



## EXTREME & MODERATE POVERTY - GLOBAL PERSPECTIVE: WITH SPECIAL REFERENCE TO AFRICA & INDIA

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### ABSTRACT

This research paper is concerned with poverty and factor responsible behind it in Africa continent. The World Bank is the main source for global information on poverty and extreme poverty today and it sets the International Poverty Line. The poverty line was revised in 2015—since then, a person is considered to be in extreme poverty if they live on less than 1.90 international dollars (int.-\$) per day. This poverty measurement is based on the monetary value of a person's *consumption*. Income measures, on the other hand, are only used for countries in which reliable consumption measures are not available.

It is important to note that the International Poverty Line is extremely low. Indeed, 'extreme poverty' is an adequate term for those living under this low threshold. Focusing on extreme poverty is important precisely because it captures those most in need. However, it is also important to point out that living conditions well above the International Poverty Line can still be characterized by poverty and hardship. Accordingly, in this entry we will also discuss the global distribution of people below poverty lines that are higher than the International Poverty Line of 1.90 int.-\$.

Poverty in Africa refers to the lack of basic human needs faced by certain people in African society. African nations typically fall toward the bottom of any list measuring small size economic activity, such as income per capita or GDP per capita, despite a wealth of natural resources. . In 1820, the average European worker earned about three times what the average African did. Now, the average European earns twenty times what the average African does.

**Key Words:** Poverty, GDP, Africa, India, Global perspective

### Poverty - Global Scenario

Poverty is the scarcity or the lack of a certain (variant) amount of material possessions or money. Poverty is a multifaceted concept; it includes social, economic, and political elements. Absolute poverty, extreme poverty, or destitution refers to the complete lack of the means necessary to meet basic personal needs such as food, clothing and shelter<sup>1</sup>.

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<sup>1</sup> United Nations Educational, Scientific & Cultural Organization Retrieved , Nov 2017, [www.unesco.org](http://www.unesco.org).

The definition of poverty is of two types, 1- Absolute poverty and 2- relative poverty. Relative poverty occurs when a person who lives in a given country does not enjoy a certain minimum level of "living standards" as compared to the rest of the population of that country.

The threshold at which absolute poverty is defined is considered to be about the same, independent of the person's permanent location or era. Therefore, the threshold at which relative poverty is defined varies from country to another or even from one society to another<sup>2</sup>.

Social scientists' understanding of poverty, on the other hand, is critical of the economical idea of free choice models where individuals control their own destiny and are thus the cause of their own poverty. Rather than being interested in its measurement, sociologists generally study the reasons for poverty, such as the roles of culture, power, social structure and other factors largely out of the control of the individual. Accordingly, the multidimensional nature of poverty, in particular social aspects such as housing poor, health poor or time poor, needs to be understood in order to create more effective programs for poverty alleviation.

Today it is widely held that one cannot consider only the economic part of poverty. Poverty is also social, political and cultural. Moreover, it is considered to undermine human rights - economic (the right to work and have an adequate income), social (access to health care and education), political (freedom of thought, expression and association) and cultural (the right to maintain one's cultural identity and be involved in a community's cultural life).

The World Bank forecasted in 2015 that 702.1 million people were living in extreme poverty, down from 1.75 billion in 1990. Of the 2015 population, about 347.1 million people (35.2%) lived in Sub-Saharan Africa and 231.3 million (13.5%) lived in South Asia. According to the World Bank, between 1990 and 2015, the percentage of the world's population living in extreme poverty fell from 37.1% to 9.6%, falling below 10% for the first time.

Extreme poverty is a global challenge; it is observed in all parts of the world, including developed economies. UNICEF estimates half the world's children (or 1.1 billion) live in poverty. It has been argued by some academics that the neoliberal policies promoted by global financial institutions such as the IMF and the World Bank are actually exacerbating both inequality and poverty.

