

# Steps taken to alleviate poverty economics essay



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POVERTY is one of the most prevalent problems faced by the world today. It exists in almost every developing, less developed and under developed country. The United Nation defines poverty fundamentally as the denial of choices and an extreme violation of human dignity. Poverty can also be defined as the lack of basic capacity to actively participate in the society. Poverty means that the people lack basic resources such as food, shelter and clothing. And the bad thing is that they are unable to buy these things because they don't have the resources to buy them (Wikipedia, 2013). The World Bank defines poverty as the deprivation of the human well-being. The dimensions of such a statement include, low incomes and the inability to buy the basic resources for a good living. The World Bank assumes that low levels of health and education, very limited access to sanitation and clean water, insufficient physical security, insufficient capacity to improve one's standard of living and a lack of voice.

## **World Poverty Statistics**

Total Percentage of World Population that lives on less than \$2. 50 a day

Total number of people that live on less than \$2. 50 a day

3 Billion

Total Percentage of People that live on less than \$10 a day

80%

Total percent of World Populations that live where income differentials are widening

80%

Total Percentage of World Income the richest 20% account for

75%

Total Number of children that die each day due to Poverty

22, 000

Total Number of People in Developing Countries with Inadequate Access to Water

1. 1 billion

Total Number of School Days lost to Water Related Illness

443 million school days

According to the statistics from the Human Development Report (2012) it can be seen that still around 50% of the population of the world lives under \$2. 5 a day. This also means that around 3 billion people of the world don't even have \$2. 5 to spend. And around 80% of the people live under \$10 per day. Around 22000 children lose their life every day because of poverty.

On the other hand the following statistics reveal the inequality that has increased dramatically over the years.

Poverty to Wealthy Ratio Statistics

Year

## Ratio of People at Poverty to Wealthy Level

1820

3 to 1

1913

11 to 1

1950

35 to 1

1973

44 to 1

1992

72 to 1

Tags:

**How many people are living in poverty global worldwide?  
What are the statistics on world poverty global poverty  
statistics and facts on world hunger?**

The above statistics reveal that the inequality has dramatically increased in the last 2 centuries. In other words the world inequality has increased by 2400% since 1820 (Report, 2012). The poverty is prevalent in many strategic countries of the world like India, China and Brazil.

Poverty exists in the form of health care issues, hunger, education and violence. Health is affected massively by poverty. When people have less to eat and drink then they are not able to stay healthy and many die of starvation and diseases. The life expectancy is also affected highly for those living in poverty. On the other hand hunger also has a negative effect on the standard of living of the people (poverty. com, 2013). For Africa it is said that because of soil degradation this continent will only be able to feed around 25% of its total population by the year 2025. This provides a very alarming situation for this continent because the poverty will increase dramatically. On the other hand lack of education also increases the amount of poverty in this world. When a person is not educated he is not able to earn a decent living of his family. On the other hand homelessness has also increased dramatically over the years. Poverty has been known to increase the risk of homelessness. According to the recent report by the United Nations there are around 100 million homeless street children around the world. Violence has also had a massive effect on the poverty around the world. Many children suffer serious assaults and child abuse around the world. Females are tempted to adopt prostitution as a profession which is a form of human trafficking as well.

## **STEPS TAKEN TO ALLEVIATE POVERTY**

All these factors mentioned above have a massive effect on the poverty levels around the world. In order to reduce poverty around the world, many countries have taken different measures to alleviate poverty from their economies.

Many countries have started using nitrogen fertilizers which is a new irrigation method which has increased the output massively and reduced food shortages. This has helped many countries to reduce food poverty.

The health care system and primary education system has also been improved in many countries in order to reduce the number of deaths from various diseases such as pneumonia and diarrhea (Wikipedia, 2013). It has also been made accessible to poor people so that they can also afford such treatment.

Developing country's debts have been made conditional by the rich countries to reduce their burden and so that they can increase their spending on the economy. For instance Zambia spent over 40% of its total budget on paying foreign debt. But when Zambia was provided debt relief it was able to provide many services like free health care for the people and an improvement in infrastructure.

The other step taken by some of the strategic countries in the world has been the control of population. Overpopulation increases the chances of poverty in a country because with increasing population the resources to cater to the extra people needs to be increased as well.

Many countries have taken the initiative of increasing personal income to reduce poverty. Many countries have started paying income grants to its population in order to ensure that the people have the ability to at least meet their basic requirements. Welfare states like Australia, UK and Canada are good examples of countries providing income grants to its people.

In my opinion all these measures taken by the leading countries of the world are very much justified because they address the needs of the people suffering from poverty around the globe. These measures show that the world is very much concerned about the increasing poverty and wants to put an end to it by every possible means. Measures such as debt relief and income grants are an excellent way to help the poor people around the world. Because these measures ensure that even the unemployed and disabled persons will be provided with some money so that they can make a living for themselves.

## **RECOMMENDATIONS**

Following are some of the recommendations that can help reduce over to a greater extent.

### At Local Level

Create jobs for the poor people by setting up labor intensive industries in rural areas. This will provide the unskilled labor access to work, food and money

Create new organizations that can provide shelter to the children that are homeless.

Provide opportunities to the poor people of the country to open up small businesses by providing them with the necessary funds to establish the business.

### AT International level

The developed countries should provide opportunities to the poor people to immigrate to developed countries so that they can improve their standard of living and support their families.

The multinational companies should make foreign investments in less developed countries to create new jobs for the poor people and to improve the country's economic situation.

Vocational skills should be provided to children from poor countries to start their own work or business (Canada, 2013). They should be provided with proper training and education so that the children are able to express their views and make efficient future decisions. This will also increase the child participation in developing countries.