites are used as a site of globalization. Globalization encourages the '*masters*' through power to exploit the market opportunities, resulting in inequality between economies, read as slaves in the present context, as they become the ladder through which globalization reaches new heights. In recent times, as the gap between rich and poor widened in a never-before manner, social theorizing demanded newer definitions of poor—beyond the statistical-information-based determination of poorness.

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### **The Idea of Poverty**

There is an ambiguity towards the word "poor" as the institutions formed by the capitalist class in the name of globalization have always looked at the term poor in economic context and defined them mainly by the amount of money a person earns or in order to give a humanistic touch to the idea of poor, the term poor has also been defined in the terms of calorie intake of an individual.

The idea of poverty was made 'ambiguous' by the philosopher Malthus who made the term ambiguous by raising the spectre of a population which is constantly at the mercy of food supply and he also condemned the poor to an eternal recurrence of 'misery and vice'<sup>6</sup>. He commented on Adam Smith's theory 'wealth of nations' by commenting that Smith made an error by assuming that a growing industrial economy would create a direct correlation between the 'wealth of nations' and the 'happiness and comfort of the lower orders of society', Malthus was of the view that 'principle of population' established an inverse relationship between the two.<sup>7</sup>

The idea given by Malthus was that industrial growth will only increase the wealth of nation at the expense of the poor and as it would lead to increase in population without a similar growth in food or other resources. This would aggravate the conditions of the least advantaged class and make it harder to subsist in the society increasing the misery and vice of the poor.

The term poor continues to be ambiguous as there is no clarity to the term of poor as with the expansion in empires of capital market, war, peace and depression the poor have remained as a means to achieve higher capitals and at the mercy of the capital class of the economies and therefore the term poor has always been looked upon from the viewpoints of a capitalist class. For instance, when the UPA II government was facing huge challenges in terms of running the government and was being questioned on its model of development it came out with a revised economic definition of poor reducing the poverty line and bringing up all the people who earned above 32 Rupees in urban sector above poverty line. The idea of the economic definition was majorly to reduce the statistical data that was available for poor and to portray the growth of the economy. This ignored the marginalized sector and also the statistical counting of poor ignored the hardships faced by everyday individual working tirelessly for the capitalistic class.

The significance of poverty can be understood, measured and evaluated in comparison to 'non-poverty' or levels of the wealth in a given society. For example, P is poor and we can say that when she does not possess access to the basic resources that enable Q or S to consume good things and use resources for his or her own benefit but that would mean that P is not just poor but unequal to Q or S also. Poverty becomes the effect of inequality as well as the prime signifier of inequality.

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<sup>6</sup>Gertrude Himmelfarb, 'The Idea Of Poverty' (*History Today*, 2016)  
<<http://www.historytoday.com/gertrudehimmelfarb/ideapoverty>> accessed 19 November 2016.

<sup>7</sup> *ibid*

## Hegel's Master Slave Dialectic

Hegel has talked about Recognition in his book *Phenomenology of mind* and this concept can be understood by first understanding the concept of time as the notion of Time which is central to Hegel's philosophy and his master slave dialectic. Time is not to be understood as a mathematical component but it provides a clue in understanding the nature and structure of 'consciousness'.<sup>8</sup>

The consciousness of a human being is revealed in a self-formative process in two different ways. At the first instance consciousness posits itself as something that is temporary and dynamic and in the second instance the consciousness is to be seen as a lifeless entity or something spatial rather than temporal.<sup>9</sup> For Hegel time is a formative process of consciousness without which history becomes unthinkable. This temporality of consciousness draws a line between human beings and other objects.

