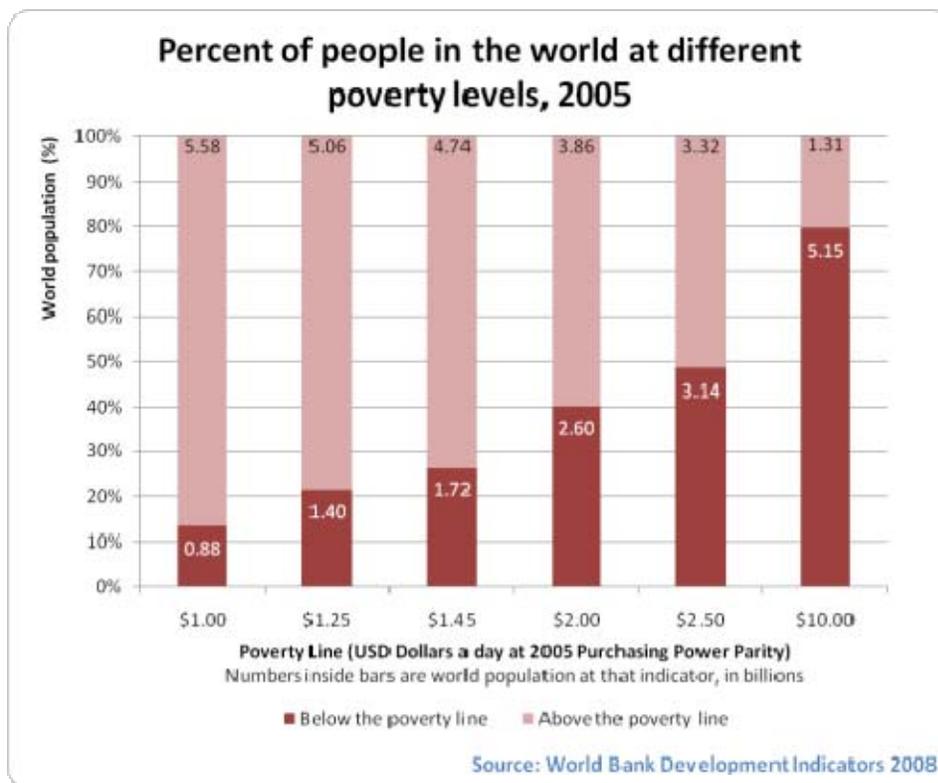
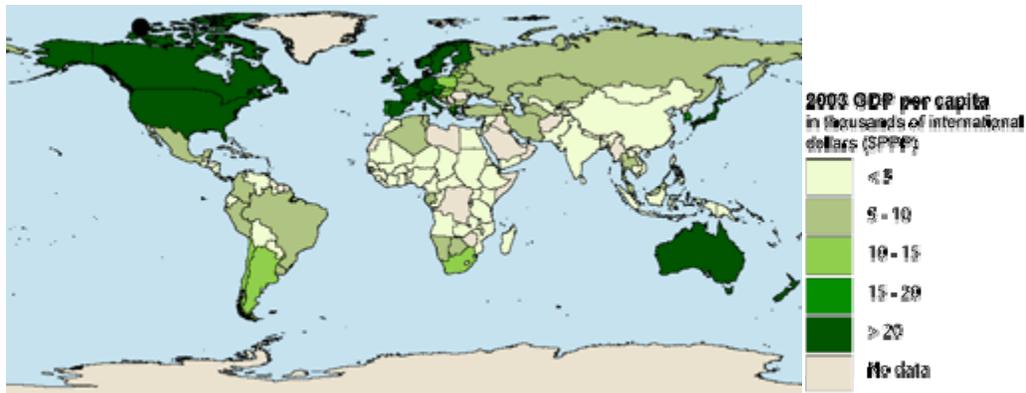


## Dataset 1: GDP Per Capita and World Poverty Statistics

### Citation:

Development Data Group, The World Bank. 2004. World Development Indicators 2004 online. Washington, D.C.: The World Bank



## **Dataset 2: Burma Resources Curse**

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**From PBS Frontline World: “Burma: The Resource Curse”**

**By Howard Hsu**

While roughly half of the remaining forests in mainland Southeast Asia are in Burma, they are rapidly disappearing to fuel China's surging economy. Burma suffers from what some call a "resource curse" -- while its abundant timber and other precious commodities have become prime targets for China and other neighboring countries, the money generated benefits Burma's military regime and does little to help local residents.