Global Hunger Index (GHI) is an index that places a third of weight on proportion of the population that is estimated to be undernourished, a third on the estimated prevalence of low body weight to height ratio in children younger than five, and remaining third weight on the proportion of children dying before the age of five for any reason. According to 2011 GHI report, India has improved its performance by 22% in 20 years, from 30.4 to 23.7 over 1990 to 2011 period. However, its performance from 2001 to 2011 has shown little progress, with just

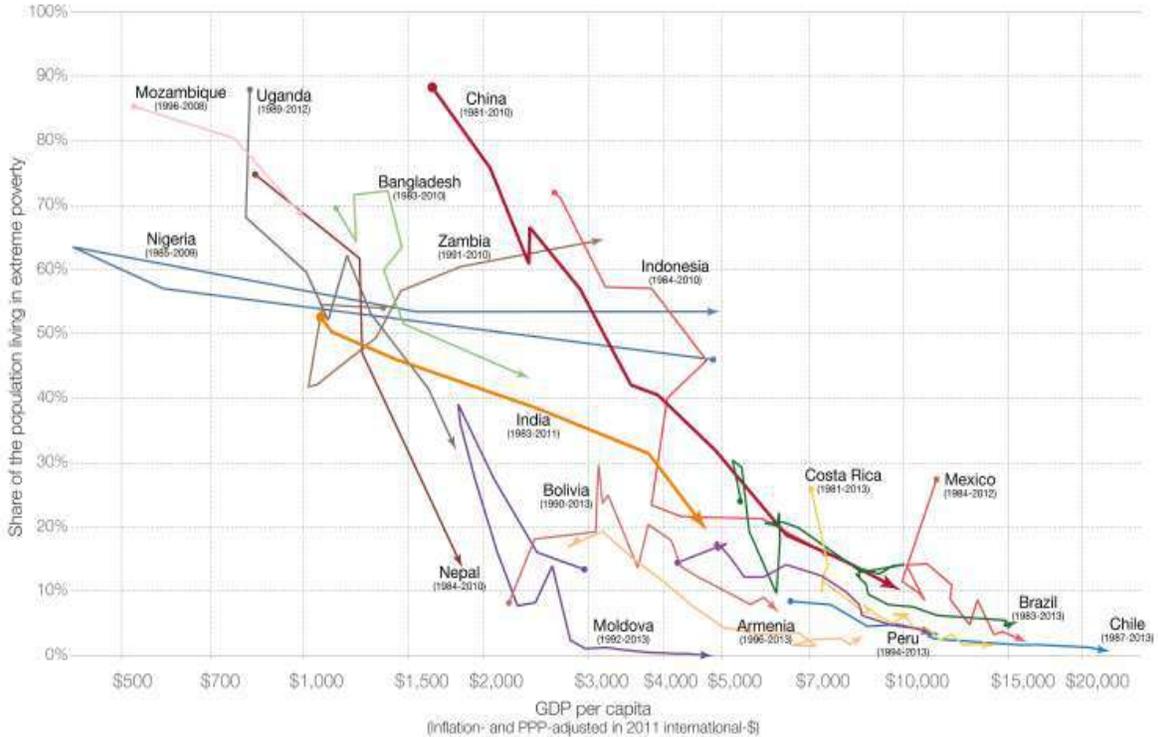
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<sup>2</sup> IFL Public Value Paper 1. Latimer Trend, Plymouth, UK: 5–6. ISBN 978 1 86201 3797. Archived from the original (PDF) on 28 May 2015

3% improvement. A sharp reduction in the percentage of underweight children has helped India improve its hunger record on the Global Hunger Index (GHI) 2014. India now ranks 55 among 76 emerging economies. Between 2005 and 2014, the prevalence of underweight children under the age of five fell from 43.5% to 30.7%.

### Share living in extreme poverty vs GDP per capita over time

Extreme poverty is defined as living with less than \$1.90/day. Both, poverty and GDP per capita are measured by adjusting for price changes over time and for price differences between countries (purchasing power parity (PPP) adjustment). Shown are selected countries for which data is available for longer periods of time.



Data source: World Bank

The visualization is available at [OurWorldinData.org](http://OurWorldinData.org) where you find more visualizations and research on global development.

Licensed under CC-BY-SA by the author Max Roser.

Source- Ourworldindata – World Bank 2017

In 2006, 34 of the 50 nations on the UN list of least developed countries are in Africa. In 2009, 22 of 24 nations identified as having "Low Human Development" on the United Nations' (UN) Human Development Index were in Sub-Saharan Africa. Nevertheless, the prevalence of undernourishment in sub-Saharan Africa has declined from 33.2 percent in 1990–92 to 23.2 percent in 2014–16, although the number of undernourished people has actually increased slightly.

In many nations, GDP per capita is less than US\$5200 per year, with the vast majority of the population living on much less (according to World Bank data, by 2016 the island nation of Seychelles was the only African country with a GDP per capita above US\$10,000 per

year. In addition, Africa's share of income has been consistently dropping over the past century by any measure. Although GDP per capita incomes in Africa have also been steadily growing, measures are still far better in other parts of the world.

