

Poverty versus Progress: Comparing the US and Venezuela

What Does it Mean to be “Third World” in 2013?

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If we are to take the traditional definition of the term, then “Third World” refers to those (non-white) countries that struggle to attain high levels of economic development and which, for the most part, are reduced to the periphery of the global economy.

However, since the onset of the economic crisis beginning in 2007-2008, many of the economic problems of those traditionally poor countries have become ever more apparent in the so-called developed world. Socio-economic maladies such as extreme poverty, hunger, and unemployment have skyrocketed in advanced capitalist countries like the United States, while politicians and the media continue to trumpet the mirage of an economic recovery.

Naturally, one must ask for whom this is a recovery...for the poor or for Wall St? Moreover, it has forced the world to examine what progress looks like. One way of doing so is to analyze what the statistics tell us about the United States versus Venezuela. In so doing, one begins to get a much clearer picture, free from the distortions of media and politicians alike, of just how much progress has been made in the Bolivarian Revolution while the situation of the poor and working classes in the US continues to deteriorate.



What Is Poverty?

Before one can reach any definitive conclusions about poverty in the US and Venezuela, it is essential to first establish the stark difference in the way in which poverty is measured in the two countries. With respect to the US, poverty is measured purely by household income, with a certain threshold known as the “poverty line” determined by the Census Bureau. This measurement, based on a purely arbitrary delineation between poverty and “non-poverty”, is the one by which many make determinations about the state of the poor in the US. As should be self-evident, this system of analyzing poverty ignores the obvious fact that there is little tangible difference between the lives of those slightly over and slightly under the poverty line in that both live in a constant state of privation. Moreover, as increasing inflation, decreasing wages and other factors continue to impact the purchasing power and actual lives of the poor, the poverty line becomes even more problematic.

In contrast, the Venezuelan government has a distinctly different set of [measurements to determine true poverty](#) including: access to education, access to clean drinking water, access to adequate housing, and other factors.[\[i\]](#)

Essentially then, in Venezuela, poverty is not a measure of income, but of quality of life. By measuring poverty in this way, the Venezuelan government provides a far more comprehensive picture of the socio-economic situation in the country. It is important to note also that, unlike in the United States, poverty statistics in Venezuela are one of the primary driving forces behind the formation of government policy. While in the US, poverty has become a dirty word (as evidenced by the subject's total absence from last year's presidential debates), Chavez and the Bolivarian Revolution have made it the centerpiece of public policy in all aspects.

What the Numbers Show

When one examines the statistical data compiled by the Census Bureau in the United States, many very troubling facts emerge. First, it's critical to note that, in [2012](#), the poverty line for a typical family of four was at a combined gross income of \$23,050.[\[ii\]](#) Note that this indicator is derived from gross income as opposed to *net* income, so it doesn't even reflect the gravity of the situation faced by these families.

Anyone who has even a rudimentary understanding of the current costs of living in the United States can immediately surmise that the "poverty line" is a cruel joke. This level of income means abject poverty, it means a lack of basic necessities for human life. So, in essence then, we're not talking about "the poor", but those on the verge of death with problems such as malnutrition, serious illness from treatable conditions, and countless other hindrances to basic existence. In addition, it should be noted that median family income (for all families, not just those in poverty) continues to [decline dramatically](#), with a decrease of 8.1% since 2007.[\[iii\]](#) Therefore, it becomes apparent that, not only is poverty widespread, it is growing.

California, long touted as the most economically vibrant state in the US, is now known as more than just the home of Silicon Valley and beautiful coastline, it is also home to the highest levels of poverty in the United States. According to the [Supplemental Poverty Measure](#) of the US Census Bureau, California boasts a 23.5% poverty rate[\[iv\]](#) which, if included with those who do not technically fit the poverty measure but who still live very much on the economic margins, shows that poverty is fast becoming an epidemic in California.

As University of Wisconsin Madison economist Timothy Smeeding [explained](#), "As a whole, the safety net is holding many people up, while California is struggling more because it's relatively harder there to qualify for food stamps and other benefits."[\[v\]](#) Essentially then we see that, in the nation's most populous and, arguably most economically important state, the situation of the poor is a dire one as more and more people become dependent on government programs just for survival. This is, of course, against the backdrop of austerity or so-called "entitlement reform" championed by both Republicans and Democrats, which would cut these same programs which are becoming ever more critical for millions of Americans.

Income cannot and should not be seen as the only indicator of poverty and economic status. Indeed, there are many other factors including access to proper nutrition, particularly important for children growing up in situations of poverty. In fact, [the most recent data](#) from the USDA suggests that at least 18 million households in the US were food insecure as of 2011.[\[vi\]](#) This is merely the tip of the iceberg when one considers that there are millions of households who are not categorized as "food insecure" but who cannot afford high quality

food and the still more families who are only food secure because of government programs such as the Supplemental Nutrition Assistance Program (SNAP) formerly known as food stamps. Lack of access to highly nutritious foods is characteristic of poor, urban neighborhoods where primarily people of color struggle to feed their children with something other than fast food or low quality food purchased at the corner store.