In Shan State, I saw another phenomenon underway. Cleared teak forests have quickly made way for vast rubber plantations to satisfy the growing demand in China for cars.

There's also a thriving trade in Burmese exotic wildlife. Rapid deforestation has left many endangered animals vulnerable to capture without the protective canopy of their natural habitat.



## **Dataset 3: Trade Liberalization**

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Excerpt from Center for Economic Policy Research Briefing Paper, November 18, 2004

*Poor Numbers: The Impact of Trade Liberalization on World Poverty*

By Mark Weisbrot, David Rosnick, and Dean Baker

In recent years trade liberalization has been widely promoted as the best mechanism for eliminating poverty in the developing world. This argument has been adopted by the World Bank and other international financial institutions, many prominent non-governmental organizations, and numerous academic economists and development experts. It has also been actively promoted by the New York Times and Washington Post editorial boards, as well as dozens of other prominent commentators and writers.

While there are certainly theoretical reasons for believing that trade liberalization can reduce world poverty, the predicted benefits from liberalization are far smaller than the claims of proponents imply. Standard trade models do indicate that trade liberalization will reduce poverty in the developing world, but the predicted reductions in poverty are swamped by the impact of normal economic growth, and are at least an order of magnitude less than the impact of growth in countries that have successfully industrialized, such as China. Of course any reduction in poverty is desirable, but since poor countries are being forced to make concessions in exchange for trade liberalization in rich countries, it is important that they approach trade negotiations with a clear assessment of the size of the potential benefits.

The basic logic of the models linking trade liberalization in rich countries to poverty reduction in developing countries is that the world price of some of the items produced in developing countries would rise, in the absence of rich country trade barriers. In other words, if rich countries did not impose barriers that restricted imports of sugar, textiles, or other items produced in developing countries, then rich countries would demand more of these items, driving up their price. Higher prices for these products translate into higher incomes for producers in developing countries. Some of this gain goes to the factory or farm owners in developing countries, but much of this increase in income is passed on to the factory or farm workers, many of whom are among the world's poor. This income gain will typically mean higher wages for those who are already working and also increased employment, as more workers are needed to meet the increase in demand.

A second feature concerning rich country trade liberalization is that it will not benefit all developing countries equally. In some cases, developing countries benefit from existing trade restrictions in rich countries. This is due to the fact that these trade restrictions raise prices in the rich countries above the world market price. Insofar as developing countries are allowed to export into these markets, they are able to sell their products at higher prices than would be the case in the absence of trade barriers. This is the case with sugar exports to the United States, for example. The United States provides sugar quotas to countries in Central America and elsewhere that allow them to sell fixed amounts of sugar in the United States at prices that are far above the world market level. If the United States eliminates this quota system, these countries would be able to sell more sugar in the United States, but they would get a far lower price.

Similarly, the United States currently has a quota system for most textile and apparel imports (which is scheduled to be eliminated at the end of 2004). This allows quota holders to sell a fixed volume of textiles and apparel at a price that exceeds the world market price. With the elimination

of these quotas, developing countries will be able to sell more textiles and apparel to the United States, but at a lower price. Countries that currently have relatively large export quotas are likely to lose in this scenario.

Another case of a loss from rich country trade liberalization stems from the removal of export subsidies. When rich countries subsidize products that compete with producers in the developing world, this is a loss for those producers. The subsidies lower the world market price and thereby reduce the income of producers in the developing world. However, insofar as developing countries are also consumers of the subsidized products, the elimination of rich country subsidies will be a loss. For example, if a developing country produces no cotton, then it is currently a beneficiary of rich country subsidies to cotton producers, since it is able to buy cotton and cotton products at a lower price than would be the case if the subsidies were eliminated. The same is true for subsidies to food crops. Many of the world's poorest countries are net importers of food, and therefore benefit from rich countries' subsidies that drive down the price of these food crops.