The two self-consciousnesses are like mirrors of one another. Each mirror reflects the other; nit it also reflects the other reflecting self and this goes on and on and results in frenzy as well as paralysis. The only way to break the mirroring is to fight, the winner will be termed as master and the loser is the slave but this is incomplete solution and is problematic.<sup>10</sup> Therefore, both the master as well as slave learns to coordinate because the master realises that even if he wins the death match he has the right to kill the slave but he seeks continuous recognition and killing of one self-consciousness will result in inactiveness of other self-consciousness as it would not be able to anything without the other. One of the two self-consciousness's *"is the independent consciousness whose essential nature is to be for itself, the other is the dependent consciousness whose essential nature is simply to live or to be for another. The former is lord, the other is bondsman."*<sup>11</sup>

The slave is forced to produce goods for the master and sees himself in the products that he has created for the master and in this manner he achieves his self-consciousness. The master however, is dependent on the slave for recognition and this recognition cannot be termed as

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<sup>8</sup> Muhammad Kamal, 'Master Slave Relationship In Hegel's Dialectic' (*Ethicalpolitics.org*, 2016)  
<<http://ethicalpolitics.org/seminars/master-slave.htm>> accessed 2 November 2016.

<sup>9</sup> *ibid*

<sup>10</sup> Eric Steinhart, 'Master / Slave Dialectic' (*Ericsteinhart.com*, 1998)  
<<http://www.ericsteinhart.com/progress/HEGEL/MASLAVE.HTM>> accessed 18 November 2016.

<sup>11</sup> *ibid*

attainment of self-consciousness so the master do not allow the slave or bondsman to make him realise that the body attaining self-consciousness for him is not his body.<sup>12</sup>

However in the terms of globalization the master becomes the capitalist class who uses the labours self-consciousness and the products made by them but this consciousness never comes upon in the mind of labour because he fears *death* in the struggle of death between the master and slave. The poor class of the country is accepting the orders of the master because he fears the scorn of the master if he do not obey them.

### **Globalization and Poor:**

It is argued that globalization has made the planet more equal as communication gets cheaper, and transport becomes faster the developing countries have closed the gap with their rich world counterparts. The picture is not as shiny as it appears and if you zoom out it appears that even though the statistics shows that globalization is making countries economically rich but the fact remains that it is creating a great divide between the rich capitalist class and the poor class in the countries.

In globalization, the concept of poverty is to be seen by giving importance to collective non-monetary services in the life of underprivileged people, whereas the capitalist class that holds the politics and power in a global economy always destroy these services and push people towards a life of misery and destitution for their own economic good. Poverty is largely to be seen as a political problem than an economic problem.<sup>13</sup>

In the past the global institutions which were formed initially with the sole aim of increasing trade considered that trade will bridge the gap between rich and poor and they used the instrumentalities of a global institution to legitimize their acts that resulted in greater income gap and hardships to the poor. These institutions like World Bank, UNCTAD and other agencies came out with reports suggesting that globalization is bridging the economic gap between the rich and poor however their calculation was based on statistical data derived to fit their own

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<sup>12</sup> N. Harding, 'Reading Leadership Through Hegel's Master/Slave Dialectic: Towards A Theory Of The Powerlessness Of The Powerful' (2014) 10 Leadership.

<sup>13</sup> Olli Tammilehto, 'Globalisation And Poverty' (*Gamma.nic.fi*, 2013)

<<http://gamma.nic.fi/~otammile/globpov.htm>> accessed 14 November 2016.

equation of equality but with rise of transnational bodies and interference of IGOs and NGOs in the debates of globalization slowly the concept of poverty is being changed.

The concept of poverty can be understood, measured and evaluated only in comparative terms, in relation to 'non-poverty' or the levels of wealth in a given society, and between societies. P is poor, we can say, when she does not possess access to those basic resources which enable q, or s, or m to consume nutritious food, avoid ill health, attend school, take up a job, and own a home, let alone go on holiday or own a car. But this means that p is not just poor, she is *unequal* to q, s, or m, since the latter three, unlike p, have access to certain advantages that p does not. In short, poverty is the effect of inequality as well as the prime signifier of inequality.

Poverty in modern times is to be understood as the inequality gap that exists between the rich and the poor. Although we have come up a long way from when Hegel explained his master slave dialectic in which the labour will realizes his self-consciousness but poverty has trapped human beings in a loop of want and deprivation that diminishes and humiliates people.