How many poor people live in each country?

The global incidence of extreme poverty has gone down from almost 100% in the 19th century, to 10.7% in 2013. While this is a great achievement, there is absolutely no reason to be complacent: a poverty rate of 10.7% means a total poverty headcount of 746 million people.

Where do they live? The following visualization provides a breakdown of this figure by continent and country.

These figures come from multiplying estimates of poverty rates by the corresponding estimates of total population in those countries. The poverty rate estimates come from the World Bank (2016 PovCal release, using 2013 household survey data);<sup>12</sup> and total population estimates come from the World Development Indicators.

As usual with World Bank estimates, poverty measures are adjusted to account for differences in price levels between countries. This is reflected in the 'international dollar' metric used to measure incomes.

As we can see, today, Africa is the continent with the largest number of people living in extreme poverty. The breakdown by continent is as follows:

383 Million in Africa

327 Million in Asia

19 Million in South America

13 Million in North America

2.5 Million in Oceania

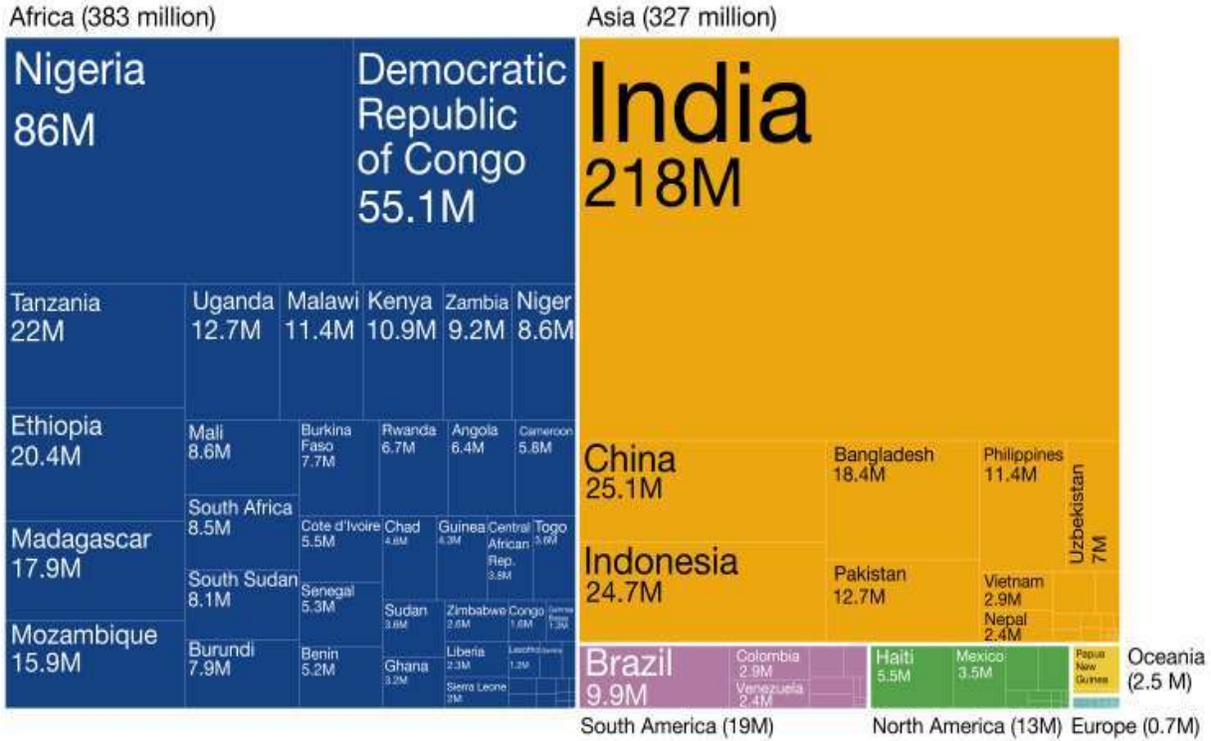
0.7 Million in Europe

We can also see that India is the country with the largest number of people living in extreme poverty (218 million people), with Nigeria and the Congo (DRC) following with 86 and 55 million people, respectively.

These figures are the result of important changes across time. As we mentioned above in our discussion of regional trends, in 1990 Asia was the world region with the largest number of poor people (505 million in South Asia, plus 966 million in East Asia and the Pacific). However, with rapid economic growth in Asia over the past two decades, poverty in Asia fell more rapidly than in Africa.