Therefore, the removal of rich country export subsidies will have a mixed effect on the developing world. Countries that export large volumes of products that are in direct competition with the subsidized items will gain from the elimination of subsidies. But countries that produce relatively small amounts of the subsidized goods will be hurt by the elimination of the rich country subsidies.

## **Dataset 4: Agriculture in India**

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Source: PBS Frontline World

[http://www.pbs.org/frontlineworld/rough/2005/07/seeds\\_of\\_suicidlinks.html](http://www.pbs.org/frontlineworld/rough/2005/07/seeds_of_suicidlinks.html)

India's economy has grown at an average annual rate of 6.8 percent since 1994, reducing poverty by 10 percent. However, 40 percent of the world's poor live in India, and 28 percent of the country's population lives below the poverty line. More than one third live on less than a dollar a day, and 80 percent live on less than two dollars a day.

India's recent economic growth has been attributed to the service industry, but 60 percent of the workforce remains in agriculture.

The Indian government was forced to reform its agricultural policy in the late 1960s when an imbalance in food imports was exacerbated by two years of drought in 1965 and 1966. World Bank, the Rockefeller Foundation, and the U.S. Agency for International Development chipped in assistance to develop high-yield rice and wheat "miracle seeds." These seeds, combined with the Indian government's assistance with modern farm machinery, price incentives and a more efficient food distribution system, resulted in what came to be known as the Green Revolution.

The new seeds and fertilizers worked for many: India's food production rose from 72 million tons in 1965-66 to 152 million tons in 1983-84, eliminating the country's dependence on food grain imports. In addition to their planting the new seeds, farmers' use of chemical fertilizers jumped from 1.1 million tons to more than 12.5 million tons in the first decade of the Green Revolution, and irrigated land grew from 74 million acres in 1965-66 to 111 million acres in 1988-89.

In the late 1980s, however, the Green Revolution began to fall apart as the chemical fertilizers rendered soil infertile. Farmers who had once diversified risk by growing as many as 30 different crops in their fields were dependent upon just one. As the quality of the soil deteriorated, they faced zero yields and an inability to pay their debts. Three years of drought beginning in 2001 further fueled the crisis.

Twenty-five thousand farmers have committed suicide under these circumstances since 1997. In the state of Andhra Pradesh alone, 4,500 farmers have committed suicide in the past seven years. This does not include the number of family members of farmers who have also killed themselves.

Sources: "Harvesting Death," by Sarita Tukaram; CIA Factbook; Lonely Planet Guide: India; PBS; BBC.

## Dataset 6: Water and Poverty

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World Bank 2006 Human Development Report pp 16-18: Water and Poverty.

### A crisis above all for the poor

The crisis in water and sanitation is—above all—a crisis for the poor. Almost two in three people lacking access to clean water survive on less than \$2 a day, with one in three living on less than \$1 a day. More than 660 million people without sanitation live on less than \$2 a day, and more than 385 million on less than \$1 a day (figure 4).

The distribution of access to adequate water and sanitation in many countries mirrors the distribution of wealth. Access to piped water into the household averages about 85% for the wealthiest 20% of the population, compared with 25% for the poorest 20% (figure 5). Inequality extends beyond access. The perverse principle that applies across much of the developing world is that the poorest people not only get access to less water, and to less clean water, but they also pay some of the world's highest prices:

- o People living in the slums of Jakarta, Indonesia; Manila, the Philippines; and Nairobi, Kenya, pay 5–10 times more for water per unit than those in high-income areas of their own cities—and more than consumers pay in London or New York (figure 6).
- o High-income households use far more water than poor households. In Dar es Salam, Tanzania, and Mumbai, India, per capita water use is 15 times higher in high-income suburbs linked to the utility than in slum areas.
- o Inequitable water pricing has perverse consequences for household poverty. The poorest 20% of households in El Salvador, Jamaica and Nicaragua spend on average more than 10% of their household income on water. In the United Kingdom a 3% threshold is seen as an indicator of hardship.