Slowly and steadily the definition of poverty is moving from the technical term specially with the emergence of actors that are starting an intellectual revolt against the statistical notions of poverty for instance the OECD's development organization DAC has seen the plurality of poverty which is enshrined in the DAC framework with poverty having the following dimensions:

1. *"The lack of economic capabilities (inability to earn a decent income, consume and have assets)*
2. *The lack of human capabilities (deficiency in health, education, nutrition, clean water and shelter)*
3. *The lack of political capabilities (human rights violations, inability to influence over public policies and political priorities)*
4. *The lack of socio-cultural capabilities (inability to participate as a valued member of a community)*
5. *The lack of protective capabilities (insecurity and vulnerability)"<sup>14</sup>*

This change in definition is bringing in a lot of diversities to the way poor and poverty is being perceived in a global world and to ensure that the proponents of globalization do not legitimize

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<sup>14</sup> DAC Guidelines on Poverty Reduction 2001

their acts and continue to harass the labour or poor in the name of bridging the inequalities it is necessary that the debate continues a political definition of the term poor rather than the statistical one.

### **Spaces for Poor:**

In a global world, the term globalization is often identified and marked on a spatial location. The geographers find it easy to relate globalization with spaces like malls, shopping complexes, multiplex, high rise residential buildings and other such sites which reeks of capitalistic market power. And in this fight to legitimize globalization and the capital acquired through it the corridors of power often do not look into the sites that are left behind which are the site in which poor's dwell, the sites in which the poor resides and work to produce goods and objects for their Hegelian master. The spaces for poor were earlier those places where there were no adequate resources and the basic necessities for living were not present, this was the scenario when the term 'poor' was identified in statistical manner and not in taking a holistic perspective of the term poor. But if we take a complete definition of the term poor that includes all aspects including lack of human capabilities, political capabilities socio capabilities and the fact that poverty is the effect of inequality as well as the prime signifier of inequality then we would find the spaces of poor in globalization at several temporalities. These spaces can be identified in slums, outside a metro station where metro signifies the global development but right outside it is the street vendors selling out things for their capitalistic masters.<sup>15</sup> The sites of poor under globalization is the space that can be witnessed as soon as a plane takes off from Mumbai or Delhi where you can see the slums right from the windows of your plane. The globalization has happened at the spaces of poor and at their cost only as the spaces which are used for development is often the place of the poor people who have been forced to leave the spaces by the capitalist class in the name of development. The first prime minister of India Jawahar Lal Nehru termed Dams as the modern temples of democracy but the same temples have resulted in displacement of people residing on their ancestral lands and the argument that was given for this mass movement of people over the years for construction of dams, nuclear power plants, Special Economic Zones is that their lands are being taken away in the name of development. The people residing at those places and earning for themselves by indulging into agriculture activities were forced to work in the industries producing goods and objects for the satisfaction

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<sup>15</sup> The author has taken the example of Chandni Chowk Metro Station situated in Delhi, India

of their capitalist masters. As per Hegel the “death match” was still won the masters and labourers continue to create objects for the satisfaction of their masters and they are yet to realize their self-consciousness.

## **Conclusion**

There is an extreme rise in the gaps between the rich and poor. The term poor in a globalizing world is being defined in a statically sense and there is an urgent need to take into consideration the fact the poverty needs to be understood in a political sense to avoid the hardships faced by several people because of the conditions that they have to live in because of several factors of globalization affecting their daily life. The conquest of realizing your self-consciousness as per Hegel is an idea that has resulted in several movements of doing away with peasantry, equal rights for women, demands for self-determination can all be considered as the realization of self-consciousness by the labourer.

Poverty is unacceptable because it massively violates our basic convictions that no one should be compelled to lead a life that is not distinctively human. But more importantly poverty is a violation of the fundamental axiom that human beings possess equal worth. This proposition generates a principle of distributive justice that concentrates on giving to the disadvantaged what they have a right to.

Therefore, the discourse to solve out the problem of poverty must be found by understanding the madness of rich towards being a capitalist class and maintain the power position in the society. It is to be understood by understanding the new spaces created by poor in the age of globalization and the new definition of the term poor.