## Globally there are 746 million people in extreme poverty (in 2013)

Extreme poverty is defined as living with less than \$1.90/day. This is measured in international dollars (i.e. price differences between countries are taken into account).



Data source: World Bank (PovcalNet). The interactive data visualization is available at OurWorldinData.org. There you find the raw data and more visualizations on this topic. Licensed under CC-BY-SA by the author Max Roser.

### Source- World Bank

There is, however, a growing body of analysis on the causes of poverty in sub-Saharan Africa and its exceptional persistence. Geopolitics has been a favored explanation, focusing first on a heritage of colonialism that left little in the way of infrastructure, economy, health, and education and much that would lead to future problems with conflict-laden borders and many small landlocked nations. Added to this were the failures of effective and sufficient development aid and of a globalized economy to bring benefits to Africa. Poverty itself is often invoked in the form of the “poverty trap” that locks Africans into a vicious circle of little savings, leading to little capital investment, few skills, and truncated education. More recently, governance has emerged as a favored theme that attributes African exceptionalism to a culture that counters entrepreneurship with ties of ethnicity and family, leading to conflict and maintaining high levels of corruption. The newest approach has involved the rediscovery of geography, and addresses the extensive aridity, poor soils, and endemic disease of the continent as well as the scattered populations in many small landlocked nations, coupled ironically with the highest population growth rates in the world.

## **The number of people in poverty over the past two centuries**

We have seen that the chance of being born into poverty has declined dramatically over the last 200 years. But what about the absolute number of people living in extreme poverty?

The visualization below combines the information on the share of extreme poverty shown in the last chart, with the number of people living in the world. For the years prior to 1970, we use the estimates of people 'living in poverty' from Bourguignon and Morrison (2002) as shown in the previous chart; from 1981, we use the World Bank estimates.

Year	Number of people not in extreme poverty (people)	Number of people living in extreme poverty (people)
1820	60612233.36	1021749077
1850	94701155.55	1167980918
1870	145524976	1253753639
1890	222681713.8	1334533068
1910	308000000	1442000000
1929	492839708.8	1552138336
1950	708120000	1811880000
1960	1080283050	1945719892
1970	1472777874	2218394742
1981	2532224584	1986377458
1984	2819363014	1946294548
1987	3173310637	1860494307
1990	3349869351	1959798348
1993	3632226592	1937818788
1996	4083568477	1731823828
1999	4290096330	1759108873
2002	4630684632	1651617135
2005	5155728030	1363907820
2008	5502296697	1261436182
2010	5802258779	1127466264
2011	6023131152	990295899.7
2012	6193988645	903511807.7
2015	6643922777	705549321.5

As we can see, in 1820 there were just fewer than 1.1 billion people in the world, of which more than 1 billion lived in extreme poverty. Over the next 150 years, the decline of poverty was not fast enough to offset the very rapid rise of the world population, so the number of non-poor *and* poor people increased. Since around 1970, however, we are living in a world in which the number of non-poor people is rising, while the number of poor people is falling. According to

the estimates shown below, there were 2.2 billion people living in extreme poverty in 1970, and there were 705 million people living in extreme poverty in 2015. The number of extremely poor people in the world is 3 times lower than in 1970.

In 1990, there were 2 billion people living in extreme poverty. With a reduction to 705 million in 2015, this means that on average, every day in the 25 years between 1990 and 2015, 137,000 fewer people were living in extreme poverty.

On every day in the last 25 years there could have been a newspaper headline reading, “The number of people in extreme poverty fell by 137,000 since yesterday”. Unfortunately, the slow developments that entirely transform our world never make the news, and this is the very reason why we are working on this online publication.

Recently this decline got even faster and in the 7 years from 2008 to 2015 the headline could have been “Number of people in extreme poverty fell by 217,000 since yesterday”. In the recent past we saw the fastest reduction of the number of people in extreme poverty ever.

Prevalence of poverty – the poverty headcount ratio at 1.90 int.-\$

The most straightforward way to measure poverty is to set a poverty line and to count the number of people living with incomes or consumption levels below that poverty line. This is the so-called poverty headcount ratio.

Measuring poverty by the headcount ratio provides information that is straightforward to interpret; by definition, it tells us the share of the population living with consumption (or incomes) below some minimum level.

The World Bank defines extreme poverty as living on less than 1.90 int.-\$. In the map below we show available estimates of the extreme poverty headcount ratio, country by country.