### Closing the gaps between current trends and targets

Changing this picture is not just the right thing to do, but also the sensible thing to do. It is the

right thing to do because water and sanitation are basic human rights—and no government should be willing to turn a blind eye to the current level of human rights violation or the associated loss of human potential. And it is the sensible thing to do because access to water and sanitation equips people to get themselves out of poverty and to contribute to national prosperity.

Quantifying the potential gains for human development from progress in water and sanitation is difficult. But best estimates suggest that the benefits heavily outweigh the costs. The additional costs of achieving the Millennium Development Goal on the basis of the lowest-cost, sustainable technology option amount to about \$10 billion a year. Closing the gap between current trends and target trends for achieving the Millennium Development Goal for water and sanitation would result in:

- o Some 203,000 fewer child deaths in 2015 and more than 1 million children's lives saved over the next decade.
  - o An additional 272 million days gained in school attendance as a result of reduced episodes of diarrhoea alone.
  - o Total economic benefits of about \$38 billion annually. The benefits for Sub-Saharan Africa—about \$15 billion—would represent 60% of its 2003 aid flows. Gains for South Asia would represent almost \$6 billion.
- Can the world afford to meet the costs of accelerated progress towards water and sanitation provision? The more appropriate question is: can the world afford *not* to make the investments?

The \$10 billion price tag for the Millennium Development Goal seems a large sum—but it has to be put in context. It represents less than five days' worth of global military spending and less than half what rich countries spend each year on mineral water. This is a small price to pay for an investment that can save millions of young lives, unlock wasted education potential,

free people from diseases that rob them of their health and generate an economic return that will boost prosperity.

## **Dataset 7: Poverty and Globalization**

Excerpt from IFPRI Issue Brief 52 • September 2008

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### **ADDRESSING POVERTY AND HUNGER IN A CONTEXT OF GLOBALIZATION**

In general, it is difficult to make definitive statements about whether globalization has helped to reduce poverty or not because winner–loser patterns are complex between and within countries. Indeed, because both globalization and poverty are multidimensional concepts, their linkages and influences are also multidimensional. As such, globalization may affect the poor in developing countries in different ways; thus, it is not surprising that assessments of the relationship between globalization and poverty vary dramatically, ranging from very negative to very positive. These different assessments fuel the already intense debate on globalization's effects on poverty.

#### ***Helping the Poor to Benefit: Domestic Policies and Conditions in Developing Countries.***

One of the important causes of poverty in some low-income countries is military and social conflict; thus, peace and security are essential for growth, poverty reduction, and food security. National policy actions and sustained international diplomatic and political engagement and financial support are therefore crucial to bringing peace and reconciliation to countries affected by conflict and to sustain fragile political transitions. Furthermore, a strong macroeconomic foundation and prudent macroeconomic policies are necessary to promote growth and accelerate poverty reduction, as vulnerable populations tend to suffer disproportionately from increased volatility and macroeconomic crises. And although growth is a precondition for tackling poverty and hunger, it is not always enough to bring about poverty reduction. At the least, pro-poor economic growth must be distribution-neutral and must improve the incomes of the poor (ideally, their incomes would increase more quickly than the incomes of non-poor groups, improving income distribution) by supporting those sectors in which they earn their livelihoods (such as agriculture in many low-income countries) and expanding the demand for factors of production they possess. In effect, because three-quarters of the world's poor depend directly or indirectly on agriculture (as small farmers, artisans, small entrepreneurs, and landless rural workers), broad-based rural development requires special attention. This effort should include investment in public goods—especially roads, transportation, communications (including ICTs), marketing institutions, and information—to reduce transaction costs, facilitate employment, and generate investments in rural areas, particularly in the rural nonfarm sector.

#### ***Helping the Poor to Benefit: International Policies and Institutions.***

Developing countries cannot confront the challenges of building a more developed and inclusive society with internal policies only. Even when they implement the best policies, some issues are global in nature and cannot be resolved until industrialized countries are more committed to building a pro-poor world economy. This requirement applies to world agriculture in particular. Thus, a number of global policy issues require attention:

- *Global governance architecture of the food system.* The roles and structures of global organizations that address food, agriculture, and related health issues require rethinking and adjustment. The traditional roles of the WTO and global public investment agencies such as the World Bank and regional development banks also need consideration in this context.