What becomes apparent in even a cursory examination of this information is that food security and poverty are not merely indicators of economic hardship, they are class designations. The United States is home to an ever-expanding underclass, one that is encompassing more and more formerly working class people and white people, but which still afflicts communities of color most acutely. In every major city and more and more formerly affluent white suburbs, poverty has become an ever-present reality, one that remains hidden as Americans engage in the collective self-deception of “economic recovery.”

The Venezuelan Model

In contrast to the United States, Venezuela continues to make tremendous strides in eradicating poverty from a nation that, for decades, had been one of the poorest and most exploited in the Americas. Despite vast oil wealth and abundant resources, Venezuela was characterized by extreme poverty, particularly among the indigenous and peasant populations. This was the product of the colonial and post-colonial system wherein a small, *light-skinned* elite dominated the country and kept the rest of the people in abject poverty. This situation began to change with the ascendance of Hugo Chavez and the Bolivarian Revolution. Immediately Chavez, already a hero to poor Venezuelans, set about implementing his socialist model that would make the fight against poverty the centerpiece of his public policy. Indeed, this is precisely what has happened in the fourteen years since he took office.

As mentioned previously, Venezuela uses a comprehensive set of criteria to measure poverty including access to education, clean drinking water, adequate housing, households with more than three people living in a room, and households where the head of the household had less than three years of education. Using this rubric, known as the Unsatisfied Basic Needs system (NBI), the statistics are intriguing. In the last ten years, [the number of Venezuelans living in extreme poverty](#) (those who experience two of the five indicators of poverty) has decreased from 11.36% to 6.97%, a reduction of almost one half. At the same time, life expectancy and total population have increased significantly, showing the impact of better and more comprehensive health care services. One particularly important piece of data has to do with indigenous people, the group most marginalized historically. In the last ten years, their numbers have grown significantly as well, now making up almost 3% of the population.[\[vii\]](#) This shows that, not only have the quality of health programs and related services increased, but access to them has grown as well, particularly for those traditionally disenfranchised segments of the population.

It should be noted that one of the centerpieces of the anti-poverty programs of the Chavez Bolivarian government has been the exponential increase in construction of public housing and affordable units. President Chavez [announced](#) the Great Housing Mission (GMVV)[\[viii\]](#) in 2011 to combat the extreme poverty that so many Venezuelan families faced as they lived in inadequate or unsafe homes. As of September 2012, more than [250,000 homes had been constructed](#) and given to poor Venezuelan families.[\[ix\]](#) This number is surely set to increase in the coming year as the program continues to expand and housing becomes ever more

accessible and plentiful.

In the midst of a worldwide economic crisis, the Chavez government continues to expand spending on anti-poverty programs such as housing construction and health care while much of the so-called developed world engages in the mass hysteria of austerity. The Bolivarian Revolution set before itself the task of reducing and ultimately eradicating poverty in a country where poverty was a historical tradition and a seemingly immutable reality. The post-colonial era of Venezuelan history is one fraught with domination and oppression by the United States and subjugation to multinational corporations while the poor and working classes lived in wretched conditions. Chavez's commitment to reversing that legacy is what has, more than anything else, enshrined his legacy in the hearts and minds of Venezuelans.

Conversely, the advanced capitalist economies of North America and Europe are desperately trying to maintain their hegemony and economic survival by means of austerity programs which shift the burden of the depression from the wealthy financiers and speculators who created it to the poor and working class who must pay for it. Draconian cuts to necessary social services upon which millions of Americans depend for their very survival serve to illustrate this point further. Unlike in Venezuela, the Western imperial powers seek to destroy the social safety net and drive their populations into further destitution and desperation. This is, to put it another way, the crisis of advanced, post-industrial capitalism – an economic system which must expand the divide between rich and poor, create extremes of wealth and poverty and generally perpetuate itself on the misery and poverty of the lower classes. Seen in this way, Republicans and Democrats, President Obama and House Speaker Boehner alike are culpable for the massive suffering and despair of the poor in the US who can look to Venezuela and the Bolivarian Revolution as a model for a truly progressive vision of the future.

Notes

[i] <http://venezuelanalysis.com/news/7644>

[ii] http://coverageforall.org/pdf/FHCE_FedPovertyLevel.pdf

[iii] http://www.census.gov/newsroom/releases/archives/income_wealth/cb12-172.html

[iv] <http://www.census.gov/prod/2012pubs/p60-244.pdf>

[v] http://www.huffingtonpost.com/2012/11/14/california-poverty_n_2132920.html

[vi] <http://www.ers.usda.gov/media/884529/err-141-summary.pdf>

[vii] Ibid.

[viii]

<http://venezuela-us.org/2011/03/14/president-chavez-announces-creation-of-%E2%80%9Cmission-ho-using-venezuela%E2%80%9D/>

[ix]

<http://venezuela-us.org/2012/09/07/nearly-250000-homes-built-by-venezuelas-great-housing-mission/>

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