The map shows the latest available estimates by default, but with the slider (immediately below the map) you can explore changes over time. You can also switch to the 'chart' tab to see the change over time for individual countries or world regions; or you simply click on a country to see how the poverty headcount ratio has changed.

Average intensity of poverty – the poverty gap index

Measuring poverty through headcount ratios fails to capture the intensity of poverty—individuals with consumption levels marginally below the poverty line are counted as being poor just as individuals with consumption levels much further below the poverty line.

The most common way to deal with this is to measure the intensity of poverty, by calculating the amount of money required by a poor household in order to reach the poverty line. In other words,

the most common approach is to calculate the income or consumption shortfall from the poverty line.

To produce aggregate statistics, the sum of all such shortfalls across the entire population in a country (counting the non-poor as having zero shortfall) is often expressed in per capita terms. This is then the mean shortfall from the poverty line.

The 'poverty gap index'—a common statistic routinely estimated by the World Bank—takes the mean shortfall from the poverty line, and divides it by the value of the poverty line. It tells us the fraction of the poverty line that people are missing, on average, in order to escape poverty.

The following map plots available estimates for the poverty gap index, country by country. As we can see, there is a clear positive correlation between the incidence of poverty and the intensity of poverty: sub-Saharan Africa, where the share of people below the poverty line is higher, is also the region where people tend to be furthest below the poverty line.

Interestingly, the correlation is very strong, but is far from perfect. For example, India and Bolivia have relatively similar poverty gaps (the mean shortfall is close to 4% of the poverty line), but they have very different poverty rates (the share of population in poverty in India is 21%, while in Bolivia it is 7.7%). This can be appreciated in a scatter plot of poverty headcount rates vs. poverty gap indices.

- **Factors behind hunger in Africa-**

As per reviews of different studies, researcher may submit in general, the principal causes of hunger are poverty, corruption, internal conflict, environmental factors such as drought and climate change, low agricultural productivity, malnutrition and disease, and population growth<sup>3</sup>.

Poverty is the principal cause of hunger in Africa and elsewhere. Simply put, people do not have sufficient income to purchase enough food. As noted above, in 2012, 47 percent of the population of sub-Saharan Africa lived on \$1.90 a day or less, a principal factor in causing widespread hunger.

Corruption is also a major problem in the region, although it is certainly not universal or limited to Africa. Many native groups in Africa believe family relationships are more important than national identity, and people in authority often use nepotism and bribery for the benefit of their extended family group at the expense of their nations. In any event, corruption both diverts aid money and foreign investment (which is usually sent to offshore banks outside of Africa), and puts a heavy burden on native populations forced to pay bribes to get basic government services. Freedom in the World is an annual index that measures the degree that people have political rights and civil liberties. One way that those in positions of power obtain income is through

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<sup>3</sup> WHES 2015

corruption. The Transparency International map 2015 states that many Sub-Saharan African nations are having a serious problem with corruption.

Despite large amounts of arable land south of the Sahara Desert, small, individual land holdings are rare. In many nations, land is subject to tribal ownership and in others; most of the land is often in the hands of descendants of European settlers of the late 19th and early 20th centuries. For example, according to a 2005 IRIN report, about 82% of the arable land in South Africa is owned by those of European descent. Many nations lack a system of freehold landowning. In others, the laws prevent people from disadvantaged groups from owning land at all. Although often these laws are ignored, and land sales to disadvantaged groups occur, legal title to the land is not assured. As such, rural Africans rarely have clear title to their own land, and have to survive as farm laborers. Unused land is plentiful, but is often private property. Most African nations have very poor land registration systems, making squatting and land theft common occurrences. This makes it difficult to get a mortgage or similar loan, as ownership of the property often cannot be established to the satisfaction of financiers.

This system often gives an advantage to one native African group over another, and is not just Europeans over Africans. For example, it was hoped that land reform in Zimbabwe would transfer land from European land owners to family farmers. Instead, it simply substituted native Africans with ties to the government for Europeans, leaving much of the population disadvantaged. Because of this abuse, foreign aid that was destined for land purchases was withdrawn. We should see Land reform in Zimbabwe.

It is estimated that a family of four can be made self-sufficient for about \$300 (U.S.) – the cost of an Ox, a few hectares of land, and starter seeds. Historically, such programs have been few and far between, with much foreign aid being concentrated on the raising of cash crops and large plantations rather than family farms.