- *Global trade policy reform in the interest of developing countries.*

Trade negotiations must reduce the combination of agricultural protectionism and high subsidies in industrialized countries that has limited agricultural growth in the developing world and weakened food security in vulnerable countries by competing with domestic production. Trade barriers between and within developing countries must be reduced as well. At the same time, there is a need for time-bound and properly targeted instruments that offer relief to vulnerable producers and consumers faced with unusual market conditions. In these situations, more rather than less globalization is necessary, provided there are appropriate safety nets.

- *Employment and social policy.* Efficient and effective national policies should be supported by global actions, especially transnational learning about social protection policies that reach the poor and hungry in rural areas.

- *Global agricultural innovation and technology and environmental policy serving the poor.*

Expanding adaptive research for productivity- enhancing agricultural technology that is focused on the needs of poor farmers and consumers in developing countries can contribute to enhanced food security, nutrition, and health. Industrialized countries should provide scientific and financial support for technology development in poor countries and in Africa in particular. Similar arguments apply to research on health issues that overwhelmingly affect the world's poor.

**Joachim von Braun** is director general of the International Food Policy Research Institute. **Eugenio Díaz-Bonilla** is executive director for Argentina and Haiti at the Inter-American Development Bank.

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## Dataset 8: UN Inequality Rankings

Sources: UN Human Development Report 2007/2008

Country	UN R/P 10%	UN R/P 20%	UN Gini
<a href="#">Namibia</a>	128.8	56.1	74.3
<a href="#">Lesotho</a>	105	44.2	63.2
<a href="#">Sierra Leone</a>	87.2	57.6	62.9
<a href="#">Central African Republic</a>	69.2	32.7	61.3
<a href="#">Botswana</a>	43	20.4	60.5
<a href="#">Bolivia</a>	168.1	42.3	60.1
<a href="#">Haiti</a>	71.7	26.6	59.2
<a href="#">Colombia</a>	63.8	25.3	58.6
<a href="#">Paraguay</a>	65.4	25.7	58.4
<a href="#">South Africa</a>	33.1	17.9	57.8
<a href="#">Brazil</a>	51.3	21.8	57
<a href="#">Panama</a>	57.5	23.9	56.1
<a href="#">Guatemala</a>	48.2	20.3	55.1
<a href="#">Chile</a>	33	15.7	54.9
<a href="#">Honduras</a>	34.2	17.2	53.8
<a href="#">Ecuador</a>	44.9	17.3	53.6
<a href="#">El Salvador</a>	57.5	20.9	52.4
<a href="#">Peru</a>	30.4	15.2	52
<a href="#">Dominican Republic</a>	28.5	14.3	51.6
<a href="#">Argentina</a>	40.9	17.8	51.3
<a href="#">Papua New Guinea</a>	23.8	12.6	50.9
<a href="#">Zambia</a>	32.3	15.3	50.8
<a href="#">Niger</a>	46	20.7	50.5
<a href="#">Swaziland</a>	25.1	13	50.4
<a href="#">The Gambia</a>	20.2	11.2	50.2
<a href="#">Zimbabwe</a>	22	12	50.1
<a href="#">Costa Rica</a>	37.8	15.6	49.8
<a href="#">Malaysia</a>	22.1	12.4	49.2
<a href="#">Venezuela</a>	48.3	16	48.2
<a href="#">Madagascar</a>	19.2	11	47.5
<a href="#">Mozambique</a>	18.8	9.9	47.3

