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"The Last Mile in ending Extreme Poverty:

An enlightening debate addressing one of global society's biggest challenges"

A PANEL DISCUSSION ADDRESSING EXTREME POVERTY AND ITS ERADICATION, HIGHLIGHTING PAST SUCCESSES, PRESENT EFFORTS AND FUTURE CHALLENGES OF THE GLOBAL ISSUE

This event, held at the prestigious Brookings Institution in Washington D.C., acted as a platform for the launch of the Book "The last mile in ending Extreme Poverty". The book, a collection of numerous reports and papers published by economists, political scientists and experts alike, acknowledges the recent developments in poverty reduction while identifying the three challenges that remain in the "last mile" to the eradication of extreme poverty globally: securing peace, creating jobs, and strengthening resilience. The panel discussion and following Q& A was hosted by Homi Kharas, Senior Fellow and Deputy Director of the Global Economy and Development and the Development Assistance and Governance Initiative at Brookings and included Kharas' colleague Laurence Chandy, Raj Desai, associate Professor at the Edmund A. Walsch School of Foreign Service at Georgetown University, Hiroshi Kato, Vice President of the Japan International Cooperation Agency (JICA), and Ana Revenga, the Senior Director of the "Poverty Global Practice" Programm at the World Bank. The panelists debated the three challenges the international community faces, an action plan to an effective and long-lasting solution to end extreme poverty and through this informed the audience on notable insights and various development research and poverty reduction strategies for governments, international organizations, donors, charities, and foundations around the world.

The underlying notion of hope transcended into the discussion early on as the panelists addressed the growing understanding that the eradication of extreme poverty is no longer a distant obstacle of the future but a concrete challenge and attainable goal of the present. The transition from the motto "we can tackle poverty" towards "we can stop poverty" reflected in the arguments of those seated on stage. Hiroshi Kato, praised China's significant role in reducing global poverty (China is responsible for three-fourths of the achievement effort, lifting over 68 million Chinese out of extreme poverty between 1981 and 2010), a reinforcing factor that the internationally accepted goal of eradicating extreme poverty by 2030 appears "realistic" and "achievable".

In order to successfully reach the goal, be it ambitious or not, depends on how the international community copes with the three challenges of securing peace, creating jobs, and strengthening resilience on a global scale. The panelists mutually agreed that peace is the foundation of economic development, job creation fosters the growth of workers, competition and wages, and resilience allows nations to cope with unforeseen circumstances and developments.

Achieving political stability and a peaceful environment in a nation encourages foreign investment, inter-national business relations and economic growth. Regional conflicts, in form of a rampant sweep of terroristic barbarism in the Middle East at the hands of ISIS or Russia's military aggression in the Ukraine obstruct these benefits and cripple the local, regional, national and lastly, through the implementation of international sanctions,

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global economy. Laurence Chandy underlines this notion that conflict and poverty are highly correlated by using Syria as a Case Study. Before the armed conflict between the Syrian rebel forces and troops of President Asaad and the flood of ISIS terror into the country in 2011, 3% of the Syrian population lived in extreme poverty. This percentage increased dramatically and by 2014 over 30% of the Syrian population lived under \$1.25 a day.

“The Last Mile in ending Extreme Poverty” also addresses the importance of job creation in ensuring the eradication of extreme poverty in the near future and emphasized the significant role of private-sector led employment growth in the process. The United Nations Social Policy and Development Division (UNDSPD) recognizes the correlation between the creation of jobs and heightened economic activity: “The creation of productive employment opportunities is essential for achieving poverty reduction and sustainable economic and social development”. Ana Revenga went on to quote the World Bank’s 2013 World Development Report which stresses the role of strong private-sector-led growth in creating jobs and outlines how jobs that catapult development can spur a virtuous cycle. According to the report, “(poverty) reduction is the result of multiple factors, but the creation of millions of new, more productive jobs, mostly in Asia but also in other parts of the developing world, has been the main driving force behind the visible poverty reduction of recent years”.

Lastly, the panelists debated the third challenge that the international community needs to overcome to achieve their goal of a world freed of extreme poverty. Resilience, in the form of economic risk management, is an essential tool for development and poverty reduction. This allows these nations the ability to successfully cope with these overarching

challenges given a deep sense of interconnectedness on a demographic, political and economic level. In order to successfully manage a financial crisis, with the same magnitude as witnessed in 2008, Hiroshi Kato advised developing countries to set up “mechanisms to cope with the situation of an economic downfall”, “foster global growth through macro management efforts” and urged the leaders to “think forward” on the creation of social safety nets.

Ana Revenga, who heads the Poverty Global Practice program at the World Bank, also recognizes that following the previous agenda won’t be sufficient, as “distributional changes are needed”. Those changes, according to Revenga include, but should not be limited to boosting shared prosperity to narrow the growing wealth gap, upon which a dynamic mobility will follow and attract financial commitment from foreign states and the global development community. Furthermore, Revenga underlined the importance of a concentrational shift towards state education and accessible health care, issues Revenga feels the World Bank needs to “up its game on”, and reminded the audience that in a world where most individuals living off less than \$1.25 a day (the recognized marker for extreme poverty) reside in rural areas, “boosting agricultural productivity” through financial investment and material aid will “play a major role in eradicating extreme poverty by 2030”.

The event “The Last Mile in Ending Extreme Poverty” effectively engaged the three primary challenges, offering interesting solutions and sparking fruitful debate. The panelists offered compelling insights into the past accomplishments, present efforts and future obstacles of the international community, leaving one with a sense of profound optimism concerning the goal’s achievability. The event successfully shed



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light onto the goal of eradicating extreme poverty by 2030, encouraging a mental pivot from regarding the eradication of extreme global poverty as a distant obstacle of the future to an attainable goal of the present through efforts of intra and international cooperation and a reform in policy objectives.

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