Conflict is a principal source of human misery, including poverty and hunger. According to a World Bank study, poverty rates are 20 percentage points higher in countries affected by repeated cycles of violence over the last three decades. Every year of violence in a country is associated with lagging poverty reduction of nearly one percentage point. People living in countries currently affected by violence are twice as likely to be undernourished and 50 percent more likely to be impoverished. Their children are three times as likely to be out of school. Countries with serious human rights abuses or weak government effectiveness, rule of law, and control of corruption have a 30 – 45 percent higher risk of civil war, and significantly higher risk of extreme criminal violence than other developing countries (World Bank 2011b).

The threat of death and serious injury resulting from conflict can result in such a desperate situation that people leave their homes. This is in spite of the fact that this requires leaving nearly everything behind: house and land, sources of income, and most possessions, becoming uprooted

from the place where you have lived (which was home and loved), to go—typically a journey of great danger—in search of a better alternative.

Type	Number (millions)
Refugees	5.3
Internally displaced people (IDPs)	11.1
Returned refugees and IDPs	2.4
Other	0.3
<b>Africa total</b>	<b>19.1</b>
World total	63.9
<b>Africa as % of world</b>	<b>19.8%</b>

Source: UNHCR by origin at the end of 2015, Global Trends p.66

Africa’s population has been increasing rapidly, growing from 221 million in 1950 to 1 billion in 2009. It has the highest population growth rate in world. A woman in sub-Saharan Africa will give birth to an average of 5.2 children in her lifetime (Guardian 2011). This rapid growth can limit increases in per capita income, causing poverty and hunger.

Misused Money also plays a major role for hunger and poverty in Africa. Over \$500 billion (U.S.) has been sent to African nations in the form of direct aid.[11][12] The consensus is that the money has had little long-term effect.

In addition, most African nations have owed substantial sums of money. However, a large percentage of the money was either invested in weapons (money that was spent back in developed nations and provided little or no benefit to the native population) or was directly misappropriated by corrupt governments. As such, many newly democratic nations in Africa are saddled with debt run up by totalitarian regimes. Large debts usually result in little being spent on social services, such as education, pensions, or medical care. In addition, most of the debt currently owed (approximately \$321 billion (U.S.) in 1996) represents only the interest portion on the debt, and far exceeds the amounts that were actually borrowed (although this is true of large debts in developed nations as well). Most African nations are pushing for debt relief, as they are effectively unable to maintain payments on debt without extending the debt payments indefinitely. However, most plans to forgive debt affect only the smallest nations, and large debtor nations, like Nigeria, are often excluded from such plans.

What large sums of money that are in Africa are often used to develop mega-projects when the need is for smaller scale projects. For example, Ghana was the richest country in Africa when it obtained independence. However, a few years later, it had no foreign reserves of any consequence. The money was spent on large projects that turned out to be a waste of resources:

The Akosombo Dam was built to supply electricity for the extraction of aluminium from bauxite. Unfortunately, Ghanaian ores turned out to be too low grade and the electricity is now used to process ores from other nations.

Storage silos for the storage of cocoa were built to allow Ghana to take advantage of fluctuations in the commodity prices. Unfortunately, unprocessed cocoa does not react well to even short-term storage and the silos now sit empty.

Another example of misspent money is the Aswan High Dam. The dam was supposed to have modernized Egypt and Sudan immediately. Instead, the block of the natural flow of the Nile River meant that the Nile's natural supply of nitrate fertilizer and organic material was blocked. Now, about one-third of the dam's electric output goes directly into fertilizer production for what was previously the most fertile area on the planet. Moreover, the dam is silting up and may cease to serve any useful purpose within the next few centuries. In addition, the Mediterranean Sea is slowly becoming more saline as the Nile River previously provided it with most of its new fresh water influx.

Environment is also a big factor for hunger in Africa as it faces serious environmental challenges, including erosion, desertification, deforestation, and most importantly drought and water shortages, by reducing agricultural production and people's incomes. Many of these challenges have been caused by humans; the environment can be said to be overexploited.