<a href="#">Nepal</a>	15.8	9.1	47.2
<a href="#">Guinea-Bissau</a>	19	10.3	47
<a href="#">People's Republic of China</a>	21.6	12.2	46.9
<a href="#">Rwanda</a>	18.6	9.9	46.8
<a href="#">Mexico</a>	24.6	12.8	46.1
<a href="#">Uganda</a>	16.6	9.2	45.7
<a href="#">Jamaica</a>	17.3	9.8	45.5
<a href="#">Uruguay</a>	17.9	10.2	44.9
<a href="#">Cameroon</a>	15.7	9.1	44.6
<a href="#">Côte d'Ivoire</a>	16.6	9.7	44.6
<a href="#">Philippines</a>	15.5	9.3	44.5
<a href="#">Nigeria</a>	17.8	9.7	43.7
<a href="#">Turkey</a>	16.8	9.3	43.6
<a href="#">Hong Kong</a>	17.8	9.7	43.4
<a href="#">Nicaragua</a>	15.5	8.8	43.1
<a href="#">Iran</a>	17.2	9.7	43
<a href="#">Kenya</a>	13.6	8.2	42.5
<a href="#">Singapore</a>	17.7	9.7	42.5
<a href="#">Burundi</a>	19.3	9.5	42.4
<a href="#">Thailand</a>	12.6	7.7	42
<a href="#">Cambodia</a>	12.2	7.3	41.7
<a href="#">Senegal</a>	12.3	7.4	41.3
<a href="#">Ghana</a>	14.1	8.4	40.8
<a href="#">Turkmenistan</a>	12.3	7.7	40.8
<a href="#">United States</a>	15.9	8.4	40.8
<a href="#">Georgia</a>	15.4	8.3	40.4
<a href="#">Sri Lanka</a>	11.1	6.9	40.2
<a href="#">Mali</a>	12.5	7.6	40.1
<a href="#">Russia</a>	12.7	7.6	39.9
<a href="#">Tunisia</a>	13.4	7.9	39.8
<a href="#">Burkina Faso</a>	11.6	6.9	39.5
<a href="#">Morocco</a>	11.7	7.2	39.5
<a href="#">Israel</a>	13.4	7.9	39.2
<a href="#">Republic of Macedonia</a>	12.5	7.5	39
<a href="#">Malawi</a>	10.9	6.7	39
<a href="#">Mauritania</a>	12	7.4	39
<a href="#">Trinidad and Tobago</a>	12.9	7.6	38.9
<a href="#">Jordan</a>	11.3	6.9	38.8

<a href="#">Guinea</a>	10.5	6.6	38.6
<a href="#">Portugal</a>	15	8	38.5
<a href="#">Latvia</a>	11.6	6.8	37.7
<a href="#">India</a>	8.6	5.6	36.8
<a href="#">Uzbekistan</a>	10.6	6.2	36.8
<a href="#">Azerbaijan</a>	9.7	6	36.5
<a href="#">Benin</a>	9.4	6	36.5
<a href="#">New Zealand</a>	12.5	6.8	36.2
<a href="#">Italy</a>	11.6	6.5	36
<a href="#">Lithuania</a>	10.4	6.3	36
<a href="#">United Kingdom</a>	13.8	7.2	36
<a href="#">Estonia</a>	10.8	6.4	35.8
<a href="#">Algeria</a>	9.6	6.1	35.3
<a href="#">Australia</a>	12.5	7	35.2
<a href="#">Spain</a>	10.3	6	34.7
<a href="#">Laos</a>	8.3	5.4	34.6
<a href="#">Tanzania</a>	9.2	5.8	34.6
<a href="#">Poland</a>	8.8	5.6	34.5
<a href="#">Egypt</a>	8	5.1	34.4
<a href="#">Vietnam</a>	6.9	4.9	34.4
<a href="#">Greece</a>	10.2	6.2	34.3
<a href="#">Indonesia</a>	7.8	5.2	34.3
<a href="#">Ireland</a>	9.4	5.6	34.3
<a href="#">Kazakhstan</a>	8.5	5.6	33.9
<a href="#">Armenia</a>	8	5	33.8
<a href="#">Switzerland</a>	9	5.5	33.7
<a href="#">Bangladesh</a>	7.5	4.9	33.4
<a href="#">Yemen</a>	8.6	5.6	33.4
<a href="#">Moldova</a>	8.2	5.3	33.2
<a href="#">Belgium</a>	8.2	4.9	33
<a href="#">Mongolia</a>	8.2	5.4	32.8
<a href="#">France</a>	9.1	5.6	32.7
<a href="#">Canada</a>	9.4	5.5	32.6
<a href="#">Tajikistan</a>	7.8	5.2	32.6
<a href="#">South Korea</a>	7.8	4.7	31.6
<a href="#">Albania</a>	7.2	4.8	31.1
<a href="#">Romania</a>	7.5	4.9	31
<a href="#">Netherlands</a>	9.2	5.1	30.9

