



The Number of People in Extreme Poverty Reaches Historical Minimum

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As good news is less scandalous, it is rarely spread. However, it is necessary to point out that the percentage of people, who live in poverty, reached a historic minimum in 2018. Unfortunately, there was no appropriate reaction of the international community regarding this development.

Over the last 30 years, the number of people who live in poverty has decreased by 1 billion.

In the contemporary period, more than 750 million people spent less than \$1.90 daily. In 1990, this number reached one third of the world population (in both cases, income was measured with

the purchasing power parity (PPP) method, using constant prices for 2011) Developments in China are strongly influencing this picture. While worldwide income per capita (constant prices for 2010) increased by 48% between 1990 and 2017 (from \$7170 to \$10,635), in China income growth per capita reached 1000% in the same period (from \$730 to \$7300). A 300% growth – modest in comparison with China, but still impressive – occurred in India, where average income increased by the factor four and reached \$2000.

In Georgia, the annual income per capita increased from \$960 to \$4300 between 1994 and 2017.

With regard to global poverty, Africa remains the most problematic region. While Asia is rapidly moving forward and progress is also noticeable in Latin America, there has been no significant economic growth in Africa. Between 1990 and 2015, the number of people on the African continent, who live in extreme poverty, increased from 278 to 413 million. This is however mostly due to population growth, rather than due to a growth of the percentage indicator. It is expected that, by 2030, nine out of ten Africans, who suffer extreme poverty, will live in Sub-Saharan Africa.

The overall reduction of global poverty does however not imply that socio-economic conditions are improving in all countries. Apart from the fact that 750 million people still remain in poverty, in states such as Venezuela and Syria, the situation has significantly deteriorated over the last five years. Problems have also increased in Egypt and Libya. At the same time, problems exist in other states, where the income gap between the rich and poor is increasing. However, due to economic growth the situation of the poor will improve in the long run. Two centuries ago, at the beginning of the industrial revolution, around 80% of the world population lived in extreme poverty and many people were spending their lives in slavery. In the contemporary period, the situation has drastically changed, but even in rapidly developing countries one could still find people who lived in bad conditions. However, in the framework of long-term policy, all people can enjoy benefits.

Nowadays, the situation is therefore radically different. Even though poverty will not be fully eradicated in the near future, a further reduction can be predicted.

Most economists agree, that discussing about sentimental statistics according to which about 26-27 of the world's richest people own more property than more than 3 billion people together, is

insignificant or even unfair. Together with Bill Gates, who has spent \$30 billion to save the lives of millions of children in Africa, Microsoft, Google and other giant companies have created new opportunities to deliver knowledge and set up new communication systems, providing better prospects for poor people and, in many cases, allowing them to escape poverty. Neither Bill Gates nor Mark Zuckerberg and Elon Musk have accumulated their riches by colonizing Africa, Asia or Latin America. Instead, they have created new wealth, which did not exist before and which has made a considerable contribution to reducing the level of poverty in different regions of the world.

The Sustainable Development Goals (SDGs), which have been agreed upon by the leading representatives of the international democratic community, play an important role in reducing poverty on the global level. The SDGs, also known as the Global Goals, represent a universal call for action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity.

The 17 goals build on the success of the Millennium Development Goals, while including new areas such as climate change, economic inequality, innovation, sustainable consumption, peace and justice, among other priorities. All those goals are widely interconnected – the key to reaching one will often involve tackling issues more commonly associated with another.

The SDGs came into effect in January 2016 and will continue to guide the United Nations Development Program's (UNDP) policy and funding until 2030. As the lead UN development agency, the UNDP is uniquely equipped to help implement the goals in some 170 countries and territories.