Briefly stated, all developing country regions have shown marked improvement in key indicators of poverty, health, economy, and food, except for sub-Saharan Africa. For poverty, the global number of people living below the extreme poverty line of \$1 per day decreased between 1981 and 2004 from 1,470 million to 969 million. The percentage of extremely poor fell from 40% to 18%. However, in sub-Saharan Africa, the numbers almost doubled from 168 million to 298 million, and the percentage stayed almost constant from 42% to 41%. For health, the life expectancy at birth in sub-Saharan Africa peaked in 1990 at 50 years but has since declined to 46 years, while steadily rising in all developing country regions to an average of 65 years. Over the period 1960–2000, sub-Saharan Africa's per capita measure of annual economic growth (gross domestic product) was a mere 0.1%, whereas other developing country regions experienced accelerated growth averaging 3.6%. Food production per capita grew by 2.3% per year between 1980 and 2000 in Asia, grew by 0.9% in Latin America, and declined by 0.01% in tropical Africa .

In one article, Paul Collier, Director of the Centre for the Study of African Economies at Oxford University, argues that the cause of worldwide poverty is the lack of economic growth. To explain the exceptional failures of African economies to grow over the last quarter century, he draws on extensive sets of statistical regressions of national growth and key physical (resource scarcity and wealth, coastal and landlocked locations) and human (small national populations and ethnic diversity) geographic features. In varying combinations, these features cause problems globally for many developing economies but they are exceptionally prevalent in sub-Saharan Africa.

Another article, by G. Hyden , a political scientist at the University of Florida, provides perspective on the current widespread attribution of African exceptionalism to poor governance, with the implication that improved governance would lead to poverty reduction. A 50-year review of African politics and related studies leads him to question, for two major reasons, the prevailing view in international development organizations that improved governance can serve as a principal mechanism to reduce poverty. The first is that most political scientists believe the economy shapes governance institutions more than the reverse. More importantly, however, is the finding that distinctive African socioeconomic and political conditions combine, so that poor people in Africa seek to meet their needs outside the “system” through an “economy of affection” and are less influenced either by the institutions of governance or by formal markets .

Two other articles, described below, also add to this picture of causation. In the report by Sanchez et al. on the efforts to create millennium villages, the authors understand causation as a poverty trap in which poverty itself, hunger and disease, rapid population growth, environmental degradation, and poor governance are all mutually reinforcing. Thus, in rural areas where >70% of the population live, poverty prevents farmers from self financing or getting credit for needed farm inputs (fertilizer, improved seeds), and soils become depleted of nutrients after repeated crop cycles without sufficient replenishment. Poverty and environmental degradation interact with a health crisis, particularly hunger, malaria, and AIDS. The resulting high child mortality blocks the demographic transition to low fertility rates. Rapid population growth and large families exacerbate poverty. Finally, poverty also contributes to poor governance. The failure of international governance to provide sufficient public sector investment and aid and to make global markets accessible contributes as well.

- **Policies and Solutions – Reviews & Recommendations**

Sustainability science and technology can address these needs as a user-inspired science, both fundamental and applied. They can address cutting-edge questions regarding interactive nature–society systems and their evolving dynamics, as in the effort to understand the causes of exceptional African poverty. However, they also recognize the concurrent need to address sustainability concerns in problem-solving modes, applying what we already know in science-based action programs and learning from the results. Thus, small-scale but important efforts can

provide new experiments in poverty reduction. Two of these are reported on in this special feature, one rural and one urban.

There should be consensus on what the optimal strategy for land use in Africa may be. Studies by the National Academy of Sciences have suggested great promise in relying on native crops as a means to improving Africa's food security. A report by Future Harvest suggests that traditionally used forage plants show the same promise. Supporting a different viewpoint is an article appearing in Agriculture Bio-Forum which suggests that small hold farmers benefited substantially by planting a genetically modified variety of maize. In a similar vein is an article discussing the use of nontraditional crops for export published as part of the proceedings of a Purdue University symposium?

Place matters because sub-Saharan Africa is different from the rest of the developing world. Its poverty differs by agro ecological zones, its urban poverty differs from rural poverty, its resource-rich countries differ from resource-scarce countries, and its coastal locations differ from its landlocked locations. Within a single country, Kenya, poverty differs by province and location, and in Nigeria, poverty differs by city. Thus, policies and solution need to reflect the different causes, problems, and opportunities of specific contexts and places.