<a href="#">Pakistan</a>	6.5	4.3	30.6
<a href="#">Kyrgyzstan</a>	6.4	4.4	30.3
<a href="#">Ethiopia</a>	6.6	4.3	30
<a href="#">Belarus</a>	6.9	4.5	29.7
<a href="#">Bulgaria</a>	7	4.4	29.2
<a href="#">Austria</a>	6.9	4.4	29.1
<a href="#">Croatia</a>	7.3	4.8	29
<a href="#">Slovenia</a>	5.9	3.9	28.4
<a href="#">Germany</a>	6.9	4.3	28.3
<a href="#">Ukraine</a>	5.9	4.1	28.1
<a href="#">Finland</a>	5.6	3.8	26.9
<a href="#">Hungary</a>	5.5	3.8	26.9
<a href="#">Bosnia and Herzegovina</a>	5.4	3.8	26.2
<a href="#">Norway</a>	6.1	3.9	25.8
<a href="#">Slovakia</a>	6.7	4	25.8
<a href="#">Czech Republic</a>	5.2	3.5	25.4
<a href="#">Sweden</a>	6.2	4	25
<a href="#">Japan</a>	4.5	3.4	24.9
<a href="#">Denmark</a>	8.1	4.3	24.7

## Dataset 11: Education and Poverty

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[Education](#) is perhaps the best long-term solution to poverty in the developing world. Time and time again, experts say that educating children, especially [girls](#), is the key to ending the global ‘cycle of poverty.’ [Kathleen McHugh](#), of the [non-governmental organization Save the Children](#) says that “focusing on education is going to have ripple effects... will probably mitigate cases of [HIV/AIDS](#)... it is going to open up a lot of economic opportunities as well. I think that education is definitely a key area to focus on.”

The [United Nations](#) Universal Declaration of Human Rights states that “everyone has the right to an education.” Unfortunately, education is still a distant dream for many. Nearly 113 million children are not able to attend primary school. And 264 million children who might be attending secondary schools (the equivalent of high schools) do not. Around one billion adults lack one of the most basic skills taught in schools – [literacy](#).

### **Kathleen McHugh on Education:**

"I think that education is definitely a key area to focus on."

- Kathleen McHugh, Senior Management Support Specialist at 'Save the Children'

Also, girls are often short-changed when it comes to education in developing countries. Two-thirds of illiterate adults are women. In some countries, traditional beliefs cause parents to keep their daughters from attending school, or focus on boys' education much more than girls'.

Many groups are starting to respond to this huge lack of education, however. The [World Bank](#) has already given over \$33 billion to education-related projects (it is currently one of the world's largest funders of educational programs). The United Nations' [Millennium Development Goals](#) also feature education prominently, calling for countries to achieve universal primary education for their children, and also for girls to be given an equal opportunity in education. Global partnerships such as Education for All (EFA), launched in Thailand in 1990, are connecting organizations from the World Bank to [UNESCO](#) (United Nations Educational, Scientific, and Cultural Organization) to spread education, especially in developing countries that are struggling with their education programs.

If developing countries can offer good quality education to kids, the results will be tremendous. Education is considered a ‘vaccine’ for HIV/AIDS – if children are educated about the disease, they are much less likely to contract the disease. Literacy helps communication and reasoning skills in children. And most importantly, education can help children from impoverished families

break out of poverty. For every year of schooling children have, their salary as an adult will increase by an average of 10% - whether they are a girl OR a boy.

Source: [http://library.thinkquest.org/05aug/00282/edu\\_poverty.htm](http://library.thinkquest.org/05aug/00282/edu_poverty.htm) 2/4/09