

Living below five dollars a day

Sociology



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Living Below Five Dollars A Day Introduction The cost of living has escalated so much that it is hard to fulfill all human needs. To get a feel of the life of a person living below five dollars a day, I tried to live for two straight days with a budget of five dollars and the first part of this paper presents an account of my personal experiences which may be extrapolated to the rest of the population. The second section evaluates the value of a dollar in low economic developed countries (LEDCs) compared to its worthiness in U. S. Lastly the paper will relate the differences in the value of the dollar in different economies and with globalization.

Personal Account after living on five dollars a day for two days The population of American families living on less than five dollars a day rises each day. According to Cafferty (1), an estimated 1.5 million than families in America have each of their members living on less than \$2 a day and this motivated us to try and live on five dollars for two straight days. This amount had to be appropriated on items on my daily which include meals, fare, recharge card, entertainment and contingencies. Usually on a daily basis, I take three meals a day which is mostly away from home which include breakfast, lunch and dinner. In addition, during the day I have to take fruits, confectionaries and soft drinks. However, during this period I had to do away with eating fruits, my ice cream and only do with the basic meals. Furthermore, I had to be very selective when in the restaurant and could not order very meals. For lunch I took French fries and bottle of Coke. Although I love yoghurt, I had to forego it and make with ginger bread. For dinner I took rice and sardines as an effort to bring down my budget. In my budget I had to factor in transportation cost to school and to bring down the cost I walked to the station and took a train the train. In the evening, sometimes when I am late or engaged in group

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discussions, I take a taxi home from the station. However, this day I ensured that I left early to ensure I get home early and never took a taxi. To remain updated to with the current affairs, I have to spend significant amount of time in a cyber cafe and read the local dailies. However, to cut down the cost, I had to make do without these habits. Furthermore, I had to restrict the calls I made to only the very important ones and at times I preferred to text as this proves to be cheaper. The two days were on Friday and Saturday when I take time to entertain myself. However, during the two days I avoided entailment joints. Generally, living on less than five dollars a day is stressful and one has to make a sacrifice to avoid basic essentials of live. Dollar worthiness in US compared to its value in other economies The worthiness of a dollar in US is way below compared to its worthiness in a LEDC. In US the cost of living is higher compared to the way it is in developing countries. The cost of basic commodities such as food, clothing, shelter and education are higher compared to the cost in developing countries. This translates to mean that a person in a developing country can live substantially well on less on less than two dollars a day compared to his counterpart in US. In fact, for a long time now the poverty line in developing countries in Africa has been set one dollar a day (Lawrence and Samuel 1). This means that a person living in Africa and earns more than dollar a day may be considered as living well although this is not the case in US (Dollar Purchasing Power nearly Doubles in Russia since August). The worthiness of a dollar in a particular country may therefore be evaluated well based on the purchasing power. This is because it is evident that it is possible to have individuals from different countries earning the same amount of pay but may be grouped in two different economic groups based on the living standards of their home

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countries (HubPages Inc). The difference in the purchasing power of a dollar in the period of globalization will encourage more countries to shift their operations in countries where the cost of doing business is lower given that in such countries the cost of labor and other factors of production are low (Lawrence and Samuel 1). Moreover, companies may result to outsourcing some operations to benefit from cheap labor in LEDCs. The other effect of differences in the value of a dollar in different country is that it will benefit exporters in LEDCs selling their products in US as they will have higher returns. Work Cited Cafferty, Jack. What does it mean when 1. 5 million American families live on less than 2dollar a day? Web 19th July, 2012. " Dollar Purchasing Power nearly Doubles in Russia since August." BBC Monitoring Former Soviet Union - Economic: 1. ABI/INFORM Complete. Feb 18 2009. Web. 19 July. 2012. HubPages Inc. " US Dollar Purchasing Power" Web 19th July, 2012. Lawrence, Officer and Samuel, Williamson, " Purchasing Power of Money in the United States from 1774 to Present," MeasuringWorth, 2011. Web 19th July, 2012.