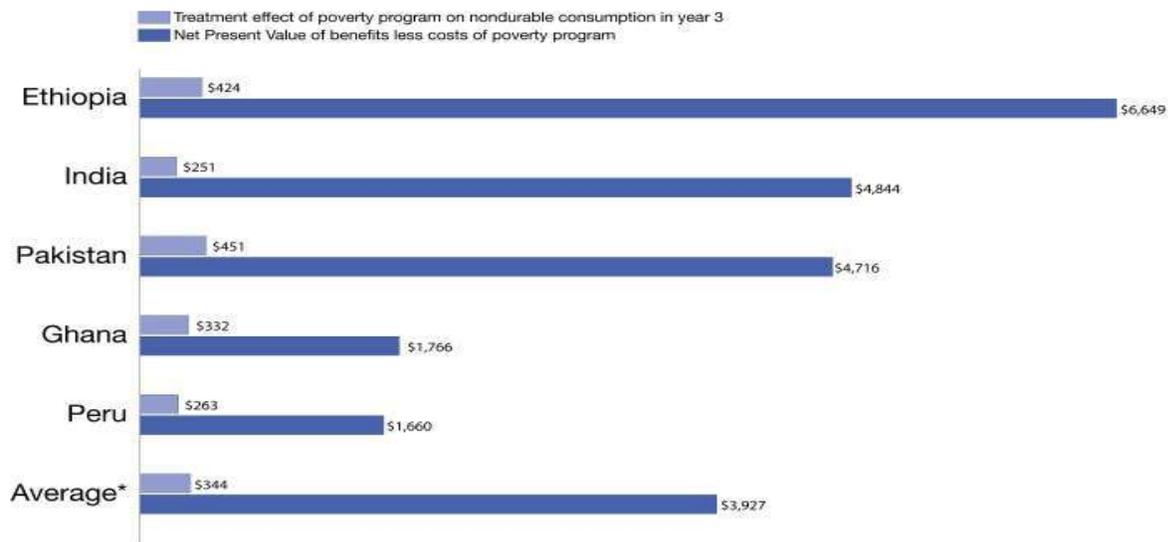
Describing African exceptionalism and understanding its causes are prerequisites to policies and solutions for reducing African poverty. The most promising efforts deal with the varied causes. Some efforts are already underway. Addressing geopolitics is the New Partnership for Africa's Development (NEPAD). This pan-African initiative seeks to promote peace, democracy, good governance, and enhanced cooperation with development partners and civil society. Increasing aid for development is emerging through debt forgiveness and the entrance of new development partners such as China. A limited U.S. and European trade policy gives Africa some trade preferences (Africa Growth and Opportunity Act, Everything but Arms), but in general, it still blocks African access to global markets.

Governance has improved despite the failure to end conflicts in Chad, Sudan, and Somalia and the retreat from democracy in Zimbabwe. Violent conflicts have ended in the Congo, Ivory Coast, Liberia, and Sierra Leone and have been prevented in Burundi and Togo. Most hopeful has been the increasing leadership from major African nations and the way peaceful transitions of power are slowly emerging as a norm.

## Bhupendra. K / “Extreme & Moderate poverty -global perspective: with special reference to Africa & India”

### Gains from a multifaceted anti-poverty program

The anti-poverty program that has six elements: (1) a productive asset transfer, (2) consumption support, (3) technical skills training, (4) high frequency home visits, (5) a savings program, (6) some health education. The program was evaluated in six country sites and was evaluated using a randomized control trial (RCT).



Data sources: Banerjee, Duflo et al (2015) – A multifaceted program causes lasting progress for the very poor: Evidence from six countries. In Science.

\*The Average and the entire visualisation excludes Honduras

This data visualization is available at [OurWorldInData.org](http://OurWorldInData.org). There you more visualizations and research on this topic.

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Source- World Bank 2015

Finally, the limits of geography are being addressed, particularly illness (spearheaded by the Gates Foundation). Population growth continues to slow, with reduced births from the demographic transition and unfortunately increased deaths from AIDS and tuberculosis. In addition, in the first few years of this century, economic growth in Africa has increased, and the trend of rising poverty in Africa has reversed, although the numbers (because of population growth) are still high. Increasingly, education and science are also seen as a mechanism to escape the poverty trap. New initiatives to rebuild major universities, provide access to scientific literature, make Internet connections widely available, and provide \$100 laptops seek to overcome the knowledge limits of small poor countries.

In the end, foreign aid may not even be helpful in the long run to many African nations. It often encourages them not to tax internal economic activities of multinational corporations within their borders to attract foreign investment. In addition, most African nations have at least some wealthy nationals, and foreign aid often allows them to avoid paying more than negligible taxes. As such, wealth redistribution and capital controls are often seen as a more appropriate way for African nations to stabilize funding for their government budgets and smooth out the boom and bust cycles that can often arise in a developing economy. However, this sort of strategy often leads to internal political dissent and capital flight.

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